UKTP – Ghana

The United Kingdom Trade Partnerships (UKTP) Programme aims to increase trade from African, Caribbean and Pacific countries (ACP) to the United Kingdom (UK) and the European Union (EU). In Ghana, the UKTP Programme works in partnership with government ministries, trade support institutions and industry associations to improve trade and economic outcomes.

It is funded by the Foreign, Commonwealth & Development Office (FCDO) of the United Kingdom and Northern Ireland and implemented by the International Trade Centre (ITC).

The UKTP Programme offers a unique platform to scale-up an agile response to the economic crisis that accompanies the Coronavirus (COVID-19) health crisis by leveraging market intelligence, working with targeted sectors and institutions and facilitating export linkages.

It has two broad components: (1) Trade and Market Intelligence; and (2) Sector Support.

Selected sector

Following analysis of trade flows and consultations with stakeholders, including relevant public and private sector trade support institutions and small and medium-sized enterprises, cocoa derivatives have been selected as the target sector for the UKTP Programme in Ghana.

Through a tailored capacity-building programme, this will improve the volume and value of trade in cocoa derivatives between Ghana and the UK/EU. It will also improve the number and quality of jobs created in the sector and lead to better economic outcomes.

Results

The outcome of the UKTP Programme will be increased trade between Ghana and the UK/EU. This will be achieved by:

1. Increased knowledge of market access conditions;
2. A more transparent business environment for exports;
3. Improved institutional/business services to support market access;
4. Increased supply capacity to export to the UK/EU market;
5. Activated market opportunities.

Trade and Market Intelligence Component

Increasing knowledge of market access conditions

The UKTP Programme will build awareness of the advantages of trade preferences and benefits for Ghana. In partnership with local institutions, ITC will conduct a modular training programme to improve awareness and understanding of preferential market access conditions.

The training will include export analysis to identify attractive markets and products, guidelines on rules of origin and the opportunities associated with the preferential agreements. This way countries can prioritize exports with preferential access and develop strategies to capture untapped export potential. The training programmes will cater primarily to the needs of government officials and trade support institutions. The participants will employ their market analysis skills to advise local firms, especially MSMEs.

In response to the economic turbulence following the COVID-19 health crisis, exporters can use timely market information to anticipate demand swings and to pinpoint long-term growth potential for particular goods.

Monitoring the business environment

The 2019-2020 ITC survey of exporting and importing firms documented their experience with market access conditions across goods sectors and select services. The UKTP project will leverage these data to identify regulatory and procedural impediments that companies face when trying to meet the requirements of the UK/EU markets. Stakeholder consultations will determine options to address these trade obstacles and to reduce unnecessary trade costs without undermining the legitimate objectives that regulations and related procedures serve.

To keep up-to-date with evolving regulatory and procedural conditions, including temporary trade and operational obstacles following COVID-19, a national monitoring mechanism will bring to light firm-level concerns to relevant policy makers. This mechanism will build the capacity of relevant Ministries to identify, monitor and address trade impediments. It will raise private sector awareness regarding the prevalence of non-tariff measures and trade-related obstacles. In addition, the Government of Ghana will be able to use ePing, the World Trade Organization’s notification system to inform and encourage a dialogue with the private sector on regulatory changes.

Sector support component – Alliances for Action

Improving institutional/business services

Trade and Investment Support Institutions (TISIs) help prepare businesses to export and connect with partners in target markets. The UKTP Programme supports TISIs to improve managerial and operational performance and to assist their client SMEs reach UK/EU markets in alignment with the Alliances for Action approach (see below). Support is provided through advice, training and information on areas like development of organizational strategies, refining service offerings and putting measurement frameworks in place. As an immediate response to the COVID-19 situation, the UKTP Programme will provide online training and coaching on topics such as using digital tools to enhance business efficiency.
Strengthening export capacity

Enterprises looking to export to the UK/EU face challenges in product development, quality control, marketing and branding. Faced with the COVID-19 global recession, SMEs must excel in meeting export market requirements and product quality expectations of customers in an increasingly competitive environment. Through the formulation of strategic and commercial alliances, SMEs will benefit from direct capacity-building interventions on export market requirements, product quality, branding, and sustainability. The programme will provide tailored support for improved supply-chain linkages, sector coordination and better export results in a time of uncertainty.

To achieve this, ITC will apply its Alliances for Action (A4A) methodology, one which connects all levels of the value-chain from production to export. Each partner will contribute or invest according to their area of expertise to enhance the competitiveness of SMEs. A4A core principles include local ownership and resilience-building through a market-based approach.

Activating market opportunities

Diversification of market channels and products will be the springboard for new market opportunities and sector development. Under normal circumstances, markets can be accessed by identifying the right distribution channels, ensuring product compliance with UK and EU standards, and developing a strong marketing strategy. As the business environment changes in yet unknown ways due to COVID-19, exporters will need flexibility to respond to bottlenecks and to seize new market opportunities.

Through A4A, ITC will leverage commercial partnerships with buyers in target markets to increase exports to the UK and EU for a diversified range of cocoa products (including cocoa butter, cocoa paste and chocolate). Participation in trade fairs and B2B meetings for the showcasing of Ghanaian cocoa products will be supported to generate new business contacts and activate sales transactions. The programme will target both niche and mass markets, prioritizing good, ethical trade and sustainable export practices.

Institutional partners

- Ministry of Trade and Industry (MOTI)
- Ghana Cocoa Board (COCOBOD)
- Cocoa Marketing Company (CMC)
- Ghana Export Promotion Authority (GEPA)
- Association of Ghana Industries (AGI)
- Federation of Association of Ghanaian Exporters (FAGE)
- Ghana Free Zones Authority (GFZA)

Contribution to Sustainable Development Goals

Through increased trade and investment, the UKTP Programme supports the United Nations Sustainable Development Goals by contributing to poverty reduction SDG 1, the creation of jobs SDG 8, and integrating firms into the international value chain SDG 9. It also prioritizes gender equality and strategic partnerships as part of its outcomes SDGs 5 and 17.

ITC Methodology for sustainable value chain development – Alliances for Action (A4A)

Five sequential components drive the alliance’s design, implementation and M&E:

**Understand** – Action-oriented global, regional and local value-chain and SME competitiveness analysis.

**Convene** – Public-private alliances for action for selected value-chain, cluster or territorial ecosystem.

**Transform** – Delivery of technical capacity building package to ‘unlock’ inclusive growth and SME and value chain competitiveness in selected sectors.

**Invest** – Improving access to financial services and impact investment in value chains.

**Impact** – Participatory value-chain based monitoring, evaluation and communication system.

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Increasing quality jobs through increased exports from Ghana to the UK/EU markets