

BEFORE THE UNITED STATES TRADE REPRESENTATIVE
GENERALIZED SYSTEM OF PREFERENCES (GSP) SUBCOMMITTEE OF
THE TRADE POLICY STAFF COMMITTEE

PETITION SUBMITTED BY GLOBAL MAMAS (GHANA)

TO CONFER GSP DUTY-FREE TREATMENT FOR AGOA/SUB-SAHARAN
ELIGIBLE COUNTRIES FOR THE FOLLOWING HTSUS CLASSIFICATIONS:

4202.22.45; 4202.32.40; 4202.92.15

GSP 2015 ANNUAL REVIEW

SUBMITTED ON BEHALF OF GLOBAL MAMAS

Global Mamas
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October 16, 2015

William D. Jackson
Deputy Assistant U.S. Trade Representative for the Generalized System of Preferences
Chair of the GSP Subcommittee of the Trade Policy Staff Committee
600 17th Street NW
Washington, D.C. 20508

Dear Mr. Jackson:

On behalf of Global Mamas, we respectfully submit this Petition pursuant to Title 15 of the Code of Federal Regulations Part 2007 (15 CFR Part 2007) and under the *Generalized System of Preferences (GSP): Notice of Initiation of the 2015 Annual GSP Product and Country Practices Review; Deadlines for Filing Petitions*, published by the U.S. Trade Representative (“USTR”) in the *Federal Register* on August 19, 2015 (80 Fed. Reg. 50376).

The Petition is a request to grant GSP duty free treatment for AGOA/Sub-Saharan eligible countries, including Ghana, for merchandise classified under the following HTSUS subheadings: 4202.12.40; 4202.22.45; 4202.32.40; 4202.92.15.

Global Mamas is a registered nonprofit, founded in 2003, with the mission to transform the lives of women entrepreneurs in Ghana by helping them to grow their businesses. Global Mamas helps to expand their businesses by training them in leadership, financial management, marketing, and merchandising. Global Mamas produces and sells various types of bags and wallets classified under HTSUS subheadings: 4202.12.40; 4202.22.45; 4202.32.40; 4202.92.15. Receiving duty free treatment for these goods will have a substantial valuable impact on the growth of Global Mamas and the success of the women entrepreneurs in Ghana.

For these reasons, we respectfully request your greatest consideration to this Petition.

Sincerely,

Renae Adam
Kristin Johnson
Co-Founders
Global Mamas

Matthew L. Kanna
Tina Termei
Arent Fox LLP

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This petition is being filed in response to a Notice by the Office of the United States Trade Representative (“USTR”) on August 19, 2015 (80 Fed. Reg. 50,376) inviting interested parties to submit petitions to designate additional articles as eligible for GSP benefits if imported from countries designated as beneficiary sub-Saharan African countries under the African Growth and Opportunity Act (“AGOA”). This petition is being filed for consideration in the 2015 GSP Annual Review.

AGOA country affected by this petition:

All eligible sub-Saharan African countries, including Ghana.

Information required under 15 USC § 2007.1(a):

1. The Name of the Petitioner and Brief Description of the Interest of the Petitioner Claiming to be Affected by the Operation of the GSP.

This petition is being filed on behalf of Global Mamas, a privately held Ghanaian company located at Old Methodist Cemetery, Cape Coast, Ghana.

Global Mamas produces the subject articles in Ghana and exports them to the United States. These items have not previously been eligible for duty-free treatment under GSP. Section 204 of the Trade Preferences Act of 2015 (H.R. 1295) removed handbags and luggage from the list of ineligible articles designated in section 503(b) of the Trade Act (19 U.S.C. § 2463(b)) and H.R. 1295 added the following language to 19 U.S.C. § 2463(b):

(5) CERTAIN LUGGAGE AND TRAVEL ARTICLES.—Notwithstanding subparagraph (A) or (E) of paragraph (1), the President may designate the following as eligible articles under subsection (a):

(A) Articles classifiable under subheading 4202.11.00, 4202.12.40, 4202.21.60, 4202.21.90, 4202.22.15, 4202.22.45, 4202.31.60, 4202.32.40, 4202.32.80, 4202.92.15, 4202.92.20, 4202.92.45, or 4202.99.90 of the Harmonized Tariff Schedule of the United States.

