



COUNTRY RESULTS
BRIEF: 2012-2021

TRANSFORMING GHANA



AFRICAN DEVELOPMENT BANK GROUP

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African Development Bank Group
Country Results Brief: 2012-2021: Transforming Ghana

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Note : In this report, “\$” refers to US dollars.

African Development Bank Group
Avenue Jean-Paul II 01 BP 1387
Abidjan 01, Côte d’Ivoire

www.afdb.org

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Contents

ABBREVIATIONS LIST	1
PROJECTS COMPLETED IN GHANA 2012–2021	2
50 YEARS OF PARTNERSHIP	5
CROSS-CUTTING AND STRATEGIC AREAS	7
Cross-cutting issues	7
Robust governance has made the difference	8
The Bank’s support for better governance	9
Looking ahead: Gearing up for transformation	10
LIGHT UP AND POWER GHANA	13
Bridging energy gaps	13
Distribution remains a challenge	14
Promoting energy generation and sustainability	15
Looking forward	15
FEED GHANA	17
Agriculture is key for food security and economic transformation	18
Pushing to add value to agriculture	18
Looking forward	20
INDUSTRIALISE GHANA	23
On course for industrial revitalisation	23
Improving the conditions for industrialisation	24
Looking forward	26
INTEGRATE GHANA	29
Connecting Ghana within borders and beyond	29
The Bank’s approach to infrastructure development	30
Looking forward	32
IMPROVE THE QUALITY OF LIFE IN GHANA	35
Providing services and prospects for the future	35
Contributing to gender equality	36
Looking forward	38
THE BANK’S EFFECTIVENESS IN MANAGING ITS OPERATIONS IN GHANA	41
CONCLUSION	45

Contents

LIST OF FIGURES

Figure 1	The Bank's Results in Ghana: Eight Figures (2012–2021)	5
Figure 2	Economic Growth in Ghana	8
Figure 3	GDP Composition by Sector	9
Figure 4	The impact of Bank's operations in Agriculture, 2012–2021	20
Figure 5	High-Resolution Impact Mapping: Assessing Living Conditions for Urban Dwellers Along the Road From Awoshie to Pokuase	25
Figure 6	High-Resolution Impact Mapping of a West African Regional Corridor	31
Figure 7	How Much of Each Region Has Basic Sanitation or Better?	37
Figure 8	Sector Distribution of the Public Sector Portfolio as of December 2021	42

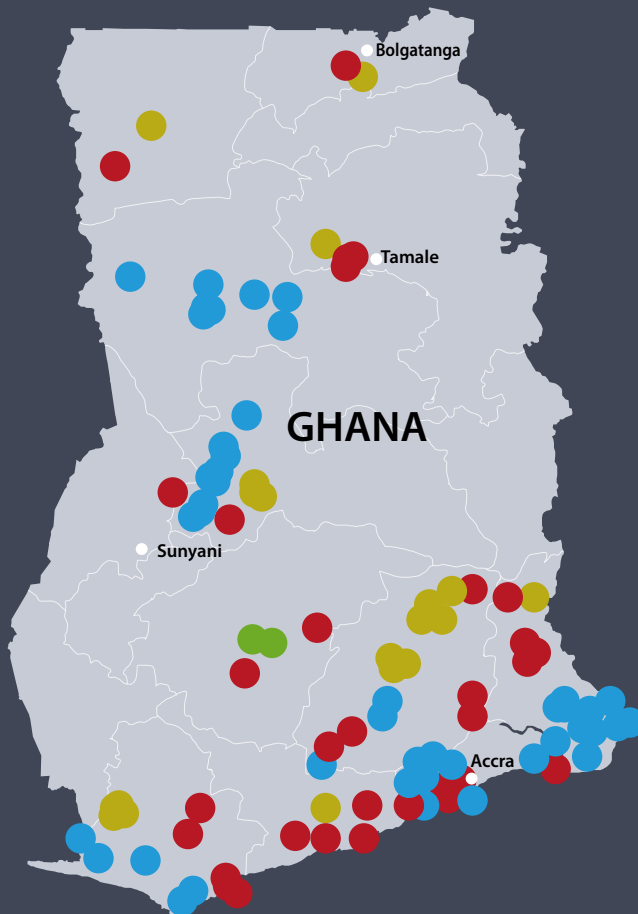
LIST OF BOXES

Box 1	Improving Electricity Distribution	14
Box 2	Planting for Foods and Jobs	18
Box 3	Technologies for Accelerated Agricultural Transformation in the Savannah (TAAT-S Ghana)	19
Box 4	Salma Abdulai, a Worker at the Fonio Processing Plant	21
Box 5	The 10-Point Industrialisation Strategy	24
Box 6	Promoting Skills for Industry	26
Box 7	The Ffulso–Sawla Road Project	30
Box 8	Improving Sanitation in Urban Areas	35

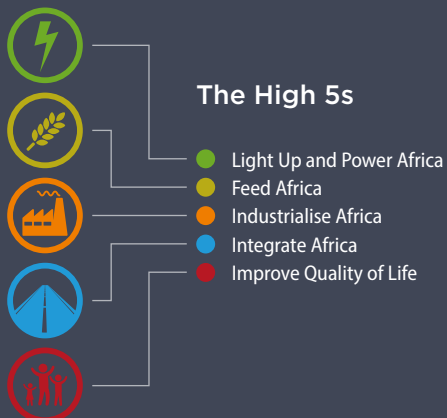
ABBREVIATIONS LIST

ADER	Annual Development Effectiveness Review
ADF	African Development Fund
AfDB	African Development Bank
AfCFTA	African Continental Free Trade Area
CSP	Country strategy paper
ECOWAS	Economic Community of West African States
ECRDP	Eastern Corridor Road Development Programme
GDP	Gross domestic product
GHS	Ghanaian cedi
GIRSAL	Ghana Incentive-Based Risk-Sharing System for Agricultural Lending Project
GW	Gigawatts
GWh	Gigawatts per hour
Km	Kilometres
MSME	Micro, small, and medium enterprise
PCR	Project completion report
SME	Small and medium enterprise
SREP	The Ghana Scaling-Up Renewable Energy Program
TVET	Technical and vocational education and training
UA	Unit of Account
USD	United States dollar

PROJECTS COMPLETED IN GHANA 2012-2021



source: www.mapafrica.afdb.org







50 YEARS OF PARTNERSHIP

Ghana and the African Development Bank (AfDB or Bank) have been partners since 1973, when the Bank approved its first project in Ghana (support for the rice sector). Since then, the Bank has approved 127 projects worth 2.9 billion Units of Account (UA) (4.1 billion United States dollars (USD)). These projects have concentrated mainly on agriculture and transport, which together account for more than 50% of the Bank's investments in Ghana. This makes Ghana the Bank's 14th largest client in terms of volume and the third largest in West Africa, after Nigeria and Côte d'Ivoire.

