

# DEVASTATING FLOODS – MAN MADE

EUROPEAN TRADE POLICY VIOLATES  
RIGHT TO FOOD IN GHANA –  
CHICKEN AND TOMATOES



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Protests by labour unions, farmers associations and non-governmental organisations against the conclusion of Economic Partnership Agreements with the EU in Accra, Ghana, September 2007.  
Photo: Ulrich Döring

# DEVASTATING FLOODS – MAN MADE

## European Trade Policy Violates Right to Food in Ghana

Distressing images travelled around the world last autumn as 17 African countries along the Sahel were hit by violent rainfalls and floods. The North of Ghana was also affected, 18 people perishing in the floods and thousands loosing their homes.<sup>1</sup> Aid organisations immediately collected donations in order to quickly provide relief to the 1.5 million flood victims in Africa. Support also came from the German government. „Humanitarian crises resulting from natural disasters and conflicts cause great suffering and threaten lives,“ Federal Foreign Minister Frank-Walter Steinmeier declared on 11 October 2007. „It is thus necessary to provide targeted emergency aid to the victims, but also to act in the mid- to long term against the causes.“<sup>2</sup>

The Minister was right. Expeditious emergency aid is desperately needed to reduce hunger and poverty. Unfortunately, the dramatic TV pictures often hide the structural causes of hunger, to which floods of a very different nature belong in Ghana: There, cheap poultry parts from Holland, Belgium, France, Germany and Brasil, tomato puree from Italy and China,<sup>3</sup> as well as rice from the USA, Thailand and Vietnam<sup>4</sup> flood the markets and deprive local small holder families of their main income source. This often leads to hunger and poverty. Precise figures on the number of victims are not available due to a lack of reliable statistics. The only sure thing is that

import floods hit precisely those who are already among the poorest in Ghana. According to the 1999 Ghana Living Standard Survey (GLSS), 59.4 per cent of farmers producing food crops are affected by poverty, much more than the national average. 70 per cent of the food crop farmers are women.

Fighting the causes would imply supporting the farmers while protecting markets from cheap imports. Unfortunately, it is exactly the opposite that is happening. Indeed, just as Steinmeier was speaking his wise words, the European Union Commission was negotiating with Ghana and



<sup>1</sup> N24 2007: West Africa also overtaken by floods [Auch Westafrika ereilen Überschwemmungen]. 17.9.07. <http://www.n24.de/politik/article.php?articleId=151226> (checked: 11.1.08)

<sup>2</sup> Aktion Deutschland Hilft 2007: Steinmeier: „It is necessary to provide targetted emergency aid“ [Steinmeier: „Es gilt, zielgerichtet Soforthilfe zu leisten“]. Press release 11.10.2007. [http://www.aktion-deutschland-hilft.de/adh\\_artikel\\_14/presse\\_2/adh\\_111/2007\\_184/2007\\_10\\_11steinmeier\\_es\\_gilt\\_zielgerichtet\\_soforthilfe\\_zu\\_leisten\\_6381.php](http://www.aktion-deutschland-hilft.de/adh_artikel_14/presse_2/adh_111/2007_184/2007_10_11steinmeier_es_gilt_zielgerichtet_soforthilfe_zu_leisten_6381.php). (checked: 11.1.08)

<sup>3</sup> Bertow K. & Schultheis A. 2007: Impact of EU's agricultural Trade Policy on Smallholders in Africa. Germanwatch, Both Ends, FIAN & UK Food Group. Bonn 2007.

<sup>4</sup> Paasch A. (ed.), Garbers F. & Hirsch T. 2007: The impact of the rice market liberalisation on the Right to Food. Case studies from Ghana, Honduras and Indonesia. [Die Auswirkungen der Liberalisierung des Reismarkts auf das Recht auf Nahrung. Fallstudien aus Ghana, Honduras und Indonesien]. Brot für die Welt (Ed.) together with FIAN and Globales Ökumenisches Aktionsbündnis: Stuttgart. <http://www.fian.de/fian/index.php?option=content&task=view&id=175&Itemid=211>. (checked: 11.1.08)

77 other African, Caribbean and Pacific (ACP) States on the so-called Economic Partnership Agreements (EPAs). The EU demanded inter alia that these countries completely open their market in the coming years to about 80 per cent of European imports. „Partnership“ and „Free Trade“ are words with dulcet tones but the EU economic is thirty one times larger than that of the ACP countries.<sup>5</sup> Many industrial and agricultural companies could be ruined should they be put at the mercy of the overly powerful European competition without any protection.

