

HIGH COMMISSION OF INDIA
(Economic and Commercial Wing)
Accra

ECONOMIC & COMMERCIAL REPORT FOR GHANA FOR MARCH 2023

Economy

- **Inflation:** Ghana's inflation rate fell to 52.8% in February 2023, down from 53.6% in January, the second consecutive time that the figure has dropped in 20 months. The drop was influenced by food inflation which fell to 59.1% in February from 61.0% in January 2023, driven by fruits and vegetable juices (92.5%), tea, mate and other plant products (87.6%) which recorded inflation rates almost twice the national average of 52.8%. Non-food inflation remained the same at 47.9% in February 2023. Inflation for locally produced items was 49.0% in February as against 50.0% in January, while inflation for imported items also decrease to 62.3% in February from 62.5% in January.
- **Monetary policy rate:** The Bank of Ghana has increased its policy rate by 150 basis points to 29.5% on order to help check the high inflation and any downside risks to the economy. The ease in price pressures abroad would likely impact positively on Ghana's domestic inflation profile going forward. Dr Ernest Addison, Governor of Bank of Ghana said, it is important that the monetary policy stance be tuned further to re-anchor inflation expectations towards the medium-term target to place the economy firmly on the path of stability and reinforce the pace of disinflation.
- **International reserves:** Gross International Reserves further declined to US\$ 5.9 billion at the end of February 2023, providing cover for 2.8 months of imports of goods and services. However, Net International Reserves improved to US\$ 2.6 billion, reflecting a slight decline in encumbered funds. The Bank of Ghana has reset the Cash Reserve Ratio on domestic currency deposits for banks from 12% to 14% effective 13 April 2023.
- **Forex auction:** The Bank of Ghana has slashed its dollar supply to the Bulk Oil Distribution Companies due to the Gold for Oil policy. In its quarterly announcement of forex forward rates auction dated 28 March, the Central Bank plans to sell US\$ 120 million in the second quarter of 2023 to authorized foreign exchange dealers and the Bulk Oil Distribution Companies. This is less US\$ 80 million lower than the US\$ 200 million auctioned in the first quarter of this year. The proposed auctions of US\$ 20 million each would take place twice a month (13th&27th April, 12th&30th May and 14th&28th June).
- **Credit ratings:** Fitch Ratings has upgraded Ghana's Long-Term (LT) Local-Currency (LC) Issuer Default Rating (IDR) to 'CCC' from 'RD'. The issue ratings on local-currency bonds issued domestically that have not matured yet have also been upgraded to 'CCC' from 'D'. Fitch typically does not assign Outlooks to sovereigns with a rating of 'CCC+' or below.
- **Enhanced Liquidity:** Fitch estimates that the domestic debt exchange allows Ghana to reduce its interest payments in 2023 by around 10% of expected revenues, or 1.6% of GDP. Gross

financing needs this year have been reduced by 5% of 2023 GDP. In 2024, interest payments would be lowered by 6% of revenues, or 0.9% of GDP. According to Fitch's forecasts, the domestic debt restructuring together with the suspension of external debt service, significantly reduces Ghana's cash fiscal deficit in 2023 to 4.5% of GDP in 2023.

- **Economic structure weaknesses:** The Institute of Economic Affairs called the government to address the weaknesses in the structure of the economy and economic management systems. The IEA Director of Research pointed out that until those weaknesses are addressed, the country risked fiscal relapse even after the IMF programme which would only “buy temporary relief in terms of the financing at that it will provide direction and also catalyze the flow of funds from other donors.” The underlying structural weaknesses are narrow industrial base, low economic diversification, high dependency on imports, lack of sustainable food security measures. Other lapses in terms of economic management are inadequate, rigid and costly public expenditure, weak fiscal & monetary management systems, lack of adequate economic and financial buffers such as fiscal space, debt payment funds and international reserves.
- **Exports:** In the first two months, total exports rose by 11.2% year-on-year to US\$ 2.8 billion, driven mainly by higher gold, cocoa, and other export receipts. The value of gold exports amounted to US\$ 1.1 billion, representing an increase of 35.8%, driven mainly by a 38.5% increase in export volumes to 619,373 ounces. Cocoa beans and product exports increased by 15.5% and 3.3% to US\$ 387.6 million and US\$ 159.3 million respectively, mainly due to higher production volumes. Earnings from ‘other’ exports, including non-traditional exports, were estimated at US\$ 538.2 million, representing a 10.8% year-on-year growth. Exports of crude oil declined by 18.3% to US\$ 562.6 million, largely due to lower export volumes.
- **Import:** The total import bill declined by 11.8% year-on-year to US\$ 2.0 billion, driven by compression in non-oil imports which dipped by 17.6% to US\$ 1.4 billion, while oil & gas imports increased by 4.8% to US\$ 622.9 million. The combination of exports growth and lower imports resulted in a trade surplus of US\$ 752.8 million for the first two months of 2023, higher than the trade surplus of US\$ 205.8 million recorded for the same period in 2022.
- **Policy to reduce imports:** The report of a five-member ad-hoc Cabinet Committee on the implementation modalities to enhance domestic production in some 20 selected products on which Ghana spends more than US\$ 10 billion importing yearly is ready for implementation. Once confirmed, a series of initiatives would be rolled out to implement the policy in respect of the target products such as rice, fish, poultry, fruit-juice, sugar, tomatoes, vegetable oils and oil palm, fertilizer, pharmaceuticals, soaps and detergents, insulated wire, ceramic products, corrugated paper and paper-board, cement/clinker, and motor vehicles.
- **Parliament passed three revenue bills:** Parliament on 31 March approved by 137-136 majority decision three revenue bills to complement the government's efforts to raise more than GH¢ 4 billion annually and also aid its quest to facilitate IMF Board's approval for a US\$ 3 billion credit facility. These bills passed under certificates of urgency are the Income Tax (Amendment) (No.2) Bill, 2022, Excise Duty and Excise Tax Stamp (Amendment) Bill, 2022, and Growth and Sustainability Levy Bill, 2022. The Excise Duty Amendment imposes new excise duty at 20% for non-alcoholic sweetened beverages, from 17.5% to 20% excise

duty on mineral water, 45% excise duty for wines, including sparkling wine and 50% for spirits, all at ex-factory prices.