After having strongly supported infrastructure development, skills training, and the strengthening of key public institutions during 2012–2018, the Bank approved a new country strategy paper (CSP) for Ghana covering 2019–2023. This CSP's main objective is to support Ghana's overarching development goals of job creation, economic inclusiveness, and

macroeconomic stability through economic transformation and industrialisation. The CSP has two strategic and mutually reinforcing pillars. Pillar I supports Ghana's industrialisation and private sector development, and Pillar II supports the development of infrastructure that enables domestic, regional, and global trade.

This country brief reviews Ghana's development over the past ten years (2012–2021) and evaluates the AfDB's contribution. It does so through the lens of the AfDB's High 5s: Light Up and Power Africa, Feed Africa, Industrialise Africa, Integrate Africa, and Improve the Quality of Life of the People of Africa. It uses the indicators in the AfDB's results measurement framework.

The first six chapters of this brief review Ghana's progress and the Bank's support in each High 5, including cross-cutting areas. Chapter 7 assesses how effectively the Bank manages its operations in Ghana. ■

FIGURE 1 THE BANK'S RESULTS IN GHANA: EIGHT FIGURES (2012–2021)





POMME
MARGARINE



Import and Packing Indonesia for
Lampung et Ambale et pour sie pou
Watanitai
19'Yuan, Mao Cheung Building, 15-17,
Meylan Street, Central Hongkong
E-mail: info@watanitai.com
www.watanitai.com

CROSS-CUTTING AND STRATEGIC AREAS

Building on steady growth and a peaceful political environment since multipartyism was restored in 1992, Ghana recorded solid achievements in the following 20 years, both politically and socioeconomically. Between 2012 and 2021, the country continued moving forward, reaping the benefits of sustained growth and political stability. During this period, the Bank contributed to Ghana's development agenda by supporting key projects in the High 5s as well as in cross-cutting areas.

Cross-cutting issues

With a population of 30 million and a gross domestic product (GDP) of USD 72 billion in 2020, Ghana is the second-largest demographic pole and economy in West Africa (Nigeria is first) and the wealthiest West African nation in terms of GDP per capita. Ghana's GDP per capita, which reached USD 1,889 in 2021, grew 2.3% per year on average between 2012 and 2021. Real GDP growth averaged 5.2% during the same

Selected Indicators – Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Real gross domestic product (GDP) growth (%)	9.3	5.4	1.9	4.5
● GDP per capita (constant 2010 US\$)	1 621	1 889	851	770
● Mo Ibrahim Index of African Governance (0 low–100 high)	64.1	64.3	45.1	46.1
● Tax and non-tax fiscal revenues (% GDP)	15.37	13.90	12.3	16.4
● Gender Inequality Index (0 low–100 high)	0.57	0.54	0.60	0.57
● Production efficiency (kg CO ₂ emissions per constant 2010 US\$ of GDP)	0.25	0.29	0.24	0.25
● Resilience to water shocks	2.34	2.58	2.27	2.34
● Number of refugees and internally displaced people (millions)	0.028	0.024	10.8	29.2

Source: indicators, definitions and sources are from the RMF:

https://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/Final_-_RMF_-_Rev2_Final_.pdf

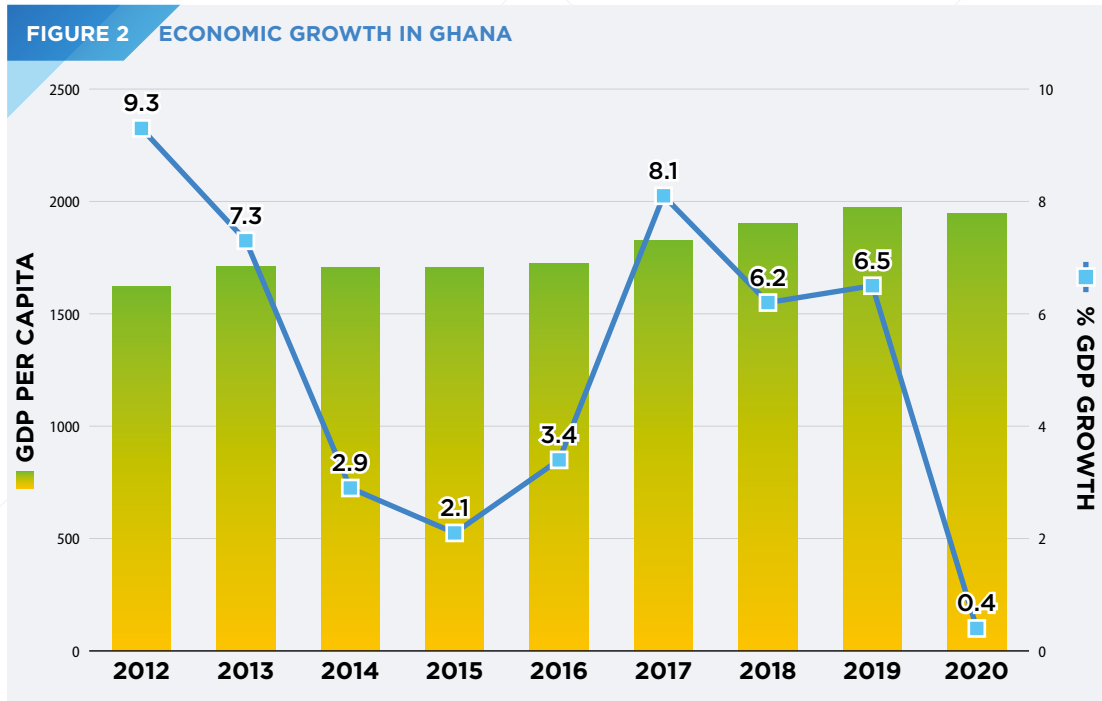
Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group

● Regression relative to the baseline

GHANA				
Cross-Cutting Indicators – Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● Operations that have improved budgetary and financial management	2	2	100%	-
● Operations that have improved transparency and accountability in the public sector	2	1	50%	-
● Operations that have improved procurement systems	1	-	0%	-
● Operations that have improved the competitive environment	2	1	50%	-

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target

● Bank operations have reached less than 60% of their target



time, causing the country to rank among Africa's fastest-growing economies for several years. More precisely, Ghana's GDP growth peaked at 9.3% in 2012 but fell to 6.5% in 2019 to 0.4% in 2020 (Figure 2) because of the slump in oil prices and weakened global economic activity. It rebounded in 2021, reaching 5.4% after the world's economies re-opened and demand recovered, domestically and globally. In the medium term, the outlook is positive, with the economy projected to grow by 5.3% in 2022 and 5.1% in 2023. This may change if the Ukraine-Russia crisis is prolonged.

