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EVALUATION OF THE BARRIERS TO TRADE STANDARDS: A SURVEY OF ETHIOPIA'S FRESH FRUIT EXPORT

Dawit Negussie Tolossa, Dr. Hemal B. Pandya

Ph.D. Research Scholar, Gujarat University
Ahmedabad, Gujarat, India
dawitnegus@gujaratuniversit.ac.in

Professor, Gujarat University
Ahmedabad, Gujarat, India
hemal1967@gmail.com

Abstract

Fruit production and exports in Ethiopia play an important part in the local economy, providing a source of income for roughly five million farmers, creating jobs, and producing foreign exchange revenues. The country has a lot of fresh fruit production and export potential. On the other hand, trade standards are becoming a global phenomenon. Exporting items to developed-country markets is becoming increasingly difficult for developing-country countries. Ethiopia's government is promoting the fresh fruit export industry as a vital sector with enormous potential for economic development. The general objective of this study is to assess and evaluate the barriers of trade standards: a survey of Ethiopia's fresh fruit exports. The data was taken through a purposive sample technique with a standardized questionnaire with a reliability of 0.853 from fresh fruit producers in Ethiopia. Furthermore, the data were analyzed through SPSS by applying the Pearson correlation, and one-way ANOVA. The result showed that there was not a significant effect of years of experience of the participants and no significant effect of age of the participants on trade Standard of fresh fruits. At the same time, the Benefits of Keeping standards has no significant relationship with the risks of unfit fruits exported to the international market.

Keywords: *- Ethiopia, fresh fruits, Export, Trade Standard, Barriers.*

INTRODUCTION

Fruit crops are considered high-value strategic agricultural export commodities in Ethiopia. Fruit crop production is expected to reach 780,000 metric tons in 2018.

Fruit production and exports in Ethiopia play an important part in the local economy, providing a source of income for roughly five million farmers and creating jobs, and producing foreign exchange revenues (Rachel Bickford).

Ethiopia has suitable climate Conditions, it is possible to cultivate nearly all sub-tropical, tropical and temperate horticultural crops. commercial export growers have a great opportunity to cultivate and export fresh fruits and green products to the Middle East and the EU markets (Lubelo).

Fruits are necessary dietary items since they are an important part of the human diet. Fresh fruits are perishable and hefty commodities due to their high moisture content. As a result, transporting them to distant locations is expensive, and their condition upon arrival at the importing country may be less than ideal. Fruit postharvest loss is extremely significant in Ethiopia. This could be owing to their perishability, inadequate postharvest handling, or a lack of affordable and appropriate post-harvest technology (Wakjira, 2010).

Fresh fruit growing is not a new activity in Ethiopia, since the country has been producing horticulture crops for decades. The sector includes large-scale farms supplying fresh fruits to the local markets and for exports. However, modern retail is quickly spreading in Saudi Arabia and the United Arab Emirates, introducing international trade techniques and standards to the region. As a result, food safety and trade standards are becoming increasingly critical(Joosten et al.).

REVIEW OF RELATED LITERATURE

Ethiopia's horticultural sector is rapidly expanding. Investments in the floriculture sector account for a significant portion of this expansion. The Ethiopian fruits and vegetable business has recently piqued the interest of the Dutch commercial sector(Wiersinga and de Jager).

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What exactly is fresh 'Fruits'? As Freidberg (2009) points out, "eating fresh fruits" appears to be so completely natural that we have come to overlook the cultural eating of fruit production, social costs, and political project that fruit freshness on our plates represents. Freshness comes at a cost; it is a socio-technical quality with a long history. However, there is human labor involved in the manufacture and maintenance of freshness, as well as a variety of endeavors (Boeckler and Berndt).
Standards describe what is traded on the global market, set preferred processes, systematize expected standard levels internationally, and enable sourcing and production to take place anywhere in the globe by providing buyers and suppliers with the same information about standards (Toomey).

Standards and Trade
Standards and technical requirements are becoming more relevant in discussions about international trade policy. There has been a lot of debate about whether standards and rules have an impact on trade costs and export prospects for developing countries(Chen et al.)

