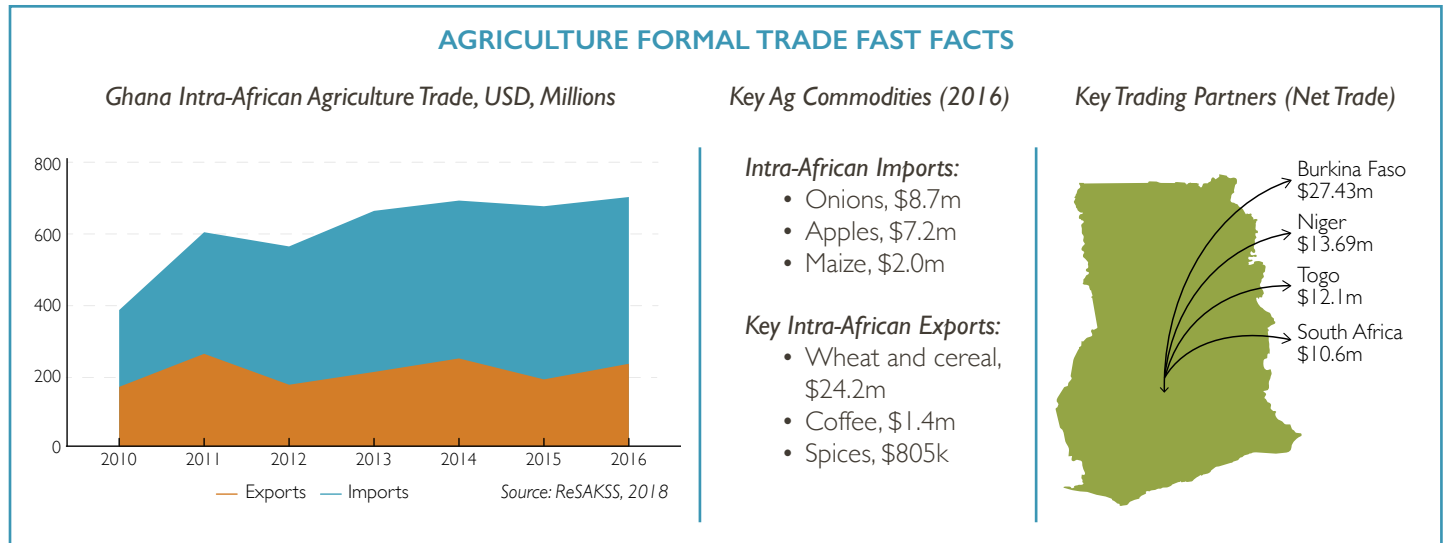




FEED THE FUTURE ENABLING ENVIRONMENT FOR FOOD SECURITY PROJECT Intra-African Agriculture Trade Improvement Scorecard: Ghana

In June 2014, African Union member states committed to a set of goals in the Malabo Declaration that included tripling intra-African agricultural trade by 2025. As reported in the African Union's 2018 Inaugural Biennial Review Report, Ghana saw a decrease in intra-African trade but is making progress in establishing intra-African trade policies to meet the Malabo Declaration targets.



This scorecard compiles publicly available data related to four key trade determinants from the Regional Strategic Analysis and Knowledge Support System's (ReSAKSS) Africa Agriculture Trade Monitor 2018 report, including (1) production capacity, (2) the cost of trade, (3) institutional efficiency, and (4) trade policies. The bases of comparison for these indicators are Feed the Future or sub-Saharan African (SSA) countries, as indicated. The coloring of the indicators below designates the country's performance in this area relative to its peers. A green score indicates higher-than-average performance; a yellow score indicates average performance, with room for improvement; and a red score indicates below average performance, with a serious need for improvement. For more on indicators, see [here](#).



PRODUCTION CAPACITY (factors that affect the level of supplies) is determined by resource endowments and other technological and institutional factors that enhance productivity. While Ghana's harvests are bolstered by a high rate of fertilizer use (Ghana is the 11th highest user among the SSA countries), with only 41 approvals for improved seed varieties, Ghana compares poorly with Kenya, which has 124 approved. Ghana is one of four SSA Feed the Future countries to impose quality and safety standards on tractors. But since it does not require tractor type approvals, Ghana gets only 2 of 8 possible points from the World Bank's Enabling the Business of Agriculture (EBA) tractor testing and standards indicator. High rates of mobile phone penetration (1.35 mobile lines per person) enable nearly 50 percent of adults to send or receive digital payments — far above the SSA average of 34 percent. Strikingly, 66.6 percent of the rural population has access to electricity to power lights, pumps, and equipment.