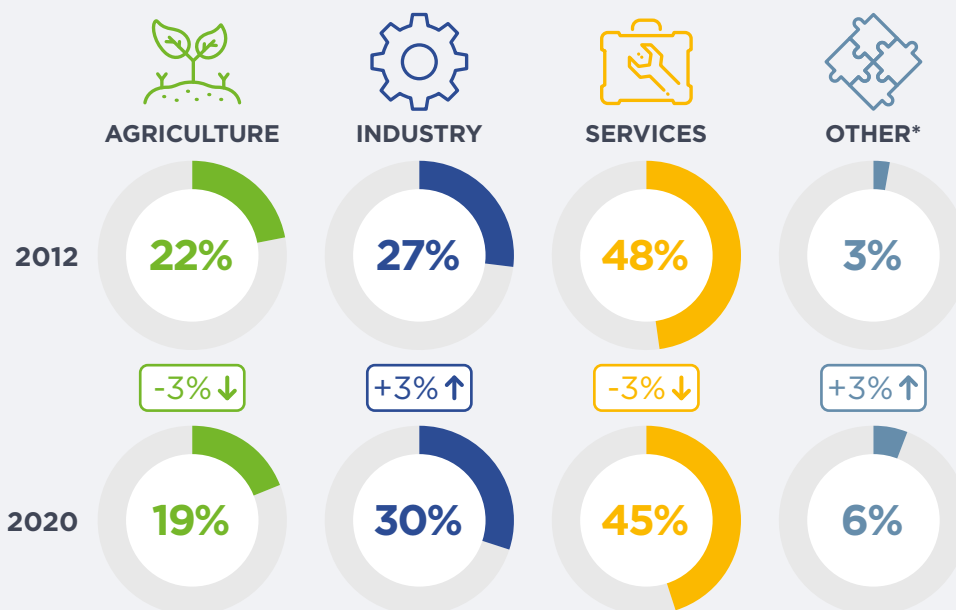
Having said that, in the period under review, **Ghana transformed its economy.** Agriculture's share of GDP fell from 22% in 2012 to 19% in 2020 even as the service sector's share fell from 48% to 45% and that of industry grew from 27% to 30% (Figure 3). Ghana's growth built on the onset of oil production in 2011 as well as on favourable commodity prices (natural resources account for 20% of Ghana's GDP, the highest rate in West Africa). Besides oil, Ghana's main endowments are cocoa and gold, which constitute the bulk of exports (80% on average over 2012-2020).

Ghana's reliance on raw resources exposes the country to adverse shocks, such as low rainfall and fluctuations in commodity prices.

Robust governance has made the difference

During 2012-2021, Ghana held three largely peaceful general elections, consolidating the stable political environment upon which the country has built since 1992. This stability has paved the way for democratisation and better governance. Ghana records steady progress on several regional indicators and its strong governance distinguishes it in West Africa and in Africa as a whole. One indication is its score on the Mo Ibrahim Index: this score increased slightly during the period, from 64.1 to 64.3, but remains far higher than African Development Fund (ADF) countries' average of 46.1 in 2021. Similarly, Ghana scores 83 on 100 in the 2022 Freedom House Freedom Index, making it one of only four "free" countries in Africa. Finally, Ghana outperformed all other West and Central African countries on the 2022 Bertelsmann Stiftung's

FIGURE 3 GDP COMPOSITION BY SECTOR



Source: <https://data.worldbank.org/country/GH>

*: social aid, remittances

Transformation Index: its democracy status of 8.0 on 10 makes it the only country in the region to be considered a consolidating democracy.¹

Ghana practiced steady economic governance during the period of review. Notably, the country responded well to the 2014–2016 economic slowdown and the energy crisis. Despite improvements in key macroeconomic indicators, the country's domestic revenues decreased from 15.4% to 13.9% of GDP between 2012 and 2021, and after 2014, public debt rose sharply to reach 76.1% of GDP in 2021. This led the International Monetary Fund to classify the country as at high risk of debt distress. Inflation rose in parallel, peaking at 17.4% in 2016² (it was 10% in 2021). In response, the government introduced the Fiscal Responsibility Act in 2017, hoping to produce

a positive primary balance and lower the fiscal deficit to less than 5% of GDP. As a result, the fiscal deficit started to narrow and the debt ratio to decline, until the COVID-19 pandemic hit in 2019. Recently, to stabilise debt, the government introduced a fiscal consolidation program anchored on debt sustainability and positive primary balance.

The Bank's support for better governance

The Bank has expressed a keen interest in governance in Ghana, making a point of supporting better public finance management as a strong foundation for inclusive and self-reliant economic growth. During 2012–2021, a series

¹ https://bti-project.org/fileadmin/api/content/en/downloads/reports/global/BTI_2022_Regional_Report_WCA.pdf

² <https://www.imf.org/external/pubs/ft/weo/2020/01/weodata/weorept.aspx?sy=2014&ey=2021&scsm=1&ssd=1&sort=country&ds=.&br=1&pr1.x=74&pr1.y=9&c=652&s=PCPIPCH&grp=0&a=>

of governance operations were implemented within the framework of general budget support programmes, and several operations improved budgetary and financial management, especially as regards building a more business-enabling environment for the private sector. Major projects in this field were the Poverty Reduction and Business Environment Support Programme completed in 2013, which helped reform the business environment, and the Public Financial Management and Private Sector Competitiveness Support Programme in 2016, which rendered the private sector more competitive by making electricity more accessible and improving small and medium enterprises' (SMEs') access to finance. Likewise, the Ghana Institutional Support Project to Oversight and Private Sector Development Institutions, which aimed to strengthen the capacity to mobilise resources for private sector development, trained 6,600 government employees and staff from nongovernmental organisations in microfinance management.

The Bank also provides technical assistance to strengthen the institutions that manage and regulate energy systems. For example, in 2021, the Bank supported systems to make the regulatory process more transparent in Ghana. The result was an innovative mechanism for tracking and monitoring utility performance and consumer complaints.

