Agri-business models and export of organic and fairtrade certified products from Ghana

Proceedings of the workshop held in Accra, 24 -25 January 2007

Organized by

the FAO project "Increasing incomes and food security of small farmers in West and Central Africa through exports of organic and fair-trade tropical products"

and the

Ministry of Food and Agriculture, Ghana

Ministry of Food and Agriculture

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FAO is grateful to the Ministry of Food and Agriculture for their support to the project and for hosting the workshop at their Resource Centre. It expresses its sincere gratitude to Ms. E. Oberye Monney, senior crops officer, for her dedication and constant support to the organization of the workshop.

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Many thanks go to the authors of the presentations summarized in this report and to the participants for their contributions to the debate.

Table of Contents

Background and introduction 6
Opening statement 8
Market Brief 10
Introduction to Organic Agriculture 17
Introduction to Fairtrade 19
Introduction to the Organic Certification Process 23
Weija Agricultural Development Ltd. experience with organic certification 26
Fairtrade / Organic in VREL – the plantation experience 28
Kuapa Kokoo 31
Organising Organic Certification for Outgrowers of Oil Palm 33
The PIP actions and progress in Ghana 36
FLO Producer Business Unit 39
Agro Eco experience with exports of organic certified products 41
Experience from the FAO project on organic and fair-trade exports 44
Results of Group Discussions 47
Thematic discussions 52
- General trade constraints 52
- Relation with research 52
- Local market 53
- Smallholder certification 53
- Local certification body 54
- Collaboration within the organic and fair-trade sector 55

Closing remarks 56
Conclusions 58
Annex 1 Workshop Programme 59
Annex 2 List of participants 61

Background and introduction

Demand for organic and fair-trade products is increasing on the international market. These niche markets offer opportunities for small farmers in developing countries. It is often easier to produce organically for small farmers than for large plantations. Furthermore, these markets usually offer price premiums.

However, organic and fair-trade markets demand high quality products, and farmers need to meet standards and face certification costs. Furthermore, the organic market is changing rapidly with high price volatility and can be entered only after a conversion period has been completed.

The pilot project "*Increasing incomes and food security of small farmers in West and Central Africa through exports of organic fair-trade tropical products*" seeks to identify export opportunities and to provide technical assistance to farmer groups and exporters to help them overcome these challenges and take advantage of the growing organic and fair-trade markets. The project is funded by the German government and executed by FAO in Senegal, Burkina Faso, Cameroon, Ghana and Sierra Leone.

In Ghana, two smallholder groups with links to exporters are being supported to qualify for organic certification by the end of the project. In addition, the project is organizing workshops for stakeholders in some of the countries. The first of these workshops was held in Ghana from 24 to 25 January under the theme "Agri-business models and export of organic and fair-trade certified products" at the Conference room of the MOFA Resource Centre. This report presents the proceedings of that workshop.

The objective of the workshop was to provide Ghanaian agricultural businesses with insight in the potential benefits and constraints of fair-trade and organic certification. To reach this objective, the workshop provided background information on organic agriculture, the fair-trade movement, and guarantee systems. It also examined experiences of different business models with organic and fair-trade certification and provided a platform for participants to learn from support projects of how they could overcome constraints as well as the potential benefits of certification.

After the official opening by the Director of Crop Services on behalf of the Chief Director of the Ministry of Food and Agriculture, the first set of presentations introduced the market development, the principles of organic agriculture and fair-trade and the certification process. The second set of presentations focused on experiences of different business models with organic and fair-trade certification. In the third session some support programmes presented lessons learned on how to overcome constraints and the potential benefits of organic and fair-trade certification. A session was devoted to group work where participants discussed benefits and constraints of organic and fair-trade certification and how their organizations could contribute to the development of the sector. After the final plenary discussion, the workshop was closed by Mr. Tshibaka, Senior policy officer and officer-in-charge of the FAO sub-regional office for West-

Africa and of the FAO Representation in Ghana. A detailed programme of the workshop programme is presented in annex 1.

The workshop attracted a total of seventy-one participants. Farmers and exporters were well represented. Some participants represented organizations involved in promoting organic agriculture. Government officials, researchers, non-governmental organizations and donor agencies were also represented. The list of participants is presented in Annex 2.

Opening statement

By Dr. J. A. Poku,
Dr. Poku is Director of Crop Services and spoke on behalf of the Chief Director of the Ministry of Food and Agriculture.

Representative of FAO Regional Office for Africa, FAO Country Representative for Ghana, Directors of Research institutes, Representatives from our development partners and NGOs, Members of the organic agriculture fraternity, Distinguished Invited Guests, Ladies and Gentlemen; I deem it an honour and a privilege to be requested to deliver the opening address of the workshop on agri-business models and export of organic and fair-trade certified products being organized by the FAO in collaboration with the Ministry of Food and Agriculture. I dare say that organic agriculture is an old practice, for before the advent of conventional agriculture and several green revolutions; food was generally produced according to the principles and practices of organic agriculture. Conventional agriculture production took root and grew in response to an increased demand for more food by the world's growing population. Then the quality of produce was taken for granted.

Now, with the increasing awareness of the potential health hazards from pesticide residues in agricultural produce, the negative effects of agricultural production on the environment and worker welfare issues, consumers are demanding that farmers adopt good agricultural practices in their production to ensure environmental sustainability and food safety without taking advantage of the workforce. Some consumers, being convinced of their benefits, have gone further to demand organically grown products.

The international organic agriculture produce segment of the food industry has been identified as the fastest growing segment of the food industry. Available records show a rapid increase in market share of such products on the international markets providing real opportunities for producers to generate incomes and increase returns on investments.

A more recent development is the growth of the fair-trade movement in both Europe and the United States. More and more consumers are willing to pay a higher price for the assurance that producers receive a fair price that covers the costs of sustainable production, allows a fair remuneration of farm workers and provides a sustainable livelihood for producers.

However, for the farmer, guaranteeing consumer satisfaction on a continuous basis is the key to maintaining and increasing market share in the face of ever changing demands of this growing market. In most of Sub Saharan Africa conventional agriculture production has gained grounds, however, due to the high cost of fertilizers and other agro inputs some farmers do not apply any of these chemicals (*de facto* organic producers). In spite of these they cannot sell their produce on the international market as organic because without the requisite certificate from a recognized certifying body no produce is accepted as organic. Before one could be certified organic there are set rules and principles that have to be adopted for which some technical expertise is required. Also for a large part of the fair-trade market, certification is required.

Thus, while organic and fair-trade markets may offer advantages and opportunities that the conventional markets do not offer, the compliance with certain standards and the certification process may pose specific constraints. Most of our farmers will need to be trained in such skills before they can take full advantage of the emerging markets. Additionally, owing to the costs involved in organizing production systems for organic certification and the high costs incurred in obtaining the certificate itself, most of our small – scale farmers are unable on their own to obtain certification and thus stand in danger of being pushed out of the market entirely. Even for some large scale farmers, obtaining and maintaining certification can be a challenge. It should be noted here that also conventional markets increasingly require some sort of certification for which however no consumer label exists and thus no premium price is received.

Ladies and gentlemen, the Ministry of Food and Agriculture considers the attainment of food security, improving the standard of living of our farmers and creating wealth among the populace as being of highest priority. As such, we are grateful to the Food and Agriculture Organization for selecting Ghana as one of the beneficiary countries for the project entitled 'Increasing incomes and food security of small farmers in West and Central Africa through exports of organic and fair-trade tropical products'.

This project aims at providing technical assistance to West-African small farmers to certify and export organic and fair-trade products to European markets within the framework of combating hunger and malnutrition through the support of sustainable agriculture. I understand it is also supporting income generation and household food security. I am further delighted that the first of a series of workshops planned under this project is being hosted in Ghana.

According to the invitation I received, the objective of this workshop is to provide Ghanaian agricultural businesses with insight into the potential benefits and constraints of fair-trade and organic certification. To reach this objective, the workshop will provide background information on organic agriculture, the fair-trade movement, and guarantee systems. It will examine experiences of different business models with organic and fair-trade certification and also provide a platform for participants to learn of the most common constraints encountered and how they can be overcome as well as the resulting benefits of certification from on-going support programmes.

It is my fervent wish that through your interactions and deliberations, this workshop will adequately address all issues raised and come out with proposals and recommendations that, when followed, will lift the beneficiaries and all others who venture into this business from the poverty bracket and set them on the path of running businesses that do not only succeed but thrive and become examples for others to adopt. In the event that this happens I believe a convincing case will be made for extending the pilot phase into a broad spectrum one for more people to benefit from. On this note, I wish to declare this workshop duly opened. I wish you fruitful deliberations during these two days. Thank you.

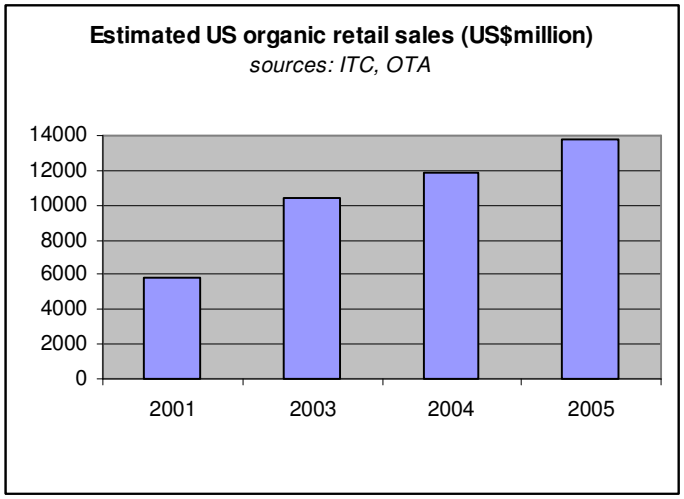
Market Brief

Prepared by: Cora Dankers, FAO

This market brief intends to give a short overview of the latest developments in the major organic and fair-trade markets, with a special focus on two products important for Ghana: cocoa and tropical fruits (especially pineapple). Because official statistics for trade in organic products do not exist, all figures are estimates. By keeping it as short as possible, the brief is far from exhaustive. Readers wishing to know more about a particular subject are advised to consult directly the sources cited in the further reading section at the end of this brief.

A. The organic market in North America (United States and Canada)
(Data compilation by Alice Byers, FAO)

The North American market is the world's largest market for certified goods. The estimated 2005 retail sales for organic goods were around US$ 14 billion in the USA and US$ 1-1.2 billion in Canada. These are now approximately 2.5% of total food sales. Roughly 80-90 percent of the organic products consumed in North America are produced domestically.



Within the organic sector, **fruit and vegetables** are the most important category of organic sales with approximately 41 percent of the total value of the organic market, about 39 percent of which is fresh produce and 2 percent of which is frozen.[1] An estimated 20-25% of organic fruits and vegetables are imported (still worth around US$ 1.2 – 1.5 billion).