The EPAs with all regions were meant to be wrapped up by 31 December 2007. The EU threatened refractory States with higher tariff protection and – hardly covertly – with a medium-term reduction of development funds. Surprisingly, 42 of 78 countries resisted the pressure of the EU until the end of the official negotiation period.<sup>6</sup> This was not the case of the government in Accra that eventually agreed on 13 December on a so-called interim agreement on reciprocal trade liberalisation. Bad news for the Ghanaian poultry and tomato farmers. Research by the human right organisation FIAN and the Ghanaian NGO the SEND Foundation conducted in spring of 2007 showed that their human right to food is already being endangered by cheap European imports.<sup>7</sup> Their prospect for increased market protection dwindled drastically with the agreement.



**Expressive drawings emphasise the protests by labour unions, farmers associations and non-governmental organisations.**  
Photo: Ulrich Döring

<sup>5</sup> Oxfam International (Ed.) 2006: Unequal Partners: How EU-ACP Economic Partnership Agreements (EPAs) could harm the development prospects of many of the world's poorest countries. Oxfam Briefing Note: Oxford.  
[http://www.oxfam.org/en/files/bn0609\\_unequal\\_partners\\_epas/download](http://www.oxfam.org/en/files/bn0609_unequal_partners_epas/download). (checked: 11.1.08)

<sup>6</sup> European Commission 2007: Note on the state of play in the EPAs negotiations. 20.12.07.  
[http://trade.ec.europa.eu/doclib/docs/2007/december/tradoc\\_137364.pdf](http://trade.ec.europa.eu/doclib/docs/2007/december/tradoc_137364.pdf). (checked: 11.1.08)

<sup>7</sup> Issah M. 2007: Right to Food of Tomato and Poultry Farmers. Report of an Investigative Mission to Ghana. FIAN, Send Foundation, Both Ends, Germanwatch & UK Food Group (Ed.): Heidelberg.



Cheap chicken imports threaten the poultry farmers' existence. Photo: Armin Paasch

## CHEAP CHICKEN LEADS TO SLIM PICKINGS

Marcus Akamenko lives in the municipality of Ashaiman close to the Tema seaport. This 54-year old father of three and grandfather of one has been living since 1989 almost exclusively from poultry farming. Since then, his stock has been comprising an average of about 1.000 chicken, including laying hens and chickens for slaughtering. In addition he farms six acres of corn to feed his poultry. According to Marcus, selling eggs has long secured a modest but regular income for his family. He would sell the chickens to market women, sometimes also to restaurants and private individuals. He would always sell most of his chickens around Christmas time when many families treated themselves to the luxury of a juicy chicken. He depended on the sale of these chickens in order to acquire new chickens on a yearly basis.

The situation, however, turning sour five years ago. Since then, Marcus remembers, the chicken business has been going rather badly, and eventually collapsed over the last year. „It’s mainly because of the frozen chicken parts from Europe,” he complains. „The people only pay a part of the price and then go. They don’t pay the rest anymore. I can’t keep up with the prices of the imported poultry parts.” Almost all 180 members of the local branch of the poultry farmers’ union, all small and medium sized businesses, share the same fate. They have backed out of the production of chicken for meat and now only sell eggs.

Indeed: The live chickens for slaughtering who used to be on offer everywhere on the market in Ashaiman are now hardly to be found. The market women attract their customers with frozen chicken parts instead. A study commissioned by the Food and Agriculture Organization (FAO) of the United Nations confirms this observation. At the beginning of the 1990s, the entire chicken meat consumption in Ghana was covered by domestic pro-



**On the Kaneshi market in Accra, imported poultry parts are being offered at low prices either as fast food or defrosted and scarcely protected under glass.** Photo: Francisco Mari



8 The association of chicken farmers in Ashaiman complains about high losses incurred by the farmers due to European imports.  
Photo: Armin Paasch



duction, until the imports started and at once attracted customers. The study recorded „import floods“, i.e. extreme import increases, in the years 2001 to 2003. Only 4.800 tons of chicken meat were imported in 1998, but the figures already reached 39.200 in 2003.<sup>8</sup>

The FAO study shows that the local farmers have no chance against this competition. In 2004, the imported chicken meat in Ghana was sold for the equivalent of 1.50 euro per kilo, while the locally produced meat costed 2.60 euro – even though the European exporters do not even profit from the infamous export subventions. The reason for this: What ends up on Western African markets are the „rests“ of the chicken thighs and chicken breasts that are so popular in Europe. Disposing of these rests costs the slaughterhouses a lot of money (see also the box by Francisco Mari). In the 1990s, they came up with a brilliant idea to elegantly do away with this problem: Sell the frozen poultry parts in West Africa for peanuts, and the costs turn into a lucrative business for European companies.<sup>9</sup>