- The Growth and Sustainability Levy Bill is a levy on profit before tax on companies & institutions and on production for the 2023, 2024 and 2025 years of assessment in the case of mining, upstream oil and gas companies specified under three different categories. For Category A, the rate of levy is 5% before tax on banks, non-bank FIs, companies in insurance, telecom, breweries, inspection and valuation, bulk oil distributors & OMCs, communication tower operators, mining support services, upstream petroleum services, companies registered with the securities and exchange commission), specialized deposit taking institutions, electronic money issuers, shipping lines, maritime and airport terminals. For Category B, the levy rate is 1% on gross production on mining companies and upstream oil & gas companies. For Category C, the rate of levy is 2.5% of profit before tax on all other entities not falling within Category A & Category B.

INTERNAL (SECTORAL)

Agriculture

- **Soybean production gets a boost with US\$ 108 million funding:** Ghana will invest an estimated US\$ 108 million to improve soybean production/best practices as well as developing the value chain to curb post-harvest losses over the next two years and achieve self-sufficiency in soybean production for the domestic market. The investment is in line with key resolutions of the Dakar II Summit and expected to expand certified seed production to 17,500 metric tonne (MT) yearly and also develop 50,000 hectares of new land for soybean production. It is anticipated that soybean cultivation will increase from the current 218,000 MT to 400,000 MT annually and a 40% yield upsurge after the investment.
- **Value addition in cashew sector threatened by middlemen:** Middlemen are involved in the direct purchase of raw cashew nuts (RCN) from farmers for export which pose a real threat to value addition in the sector. The situation is so dire that out of 14 cashew processing factories in the country, only 4 are operating, significantly below their installed capacities. It also denies the state much-needed revenues from processed cashew nuts export and a chance to realize true value from the industry. As such, value chain actors and industry watchers are calling on the Tree Crop Development Authority and other relevant state agencies to expedite actions on the implementation of a regulation to ban foreigners from buying RCN from farmers directly.
- **US\$ 10 billion required to transform agriculture value chain:** Ghana needs an investment of US\$ 10 billion to completely transform the entire agriculture value chain over the next ten years. The CEO of the Chamber of Agribusiness Ghana, Anthony Serlom Morrison said lack of access to modern equipment, research into improved seedlings, fertilizer, credit and storage facilities, poor agronomic practices which limited feed production and land ownership are among the challenges faced by industry players. The poultry industry, he said, lacks advanced equipment like mobile processors with capacity to dress or process up to 10,000 birds a week, and to employ people to process chicken is not only expensive but they cannot do 100 in a day. He said the investment could be raised from both the public and private sectors which will

effectively address major bottlenecks, including access to finance, infrastructure, improved seedlings and equipment and value addition, which continue to hinder the development of the entire value chain.

- **Oil palm import recorded US\$ 1.17 billion:** Despite having the potential to become a net exporter, Ghana has become a net importer of oil palm with 1.17 MT of palm imports from 2019-2021 and produced about 850,000 MT within the same period, revealed Samuel Avaala, President of Oil Palm Development Association of Ghana. Two companies, viz. Wilmar Africa and Benson Oil Palm Plantation refine and produce crude palm, almost 1000 MT per day and export about 600,000 MT in both refined & crude palm each year to countries, including Mali, Burkina Faso, and Niger. Key challenges to domestic production include small-scale producers with more than 70% production; oil extraction & processing are largely done by small artisanal millers with little or no use of technology making oil extracting rate lower; waste contains fibre content higher than the actual oil extracted; small producers and artisanal millers are limited in capacity and lack best practices. A standard palm farm per hectare should yield about 18-25 tonnes per year, but small-scale producers in Ghana get less than 6 tonnes; oil extracting rate should ideally be 20-25% per tonne, but artisanal millers are doing 11-13%.
- **Poultry sector gets US\$ 541 million investment:** The government has pledged to invest some US\$ 541 million to improve the poultry industry and position it to curb recent imports which are in excess of US\$ 600 million per annum. The move is to achieve self-sufficiency in poultry meat products by expanding production, increasing competitiveness and value addition. The investment will increase domestic production from the current 50,000 tonnes to an envisaged 450,000 tonnes per annum and domestic poultry sector's value from the existing US\$ 62 million to US\$ 562 million. About US\$ 20 million will be expended on technical assistance programmes in animal husbandry and health, US\$ 69 million on feed mills expansion and upgrading to reduce poultry feed costs, US\$ 438 million to enhance access to finance and cost-sharing support for private investment in hatcheries & production expansion, US\$ 14.8 million on programmes to promote expansion of SME processing in slaughtering and packaging, etc.
- **DBG takes steps to address food security:** Development Bank Ghana (DBG) is to support four value chains in the agricultural sector to promote food security in the country. The four value chains the DBG will invest in are: poultry, rice, maize, and soybean which have been selected based on their potential to make a significant impact on the Ghana's food security and the current challenges faced by farmers in these areas. Food insecurity poses significant challenge in Ghana due to high food prices, mainly attributed to low food output by farmers and high imports, especially poultry and rice with annual import bills of US\$ 600 million and US\$ 1 billion respectively. The high food prices have further entrenched the food insecurity already facing the country, prompting the DBG's investment in the agriculture sector which employs approx. 44% of the workforce and contributes about 20% of the country's GDP.

