

# Project *brief*

Thünen-Institut für Marktanalyse

2023/12a

## Policy Measures in the Dairy and Poultry Sectors of Ghana and Senegal

Omid Zamani, Mavis Boimah, Craig Chibanda, Anoma Gunarathne, Janine Pelikan

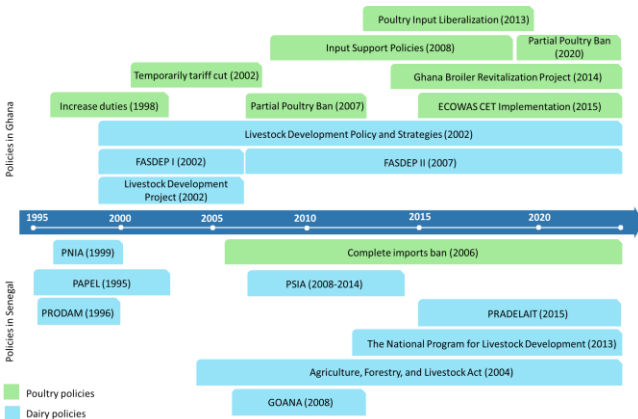
- Domestic policy interventions in Ghana are more targeted to the poultry meat sector than the dairy sector, while in Senegal it is the other way around.
- Trade policies in Ghana and Senegal have mainly aimed at limiting imports through measures like import bans and tariffs and protecting the domestic sector against outbreaks of diseases.
- Ghana protects the poultry meat sector with a tariff rate of 35 %. Senegal has been experiencing a total poultry import ban since 2006.
- Genetic improvement policies have been considered as the preferred strategy in the dairy sector in Senegal. In Ghana, domestic dairy policy measures are limited.

### Background and aims

This project briefly reviews the main policy interventions in the dairy and poultry sectors of Ghana and Senegal using literature analysis and official documents. Moreover, it attempts to elaborate on the interaction between different policy objectives.

### Key findings

The policy interventions in both countries can be generally categorized into trade policies and domestic agricultural policies. The trade policies have mainly aimed at limiting imports through trade restrictions and also protecting the domestic sector against outbreaks of diseases. Domestic agricultural policies on the other hand have targeted increasing domestic production. Figure 1 presents the main policy interventions in the poultry and dairy sectors of Ghana (top of the chart) and Senegal (bottom of the chart).



### Poultry meat trade policies

The Ghanaian trade policies have mainly attempted to a) improve the competitiveness of domestic poultry production by liberalizing the input market and thereby reducing the cost of production, and b) limit poultry meat imports through trade restrictions (tariff policy and partial trade ban).

In 2015, Ghana fully implemented the Common External Tariff (CET) of the ECOWAS (Economic Community of West African States), in the framework of which the applied tariff rate on poultry meat imports was raised from 20 % to 35 %. Within the ECOWAS, tariffs are no longer levied. As a WTO member, a bound tariff of 99 % indicates that Ghana could increase the tariff rate that far. Furthermore, in 2014, the Ghana Broiler Revitalization Project (GHABROP) was launched to regulate imports of meat products aimed at protecting domestic broiler production for ten years. Under this policy, the import of poultry meat was limited to 60 %, and the importers were committed to buying 40 % of their products from local producers.

In 2020, the government again imposed a partial ban on poultry product imports from four European countries and Russia that reported outbreaks of Avian Influenza. The key objective of the partial bans was to protect the domestic poultry sector from Avian Influenza. Therefore, they were subsequently lifted when the threat of Avian Influenza outbreaks had decreased. The most recent trade policy is related to a bilateral interim Economic Partnership Agreement (iEPA) with the EU according to which Ghana will gradually remove its import duties of 78 % on EU exports in the period from 2020 to 2029. Based on this iEPA, poultry meat is excluded from liberalization. Senegal has been imposing a ban in 2006 on the import of live poultry, edible poultry meat and offal, and poultry products to prevent Avian Influenza from entering the country and supporting local

producers. Albeit infrequent, Senegal imports some day-old chicks when there are market shortages. Senegal is also a member of the ECOWAS and implements the CET. Without the ban, therefore, the applied tariff would be 35 %. As a WTO member, Senegal has a bound tariff of 30 %. This would be a challenge for the Senegalese policymakers for the period when the trade ban is lifted. The ECOWAS member states are negotiating to find solutions for these inconsistencies.

### Domestic poultry policies

Increasing production to meet domestic demands seems to be the fundamental purpose of the domestic policy interventions in Ghana. Ghana implements programs combating poultry diseases, subsidies on feed production, training and extension programs, and the distribution of day-old chicks. Among these policies, combating poultry diseases has been the only consistent poultry policy that has been pursued by the Ghanaian government. High feed costs are another key challenge facing the poultry sector. To promote maize production as the main ingredient of livestock feed, several initiatives have been implemented since 2007, including a Fertilizer Subsidy Program (from 2007 to 2008), Block Farms Program (in 2009), and the National Food Buffer Stock Program (in 2010).