The deal is however absolutely not lucrative for the poultry farmers, slaughterhouses and corn producers in the receiving countries. The FAO admits that the damage done by the imports is difficult to measure due to the poor data basis. There are however reports stating that the price drops could have lead to income losses and production limitations. Only 25 per cent of the slaughterhouse capacity was used in 2003.<sup>10</sup> Concretely, this means job losses, closing companies and drastically reduced farmer incomes. Larger companies also deplore a collapse in their sales. The impacts are however particularly serious for small and medium sized producers.

„Our income has dropped significantly,“ Marcus Akar-nenko reports. „The children are the ones who suffer the most. They eat less, much less. They often can’t even eat two meals a day. We drink more water,“ he says. „The meals become more monotonous, we have to reduce the ingredients.“ Nobody in his family starved to death, but it is nevertheless clear that they cannot take advantage from their human right to adequate food as anchored in the international covenant on economic, social and cultural rights. According to the UN interpretation, this human right is fulfilled when every person has „physical and economic access to adequate food or to the means for obtaining it at all times“. <sup>11</sup> One or two daily meals of corn mush without vegetables, fish or meat are in no way sufficient for an adequate diet. The mid-term impacts of such malnutrition on health, and on the physical and mental development of children are disastrous.

Marcus is facing an uncertain future: „I should actually replace the laying hens. But this costs money, and I don’t have it.“ A vicious circle ensues: If he cannot buy new hens, egg production will sink, and this will in turn reduce income. Samuel Asuming-Brempong, professor for agricultural economics at the Accra University and coordinator of the study for the FAO is not very optimistic either. „In the long run, poultry farming is only lucrative if both eggs and meat chickens can be sold.“ If imports remain at the same level or increase, this will not be possible.

<sup>8</sup> Asuming-Brempong S. et al. 2006: Import Surge and their Effect on Developing Countries. Ghana Case Study. Rice, Poultry Meat and Tomato Paste. Unpublished.

<sup>9</sup> Marí F. & Buntzel R. 2007: The Global Chicken. Chicken Breasts and Chicken Wings – Who Eats the Rest? [Das Globale Huhn. Hühnerbrust und Chicken Wings – Wer isst den Rest?] Brandes & Apsel Verlag, Frankfurt a. M.

<sup>10</sup> FAO 2006. Briefs on Import Surges. No. 5 Ghana: rice, poultry and tomato paste. RomE.  
<ftp://ftp.fao.org/docrep/fao/009/ah628e/ah628e00.pdf>. (checked: 11.1.08)

<sup>11</sup> UN Committee on Economic, Social and Cultural Rights (CESCR) 1999: General Comment 12, The Right to adequate Food (Art. 11), Twentieth Session, 1999.

## CHEAP MEAT FOR AFRICA

It seems at first astonishing that European chicken is exported to Africa if one considers the high price, by African standards, of poultry in our supermarkets. This meat is sold to Africa for about 70 cents per Kilo, entirely without export subventions. Is all of it rotten meat? By no means! The poultry parts that are exported to Africa generally have nothing to do with the rotten meat scandals that recently hit Germany. The meat comes from the same healthy (or unhealthy) chickens as the chicken breast stripes in our salads. The body parts are however different and involve parts disdained by the European palate.

The cheap exports are mainly possible because of the ever more selective consumption patterns in the global North which calls for overproduction as not all parts of the product fulfil these alleged high standards. Industry and advertising encourage the consumption of these wellness and convenience products as these can be sold for higher prices than e.g. a drab roasted half chicken.

Of course chicken wings, giblets and necks continue to be consumed in Europe for a much higher price than in Africa. However, 60 per cent of our poultry consumption consists of chicken breasts – which however only make out 20 per cent of the chicken. Thus millions of chickens are slaughtered throughout the world to get to the „porsche“ of chicken meat, the breast fillets. These can be sold by slaughterhouses for nearly five euro a kilo and cost up to nine euro a kilo in a supermarket. The rest of the meat becomes a so-called by-product. It is produced along with the breasts because

it is genetically impossible to do otherwise. This selective consumption results in huge surpluses in the USA and the EU.