The organic **pineapple** market has grown rapidly since the National Organic Programme (NOP) came into force. The NOP approves the use of ethylene-gas for flower induction

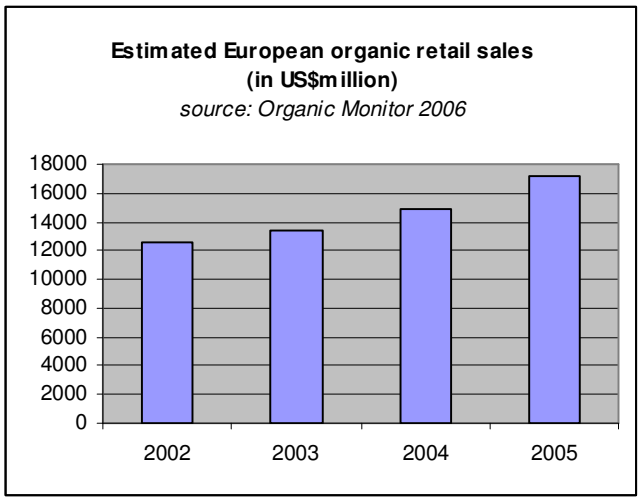
[1] Nutrition Business Journal 2003

in pineapples. CIMS estimates that the US market for organic pineapple exceeded 2000 MT in 2004, mainly supplied by Hawaii and the Dominican Republic. CIMS reported that conventional FOB prices for MD2 in Latin America had dropped since 2003 by 30% to US$ 0.35/kg in January 2005. But prices for organic MD2 were still US$ 0.70/kg, resulting in a 100% organic premium for Latin American suppliers. However, organic pineapple production in Latin America was expected to grow fast, many producers were already in conversion, and CIMS expected Costa Rica to become the main supplier of organic pineapples to the US in the medium term.[2]

Cocoa and chocolate are not considered 'traditional' organic or fair trade products in the US but consumption has shown considerable growth in recent years. Previously all organically certified chocolate was processed and packed in Europe. But with the recent entry of US based organic processors an accelerated market growth is expected.[3]

B. The organic market in Europe

Strong growth was observed in almost all major organic markets in Europe in 2005, resulting in total retail sales of an estimated US$ 17.2 billion (€ 13.7 bn)[4]. The biggest European market remains Germany with a 30% share of around US$ 5.1 bn (€ 4 bn)[5] in 2005. In addition to a continuing rise in the number of organic supermarkets in Germany, also conventional and discount stores sell more organic products. The organic monitor even reports supply shortages for sectors such as fruits & vegetables and meat & dairy products.



The Organic Monitor reports sales in the UK to have reached 3 US$ billion (GBP 1.6 bn), followed by France with retail sales of US$ 2.5bn (€ 2bn) and Italy with retail sales of

[2] CIMS March 2005
[3] CIMS/EM 2005
[4] Organic Monitor, 2006
[5] Kortbech Olesen, 2006 and Organic Monitor 2006

US$2.3bn (€1.9 bn).Although according Kortbech Olesen sales in Italy reached US$ 2.7bn (€2.2bn).

The UK market is characterized by a high share of imports, estimated to account for more than half of the total market. However, government policy and domestic producers aim to increase self-sufficiency. Organic sales have been largely driven by big supermarket chains. Recently the government has pledged to offer organic school meals.[6]

The Organic Monitor reports that the Italian organic market reported negative growth in 2004 when the largest retailer decreased the range of its organic products. However, sales were estimated to have rebounded due to strong growth in 2005. Growth in France was mainly due to the broadening of the organic assortment by the retailers.[7] Since 2005, imports from outside the EU can carry the national "AB" (Agriculture Biologique) logo, reducing confusion among consumers.[8] It is expected that this will favour sales of imported organic products in France.

CIMS estimated that around 4000 MT of fresh organic **pineapples** were sold in Europe in 2004. However, in a study for FAO, Thimm estimated the theoretical demand to be around 4000 MT, but due to the ban on the use of ethylene for flower induction, total imports were around 1000-1500 MT.

With the recent change of the EU organic regulation, which now approves the use of ethylene gas under certain conditions, it is expected many new suppliers will enter the market and a strong growth of organic pineapple sales in Europe is expected. However, in 2004 some traders expected that Latin American growers would profit more from this change.[9]

There are no recent figures on the European organic **cocoa** market. Thimm estimated the 2003 organic cocoa market to be 3 to 4 times the fair-trade cocoa market, 6,000 – 8,000 MT (with a large share of fair-trade cocoa products also being organic). For the same year, an EPOPA study by Koekoek estimated imports into Europe to be 14,000 MT of cocoa bean equivalents, including 2000 MT re-exported to the US.

Market demand for organic cocoa is strong. According to Garibay[10], the leading cocoa supplier is the Dominican Republic with 8500 MT exported in 2005. This is only 60% of the total production there, but the surplus is not sold due to low quality. Some African origins have developed a limited organic supply (Uganda, Madagascar, Tanzania, Cameroon, and Ghana).

An important recent development in the UK market was the purchase of Green & Blacks organic chocolate brand by Cadbury Schweppes.

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[6] Kortbech Olesen, 2006
[7] Organic Monitor, 2006
[8] Willer & Yussefi. 2006. citing www.bio-markt.info: News about France
[9] Thimm, 2004
[10] in: Willer & Yussefi, 2006.

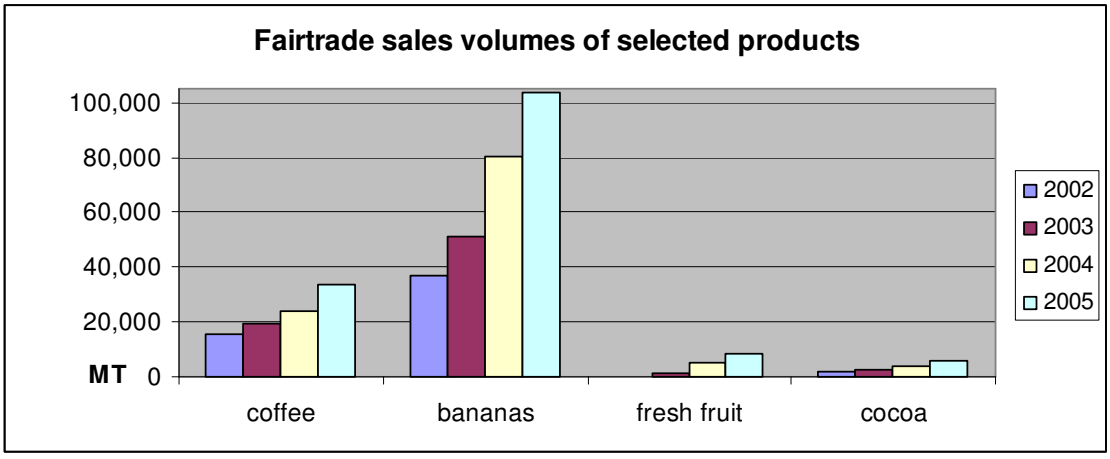
C. Fair trade markets

World Sales volumes of selected fair-trade certified products
source: FLO

	2002	2003	2004	2005
coffee	15,779	19,293	24222	33991
bananas	36,641	51151	80641	103877
fresh fruit		1291	5157	8289
cocoa	1656	2698	4201	5657
juices	1387	2193	4543	5898
dried fruit		23	238	306

In MT, juices in litres

Note: the total fair-trade market for dried fruits is much larger. The market developed before there was a FLO standard and most fair-trade dried fruits are still imported and sold in specialist outlets like World Shops without the FLO label.



Fairtrade estimated retail values in euros
source: FLO

	2004	2005	growth
Europe (14 countries)	595,998,289	756,766,300	27%
USA+Canada	232,139,838	378,977,222	63%
Japan	2,500,000	3,364,500	35%
Australia & New Zealand	884,939	2,462,169	178%
Total	***831,523,066***	***1,141,570,191***	***37%***

Although fair-trade sales in Europe are still more than double than those in North America, the fair-trade market in especially the USA is growing much faster. Sales through outlets such as Wal-Mart and Starbucks do contribute to this. FLO members in

Australia and New Zealand have only started recently, and are thus growing fast from a very small base.

Several industry sources indicate that there is demand by supermarket chains for fair-trade fresh fruit. However, a major constraint is the requested volumes. Small producer associations wishing to enter this market are often unable to deliver these volumes and importers and supermarkets do not want to deal with too many suppliers. Therefore, large farmer associations or plantations need to be developed and certified and this takes time and resources. For small producer associations, an easier entry may be dried fruits that are mainly sold in specialist shops.

Final notes

While there may be many reasons to adopt organic production methods (lowering input costs, increasing quality, better worker health etc.), the reason to obtain organic **certification** are to enter a niche market that may provide price premiums.

While the organic market is growing overall by 10 to 20 percent a year, producers or exporters who have to decide whether to invest in certification have to take into account the volatility of the market. Market share is still limited for many products, and a supply shortage can turn into an oversupply quickly when a big supplier enters the market. Similarly, an oversupply of an organic product can turn quickly in a supply shortage when a big retailer or food company starts an organic line for that product. For producers who face a three year conversion period it is very difficult to predict what the organic market for the particular product will look like when they have finally obtained their certificate.

For the fair-trade market, producers have to realise that FLO-Cert will not inspect applicants unless they are already into contact with a FLO registered buyer. Nevertheless, they may still need to sell a large part of their total production volume on the conventional market.

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Kortbech-Olesen, Rudy. 2006. Demand for organic Products from East Africa. International Trade Center. Geneva.

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Nutrition Business Journal (NBJ). 2004 The NBJ/SPINS Organic Food Report 2004.

Sustainable Markets Intelligence Center (CIMS). 2005. Sustainable Pineapple Market Profile. March 2005.

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Thimm, Conrad. 2004. The European Market for Organic and Fairtrade Products from West Africa (unpublished). FAO. Rome.

Willer, Helga and Minou Yussefi. 2006. The World of Organic Agriculture, Statistic and Emerging trends 2006. IFOAM & FiBL. Bonn. Germany.

Further reading:

Export Promotion of Organic Products from Africa (EPOPA)
http://www.grolink.se/epopa/Publications/index.htm
A selection of available reports and (summaries of) market studies:

- Organic Exporter Guide 2006
- South African Organic Market Study, May -06
- Honey Market Survey, Jan -06 - public version
- Summary of "The Organic Cocoa Market in Europe"
- Summary of "The European Market for Organic Canned Pineapple"
- Summary of "Export opportunities for African Organic Honey"
- Summary of "... Export of Organic Sesame seed from Uganda"
- Summary of "The Natural Vanilla Markets;"
- Summary of "The Market for Organic Dried Fruits from Tropical Origins"
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www.cbi.nl

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http://www.sippo.ch, go to publications:

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Organic Market Info,
online magazine for organic trade (for paying subscribers)

- http:// www.organic-market.info/en_inhalte/inh_index.htm?link=Home

Introduction to Organic Agriculture

By: Samuel Adimado
Mr. Adimado heads the secretariat of the Ghana Organic Agriculture Network and is contact person for the International Federation of Organic Agriculture Movements (IFOAM) in Ghana. He works for Agro Eco, an organic advisory company.

[*logos IFOAM and GOAN*]

What is Organic Agriculture?
Over the years, the definition of organic agriculture has gone through many changes. Some definitions have however become very popular; common among them is the IFOAM definition referring to organic agriculture as a holistic production management system, which enhances agro-ecosystem health, utilizing both traditional and scientific knowledge. Organic agriculture systems rely on ecosystem management rather than external agricultural inputs.