Looking ahead: Gearing up for transformation

The COVID-19 crisis and recently the Ukraine-Russia crisis has accentuated the need for Ghana to accelerate its structural transformation.

Most of Ghana's key mineral resources are subject to depletion. Ghana has one of Africa's highest proportions of woman-owned businesses, but they are concentrated in sectors like education,

accommodation, and food services, which the pandemic hit hard. Meanwhile, population growth and social expectations call for creating a massive number of jobs, particularly for burgeoning youth.

In this context, economic diversification is paramount. Diversification and inclusive growth will mitigate the country's vulnerability to external shocks and build resilience.

An important element of building resilience is to build capacity. In July 2020, the Bank disbursed USD 67.6 million (UA 49 million) in emergency budget support to build the capacity of Ghana's health system to test, trace, and care for the sick during the COVID-19 outbreak. The support also reduced infections, lowered deaths, and softened the economic damage caused by the pandemic. The Bank is now preparing a USD 28 million post-COVID recovery programme that will develop skills and encourage research and development so that the Government of Ghana can better fight pandemics in the future and Ghana's private sector has the data it needs to develop vaccines and drugs. The project is expected to be approved by the Bank's Board of Directors in the second quarter of 2022.

A few years earlier, in December 2019, the Bank approved USD 2.9 million (UA 2.1 million) to build the governments capacity to mobilise domestic resources and manage its debt.

Looking forward, the Bank will continue to assist the country as it modernises agriculture and industrialises while promoting the private sector and integrating regionally, as set out in Ghana's Coordinated Programme of Economic and Social Development Policies 2017-2024. The Bank will also continue to support governance reforms that mainstream such cross-cutting issues as a more business-enabling environment, resilience to climate change, gender equality, and sound macroeconomic management. The principle is to build back from the pandemic better and smarter. ■





LIGHT UP AND POWER GHANA

For Ghana, increasing access to energy is fundamental to social development and economic transformation. The reason is simple: electricity is essential for industrialising. The country has achieved remarkable progress in terms of supply capacity and energy access, and it has shown itself responsive to issues of governance, implementing reforms in a timely manner.

Bridging energy gaps

Between 2012 and 2021, Ghana dramatically enhanced its energy generation capacity and

its population's access to electricity. At the end of the period, the country was poised to attain universal access, the share of population with access to electricity having risen from 56.5% in 2012 to 83.5% in 2021—about two times ADF countries' average rate. In urban areas, nearly 94% of the population has access to electricity, and in rural areas, the share is 70%, three times higher than ADF countries' average. The share of the population with access to clean cooking solutions also increased markedly, growing from 16.4% in 2012 to 24.9% in 2021. This progress consolidated Ghana's position as one of ten countries in Africa whose access to electricity rate is the highest.

Light Up and Power Ghana - Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Share of population with access to electricity (% population)	56.5	83.5	28.6	41.4
● Share of urban population with access to electricity (% of urban population)	86.8	93.8	65.2	74.5
● Share of rural population with access to electricity (% of rural population)	23.6	70.0	12.3	24.0
● Share of population with access to clean cooking solutions (% population)	16.4	24.9	8.1	12.4
● Total installed electricity capacity (GW)	2.9	5.1	29.0	42.4
● Installed renewable capacity (GW)	1.2	1.7	17.6	26.0
● Electricity losses through transmission, distribution, and collection (%)	21.5	22.6	16.5	15.6

Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group ● Regression relative to the baseline

GHANA				
Light Up and Power Ghana - Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● New total power capacity installed (MW)	-	-	-	6
● People benefiting from new electricity connections (number)	87 425	96 167	110%	348 800
● of whom women	44 109	48 520	110%	172 773
● New or improved power distribution lines (km)	83	83	100%	-
● Distribution substations and transformers constructed or rehabilitated (number)	643	643	100%	-

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target ● Bank operations have reached less than 60% of their target ● No data for the period

Between 2012 and 2021, Ghana almost doubled its total installed electricity capacity, leaping from 2.9 GW to 5.1 GW and generating more than 15,000 GWh. This includes an increase of installed renewable capacity from 1.2 GW to 1.7 GW, with hydropower taking the lion's share (99%). The share of renewables in the energy mix declined, however, producing a fall in production efficiency, with more kilograms of CO₂ emitted per USD of GDP in 2021 than in 2012. The upsurge in capacity and skills, which resulted in part from a rise in independent power producers' generation of electricity, has allowed Ghana to resolve the major energy crisis that hit the country from 2012 to 2016 as a result of erratic rainfall that crippled hydroelectricity production in the Lake Volta region.

Distribution remains a challenge

Starting in 2017, the increase of generation capacity supplied Ghana with more power than was in demand (demand peaked at about 2.5 GW between 2012 and 2020). This

absorption gap reflects pervasive shortfalls in the grid, which is hampered by inefficiencies in the distribution network and by skills gaps, especially in the installation and maintenance of energy equipment. Redressing these shortfalls is critical to reducing the import of skills, which increases the cost of doing business in Ghana. Insofar as electricity losses through transmission, distribution, and collection are concerned, Ghana's performance increased from 21.5% in 2012 to 22.6% in 2021, which is worse than ADF countries as a whole. To address this, the government undertook certain governance-related actions, notably restructuring the legacy debts of the state-owned Electricity Company of Ghana (among other things, clearing its arrears) and reforming electricity tariffs to stimulate competition and encourage the private sector to participate in distribution. The Bank also shaped a more efficient distribution system within the framework of its support for the energy sector (Box 1). Efficiency gains are expected to benefit domestic use and cause more energy to be exported to neighbouring countries.

BOX 1 IMPROVING ELECTRICITY DISTRIBUTION

The recent growth in the demand for electricity, combined with insufficient investments in the electricity network in the past, has strained Ghana's distribution network considerably. To help the Government of Ghana address this situation, in 2014 the Bank implemented the Electricity Distribution System Reinforcement and Extension Project, whose purpose was to reinforce and extend the Electricity Company of Ghana's distribution system in the regions of Ashanti East and Ashanti West. The project did not seek to generate more power or expand transmission, but rather to fix distribution constraints by making technical, commercial, and institutional improvements. According, the project built new substations and transformers, erected new lines, installed new connection systems, and deployed off-grid solar systems in remote areas. The project benefited 40,000 urban and rural households, numerous public infrastructure installations and businesses already connected to the grid, and households newly connected to off-grid solar systems in 60 lakeside and island communities. Most importantly for Ghana, the project increased the Electricity Company of Ghana's operational efficiency and its revenue base. This is expected to improve the sector's financial health and lower tariffs for end-users.