(B) Articles classifiable under statistical reporting number 4202.12.2020, 4202.12.2050, 4202.12.8030, 4202.12.8070, 4202.22.8050, 4202.32.9550, 4202.32.9560, 4202.91.0030, 4202.91.0090, 4202.92.3020, 4202.92.3031, 4202.92.3091, 4202.92.9026, or 4202.92.9060 of the Harmonized Tariff Schedule of the United States, as such statistical reporting numbers are in effect on the date of the enactment of the Trade Preferences Extension Act of 2015.

The addition of this language to 19 U.S.C. § 2463(b) allows the President to designate these articles as eligible for GSP under 19 U.S.C. § 2463(a)(1).

2. Identification of the Product of Interest, Including a Detailed Description of the Product and the Eight-Digit Tariff Number for the Item in the HTSUS.

Global Mamas employs and contracts with artisans in its two production locations of Cape Coast and Ashaiman. Global Mamas starts with white cotton fabric and batiks (i.e., utilizes a technique of wax-resist dyeing applied to whole cloth) every yard of fabric by hand. Batikers hand-cut stamps with designs into foam and then dip the foam into hot wax and stamp the design onto the fabric. The waxed areas prevent dye from penetrating the cloth when it is dyed the next color. This processes of stamping and dyeing can be repeated to create complex multicolored designs. This method requires expertise in color mixing as each “under” dye affects the next “over” dye.

Upon completion, the batik fabric is brought to Global Mamas’ quality control department for inspection and divided into Class 1, 2, 3, and Reject. Premium pay is offered for Class 1 batik fabrics. The batik fabric is then divided up into sewing orders for the seamstresses, who are both contracted artisans and full-time employees. Upon completion, the sewn items are delivered to the quality control department for inspection and divided into export quality or rejects (rejects are sold in the local Ghana market). Export quality items are consolidated among locations and sent air cargo to the Global Mamas’ warehouse in Minneapolis, Minnesota for distribution to more than 300 retail partners across the USA.

These goods are covered under the following three HTSUS subheadings (collectively referred to as “petition products”):

- A. Classified as handbags, whether or not with shoulder strap, including those without a handle, with outer surface of textile materials, of vegetable fibers and not of pile or tufted construction, of cotton under item 4202.22.45, HTSUS:
- 1) Basket Tote Bag, reinforced to hold shape, one inside pocket, loop closure with hand-made African bead, 6.25" handle drop. (13.75"H x 20.5"W x 7"D).
 - 2) Batik Backpack with drawstring closure, flap cover, loop closure with hand-made African bead button, top handle, two front zipper pockets and back straps (14"H x 9.5"W x 6"D).
 - 3) Braided Handle Bag with multicolor woven handle detail, loop closure with hand-made African bead button and 13" handle drop (13.25"H x 16.5"W x 2.25"D).
 - 4) Deborah's Bag with set-in top zip closure, inside pocket and 9" handle drop (12"H x 12"W x 5"D).
 - 5) Globe Trotter with top zip, inside pocket and 22.5" handle drop. (13"H x 17.5"W x 6.5"D).

- 6) Minimalist Bag with flap cover, loop closure with hand-made African bead button, inside partition and 23" handle drop (6"H x 5.5"W x 2"D).
 - 7) Passport Explorer Bag made from recycled fabric scraps, durable plastic zip top, two overlapping pockets and hand-made African bead buttons, 30" handle drop (7"H x 6"W x 1.5"D).
 - 8) Satchel with top zip, outside pocket, reinforced, quilted bottom, reinforced handles and straps, 6" tote handle drop, 21" shoulder strap drop (12.5"H x 17"W x 2.5"D).
 - 9) Scrap Tote made from recycled fabric scraps, loop close with African bead, 12.5" handle drop (13.5"H x 14"W x 3"D).
 - 10) Urban Explorer Bag made from recycled fabric scraps, three overlapping pockets on outside with loop case using hand-made African beads, durable plastic zip top and 20" handle drop (10.5"H x 12"W x 1.5"D).
- B. Classified as articles of a kind normally carried in the pocket or in the handbag, with outer surface of textile materials, of vegetable fibers and not of pile or tufted construction, of cotton under item 4202.32.40, HTSUS:
- 1) Clutch Purse with pleated front, six inside card pockets, one large inside open pocket and one large inside zip pocket (4.5"H x 7.5"W when closed).
 - 2) Twist Clutch with a top zip, front interlocking twist detail and wristlet strap (4.5"H x 7.5"W).
 - 3) Luggage Tag made from recycled fabric scraps with snap closure on address card insert pocket (4.5' x 3"W).
 - 4) Patchwork Wallet made from recycled fabric scraps with zip top, flap cover, loop closure made with African bead and wristlet strap (4.5"H x 9"W).
 - 5) Pocket Wallet made from recycled fabric scraps, with three card divider pockets and Velcro closure (3"H x 4.5"W).
 - 6) Zip Wristlet with top zip and front zip pocket and wristlet strap (4.75"H x 7"W).
 - 7) Padded Zip Purse with top zip, foam padding, and poly/cotton lining (4"H x 6"W).

