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"This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in Accra, Ghana for U.S. exporters of food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since it's preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY."

SECTION I. FOOD LAWS

The Food and Drugs law was passed in 1992. The Government of Ghana's (GOG) regulatory body responsible for food product manufacturing, importation, exportation, advertisement and distribution is the Food and Drugs Board (FDB). The Food and Drugs Board was established and became fully operational in August 1997. The FDB was established to protect and promote public health by ensuring that food and drugs consumed in Ghana are wholesome and safe.

All food products imported, advertised, sold or distributed in the country must first be registered with the Food and Drugs Board under Section 18 and 25 of the Food and Drugs law, 1992 (PNDCL 305B) and Section 4 (b) of the Food and Drugs (Amendment) Act 523, 1996. A certificate with a registration number is then issued with respect to the product. In addition only companies duly registered by the Registrar General's Department shall be permitted to import food and drugs.

According to FDB (Food, Drugs and other Goods) General Labeling Rules, 1992, "food" includes "any article manufactured, sold or represented for use as food or drink for human consumption, chewing gum and any ingredient which may be mixed with food for any purpose whatsoever". Currently the Food and Drugs law is undergoing review and amendments to ensure that all food products including water are included in the food law.

Since its inception, the FDB has enforced its food laws through the process of registration of products. In addition, to avoid food adulteration the FDB undertakes inspection of food processing facilities in Ghana, destination inspection of imported products, verification of exports and post market surveillance. It is an offence punishable by law if anyone contravenes the provisions of existing food and drugs laws. Legally, failure to register any food item with the FDB means the product cannot be imported. However the FDB may apply the following in the case of importation of unregistered products a) re-exportation b) destruction/confiscation & prosecution or c) bringing into compliance with the law.

SECTION II. LABELING REQUIREMENTS

A. General Requirements

The General Labeling Rules, 1992, (L. I. 1514) of FDB require that food labeling be informative and accurate. The minimum labeling requirements are:

Labeling should be in English. An English translation must be shown on the label or package insert (where applicable) if it is in another language.

Name of product - brand name or common name should be in bold letters.

The manufacturer/exporter's full address including location, country of origin must be provided on the product label.

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Provide net mass/weight or net volume of content- specifying essential ingredients in metric weight for solids, semi-solids and aerosols, and metric volume for liquids.

List ingredients by their common names in order of importance by weight. If the food is "standardized," the label must include only those ingredients, which is optional for that standard.

Food additives and colors must be stated on the label. Spices, flavors and colors may be listed as such, without naming the specific material, but any artificial color or flavor should be identified as such.

Provide the production "batch" or lot number.

Provide date of manufacture of products, expiry date or best use before date.

There is no additional labeling for US food imports if the standard U.S. label addresses the above-mentioned items. Stick-on labels meeting FDB requirements are permitted but are temporary.

It is not a requirement in Ghana to include the FDB registration number on the product label.

B. Requirements Specific to Nutritional Labeling

The FDB considers any special dietary food a "drug", if it helps in the "treatment, prevention, cure, mitigation or diagnosis of diseases in humans or animal". As such manufacturers must register such dietary food as medicinal products in compliance with FDB guidelines for registration of drugs.

It is mandatory to label any prepackaged food item that has a nutritional composition. Manufacturers must justify any nutritional claim on the product's label.

Labels must contain directions for safe usage, handling and storage.

Additional nutritional labeling information is voluntary.

FDB accepts the Standard U.S. nutritional fact panel.

Labels bearing 'No Cholesterol' or Cholesterol Free' on edible vegetable oils are still not acceptable. Vegetable oils should bear the plant source of the oil and labeled as such, for example Corn oil, Soybean oil, Sunflower oil since all plant sources of oil are cholesterol free. According to officials of the FDB this rule is also being amended to all edible oils such as margarine. The FDB is of the view that cholesterol free labels on plant sources of products are deceptive and "create unfair trade as a marketing strategy". This labeling issue would affect US exports of edible oils to Ghana.