Promoting energy generation and sustainability

Recognising energy as a prerequisite for industrialisation and an enabler of private sector participation, the Bank made energy a key area of intervention over 2012–2021, during which time it developed infrastructure and enhanced institutional capacity. The Bank also supported the Ghana Energy Development and Access Project, which constructed 140 km of 330 KV power transmission lines between Ghana and Togo, contributing directly to 83 km of new or improved power distribution lines and supporting Ghana's regional integration. Consistent with the government's objectives for renewable energy, the Bank also completed three renewable energy studies, whose outcomes are guiding the implementation of the government's renewable energy programme.

Looking forward

The Bank will continue to support Ghana's objective of supplying its citizens with universal access to energy by better generating and distributing electricity, among other things by increasing off-grid connections in the country's northern regions. The Bank is also standing

with Ghana as the country manages climate risks, channels resources for adaptation, and transitions to green energy.

To reach its goals in this area, Ghana needs more investments in renewable energy—not just from one funder, but from many. In January 2022, the African Development Fund granted USD 27.4 million for the Ghana Scaling-Up Renewable Energy Programme. This contribution leveraged another USD 28.5 million in co-financing from the Climate Investment Funds and parallel financing of USD 13.3 million from Switzerland's Secretariat for Economic Affairs. The programme will generate an estimated 111 MWh of renewable energy each year, thus contributing 13.5% of renewable energy to Ghana's energy mix (excluding hydropower) and mitigating greenhouse emissions of 0.7 million tons of CO₂-equivalent.

The Bank's ongoing Affirmative Finance Action for Women in Africa programme—to which the Green Climate Fund contributed USD 20 million—is another investment in clean energy. The programme is expected to reduce emissions by replacing diesel, fuelwood, and charcoal with renewable fuels, used sustainably. This operation and others like it will help supply the efficient, affordable, and sustainable energy that Ghana needs. ■



FEED GHANA

Agriculture is a fundamental sector in Ghana's economy. It employs some 3.3 million Ghanaians—40% of the employed population—and generates considerable export revenues, particularly from cocoa. To make the sector

profitable both socially and economically, it is critical not only to improve agricultural infrastructure but also to promote commercial farming and add value by extending agricultural value chains across the country.

Feed Ghana - Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Number of people hungry/malnourished (millions)	1.9	1.8	132.9	153.7
● Agricultural productivity (constant 2010 US\$ per worker)	1 863	3 208	898	990
● Cereal yield (ton/hectare)	1.77	1.86	1.31	1.34
● Prevalence of stunting among children under 5 (%)	22.8	17.5	36.8	33.7
● Prevalence of stunting among girls under 5 (%)	20.3	15.6	34.5	30.8
● Africa's net agricultural trade balance (US\$ billion/year)	0.9	- 0.3	-4.0	-6.4
● Exportations value for key processed commodities (1000 US\$)	301 619	1 093 219	2 503 836	4 723 480
● Fertiliser consumption (kilograms per hectare of arable land)	44.2	56.4	11.6	17.7

Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group ● Regression relative to the baseline

GHANA				
Feed Ghana - Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● People benefiting from improvements in agriculture (number)	696 308	519 968	75%	34 497
● of whom women	306 198	231 895	76%	18 485
● Agricultural land with improved water management (ha)	2 978	2 728	92%	5 519,6
● Rural dwellers using improved farming technology	84 613	198 430	235%	13 799
● of whom women	40 003	91 136	228%	7 394
● Feeder roads built or rehabilitated (km)	821	746	91%	69
● Rural marketing and production facilities constructed or rehabilitated (number)	313	309	99%	15
● Land whose use has been improved: replanted, reforested, landscaped, etc. (hectares)	33 712	58 104	172%	6 817

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target
● Bank operations have reached less than 60% of their target

Agriculture is key for food security and economic transformation

Throughout 2012–2021, agriculture in Ghana was predominated by smallholders who practiced subsistence farming. Over 50% of Ghana's total adult female population (70% in rural areas) is engaged in agriculture, mostly the production of food crops.³ Women farmers have less access than men to finance, fertiliser, seeds, and other inputs necessary for better productivity. Naturally, lower agricultural productivity means less food security, particularly when it comes to staple commodities such as grains. Nonetheless, the country has recorded progress in this regard, with cereal yields increasing from 1.77 tons per hectare in 2012 to 1.86 tons in 2021. Ghana has also reported gains in agricultural productivity, which grew from USD 1,863 in 2012 to USD 3,208 in 2021 (constant 2010 prices). These improvements have increased food security, as shown by the prevalence of stunting⁴ among children under the age of five falling from 22.8% in 2012 to 17.5% in 2021. Although Ghana outperforms other ADF countries on nutrition, however, undernourishment remains a concern. The number of hungry people is lower as a proportion of the population and has decreased in real terms, affecting 1.8 million in 2021 against 1.9 million in 2012, but the numbers still indicate persistent shortfalls in food supply and nutrition as demand has grown and diets diversified faster than productivity increased and market linkages were formed.

Urbanisation, income growth, and more diversified diets call for the country to transition agriculture away from raw production towards integration in wider value chains, among other things in processing.

Ghana is in the process of developing more advanced food systems, having more than tripled its exports of processed commodities from USD 302 million in 2012 to USD 1.1 billion in 2021. This results principally from processing more cocoa, which has allowed the country to capture more value in the sector. For other crops, however, particularly crops consumed domestically, the transformation of value chains continues to lag, as epitomised by the persistent trade deficit in aquaculture products (48% of fish consumed in 2018 was imported). Overall, the balance of food trade has worsened over the period, driven by higher food imports, including imports from other African countries, which have caused the net trade balance in agriculture to decrease from USD 0.9 billion in 2012 to USD-0.3 billion in 2021.

Pushing to add value to agriculture

Aware of these challenges, the government has pursued various initiatives to transform agriculture, including the flagship Planting for Food and Jobs programme (Box 2) and the One District One Factory initiative. Within the framework of its Investing for Food and Jobs agenda, operative

BOX 2 PLANTING FOR FOODS AND JOBS

The Planting for Foods and Jobs programme is the Government of Ghana's flagship intervention in the agriculture sector. Planting for Foods and Jobs was launched in 2018 with the aim of modernising the agriculture sector, improving food security, and reducing poverty in rural areas. The campaign seeks to increase productivity and outputs by building farmers' skills and knowledge and increasing farmers' access to inputs, technologies, and markets, especially for key food crops like maize, rice, sorghum, soya, and vegetables. The programme reached 200,000 farmers in 2017 and 577,000 farmers in 2018. It targeted nearly 1 million farmers in 2019.