The majority of this „chickencast-off“ is actually subsidised, as the largest quantities of European poultry meat are sold to Russia and the Middle East. As Brasil and the USA can sell their products cheaper there, these countries receive in compensation an export refund of about 30 cent per kilo – but this doesn't apply to exports from Africa! So why does the meat get so cheaply to Africa? This meat literally consists of the „rest of the rest“ that cannot be sold in Europe nor in other exports. Selling it for cheap here would push the total price down. Processing it to dog or cat food becomes less of an option as European pet owners increasingly demand red meat (i.e. beef and pork) for their pets. It was still possible until 2000 to process the rests into meat meal, and slaughterhouses even received a little money for this. Since the BSE crisis however it is forbidden to use meat meal as fodder. So what to do with the rests?

Off to Africa! The import quantities in Ghana since 2001 are particularly problematic. Since then, the exports of chicken meat to West Africa have once again exploded, from about 45.000 tons to 170.000 tons in 2006. Now, exports additionally reach new markets (Liberia, Sierra Leona, Guinea, the DR Congo and Angola). The existence of small holders is thereby threatened, and they get no opportunity to rebuild their own economy after civil wars.

**More information at [www.eed.de/meatexport](http://www.eed.de/meatexport)**



# FROZEN FOOD

## in - STOCK

- FULL CHICKEN
- TURKEY WINGS
- BROILER THIGHS
- LAYER THIGHS
- CHICKEN WINGS
- SAUSAGE
- FISH
- BEEF

Fast food on the Kaneshi market in Accra. Photo: Francisco Mari



12 The imports of tomato paste - particularly from Southern Europe or China - have drastically increased during the last few years. Sales booths offering tomato cans spring up like mushrooms on the local markets. Photo: Ulrich Döring

## TOMATO PUREE EVERYWHERE

The five to six thousand inhabitants of Koluedor, the „valley of the tortoise“,<sup>12</sup> face a similar fate as Marcus. The village is located in the East Dangme District, about 20 miles from the Ghanaian capital city Accra. For as long as living memory, they have lived from growing tomatoes. The farmer families need some of the tomatoes for their own food preparation. They however sell for the most part to middlemen who drive their trucks up during the harvest season from Accra, Kumasi, Terna, Ashaiman and meanwhile even from Lomé in the neighbouring country of Togo. The problem is that while the production costs – for fertiliser, pesticides, workers and machines – have continually increased over the past years, the prices and quantities sold of tomatoes have stagnated, so that farmers often record sales loss.

„We’ve been having problems with the marketing of our tomatoes since the 1990s. We always had the impression that the market women were tricking us,” John Hwago explains. „So we established a committee in 2004 to collectively negotiate prices with them.” John belongs to the more successful farmers and manages to get by. He owns his own tractor and enough land. Because of the guaranteed quantity and quality of his tomatoes, the traders often come to him first and pay the best price. Only a handful of farmers are as successful as John in Koluedor, though. The traders only knock later on the doors of the poorer producers, i.e. the majority of them. They receive prices that are often far under the collectively negotiated sum, and sell less. „Last year, part of my tomatoes rotted on the fields because I didn’t get rid of them,” tomato farmer Johannes Klopka reports.

These tomato growers live in an isolated village and cannot, unlike the poultry farmers in Ashaiman, see for them-

selves the situation on the town markets. They explain their growing commercialisation problem of the last years with a „clash of harvest”: In those years when the harvest takes place at the same time in several regions, the supply increases and prices sink. The increasing fresh tomato imports from the neighbouring country Burkina Faso are also a visible problem. What the farmers in Koluedor do not see is that the tomato puree imports in Ghana from Italy, China, the USA, Spain and other South European countries have been soaring since the end of the 1990s. According to the FAO, 3.300 tons were imported in 1998; In 2004, it was already 24.740 tons. This corresponds to an astronomical increase of 650 per cent in just a few years. According to FAO calculations, the market share of domestic tomatoes sunk in the same period from 92 to 57 per cent.<sup>13</sup>

„The traders say, no one eats tomatoes in Accra anymore,” Johannes says. This is less absurd than it sounds. Indeed, urban consumers more and more often prefer imported tomato puree tins to fresh domestic tomatoes. And so, in the last few years, stands with tomato tins have been mushrooming on the Ashaiman market. Chinese and Italian tomato puree alone is sold under 56 brands on the market, according to estimates. The saleswomen of domestic tomatoes clearly get to feel the growing competition. „Five years ago,” a saleswoman complains, „we were selling significantly more fresh tomatoes here than we do now.” The puree is easier to cook than the fresh tomatoes, so that lately ever more Ghanains have acquired a taste for it, she explains.