However, these definitions could not communicate and articulate the true impulse of organic agriculture. Therefore, in 2005 a task force was set up by IFOAM. The IFOAM general Assembly of 2005 adopted the definition of organic agriculture based on four principles: **Principle of Health, Principle of Ecology, Principle of Fairness and Principle of Care**

1. Principle of Health

- Health of soil
- Health of plant and animal
- Health of human
- Health of planet

[*Illustration of compost*]

2. Principle of Ecology
Based on living ecological system and cycles, work with them, emulate them and help sustain them.

3. Principle of Fairness:
Build on relationships that ensure fairness with regard to the common environment and life opportunities.

4. Principle of Care:
Protect the health and well-being of current and future generations and the environment. This includes ensuring food safety.

It means that organic agriculture is not “Organic by default: no fertiliser + no pesticides”. Organic agriculture does not mean “Don’t do anything”. Organic agriculture does not mean “Going back to old days of Traditional Farming”.

Organic agricultural does use traditional knowledge, for example on how to deter termites. But organic agriculture is not limited to traditional farming. It combines traditional knowledge with modern science.

Note: Sometimes farmers try to adopt organic practices but they keep a monoculture, e.g. of pineapples. This may not be very sustainable and there are high risks of outbreaks of certain pests and diseases. Full organic practices would include crop rotation and/or intercropping with other plant species.

In Conclusion
Organic Agriculture is: A systematic effort of adopting ecologically, socially and economically sound systems; based on the principles for optimal returns in productivity; an active ecosystem management; with replacement of foreign inputs with better management and more work.

A note on GOAN
GOAN is the Ghana Organic Agriculture Network. The head office is in Kumasi, with a library. The coordinator of GOAN works at Agro Eco, and can therefore be visited in Accra. To sustain the secretariat, the network depends on membership fees.

In the past five years the organic sector in Ghana has developed significantly. GOAN identified a local person with experience with organic inspection in the US and he is now the first local organic inspector employed by IMO.

GOAN is a member of the International Federation of Organic Agriculture Movements (IFOAM). IFOAM has selected GOAN as contact point. IFOAM is also documenting success stories and GOAN recommended their consultant to talk to both certified and non-certified organic producers.

Relation between GOAN and MOFA is good. At district level, if there is an organic project, GOAN works with district staff.

Introduction to Fairtrade

by Michael Nkonu
Mr. Nkonu is liaison officer for Anglophone West-Africa for the Fairtrade Labelling Organization International (FLO)

What is Fairtrade?

A trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade

FLO
Fairtrade Labelling Organizations International (FLO), established in 1997, is made up of 20 Labelling Initiatives that promote and market the Fairtrade Certification Mark in their countries. The main objective is to promote trading partnership based on dialogue, transparency and respect that seeks greater equity in international trade.

FLO's Strategic Intent is to; deliberately work with marginalized producers and workers in order to help them move from a position of vulnerability to security and economic self-sufficiency; to empower producers and workers as stakeholders in their own organizations; and to actively play a wider role in the global arena to achieve greater equity in international trade.

FLO is a leading Fairtrade standard setting and certification body. All actors along the commodity chain (from producer to the retailer) have to be certified to be able to participate through the FLO system.

FLO's Main Tasks are:
- Setting international Fairtrade Standards
- Facilitating and developing Fairtrade business
- Making the case for trade justice

FLO Standards
Certification is based on established FLO Fairtrade standards.

Categories of standards:
Smallholder
Hired labour

Social standards are differentiated for small farmers and for hired labour situations. There are generic and product specific social standards. There are minimum requirements that have to be fulfilled before the first certification may be granted and progress requirements that have to be fulfilled over the years.

Note on labour standards: the producer should not exploit the workers. The FLO standards enforce the regulations already in place in the country and/or core ILO

conventions. If an employer gives the worker enough rest, higher worker productivity will offset the costs.

Economic & Trade standards include generic and product specific standards. Product specific standards include minimum prices, the Fairtrade premium and pre-financing. A medium/long term commitment of trade partners is also demanded.

Environmental standards include both generic and product specific standards.

Product Specific standards cover standards for bananas (HL), cocoa, coffee, dried fruit, fresh fruit (HL), honey, juices, nuts & oil seeds, quinoa, rice, herbs & spices, sugar, tea (HL), wine (HL), cotton, flowers (HL) and sports balls (HL)

Note: There are no product quality standards. Quality requirements will normally be specified in the contract with the importer. In that case, the producer is obliged to deliver that quality. If there is a problem with quality, the first thing to do is to look what was agreed upon in the contract.

FLO Certification
FLO-Cert, an institution related to but independent from FLO, certifies and monitors producers.

Who needs to be certified?
All companies that buy or sell Fairtrade labelled products. For producers, they are either plantations that structurally depend on hired labour or groups of small producers. In the Fairtrade system, an individual smallholder can not get certified.

Chain of Supply
Original producing country
Producer Processor Exporter------> Importer Manufacturer Distributor

Producer Certification
All producers have to apply to FLO-Cert directly.
Producer applications are handled by the *Producer certification* department.
(certification@flo-cert.net)

The FLO liaison office can support producers with the application process by providing information and with the completion of relevant forms (m.nkonu@fairtrade). Support from the FLO liaison office does not guarantee that an applicant will pass the application or inspection. After all documents have been supplied, it may take 3 to 6 months until inspection. This depends on the availability of FLO-Cert inspectors.

FLO-Cert will request proof of existing demand of the product in the fair-trade labelled market. For this reason the producer (group) need already be into contact with a potential buyer. This is to avoid that producers incur certification costs without the Fairtrade benefits.

Trade certification
All other applications to FLO-Cert, such as for exporters and processors, are handled by the *Trade Certification* department. (registration@flo-cert.net)

Other categories of intermediaries may be Operators, Sub-operators, Subcontractors, Agents and Licensees.

FLO-Cert can decide if related companies need to be both registered, if one of them is already registered. The related company may not need to be registered on its own if the registered company:

- provides all the information required on both companies
- is dealing in the same products
- has control over the other company
- takes responsibility for the actions of the related company

Exporters and Processors

- Exporters and processors are registered only for specific products and producers
- registration is done if the producer (s) needs the exporter
- must apply to export for other producers
- If a producer no longer wants an exporter/ processor, FLO-Cert will have to be informed

Certification is required for each FLO product, because there are different standards for each product (including minimum price etc.)

Producers Exporting for Other Producers:
Need to apply to FLO-Cert for *Trade Certification* to become a FLO exporter

Export companies created by producers must apply for registration.

Fees
All applicants pay a non-refundable application fee. This fee covers all products marked on the application form. The application fee is currently €500 and €250 for additional products.

When the application is accepted and inspection takes place, an inspection fee needs to be paid, which depends on the size and structure of the applicant. There may be additional charges if the applicant is dealing in more than one product or trading in very large volumes or when additional sites need to be inspected.

FLO has a certification fund to support new groups that cannot afford to pay the full amount of the certification yet. With the application forms, FLO-Cert also sends forms to apply for assistance from this fund.

Inspection and certification process

- Documents have to be completed
- Fees have to be paid in full
- (certification fund available for smallholders)
- Initial inspection date is set and communicated
- Inspection carried out by FLO-Cert
- Producer/exporter is certified or denied

Benefits of FLO Certification

- Empowers disadvantaged stakeholders along the chain
- Fairer trade practices
- Improves traceability > > > > credibility of product
- Increases quality through higher producer benefits (prices + premium)
- Ensures sustainability of the natural resource
- Secures fair business deals for producers and importers
- Premium price for produce
- Community development from premiums earned

The Fairtrade minimum prize depends on the cost of production. On top of that there is the Fairtrade premium.

Currently, over 508 producer organizations in more than 50 countries in Africa, Asia and Latin America are certified. There are Fairtrade Certification Marks on dozens of products including coffee, tea, rice, bananas, mangoes, cocoa, cotton, sugar, honey, fruit juices, nuts, fresh fruit, quinoa and footballs etc.

Fairtrade Certified products have helped build economic independence and empowerment for certified smallholder organizations and their members, bringing them economic stability and a higher standard of living.

The Fairtrade Mark means that consumers know that workers and producers get a better deal and that resulting products are safe!

[*picture with FLO labelled products*]

Michael Kwame Nkonu
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Introduction to the Organic Certification Process

by Kofi Bempah
Mr. Bempah is senior inspector of IMO, an international organic certification agency

The concept of certification
The word "Organic" is central to the certification process. In Europe and the US products can not legally be sold as organic without certification. In essence, organic certification is a simple concept.

A third party (an organic certifying agent) inspects and evaluates producers, processors, and handlers to determine whether they conform to an established set of operating guidelines called organic standards. Those who conform are certified by the certifying agent and allowed to use a logo, product statement, or certificate to document their product as certified organic. In other words, the certifier vouches for the producer and assures buyers of the organic product integrity.

Steps to becoming certified
The steps to becoming a certified organic producer, processor or handler are very basic. The five that are presented in this presentation are typical, though variations might apply in different circumstances:

1. Identifying a suitable certifier;
2. Submitting an application for review;
3. Acceptance of application, receiving cost quote and making payment arrangement;
4. On-site inspection and
5. Final review and evaluation for certification. There can be several outcomes:
    (a) Approval of Organic Certification;
    (b) Request for additional information
    (c) Notification of Non-compliance or requiring spot check inspection and
    (d) Denial of certification.

Inspectors look for non-conformities. Some of these non-conformities need to be changed by next year's inspection. In case of other non-conformities, the operator can not be certified as long as the situation has not changed.

Different standards and the importance of choosing an accredited certification body
Different markets require certification against different standards. The operator who wants to market the products in the USA, European Community, and Japan needs NOP, EU 2092/91, and JASS certification. In addition to certification against these governmental standards, some certification bodies offer certification against their own private standard. Demeter certification is internationally used for biodynamic farming. Naturland certification is especially appreciated in the German market. Certification by the Soil Association is for the UK market. Bio-Suisse for Switzerland. KRAV for the Swedish market. It is possible to change from certification body.

The procedure by which an authoritative body evaluates and gives a formal recognition that a certification body is in accordance with a specific organic regulation is considered as accreditation. For any organic certification, the certifier or certification body should be accredited.

To favour harmonization, IFOAM has developed the IFOAM Basic Standard. This is a standard for standards and most of the private standards mentioned above are based on it. There is also a Codex Alimentarius standard for organic agriculture, which is an international reference standard, especially for governments. IFOAM, FAO and UNCTAD also organic the International Task Force on the harmonization of organic guarantee system. In East Africa, Uganda, Tanzania and Kenya all have their own standard, but they are now harmonizing it into one East African standard.

Internal control system:
For an internal control system (ICS) a farmer group will have an ICS manual and the internal inspector inspects 100% of all farms. The external inspector will control if the ICS works well, if all documentation is available and will inspect around 10% of the farms. The percentage of farms inspected by the external inspector depends on the risk factor. If a group is well organised, there will be lower risk. For example if they implement the rule that if 1 member in a village violates the organic rules, they will suspend the whole village from the organic programme.