³ Source: USAID Ghana Gender Analysis 2020

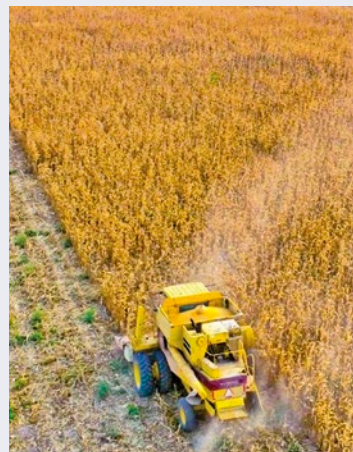
⁴ <https://globalnutritionreport.org/resources/nutrition-profiles/africa/western-africa/ghana/>

BOX 3 TECHNOLOGIES FOR ACCELERATED AGRICULTURAL TRANSFORMATION IN THE SAVANNAH (TAAT-S GHANA)

TAAT-S was launched in November 2017. Its ambition is to use the best conservation agriculture and crop technologies to transform at least 20,000 hectares of Ghana's land into prime soybean and maize fields by 2024 and add value to poultry production in Ghana's dry savannah.

Supplying farmers with blended fertilisers, agrochemicals, high-yielding varieties, and mechanization services, the project increased the area under production from 87 hectares in 2018 to 13,364 hectares in 2021. The target of 20,000 hectares is expected for 2022. For maize, the yield per unit area grew from 4.0 to 6.6 megatons; for soybean, it grew from 1.8 to 2.4 megatons. Cumulatively, 118 commercial farmers have produced 102,675 megatons of maize and 12,395 megatons of soybean since 2018. The project has also supported over 30,000 smallholder farmers with an average land size of 2 hectares make outgrower arrangements with commercial farmers, who serve as aggregators. This helps transfer knowledge to smallholder farmers and gives them access to markets and to financial and mechanization services.

Throughout the continent, TAAT is helping Africa fulfil its agricultural potential by using high-impact technologies to boost the output of wheat, soya, maize, beans, cassava, orange-fleshed sweet potato, and aquaculture. TAAT aims to raise Africa's food output by 100 million tons and lift 40 million people out of poverty by 2025.

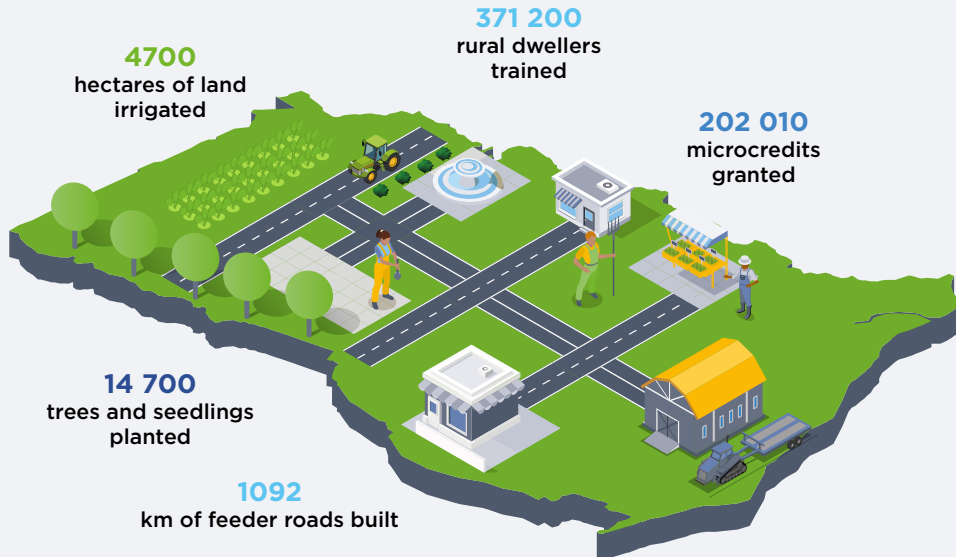


since 2018, the government has promoted rural industrialisation and employment opportunities along commodities' value chains, enticing private investments into processing facilities in various regions of the country. Recognising that this strategy is in line with the Bank's Feed Africa High 5, the Bank recently implemented such major projects as the Savannah Zone Agricultural Productivity Improvement Project, the Savannah Investment Programme, and the Technologies for Accelerated Agricultural Transformation in the Savannahs (TAAT-S Ghana) project (Box 3), which seek to increase farmers' food and nutrition security and incomes by boosting agricultural productivity and diversifying agribusiness along grain and livestock value chains. The projects have a special focus on enhancing women's participation and benefits in poultry value chains. In addition, by financing the Rural Enterprises Programme, the Bank is supporting commercialisation and value-addition activities in the agriculture sector in a drive to generate wealth, create sustainable jobs, and encourage SMEs in all 171 rural districts of the country. The Rural Enterprises Programme has established 37 business resources centres that provide a full bouquet of services at the district level: business development services, the services of financial

institutions, and the services of such regulatory agencies as the Registrar Generals' Department, the Ghana Standards Authority, the Ghana Revenue Authority, the Environmental Protection Agency, and the Food and Drugs Authority.

In 2018, the Bank also supported the establishment of the Ghana Incentive-Based Risk-Sharing System for Agricultural Lending Project (GIRSAL), a non-bank financial institution whose objective is to de-risk financial institutions' financing of agriculture by issuing credit guarantees and thereby increasing the total amount of credit available to the agriculture and agribusiness sectors. Nine of the 15 financial institutions that have signed a master agreement with GIRSAL are active: they have processed a total of 126 loans valued at 498.5 million Ghanaian cedi (GHS) (USD 86.5 million) for 76 agribusinesses. In addition, the institutions have approved credit risk guarantees for 64 loans valued at GHS 165.4 million (USD 28.7 million) for 43 agribusinesses and issued credit risk guarantees valued at GHS 77.3 million (USD 13.4 million).

Increasing farmers' income and adding value in the cocoa sector was a priority for Ghana in

FIGURE 4 THE IMPACT OF BANK'S OPERATIONS IN AGRICULTURE, 2012–2021

Source : Annual Development Effectiveness Review 2017

2012–2021. Nearly one million households work in the cocoa sector, almost exclusively in the primary activity of planting and harvesting cocoa beans. Few participate in subsequent levels of the value chain. As a result, over 80% of Ghana's cocoa is exported for processing. This deprives the country of revenue and diversified jobs. Moreover, cocoa farmers' vulnerability to adverse global prices is of an increasing concern: the Ghana Cocoa Board has found it more and more difficult to shield farmers from shocks as the gap has widened between the world market price and the producer price paid by the government.

