

African smallholders in focus – a voice in EU trade policy



RIGHT TO FOOD OF TOMATO AND POULTRY FARMERS

Report of an investigative mission to Ghana



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Acronyms

ACP

Africa Caribbean and Pacific

CEPIL

Center for Public Interest Law

CEPS

Customs Exercise and Preventive Service

ICESCR

International Covenant on Economic Social and Cultural Rights

CET

Common External Tariff

CSO

Civil Society Organization

ECOWAS

Economic Community of West African States

EPA

Economic Partnership Agreement

ESA

Eastern and Southern Africa

EU

European Union

FAO

Food and Agricultural Organization

GHS

Ghana New Cedi

GNAPF

Ghana National Association of Poultry Farmers

IMF

International Monetary Fund

MOFA

Ministry of Food and Agriculture

MOTI

Ministry of Trade and Industry & Presidential Special Initiative

NGO

Non Governmental Organization

SAP

Structural Adjustment Programme

SSP

Small-Scale Producers

UEMOA

Union Economique et Monétaire Ouest Africaine

USA

United States of America

WB

World Bank

WTO

World Trade Organization

1.0 Introduction

This is the report of an Investigative Mission to Ghana between the period of 29th June and 6th July 2007. The mission was composed of representatives of FIAN International, FIAN Germany, FIAN Ghana, the President of the Peasant Farmers Association of Ghana and a representative of the SEND Foundation of W/A. The mission was necessitated out of the numerous reports of the negative impacts of EU agricultural policy on African small-scale farmers. Notwithstanding, few have analyzed the impacts from a Human Rights perspective. The Right to adequate Food is a Fundamental Human Right enshrined in Article 11 of the International Covenant on Economic, Social and Cultural Rights (ICESCR).

The aim of the five-member mission was to investigate whether the Right to adequate Food of tomato and poultry producing communities has already been negatively impacted or violated by trade policies. In addition, the aim was to investigate whether the upcoming agreements within ECOWAS on a Common External Tariff (CET) and the Economic Partnership Agreement (EPA) between ECOWAS and the European Union pose a threat to the Right to adequate Food. The focus of the investigation on the Right to Food of small-scale producers of poultry and tomato was chosen because of the extent of damage caused to these sectors in Ghana by cheap or substandard products from Europe and other regions. These two sectors are strategic to Ghana and have a huge potential to ensuring the sustainable income to households and consequently their Right to adequate Food.

The mission visited two communities. Community members of Ashaiman and Koluedor depend on the production of poultry and tomato respectively for their livelihoods. Interviews were conducted on farmers of these two communities as well as government officials and experts of non-governmental organizations in trade and agriculture. This report presents the findings of the Investigative Mission. It does not claim to follow academic standards of research. The intention is rather to share our findings from the discussions we had and present our assessment from a Human Rights perspective.

2.0 Background

Advocates of trade liberalization argue that it will lead to economic development. This approach to development has guided the trade relations between the European Union (EU) and the countries of Africa, the Caribbean and Pacific (ACP), as well as the policies of International Monetary Fund (IMF) and World Bank (WB) towards countries such as Ghana. Many studies have documented the negative impact of liberalization in African countries and other parts of the world¹. Of special importance to the development of these countries is the agricultural sector, a sector which has been devastated by structural adjustment policies. While these policies have promoted large-scale agricultural production for export, African small producers have been the worst affected. Now, the EU has proposed Economic Partnership Agreements (EPAs) to replace the established trade agreements between the EU and former colonies, the ACP countries. The EPAs are currently under negotiations. However, there have been growing concerns among negotiators of the ACP regions, civil society organizations and farmer organizations about the potential threats of this new trade relationship to the livelihoods of millions engaged in the agricultural sector in particular.

There is considerable evidence that international trade rules have contributed negatively to national food security in developing countries in many cases². Through the structural adjustment programmes of the International Monetary Fund and the World Bank, developing countries reduced considerably the support and protective measures to their farmers. In addition, developing countries were made to believe that with a shift in focus towards promoting export crops, such countries would be able to import agricultural products to meet their food security needs. By this, developing countries formulated policies targeted at promoting export crops to the neglect of food crops, and similarly infrastructure provision was limited to the export crop sectors. Meanwhile the small-scale producers are the significant contributors to national food security. However, they do not only lack state support, their products experience intense competition from cheap imports. In Ghana, this is especially the case for rice, poultry and tomato.

Since the adoption of the Right to Food as one of the Fundamental Human Rights, governments of states are obliged to put in place laws that will ensure that no individual suffers from hunger and that, progressively, the Right to adequate Food is fully realized. In a first step, governments have to identify vulnerable groups and assess the impact of existing policies on these groups' ability to feed themselves adequately. In the case of Ghana, as in most developing countries, small-scale farmers constitute a group among the vulnerable in society and are likely to suffer from hunger and

malnutrition. The state therefore has to pay special attention to policies that respect, protect and fulfill the Right to adequate Food of small-scale farmers. However, international trade rules pushing liberalization, take away the political space for states to enact and implement the appropriate laws that will ensure the Right to Food of every individual, especially small-scale farmers.

2.1 Ghana and the International Trade Regime

Liberalization in the early 1980s marked the genesis of import surges in the economies of developing countries. Policies aimed at liberalization were forced on governments during this period by the Bretton Woods institutions (IMF and World Bank) as part of Structural Adjustment Programmes (SAP). In Ghana, it was during the military reign of Jerry John Rawlings, when the economy was performing poorly – characterized with high inflation, huge budget deficits among others – that the government turned to the Bretton Woods institutions for assistance. The assistance was not limited to financial packages but Bretton Woods led liberalization policies under the SAP. In the 1980s and 1990s tariffs were drastically reduced, particularly on agricultural products such as tomato, poultry and rice.

Ghana became a member of the World Trade Organization (WTO) in 1995 and is bound by the Agreement on Agriculture (AoA) which was negotiated in the 1986-1994 Uruguay Round. The Agreement on Agriculture makes the use of non-tariff barriers illegal and obliged developing countries to reduce the average of bound tariffs for agricultural tariff lines by 24 percent from 1995 to 2004. The current bound tariff on agricultural products including poultry and tomato is 99 percent. However, since 1992 and until today the applied tariff on agricultural products such as tomato, poultry and rice is 20 percent. In the case of imported tomato paste for repackaging in Ghana, the tariff is even lower at 10 percent. With still a huge difference between the applied tariff and the ceiling of 99 percent, Ghana had and still has that opportunity under the WTO to increase tariff levels when necessary.

In 2003, when the negative impacts of tariff liberalization on the agricultural sector became obvious, particularly on the poultry and rice sectors, the government realized that it had to take measures to protect the livelihood of the millions of Ghanaians engaged in these sectors. The exporting countries took advantage of the lower applied tariff to dump their products on the Ghanaian market, rendering the locally produced rice and poultry products uncompetitive. Accordingly, in 2003, the government of Ghana indicated in the budget an increase in tariff on poultry and rice from 20 to 40 percent and 20 to 25 percent respectively. This was subsequently passed into law (Act 641) by the parliament of the Republic of Ghana. Under the WTO rules, this protective measure was within the rules since Ghana could increase the tariff to 99 percent.

¹ See for example Sharma 2005 and Paasch, Garbers and Hirsch 2007.

² See Paasch et al. 2007.

However, this was a short lived initiative; it was suspended on May 12th 2003 – just four days after the start of its implementation. This decision raised serious questions among the civil society and led to series of protest by farmer-based organizations and NGOs. Subsequently, the Ghana National Association of Poultry Farmers with the assistance of the Centre for Public Interest Law (CEPIL) filed a writ at the High Court of Justice against the government decision not to implement the law (ISODEC, 2007). The Court ruled in favor of the poultry farmers on March 11th 2005, by stating “that the suspension of the operation of the import duty rate contained in Act 641 is in violation of the Act itself and also in contravention with the Constitution of Ghana 1992”. A suspension of the Act was outside of the competence of CEPS but “can only be by a further Act of the Parliament”³.

