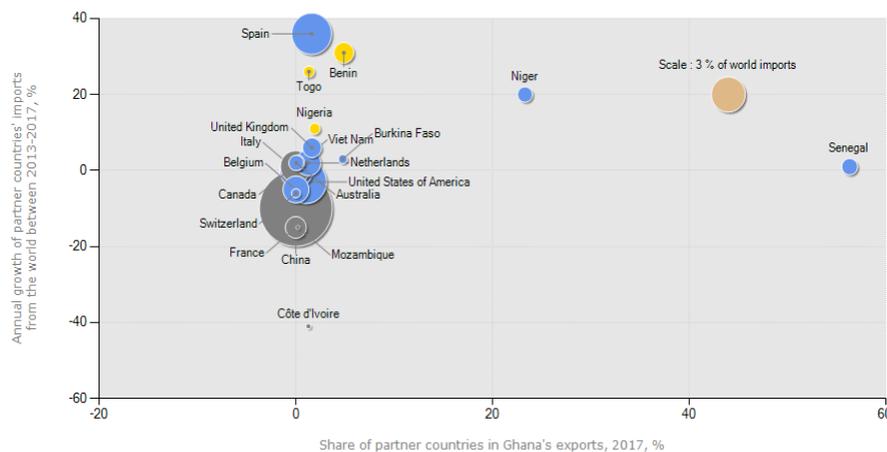


POTENTIAL MARKETS – PALM OIL DERIVATIVES (EXCLUDING CRUDE)

Potential Growth at Current Top Export Destinations

- Ghana exported a total of US\$ 101.4m, (circa 101,015 metric tons) of palm oil derivatives to 19 countries across the globe in 2017, up from US\$ 77.7m in 2016.
- Senegal emerged as the top destination for Ghana's palm oil derivatives with imports of US\$57.2 worth of the product. China was the least consuming market for the product from Ghana, importing an insignificant quantity worth US\$ 1,000.
- Niger, Benin and Burkina Faso imports amounted to US\$ 23.7m, US\$ 5m and US\$ 4.9m respectively from Ghana. Other destinations for Ghana included Nigeria, UK, Spain and Togo amongst others. The ECOWAS market was the largest consumer of Ghana's palm oil derivatives, representing 94% of total exports of the product to the world.
- Whilst exports from Ghana to the world grew by an average of 59% between 2013 and 2017, exports from Ghana to Senegal grew by an average of 500% over the same period. Niger, Burkina Faso, UK, Spain, the Netherlands, and the USA which imported products ranging between US\$1m and US\$2m from Ghana had an average import growth of over 50% between 2013 and 2017. Spain imports from Ghana grew by an average of 325% over the same period.
- Senegal's global importation of Palm Oil derivatives amounted to about US\$126m, with Ghana as the largest supplier to the Senegalese market (40.2% market share). Other suppliers to the Senegalese market included Malaysia (19.2%), Indonesia (9.4%), and Togo (8.8%).

Prospects for market diversification for a product exported by Ghana in 2017
Product : 151190 Palm oil and its fractions, whether or not refined (excluding chemically modified and crude)



Potential New Markets

Global demand for Palm oil derivatives in 2017 was estimated at US\$ 23.1bn, up from US\$ 19bn in 2016. China was the largest importer of the product with an estimated import value of US\$3.5bn. Other importers were India (US\$2.19bn), Pakistan (US\$2bn), USA (US\$1.1bn), and Bangladesh (US\$1bn). Amongst the top 5 global importers, India's imports grew averagely by 11% between 2013 and 2017

Beyond Ghana's existing markets, new and potential markets with attractive and positive growth rates for consideration are Madagascar (67%), Kazakhstan (47%), India (6%) and Pakistan (3%).

China has been the dominant global importer of the product for some years now, although average growth rate was on the decline (-3%) between 2013 and 2017. It must be emphasized that imports by China increased by 23% in 2017 over the 2016 imports of same products, indicating a resurge in demand. Indonesia and Malaysia accounted for about 99.9% of all imports of palm derivatives by China.

Given the volume and value of Chinese imports of the product as well as other commerce considerations such as tariff, it must be seen by Ghanaian suppliers as a market with a huge potential. Similarly, the ECOWAS and the entire African markets have immense potential for Ghanaian palm oil derivatives due to favorable trade protocols such as the ETLs and the yet to be implemented Continental Free Trade Area (CFTA)

Table 1 –selected potential growth markets for Ghana

Country	Imports 2017 (million)	Average imports growth in value (%) 2013-2017	Imports growth in value (%) 2017	Ghana's Market Share %	Leading suppliers (%)
Madagascar	45.7	67	39	0	Indonesia (53.9) Malaysia (41) USA (4.2)
Kazakhstan	52.6	47	53	0	Russian Fed.(62) Malaysia (35.9) Turkey (1.4)
Spain	983	36	48	0	Indonesia (87.2) Malaysia (8.8) Netherlands (3)
Benin	201.2	31	195	1.3	Malaysia (55.5) Indonesia (21.2)
China	3,500	-10	23	0	Indonesia (63.2) Malaysia (36.8)

Source: Trademap (2018)