Research problems
Rising incomes and increased customer demand in product diversity, freshness, convenience, and year-round availability have made fresh fruit products one of the most dynamic areas of worldwide agricultural exportable trade(WORLD BANK). Standardization has become an issue in all areas of business at the same time. Standards are becoming a more crucial component in the growth of agricultural commodity export markets around the world(Liu).
The study has assessed the international trade trend of Ethiopia's fresh fruit exporters in connection with the context of trade standards. standards becoming a global phenomenon, countries in the developing world face increasing constraints in exporting their products to markets in the developed countries (KAR).

Research Gap
Ethiopia is a developing nation where agriculture is the economic base and the primary source of income for 84 % of the population. Despite this, the sector is still underdeveloped, with small-scale farmers producing most of the produce. Farmers grow food for their families and sell the surplus at local markets (Abebaw).
Based on the past studies have conducted a similar research topic in a few selected firms particularly in the Oromia region of Ethiopia, furthermore, there are few papers published on this subject. Since this, the present study Evaluation of the Barriers of Trade Standard as the antecedent of Ethiopia's export income intention to economic growth.

Objectives of the study
General objectives of the study
The general objective of this study is to Evaluate the Barriers of Trade Standard: A survey of Ethiopia's fresh Fruit Export.

Specific objectives of the study
The specific objectives of the study included the following:
1) To differentiate, years of experience of the participants with trade standard (#2) of fresh fruits.
2) To evaluate the influence of age of the participants on the trade standard of fresh fruits.
3) To find the relationship between benefits of keeping the standards with Risks of unfit fruits for the market.
4) To evaluate the lack to meet trade standard parameters on trade standard.

Hypothesis
In addition to answering the research questions, the study will test the following hypothesis
H_0: There is no positive significant difference among years of experience of the participants with trade standard of fresh fruits.
H_1: There is a positive significant difference among years of experience of the participants with trade standard of fresh fruits.
H_0: The age of participants has a significant influence on the trade standard of fresh fruits.
H_2: The age of participants has not a significant influence on the trade standard of fresh fruits.
H_0: There is no significant relationship among benefits of keeping the trade standards with Risks of unfit fruits for the international market.
H_3: There is a significant relationship among benefits of keeping trade standards with Risks of unfit fruits for the international market.
H_0: Lack to meet standard parameters has no significant influence on the trade standard of the exporters.
H_4: Lack to meet standard parameters has a significant influence on the trade standard of the exporters.

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METHODOLOGY

Research method

The study was conducted through a cross-sectional study design method (i.e., the data were collected and analyzed at a point in time). It is cross-sectional about the time of investigation and study population. The primary data source such as the questionnaires and interviews are collected through the limited time interval of the research schedule. And primary as well as secondary data were collected.

Research participants

There were 23 voluntary participants.100% of the participants responded to the distributed questionnaires.

Research tools

A standardized questionnaire was used for quantitative data collection. The Likert scale was used as 1 for strongly disagree, 2 for disagree, 3 for natural, 4 for agree, and 5 for strongly agree. To investigate the objectives of the study, the research has designed and cross-sectional survey and used inferential statistics techniques to analyze the data, inferential statistical methods such as one-way ANOVA, Pearson Product-Moment Correlations, tables, descriptive statistics, used for data generated through questionnaires using SPSS with available versions 24. The study used a mixed strategy to collect the necessary data from the selected study areas fresh fruit exporting factories using purposive sampling in which department managers, higher technical experts, general managers, professional employees have included in the study.

ANALYSIS AND FINDINGS

Hypotheses of the study

Table 1: One-way ANOVA: years of experience of the participants & trade Standard of fresh fruits

	SS	Df	MS	F	Sig.
Between Groups	9.082	2	4.541	0.623	0.547
Within Groups	145.875	20	7.294		
Total	154.957	22			

P>0.05. Between groups, variance is not significant at the 0.05 level

Table 1 explained, one-way ANOVA was conducted to compare the years of experience of the participants, conditions with trade standards of fresh fruits. The result showed that there was not a significant effect of years of experience of the participants on the trade standard of fresh fruits the p>.05 level for the three conditions [F (2, 20) =0.623, p =0.547]. In other words, the years of experience of the participants did not have significant differences with the trade standard of fresh fruits.

H1: There is a positive significant difference among years of experience of the participants with trade standard of fresh fruits.