- 8) Glasses Case with foam padding (4”H x 7”W).
 - 9) Cosmetic Case with top zip and inside zip pocket (10.5”W x 8”H x 2.5”D).
 - 10) Travel Bag with top zip and outside zip pocket (5.5”H x 9”W at top and 6.25”W x 3”D at base).
- C. Classified as travel, sports and similar bags, with outer surface of textile materials, of vegetable fibers and not of pile or tufted construction, of cotton under item 4202.92.15, HTSUS:
- 1) Weekend Bag with top zip, inside pocket, reinforced quilted bottom, reinforced handles, 9” handle drop (14” H x 20” W x 7” D).
 - 2) Travel Bag with top zip, outside zip pocket and 100% cotton recycled flour sack lining (5.5”H x 9”W).

3. A description of the action requested together with a statement of the reasons therefor and any supporting information.

Petitioner requests that the tariff numbers listed above (i.e., 4202.22.45, 4202.32.40, 4202.92.15 HTSUS) be granted duty-free status under GSP. Designation to GSP eligibility for these products would allow Global Mamas to price more competitively and therefore increase sales volumes and provide additional jobs in the communities in Ghana where it operates.

Global Mamas has been able to survive to-date in the U.S. market by focusing sales in the “fair trade” niche markets. It focuses on U.S. consumers who value products that are made by workers who are paid a living wage by a company that provides additional benefits like education, training, and health care. However, the devastating outbreak of Ebola in West Africa in 2014 has caused untold economic hardship to the region, and it has exacerbated the ever-present competitive disadvantages experienced by Global Mamas even though the outbreak has been contained. Although the import tariff rate paid by Global Mamas on petition products it exports to the U.S. appears small (i.e., 6.3%), the impact on Global Mamas’ sales volumes is significant.

The market in the U.S. for Global Mamas’ textile products is unique because, at a wholesale level, Global Mamas must meet certain “price points” in order to make its products economically viable. For example, U.S. retailers, who are Global Mamas’ direct customers, must be able to sell petition products to end-customers at prices below a certain price point, or those retailers will purchase from other wholesalers. If Global Mamas could reduce its wholesale prices by up to 6.3%, it would make petition products more attractive to U.S. retailers who could then price Global Mamas’ products at a level U.S. retailers find attractive.

Pertinent to the statutory criteria for grant of GSP preferences —19 U.S.C. § 2461

Granting GSP treatment for petition products would generate an immediate effect that furthers the economic development of Ghana. Global Mamas' exports would increase, which would lead to increased employment, increased community support, and the improvement of the lives of the families of the women working with Global Mamas. 19 U.S.C. § 2461(1).

The European Union has already recognized that tariff reductions to assist those living in impoverished countries is a policy goal worth pursuing. All of Global Mamas' petition products exports to member states of the European Union are afforded duty free treatment using a EUR.1 movement certificate under the Cotonou Agreement between the European Union and the African, Caribbean and Pacific Group of States (of which Ghana is a member). 19 U.S.C. § 2461(2).

Furthermore, Global Mamas is unaware of any U.S. companies that are producing petition products that are directly competing with the products that Global Mamas sells in the U.S. market. 19 U.S.C. § 2461(3). This is most likely because Global Mamas focuses its marketing and sales efforts on customers who value "fair trade" goods, meaning they value supporting companies who offer more to their employees and artisans than the lowest wage that can be paid.