On top of this, the imported puree is cheap, primarily because of EU support. It allots a copious 300 million euro budget to European tomato producers, which repre-

<sup>12</sup> Issah 2007, *ibid.*

<sup>13</sup> FAO 2006, *ibid.*



sents half their turnover. Due to significant production increases in Italy and Spain, this budget was even overdrawn in 2005/06 and 2006/07, reaching 380 and 369 million respectively. A European farmer generally receives 34.50 euro per ton of tomatoes. And because this does not suffice to make Europe internationally competitive, the EU adds another 45 euro for the export of a ton of processed tomatoes. European exporters of tomato products received a total of 6.3 million euro in export subventions in 2000 for instance.<sup>14</sup> The FAO presumes that these subventions especially for Italian farmers are an important factor to explain why Ghanaian farmers are not competitive anymore.

The Ghanains are disadvantaged to start with anyway: An average North Italian tomato producer farms an area of 40 to 50 acres, while Johannes Klopka has to make do with three acres. What is more, he cannot use this surface the whole year round, as he cannot afford the irrigation of his fields in the dry season. „We have three months of rain. The rest of the year, we can do practically nothing and have no income,“ he observes. The six months before the tomato harvest, i.e. January to July, are the worst. „These are the months when we have to shorten our meals.“ David Anumabley, another tomato grower, confirms and adds: „Even if we manage to eat three times a day, the rations are tightly measured. We often only eat Gari, which we produce out of Cassava.“ In Koluedor too, the farmers all agree to say that those who suffer the most are the children.

Most farmer families in Koluedor are in the same situation as Johannes and David. Their human Right to Food is violated. And this isn't all. The families often do not have the money to get other life necessities such as clothes, medicine and pay the high school fees introduced under the pressure of the World Bank and the International

Monetary Fund (IMF). The misery of the tomato growers is not limited to Koluedor but also hits the surrounding villages and the main producing region in the North East of the country. There, reports of suicide attempts by heavily indebted tomato farmers accumulate in the newspapers. Because they lost access to the market, these people are not capable of meeting their production costs and the costs of daily necessities anymore. In their despair, many apparently do not know any other way out of this situation than to poison themselves with pesticides.<sup>15</sup>



**It is mostly women who carry the harvested tomatoes home.**  
Photo: Ulrich Döring

<sup>14</sup> Bunte F. & Roza P. 2007: Peeling tomato paste subsidies. The impact of a revision of the CMO for processing tomatoes on European horticulture. Den Haag. [http://library.wur.nl/wasp/bestanden/LUWPUBRD\\_00352565\\_A502\\_001.pdf](http://library.wur.nl/wasp/bestanden/LUWPUBRD_00352565_A502_001.pdf). (checked: 11.1.2008)

<sup>15</sup> Mari F. & Knottnerus R. 2007: The struggle of tomato farmers in Northern Ghana. ICCO and EED. Utrecht.

# ITALIAN FOR SLAVERY (THE DEAD MAN OF CERIGNOLA)

**A film by Thomas Giefer, Rena Giefer and Karl Hoffmann**

An exhumation in the graveyard of the small town of Cerignola in southern Italy. The body was discovered a while ago on a nearby road, and now an inquiry into the cause of death is taking place. As the coffin is pulled out of the dark grave we can read the name of the deceased on a small enamel plate fixed on the lid: Dariusz Olszewski.

This is the beginning of our documentary on the living and working conditions on the tomato fields in Southern Italy. For Darek, a young Pole, was one of the thousands of illegal seasonal workers who stream every year during the harvest season into the "slavery triangle" between Cerignola, Candela and San Severo and often forgo the most basic of labour and human rights in the vague promise of quick money. Since the EU's enlargement to the East, primarily Poles, Bulgarians or Rumanians work there; previously it used to be mainly African refugees. Hired by dubious middlemen in their home country, many of them are stacked up into camps similar to concentration camps, guarded by Alsatian dogs and armed "capos", pushed to work until they fall, beaten up, chased when they try to escape and, should they resist, even killed – which was possibly the fate of the "dead man of Cerignola". The promised hourly wage of 3 to 5 euro for the extremely exhausting picking proves to be a complete illusion on payment. The piecework demanded is impossible to achieve, deductions for degrading housing, for the transportation to the plantations and for food that must be bought at excessive prices from the bosses reduce incomes to a minimum. Even the polluted water in dirty plastic containers is often billed.

It was only after the unexplained deaths got completed, with a long list of people who had disappeared without a trace that a Polish-Italian special unit intervened. Police raids on the fields

are now part of the daily routine. The economic interests in the background are powerful, however. Plenty of jobs, tax revenues and even EU subventions depend from this system, which is a gross violation of EU human rights statutes; reminiscent of the slavery times on cotton fields in the Southern United States.