Automobile

- **Volkswagen inaugurates €8 million vehicle assembly plant in Tema:** Volkswagen (VW) Ghana Limited has launched its new vehicle assembly plant in the Tema Free Zone enclave, with the capacity to produce more than 5,000 cars and pick-ups annually. With the opening of the €8 million facility, the parent company VW took over the vehicle assembling responsibility

from its licensed importer in Ghana, Universal Motors Ltd. The new facility will assemble the T-Cross, Tiguan, Amarok and Virtus models, creating 80 jobs, including local third-party service suppliers. Caretaker Minister of Trade and Industry Samuel Abu Jinapor in his speech at the commissioning ceremony on 15 March underlined the importance of the automotive sector to economic growth, skill development and technology transfer, saying, “We are actively engaging member states under AfCFTA regarding the rules of origin requirement for the trading of vehicles produced on the continent and it is our hope that Ghana, which currently hosts six original equipment manufacturers with assembling plants in the country, will become the hub for the assemblage of vehicles for the domestic and the international markets.”

Construction

- **Construction of Foreign Affairs Annexe building:** Foreign Minister Shirley Ayorkor Botchwey cut the sod to begin the construction of a US\$ 20 million Annexe building for the Ministry on 20 March 2023. The project being built with a grant from China will be completed in 26 months. Minister expressed gratitude to the Chinese government for the grant to construct an Annexe building as well as for the generosity of the Chinese government which built the current edifice in 2013 after the Ministry’s old premises were destroyed by fire. She urged the contractor, Yanjian Group Co. Ltd. and the Ghanaian consultant, Masaub Consults, to complete the project on time and with quality. Acting Chief Director, Ambassador Ramses Cleland noted that the gesture would further strengthen the long-standing relations between Ghana and China.
- **Complete Agenda 111 hospital projects:** The Minister of Employment, Labour Relations and Pensions, Ignatius Baffuor-Awuah, has called on contractors to work around the clock to complete the Agenda 111 hospital projects across the country on schedule. He made the call on 12 March when he inspected work on the 100-bed capacity hospital under Agenda 111 project at Odomase, the capital of the Sunyani West Municipality. The project began in April 2022 with scheduled completion of June 2023 but some of the structures are at the lintel level while others are still at the base level. Three contractors - Consar Limited, Build-Ur Limited and Che-Yuri Limited - are executing the project and Consar Limited which has between 75-80% of the project admitted that "so far about 20% of work has been completed."
- **National Cathedral project:** The Minority Caucus in Parliament has urged the government to abrogate the National Cathedral project immediately to stop from imposing more financial burden on the Ghanaian taxpayer. It said 14 March 2023 marked exactly a year when the main contractor working on the project abandoned the site; hence steps must be taken to mitigate the escalating cost. “The contractors have stated in the termination letters the lack of payment from the government of Ghana as the reason they could no longer continue the project and it is time for President Akufo-Addo and those remaining on the National Cathedral Board of Trustee to come to the realization that this project remains as a castle in the air,” said Samuel Okudzeto Ablakwa, MP for North Tongu and Ranking Member for Parliament Select Committee on Foreign Affairs. “Forget about earlier costs of US\$ 400 million and US\$ 350 million because those figures do not include the exclusion clauses in the agreement such as the abortive and reworks cost, the standing time’s claims, professional fees, savings on import duties, escalation of construction due to Covid-19 and global inflation, an extension of time claims and cost implications,” he explained.

Forestry

- **Land Ministry trains queen-mothers in bamboo, rattan plantation:** The Ministry of Lands and Natural Resources in collaboration with the Forest Plantation Development Fund organized a two-day capacity-building workshop in bamboo and rattan for queen-mothers from Asanteman traditional areas in the Bono, Bono East, Ahafo and Ashanti to get the traditional leaders engaged in the bamboo and rattan industry as a job creation avenue for them and as an alternative to timber. Deputy Minister, Benito Owusu-Bio, told them about the business opportunities in the bamboo and rattan industry, particularly bamboo, which was fast replacing timber, that more than 1,000 wood products could be obtained from bamboo including furniture, plywood, toilet rolls, toothpick, sanitary pad, bags, charcoal, utensils, construction works, and encouraged the queen-mothers to embrace the programme. For the pilot, the Deputy Minister told them the Fund would support the queen-mothers to plant 10 acres of bamboo. According to the Forest Plantation Strategy, Ghana seeks to establish over 500,000 hectares of new bamboo plantations between 2015-2040.
- **Ghana sawn-wood exports dip at start of 2023:** Ghana's exports of wood products in January 2023 fell to 21,649 cu.m against 23,349 cu.m recorded in January 2022, as per the data of Timber Industry Development Division (TIDD) of Forestry Commission. This corresponds to 7-8% reductions in volume attributed to the business uncertainties that have disrupted local business activities. Of the main products exported, air and kiln dried sawn-wood exports declined was down 11% in January 2023 compared to January 2022. Sawn-wood accounted for 66% of total wood export in January 2023 compared to 69% in January 2022. Veneer exports accounted for 5.3% and 5.1% of total export in 2023 and 2022 respectively. The TIDD data showed that Ghana earned a total of Euro 9.16 million in January 2023 compared to Euro 10.04 million in January 2022.