SECTION III. PACKAGING AND CONTAINER REGULATIONS

The Food and Drug (Amendment) Act 523 1996 Section 7 of PNDCL 305B stipulates that "food should be stored and conveyed in such a manner as to preserve its composition, quality and purity and to minimize the dissipation of its nutritive properties from climatic and other deteriorating conditions". The FDB has no specific regulations on packaging, waste disposal laws or product recycling regulations that impact on imported food products. The FDB does not impose any specific restrictions on packaging materials.

Importers and consumers prefer processed and high value products to be packaged in small to medium size packs that are affordable. In addition, bulk shipment of products that can be repackaged locally is also preferred.

SECTION IV. FOOD ADDITIVE REGULATIONS

The food additive and contaminants regulations are based on Codex Alimentarius (vol. 1, 1991 pages 49-179) in its assessment of food safety. Ghanaian food additive regulations are specified in the GOG Food and Drugs Law, 1992, PNDCL 305B.

- No person may manufacture, import, advertise, sell or present any food item or beverage containing a non- nutritive sweetener for human consumption unless the product is "specified for special dietary usage."
- □ It is not permissible to add non-nutritive sweeteners in any food or beverage to be consumed by infants or children.
- Non-nutritive sweeteners, including saccharin and cyclamates, may be used in low-calorie, dietary foods/beverages.
- □ It is against the law to use Potassium Bromate as a flour improver for bread. Manufacturers are to use Ascorbic Acid as food additive.
- Effective July 1, 2005 all salts manufactured in Ghana or imported must be iodated.
- □ The FDB is processing a food fortification regulation that will compel the fortification of wheat flour and edible oils with Iron and Vitamins (Regulation not yet passed)

The ban on the sale of non-iodated salt is in compliance with the Food and Drugs Amendment Act (Act 523). Any person or company found to be in violation of any provision of the Food and Drug Law 1992, PNDCL 305B will be subject to a court penalty unit (the fine is not fixed) to be determined by the law court or imprisoned for not more two years or both.

SECTION V. PESTICIDES AND OTHER CONTAMINANTS

Pesticide residue and contaminant levels in food are based on standards of the Codex Alimentarius Commission (Codex Alimentarius vol. 1, 1991: pages 1-146; 182-192). A certificate of analysis, which states the pesticide residue level and freedom from radioactive contaminants, must accompany all imported goods.

By law the FDB has the right to test and analyze any domestic or imported product at its laboratories to determine if the product is free of contamination. FDB officials carry out routine inspection and analysis of imported foods at the port of entry and at the retail level. FDB has the mandate to seize and destroy any product that is contaminated. Additionally, information on approved pesticides may be obtained from Plant Protection and Regulatory Services of Ministry of Agriculture that is a member of the Board of the FDB (see contact information at end of this report).

SECTION VI. OTHER REGULATIONS AND REQUIREMENTS

A. General

Exporters may retain the services of a Ghanaian agent or distributor (though not required). However an association with a local representative who possesses a thorough knowledge of the Ghanaian market can be extremely beneficial. As such it is common for a good agent to be heavily committed or to represent several product lines. Thus care should be taken when approaching agents to ensure that they do not represent other exporters that may result in conflict of interest.

The following documentation/registration is required if an agent is utilized:

- The Agent has a registered company or business with the capacity to affect a product recall if necessary.
- □ The Ghanaian importer/agent must provide proof of Power of Attorney from the manufacturer, which gives him/her authority to represent him/her on issues relating to the product.

- □ The original Power of Attorney must be notarized in the country of origin, signed by the Chairman or President of the company, stating names of the products to be registered.
- □ The Agent is to register the product with FDB valid for not less than five years.
- □ As a representative of the foreign manufacturer the local representative/agent can coordinate all the registration processes for the imported food products. (See below)

FDB registration requirements:

- □ An FDB application form for the registration of each product or product group must be completed.
- The exporter must send eight (8) product samples of the same batch of each product to FDB for physical/laboratory analysis and vetting which takes about four to eight weeks. Product samples may be shipped by express mail (DHL or Federal Express or other express mail) and standard food import regulations are not applied.
- **□** The following documents must be provided to the FDB:
 - a) Certificate of manufacture and free sale, issued by an accredited health authority,
 - b) Product license or evidence of product registration in the country of origin,
 - c) A certificate of laboratory analysis performed in the country of origin must be provided such as a sanitary and phytosanitary certificate. A comprehensive certificate of product analysis issued by the manufacturer indicating the name and designation of the analyst.
- □ All importers must submit the certificate of registration of brand name/ trademark, in the name of the owner of the trademark, to the FDB.
- □ The importer should present a letter of invitation for the inspection of the factory/warehouse stating the full location address of the manufacturer, name of contact person, current phone and fax numbers and E-mail address.