However, under what is called certificate of urgency, on March 18th 2005, the government rushed to the parliament to have Act 641 repealed even before her Lordship Ashong-Yakubu delivered her verdict. In a heated vote in parliament the ruling New Patriotic Party scraped through with 98 votes against 92 by the Opposition National Democratic Congress to have the Act repealed (ISODEC, 2007). Further inquiries revealed that the International Monetary Fund (IMF) prevailed on the government not to implement the law⁴.

In its Food and Agricultural Sector Development Policy (FASDEP 1) of 2002, the government of Ghana declared its intention to reduce imports of poultry by 30 percent by the year 2004. The application of higher tariffs was taken into consideration in the strategy as one possible policy instrument. FASDEP 2 is currently under discussion.

A few weeks after our Investigative Mission, the Ghanaian government announced a temporary import ban on the importation of tomato paste and concentrate into the country, which became effective on November 1st 2007. The motivation behind the temporary ban is said to be unfair trade practices, including under-invoicing. The government has not indicated the intended timeframe for the ban. Also, importers have taken the government to court.

2.2. The Context of EPA: The New Threat to Ghanaian farmers

The Economic Partnership Agreements (EPAs) are intended to govern future economic relationships between the EU and 79 ACP countries following the expiration of the WTO waiver in 2008 on preferential access for ACP-countries to the EU market under the Cotonou Agreement. EPAs are proposed to be reciprocal free trade agreements between the EU and its 79 former colonies within the ACP bloc. In addition to establishing a free trade area under this new agreement, the integration of the economies of the ACP countries into the global

economy will take place. It also aims at strengthening the regional integration processes of ACP countries with emphasis on development dimensions of the ACP bloc and the core of the agreement is supposed to be the eradication of poverty. The negotiations are conducted in six blocks, four in Sub-Saharan Africa (ECOWAS, ESA, COMESA and SADC), and one in the Pacific and Caribbean regions respectively. It has been widely criticized that the fragmentation of negotiating groups causes disadvantages in the negotiation process⁵.

The establishment of a common external tariff (CET) by members of a bloc is one of the preparatory requirements towards the integration of the ACP countries economy into the world economy in general and to sign an EPA in particular. This is why, on January 12th 2006, the Heads of State and Government of ECOWAS, decided to adopt a CET and to implement it after a transitional period which ends on 31st December 2007. The eight French-speaking countries of West Africa (members of the Union Economique et Monétaire Ouest Africaine (UEMOA)) already have a CET, which is now the basis for the current negotiations on a CET for ECOWAS. The UEMOA CET requires an import tariff of 0 percent on social goods, 5 on raw materials, 10 on intermediate products and 20 percent on finished products. According to officials of the Ministry for Trade and Industry (MOTI), both tinned tomato paste and poultry parts fall under the category of finished products and would be charged with a tariff of 20 percent under this CET. This means that, if the UEMOA CET is adopted by ECOWAS, this would not cause any change of the *applied* tariffs on poultry and tomato paste in Ghana, which is currently at 20 percent. However, Ghana would lose the current policy space to increase tariffs to a level up to 99 percent, which is the bound tariff of Ghana for these products under its WTO schedule. This policy space however is necessary to maintain a development perspective for agriculture and to protect the Right to Food of farmers from cheap imports. Even the provision of “special” or “sensitive” products, which would allow exceptions from the regular CET, could not improve the situation. MOTI officials explained these exceptions would only allow to maintain tariffs but not to increase them.

The proposed EPA will undermine the state’s ability to protect the agricultural sector even further. The intention of the EU is that tariffs on imports from the EU be phased out for “substantially all trade”, in accordance with WTO. The phasing out is intended for ACP countries to adopt their economies to the liberalization process both in terms of the product coverage and commitments to dismantling of tariffs towards a free trade. As the bulk of tomato and poultry imports come from the EU, the EPAs are a major threat to Ghanaian farmers. Kofi Aaron Agyei-Henaku, Executive Director of the Ghana National Poultry Farmers Association, warns: “The EPA might kill our poultry industry completely and farmers will lose their jobs.” In the interview with representatives from

3 High Court 2005.

4 For discussion of the role of the IMF see chapter 5.

5 Schultheis and Bertow, 2007.



the Ministry for Agriculture (MOFA) the participants made a very strong statement that a phasing out of tariffs on poultry would mean that “farmers will have to find another business” as even in ten years poultry production will not be competitive with imports. The participants rather advocated for a gradual increase in tariffs coupled with support to farmers. Also in the case of tomato, the negative consequences of imports are expected to be dramatic.

The main threat of the EPA which also necessitates the ECOWAS CET is that ECOWAS countries have to open their markets wide for EU exports. Ghana and other ECOWAS countries are important markets for European exporters of poultry and tomato. The CET will also be applied to imports from other world regions. Further tariff reductions as part of the EPA agreement are therefore strategic for European exporters and are therefore to be expected. But already the CET curtails the states’ ability to increase tariffs to a level compatible with WTO which leaves the states a certain degree of flexibility.

2.3. The Right to Food in the EPA negotiations

The International Covenant on Economic, Social and Cultural Rights (ICESCR) is the most important international Human Rights instrument protecting the Right to adequate Food. The ICESCR is one of the two core covenants translating the UN Declaration of Human Rights into binding international law. Ghana ratified the ICESCR in 2000.

General Comment No. 12 by the UN Committee on Economic, Social and Cultural Rights (CESCR) is the authoritative legal interpretation of the Right to Food as it is laid down in the ICESCR. In this General Comment, the CESCR defined the normative content of the Right to adequate Food as follows:

“The Right to adequate Food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.”

It also defines the obligations that States parties have to fulfill in order to implement the Right to adequate Food at the national level. These are as follows:

- Obligation to respect – this means that state should respect existing access to food and not to take any measures that will make it difficult or prevent access to food.
- Obligation to protect – this means that states or governments must pass laws to prevent powerful individuals or enterprises from depriving or violating the Right to adequate Food of individuals.
- Obligation to fulfill (facilitate) – this means that states or government must take pro-active actions intended to strengthen peoples’ access to adequate food especially the vulnerable groups.

- In addition, in situations where access to adequate food of an individual or a group is threatened for reasons beyond their control, states have the obligation to fulfill (provide) this right directly by assistance.

The CESCR stated very clearly that states do not only have international human rights obligations towards their own population but also towards people living outside these states' borders and that they have to act according to these obligations during international negotiations on trade or other agreements:

“States parties should take steps to respect the enjoyment of the Right to Food in other countries, to protect that right, to facilitate access to food and to provide the necessary aid when required. States parties should, in international agreements whenever relevant, ensure that the Right to adequate Food is given due attention and consider the development of further international legal instruments to that end⁶.”

All member states of the EU have ratified the ICESCR, therefore all EU states and the EU itself have to respect, protect and contribute to the fulfillment of the Right to Food in other countries when negotiating trade agreements like the EPA. A key aspect is that not only shall no trade agreement undermine the ability of people in other countries to feed themselves directly, states must also ensure that any such agreement does not undermine the ability of states to protect and fulfill the Right to adequate Food of its population. A state like Ghana must in turn not enter an agreement that limits its ability to protect and fulfill the Right to Food nationally. Entering such an agreement can be seen as an act in violation of obligations under the International Covenant on Economic, Social and Cultural Rights.

As has already been hinted in this chapter and will be further discussed in chapter 5, Ghana has already experienced international coercion limiting its policy space – pressure from the International Monetary Fund not to increase tariffs. This has not only undermined democratic processes in Ghana, but has also substantially limited the ability of the state of Ghana to protect the Right to adequate Food of small-scale producers.