Health

- **FDA boosts government industrialisation agenda:** The Food and Drugs Authority (FDA) has recorded more than 90% in product registration, following implementation of its flagship Progressive Licensing Scheme (PLS). The PLS, coupled with the FDA's risk-based product registration process, has ensured that locally manufactured food, cosmetics and household chemical substances reach the market faster, without compromising their quality, safety, or wholesomeness. The PLS has already absorbed part of the licensing fee of some 500-member facilities to the tune of almost GH¢ 1.850 million. Data from the FDA showed that since 2019 when the PLS was implemented, MSMEs that applied for licensing and have been granted licensed only after meeting the full requirements increased from 5% to 100%. As at end December 2022, 952 facilities had been licensed under the PLS which includes 660 food manufacturing facilities and 292 cosmetics and household chemical substances. For products registered prior to the PLS, 52% of them were registered increased to 91%. Of the total of 2,917 products registered under PLS, 2,405 are food products and 512 are cosmetics and household chemical substances.
- **GHS launches free hepatitis C treatment project:** The Ghana Health Service (GHS) in collaboration with the Ministry of Health and other partners has launched a national project to offer free hepatitis C treatment. Dubbed STOP hepatitis C project (Screening and Treatment

Opportunity Programme (STOP), it aims to link an initial 50,000 patients to free treatment across the country as part of efforts to eliminate the public health condition by 2030. The government of Egypt and the Ministry of Health are assisting the GHS to run the programme, with the former having so far presented 150,000 courses of the hepatitis C medications, Sofosbuvir and Daclatasvir, enough for the complete treatment of the initial 50,000 cases.

Mining

- **Gold Fields and AngloGold Ashanti form Joint Venture:** A joint press release dated 26 March 2023, announced a proposed Joint Venture (JV) in Ghana between Gold Fields' Tarkwa Mine and AngloGold Ashanti's Iduapriem Mine to create Africa's largest in Africa and among the top ten biggest mining companies in the world. Gold Fields is expected to hold 60% stake while AngloGold Ashanti and the government of Ghana will hold 30% and 10% stakes, respectively. Negotiations with the government and key stakeholders on the proposed JV is expected to be completed by the end of 2023 which centered on the proposed structure of the JV and regulatory approvals from entities like Environmental Protection Agency.
- **President gave assurance on galamsey:** President Akufo-Addo in his State of the Nation Address on the floor of Parliament (8 March) gave the assurance that his government will continue the fight against galamsey with the support of the security agencies and to promote responsible small-scale mining through Community Mining Schemes (CMS) and technology. He stated that 6 CMS have been up and running, with 3 more to be commissioned by the end of 2023 and that all these CMS are supported with Gold Katchas, an equipment designed to help small-scale miners to extract gold from the ore without the use of mercury. President also noted the launched the National Alternative Employment and Livelihood Programme (NAELP) in 2021 which have employed several youths in the production of seedlings and reclamation of degraded mined lands. Currently, land reclamation is ongoing with over 1,000ha of degraded lands in Ashanti, Eastern and Western North Regions reclaimed.
- **Police to investigate allegations of top govt officials in galamsey:** President Akufo-Addo has tasked the police to investigate the allegations that some top government officials in Jubilee House are engaged in galamsey. As the government continues to trumpet its commitment to the illegal mining fight, Professor Kwabena Frimpong Boateng who served under President Akufo-Addo during his first term as Minister of Environment, Science, Technology and Innovation (MESTI) insisted that the rot goes as high as the seat of government in an interview with state broadcaster GBC. He said some of these individuals supervised his ousting from the Ministry in order to continue perpetuating the canker and stressed that the allegations of some 500 missing excavators from illegal miners in 2020 were fabrications of persons in the government to get him out of the way. Following the revelation, there were calls from a cross-section of Ghanaians and the Minority in Parliament for state security agencies to look into it.
- **GSE, MIIF seek listing of more local firms:** The CEO of the Mineral Income Investment Fund (MIIF), Edward Nana Yaw Koranteng and the MD of the GSE, Abena Amoah, signed a Memorandum of Understanding (MoU) that seeks to increase the number of mining companies listed on the local bourse. According to the MoU, the MIIF is expected to recommend all mining companies in which it has equity investments for listing on the GSE, with the first domestic gold-linked Exchange Traded-Fund (ETF) by the end of the third quarter. Also, the

MIIF will develop a sustainable mining programme for small-scale miners that will provide feedstock to certified gold for an Exchange Traded Fund.