Cost of certification
Normally an organic certification cost in the area of 2000 to 3000 US$. This may be higher for farmer groups with an internal control system, but in that case the cost per farmer will less. Cost may be high if an inspector has to come from Germany or Switzerland, due to flight and hotel costs. Sometimes the exporter pays for the certification, but in that case the farmers have to sell to that exporter. They can then only sell to others as conventional.

Recent changes in the EU regulation for imports
The EU regulations at this point represent the most comprehensive regulatory framework for organic industry and trade enacted by any government worldwide. It is proposed that a new EU regulation will apply from 1 January 2009, but the new rules on imports will come into force on 1st January 2007.

CONCLUSION
The demand for organic products is expected to continue to exceed production in developed countries; imports will be needed to meet consumers' demand. The extent to which developing countries will be able to fill that gap depends on organic certification.

An example from Ghana

Coastal Organic Citrus Out Growers Association (COA) in Central region of Ghana has gone through the certification process and has certified 1000 farmers and their processing plant at Asebu near Cape Coast. The client wants to be competitive in European Community. They were certified by IMO based on Regulation EU 2092/91 organic standards.

[*pictures of COA operations*]

The socioeconomic and poverty reduction impacts of this smallholder organic certification are great.

THANK YOU!

Weija Agricultural Development Ltd. experience with organic certification

by: Bernard Boateng and Stephen Ben Doe
Mr. Boateng is professor of Entomology at the University of Ghana, Legon, and Co-Director of WAD Ltd.. Mr. Ben Doe is manager of WAD Ltd.

Company profile
WAD is a small exporter of fresh and dried tropical fruits to Switzerland. Exported products are fresh and dried sugar loaf pineapples, fresh and dried mango dried coconut and dried papaya.

WAD is based at the Ghana Industrial and Commercial Estate limited (GICEL) complex at Weija. Initially WAD exported only fresh pineapples. The company started exporting dried pineapples in 2003, to expand the quantities bought from the farmers.

WAD organised 7 pineapple farmers at Atwia in the Ekumfi area of the Central Region into an organic farmers association and was able to certify 2 pineapple farmers and 1 coconut farmer.

FAO Project
WAD signed a contract with FAO to participate in the project last year (2006)
The project aimed to:
- Improve the Internal Control System of the farmer association and the processing unit
- Organic group certification of Wad organic farmer association
- Improved hygienic conditions at the processing unit
- Increased drying capacity of WAD
- Increased exports of organic fresh and dried pineapples by WAD
- Increased membership of Wad organic farmer association Atwia, including coconut and papaya producers
- Increases and sustain incomes of the organic farmers

An analysis by WAD found that typically farmers sold up to 10% of their fruit to WAD, 50% to the local market and 40% of the fruits were not sold.

Activities in 2006
Renovation of the processing unit : The Renovation works included demolition of walls and roofing of corridors to create a larger working space, tiling and plumbing works and new electricity wiring.

[*pictures of renovation*]

Documentation and traceability:

[*Picture of farm label*]

Training of Farmers by AgroEco: They developed and adopted their constitution, registered the association and opened a bank account.

Training for WAD personnel by AgroEco:
- Operations manager
- Documentation manager
- Field officer
- Head of processing

WAD purchased a lot more produce from farmers for drying

Product	2005	2006
Fresh pineapple	24,717	23221
Dried pineapple	71	1530
Dried coconut	325	1922
Fresh papaya	364	598
Dried papaya	28	141

[*Picture of pick-up full of pineapples*]

WAD and the Farmers association received certification for:
- Processing and Marketing of organic products
- Organic and Organic in conversion

Constraints
- Inadequate drying capacity (Still expecting high capacity dryer, though)
- Electricity supply problems
- High certification cost
- Lack of trust by the certification body of the farmers

Recommendations
- Reducing certification costs
- Government support in meeting certification costs
- Training agricultural extension workers
- Authorized local certification/inspection body
- Inspections done by local staff and charging local fees

THANK YOU FOR YOUR ATTENTION

Fairtrade / Organic in VREL – the plantation experience

By Alex Yeboah Afri
Mr. Yeboah is Human Resource Manager of Volta River Estates Limited

History and Company Profile

VREL was established in 1988 by a Ghanaian/Dutch venture to grow export bananas in the Akwamu area, Eastern Region. Work began with 25 workers on a 90 ha site. Black Sigatoka, a fungus that infects banana leaves, up to that time unknown in Ghana, led to virtual bankruptcy.

[*Picture of banana flower*]

In October 1994 export started again and between October and December VREL exported 420 to the EU with a license fee of US$140000. By 1998, VREL had 300ha under cultivation and a peak workforce of 900. In the year 2000/2001 Ghana and other ACP countries got equal access to the EU.

VREL obtained Fairtrade certification (Max Havelaar Netherlands) in 1996. VREL started an organic banana pilot project (VREL Organic Ltd.) in 2001 (Soil Association Certified). To control Sigatoka, a product accepted by the organic standards is sprayed by aerial spraying. But the best control is to prevent an outbreak. Therefore an Early Warning System has been implemented.

In the year 2002 exports to Europe reached 6000 boxes (18.14 kg) per week. But in October 2002 a rainstorm disaster resulted in the loss of 85% of the export capacity.

Currently, VREL offers employment directly to more than 800 people. VREL has 195 ha under conventional Fairtrade and 115 ha under Organic Fairtrade banana production. MD-2 pineapple production is in preparation (Biofair Pilot Project)

Agrofair Bv. is the importer of VREL bananas.
VREL is Fairtrade certified by FLO-Cert. The organic certifier is the Soil Association. Furthermore, VREL is EurepGap certified SGS.

Employee profile

Numerical strength 589					
Total workforce		**Management**		**Workers**	
Male	Female	Male	Female	Male	Female
555	34	18	7	488	76
			Plantation labour Field Workers		
				Male	Female
			Permanent	474	69
			Casuals	18	3

Fairtrade (Max Havelaar) certification -1996

Qualifying factors: Labour & Environment standards

- Unionized workers (Towards Joint Body formation) and union recognition as social partners (MOU).
- 25 % shareholding (Solidaridad) initiative.
- Against child and forced labour.
- Anti-discrimination and equal remuneration.
- Plantation labour and social conditions.
- Rights to Health and Safety conditions
- Protection of natural areas (Dikes / 30 ft Buffer zones / Akwamu shrine protection).
- Practice and prevention of water pollution and erosion (Regular sampling, GWC).
- Controlling and reducing pesticide use (80% less use).
- Reducing fertilizer use (Chicken Manure) and controlling composting waste material.
- Education (Supporting Union/IUF Global Pesticide Project plantation study circle).

[*Picture of celebrating people*]

Main Benefits

- Fairtrade / Organic market opportunity.
- Fairtrade Social Premium.
- Multi-Stakeholder participation in FLO.
- Fairtrade minimum price:
  - €6.25 FOB per box (18.14 Kg).
  - $1.00 per box Fairtrade premium: around 210,000 US$ total premium per year
- Organic Fair Trade minimum price:
  - €8.60 FOB per box (18.14 Kg).

Main Benefits - Social

- Motivation, Loans, Educational Subsidy
- Annual (Afehyia Pa) premium bonuses
- HIV/AIDS training and VCT program.
- Office accommodation and equipment.
- Welfare bus , Motor bike, TV DVD, PA system.
- 480 Bicycles to workers and schools.
- JSS Classroom block, Kadjanya.
- Computer centre for Secondary school (Akwamusec)
- 10 Computers / Air Condition split Unit for school
- Health insurance cover

Main Benefits - Environmental

- 80% Organic work environment.
- 20% fair-trade work environment
- Clean potable water
- Bathhouses and Toilets

- Sedimentation tanks.
- Malaria prevention (Mosquito nets supply).
- Canteen furniture with protective net

Challenges – Fairtrade / Organic Certification

- Meeting cost of compliance (Hired Labour and environmental Standards).
- Meeting certification cost.

Fairtrade minimum price balances against cost of sustainable production.

[*Picture of banana transport rails in plantation*]

CONCLUSION

- Current production at 250,000 boxes per 210 Ha growing area.
- About 2000 boxes per year per Ha.
- About 30% limitation on labour use.

In general, FLO Fairtrade makes Workers happy with the Company making marginal profit. It has the potential to make more positive impact on Producers and Workers globally.

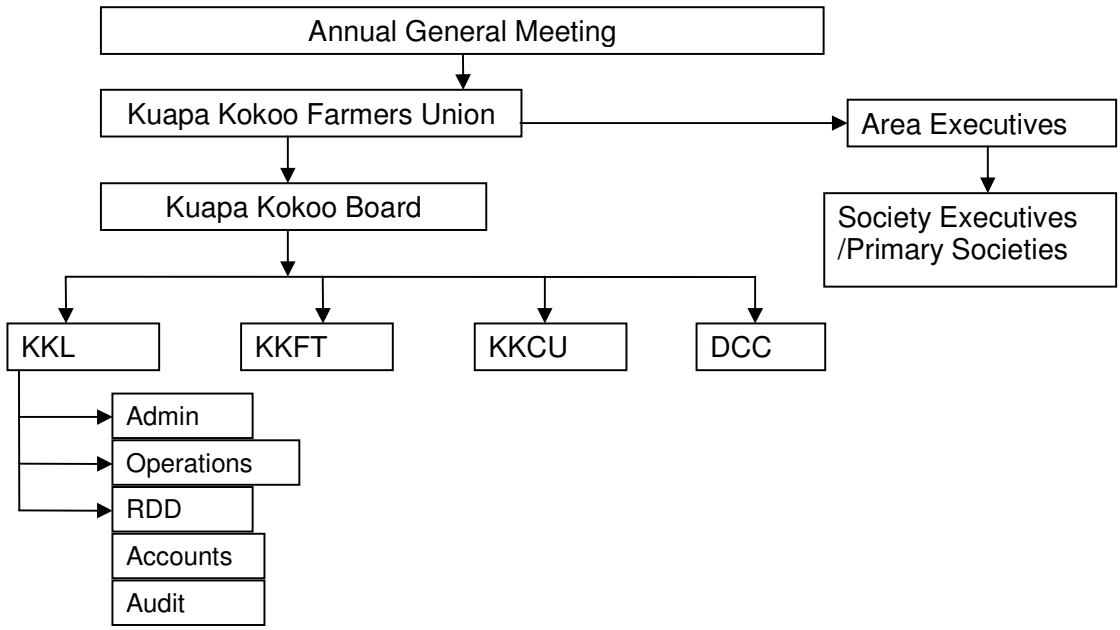
Kuapa Kokoo

By Nicholas Kwame Adjei-Gyan
Mr. Adjei-Gyan is Research and Development manager of Kuapa Kokoo

Introduction
Kuapa Kokoo is a cocoa farmers cooperative organisation, established in 1993 by farmers. Kuapa Kokoo is a composite organization with about 45,000 member farmers

The main objectives of Kuapa Kokoo are to: provide a medium for social, economic and political empowerment; encourage environmentally sustainable production; and enhance the participation of women.

Organizational structure



KKL = Kuapa Kokoo Limited (RDD=Research & Development Department), KKFT = Kuapa Kokoo Farmers Trust, KKCU = Kuapa Kokoo Credit Union, DCC = Day Chocolate Company

The organization is based on four pillars: Training and Education; Operations; Micro finance; Fair trade Premium Projects

Training/Education and the Research &Development Department:

- Organise and reorganise
- Cooperative Principle
- Alternative Livelihood, Quality Control Measures, management skills, conflict resolution, Extension.