3.0. Import Surges: Evidence and Origin

3.1 Tomato paste

The competition that Ghanaian tomato farmers experience stems mainly from imported tomato paste. The import of tomato paste into Ghana is not recent, since as early as the late 1980s it is following the liberalization of the Ghanaian economy as part of the conditions of the IMF under the structural adjustment programme.

TOMATO PASTE IMPORTS IN METRIC TONNES (MT.) FROM 1998 TO 2003

Year	1998	1999	2000	2001	2002	2003
Imports	3,269	10,347	9,953	12,169	16,133	24,740

Source: Asuming-Brempong et al., 2006

The influx of the paste has reached astronomical levels. Asuming-Brempong et al. in a study sponsored by the FAO observed that imports rose from 3,300 Metric Tonnes in 1998 to 24,700 Metric Tonnes in 2003, this was a 650 percent increase over the period. In a Christian Aid study, it was estimated that the quantity of tomato paste that entered Ghana from the EU in 2003 at a cost of 25 Million Euro was lost in foreign exchange to the state. Even though in the FAO-sponsored study it was not so evident that there was price depression as a result of the imports, it confirmed that there were volume triggers according to Article 2 of WTO agreement on safeguard measures, that a member may apply to a product if that member has determined, “that such product is imported into its territory in such increased quantities, absolute or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to the industry that produces like or directly competitive products”⁷. Thus, the trigger volume was breached in 2001 and 2003 while domestic production fell from 215,000 Metric Tonnes to 200,000 Metric Tonnes during the same period, losing 35 percent of the market share⁸. Between 1999 and 2003, the major tomato exporting countries to Ghana included Italy, China, USA, Spain, Turkey, Greece, Portugal and Chile. Today, one finds 56 brands of tomato paste originating from Italy and China on the market, but recent import statistics on the volume of imports are not available. Ghanaian officials are not only concerned about the level of imports but also about the quality. A few months ago, the Food and Drugs Board went as far as executing site verification visits to tomato processing factories in China.

6 <http://www.unhcr.ch/tbs/doc.nsf/0/3d02758c707031d58025677f003b73b9?Opendocument>.

7 WTO page 275.

8 Asuming-Brempong et al., fig. 15, 2006.

Until the revamping of the Wenchi tomato factory by a private individual in 2004, there was no tomato paste production in Ghana for several years. As part of the Structural Adjustment Policies, the major tomato processing factories were divested but did not find investors for some time. For the farmers the lack of processing facilities impacts heavily on their ability to make an income from tomato farming. For example, the farmers in Koluedor harvest fresh tomatoes from the months of August to November. However, in areas that have been provided with irrigation facilities, crop can be harvested in other months as well. But majority of the farmers in Ghana produce tomatoes under rain-fed conditions. Fresh tomato is in abundance during this period and farmers end up selling it to traders at give-away prices as the option to prevent loss.

In March 2007, the Pwalugu factory – now Northern Star factory – was reopened. The factory is processing tomato produced in that catchments area. The Northern Star factory was reopened under a public–private partnership agreement. Northern Star sells one hundred percent of its produce to Trusty Foods Ltd. in Tema. Trusty Foods is a co-partner of the Italian AR Industrie Alimentari S.P.A. Thanks to Trusty Foods, AR reports a turnover of more than 4 Million Euro in Ghana. Trusty Foods reportedly imports large amounts of tomato paste – much of it from China – into the country for canning. The tomato paste is sold on the Ghanaian and West African markets under various brand names (for example La Bianca and La Perla). The reopening of the Pwalugu factory has been an important government initiative. However, the dependence on a transnational company and the competition from imported tomato paste render this and similar future initiative quite fragile.

3.2 Poultry

Poultry products have been imported to Ghana for the past decade. Until the early 1990s, local industry supplied all the chicken and eggs consumed in Ghana, and in 1992, 95 percent of the domestic poultry requirement was met through local production (ISODEC, 2004). However, this trend did not continue through the 1990s, as imports of poultry products such as legs, wings and thighs from Europe attracted consumers. The consumption pattern of Ghanaians gradually changed from whole chicken to chicken parts, particularly the thighs. Thus, from 2000 onwards the share of local poultry had dropped to 11 percent⁹.

POULTRY IMPORTS IN MT. FROM 1997 TO 2003

Year	1997	1998	1999	2000	2001	2002	2003
Imports	5,956	4,836	10,710	9,110	30,136	20,573	39,209

Source: Asuming-Brempong et al., 2006

9 Asuming-Brempong et al., 2006.

Over 30 percent of imports of poultry products into the West African region end up in Ghana (CA, 2005). According to a FAO-sponsored study, imports increased from about 4,000 Metric Tonnes in 1998 to 40,000 Metric Tonnes in 2004 (up 710 percent), with chicken thighs making up between 50 and 90 percent of total imports¹⁰. The study further established a breach of the trigger volume for import surge in 2002 and 2003, and in 2003 and 2001 on an SSG computation¹¹. The imports have impacted negatively on the domestic poultry sector by flooding the local markets. It is not uncommon to see abandoned poultry farms as a result of the unfair competition with these cheap imports. The originating countries of these imports include EU, USA, Brazil and Canada among others.

3.3 The politics behind import surges

Subsidies enjoyed by farmers in Europe reduce drastically the production cost, and reflect substantially in lower prices for such commodities. For instance in a year tomato products in the EU receive up to about 300 Million Euro subsidies as direct subsidy and millions more indirectly¹², whereas their counterpart farmers in Ghana do not receive any form of government support. Whether by design or coincidence, the forced liberalization by the Breton Woods institutions in the 1980s created a suitable environment for increased levels of imports of EU products. Since the lowering of tariffs to 20 percent in 1992 and now, Ghana has experienced a phenomenal increase in imports particularly of tomato and poultry products from the EU. It is estimated that Ghana now imports about 10,000 Metric Tonnes of tomato concentrate from Europe in a year (CA, 2002).

In the case of poultry products, imports have increased considerably over the past decade into Ghana. One of the main reasons why EU imports are cheaper with respect to poultry products is the huge subsidies EU cereal farmers enjoy. Cereals constitute about 70 percent of the cost of poultry production in the EU and up to 90 percent of costs in Ghana. Thus supply of feed is a key factor in poultry production. In Ghana feed is produced locally without subsidies except additives, which are imported. About 90 percent of chicken products which arrive in a processed form include parts which are not consumed in the EU, further reducing the cost. According to a report by Belgian NGO SOS Faim, "deep frozen chicken parts have no value within the EU, as there is no demand and no market for these products

10 Asuming-Brempong et al., 2006.

11 Special Safe guards (SSG) - The designation is the subject of a concession in respect of which the provisions under Article 5 of AoA may be invoked. Trigger volumes as defined under the provisions (a) the average quantity of imports during the three preceding years for which data are available times a scaling factor (125 percent, 110 percent or 105 percent depending on the share of the imports in domestic consumption) plus the absolute volume change in domestic consumption; and, (b) 125 percent of the average volume of imports in the three preceding years for which data are available. The trigger price is computed as the average import (CIF) price of the eligible product during 1986 to 1988. If and when this price is breached, it allows the importing country to improve additional special safeguard duty

12 Bunte and Roza in Francisco, 2007.

... If traders sell the product in Africa; it is because the price ... is higher than the price offered by pet food producers"¹³. The costs of European broiler production are not covered with exports of cheap and often sub-standard chicken parts to Africa, but rather the sales of the good parts in Europe. By selling the "rest" to Africa, European companies save the costs for the disposal of waste, earn some additional money and conquer new markets. This price discrimination on a segment market is a private form of dumping. Combined with direct and indirect support to European poultry production, this makes it possible that chicken parts are exported at very cheap prices to Ghana and other African countries even without export subsidies¹⁴. From 2002 to 2004 the imports of poultry product from the EU almost doubled from 26,000 to 40,000 Metric Tonnes. The effect of these import surges on local markets and producers in Ghana is devastating as will be shown below. According to Assuming-Brempong et al., in 2004, the locally grown broilers were sold at 2.60 Euro (28,000 Cedis¹⁵) per kilogram, whereas poultry imported from the EU costs only 1.50 Euro per kilogram, which was less than the local cost of broiler production. It has been estimated to be 25 to 30 percent below the cost of production in Ghana¹⁶.