- **Integrated aluminium industry project on course:** The Minister for Lands and Natural Resources Samuel Abu Jinapor said the government's quest to build an integrated aluminium industry in the country is on course and progressing steadily, in line with the Ghana Integrated Aluminium Development Corporation Act, 2018 (Act 976), which established the Ghana Integrated Aluminium Development Corporation (GIADEC). The Minister in his keynote address at the two-day workshop on the downstream aluminium industry in Akosombo emphasized the need to add value to the country's mineral resources to ensure optimal benefit for the government. To prove this point, Mr. Jinapor said on bauxite that while the raw ore sells for around US\$ 60 per metric tonne, primary aluminium produced from bauxite sells for over US\$ 2,000 per metric tonne. With an estimated bauxite resource base of over 900 million metric tonne, Ghana is capable of creating some two million sustainable jobs, and generating over one trillion US Dollars in revenue if fully integrated.
- **GIISDEC engages investors on iron ore exploration:** The Ghana Integrated Iron and Steel Development Corporation (GIISDEC) is actively engaging investors to unlock the potential of the domestic iron ore industry. The CEO Kwabena Bonsu Fordwor said the GIISDEC is seeking private investors to explore the natural resource estimated at 6.4 billion tonnes in inferred reserves. Ghana has iron ore deposits in Shieni in the Northern Region, Opon Mansi in the Western Region, and deposits in Oti and Pudo in the Upper West Region. At the recent Mining Indaba in Cape Town, Mr. Fordwor highlighted the need for the investor community to partner with Ghana to achieve the dream of an integrated iron and steel industry and revealed that the GIISDEC is targeting countries with extensive experience across the full value chain, such as India, South Korea, Australia, South Africa, Canada, China and Brazil, to explore potential collaborations in developing the domestic industry.

Oil & Gas

- **Gold for Oil policy will result in savings of US\$ 4.8 billion:** Ghana will save about US\$ 4.8 billion in foreign exchange every year from the Gold for Oil (G4O) policy, said Vice-President Dr. Mahamudu Bawumia on 15 March when he inaugurated the new office building for the Bulk Oil Storage and Transportation Company Ltd (BOST), which is mandated to build a strategic reserve of stocks of petroleum products to meet a minimum of six weeks of national consumption from the Gold for Oil policy. The policy, he said, is on course to achieve its overall objective of reducing the prices of fuel and easing the pressure on the country's forex reserve. Dr Bawumia said government's aim is to reduce the import of oil from 50% this year and the goal was to move under G4O the oil import from between 50-60% to 100% this year.
- **Stable cedi, cheaper crude reasons for falling pump prices - ACEP:** According to Benjamin Boakye, Executive Director of the Africa Centre for Energy Policy (ACEP), the falling fuel prices at the pump was the result of a general reduction on the global crude oil market and a stable cedi. He said domestic consumers, just like others in net importing countries, are experiencing fuel price reductions and the government's claim that the gold-for-oil policy has brought about the fall in pump prices is not accurate.

Tourism

- **Media urged to promote Ghanaian culture:** Deputy Minister of Tourism, Arts and Culture Mark Okraku Mantey has courted media support to boost tourism in the country and underlined the importance of dedicating more coverage to cultural activities and traditional ceremonies, such as festivals, religious ceremonies and cultural performances through live coverage, documentary, and editorial features. He urged media organisations to put in place policies that give priority to culture and tourism to help preserve and promote traditions for future generations. Mr. Mark Mantey noted that tourism contributed US\$ 2.1 billion to the economy in 2021 and was estimated to have generated about US\$ 2.3 billion by the end of the year 2022, which makes it one of the fastest-growing sectors. He said the Volta Region alone recorded 27,795 tourists and generated a revenue of GH¢ 281,527 in 2021 which got a boost in 2022, reaching a total of 44,676 visitors and generating a revenue of GH¢ 626,282.

Transportation

- **US\$ 30 billion needed to build nationwide rail network:** According to the Ghana Railway Development Authority CEO Yaw Owusu, a minimum of US\$ 30 billion is needed to develop Ghana's entire railway network and almost 75% of the country's 4,000 km railway network is unconstructed. Speaking at a stakeholder workshop on 15 March to discuss the 2020 Railway Master Plan, he said government has invested US\$ 2 billion for the construction of 97km Tema-Mpakadan railway line which is near completion, 80km railway line from Takoradi to Huni Valley via Nsuta and Tarkwa and 6km double-line from Kaase to Adum in Kumasi. The Deputy Minister Kwaku Asante-Boateng in an interview said the cost of constructing the nationwide rail network is huge and could not be met by the country's current financial situation unless alternative means were adopted to involve local artisans in the development of the rail network. "A kilometre of railway line is US\$ 5 million, and here we are seeking US\$ 3 billion from the IMF; if we don't find local means of developing the railway network, then we may not go far with railway development," he said.
- **Bank of Ghana authorizes airlifting of cash nationwide:** At a short ceremony on 16 March, the Air Force and the 48 Engineer Regiment handed over the newly constructed helipad at Sefwi Boako to the Bank of Ghana which undertook the construction at the Bank's Regional office at Sefwi Boako in the Western North Region. The helipad is the result of the continuous engagement the Bank of Ghana had with the Air Force following the signing of a Memorandum of Understanding (MoU) based on which the Air Force commenced the lifting of currencies from Accra to Tamale in late 2020, after its bullion van was attacked in November 2019 at Techiman in Bono East Region and the Committee established to investigate the circumstances leading to the incident made its recommendations. The helipad will boost the Bank's currency movement to the western part of the country by airlifting it from Accra to Sefwi Boako.

Projects

- **NDPC to ensure completion of national projects:** The National Development Planning Commission (NDPC) will, for the next four years, focus on coordinating national projects to ensure that the issue of uncompleted projects becomes a thing of the past, revealed the Director-General Dr Kodjo Esseim Mensah-Abrampa. According to him, the issue of coordination had become a priority area because, although the country was carrying out many projects, the lack

of coordination was affecting output and making a lot of people think the country did not have a development plan. In terms of compliance with the national plan, the national level was achieving 70% while the districts were doing about 40% with many overlaps and gaps in the implementation stages of development projects. “So the Ministry of Tourism says it is responsible; the Ministry of Water Resources and Sanitation says no, it has the mandate to provide sanitation; the Ministry of Local Government says no, it manages the districts and the aspect of sanitation is theirs; Ports and Harbours says no, it is responsible for the beaches; the Fisheries Ministry says that no, because its people operate at the beaches. “So we have five ministries claiming responsibility for one project. This is one of the things we encounter every day,” explained the Director-General who advocated that the national level should basically take care of policy, building the capacity of those who have to implement the policy.