The FDB registration process involves a review of the manufacturing process, an assessment of food safety and quality, and confirmation of compliance with FDB labeling regulations. The registration of any food product with the FDB is a very slow process and can take between one or two months to be completed from the date samples are submitted for laboratory tests. U.S. manufacturers/exporters wishing to sell their food products in Ghana also should be aware of relevant requirements and regulations of the Customs Service mentioned in **section IX** of this report.

B. Expiry Dates

In the Food and Drugs Act, all food products should carry expiry dates and/or shelf life. The active ingredients should be specified on their packaging where applicable. The FDB regulation states that the expiry date should be "at least half the shelf life as at the time of inspection." This means that the inspection date (by FDB after custom clearing) until the expiration date of the product should be equal to or greater than half of the total shelf life of the product (date of production until expiry.) The FDB routine checks have been effective in ensuring that expired food products are removed from the shelves.

C. Registration Fees

The registration fee, for vetting, processing and documentation for all imported food products is 300 New Ghana cedis (\$326) for three years. In addition, the registration of importer is

100 New Ghana cedis (\$109) renewable on yearly basis to keep the importer on the FDB register. Additionally, the product inspection fee for each import is 50 Ghana new cedis (\$54) to ensure that the product meets the requirements. The FDB also has the following additional requirements:

- □ A food product with different flavors will be registered as a group.
- □ No applicant will be allowed to register a food product in more than one name.

D. Prepackaged Food Products

The guidelines that regulate the sale of prepackaged food products in Ghana are as follows:

- □ All prepackaged food can be sold only if a label has been affixed to it.
- □ Any person who labels a prepackaged food product in a manner, which is false, misleading or deceptive as regards its character, nature, value, substance, composition, merit, safety, quality, quantity or origin commits an offence.
- Manufacturers must provide a complete list of ingredients used in preparing the food item on the label in a descending order of their proportion. Provide recommended storage and handling conditions with the shelf life.
- □ Indicate on the label if a prepackaged food item has been treated with ionizing radiation and the nature of the ionizing radiation.
- Submit to FDB a Free Sale Certificate from a competent health authority from the country of product origin, that the sale of the product does not contravene the food laws of that country.
- Provide FDB with product's license or certificate of registration from a competent health authority in the country of product origin that is evidence of product registration.
- □ FDB officials routinely visit retail outlets in the country to confirm that all imported food products are in compliance with local regulations.

Failure to comply with the above regulations will compel the FDB to prohibit the importation, distribution, sale or use of any prepackaged food product, temporarily or permanently as well as impose a fine of 5,000,000 cedis (about \$556) against any product of a particular company.

E. Advertisement Requirements

- All advertisement and promotional materials (including the contents to be used) must be first approved by the FDB before they are utilized.
- □ An application to advertise a product must be submitted to FDB for approval. This approval is in addition to the Certificate of Registration of food product issued by the FDB that authorizes importation and sale in Ghana.

Exporters may advertise in the print and electronic media (Radio, TV), billboards, posters and point of sale displays.

SECTION VII. OTHER SPECIFIC STANDARDS

At present, Ghana has no laws regulating products of biotechnology. However, a draft biosafety bill has been developed and will soon go for public debate.

SECTION VIII. COPYRIGHT AND TRADEMARK LAWS

Ghana is a member of the World Intellectual Property Organization (WIPO), the Universal Copyright Convention (UCC) and the African Regional Industrial Property Organization

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(ESARIPO). Manufacturers and traders are strongly advised to patent their inventions and register their trademarks in Ghana, and to do so through a patent or trademark agent. Fees for registration vary according to the nature of the patent, but local and foreign applications pay the same rate.

The Ghanaian system for patent and trademark protection is based on British law, and it was only in 1992 that the patent laws of the UK ceased to apply in Ghana. Local courts offer redress when infringements occur, though few cases have been filed in recent years.