13 Atarah, 2005.

14 Mari and Rudolf, 2007.

15 In January 2004, 10,760 Cedi were equivalent to 1 Euro. All further prices will be listed in Euro.

16 Banned toxic 2003.

4.0 Field visits in two affected communities

4.1 Tomato

4.1.1 The Community of Koluedor: Profile and Location

Koluedor literally means the valley of tortoise. This description has been passed on from generation to generation even though tortoises could not be sited at the time of the study. Koluedor is a farming community of about 400 households with a population of around 5,000 to 6,000. In this community both women and men are farmers. It is not uncommon for husband and wife to own separate fields of tomato. The community is 20 minutes drive from the district capital Ada Foah and about 30 kilometers from the capital city, Accra.

The crops cultivated by the farmers in this community include tomatoes, melon, pepper, and okra. Animals they rear include sheep, cattle, goats, pigs, ducks and guinea fowls. However, tomato is the main crop cultivated mainly as a cash crop at a small scale with a few large-scale farmers. Administratively, the chief of Koluedor is the head of authority and the land is entrusted in the stool on behalf of the community. In terms of infrastructure, Koluedor has three schools, one nursery, a primary and a Junior high school (blocks A&B). Sanitation facilities in the community are inadequate; there is no pipe-borne water. The community relies on water drawn from the Volta Lake in tankers sold at 36.50 Euro¹⁷ per 5000 liters. Community members seek medical attention at a health facility at a big town called Sege, 20 minutes drive from Koluedor towards the national capital, Accra.

4.1.2 Tomato Production

Koluedor is one of eight communities in the East Dangme District producing tomato. Farmers do not have to pay to use the land; however, some families rent their piece of land to those who have the means to cultivate large acreages. The average land size cultivated is one to ten acres¹⁸; 50 percent of the families have access to less than five acres. As far as they could remember, the production of fresh tomato started somewhere in the 1950s.

For a typical farm family in Koluedor, the journey for securing the household livelihood starts in May with the preparation of the piece of land for growing tomato. Those families that can afford it engage the services of tractors to prepare the land once or twice if the family is well-endowed. Those who do not have the money to engage tractor services but want to cultivate more than an acre of land have to borrow money. There is no credit

scheme that the farmers can turn to. Few farmers get to borrow from family members and the majority of the farmers are provided with loans by the traders from the big cities. If a farmer borrows from a trader, this is the time that the price of the tomato is agreed between the parties for the coming harvest. About 50 percent of the farmers take loans from the traders. Recognizing the importance of tomato as the source of income for most of the families, they invest the family resources into it, to the extent that they have to reduce the household expenditure drastically – for instance expenditure on feeding, clothing, as well as on medical attention and education of their wards. As a coping strategy, most families produce other crops such as melons, okra and pepper for the market to supplement the income from the sale of tomato. They depend on the income from these crops while waiting on the main crop, tomato, to be ready for the market. According to the farmers, the time of harvest makes a difference in the price received for a crate of tomatoes. Those, who can afford the tractor services and are therefore able to get the timing of the first harvest right, get higher prices. Poor farmers lose out at this point. Those families that contracted loans are faced with the challenge of repaying their loans. Some families make just enough to repay the loans while others become indebted. In either family, the vulnerability to hunger is increased.

Farming in Koluedor is not without challenges, ranging from production constraints to marketing. Farmers have no access to affordable credits in fact they rely on loans from traders as indicated above with its associated challenges, high interest rates and the obligation to sell to the creditor. Not only that, the cost of inputs such as tractor services and pesticides are expensive, as was highlighted during the focus group discussion. Despite the high cost of production, farmers after harvesting are faced with the challenge of selling the produce. Even though traders from Accra, Tema and sometimes Togo buy the fresh tomatoes, farmers are always confronted with low price offers. According to the group, the month of August through to September each year is the peak of the marketing challenges that the farmers in Koluedor face. The observation made was that there is always a “clash of harvest”, which means that the tomato harvest is carried out in different regions during this period. For them, this also means that a year like 2006 is “good” when other producing regions are facing difficulties. 2004 was a “bad” year because of weather and because other regions were doing well. Hitherto this challenge of competition with other producing areas did not exist because the Nsawam canary which collapsed in the late 1980s absorbed the excess tomatoes during such times. According to the farmers the low prices offered by traders started in the 1980s, coinciding with the implementation of the Structural Adjustment Programme (SAP).

¹⁷ In March 2007, 13,700 Cedi were equivalent to 1 Euro.

¹⁸ One acre is equivalent to 4,047 m².

4.1.3 Input Cost and Support Measures

Before the 1950s, tomato cultivation in Koluedor did not require the use of tractors, fertilizer, insecticides etc. and the income was satisfactory. However, with the introduction of extension agents in the community in the late 1950s, production patterns changed. Due to this process of intensification of agriculture, production costs increased for many tomato farmers in the region. Structural Adjustment Programs since 1983 have led to a dismantling of subsidies and other state support to farm inputs, so that many farmers now largely rely on themselves to shoulder these costs¹⁹. Additionally, over the last years, production costs have been increasing due to the increase in energy prices and other factors.

As the farmer Azimah Christian says production cost has been increasing, in 2005 it cost 20.10 Euro²⁰ to hire a tractor to plough an acre. In 2006 the average production cost per acre was 88.30 Euro. Farmers in this community have not received any state intervention apart from extension services that farmers do not pay for. The only instance, according to the focus group that the state attempted intervening was when three tractors were made available in the community to render services to the farmers. However, because of the low income level, the poorer farmers could not benefit from the initiative.

The key to food security for the poorer farmers in Koluedor is linked to the ability to produce and sell sustained levels of produce throughout the year. Farmers like Johannes Klopka are hoping that livelihoods will improve if he gets financial assistance and good price coupled with the provision of irrigation and a processing factory to handle the excess fresh tomatoes. However, the farmers are aware that the variety of tomatoes they presently produce might not be suitable for processing to canned tomatoes because of the high water content. They learnt this from the extension officer and for about four years, farmers have been waiting for the government to provide them with varieties that have the qualities for processing to no avail.

4.1.4 Farm Gate Prices and Import Competition

Fresh tomatoes are bought by traders from the big cities and are sold in Accra, Tema, Ashaiman, and Lome, Togo. Because almost every farmer produces tomatoes, the demand is not high in the community itself. The farmers confirmed the existence of imported tomato paste on the local market; however, they appear not to experience any serious competition with the imported. What they have failed to realize is that the fresh tomatoes is gradually being replaced particularly in the urban centers. This observation was made during interviews with traders in Ashaiman. According to a trader who has been selling tomatoes for the past ten years, she made better sales

five years back than now because of influx of tomato paste on the market. She estimates that there are ten additional tin tomato brands in Ghana compared to five years back and that consumers buy them because they are easier to use even though they do not taste as good as fresh tomatoes. The brands include La Bianca, Pomo, Obaapa (good woman), Salsa, Gino etc. These are local brand names adopted by the transnational corporations engaged in exporting of tomato paste onto the Ghanaian market who have realized the increasing patronage by the consumers.

A teacher in the focus group interview in Koluedor said: "We are not happy that imported tomato paste is everywhere when we have our own tomatoes". This was confirmed by Anim Rebecca: if she had the opportunity to ask for one wish, she would ask the president of the republic to stop the importation of canned tomatoes. According to the group the fresh tomatoes taste better than the imported tomato paste.