Strategy: Head office based Research & Development officers with training sessions at society, area and central level.

Operations:
- Seed funds/Guarantees & interaction COCOBOD (=Ghana Cocoa Board)
- Quality Control
- Efficiency
- Traceability and Records

Strategy: Pick Up and Pay. This means farmers are paid upon delivery of their cocoa to Kuapa Kokoo.

Micro Finance: Kuapa Kokoo Credit Union & WVI:
- Encourage Savings
- Education
- Access to Credit

Strategy: Farmer based groups and seasonal credit schemes

Obligations of Kuapa Kokoo under Fairtrade are to deliver quality cocoa beans through environmental friendly farming practices, accompanied by good record keeping, transparency, accountability and traceability.

The benefits of Fairtrade are the minimum price and the Fairtrade premium. The price normally follows the world market price. But the Fairtrade minimum price is 1600 US$ per metric tonne FOB for Fairtrade standard quality cocoa beans. If the world market price falls under this, Kuapa Kokoo still gets this price for its Fairtrade cocoa. In addition, for every tonne there is a 150US$ premium. Kuapa Kokoo thus receives around 250,000 US$ a year in premium, which is managed by the Kuapa Kokoo Farmers Trust Fund.

The Kuapa Kokoo Farmers Trust manages the Fairtrade premium projects:
- Social Project
- Income Generating Activities
- Bonus
- Training/Education
- Redemption of mortgaged farms
- Mobile Clinic (Health)

The new focus for projects is more attention to IGAs, a shift from hand-dug well to bore-holes and more training and education.

Challenges
Low export of Fairtrade cocoa (2% of total Kuapa Kokoo exports)
High cost of inspection, volume and membership fee
Shift from conventional to organic farming (Kuapa Kokoo to be certified)
Registration of farmers (Current Inspection report)

Organising Organic Certification for Outgrowers of Oil Palm

by Gert Vandersmissen,
Mr. Vandersmissen is Director of Operations of the Ghana Oil Palm Development Company (GOPDC)

[*logo GOPDC*]

Introduction

The Ghana Oil Palm Development Company (GOPDC) Agro industrial complex includes a nursery, the plantations, a mill, a refinery and a fractionation facility.

Production:
- 150.000 ton Fresh Fruit Bunches/year
- 30.000 ton Crude Palm Oil/year
- 3000 ton Crude Palm Kernel Oil/year

[*Picture of mill/refinery*]

The planted area consists of a nucleus of 6500 ha divided over two concession areas Kwae and Okumaning and an outgrower area of a total of 14.000 ha.

In 1999 GOPDC decided to go for organic certification of its entire palm oil production. The biggest challenge was the organic certification of about 7000 outgrower farms, spread within a radius of 30 kilometres around the nucleus estate, on a total area of about 14.000 hectares.

The nucleus plantation has been certified since 2002. In 2003 GOPDC succeeded in getting the organic certification for all its outgrowers. Certification was done by Ecocert according to regulation (EEC) 2092/91. Since 2005 GOPDC is also United States National Organic Program (NOP) certified.

The main problems/constraints encountered in organising the organic certification of the 7000 outgrowers were:

1. The introduction of a waterproof traceability system
To ensure organic and inorganic production can be traced back and kept separated, GOPDC needed to introduce a waterproof traceability system. To this end GOPDC built a Geographic Information System, containing an inventory of all farms in the area including among other things their location, owner, soil type and yearly production. Implementing this system allows management to trace back all fruits delivered to the mill

and keep track of declassified produce (Good Internal Control Systems GICS). Besides this, it is a good management tool to follow productivity up to plot level.

[*map of catchment area*]

2. The availability and extra cost of organic fertiliser

At the moment there are only two organic fertilisers available for oil palm : Empty fruit bunches and Flanamat. The costs of transporting empty fruit bunches are high and therefore they are only used at the nucleus estate. The company has searched a long time for additional organic fertilizers from Ghana. Compost does not contain enough potassium. However, shea butter cake does contain a lot of potassium.

In the end decided to import Flanamat from Europe, because a container from Europe is cheaper than transporting the equivalent amount of shea butter cake by truckload from Tamale. But Flanamat is still expensive and bulky and because of this GOPDC is not able to regularly supply Flanamat to all farmers. To address this GOPDC decided to limit the supply of Flanamat to the best producing farmers.

3. Keeping pest outbreaks under control

There is no organic means to control the presence of leaf miner, one of the most serious pests of the oil palm. However, outbreaks can be very severe, so sometimes it is decided to use agrochemicals. In this case the production of the plots concerned will be declassified. To reduce the declassification related to this cause, GOPDC is co-financing a program at CIRAD base in Benin on leaf miner resistant hybrids. Unfortunately collaboration between GOPDC and Unilever plantations to find an organic product to control leaf miner has not been successful yet.

However, it has been noted that outgrowers almost never have outbreaks and if they do, they are usually extensions of an outbreak at the nucleus estate to nearby farms. Therefore, new plantings at the estate leave hill tops under natural vegetation to break the monoculture and to host natural enemies. GOPDC has also started a related study with the Ghana wildlife association.

4. Controlling Panicum grass without herbicides

Panicum/Elephant grass is a fast growing weed that competes with the young palm trees. Its presence is difficult to control due to high labour costs. Therefore some farmers resort to herbicides to control it. In this case the affected produce is declassified for two years.

5. The sensitisation of 7000 farmers on organic farming

To realise certification all 7000 farmers needed to be educated on the principles of organic farming. This was done by training extension officers who trained the farmers in their districts.

[Picture showing protection of young oil palm against rodents]

6. Ensuring that the yearly cocoa spraying does not contaminate production of neighbouring oil palm fields

Cocoa farms are sprayed with insecticide/ fungicide mix every year. This may result in a drift of pesticides into neighbouring oil palm farms. As a solution GOPDC has identified all farms that border cocoa farms (using the geographic information system) and ensures that production of these farms is declassified during the two months after each yearly spraying.

Conclusion

At the moment neither the farmers nor GOPDC fully benefit from the organic certification as only 50% of all organic production is sold as such. However, at the moment Ghana is a net-importer of palm oil and the price on the local market is as lucrative as the international organic market.

With rising consumer demands on foods, with regards to safety, quality and responsible production, GOPDC expects organic certification to become more important in the coming years. Besides that, the organic production fits into GOPDC's vision of the sustainable production of palm oil and its derivatives which is another good reason to continue this good practice.

For more information, please visit us at www.gopdc-ltd.com

The PIP actions and progress in Ghana

by Cedric Delannoy
Mr. Delannoy works for the COLEACP in Brussels and is in charge of PIP Good Component Practices.

[*Logos of ACO, COLEACP and PIP*]

Introduction
The Pesticides Initiative Programme (PIP) was set up by the European Commission at the request of the ACP Group of States. The programme is financed by the European Development Fund with a budget of EUR 34.1 million over 7 years (2001-2008) and is implemented by COLEACP, the main inter-professional association of the ACP-EU horticultural trade.

As an ACP-wide support programme, it has two objectives:
1) to enable horticultural production/export companies in ACP countries to achieve sustainable conformity with European food safety and traceability requirements, so as to consolidate their share of the fresh fruit and vegetable market in Europe;
2) to safeguard the position of small-scale producers in the ACP horticultural export sector.

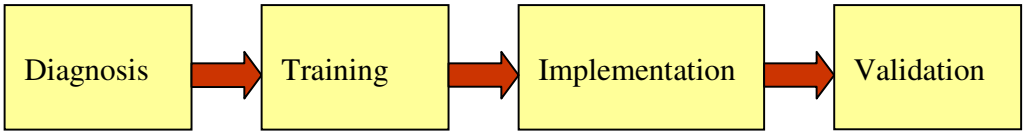
PIP's principles
- Private sector oriented
- Demand driven
- Cost-sharing → beneficiaries full commitment
- Looking for sustainability

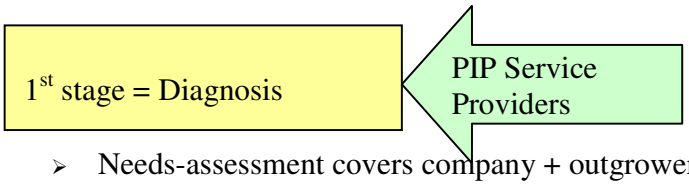
The PIP strives to strengthen the competitiveness of the private horticulture sector over the long-term by helping producing/exporting companies to reorganise, structure themselves and adapt their practices for a sustainable control of food safety. Another important aspect is to assist the development of local knowledge and a national capacity to support the export sector in aspects relating to food safety.

PIP's limits
- Fresh Fruits & Vegetables
- Existing export flow to the EU
- Food safety related actions

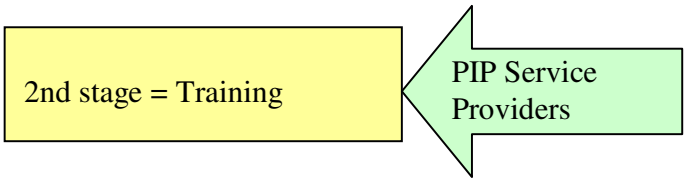
PIP's components
a. Good Company Practices
b. Capacity Building
c. Regulation
d. Infocom

PIP's support to companies
The PIP provides direct support to companies to help with the implementation of permanent and sustainable systems. The PIP respects company's choices.





- Needs-assessment covers company + outgrowers
- Food safety and traceability



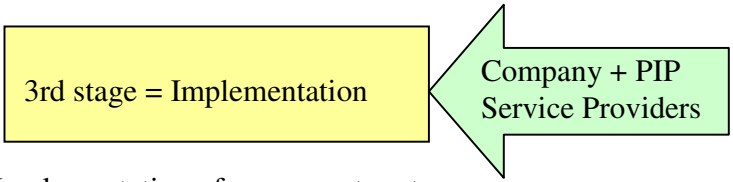
a. Training technical middle-management
b. Training of outgrowers and workers: With PIP support by middle management

Training strategy :
- Training the trainers
- Collective training
- In-company training

Training materials :
- 8 modules
- Distance learning CD Rom
- Field training manual
- Brochure

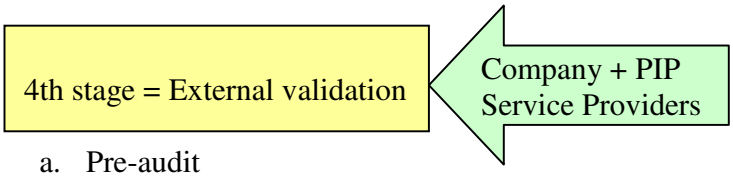
[*Picture of CD tool box*]

To help ACP operators produce fruit and vegetables that comply with European requirements, PIP has developed crop protocols for important export crops.