### Dairy trade policies

According to the ECOWAS CET, imports of liquid milk, milk powder, and full-fat milk are taxed in Ghana and Senegal at various rates, from 5% (mainly for powdered milk) to 20% (mainly for liquid milk and processed milk products). In contrast to the poultry sector, dairy products are supposed to be liberalized in the next few years, according to the iEPA.

### Domestic Dairy policies

Since 2002, the implementation of dairy policies was mainly based on a roadmap specified in the Ghana Livestock Development Policy and Strategy, which has two main objectives: first, to enhance the supply of meat, livestock, and

dairy products from domestic sources; second, to improve access to livestock markets, services, and value addition.

This policy set is defined under the first and second Food and Agriculture Sector Development Policies (FASDEP I and II) which were formulated as a policy framework for guiding development and interventions in the Ghanaian agricultural sector. In Senegal, several operational plans and projects have been implemented in which livestock is identified among the priority sectors. These programs include the National Program for Livestock Development (PNDE), and the Grand Agricultural Offensive for Food and Abundance (GOANA) (Figure 1). Artificial insemination has been widely supported by successive national programs including the Livestock Support Project (PAPEL), the National Artificial Insemination Program (PNIA), and the Dairy Industry Development Support Project (PRADELAIT). The main public intervention regarding genetic improvement was implemented under the Special Artificial Insemination Program (PSIA) in 2008.

### Conclusion

- In Ghana and Senegal, the domestic policy measures in the dairy and poultry sectors aim at increasing domestic production through a reduction in production costs. The Ghanaian government has actively intervened in the poultry sector, while the Senegalese government has mainly targeted the dairy sector.
- The complete ban is the main policy in the poultry sector of Senegal. However, as a member of WTO, Senegal is supposed to lift the ban when the risk of an Avian flu outbreak drops.
- Policymakers should account for possible interactions between the discussed policies in the form of synergies and trade-offs. For example, imports might affect food security while having a negative effect on domestic production. Figure 2 summarizes potential synergies and trade-offs between poultry and dairy policies. The policy objectives are reflected by SDG 1 (no poverty), SDG 2 (zero hunger), SDG 6 (clean water), and SDG 8 (decent work and economic growth).

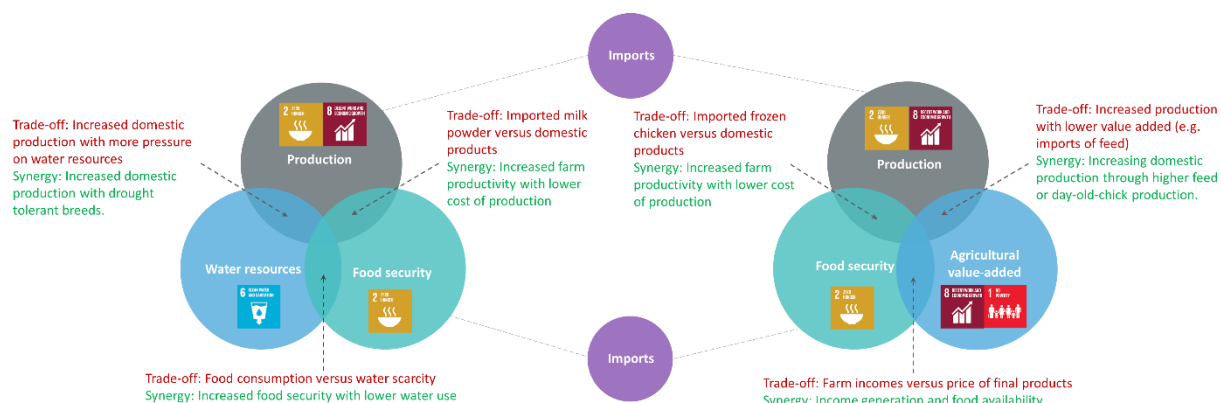


Figure 2: Synergies and tradeoffs between policy objectives in the dairy sector (left panel) and the poultry sector (right panel)

## Further Information

### Contact

Thünen Institute of Market Analysis  
[janine.pelikan@thuenen.de](mailto:janine.pelikan@thuenen.de)  
[www.thuenen.de/en/ma](http://www.thuenen.de/en/ma)

### Duration of work package

03.2020-02.2022

### Project-ID

2065

### Project logo



### Funded by



### Publication

Zamani O, Chibanda C, Boimah M, Asante-Addo C (Forthcoming) Policy Effects and Coherence in the Agricultural Sector of Developing Countries: Evidence from Ghana.