MULTILATERAL

- **African Continental Free Trade Agreement (AfCFTA):** African Continental Free Trade Agreement (AfCFTA) Secretariat has ramps up efforts to improve the storage and export of agricultural commodities across the continent. AfCFTA Secretary-General Wamkele Mene said the move has assumed greater importance, following excessive shocks the continent experienced following the emergence of Covid-19 and the Russia-Ukraine conflict. He gave an example of the Secretariat’s engagements with Zimbabwe where more than US\$ 200 million worth of grain is lost annually due to lack of storage and processing options. In Ghana, as much as 3.2 million tonnes of food is lost or wasted throughout the supply chain, resulting in a loss of roughly GH¢ 762.32 billion, according to one study published by the Harvard Law School Food Law and Policy Clinic and the Global Food Banking Network in 2022. Another estimate posits that annually two-thirds of fruit and vegetables, 40% of root crops, and 21% of grains are lost in Ghana where half of the population experiences moderate to severe food insecurity.
- **African Development Bank (AfDB):** The Board of Directors of African Development Bank (AfDB) has approved a grant of US\$ 28.49 million for Ghana to construct renewable energy infrastructure that will increase its renewable energy use by 10% through 2030. The funding from the Climate Investment Funds (CIF) Scaling Up Renewable Energy Program (SREP) in Low Income Countries will support construction of mini-grids, stand-alone solar photovoltaic systems and solar-based battery facilities for storing excess power. The project consists of the design, engineering, supply, construction, installation, testing and commissioning of renewable energy systems on the island communities in the Volta Lake region. It is expected to contribute to closing the gender gaps at the outcome level by creating 2,865 equitable jobs and livelihood opportunities, of which 30% will be for women and youth.
- **2023 Ocean Conference in Panama:** Minister of Fisheries and Aquaculture Development Mavis Hawa Koomson told the 2023 Ocean Conference in Panama that about 77% of the total registered 76 trawlers operating in Ghana’s waters have been denied license renewals for failing to meet sea-worthiness requirements. She said plans are being finalized to ensure all industrial trawlers and tuna vessels licensed in Ghana are using electronic monitoring systems with a pilot system effective from June this year to address the challenge that has been contributing to depleting fish stocks and threatening marine biodiversity and livelihoods,

exacerbating poverty and worsening food insecurity. Data from the Environment and Natural Resource Research Initiative showed Ghana lost over US\$ 200 million annually due to IUU fishing while the Environmental Justice Foundation (EJF) estimates Ghana losses as some US\$ 50 million each year due to 'saiko', i.e., transshipping fish at sea from industrial trawlers to specially adapted canoes. Under Ghana's laws, illegal fishing activities attract fines between US\$ 100,000 and US\$ 2 million, or a minimum of US\$ 1.

- **Innovative fund to unlock US\$ 75 million for SMEs:** Impact Investing Ghana (IIGh) has begun the operational set-up of its innovative Ci-Gaba Fund of Funds that seeks to unlock US\$ 75 million in local and international funding. The fund seeks to support local capital firms with focus on investing in small and medium-sized enterprises to advance the Sustainable Development Goals. The private sector-led Fund of Funds, the first of its kind in Ghana, will invest. According to the International Finance Corporation (IFC), the SMEs across Africa continue to face a significant financing gap estimated to be over US\$ 331 billion.
- **UNIDO GEA to scale up national Kaizen to support MSMEs:** A project meant to boost the competitiveness and capacities of 600 micro, small and medium enterprises (MSMEs) was launched on 10 March 2023. The 3-year project with US\$ 3.9 million funding by government of Japan and to be implemented by the United Nations Industrial Development Organization (UNIDO) and the Ghana Enterprises Agency (GEA) will support Ghana in scaling up its national Kaizen initiatives on MSMEs promotion. The MSMEs which meet the selection requirement would be selected for Ghana's national Kaizen initiatives and UNIDO's Smart and Sustainable Agri-business training and they will also benefit from the capital investment component of the project.

BILATERAL

- The Assocham mounted the visit of a 48 Indian companies to Ghana who participated at the AgriTech West Africa Expo 2023 from 15-17 March 2023. The event as well as India Pavilion was inaugurated by the High Commissioner Sugandh Rajaram and Deputy Minister of Trade and Industry Michael Okyere Baafi who both addressed the opening session and called for greater cooperation between India and Ghana in the area of agriculture and rural development. High Commissioner urged Indian businesses to showcase their products and expertise and come up with new ideas to facilitate a partnership between India and Ghana.
- The India-Ghana Partnership Day was organized in India House on 23 March and attended by alumni of ITEC and ICCR scholarships and special invitees from the government including the National Security Minister Albert Kan-Dapaah, the Deputy Minister of Foreign Affairs and Regional Integration Kwaku Ampratwum-Sarpong, the Volta Regional Minister Dr. Archibald Yao Letsa, the Ashanti Regional Minister Simon Osei-Mensah, the Central Regional Minister Justina Marigold Assan, the Agbogbomefia of Asogli State Togbe Afede XIV, among others. High Commissioner in his address stressed on reinvigorating the spirit of friendship between the two countries with renewed agenda of cooperation.