Ghana is at a competitive disadvantage compared to other countries exporting similar items to the U.S. market. 19 U.S.C. § 2461(4). The most important export market for Global Mamas is the U.S. market. Global Mamas has to compete with imports coming from many countries, such as India, the Philippines, Bangladesh, Vietnam, Guatemala, and Mexico. Although not all of those countries are beneficiary countries, they all compete fiercely on price in a way that Global Mamas cannot, particularly with the added burden caused by the current 6.3% import duty on petition products. Global Mamas does not have the resources necessary to canvass competitive data regarding companies operating in other beneficiary countries, although it can be stated with certainty that beneficiary countries outside West Africa did not have to struggle with the 2014 Ebola outbreak and the substantial economic hardships that outbreak wrought on eligible sub-Saharan countries.

Finally, the products for which this petition is seeking GSP benefits meet the criteria for designation under 19 U.S.C. § 2463. The petition products meet the 35 percent value-added requirement. 19 U.S.C. § 2463(a)(2)(A)(II). The petition products are not defined as an import-sensitive. 19 U.S.C. § 2463(b)(1). The petition products are not subject to "other actions," as statutorily defined. 19 U.S.C. § 2463(b)(2). And the petition products are not agricultural products subject to tariff-rate quotas. 19 U.S.C. § 2463(b)(3).

- 4. A statement of whether, to the best of the Petitioner's knowledge, the reasoning and information has been presented to the TPSC previously by either the Petitioner or any party.**

To the best of Petitioner's knowledge, a request for inclusion of these items under GSP has not previously been made to the TPSC.

5. Provide a statement of the benefits the petitioner anticipates if the request is granted.

If petition products are granted GSP treatment, Global Mamas believes it could double the sales of those products in the U.S. This would result in the immediate employment of 40 artisans and employees and thereby substantially improve the standard of living for themselves, their families, and their communities.

Information required under 15 USC 2007.1(c):

1. Identification of the principal beneficiary country suppliers expected to benefit from proposed modification.

Global Mamas is not specifically aware of other companies that will benefit from the proposed modification, although Global Mamas believes there are some companies operating in AGOA countries that produce petition products. In general, textile manufacturers in West Africa struggle to survive every day. Many textile companies, of all sizes, have come and gone. Most companies try to compete on price which is extremely difficult due to the barriers to production that affect all companies, such as: (1) limited access to, and high price of, raw materials; (2) constant power outages; (3) old or inefficient production equipment; and (3) high costs associated with maintaining equipment in a harsh, humid, and dirty environment. Global Mamas has been able to survive because it markets specifically in the U.S. to "fair trade" customers who place additional value on products where Global Mamas pays living wages, provides communities with services, and lifts women and their families out of poverty, giving them hope and a future.

2. Name and location of firms.

Global Mamas. Old Methodist Cemetery. Cape Coast, Ghana.

Global Mamas. Plt G130 Nr. Islamic School, Middle East, Ashaiman, Tema, Ghana.

3. Actual production figures (and estimated increase if GSP status is granted);

Annual Production and Sales for Petition Items

	2012	2013	2014	2015*
Production (units) Domestic	***	***	***	***
Production (units) Non US Export	***	***	***	***
Production (units) US Export	***	***	***	***
Domestic Sales	***	***	***	***
Non US Export Sales	***	***	***	***
US Export Sales	***	***	***	***
Total Sales	***	***	***	***

* Data for 2015 available through September.

As explained above, for the U.S. markets in which Global Mamas targets the petition products, the inability to bring prices below certain “price points” severely limits the volume of product that can be sold. If GSP treatment were granted, Global Mamas’ internally conducted sales analyses show the total volume sold could double. Because Global Mamas’ primary goal is to increase the number of employees and artisans working in Ghana, the elimination of import duties would provide Global Mamas the flexibility in pricing it needs to trigger higher volumes of sales.