Rates per crate (52 kg) are negotiated on a daily basis. The focus group discussion at the start of the field visit revealed that on average the price for a crate of tomato ranges between 1.50 and 36.50 Euro, the later being the price at first harvest and the former at the peak of harvest. 2006 is reported to have been a particularly good year with prices up to 46.10 Euro. In 2004, which was cited as a bad year, prices did not climb higher than 18.60 Euro per crate. As there was not much rain, farmers also did not sell large volumes and therefore had to deal with a meager income. Several farmers like Johannes Klopka have still not been able to repay loans taken in that year. Volumes sold are as important as the prices offered. For example, Johannes Klopka reports that although prices were good in 2006, he still had tomatoes rotting in the fields because he could not sell them. The focus group identified the exploitation by the traders as the main reason for the low income they make from the production of tomato. Hence the setting up of the committee in 2004 to negotiate on a daily basis a price that will serve as an orientation for negotiations between traders and individual farmers.

The inability of the farmers to attract higher prices for their tomatoes and to sell larger volumes can partially be explained by the abundance of cheap imported tomato paste in the urban markets. From the farmers' point of view, there is what they call the clash of harvest, thus, tomato being harvested within the same period across the different growing areas. The result is the glut and consequently the lowering of prices. An emerging trend is the cross-border trade of tomatoes; traders travel to Burkina Faso to buy fresh tomatoes into Ghana which also affects the demand and price at which traders buy the Ghana-produced fresh tomatoes. Even though farmers in general could not make the link between the imported paste and their fresh tomatoes, the dynamics in the urban markets influences the price offered by the traders from these places. What the farmers did not know was that the traders translate the effects of imports on their income in the urban markets to the

¹⁹ See Paasch 2007.

²⁰ In January 2005, 1 Euro was equivalent to 12,077 Cedis, in January 2006 it was 10,835.

farmers through pricing. One of the farmers confirmed this by the statement that “the traders say people in Accra do not eat tomatoes”.

Household income in Koluedor is very low because tomatoes are sold only four months per year. The reason for this is the lack of irrigation facilities in the region. Additionally, the income made from the sale of tomatoes from the previous season is invested in preparing the land for the next season. The timeliness of land preparation depends very much on the income made during the previous season. However, the low incomes made, coupled with the lack of access to affordable credit facilities, farmers are not able to invest at the right time to take advantage of the higher prices. By the second week of August 2007, the average price quoted for a crate of tomatoes was 2.90 Euro and 21.90 Euro by close of the month of September. It was clear from the investigation that most of the farmers sell at the time of low prices and as such are not able to break even; in most cases they are unable to repay their loans. The farmers who can be considered the better-off ones in the community are those who make just enough to repay their loans, which implies they will have to find other means of providing for their families.

4.1.5 Hunger and Poverty

The income made from the sale of tomatoes is used by farmers to pay school fees, clothes, food and medical attention. However, they are unable to make enough income to repay loans contracted and also cover the above expenditure. Farm families who become indebted are the most vulnerable to experiencing hunger. Some families in the community are not able to feed their families adequately and according to the farmers this situation is worse than ten years ago. Mostly affected by the inadequacy of food are the children. At this stage the object is to eat something, not necessarily considering the nutritional value. Therefore minor illnesses that are preventable become responsible for the loss of life. This is coupled with the lack of money to seek medical attention. The staple food of the inhabitants is maize prepared in different dishes. However, they do not produce maize but rather buy at the market from the sale of tomatoes and other crops. One of the farmers said that “we have three months of rain and the rest of the nine months we do nothing and that is the period we experience hunger”. This was confirmed by individual interviews. Johannes Klokpa explains that “January to July is the worst time of the year when the family must cut down on meals”. Another farmer, David Anumabley said that his children and wife suffer hunger the most, “even though we eat three meals, the quantity is reduced and sometimes we eat “gari” (food made from grated cassava)”.

This situation points to the fact that the indebtedness of some of the farmers in Koluedor increased their vulnerability to being confronted with hunger if nothing is done to improve the situation.

4.2 Poultry

4.2.1 The Community of Ashaiman: Profile and Location

Ashaiman is one of the suburbs of the Greater Accra region located to the eastern end of the capital city. In terms of political administration, Ashaiman is under the Tema Metropolitan Assembly. Ashaiman has been identified to be one of the populous suburbs in the region with over 5000 inhabitants. In relative terms Ashaiman is a rich community with most of the infrastructure such as schools, health facilities, telephone facilities, access to drinking water and electricity and other facilities.

Although there is a traditional chief, the status of Ashaiman is beyond the sole authority of the chief. The Metropolitan Chief Executive is the political head and responsible for the administration of the Metropolis including Ashaiman.

The economic activities range from selling products on table tops to well-established merchandise of all kinds. However, in the midst of all these different economic activities are the small-scale poultry farmers. These are farmers who rear less than 1000 birds. In 2000, the farmers have formed the Tema Chicken Farmers Association which is part of the Ghana Poultry Farmers Association (GNPFA). The association started out with 40 members and had 180 members at the last count. The association is currently trying to find out how many members have just recently left the business because of the influx of poultry into the country and the bird flu which is reported to have reached Tema in March 2007.

4.2.2 Poultry Production

Small-scale poultry farming in Ashaiman is mainly done close to the homes of the farmers. Production is mainly for the local market. The poultry farmers produce broilers, layers (eggs) and cockerels. Cockerels are predominantly a seasonal business (before Christmas). All farmers interviewed reported that they have either left the production of broilers completely or that they only raise broilers for special festivities when local consumers buy whole chicken. This means that the main income of the households today comes from the sale of eggs while broilers and cockerels might add a little during festive seasons. Some farmers have left the broiler production already in the late 1990s. The reason why farmers have left broiler production is because there is no ready market for it. Before, market women came to the house to buy broilers, but today the farmers have to “run after the market women”. The difficulties in the market lead to higher production costs because the broilers need to be fed longer than necessary. For the farmers this means that they make a loss. Some farmers like William Quashie have lost substantial market shares when big customers – in his case Nestlé Ghana Limited – switched from local poultry to imported one for the use in restaurants.

In addition, the cost of production has been increasing over the years while the prices of locally produced poultry products have remained the same and sometimes decreased. The main cost factors are feed, drugs, housing and the purchase of day-old chicks. From a focus group discussion in the office of the association, the farmers indicated that the ingredients for the feed are mostly imported; wheat brand, drugs and sometimes yellow maize. Occasionally they buy local maize. The increase in production also means that the profit made through the sale of eggs – on which most households depend on for most of the year – is very low. The interviews also suggest that many farmers are actually not making a profit at all or are operating at a loss. A major problem for the farmers is access to capital needed to buy the young chicks and to raise them to layers. This means that sometimes they experience several months in a row without any income from eggs, because they first have to find the capital to invest and then have to wait for the layers to give eggs. In this situation, many farmers have already become heavily indebted. At the same time, in order to survive, most farmers would have to expand their production. This however is very difficult not only because of the lack of capital but also because land has become very expensive in the area.

4.2.3 Inputs Cost and Support Measures

The production cost of poultry farmers depends to the extent to which farmers use feed, drugs, housing and initial stock of chicks. The poultry farmers in Ashaiman rely mainly on family labor with the exception of the large-scale farmers who make use of hired labor.

All the farmers interviewed complained of the rising cost of production. This was confirmed in an interview with Kofi Agyei Henaku, the Executive Secretary of the Poultry Farmers Association. One of the objectives of the poultry board, of which the association is a member, is to explore ways of supporting national producers with some of the feed ingredients (soya cake, maize, fish etc.) to produce at lower cost, with the intention that they sell to the poultry farmers at affordable prices to reduce the cost of production, and hence make their products competitive. Because of the lack of available land in Ashaiman, few farmers can afford to grow maize for feed and therefore depend on the feed available on the market. According to the records kept by Francis Mac' Tengey, one sac of 45 kilogram of feed cost 12.40 Euro in 2004. In 2007, he had to pay 14.60 Euro. 80 kilogram of maize cost 23.20 Euro in 2004; in 2007 it costs 32.80 Euro if you have to buy it on credit. According to MOFA, there are no tariffs applied on imports of all inputs for poultry production. Neither does the government subsidize inputs for poultry production.