Though as we search for the deeper causes of this brutal exploitation, we are given surprising reasons. Without slave work, it seems, the Apulian farmers and tomato processors could barely resist international competition. Indeed, for a few years now, legal and illegal imports of cheap Chinese tomato puree have been flooding the Italian market. The Italian producers react to this "yellow danger" not only with the slavery-like working conditions described above, but also with aggressive exports to the Third World. And so the last part of the documentary takes us to Ghana, the most important export country in Africa. There in turn, numerous African tomato farmers are ruined by the dumping prices of Italian competition subventioned by the EU. Disadvantaged by natural conditions, without either assets or modern technology, they are the weakest in the chain. The result: more poverty-driven refugees, fresh supplies for the modern slavery markets of Europe. Rampant globalisation ignites a vicious circle with new standards of a truly boundless exploitation.

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The documentary „Italian for Slavery“ is planned for broadcasting on 5 July on ARTE and in Autumn under the title „die story: Der Tote von Cerignola“ on the German channel WDR.

Informations and DVDs for non-commercial use available from [thomas.giefer@convoi-film.de](mailto:thomas.giefer@convoi-film.de)



# STRUCTURAL ADJUSTMENT AT THE EXPENSE OF THE POOREST

Cheap European exports thanks to subventions or as a modern form of waste disposal are one side of the story. The import floods in Ghana however have another decisive cause: an open market. Indeed, since the mid 1980s and as a result of World Bank and IMF pressure, Ghana has been opening the doors to foreign competitors more and more, just like many other countries of the Global South. In Ghana, the last remaining limitations on import quantities were abolished in 1992, and a reduced 20 per cent tariff rate was introduced on agricultural imports – <sup>16</sup> much too low, as it quickly turned out. Be it for rice, tomatoes or poultry, the imports grew at a rapid pace and took the dimension of „import floods“, in particular between 1998 and 2004.

Most farmers in Ghana are not armed against this new competition. As opposed to their European colleagues, tomato farmers in Koluedor and poultry farmers in Ashaiman receive no subventions, nor do they have the possibility to take up an affordable credit. The State services for farmers in the shape of machines, fertilisers, pesticides, credit, marketing support and set prices as there used to be in Ghana have been thoroughly slashed. „Structural adjustment“ was the magic word for these massive cutbacks with which the government, pressured by the IMF, tried to balance the State budget and re-establish its solvency towards its creditors.<sup>17</sup>

The domestic processing industry for tomato paste also suffered from the structural adjustment: Two of the three factories for tomato tins that used to exist in Ghana in the 1970s had to close their doors as a result of privatisation and because of the competition by the imports. This

includes the factory in Nsawam near Accra which used to process the tomatoes from Koluedor. All attempts to revive the tomato processing industry in Ghana have since then failed. In 2001 for instance, the Dutch corporation Unilever and the Ghanaian company United Link started running the factory in Wenchi with the support of the German Technical Cooperation (GTZ). At present though, only 10 per cent of capacity is in use. It is virtually impossible for a Ghanaian factory to underbid the knock-down prices of the imported paste. A further attempt was launched with State support in 2007. A factory in Pwalungu in the North is meant to process tomatoes into paste that will be tinned in Tamale. Whether this initiative will be crowned with more success remains to be seen.<sup>18</sup>

The condition for a revival of agriculture in Ghana would be better protection from cheap imports. As became evident in 2003, raising tariffs in Ghana remains punishable by the IMF and the World Bank. The Parliament and government had decided to raise tariff protections on chicken imports from 20 to 40 per cent, and from 20 to 25 per cent on rice.<sup>19</sup> The measure was very moderate, especially as even the World Trade Organisation (WTO) rules would allow Ghana a 99 per cent tariff increase. All the same, the governments of the North did not appreciate this measure, so that on 12 May 2003, just four days before the beginning of the implementation, the law was suspended and tariffs brought back to their former levels. It is no coincidence that just three days earlier – on 9 May – the International Monetary Fund (IMF) granted Ghana a three-year credit for 258 million US-Dollars to fight poverty. As can be read in the official IMF reports on the negotiations, the Ghana adminis-

<sup>16</sup> Asuming-Brempong 2006, *ibid.*

<sup>17</sup> Khor M. & Hormeku T. 2006: The impact of globalisation and liberalisation on agriculture and small farmers in developing countries: The experience of Ghana. TWN. Accra. [http://www.twinside.org.sg/title2/par/Ghana\\_study\\_for\\_IFAD\\_project\\_FULL\\_PAPER\\_rev1apr06.doc](http://www.twinside.org.sg/title2/par/Ghana_study_for_IFAD_project_FULL_PAPER_rev1apr06.doc). (checked: 11.1.08)