Implementation of permanent systems:
- Food Safety control systems

- Traceability systems
- Training systems for in-company staff and outgrowers



a. Pre-audit
b. Certification / private standards:
   - Organic, Eurepgap, BRC
   - First time certification

PIP in Ghana: main figures

- Coverage : ± 30 000 tons
- Companies: 24
- Main exported product: pineapple
- Small producers: ± 450
- Collective training: 107 participants / 7 sessions

Pesticides Initiative Programme
c/ o COLEACP
98, rue du Trône, bte 3
B-1050 Brussels - Belgium
Web: www.coleacp.org/pip

FLO Producer Business Unit

by Michael Nkonu
Mr. Nkonu is FLO liaison officer in Ghana

[*FLO logo*] FAIRTRADE LABELLING ORGANIZATIONS INTERNATIONAL

Structure of Producer Business Unit (PBU)
Director of (PBU)
Regional Managers (2 for Africa, NEW and South Africa)
Regional Coordinators
Liaison Officers (West Africa -2)

Responsibilities
Liaison Officers offer information, advice and training to producers to help them improve compliance with Fairtrade Standards and to improve their market opportunities.

Some Important Tasks

- Seeking new Suppliers/Products/Origins
- Providing an introduction to producers to Fairtrade.
- Support Work following Inspections
- Sourcing and liaising with local external support agencies
- Helping coordinate the Pricing Process.
- Provide information about local networks.
- Represent Fairtrade in local workshops/conferences as required and agreed.

Liaison Officers are **not** responsible for Standard setting, Inspection, Certification, Product Management or Supply Chain Management. They do not actively search for markets for individual groups. But FLO as an organization does try to increase the Fairtrade market in general.

In support of *new or potential producers*, liaison officers can explain FLO concept to producers through meetings, 1-2-1 meetings, forums, or by phone. They may provide application materials and assist producers in completing forms (if required). They answer questions, for example on the application process and other related issues. Liaison officer may liaise between the producer group and FLO-Cert. Furthermore, they may help to prepare producers for initial inspections and assist producers to meet any further requirements or conditions for certification.

In support of already *certified producers* liaison officer can advice on premium management, including the establishment, management and capacity building of the Joint Body for hired labour situations. They may help to create greater understanding of standards and to meet certification requirements in case of suspension, corrective actions, conditions and preconditions or to meet progress requirements. Liaison officers aim to increase communication and understanding between Producers and FLO-Cert and advice producers on FLO-Cert decisions.

Liaison officers may also link producers to donors and possible financial sources (shared interest etc) or to external management support (e.g. SNV).

Agro Eco experience with exports of organic certified products

by Emilie Vicart
Ms. Vicart is the manager of the Agro Eco office in Ghana

[*agro-eco logo*]

Agro Eco
Agro Eco is an advisory company, specialised in organic agriculture and related areas such as fair trade. Agro Eco's consultants provide a package of services:

- Organic Production
- Assistance toward certification
- Other sustainable production schemes
- Farmer capacity building & mobilisation
- Project management
- Market linkages

Agro Eco's head office is in The Netherlands and Agro Eco executes projects in Latin America and Asia. Agro Eco has branch offices in Uganda, Tanzania and Zambia, which implement the EPOPA programme (Export Promotion of Organic Products from Africa). Furthermore, there is a branch in Ghana for West Africa.

[*Africa map*]

Legend:
red =country with branch office
orange = country in which Agro Eco provides consultancy services

Products:
cotton, cocoa, banana, shrimps, mango, pineapple, food crops, coffee, vanilla, arable products, cashew, sugarcane, papaya, dried fruits, honey.

Agro Eco's export oriented projects in Ghana include projects on organic & Fairtrade cocoa and organic fresh and processed fruits.

Constraints and advantages of organic certification,
Why organic certification?

- To ensure the consumers that organic principles are followed
- To access niche markets in developed countries
- to obtain an organic premium

➔ Only when a market has been identified

Agro Eco's experience with organic agriculture in East Africa and in West Africa, has shown that it is possible to link groups of smallholder producers to niche markets in the North.

In order to be able to export quality organic products able to attract a premium, there are many challenges to be overcome by the producers and exporters. There is a difference between big plantations/farms and smallholders. Big farms/exporters have "in house" expertise. However, the advantage of smallholders is that it is easier to maintain biodiversity which reduces the risk of any pest or disease outbreak.

Most of the projects with groups of smallholders face the same type of constraints.

- Lack of organisation of the associations
- Lack of management capacity
- No direct linkages with destiny markets
- High cost of certification
- The ICS is a heavy documentation system
- Organic farming is labour intensive
- Understanding of export quality

The lack of organisation and capacity of producer groups is one of the most important one. Indeed, farmer groups do not often reach or maintain a level where they are able to handle the certification activities (ICS, extension…) as well as the export operations.

To be sustainable, a project should be able to produce organic products with a high and homogeneous quality and to deliver sufficient volumes regularly, which is seldom the case. Linkage with market is also crucial. In the majority of the projects, farmer groups rely heavily on one exporter. This relationship is a very important parameter for the success of a project. Most of the challenges that face organic smallholders are not specific to organic farmers. Very often, in organic projects, yields and quality increase as farmers become more active and improve their crop practices.

Value addition and increase of incomes are important rewards of organic certification, but many other side benefits like a better management system for farmer groups, quality improvement, production sustainability... should not be overlooked.

Advantages for smallholders

- Organic & quality premium: value addition
- Access to new markets
- Low usage of external inputs
- The ICS is a tool for quality, traceability and management improvement
- The ICS allows group certification
- Revitalising traditional farming methods

Support to smallholders

How to help groups of small farmers to obtain organic certification? This is illustrated by the case of the Cocoa Organic Farmers Association (COFA).

Agro Eco manages a 3-years project involving a group of about 420 organic cocoa farmers in the Eastern region. Certification was obtained in December 2006 and they are one of the first organic cocoa producers in West Africa. There are plans for expansion as demand is high.

Agro Eco's support includes:

- Capacity building of the association
- Internal Control System set up & monitoring
- Technical Assistance:
  - Organic pest & disease management in cooperation with the Cocoa Research Institute of Ghana (CRIG) and the Ghana Cocoa Board (COCOBOD)
  - Quality improvement programme
  - Increase of yields through better farm management practices

The export function:

- Seldom handled by the farmers associations themselves.
- Long term relationship between exporter and groups of small farmers is key to success
- Commitment & communication is crucial
- Time should be dedicated to sensitive problems such as price-setting. Trust should be built between the parties

Experience from the FAO project on organic and fair-trade exports

by Cora Dankers
Cora Dankers is project coordinator

Introduction
The project *"Increasing incomes and food security of small farmers in West and Central Africa through exports of organic and fair-trade tropical products"* is funded by the German government and runs from September 2005 to September 2008. Apart from Ghana, the project supports farmer groups in Cameroon, Sierra Leone, Burkina Faso and Senegal. Products involved are pineapple, mango, cocoa and shea butter. It is a pilot project and in this phase there is no room to add more groups to the project.

The project activities greatly depend on the specific situation of each group. A work plan has been drawn up with each group. It is determined which activities the groups can do themselves. usually some financial assistance is necessary, for which a contract with the group is drawn up. This contract includes the financial means to pay for the first year certification. Technical assistance is also provided. For example in Ghana, the project works closely with the Ministry of Agriculture and has contracted Agro Eco to provide capacity building. In other countries the projects works with other organizations or individual consultants.

Lessons learned in the first year

Most frequently, the main challenge is exporting a good quality product, consistently and with timely delivery. This is a challenge for all exporters and exporting farmer associations, whether they are certified or not.

Four examples:
1. In Sierra Leone roads are very bad and many bridges are even worse. Often the cocoa can not be transported in trucks but has to be loaded on tractors or carried by the farmers themselves.
2. In Burkina Faso, women in a remote village have to walk two hours to fetch water. They also need water for the first processing stage of the shea nuts they collect.
3. Frequent black-outs in Ghana pose problems for WAD's fruit drying operations, even if they have ovens that are able to switch from electricity to gas.
4. In almost all countries exporters of fresh fruits have to choose between importing expensive good quality cartons from abroad, or make do with local bad-quality cartons and wait for the complaints of their importers.

In all these cases, certification is not going to solve these problems.

There are of course also specific challenges related to organic and fair-trade certification. One of the specific challenges for large groups is the regular training of all farmers. In addition to normal training on quality requirements, farmers need to be trained on the standards they have to adhere to, and individual farm records need to be maintained. One

possible efficient and effective way to achieve this is the use of Farmer Field Schools (FFS).

The basic principle of this method is that nobody knows everything and everybody knows something. In Sierra Leone the project has started a farmer field school programme with the Ministry of Agriculture. The FFS coordinators of the Ministry have trained farmers to become facilitators in their own villages. They in turn facilitate the schools: a group of farmers who study together in the field in weekly meetings. The farmers learn to make systematic observations and to compare their own production methods with scientific advice in small experiments.

A facilitator demonstrates how to harvest cocoa pods without damaging the cushions

Small groups or small exporters have a different problem. They have to divide all the responsibilities for the internal control system and the certification process over a small team of staff. In addition, to justify the investment in certification, the extra volumes sold or the price premium received as a result of the certificate need to be more than the cost of certification.

Some small operators may find themselves in a vicious circle: They have an opportunity to grow, but interested new buyers demand certification. However, to justify the cost of the certification they need to export larger volumes. In such a case, certification is an investment that will only pay off if volumes indeed grow significantly thanks to the certification. And with a three year conversion period and a volatile market, that is hard to predict.

This is related to another challenge: the need for a lot of information:
- on markets
- on standards
- on organic solutions to agronomic problems
- on support and available credit (➢ and extension services/support organizations and micro-credit organizations need to know about certification)

Related to this is the problem of high illiteracy rates among small farmers. This may also be a problem in conventional exports, but it is even more difficult when trying to comply with all the record keeping at farm level and other documentation required by certification programmes.

Benefits of organic & Fairtrade certification:
- Market-related: new clients, higher export volume, price, terms of trade (FT)
- Framework for organization:
  - Internal Control System
  - FT: Democratic decision making & conflict resolution structure

For farmer groups, the organizational framework provided by the standards is often a large advantage. The organic standards for the internal control system and the Fairtrade standards for a democratic structure provide guidance for a better internal organization and management. The organizational guidance or framework for a management system is also an often cited advantage of other certification programmes such as ISO 14001, SA 8000 and EurepGap.

The FAO project on organic and fair-trade exports has already witnessed such organizational benefits. For example, the simple rule of FLO that a group needs to decide on the use of the Fairtrade premium in a general assembly forces a group to think about their development priorities and gives all the members a voice. Such simple rules help groups of small farmers to become better organized.

Results of Group Discussions

For the group discussion, four stakeholder groups were formed as follow:
Group 1: Producers and representatives of producer associations
Group 2: Exporters
Group 3: Government and research
Group 4: Donors, NGO's, projects and consultants

They were asked to discuss and answer the following questions:
Question 1: what are the main advantages of organic agriculture and fair-trade for producers/exporters/Ghana?
Question 2: and the main constraints?
Question 3: How could these constraints be overcome: by the producer/exporter/others? What do you think should be the role of government & research/ the development partners?