With all these challenges no farmer has received any government support. Credit facility is one critical need of the poultry farmers but they do not have access to any facility of a sort. According to them, it is the banks that can provide such services. However, the banks demand collateral from the farmers as a condition



to access the loan facilities. This is coupled with high interest rates. Therefore, it becomes impossible for the farmers to access these facilities. The alternative for most of the farmers is borrowing from friends and family members to either start the farm or to replenish the stock. Most of the farmers interviewed also buy inputs on credit. 50-year-old Mary Dzivor borrowed 438.00 Euro from a family friend to purchase new stock of cockerels in order to take advantage of demand during the Christmas season. Another farmer, Francis Mac Tengey, says "In all the 14 years that I have been a farmer, I have not received any support from the state". This assertion by the poultry farmers was confirmed by experts interviewed. Kofi Agyei Henaku, the Executive Secretary of the Poultry Farmers Association, said that it's only the large-scale poultry farmers who have access to loans because they are able to meet the conditions for accessing such loans but the small-scale poultry farmers do not have access to loans. This was also confirmed by the MOFA officials present at a meeting with the Ministry. They added that the government initiative under the Livestock Development Project did not cater for the needs of poultry farmers because it was perceived as a stable business and that government needs to support the poultry farmers financially. The officials acknowledged that even though some farmers are able to access loans from the Agricultural Development Bank, the repayment period is usually within one year according to the lending conditions of the Bank. This, they said does not enable the farmers to derive maximum benefits from the loans.

In the farmers' view they have the capacity to produce to meet local demand if four critical things happen. Firstly, government should create credit facilities that farmers can have easy access to for investment. Secondly, government should take measures to control the levels of imports of poultry products onto the Ghanaian market. This will according to the farmers enable them to regain their share of the market lost to imports. Thirdly, they are asking the state to subsidize inputs into poultry production. Fourthly, they call on consumers and the government to patronize local produce. Government support they envisage is in the field of advertisement and public procurement.

4.2.4 Farm gate prices and import competition

The poultry farmers in Ghana are struggling to survive in the face of imported poultry products on the Ghanaian market. These chicken products are sold at prices far below the prices of locally-grown broilers and below local costs of production, as explained above. Before this period, most of the farmers produced broilers which had ready market. The traders and individual consumers used to come to their farms to buy. This has changed since the entry of imported chicken parts onto the market. According to the Kof Agyei-Henaku, imports really became a problem in 1997 when farmers had to start cutting down on production. The focus group discussion with 15 farmers composed of 2 women and

13 men was unanimous that imports of chicken parts from Europe have compelled them to shift from broiler production to layers and cockerel production. This was confirmed during the individual interviews.

Farmers in Ashaiman have been grappling with low prices for at least 7 years (since 2000) as was revealed by the focus group. Emmanuel Kofie Agbanyo, a 34-year-old farmer has been in the poultry business since 1999 (8 years) with 2000 broilers but he stopped the production of broilers in 2004 and shifted into the production of layers and cockerels because it was difficult selling the broilers with the presence of cheap imported chicken parts on the Ghanaian market. Emmanuel currently has 500 layers. He says "the market for eggs is better than for broilers".

Marcos, a 54-year-old farmer said the difficulty in selling broilers started five years ago (2002) with the flooding of the market with imported chicken parts, what he called "spare parts". The restaurants stopped buying his broilers because they said they were expensive and rather bought the imported chicken parts.

Even for farmers like Mary Dzivor who had restricted her production of broilers and cockerels to festive occasions, confirmed that imports have had impact on her sells because consumers buy more of the chicken parts as they are cheaper. She added that sells were much better in the 1990s than now. Mary Dzivor explains further that the cost of production has increased much more than prices over the years and this has reduced her profit. She had 1,500 birds in 2002 but currently has 1,250 birds on her farm. While until 2006, she had both layers and broilers (and cockerels), this year she switched to egg production only, the main reason being the bird flu.

Francis Mac Tengey in 1998/99 had about 300 broilers but he had to stop producing because the market was bad and he made a loss. He presently has 600 layers and 150 cockerels. "In 1997 I could afford to buy a "troto" from the income I made from poultry. But today one can hardly buy a bike from the profit made because of the high production cost and low prices".

It is clear that imported chicken continue to have a toll on the farmers in Ashaiman. William Quashie has been a poultry farmer since 1994; he says "I started feeling the presence of imported chicken parts about four years (2003) ago". He further describes the impact of imports in these words: "The chicken parts are cheaper than my birds, whenever there were chicken parts on the market; the market women came only half as often as usually to buy my birds".

All the farmers interviewed confirmed imports as the major "killer" to their source of livelihood. According to William Quashie, one wish to the President of Ghana would be to stop importing chicken from Europe. Another farmer, Francis Mac Tengey holds the view that imports of chicken cannot just be banned but rather farmers need subsidies or commodity shops which sell inputs at a subsidized rate to farmers. The situation has made some farmers begin to lose aspirations. Marcos

says "I wish my children will take up the poultry business but with the situation now I don't know if they will take up this profession". An executive of the poultry farmers association in Ashaiman in the focus group discussion suggested that imports should be cut down by 50 percent through the application of what he described as punitive tariff levels.

Already in 2004, farmers in Ghana noticed that the outbreak of the bird flu in Nigeria further depressed the market for poultry products compounding the already difficult situation for poultry farmers. The first case of avian flu in Ghana was finally detected in the Tema environs which include Ashaiman in March 2007; hence the Ministry of Food and Agriculture (MOFA) placed a ban on the sale and movement of poultry from the area to other parts of the country in a bid to control the situation. The farms of some members according to the focus group discussion were destroyed and the farmers compensated by the state but others have not yet been compensated. Even though some farmers lost some birds to the avian flu, the biggest problem they faced is that consumers no longer patronize what they produce. William Quashie had 1,000 layers in 2006 but lost 400 birds to Newcastle disease. And those who produce just to target particular festive seasons folded up because they couldn't sell anymore. It was however evident from the focus group discussion that the loss due to the outbreak of the avian flu so far has been much less compared to the loss due to the importation of chicken parts. Future impacts of the bird flu will also depend on state policies which have a major impact on the ability of farmers to deal with this kind of external shock.

It is clear from the farmers that the presence of imported chicken parts on the Ghanaian market has led to the loss of their market share for broiler production which is seen as more profitable and provides faster returns on investment. Almost all farmers have switched to the production of eggs and cockerels during festive seasons. While farmers can expect adequate prices for the sale of cockerels, they must expect to sell less than the years before because of the bird flu. It can be gathered from the interviews, that families will hardly be able to survive on the sale of eggs alone. Currently, a crate of eggs (24 eggs) sells at 1.90 to 2.20 Euro. For example, Peter Norshie, who is 37 years old and has to take care of his mother, his sister and four children under the age of eleven, makes a profit of about 29.20 Euro per month with his 150 layers. Experts interviewed during the Investigative Mission, like Samuel Asuming-Brempong, confirmed that poultry farmers will hardly be able to survive if they rely only on egg production.