COST OF TRADE. Good roads and an efficient trucking system make it easier and cheaper to import and export food. Making further improvements to its road network would improve Ghana's 58.8 (out of 100) score on the World Economic Forum's (WEF) Road Connectivity Index and its 41.4 (out of 100) score per the WEF quality of roads indicator. Ghana scores a 2.44 (out of 5) in users' perceptions about infrastructure on the World Bank's Logistics Performance Index, slightly below the SSA mean of 2.49. Poor scoring per the EBA truck licensing indicators (1 out of 11) and per the EBA cross-border transport license indicators (a 5 out of 9) indicate that Ghana may be limiting competition (and spurring prices) in transport services through onerous licensing requirements. The World Bank's Doing Business Trading Across Borders (2018) standardized domestic transport costs for Ghana were moderately high when compared with other SSA Feed the Future countries: \$487 for exports and \$480 for imports.

INSTITUTIONAL EFFICIENCY

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| <ul style="list-style-type: none"> ● Competitive business environment ● Agricultural finance ● Secured lending ● Private international legal instruments ● Export border regulations | <ul style="list-style-type: none"> ● Export document compliance ● Import border regulations ● Import document compliance ● WTO Trade Facilitation Agreement |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

INSTITUTIONAL EFFICIENCY refers to the ease of doing business in relation to agricultural trade. Ghana has a competitive domestic market, scoring a relatively high 56.8 (out of 100) per the WEF's product market indicator. Ghana ranks fifth among SSA countries examined by the EBA finance indicator; with high marks given for access to branchless banking and non-bank lending institutions. Ghana receives 8 points on secured lending, with 7 (out of 12) points derived from the World Bank's Strength of Legal Rights Index, with an extra point given for allowing loans against crops in the field. Ghana has only ratified 3 of 7 important private international legal instruments, indicating a need for harmonization with international commercial norms.

The Ghanaian trade regime is cumbersome for exporters and less so for importers. Doing Business Trading Across Borders indicators calculate that exporters spend 108 hours to comply with export regulations at the border (SSA median of 78 hours) and spend 89 hours to complete documentation (SSA median of 69 hours). Importers spend 89 hours to comply with import regulations at the border (SSA median of 97 hours) and 76 hours to complete documentation (SSA median of 76.5 hours). Furthermore, Ghana's customs and border agencies lag behind those of its peers in undertaking commitments under the World Trade Organization's (WTO) Trade Facilitation Agreement, fully notifying commitments to only three of 16 articles important for agricultural trade.

TRADE POLICIES

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| <ul style="list-style-type: none"> ● Average weighted agricultural tariff ● Import and export bans recently enacted | <ul style="list-style-type: none"> ● Trade facilitation performance ● Export licensing |
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TRADE POLICIES include measures aimed at protecting trade. Ghana's average weighted agricultural tariff is 15.9 percent, which is the 14th highest of 35 SSA countries. As for import and export bans, Ghana in 2016 restricted imports of rice and in 2018 made permanent a ban on imports of frozen poultry. The OECD Trade Facilitation Index, which measures the performance of border procedures and policies, shows Ghana making steady improvements over the last two years, putting it slightly above the SSA mean. EBA export licensing indicators give Ghana only 1 out of 5 points for imposing strict controls over its main export, cocoa.

THE AFRICAN UNION'S 2018 BIENNIAL REVIEW REPORT

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| <ul style="list-style-type: none"> ● Tripling intra-African trade | <ul style="list-style-type: none"> ● Establishing intra-African trade policies and institutions |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|

BIENNIAL REVIEW REPORT 2018. The African Union's 2018 Inaugural Biennial Review Report measured member countries' progress toward achieving the Malabo Declaration's goals. To be considered on track for tripling intra-African trade, countries should have reached the minimum of 20 percent in growth rate increase. Ghana did not meet this threshold. To be considered on track for establishing intra-African trade policies and institutions, countries are rated by the OECD Trade Facilitation Index. To be considered on track, countries need to reach a cumulative score of 10 points when adding together points given for each of the 10 sub-indicators comprising trade facilitation performance. Ghana has met this threshold.

Developed in 2018.