4. Actual production and capacity utilization (and estimated increase if GSP status is granted).

Because Global Mamas products are made by hand, its production is not “capacity constrained” in the common sense of the phrase. As a practical matter, it cannot report a meaningful capacity utilization factor. For example, when Global Mamas cannot price petition products so they are attractive to U.S. customers, employees and artisans cannot work. When the demand is there, Global Mamas has a labor pool that, for practical purposes, is essentially unlimited. If the petition products were granted GSP treatment, it could immediately hire employees and artisans and provide them with meaningful, rewarding work that will change their lives and the lives of their families.

5. Employment figures, including numbers, type, wage rate, location and changes in any of these elements if GSP treatment is granted.

The table below reports employment for the calendar years 2012–2015:

	Employment			
	2012	2013	2014	2015*
Full Time Artisans & Employees	***	***	***	***
Avg Wage (annual per person)	***	***	***	***
% of Ghana Min Wage	***	***	***	***
Half Time Artisans	***	***	***	***
Avg Wage (annual per person)	***	***	***	***
% of Ghana Min Wage	***	***	***	***

*The data for 2015 annualizes wages based on January thru September data.

This data covers all of the employees and artisans working directly at Global Mamas' two locations in Ghana, and the artisans working at seven other locations in Ghana. As can be seen, the Ebola outbreak in West Africa in 2014 caused severe economic damage which, for Global Mamas, was manifested as a severe decrease in demand in the local Ghana market. This resulted in a dramatic drop in full time artisans, with some of its workers becoming half-time artisans and some leaving Global Mamas completely. If GSP treatment is granted, based on the pricing and market analysis performed by Global Mamas, exports to the U.S. could double, providing an additional 40 full time positions for artisans.

6. Sales figures in terms of quantity, value and prices;

Annual Production and Sales for Petition Items

	2012	2013	2014	2015*
Production (units) Domestic	***	***	***	***
Production (units) Non US Export	***	***	***	***
Production (units) US Export	***	***	***	***
Domestic Sales	***	***	***	***
Non US Export Sales	***	***	***	***
US Export Sales	***	***	***	***
Total Sales	***	***	***	***

* Data for 2015 available through September.

Since 2012, Global Mamas has become less price competitive in the U.S. market. As explained above, if GSP treatment is granted, Global Mamas will be able to bring more product prices down to critical "price points" that will then make a substantial increase in the volume of sales possible, while maintaining the living wages that Global Mamas pays to its employees and artisans.

7. Information on total exports including principal markets, the distribution of products, existing tariff preferences in such markets, total quantity, value and trends in exports;

Annual Production and Sales for Petition Items

	2012	2013	2014	2015*
Production (units) Domestic [***	***	***	***
Production (units) Non US Export [***	***	***	***
Production (units) US Export [***	***	***	***
Domestic Sales [***	***	***	***
Non US Export Sales [***	***	***	***
US Export Sales [***	***	***	***
Total Sales [***	***	***	***

* Data for 2015 available through September.

The numbers presented as “Non US Export Sales” are broken down below:

Non US Export Annual Production and Sales for Petition Items

	2012		2013		2014		2015*	
	USD	Units	USD	Units	USD	Units	USD	Units
Australia [***	***	***	***	***	***	***	***
Austria [***	***	***	***	***	***	***	***
Brazil [***	***	***	***	***	***	***	***
Finland [***	***	***	***	***	***	***	***
France [***	***	***	***	***	***	***	***
Germany [***	***	***	***	***	***	***	***
Japan [***	***	***	***	***	***	***	***
Spain [***	***	***	***	***	***	***	***
Sweden [***	***	***	***	***	***	***	***
Total [***	***	***	***	***	***	***	***

* Data available through September.

Compared to Global Mamas’ exports to the U.S., non-U.S. exports are very modest. Import tariffs for member states of the European Union (i.e., Austria, France, Germany, Spain, and Sweden) are currently zero (0%) *ad valorem*. Global Mamas does not act as the importer of record for exports to Australia, Brazil, Finland, or Japan, so it has no information regarding import tariffs in those countries. The U.S. is by far the most critical export market for the petition products made by Global Mamas’ employees and artisans.

9. Information on exports to the United States in terms of quantity, value and price, as well as considerations which affect the competitiveness of these exports relative to exports to the United States by other beneficiary countries

of a like or directly competitive product. Where possible, petitioners should provide information on the development of the industry in beneficiary countries and trends in their production and promotional activities;

Exports of Petition Product to the U.S.