4.2.5 Hunger and Poverty

The vulnerability of the small-scale poultry farmers in Ashaiman to poverty and hunger is increased as a result of the loss of their market share to imported chicken parts. The income made from poultry production in most of the cases is supplemented by other sources of income in order to meet the household needs. None

of the farmers interviewed made enough income from poultry production for the upkeep of the family. Even Mary Dzivor, who said there was no hunger in her family, acknowledged that the income she makes from the poultry production is supplemented from her sales in the grocery shop and also from the income of her husband who is an electrician. From poultry production alone she would not be able to feed her family. Ten years ago this would have been possible because the cost of inputs was much lower than presently. Marcus Akamenko solely depends on the income from the poultry business. He produces both layers and broilers. However, he usually starts with the layers with the capital at hand and when he starts the sale of eggs he saves the income he gets towards the purchase of broiler day-old chicks for the broiler production to ensure that the family makes the minimum income over the period. Therefore, his inability to purchase broiler day-old chicks increases the family's vulnerability to poverty and hunger. This situation is anticipated following failure of his regular customer to fully pay for broilers bought as a result of low patronage by consumers. Already the quantity and quality of food eaten by his family has been reduced. Francis Mac' Tengey claims that today his family can only eat two times a day because in 2000 he invested his profit from the poultry business into building houses. Through this he now has an additional income of 109.50 Euro per month which helped him feed the family during five months in the beginning of 2007 when he did not have income from eggs because he could not afford to buy chicks at the right point in time.

It is worth noting that several of those farmers who depend mainly on the income from poultry reported that they switched to the production of poultry in the 1990s from other businesses like carpentry because the poultry business was more promising as national consumption was increasing and there was a good market. Over the last years they lost the income from broilers and now solely depend on the income from eggs and cockerels. Several of the farmers interviewed reported that they expect to lose the income from cockerels this year as well, either because of the bird flu or because they have not been able to invest. With the obligation to pay back loans to the sellers of the inputs, the situation looks very grim for small-scale producers in Ashaiman. Cutting down on food intake and related nutritional deficiencies will be inevitable for these farmers.



5.0 The Right to adequate Food of Farmers in Koluedor and Ashaiman

It is clear from the reports of the farmers in the case studies that the Right to adequate Food of small-scale farmers engaged in the production of tomato and poultry in the two communities of Koluedor and Ashaiman has been violated. The policies proposed by the IMF and the WB and implemented by the government of Ghana failed to protect these farmers from unfair competition from imported tomato paste and chicken parts, and resulted in the loss of the market share of these farmers and consequently the loss of income. This situation has dramatically increased the vulnerability of these farmers and their families to hunger. Children have been identified by all interviewed to be the worst affected. This is manifested in the reduction in quantity and quality of food consumed. In both cases farmers have been compelled to incur debts which they struggle to pay. They often forgo enjoying some basic necessities of life to be able to pay back their loans on schedule. For the tomato farmers, the critical period is usually from the start of cultivation to the time of first harvest, whereas in the case of the poultry farmers, the periods before the layers start laying eggs since they have been compelled by the influx of chicken parts to switch from the production of broilers to eggs only. All interviewed persons indicated that their and their families' lives were much better in the 1990s than presently. The observations made from the study reveal that the small-scale producers of tomato and poultry have no secured and regular access to adequate food in terms of quantity and quality at all times in order to enjoy the Right to Food as enshrined in Article 11 of the ICESCR.

The interviews conducted confirmed that flooding of the domestic market by imports of tomato paste and chicken parts has resulted in the reduction of incomes of the small-scale producers of these products. For instance, the flooding of the Accra and Kumasi markets with tomato paste resulted in the low prices for fresh tomatoes which are transferred to the Koluedor community by the traders manifested in the low prices offered to the farmers. Although volumes of sales of tomato have increased, the incomes have not. With poultry farmers, the influx of imported chicken parts on the surrounding markets, such as Ashaiman, Accra and Tema has drastically reduced volume sales of broilers to the extent of farmers switching to the production of eggs only. Majority of the farmers interviewed have stopped the production of broilers completely as a result of the loss of market share to imported chicken parts. The consequence has been a loss in income to the households.

The Investigative Mission also established that the lack of support measures has resulted in the absence of the requisite infrastructure and capacity to compete with imports. Secondly, the low tariff of 20 percent applied

to these two products contributed to the displacement of the locally produced tomato and chicken from the domestic market. The lack of state support to agriculture, the divestiture of key processing facilities and the lack of protection through tariffs can be traced back to the influence of the Bretton Woods institutions in the 1980s and 1990s under the structural adjustment programmes (SAP). A significant event was the failure of the government of Ghana to implement the Act 641 to increase the tariff on poultry products. The law was passed by the Ghanaian parliament in 2003 mandating Customs Exercise and Preventive Service (CEPS) to charge 40 percent tariff on poultry products instead of the 20 percent charged. The Act 641 was meant to provide some level of protection for poultry farmers from the imports, but surprisingly the law was suspended just after four days of implementation as a result of the influence of the International Monetary Fund (IMF).

It is evident from the interviews conducted that the above policy measures have contributed to the increased vulnerability of the small-scale farmers of tomato and poultry in Koluedor and Ashaiman to malnutrition and food insecurity. We therefore claim that these measures have led to the violation of the human Right to adequate Food of families of these farmers. Three actors respectively groups of actors can be identified to have breached their obligations under the Right to Food. (1) Ghana (2) IMF member states (3) EU countries and other states, which are the home states of transnational corporations exporting tomato paste and poultry parts to Ghana.

5.1 Ongoing Violations of the Right to Adequate Food

Ghana has withdrawn the support to the agricultural sector with the implementation of the Structural Adjustment Programme (SAP) in the late 1980s without providing adequate protection to small-scale tomato and poultry farmers. The reduction of protective measures without recourse led to drastic increases of imports onto the Ghanaian market, to the loss of market share, to lower incomes and malnutrition among tomato and poultry farmers in Ashaiman and Koluedor and among many other farmers engaged in these sectors. Currently the applied tariff is 20 percent for these two products and quite intriguing was the fact that Ghana failed to implement the Act 641 which was to provide some protection for the poultry sector. When imports of tomato paste increased from 3,300 Metric Tonnes in 1998 to 24,700 Metric Tonnes in 2003 and of chicken parts from 4,000 Metric Tonnes in 1998 to 40,000 Metric Tonnes in 2003, the state of Ghana failed to protect the Right to Food of the small-scale tomato and poultry farmers in Koluedor and Ashaiman respectively.

Furthermore, the state of Ghana has not provided support to small-scale tomato and poultry farmers in the study communities. Consequently, the farmers do not have access to credit facilities and inputs such as fertilizers, seeds and this has affected the production capacity of the farmers and contributed to reduction in incomes, increasing the vulnerability of the farmers in the study communities to hunger and poverty. The state of Ghana has by this breached the obligation to fulfill the Right to Food of the farmers in the two communities. Arguably Ghana did not commit these violations in a situation over which it was in full control, but rather the state acted under the influence and pressure of the IMF and the World Bank. The pressure of these institutions to adopt Structural Adjustment Policies (SAP) reduced the policy space of the state of Ghana to initiate and implement policies relevant to ensure the Right to Food of small-scale farmers. It is thus difficult to assess, what kind of policy space remained for the state to adopt the necessary measures to realize the Right to adequate Food.

The IMF contributed significantly to the violation of the Right to Food of poultry and tomato farmers in Ghana. The government of Ghana was compelled by the IMF under the SAP to progressively reduce the support and protection to producers. One of the main protective instruments – tariff – was reduced finally to 20 percent in 1992. This was coupled with the removal of state support for agricultural inputs such as fertilizers, seeds, and the provision of some infrastructure.

In 2003, the government of Ghana saw the need to increase tariff on poultry from 20 percent to 40 percent to protect poultry producers from unfair competition with imported poultry products. The parliament of Ghana passed this into a law (Act 641) mandating customs to apply the new tariff on imported poultry products. However, the IMF pressurized the government of Ghana to suspend the implementation of the law just four days after its start, thus the tariff was reversed to the old level of 20 percent, although under the WTO rules the increase was within the permitted bound tariff of Ghana. According to all interviewed representatives of farmers and NGOs, the IMF played a crucial role in reversing the decision of the government through pressure behind the scene. Indeed, in response to a protest letter of Christian Aid, Thomas C. Dawson, Director of External Relations Department of the IMF, confirmed the allegation: "In its original 2003 budget, the government proposed to increase tariffs on a range of imported finished products, including poultry products. In the event, the authorities, *after consultations with Fund staff*, decided not to implement the proposed increase in tariffs for a variety of reasons" (IMF, 2005). By this, the IMF prevented Ghana from taking the needed steps to protect the poultry farmers in Ghana²¹.