Better practices in production and distribution—whether by farmers or consumers—are needed to transform agriculture in Ghana into a more dynamic sector that adds value at each stage of the process and allows farmers to earn high returns. Figure 4 shows the results of the Bank's work between 2012 and 2021 and suggests that the Bank has a strong basis for accelerating its work in this sector. For example, the Northern Rural Growth Program, launched in 2009, raised food security and alleviated poverty in 32 districts in the north of Ghana. Through programmes such as this one, district value chain committees increased the productivity of target crops such as maize,

soybeans, sorghum and rice; the newly-constructed of feeder roads improved access to markets and social services; and the rehabilitation of small-scale irrigation schemes boosted production and rural incomes. Salma Abdulai is one of several women who benefited by the Northern Rural Growth Program (Box 4), which is helping others grow their enterprise in a range of ways.

In 2018, the Bank approved the Ghana Cocoa Board Project, a facility to finance productivity enhancement programmes. This project helped the Ghana Cocoa Board effect institutional reforms that increased sustainability and attained its objective of processing 50% of cocoa output locally. Overall, 519,968 people, of whom 231,895 are women, have benefited from improvements in agriculture because of these interventions.

Looking forward

In the coming years, the Bank will continue to support modernising agriculture in Ghana, promoting farming technology that boosts productivity and encouraging the shift from the predominant subsistence farming model to an agribusiness model oriented around value

chains. This is the objective of two ongoing programmes—the Savannah Zone Agricultural Productivity Improvement Project and the Savannah Investment Programme—that aim to reduce food imports and increase nutrition security in several districts of Northern Ghana. The programmes are doing this by reinforcing value chains: for instance, they are establishing an integrated production-processing-marketing ecosystem in the poultry industry that expects

to create 40,000 direct jobs. To support the Government of Ghana’s industrialisation drive, the Bank will also help establish a special agriculture processing zone or an agro-industrial park in the Upper East Region. This zone will consolidate and optimise the gains in agricultural production in the Savannah area with various value-addition activities. This will create jobs and wealth within the zone, including Burkina Faso. ■

BOX 4 SALMA ABDULAI, A WORKER AT THE FONIO PROCESSING PLANT



“Our equipment to transform fonio has allowed us to modernise and increase production a lot. Our income has increased and we can now finance our children’s schooling.”



INDUSTRIALISE GHANA

Industrialisation is a priority for Ghana's development agenda. Industrialisation could drive structural transformation, moving the economy away from agriculture and generating jobs that reduce the country's exposure to external shocks and improve its balance of trade, among other things by increasing Ghana's exports within the region.

On course for industrial revitalisation

Over 2012–2021, industry's contribution to the country's GDP grew from USD 11.9 billion to USD 18.7 billion, driven upwards by an upsurge in the value added of manufacturing in GDP, which almost tripled (it went from 2.5% to 6.6%). Likewise, gross fixed capital formation

Industrialise Ghana – Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Gross fixed capital formation (constant 2010 US\$ billion)	7.4	12.2	132	196
● Industrial gross domestic product (constant 2010 US\$ billion)	11.9	18.7	124.8	197.5
● Value added of manufacturing (constant 2010 US\$ billion)	2.5	6.6	50.9	74.1
● Economic diversification (Index, 1 low–0 high)	0.77	0.81	0.63	0.66
● Global competitiveness (Index, 1 low–7 high)	3.79	3.58	3.45	3.17
● Access to finance (% population)	44.8	72.5	13.9	20.1
● Logistics performance index (Index, 1 low–5 high)	2.51	2.57	2.39	2.44

Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group ● Regression relative to the baseline

GHANA				
Industrialise Ghana – Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● People benefiting from investee projects (number)	190 068	204 705	108%	624 233
● of whom women	94 986	102 285	108%	310 856
● Government revenue from investee projects and sub-projects (US\$ million)	-	-	0%	108
● MSMEs effect (turnover from investments) (US\$ million)	1	15	1485%	13
● Individual owner-operators and MSMEs provided with financial services (number)	30 159	118 480	393%	-
● Transport—people with improved access to transport (number)	1 227 173	1 243 941	101%	3 890 990
● of whom women	615 451	623 866	101%	1 950 243
● Transport—roads constructed, rehabilitated, or maintained (km)	232	259	112%	45

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target ● Bank operations have reached less than 60% of their target ● No data for the period

BOX 5 THE 10-POINT INDUSTRIALISATION STRATEGY

In 2016, Ghana adopted the Industrial Transformation Agenda, a comprehensive programme of reforms whose 10 sub-programmes addressed key areas of industrial development. The agenda's range of strategic objectives include:

National Industrial Revitalization Programme	One District One Factory
Strategic Anchor Industries	Industrial Parks and Special Economic Zones
Development of Small and Medium-Scale Enterprises (SMEs)	Export Development Programme
Enhancing Domestic Retail Infrastructure	Business Regulatory Reforms
Industrial Sub-Contracting Exchange	Improving Public-Private Sector Dialogue

Source: Government of Ghana, Ministry of Trade and Industry

strengthened from USD 7.4 billion in 2012 to USD 12.2 billion in 2021 (constant 2010 prices), a 65% increase. The increase for all ADF countries was 49%. In the same period, the economic diversification index increased from 0.77 to 0.81. Finally, Ghana's score on the logistics performance index rose from 2.51 to 2.57 over the same time. Despite these achievements, however, the country's global competitiveness index score dropped from 3.79 in 2012 to 3.58 in 2021.

Over 2012–2021, Ghana's industrialisation was guided by the Ghana Industrial Policy of 2011, which was complemented by the Made-in-Ghana Policy and a 10-point agenda for industrialisation as of 2016 (Box 5). These policies were implemented through various programmes, including the Industrial Sector Support Programme 2011–2015, followed by the National Industrial Revitalisation Programme, which includes the National Entrepreneurship and Innovation Programme and such flagship projects as “One District One Factory” and “One Region One Park” (referring to industrial parks).

Drawing on Ghana's comparative advantages and market potential, the strategic focus of the country's industrial policies is twofold: to promote local content in resource-based industries on one hand, and to develop manufacturing activities—

including the processing segments of modernised agricultural value chains—on the other. The private sector is expected to spearhead the work.