	2012	2013	2014	2015*
Total Units [***	***	***	***
Total Value (USD) [***	***	***	***
Import Tariff (%) [***	***	***	***
Duty Paid [***	***	***	***

* Data available thru September.

The most important export market for Global Mamas is the U.S. market. Global Mamas does not have the resources necessary to canvass competitive data regarding companies operating in other beneficiary countries, although it has strong anecdotal evidence to believe the development of the industry for petition products in Ghana and other sub-Saharan eligible beneficiary countries has been retarded by the 2014 Ebola outbreak. Many local economies have been devastated, which has led to a downward trend in production and promotional activities. Global Mamas has been able to survive, notwithstanding the deleterious economic affects of increased competition from low-cost exporting countries and Acts of God, because of its dedicated employees, artisans, and customers. However, Global Mamas network of community support both in Ghana and the U.S. has never been strained to such a degree.

10. Analysis of cost including materials, labor and overhead;

In general, Global Mamas' costs fall equally into three categories: (1) 1/3 raw materials; (2) 1/3 direct labor; and (3) 1/3 overhead (1/6 overhead in Ghana and 1/6 distribution overhead). Global Mamas does not produce any petition products where the cost of direct labor falls below 35% of the sum of all raw materials and direct labor costs necessary to produce the product.

11. Profitability of firms producing the product;

Global Mamas is unaware of the profitability of other companies that might be producing petition articles.

12. Information on unit prices and a statement of other considerations such as variations in quality or use that affect price competition;

The most critical pricing consideration for Global Mamas petition products is the concept of "price points." Often times, U.S. retailers will not purchase wholesale merchandise unless they can price that product under a certain point at which U.S. consumers will find the product attractive. For example, many U.S. end-consumers will not purchase a shoulder-slung bag unless it is under \$26. If Global Mamas cannot cover its costs of manufacturing and provide that bag to a U.S. retail customer at a price that

allows for pricing the bag under \$26, end-consumers will not buy the product. Granting GSP treatment will dramatically increase the ability of Global Mamas to price petition products at a level that will entice U.S. retail customers to purchase increased volumes. The table below reports the average selling price of Global Mamas' petition products:

Petition Products Average Unit Prices for U.S. Exports			
Year	Total Units	Total Export	Ave Price/Unit
2012 [***	***	***
2013 [***	***	***
2014 [***	***	***
2015* [***	***	***

*Data available through September.

Calendar years 2012-2014 were disappointing. In 2015, Global Mamas redoubled its efforts and has made some progress, but it will be nowhere near even its 2013 sales figures. Global Mamas has never had any issue with competition based on quality. Global Mamas artisans and employees pride themselves on the high quality of their products and Global Mamas has never lost a customer due to quality concerns. As stated throughout this petition, Global Mamas' biggest struggle is to price petition products competitively in the face of producers located in countries that have much lower production costs.

- 13. If the petition is submitted by a foreign government or a government controlled entity, it should include a statement of the manner in which the requested action would further the economic development of the country submitting the petition;**

This petition is not being submitted by a foreign government.

- 14. If appropriate, an assessment of how the article would qualify under the GSP's 35 percent value-added requirements; and**

As stated above, Global Mamas' product costs fall roughly equally into three categories: (1) 1/3 raw materials; (2) 1/3 direct labor in Ghana; and (3) 1/3 overhead. Global Mamas does not produce a petition product that does not have at least 35% of the U.S. entered value attributable to direct labor costs, therefore its petition products meet the 35 percent value-added requirement of 19 U.S.C. § 2463(2)(A)(ii).

15. Any other relevant information, including any information that may be requested by the GSP Subcommittee.

Global Mamas was founded in 2003 (originally under the name “Women in Progress”) by Renae Adam and Kristin Johnson, former Peace Corps volunteers in Ghana. It was formed as a non-profit organization with the mission to transform the lives of women entrepreneurs in Ghana by helping them to grow their businesses. In the beginning, the co-founders provided one-on-one consulting on business and financial management for the six founding artisans (Alice, Elizabeth, Emma, Esther, Hannah and Florence), who were operating their own small businesses. The artisan decided to unite under the name “Global Mamas” to produce and export textile products under a common brand.