The Copyright Act was passed in 1961 and the Trademark Act in 1965. The Copyright Administration in Ghana is responsible for patents, copyright and trademarks. Registration of a trademark permits the holder to have the exclusive right to use the registered mark for a specific product or group of products. Upon approval of a patent, the applicant is given the exclusive right to make, export, import, sell, use a product or apply a patented process. Copyright Act of 1965 (amended in 1970) makes it a criminal offense to make counterfeit,

reproduce, export, import, exhibit, perform, or sell any work without the permission of the copyright owner.

SECTION IX. IMPORT PROCEDURES

The following sequence of import procedure is for general guidance. Importers are required to:

- Obtain a proforma invoice from the supplier.
- □ Obtain an Import Declaration Form (IDF) from the Ministry of Trade and Industry
- Apply for a Letter of Credit for payment of goods.
- Arrange insurance cover for the goods depending on shipment terms.
- □ Notify the Ghana Shippers Council when shipping by sea.
- Contact a clearing Agent for Customs clearance formalities.

A. Destination Inspection Scheme

Ghana abolished Pre-shipment Inspection with effect from 1st April 2000, and replaced it with the Destination Inspection Scheme [DIS] backed by computerized risk management, X-ray scanning and physical inspection. Now all exports to Ghana are subject to Destination Inspection unless specifically exempted by the Ghana Ministry of Trade and Industry. There are no threshold exemptions hence all imports are subject to inspection, regardless of their value. Inspection charges are currently pegged at 1% CIF value.

Gateway Services Limited (GSL) operates the Destination Inspection Scheme for sea freight and Ghana Standards Board and Bureau Veritas (GSBV) for goods received by air and land.

In addition, depending on the imported goods, clearances may require the approval of FDB, Ghana Standards Board, National Drug and Narcotics Board and other agencies at the ports of Ghana.

The destination inspection procedure is as follows:

- □ Import Declaration form (IDF) Submission
- □ Submit IDF to Gateway Services Limited (GSL) 21 days before arrival of goods, along with the proforma invoice, Supplementary Information Document (SID) and Tax Identification Number (TIN) Certificate. The SID form is available at the GSL.

- □ Final Documents Submission to GSL
- □ Submit the Final Invoice, Bill of Lading and the Packing List 10 days prior to the arrival of goods. There is a warning that without the Packing List there will be no scanning of the goods.

The Clearing Process is as follows:

□ The Customs Entry

The Clearing Agent obtains and completes the Single Administrative Document (SAD) from the Customs Excise and Preventive Service (CEPS), after collection of the Final Customs Valuation Report (FCVR) from GSL. Submits the SAD to the (CEPS) along with all supporting documents (invoice, B/L, FCVR, Exemptions, etc).

□ At the harbor/port

After CEPS has completed processing, the product information will be dispatched to various locations, depending upon the Computerized Risk Management System (CRMS) Level quoted on the Final Customs Valuation Report (FCVR).

After satisfactory process of invoice, B/L, FCVR, CRMS and Exemptions, CEPS will release an **Out-of-Charge** document. In addition a **GATEWAY PASS** from the GSBV or GSL will be released for the other clearance channels.

The Ghana Ports and Harbors Authority Waybill (GPHA) Present the Out-of-Charge document to obtain a WAYBILL as proof of payment of all port charges.

The importer or Agent completes the Single Administrative Form (SAD) and attaches all relevant documents and presents them to the following agencies that are all under the same roof at the port of entry, for endorsement.

- To the Ghana Shippers Council for verification of importer's registration with the council,
- □ Internal Revenue Service for certification of importer's current tax payments,
- □ The Ministry of Trade and Industry for endorsement of the IDF.
- □ The SAD and bill of Entry are checked by Customs who assesses the duty. Once the duty is paid and a receipt issued the goods are released.