<sup>18</sup> Mari F. & Knottnerus R. 2007, *ibid.*

<sup>19</sup> Paasch A. (ed.), Garbers F. & Hirsch T. 2007, *ibid.*

tration „commits itself not to implement this tariff increase for the duration of the proposed agreements.“<sup>20</sup> „Good Governance“ apparently meant in this case for the IMF that the government unconstitutionally scrap a law by the Parliament which was urgently required to protect the Right to Food for Ghanaian poultry and rice farmers.

Tariffs on tomato paste were not included in the 2003 law that was toppled by the IMF. The government only recently became active to put paid to cheap imports. In November 2007, it surprisingly imposed a temporary freeze on tomato paste imports.<sup>21</sup> The reason for this: Apparently importers had recently often put lower prices on the bills than the actual prices so as to save on taxes and tariffs and thus import the goods even cheaper. The Farmers' organisation of Ghana welcomed the decision of the government. It is however only a temporary sanction that cannot be maintained due to the WTO's agriculture agreement. Further, it has been reported that the import freeze has been administered very laxly, so that farmers continue to have to fight against cheap tomato paste imports.

## A FATEFUL ECONOMIC PARTNERSHIP

In 2003 the IMF ended the short-lived tariff in Ghana on chicken and rice imports: in the future it will not even be possible to implement a tariff in the first place against the EU. Indeed, according to the EPA interim agreement which the government of Ghana agreed to on 13 December 2007, Ghana must eliminate import duties for more than 80 per cent of European imports by 2023, for 70 per cent already by 2018.<sup>22</sup> Whether tomatoes and poultry are part of these 80 per cent, or whether they belong to the "special products" to which the tariff reduction will not apply remains unclear. Even in the latter case though, farmers would not be out of the woods. A clause of the contract forbids Ghana from raising tariffs above their present levels even for these products.<sup>23</sup> This means concretely that while Ghana has had up to now the right, on the basis of WTO rules, to raise its tariffs on tomato and poultry imports from 20 to 99 per cent, this is from now on forbidden for European imports. Ghana thus loses all the room to manoeuvre in its trade policy that would be necessary to protect the Right to Food of the affected tomato and poultry farmers.

The agreement only came about thanks to considerable pressure. In October, the Economic Community Of West African States (ECOWAS) had unanimously appealed to the EU for an extension of the EPA negotiation period. The positions of the EU and ECOWAS were too opposed, and there are significant differences of interests in those of the West African countries. The EU however remained tough. In a letter dated 11 October, Trade Commissioner Peter Mandelson and Development Commissioner

<sup>20</sup> IWF 2003: Country Report No. 03/133, May 2003, in: <http://www.imf.org/external/pubs/ft/scr/2003/cr03133.pdf>. (checked: 11.1.08)

<sup>21</sup> Marí F. & Knottnerus R. 2007, *ibid*.

<sup>22</sup> Trade Negotiations Insights 2008, Special Edition. Volume 6, number 8, December & January 2008. ICTSD and ecdpm. (checked: 26.1.08)

<sup>23</sup> The interim agreement between the EU and Ghana remains officially unaccessible. Article 14 of a late draft however contains a „standstill“ clause: „No new duty on imports shall be introduced on trade between the Parties and those currently applied on trade between the Parties shall not be increased as from the date of entry into force of this agreement.“ According to reliable sources, this clause is also part of the final text.

Louis Michel insisted on concluding the negotiations by 31 December 2008. The reason for this: The preferential duty so far unilaterally granted by the EU to the ACP countries contravenes the WTO principle of „mutuality“. The ECOWAS had thus called on the EU to apply at the WTO for an extension of the waiver. The EU however refused and threatened the ECOWAS countries with a raise in the duties on West African imports from 1 January 2008 if they refused to sign.<sup>24</sup>

„We hope that the Economic Community Of West African States (ECOWAS) will continue to resist the pressure of



the EU,“ Adam Nashiru, President of the Peasant Farmers' Association of Ghana, stated as late as 7 December at a common press conference with FIAN and Germanwatch in Berlin.<sup>25</sup> A few days later though, his hopes were dashed. Just like during the negotiations with the IMF in 2003, the