- The Minister of Information Kojo Opong Nkrumah participated at the Raisina Dialogue in New Delhi on 2-4 March 2023. The Minister reiterated Ghana's call on the United Nations to fast-track its reforms to make the global body more democratic and stated that Africa, Latin America and Asia need to have permanent representation. He said climate change, the debt crisis, and threats from non-state actors were the biggest challenges facing West Africa.

EXTERNAL

Bahrain: The 146th Session of the International Parliamentary Union (IPU) Assembly held in Manama was attended by Ghanaian delegation led by Mr. Alban Sumana Kingsford Bagbin, Speaker of Parliament of Ghana. He addressed the Union on 13 March and reiterated Ghana's commitment to collaborate with the IPU to fight against intolerance and promote peaceful co-existence in societies which, he said, is the only way for the world to know true peace and prosperity. He extolled the values of good democratic governance and charged the legislators worldwide to encourage tolerance and inclusive development through the laws they promulgate and reminded them that, as legislators, it behoove on them to ensure that their respective countries are set on the paths of peace, security and sustainability.

China: Chinese authorities have expressed their willingness to support Ghana's current short-term liquidity challenges and pledged to continue to support Ghana's medium and long-term developmental aspirations. The Chinese Finance Minister Liu Kun gave the assurance when Ghana's Finance Minister Ken Ofori-Atta led a delegation from the Ministries of Finance and Foreign Affairs to engage China over its US\$ 1.7 billion debt. "China believes in promoting debt sustainability and sustainable development," said Liu Kun who was joined by other Chinese officials in the meeting, including Mr. Wu Fuli, Chairman of China Exim-Bank

Chinese investors are set to build the largest sugar producing factory in the country, around the Bui dam enclave in the Banda District of the Bono Region. The actual construction work on the factory would begin in June this year and it will be completed in 2024 to produce about 60,000 tonnes of sugar for export and domestic consumption upon completion. About 13,000 acres of land have been released to the Bui Sugar Limited at Fawoman and the company has already planted about 250 hectares of sugarcane to provide raw materials. The Managing Director Wet Hua said the company was still ploughing the land to cultivate more sugarcane to feed the factory.

Guinea Bissau: President of Guinea-Bissau, Umaru Sissoco Embalo, who is also Chairman of the ECOWAS, was the special Guest of Honour at Ghana's 66th Independence Day celebration held at Adaklu Tsrefe, near Ho in the Volta Region. President Embalo commended Ghana for playing a leading role in the independence struggle on the African continent and said the exceptional leadership demonstrated by Ghana's first President Dr Kwame Nkrumah gave hope to many African countries in the independence struggle. "Nkrumah's legacy is still valid for the whole of Africa," he said, adding that his country looked forward to greater bilateral corporation with Ghana towards improving the welfare of their people and social development in both countries.

Cote d'Ivoire: Ivorian delegation led by the Minister of Water and Forests, Laurent Tchagba, and includes representations from Ministries of Foreign Affairs and Defence visited Ghana and held

talks with their Ghanaian counterparts to find ways of protecting transboundary water resources, forest cover and land for mutual benefits. The three-day transboundary meeting was co-hosted by the Minister of Sanitation and Water Resources Cecilia Abena Dapaah and the Minister of Lands and Natural Resources Samuel Abu Jinapor. Key among the discussions is finding long-lasting and sustainable solutions to the ripple effect of illegal small-scale mining in Ghana on transboundary water resources between Ghana and Cote d'Ivoire, which have adverse effects on potable water production and agriculture in Cote d'Ivoire. The Ivorians draw their water supply from the Bia and the Tano rivers, but pollution resulting from illegal small-scale mining activities in Ghana is affecting the Abidjan Lagoon, which has become a big problem for the Ivorians.

Congo: The Senior Officials Meeting towards the 3rd Session of the Permanent Joint Commission for Cooperation (PJCC) between Ghana and the Democratic Republic of Congo commenced on 27 March 2023 at the Accra International Conference Centre (AICC). The meetings deliberated on potential areas of cooperation between the two countries including trade, finance, security, tourism, education, health, energy, transport, among others, which had been identified in previous engagements as vital to the sustainable development of both countries.

Korea: The Korean International Cooperation Agency (KOICA) on 10 March signed a US\$ 6,530,000 grant with the Ghana Irrigation Development Authority (GIDA) to increase the amount of irrigation water supply for farming and irrigated farmlands across the country. The grant for the rehabilitation of irrigation facilities and building the capacity of the water users association aimed at increasing agricultural production and productivity of farmers on the public irrigation schemes, particularly, in the Aveyime Irrigation Scheme in the Volta Region and Ashaiman, and Dawhenya Irrigation schemes in the Greater Accra Region. The project also aims at increasing the incomes of farmers in target areas because there can be all-year round farming with efficient irrigation infrastructure and improved irrigation water supply at the beneficiary schemes.

Lebanon: Ghana National Chamber of Commerce and Industry (GNCCI) signed a Memorandum of Understanding with the Federation of Chambers of Commerce, Industry and Agriculture in Lebanon (FCCIAL) to boost trade and investment relations between Ghana and Lebanon. Under the agreement, the two parties will be promoting and facilitating effective cooperation in areas of trade, investment, technology transfer and related economic as well as industrial activities and will establish effective communication between member companies of both organizations, with particular reference to the private sector.