B. Documentation

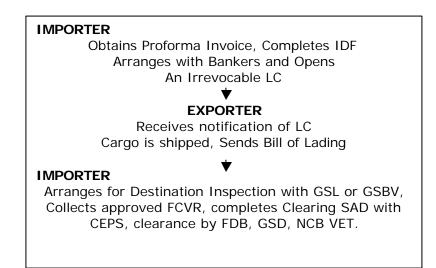
The documentation process for all imports is as follows:

- □ Import Declaration Form (IDF) covering the goods should be completed and signed by the importer and submitted before importation of goods
- □ Single Administrative Document (SAD), a customs form designed for all customs transactions including imports and exports. This form must be completed and submitted to CEPS.
- □ Shipment Notification Forms: the importer needs to complete Ghana Shippers Council Shipment Forms for sea shipment.
- □ Insurance:-Insurance coverage should be obtained in Ghana but it is not a precondition for importation. However the importer has to produce evidence of an insurance policy before banks will agree to open a letter of credit.

Other Documents supporting customs entry forms are:

- a) Suppliers Invoice: this must be in duplicate and attested
- b) Packing list
- c) Bill of Lading / Airway Bill/Parcel Post delivery.
- d) The inspection agency shall, pursuant to the inspection, issue one of the following reports of findings:
- e) Final Customs Valuation Report (FCVR) if the inspection yields a satisfactory result.
- f) A Gateway Lock (GWL) if the inspection reveals discrepancies which cannot be rectified by the importer
- □ The importer must present his original copy of the FCVR to the Customs Excise and Preventative Service (CEPS) at the time of clearing the goods.
- At the same time, the importer shall pay to CEPS the total duties and taxes of CIF value of the goods.
- Special Requirements: Foods, Drugs, and some other goods imported into Ghana are required to be clearly marked or labeled as required by the General Labeling Rules, 1992, (L.I. 1514).
- Inspections and clearances by FDB, Ghana Standards Board (GSB), the Ghana Narcotics Control Board (NCD), Veterinary Service (VET) and other agencies stationed at the ports.

C. Flow Chart: Import Documentation Procedures



D. Duty

The standard rate of duty for most food products is 20% (for example, rice). Raw materials are levied a duty of 10% (for example, wheat). A general exemption from payment on the import duty can be granted on items such as ingredients for the manufacture of poultry feeds if certified as such by the Ministry of Agriculture. Other taxes follow:

- □ Value Added Tax (VAT) is 12.5%
- National Health Insurance Levy (NHIL) is 2.5% to be collected by the VAT Secretariat

- □ Export Development and Investment Fund Levy (EDIF) is 0.5% and
- □ Inspection fee of 1%
- □ ECOWAS Levy 0.5%
- Ghana Customs Network (GCNET) of 0.4%

E. Method of Payment

Letters of Credit (LC) are generally accepted as the method used in the payment of imported goods. The LC can be irrevocable or confirmed. Due to delays most importers utilize interbank wire transfers for the payment of their imported goods. The exporter simply ships the items to importer upon receipt of his bank transfer payments. This method has been helpful in speeding up the process.

To establish an LC a Bank may require a signed proforma invoice (attested), IDF, preshipment notification from the Ghana Shippers Council, Marine insurance (normally covered in Ghana but not a precondition) This is a tedious and long process and could take more than two weeks.

Upon receipt of the bank transfer the cargo is then shipped to Ghana. The shipment time by sea from the US to Ghana, on the average takes three weeks. Air transport is about a day.

It is advised that confirmed, irrevocable letters of credit opened by Ghanaian banks with correspondent banks in the United States be used to guarantee payment. U.S. exporters may wish to contact the Agricultural Affairs Office of USDA in Accra for assistance in locating reputable representatives and/or importers for their products.

APPENDIX I. GOVERNMENT REGULATORY AGENCY CONTACTS

- Mr. Emmanuel Kyeremanteng Agyarkoh The Chief Executive Food and Drugs Board PO Box CT 2783, Cantonment, Accra, Ghana Tel: 233-21-673090/661248 Fax: 233-21-660389 Email: <u>fdb@ghana.com</u>
- Mr. Isaac Kwamina Van-Ess Head of Food Safety Section of Food and Drugs Board PO Box CT 2783, Accra Tel: 233-21-673090/661248 Fax: 233-21-660389 Email: <u>fdb@ghana.com</u> Cell: 233-21-244-384780

Appendix II: OTHER IMPORT SPECIALIST CONTACTS

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