21 See Paasch et al. 2007 for more details.

Undoubtedly, the IMF breached its responsibility to respect the Right to Food by pressuring the Ghanaian government to remove support and protection for poor tomato and poultry farmers over the 1980s and 1990s and by pressuring the government to suspend the Act 641 in 2003. Accordingly, the member states of the IMF breached their extraterritorial obligation to respect the Right to Food of the poultry farmers and their families in Ashaiman and elsewhere. The majority of the member states of the IMF are signatories to the ICESCR. They have an obligation to ensure that the IMF does not take measures that threaten the Right to Food in any country. The member states failed to prevail upon the IMF not to prevent Ghana from taking the necessary steps to ensure the Right to Food of poultry and tomato farmers and their families.

The EU member states and other major exporting states have also breached their obligation to respect and protect the Right to Food of poultry and tomato farmers in Ghana. The heavy subsidies granted to farmers either directly or indirectly in EU member countries have contributed to overproduction and cheap exports of tomato and poultry products to Ghana denying the small-scale producers their share of the market, leading to losses in income and consequently increasing their vulnerability to hunger and malnutrition. It is estimated that each tomato tin sold on the European market or exported is subsidized to the extent of some 50 percent of its real production costs (Marí, 2007). Thus the exporting countries such as Italy, Canada, Norway, and Netherlands and others have breached their extraterritorial obligation to respect the Right to Food of the poultry and tomato farmers in Ashaiman, Koluedor and elsewhere. In the case of poultry, even though the EU does not pay export subsidies, it has neither explored any ways to protect the Right to Food of Ghanaian farmers from price discrimination practices of European companies. So far, they have also not used available policy instruments – for example in the context of export licensing – to protect farmers in Ghana from unfair trade that undermines their livelihood.

5.2. State obligations in the context of the negotiations of the EPA

As far as the negotiations on the Economic Partnership Agreement between ECOWAS and the EU are concerned, there is evidence that the state of Ghana will be compelled to further liberalize agricultural trade. A first step in this direction is the creation of a Common External Tariff (CET) for ECOWAS. Once the states have agreed on the level of tariff, the state of Ghana will lose the political space or power to increase the tariff on tomato and poultry beyond the agreed level. Ghana is currently envisaging a tariff of 20 percent on both tinned tomato and poultry, which is equivalent to the currently applied tariff. During the interviews, both representatives from the Ministry of Food and Agriculture and from expert organizations warned that without an increase in tariff, both the poultry and the tomato producing sectors

will collapse as volumes in imports can be expected to continue to increase. In addition, experts from state and non-governmental institutions call for active support to these sectors because of the importance of these sectors for poverty reduction, which might in fact be rendered useless if protective measures are absent. As was discussed above, the state of Ghana has already breached its obligation to protect the Right to adequate Food of tomato and poultry farmers by lowering tariffs and later by not increasing them. The state is very well aware of the necessity to increase tariffs as it has demonstrated in 2003. Then, it failed to enact the increase in tariffs on poultry because of pressure by the IMF. The state is now at risk of consciously giving up this policy space under an international agreement which will not include any flexibility to reintroduce higher tariff levels. It is thereby acting in violation of its obligations under the International Covenant on Economic, Social and Cultural Rights.

The negotiations in ECOWAS on the CET cannot be seen as political process independent from the EPA negotiations, rather they are defining the context within which the negotiations take place. The aim of the EU is to open the ACP markets even further to European imports. The EU is currently putting intense pressure on the ACP countries to finalize free trade agreements by the end of 2007. If the Ghanaian government is forced to enter into a regional agreement that prohibits increases of tariffs above the currently applied level and even obliges Ghana to lower tariffs, this will inevitably lead to further violations of the Right to adequate Food among farmers in Ashaiman and Koluedor. For the EU member states to respect the Right to adequate Food of farmers in Ghana, they must allow and ensure that Ghana retains the policy space to increase tariffs on products such as tomato and poultry when the protection of the Right to Food of the affected farmers is threatened.



6.0 Conclusions

It is evident that the poultry and tomato farmers' vulnerability has increased as a result *firstly* of the liberalization implemented by the state of Ghana and forced by the IMF and *secondly* of the EU trade and agricultural policies, which allow and support overproduction and exports of tinned tomato and chicken parts at very low prices. The Right to Food of poultry farmers in Ashaiman and tomato farmers in Koluedor thus has been violated through the state of Ghana, the member states of the IMF and member states of the EU.

The study demonstrates that the IMF is the main "culprit" regarding the violation of the Right to Food of poultry and tomato farmers in Ghana, through its conditions and constant interference in the affairs of the state of Ghana. This drastically reduced the political space of the government to initiate pro-poor policies that would ensure the Right to Food of small-scale producers like those in Koluedor and Ashaiman. The forced liberalization that Ghana went through with the IMF at the center stage ensuring that Ghana liberalizes beyond the WTO rules was denying Ghana the opportunities under the WTO to take measures to ensure that small producers' Right to Food is not violated. For tomato farmers, the lack of sufficient measures to ensure that excess tomato is processed and sold later is another factor for the loss of livelihoods. Cheap imports are currently depressing investments into the establishment of processing plants.

The EU member states contributed to the violations of the Right to Food of the small producers by allowing and supporting European companies to export poultry products and tomato paste at very cheap and unfair prices onto the Ghanaian market. The report shows that these exports had a negative impact on incomes of interviewed farmers and their ability to feed themselves adequately.

The findings indicate that the formulation of a low Common External Tariff (CET) for these products in the ECOWAS and further decreases in tariffs through an EPA with the EU will lead to further losses in market shares and incomes of the farmers and lead to further violations of their Right to adequate Food. It is very likely that this will not only affect the farmers interviewed by the investigative mission. Farmers fear that Economic Partnership Agreement (EPA) will likely to be the last stroke to "break the camels' back" of large parts of Ghanaian agriculture. Furthermore, the revenue loss for the state of Ghana caused by lower tariffs will probably mean diversion of resources from important sectors such as health and education, and the citizens might be tax burdened which will further increase the vulnerability of millions more to violations of their Right to Food and other human rights.

7.0 Annexes

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7.2 Mission Participants

Adam Nashiru,
President of the Ghana National Peasant
Farmers Association

Mohammed Issah,
SEND Foundation of West Africa

Mike Anane,
FIAN Ghana

Ute Hausmann,
FIAN International

Armin Paasch,
FIAN Germany

7.3 List of Interviewees

Community of Koluedor

Focus group interview with 26 participants

Individual semi-structured interviews with:

John Hwago
Johannes Klokpa
Anim Rebecca
Lydia Afloe
Abraham Nadugbey
David Anumably
Azimah Christian
Sampson Tetteh Kpankpa
Francis Kwesi Botchwey (Extension Officer in Koluedor)

Community of Ashaiman

Focus group interview with Tema Chicken Farmers
Association with 15 participants

Individual semi-structured interviews with:

Francis Mac' Tengey
Emmanuel Kofi Agbanyo
Peter Norshie
Marcus Akamenko
William Quashie
Mary Dzivor

Officials and experts in Accra

Jeremy Opoku Agyeman - MOFA
Edward Addo-Dankwa - MOFA
Emelia Oberye Monney - MOFA
Julius Nugbeza – MOFA
Ntim Donkor- MOTI
Patrick Poku- MOTI
M.C. Datsomor- MOTI

Kofi Aaron Agyei-Henaku,
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