Global Mamas helps women entrepreneurs expand their businesses by training them in leadership, financial management, marketing, and merchandising. Workshops in health were recently added as well. Global Mamas provides ongoing, personalized hands-on training to enhance the talents of the women and to help them to manage their expanding businesses and personal income. This requires tremendous human resources and expertise – accomplished through hosting international volunteers and interns who offer their expertise, mentorship, and encouragement. Since 2003, nearly 400 volunteers representing 24 countries have spent more than 100,000 hours in Ghana sharing their time and skills.

Global Mamas defines prosperity as going beyond financial well-being to include happiness and good health. The artisans achieve prosperity by creating and selling unique, handcrafted products of the highest quality, using traditional production methods. Global Mamas local staff manage production, ensure high quality and deliver personal customer service. The artisans realize their dreams of having the opportunity to support their families, send their children to school, improve their health, and save for the future. Global Mamas believes very strongly in paying a living wage that will cover (and even surpass) all basic needs (food, rent, utilities, education, clean drinking water, clothing, transportation, medical expenses and savings). The Living Wage Project involved the quantification by volunteers of the cost of living for the artisans in various locations through interviews with employees as well as interviews with the Ghana Internal Revenue Service and the Ghana Trade Union Congress. The study resulted in an increase in salaries by an average of 12%.

Global Mamas has had amazing results. It has gone from providing opportunity to the six founding artisan to providing opportunity for over 500 women in nine locations in Ghana and from one employee (Patience) to 70 employees on staff. Artisans and employees of Global Mamas have used their wages to do some incredible things. Batiker Aggie Cole put herself through college and Cape Coast batiker; Louisa Esi Dadzi was the first apprentice to open her own business. Wisdom rose from a quality control employee to general manager of the Cape Coast operation. In 2010, the first child of a Mama graduated from college with tuition paid with income made possible by Global Mamas.

Global Mamas has ambitions to expand its operations in Ghana in the future. Plans were initiated in 2012 to establish a new production facility (Fair Trade Zone) in order to meet increased demand for its products. The hope is to eventually employ 200 women full-time in the Ghanaian textile industry. In 2013, an international team of architecture students, led by Architecture Sans Frontières (United Kingdom) (ASF-UK) spent nine weeks in Ghana to help design the new facility. They used a participatory design process focused on making international development issues integral to architecture. They worked with the artisans to ensure that they would take a leading role in the design of their new work environment. Consideration for the environment was taken into account by the inclusion in the design of bio-gas toilets.¹ Global Mamas is continuing to collaborate with ASF-UK toward achievement of this dream and is having discussions with Ghana Ministry of Trade and Industry about the possibility of using some unused warehouse space at Tema Port.

Conclusion

The grant of GSP eligibility specifically to the products identified in this petition is very important to the economic development of beneficiary eligible sub-Saharan countries, including Ghana. This is particularly true for the urban and rural areas in Ghana where Global Mamas' employees and artisans rely on the export of batik bags, wallets, and other personal items to provide a higher standard of living for themselves, their children, and their communities. The grant of the actions in this petition will allow Global Mamas to effectively compete in the U.S. market and thus lift up one of the poorest areas in West Africa, helping to reverse not only the devastating impact of the 2014 Ebola outbreak, but decades of economic under-development.

Global Mamas competitiveness in the U.S. "fair trade" market space is highly dependent on achieving the price-points demanded by U.S. retailers. Approval of GSP designation for the products detailed in this petition will allow Global Mamas, and other producers of similar products in AGOA countries to the extent they exist, to expand production and exports into the critically important U.S. market. In turn, this will allow increased employment opportunities and create a number of new jobs, both direct and indirect.

Approval of this petition will also benefit the U.S. economy by bringing the high quality, traditionally manufactured products detailed in this petition to U.S. consumers at prices they find attractive.

The arguments and evidence provided herein serve as the foundation upon which this petition stands, and, in being in compliance with the requirements of applicable sections of the GSP statute and regulations, we respectfully submit and humbly request approval of this petition.

¹ Methane gas from the toilets can be captured in a sealed tank and then used to heat the wax and water required for the batik process. This will result in the use of less coal thus causing less pollution and lower costs.