Hypothesis one is rejected. Because there was no significant difference among the variance of the sample. In other words, the years of experience of the participants did not have significant differences with the trade standard of fresh fruits.

Table 2: One-way ANOVA: Age of the participants & trade Standard of fresh fruits

	SS	Df	MS	F	Sig.
Between Groups	27.658	2	13.829	2.173	0.140
Within Groups	127.298	20	6.365		
Total	154.957	22			

P>0.05. Between groups, variance is not significant at the 0.05 level

Table 2 depicts, one-way ANOVA was conducted to compare the effect of Age of the participant's conditions with the trade Standard of fresh fruits. The analysis shows that there is no significant effect of age of the participants on the trade Standard of fresh fruits at the p>.05 level for the three conditions [F (2, 20) =2.173, p =0.140]. In other words, the age of the participants does not have significant differences through trade Standard of fresh fruits.

H2: The age of participants has not a significant influence on the trade standard of fresh fruits. As the analysis shows that hypothesis two is rejected. In other words, the age of the participants does not have significant differences through trade Standard of fresh fruits.

Table 3: Descriptive statistics and Pearson Product-Moment Correlations of the Benefits of Keeping trade standards with Risks of unfit fruits

	Mean	Std.	N	1. Benefits of keeping	2. Risks of unfit

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		Deviation		standards	fruits
1. Benefits of keeping standards	17.1304	1.14035	23	__	
2. Risks of unfit fruits	21.9130	1.47442	23	0. 142	---

p>0.05. N=23. Correlation is not significant at the 0.05 level (2-tailed).

Table 3 shows the descriptive statistics and Pearson product-moment correlation coefficient which computed the Benefits of Keeping standards with Risks of unfit fruits. Overall, there were 23 participants. Benefits of Keeping standards with Risks of unfit fruits do not correlate with the two variables, r = 0.142, N = 23. Moreover, the relationship is not significant at 0.05 level and p=0.517. Overall, the Benefits of Keeping standards has no significant relationship with the Risks of unfit fruits exported to the international market.
H_3: There is a significant relationship between **benefits** of keeping trade standards and with **Risks** of unfit fruits for the international market.
As a result, shows H_3 has been rejected. Because the relationship between keeping standard has not significant with risks of unfit fruits of export in Ethiopia.

Table 4: Descriptive statistics and Pearson Product-Moment Correlations of Lack to meet trade standard parameters with trade standard

	Mean	Std. Deviation	N	1. Lack to meet standard parameters	2. standard
1. Lack to meet standard parameters	27.8696	1.57550	23	__	
2. standard	40.0435	2.65396	23	0.012	---

p>0.05.N=23. Correlation is not significant at the 0.05 level (2-tailed).
Table 4 shows the descriptive statistics and Pearson product-moment correlation coefficient which computed Lack to meet standards parameters with trade standard. Overall, there were 23 participants. Lack to meet standard parameters of unfit fruits do not correlate with the two variables, r = 0.012, N = 23. Moreover, the relationship is not significant at 0.05 level and p=.956. Overall, the lack to meet trade standard parameters has no significant relationship with trade standards to the international market.
H_4: Lack to meet standard parameters has a significant influence on the trade standard of the exporters.
As a result, shows H_4 has been rejected. Because the relationship between Lack to meet standard parameters has no significant trade **standard** of export in Ethiopia.

CONCLUSION AND RECOMMENDATIONS

Conclusion: As the study shows there is a dearth of literature in this area. However, the case study in Ethiopia proves that the years of experience of the participants did not have significant differences with the trade standard of fresh fruits. As the data interpretation indicates that age of the participants does not have significant differences through trade Standard of fresh fruits.
Moreover, as a result, shows also the relationship between keeping standards has not significant with risks of unfit fruits of export in Ethiopia; the same time the relationship between Lack to meet standard parameters has no significant trade standard of export in the study area.
Recommendations: It is strongly recommended that since the research area have a dearth of literature; other researchers in the same area have to come up with some different solution to the problem in the standard of fresh fruits in the country. Methodologically more sample size and case study areas are encouraged to cover. The government has to provide an organized database of export of fresh fruits and give more clearly documented awareness of fresh fruit export standard parameters.

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