GROUP 1: PRODUCERS

Advantages for producers
A. organic agriculture
- cost effective in long term
- quality fruits/produce
- influence higher prices
- environmentally friendly
- sustainability over a long period
- creates employment (labour intensive)
- enhances human health

B. fair-trade
- ensures guaranteed price
- ensures social justice, e.g. education
- environmentally friendly
(and some of the advantages listed under organic also count for fair-trade)

Disadvantages and constraints for producers
A. organic
- high initial investment (e.g. to build up organic matter in the soil)
- inadequate time for repayment of loans
- limited knowledge
- lack of government policy
- affects site selection
- limits land size for cultivation
- limited funding for research
- lack of networking for member organizations
- poor access roads

B. fair-trade
- high certification cost
- limited market size
- high inspection/follow up cost and levy (volume etc.)

Solutions
1 proper organization/network of farmers for:
- advocacy and lobbying
- sharing experiences and expertise
- look more for internal (local) resources for usage (e.g. exchange organic material for fertilization)
- inform creditors, e.g. banks of inflows for preparation of special packages
2. establish/use local certification groups/consultants

Conclusion: proper organization of farmers can influence the government and other bodies to develop the organic and fair-trade market.

GROUP 2: EXPORTERS
advantages for exporters
- exposure/easy access to markets
- price is negotiable to the exporters' advantage
- Fair-trade: guaranteed minimum price plus premium
- long-term trade contracts
- possibility for pre-financing
- human centred: good working/labour conditions

constraints for exporters
- non-sale during conversion period makes it expensive
- high cost of certification
- quality control is difficult
- high taxes on imported packaging materials
- high cost of shipment

how to overcome constraints?
- solicit for donor support
- government should facilitate local certification to be benchmarked against international certification
- local laboratories should be accredited against international laboratories
- applicants should come together as a group to have inspections conducted at a lower cost
- provide a desk for the sector at MOFA and/or the Ghana Export Promotion Council
- policy to promote exports of organic products
- stronger collaboration / networking among exporters
- government should allocate funds for organic and fair-trade exporters
- Tax issued on imported packaging material should be removed. Or the quality of local packaging should be improved but there had already been a project to try that.

- Measures should be put in place to regulate the activities of shipping companies to the advantage of exporters. The exporters themselves were not sure how this can be done, but they wanted to stress that something should be done.

GROUP 3 GOVERNMENT AND RESEARCH

Organic agriculture

A. advantages for Ghana

- possibilities of saving of foreign exchange required to import some conventional inputs, e.g. agrochemicals
- government savings on health (consumers & workers) and environment
- sustainability of production systems
- increase export earnings/community development
- for researchers: existing wealth of indigenous knowledge is advantage to research

B. constraints for Ghana

- no clear cut policy direction (from government agencies)
- lack of information about the nature of external market
- the private sector is far ahead of government and research (also positive, because government policy and research should be demand driven)
- inadequate infrastructure & human resources to ensure export of quality products
- inadequate resources to support organic agriculture research
- research has not been pro-active
- the organic movement attention towards internal market consumption is limited

C. solutions to constraints

- Government agencies like the Ministry of Food and Agriculture, the Ministry of Finance and Economic Planning, the Ministry of Trade and Industry and the Presidential Special initiative, Ghana Standards Board, research institutes (the Council for Scientific and Industrial Research and the universities) and the private sector should all collaborate and be pro-active in the formulation of a national policy on organic agriculture and to provide direction for the organic sector.
- government should ask its trade attaches in its foreign missions to support exports of organic products from Ghana.
- establish information desk on organic products trade in the Ministry of Trade and/or the Ministry of Food and Agriculture
- More interaction between government, research and private sector
- build capacities of research institutes and ministries
- government should commit more resources into funding research
- research institutes should move with time.
- local attitude & capacity should be developed towards consumption of organic products

Fair-trade

A. benefits for Ghana

- holistic benefits especially local communities
- workers safety ensured

B. constraints:
inadequate knowledge on fair-trade issues by smallholders
lack of policy on fair-trade

solutions
awareness creation for all stakeholders
capacity building for public servants & research institutes

GROUP 4: DEVELOPMENT PARTNERS

Advantages
- sustainable and adaptable for smallholders
- best & continuous land usage over time (no land degradation)
- non-use of chemical pesticides
- Fairtrade minimum price ensures it covers production costs
- Public relation for quality crop promotion, e.g. cocoa (importers understand that if you have organic certification it means you are well organized and pay attention to your crop)
- premium incentive for small farmers
- education on systems (sanitation, handling, environmental)
- builds expectations of the country
- improvement of health of farmers
- exposure to a niche market
- introduction to new production schemes
- reduced production costs
- organizing and securing market for producers
- creation of potential local market through education

constraints
- costs, especially for smallholders
  - cost of compliance
  - cost of external certification
- lack of organized associations / farmer groups and lack of record keeping
- high levels of illiteracy
- general lack of qualified people and capacities, especially in the rural areas
- domestic market without premium incentive
- it is risky to limit your market to organic niche market
- lack of govt support and research
- lack of awareness
- lack of local certification body

solutions
awareness creation
capacity building:
1. education for stakeholders

2. training for implementation
3. data collection and record keeping

successful models of organic farming through pilot programmes (should be promoted to those not participating in the pilot, so that they do not feel excluded, so that they can also benefit)
institutional structure
research in organic control of pests and diseases
maintenance of soil fertility
forum for information exchange
develop local market

role of development partners
- capacity building
- implementation of solutions into programmes
- collaboration with organic and fair-trade organizations
- GOAN should be the coordinating network for the provision of information, coordination of projects and creating export awareness
- organic integration in Ghana export development council

Thematic discussions

This chapter summarizes the plenary discussions held in the various sessions per theme.

General trade constraints

Inevitably, many discussions also focussed on other problems than those directly related to organic and fair-trade certification. Ransford Atatsi of PAMPEAG was of the opinion that interested buyers first ask you to comply with many conditions and when you have complied with everything, with a single email or phone call the trade relationships is brought to an end. “What you don’t have they ask; once you have it, they ask something else.”

The idea of an exporters association was discussed, that could for example set minimum quality requirements but also minimum prices, below which nobody would sell. Cocobod provides rigorous quality control resulting in a quality premium for Ghana cocoa. Maybe the other crops could also benefit from a quality control system.

Such an association should be representing everybody with one voice. Some smallholder organizations do not really represent all its members. Think for example of a village association with 1000 very small mango producers. The village chief himself has mangos and if there is an order, the chief will get the mangos from his own farm.

Participants provided some examples of successful farmer and exporter cooperation in other countries. In South Africa farmers protect their domestic market very well. The UK has companies who do market research for their exporters and assure there is a market before UK companies enter a country. In Japan there are only 3 marketing companies and all Japanese producers, from the car industry to whatever, sell through only these three companies.

The Ghana Export Promotion Council already exists and is doing its best. Furthermore, Ghana has trade attachés at some embassies. An exporter can not self check whether a potential importer is a serious company because they need an invitation to get a visa. The trade attaché could perform such services.

Relation with research

It was frequently mentioned that with respect to organic agriculture, the private sector seems to be ahead of research. This is not necessarily bad, because research needs to be demand driven. However, the GOPDC had made a proposal for research to solve their problem with leaf miners but the local institute had not been responsive and therefore they approached CIRAD in Benin. Another exporter observed that businesses were not very willing to fund general overhead expenses often found in the budgets of research proposals. Research is often not very business friendly.

Other exporters simply had not felt the need to build up a closer relationship with the Council for Scientific and Industrial Research (CSIR).

If there is a demand for research, the government needs to be convinced there is a need, because it is the government that finances the research. It was observed that FAO, through the project and workshop, assisted to get the attention of the Ministry of Food and Agriculture. Now the advantages listed by the working groups can be used to justify research proposals and in general to justify resources to be allocated to organic agriculture by the government.

Local market

One of the recurrent themes during the workshop was the lack of a local market. There are currently two existing private initiatives that participants were aware of. The Ghana Organic Agriculture Network (GOAN) tries to link organic farmers to main restaurants and to convince the restaurants to try an organic vegetarian menu. The second initiative is by a woman who takes organic products to local supermarkets. However, there is no conscious, systematic and organized effort to develop the local market.

GOAN's policy is that the local market should be private sector driven. However, to request financial assistance or credit from a bank, an entrepreneur has to proof that there is local demand. Therefore they wish to conduct a study that could then be used by the private sector, but they lack the finances to do so.

It was observed that people in Ghana are not aware that the products they buy at the market are not organic any more, but that they are full of pesticide residues. Maybe MOFA should make the consumers aware of this. It was also observed that organic farmers should explain to their local buyers about what they are doing, just the same as the first organic farmers in Europe were doing. Another idea was the organization of local organic farmers markets as in the US.

For the fair-trade sector, the only African country with a fair-trade market is South-Africa, where Fairtrade labelled products are for sale.

Smallholder certification

Two of the presented business models, GOPDC and VREL, are big companies. A third is a very large farmers association with a full-time employed management team. The fourth is a small exporter organizing the certification for itself and the smallholders supplying the company. Thus the question arose whether smallholders could get certified on their own strength.

James Cole explained that his export business, Eloc Farms Ltd., is a small to medium sized company. With the increasing popularity of MD2, they lost part of their smooth cayenne market. Therefore they converted the nucleus estate to organic. They had help from the EU with planting material and with certification costs. Still, marketing is not always easy. Some organic buyers want a constant daily volume, but Eloc Farms is too small for that. But organic certification makes you also attractive for conventional buyers; it shows you are well organized. First the outgrowers did not see the need to go

organic and the relation was ended. Eloc Farms showed the outgrowers that organic was the right way to go. The outgrowers are organized in cooperatives or associations, depending on their own preferences. Together, they formed an outgrower body, Shared Vision, which attracted donor assistance. This will enable them to organize their certification on their own, so they are also free to sell to other exporters.

Nicholas Kwame Adjei-Gyan of Kuapa Kokoo added that in smallholder farms you see a balance of ecosystem but they use more labour. It is thus easier to farm organically.

Gert Vandersmissen, GOPDC, was of the opinion that indeed smallholders often can not organize certification on their own, but the same is true for the export process.

Michael Nkonu observed that often certification seems an ad-hoc decision. Farmers want to get certified because their neighbour is certified. But do smallholders have a model? However, Pauline Apea Kubi of Ebenut Ltd. thought it was not the right time to ask for a model. Farmers have products but no market and hear about the fair-trade market and that they need to get certified to get into this market. Quarcoo Initiatives want to go fair-trade for its outgrowers to offer them a guaranteed price.

Local certification body

To reduce inspections costs and make the certification process more accessible for small farmers, many participants felt it would be helpful if there would be a local certification body in Ghana. With the new EU organic regulation, it would also be possible to seek direct accreditation from the EC. However, the number of companies seeking certification is still quite low, and the certification body would need several expensive accreditations to cater for the needs of these clients. Therefore a local certification body would probably not be able to offer certification at a lower cost.

Another option would be to establish an inspection body that would do inspections on behalf of European certification bodies. This would avoid the accreditation problem. To increase the number of clients, such an inspection body could also inspect against other standards, for example EurepGap.

To have more local inspectors would be the very first step. GOAN proposed to IMO to employ a local inspector. But other certification bodies active in Ghana still do not have local inspectors. FLO-Cert, the Fairtrade certification body based in Bonn, did invest in training for a local inspector, but then the person left without notice.