Spain: The Spanish offshore patrol vessel ESPS 'Audaz', led by its commander, Lieutenant General Francisco Braco Carbó, paid a working visit to Ghana to strengthen cooperation ties between Ghana and Spain and to promote maritime security in the Gulf of Guinea. The patrol vessel arrived at Tema on 6 March where it carried out military activities with the Ghanaian Armed Forces for six days to improve Ghana's capacities in fighting terrorism, piracy and other maritime-related crimes. The 'Audaz' visit allowed Lt. Gen. Carbó, accompanied by Vice Admiral Alfonso Delgado and Brig-Gen. Ángel Herrezuelo, to oversee the military activities of the Spanish forces and establish an agenda of high-level meetings, including with the Minister of Defence Dominic Nitiwul, Chief of the Defence Staff Vice Admiral Seth Amoama, Chief of Naval Staff Rear Admiral Issah Yakubu and Special Presidential Advisor for the Accra Initiative, General Francis Adu Amanfoh. Audaz's operations in Ghana fall within the scope of 'Foco África 2023' and 'Plan

Africa’ – two strategies of the Spanish Government which consider Ghana a priority of Spain’s foreign policy. The cutting-edge equipment of the vessel, together with the high-level skills of the Spanish soldiers, were shared with the Ghanaian authorities, who learned about the use of unmanned vehicles – such as drones, medical services, or various defence mechanisms.

Thailand: At the Thailand-Ghana Business Conference in Bangkok on 19 March, the Jospong Group of Companies (JGC) which spearheaded the Ghana-Thailand Rice Project has signed a Memorandum of Understanding (MoU) with a number of companies in Thailand, namely, Smart Engineering Consultants Company, FairAgora Asia Ltd., New Kaset Thai Company Ltd., Tamco Trading International Co. Ltd., Glofert Growing Growth, Hypro Foods World Co. Ltd. Aneksin Motor Partnership Ltd., TNP Billionair Group, SQI Group Co. Ltd., Biomatlink Co. Ltd., and Deler International Rice Machinery Co. Ltd. Ghana’s Deputy Minister of Food and Agriculture (in charge of Crops), Mr. Yaw Addo Frimpong, in his address urged investors in the Thailand rice value chain to come and invest in Ghana for a win-win for both countries since Thailand has the experience and the technology to support Ghana to become self-sufficient in rice production. The Ghanaian delegation included experts and researchers in various fields from the University of Ghana, University of Cape Coast, Kwame Nkrumah University of Science and Technology (KNUST), Centre for Scientific and Industrial Research-Crop Research Institute (CSIR-CRI), Ghana Rice Farmers Association, Competitive African Rice Platform, traditional rulers, Metropolitan, Municipal and District Chief Executives (MMDCEs) and private entrepreneurs with the focus on rice, fertilizer, maize, cassava and poultry as well as executives of the Jospong Group of Companies, led by Dr. Joseph Soaw Agyepong, Executive Director.

United Kingdom: The British Council has launched an initiative to equip young people in the Northern, North East and Savannah Regions with vocational and other demand-driven skills to respond to the labour market needs and enhance their employability. The € 1.15 million project for two years dubbed, "Vocational Education Training (VET) Toolbox", is co-funded by the European Union and the German Federal Ministry of Economic Cooperation and Development (BMZ) to establish and pilot a framework for developing skilled human resources in line with investment needs and employment.

United States: US Vice President Kamala Harris and Second Gentleman Douglas Emhoff visited Ghana on 27-29 March as a follow-up to the US-African Leaders’ Summit in Washington in December 2022. She met President Akufo-Addo and advance efforts to expand access to the digital economy, support climate adaptation and resilience, and strengthen business ties and investment, including innovation, entrepreneurship and the economic empowerment of women. Vice President Kamala Harris on 27 March pledged more than US\$ 100 million in U.S. assistance to Ghana. She also said that the U.S. will commit more than US\$ 139 million in assistance to support conflict prevention in the Sahel region where Islamist extremists have expanded their footprint. "To help address the threats of violent extremism and instability, today I am pleased to announce US\$ 100 million in support of Benin, Ghana, Guinea, Côte d'Ivoire and Togo," she said.

Operation Flintlock-23, a US Special Operations Command for Africa (SOCAFRICA) sponsored exercise took place at Tema port. The exercise hosted simultaneously by Ghana and Cote d’Ivoire over two weeks had 1400 military and navy personnel of Ghana, Cape Verde, Nigeria, Morocco and Cote d’Ivoire being trained to address the security challenges in the Sahel and the coastal West

Africa to enhance the capabilities of Sahel countries combat terrorist or extremist organizations, illicit trafficking and the flow of foreign fighters.

US Ambassador Virginia E. Palmer pledged to support capacity-building initiatives to counter terrorism in Africa saying tackling the root causes of conflict, economic issues, inter and intra-communal schisms and weak institutions remained critical in securing the continent. Speaking in Sogakope in the Volta Region on 14 March, she said improved security conditions could go to create the stability required to attract foreign investment and encourage economic growth.

A US\$ 5 million in new funding to improve the performance of the National Health Insurance Scheme (NHIS) and ensure quality of health services in Ghana was announced by US Ambassador on 20 March. The funding will support the digitization of National Health Insurance Authority (NHIA) processes, make available the NHIS's performance data and ensure that health services delivery is safe and effective.

TRADE ENQUIRIES

Mission received 48 trade enquiries from India and issued 51 business visas in March 2023.