Ghana government quickly lost its courage during the EPA negotiations. Together with Côte d'Ivoire, Ghana stepped out of the common ECOWAS bloc and accepted an agreement on 13 December, a decision which elicited strong criticism in the Ghanaian press. „The government simply accepted the European Commission demands that proved to be dangerous for the whole development of our economy.“ With this step, Ghana reinforced the impression that it is playing the role of the „EU trojan horse“ in West Africa.<sup>26</sup>

„We are already fighting with floods of cheap imports from the EU. An EPA would break our back. We clearly

need more tariff protections instead of market opening,“ Nashiru warned. Indeed: The human Right to Food of the tomato and poultry farmers has been massively violated in the past years. The EU is not the last to be responsible for this, with its dumping exports, and the IMF with its unfair pressure for structural adjustment. The Ghana government cannot wash its hands of responsibility. With the market opening at the beginning of the 1990s and the massive cuts in agricultural services, it neglected its duty to protect and support the Right to Food. This duty has now once again been ignored by the EU and Ghana with the new interim agreement. The urgently required market protection against cheap imports from the EU and thus the protection of the Right to Food of farmers are thus contractually forbidden. What is particularly bitter is that there is no resolution in the agreement on a reduction of European export subventions.

One can hope that the last word has not been said in the EPA negotiations. Indeed, the agreement exists so far literally only on paper. In order to be lawfully ratified, the Parliaments of Ghana and of the EU have to give the go-ahead. And this remains an undecided question.

<sup>24</sup> Letter of the European Commission to ECOWAS, 11.10.2008. [http://www.epa2007.org/upload/\\_1016164044\\_001.pdf](http://www.epa2007.org/upload/_1016164044_001.pdf). (checked: 26.1.08)

<sup>25</sup> Germanwatch and FIAN Germany 2007: Economic partnership threaten Right to Food in Africa [“Wirtschaftspartnerschaften bedrohen Recht auf Nahrung in Afrika“], Press release of the 07.12.2007. <http://www.fian.de/fian/index.php?option=content&task=view&id=538&Itemid=79>. (checked: 26.1.08)

<sup>26</sup> Suleiman Mustapha 2008: Ghana's interim EPA agreement with the EU: A stepping stone into danger, for Ghana and for the West Africa, in The Statesman, 11.1.2008. Accra. [http://www.thestatesmanonline.com/pages/news\\_detail.php?newsid=5550&section=2](http://www.thestatesmanonline.com/pages/news_detail.php?newsid=5550&section=2). (checked: 26.1.08)

## GERMANWATCH

Germanwatch is an independent, non-profit and non-governmental North-South Initiative. Since 1991, we have been actively working on issues such as trade, environment and North-South relations on the German, European and international level. Complex problems require innovative solutions. Germanwatch prepares the ground for necessary policy changes in the North which preserve the interests of people in the South. On a regular basis, we present significant information to decisionmakers and supporters. Our work is being funded through donations, membership fees and project grants. Our central goals are:

- A policy framework for global food security and sustainable agriculture.
- Effective and fair instruments as well as economic incentives for climate protection.
- Compliance of multinational companies with social and ecological standards.
- Ecologically and socially sound investments.

[www.germanwatch.org](http://www.germanwatch.org)



## FIAN

FIAN International is the international human rights organization that advocates the realization of the right to food. We are a non-political, non-for-profit organization with sections and members in more than 50 countries. We expose violations of people's right to food and strive to secure access to the resources that people need in order to feed themselves now and in the future. We envision a world free from hunger, in which every man, woman and child can fully enjoy their human rights in dignity.

[www.fian.org](http://www.fian.org)



## BOTH ENDS

Both ENDS supports the work of environmental organisations, primarily in the South (developing countries) and the Central and Eastern European (CEE) countries. We support organisations through information, research, advocacy, campaigning, networking and capacity-building.

The core of Both ENDS' activities is in making connections, between South and North, environment and development, and different sectors of the society. Both ENDS functions as a go-between to support individuals and social organisations all over the world whose specialisation is ecological sustainability and social justice. The main focus is the realisation of sustainable forms of natural resource management and to promote policymaking in the Netherlands as well as worldwide.

[www.bothends.org](http://www.bothends.org)



## UK FOOD GROUP

The UK Food Group focuses its work on key international food, agriculture and related environmental issues. These include the need for a just, coherent, equitable and sustainable food system that serves the interests of, especially small-scale, food providers, consumers and the environment, particularly in poor, rural areas of the global South. The network comprises about 35 organisations.

The UK Food Group also represents BOND (British Overseas NGOs in Development) on global food and farming issues.

[www.ukfg.org.uk](http://www.ukfg.org.uk)