A researcher suggested researchers would be ideal to become inspectors, as they are qualified people and could work on a freelance basis. However, there may be conflicts of interest. For example researchers from the Cocoa Research Institute of Ghana (CRIG) may not be allowed to inspect cocoa farms. More importantly, inspectors, whether researchers or not, need regular internationally recognized training. A certification body will need to estimate whether it is cheaper to send local inspectors for training or to send an international inspector for inspection to Ghana.

It was suggested that GOAN carry out a feasibility study for a local inspection body.

Collaboration within the organic and fair-trade sector

Many of the suggested solutions to overcome constraints would benefit from some sort of coordination within the sector. For example, one of the identified constraints was a lack of knowledge on organic agriculture methods, on organic and fair-trade standards and on markets. It was suggested that the Ghana Organic Agriculture Network could become a central source of information. Another constraint was the lack of a local certification body, and again GOAN could be instrumental to investigate the options. A third identified constraint was the lack of government policy. Should the government decide to formulate such a policy, this should be done in dialogue with the sector. It would be easier if there is an umbrella organization that could represent the sector.

GOAN depends on its member contributions to be able to execute all these suggested activities. Contributions in the form of fees, but also personal involvement in GOAN activities. During the workshop GOAN already could welcome some more members. It was suggested that GOAN start an exporters-group, to make it more interesting for exporters to join.

Closing remarks

by Mr. Tshibaka, Senior Policy officer, Officer-in-charge of the FAO subregional office for West Africa and of the FAO Representation in Ghana

Mr Chairman, Representatives of the Ministry of Agriculture, Representatives from our development partners and NGOs, organic and fair-trade producers and exporters, Distinguished Invited Guests, Ladies and Gentlemen; I am very honoured to close this workshop on agribusiness models and exports of organic and fair-trade certified products. Unfortunately, due to may various responsibilities, I have not been able to participate during the full two days of this workshop. I have been told that I have missed many interesting presentations and constructive discussions.

The objective of this workshop was to provide Ghanaian agricultural businesses with insight into the potential benefits and constraints of fair-trade and organic certification. Yesterday morning, Mr. Adimado, Mr Nkonu and Mr. Bempah provided background information on organic agriculture, the fair-trade movement, and guarantee systems. This was followed by real-life experiences from four very different businesses: Weija Agricultural Development told about the recent implementation of an Internal Control System for their processing facilities and their 30 organic producers. Kuapa Kokoo explained how they have organized 45000 cocoa farmers and are fair-trade certified. VREL explained about the progress they made as fair-trade certified banana plantation despite several serious setbacks. And the Ghana Oil Palm Development Company explained how they achieved organic certification for 7000 outgrower farms.

This morning, you learned from various projects how they help Ghanaian suppliers of certified products and what lessons they have learned in the process. Surprisingly, - or maybe not – a lot of their attention goes to the development of organizational and business skills and the improvement of production methods for a better product quality and consistency. In short, aspects that are relevant for any exporter, whether certified or not. A well organized business is also better equipped to handle the specific challenges of organic or fair-trade certification that have been discussed these days, such as record keeping, maintaining a rigorous traceability system or managing the fair-trade premium. Furthermore, as with any investment, it should be carefully assessed whether the expected benefits of certification such as access to a niche market or a price premium, outweigh the extra costs.

In the parallel groups, producers and exporters explored what were the benefits for each of them and the constraints they faced and they also tried to identify solutions how to overcome them. Also representative from government and research and the development partners tried to identify some solutions to these constraints.

It became clear these two days that organic and fair-trade certification are not a miracle trick that will solve all your marketing problems. But it does add value to your product and therefore may contribute to the development of a sustainable business.

Finally, I wish to thank the Ministry of Agriculture for hosting this workshop in their Resource Centre. I thank the speakers for their excellent presentations and I thank all the participants for their contributions to the discussions.

I hope this workshop has been useful for you. Whether, as an exporter, you have got some new ideas to try out at your business. Or whether, as a government or NGO representative, you can use the provided information in your work supporting the agricultural sector in Ghana. And I hope this workshop has helped to develop the organic and fair-trade network within Ghana. A network that will continue to further develop the organic and fair-trade exports from Ghana, and thereby contributing to the economic development of this country. I wish you all a safe journey home. Thank you.

Conclusions

The workshop concluded that organic agriculture has environmental and health benefits for producers and consumers. Organic and fair-trade markets do offer opportunities for exports from Ghana of products produced by smallholders under favourable terms of trade. However, certification does not provide solutions for general export problems. The requirements of the standards and certification process also bring new challenges to producer groups and exporters. Certification should only be undertaken if there is a market for certified products.

The development of the organic and fair-trade exports would benefit from a greater collaboration within the sector itself and between the sector and government and research agencies. The sector would welcome a clear government policy. Farmers and exporters would benefit from more information and capacity building, to be provided by umbrella organization like GOAN, the government and development partners.

Participants also felt a need for the development of a local organic market. A first step to develop a local market is consumer education on the health and environmental risks of pesticides as well as on organic agriculture itself.

Participants would also like to have more local inspection capacity. This could be through a local certification body or a local inspection body or simply through more local inspectors employed by international certification bodies.

The objectives of the workshop were achieved. The broad based participation provided many opportunities for networking. Some of the participants who were contemplating investing in organic and fair-trade certification received useful information that helps them in their decision making process. If they decide to proceed, they have learned which steps to undertake, where to find more information and potential support.

It is hoped the participants will continue their dialogue and increase collaboration to take up some of the suggested solutions and make them reality.

Annex 1 Workshop Programme

Workshop on Agri-business models and export of organic and fair-trade certified products

Venue: MOFA Resource Centre Conference Room
Dates: 24 -25 January 2007

DAY 1

08h30 Registration

09h30 Welcome *by Ms. Monney, MOFA*
Opening address *by Dr. Poku, Director of Crops, on behalf of Mr. Gyelle Nhura, Chief Director MOFA.*
Market brief, *by Cora Dankers, FAO*

10h30 Coffee break

11h00 Introduction to organic and fair-trade
- Introduction to organic agriculture, *by Samuel Adimado, Ghana Organic Agriculture Network*
- Introduction to fairtrade, *by Michael Kwame Nkonu, FLO*
- Introduction to the certification process, *by Kofi Bempah, IMO*

12h30 Lunch

13h30 Experiences of different business models with organic and fairtrade certification
- WAD Ltd. experience with organic certification (pineapple), *by Bernard Boateng, Legon University and Stephen Ben Doe, WAD Ltd.*
- Kuapa Kokoo experience with fairtrade certification (cocoa), *by Nicolas Adjei-Djan, Kuapa Kokoo*
- VREL (bananas) experience with fairtrade and organic certification, *by Alex Yeboah-Afari, VREL*
- Ghana Oil Palm Development Company experience with organic certification for outgrowers (palm oil), *by Gert Vandersmissen, GOPDC*

Discussions

15h00 Coffee break

15h30 Plenary discussion: How does your business model influence certification options, and how does certification influence the way you organise your business?

DAY 2

09h30 Lessons learned from support programmes on how to overcome constraints and the potential benefits of organic and fairtrade certification

- COLEACP support on traceability systems as a basis for certification, *by Cedric Delannoy, COLEACP*
- FLO business support programme, *by Michael Nkonu, FLO*
- Agro Eco experiences from various projects in Africa, *by Emilie Vicart*
- Preliminary lessons by FAO project, *by Cora Dankers, FAO*

11h00 Introduction to group discussions, *by Cora Dankers, FAO*

11h15 Parallel group discussions (with coffee)

Group 1 Producers (including representatives of producer associations)
What are the main advantages of organic agriculture and fair-trade for producers. And the main constraints? How could these constraints be overcome?

Group 2 Exporters
What are the main advantages of organic agriculture and fair-trade for exporters. And the main constraints? How could these constraints be overcome?

Group 3 government and research
What are the main advantages of organic agriculture and fair-trade for Ghana? And the main constraints? How could these constraints be overcome?

Group 4 donors, NGO's, projects and consultants
What are the main advantages of organic agriculture and fair-trade for Ghana? And the main constraints? How could these constraints be overcome?

12h30 Lunch

14h00 Plenary session
Presentation of group discussion results and reactions

15h00 Summary of the workshop presentations, discussions and results

16h00 Closing remarks, *by Mr. Tshibaka, Policy officer, FAO subregional office for West Africa, and officer-in-charge FAO Representation in Ghana*.

Annex 2 List of participants

The list is ordered alphabetically for the organizations represented by the participants

Name	Organization and Address
Godsway Macbright	African Network on development of Ecological Agriculture (ANDEA) P. O. Box 16785, Accra North
Margaret A Yeboah	African Network on development of Ecological Agriculture (ANDEA) P. O. Box 16785, Accra North
Julie Asante-Dartey	Agribusiness in Sustainable Natural African Plant Products (ASNAPP) PMB 18, Kanda, Accra
Emilie Vicart	AGRO ECO Aviation House PMB KA 84, Airport, Accra
Frank Kwabena Asare	Athena Foods P. O. Box Co 2344, Tema
Philip Kankam	BOMART Farms Ltd. P. O. Box 124, Nsawam
Elizabeth Agyanewa	Britwum Pineapple Growers Association, Kwahu Bepong
Betty Brew	Care International
Appiah Amankwah	CGMAG P. O. Box ST 42, Accra
Cedric Delannoy	COLEACP Rue du Thore 98 P. P. B 1050, Brussels
Dr. J. N. Asafu-Adgei	Crops Research Institute P. O. Box 3785, Kumasi
Paulina Apea Kubi	EBENUT LTD P. O. Box 18513, Accra
David Yaw Owusu	Ecumenical Association for Sustainable Agriculture and rural development (ECASARD) P. O. Box KF 2038, Koforidua
Arkaa Enchea	Ekumfi Atwia WAD organic Farmers Association (EAWOFA) P. O. Box ECG 64, Ekumfi, Atwia
K. Arthur Whyte	Ekumfi Atwia WAD organic Farmers Association (EAWOFA) P. O. Box 7, Atwia
James Cole	Eloc Farms Ltd.& Shared Vision Assistance & Development Foundation P. O. Box CT 2031, Accra
Thomas Bayorbor	Fac. of Agric., University of Development Studies P. O. Box TL 1882, Tamale
Michael Kwame Nkonu	Fair-trade Label Organization P. O. Box KA 9742, Airport, Accra
Richard Attipoe	Farmapine Ghana Ltd P. O. Box 772, Nsawam
Adotei Brown	Farmers Organization Network in Ghana (FONG) Development Action Association (DAA)
Cora Dankers	Food and Agriculture Organization (FAO) Viale delle Terme Di Caracalla 00153, Rome, Italy

Godfrey Baidoo Tsibu	Food and Agriculture Organization (FAO) Gamel Abdul Nasser Road, PO Box 1628, Accra
Juliet Biney	GAABIC – Ghana Agricultural Associations Business and Information Centre PMB CT 284, Cantonments, Accra
Setina Adu Acheampong	Georgefields Farms Ltd. P. O. Box 12762, Accra North
Joel Sam	Ghana Agriculture Information Network system (GAINS) CSIR – INSTI P. O. Box M32, Accra
Eugene Ofori Gyamfi	Ghana Cocoa Board P. O. Box 93 B, Accra
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