At first, the execution of the 2011 industrial policy was hampered by a long-standing crunch in public sector resources, the high cost of credit, limited access to start-up financing, and land- and energy-related challenges. By 2021, however, access to finance, facilitated by mobile banking, reached 72.5% of the population—one of highest rates in ADF countries—from only 44.8% in 2012.

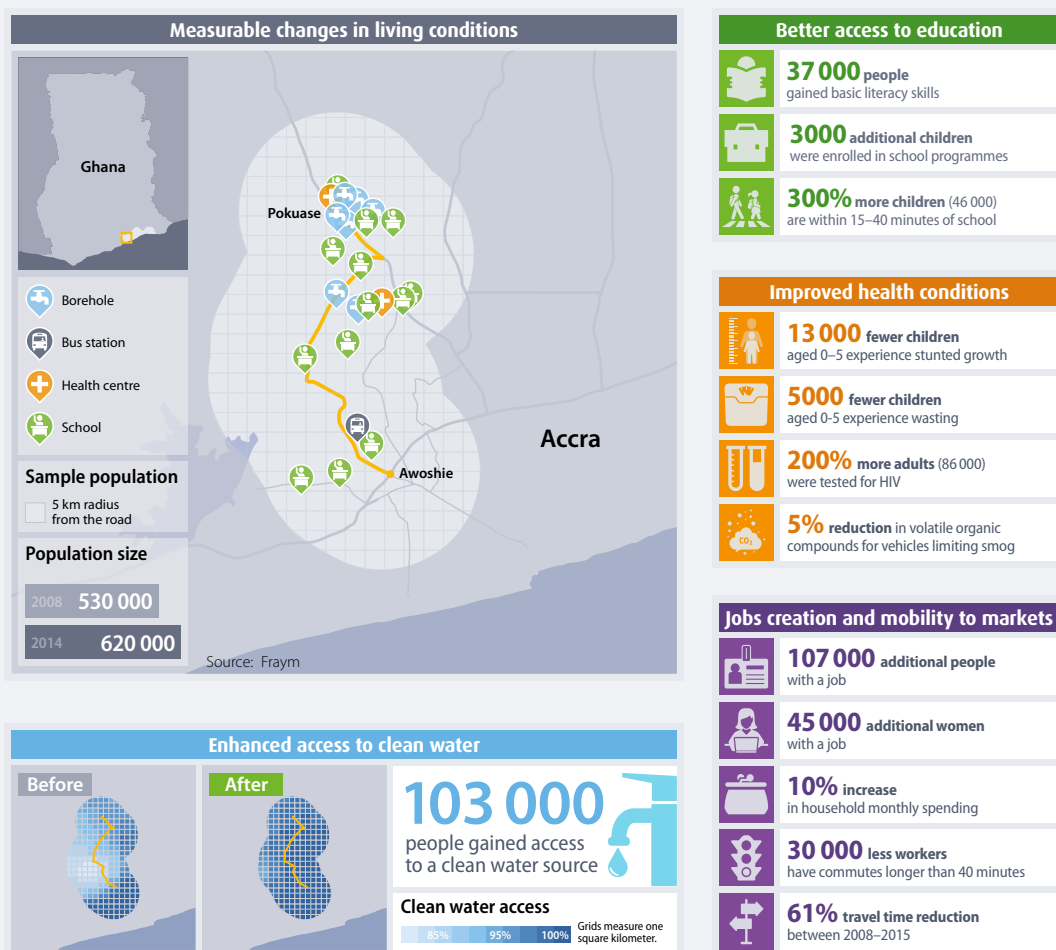
Infrastructure is another requisite for industrial policy to succeed. Our road projects, for example, connect manufacturers to consumers, decrease the cost of supplies, and create new markets. They also benefit people directly. Figure 5 demonstrates how a 15 km road between Awoshie and Pokuase improved people's lives.

Improving the conditions for industrialisation

Ghana's competitiveness is compromised by persistent shortfalls in infrastructure, a critical prerequisite to industrialisation. The AfDB's infrastructure index shows that although Ghana's performance on infrastructure development doubled between 2003 and 2019, eliminating the

FIGURE 5 HIGH-RESOLUTION IMPACT MAPPING: ASSESSING LIVING CONDITIONS FOR URBAN DWELLERS ALONG THE ROAD FROM AWOSHIE TO POKUASE

The Bank is piloting an experimental approach with Fraym consulting services that assesses its impact at a high geographic scale, providing an unprecedented level of detail. The data provided below are drawn directly from household surveys undertaken before (2008) and after (2014) the road and the social services (boreholes, schools, health centres and bus stations) were made available. By comparing data from these two household surveys and applying geotagged datasets, the methodology can assess with a high degree of reliability the changes in people’s living conditions – for example, additional children enrolled in school programmes, or increased household spending. It should be noted that not all of these changes are directly attributable to the project, but they reflect broader improvements in living conditions.



Source: Annual Development Effectiveness Review (ADER) 2017

country's infrastructure deficit would still cost USD 1.5 billion per year. The lack of transport infrastructure in particular hampers trade and production across the country.

The Bank's operations are helping to overcome these barriers. They have equipped 1.2 million people—623,866 of whom are women—with improved access to transport, and they have provided financial services to 118,480 individual operators, making it possible for them to increase production and trade. Overall, 204,705 people—102,285 of whom are women—have benefited from the Bank's projects in industrialisation.

Human capital is another critical input for industrialisation. To innovate and compete, both upstream and downstream manufacturing need a diversity of skills and capabilities and high productivity. Years of underfunding have weakened Ghana's educational system, and many graduates lack the nature and quality of skills needed by the private sector. To address this situation, the Bank has supported the government as it rehabilitates the country's

technical and vocational education and training (TVET) system. To channel youth into the emerging industries (Box 6), TVET is seen as key.

Looking forward

With the right policies in place, industrialisation in Ghana will diversify the economy and generate more wealth. It will also create a greater number of better jobs, largely in the private sector.

That is why the Bank's country strategy for 2019–2023 includes a pillar on industrialisation and private sector development. It was under this pillar that in November 2021, the Bank approved USD 40 million to capitalise Development Bank Ghana, a newly established institution that seeks to overcome an important constraint to private-sector-led industrialisation: insufficient access to finance. Development Bank Ghana will supply long-term, affordable finance to micro, small, and medium-sized enterprises operating in agribusiness, manufacturing, information and communication technologies, and high-value services. ■

BOX 6 PROMOTING SKILLS FOR INDUSTRY

Not long ago, Ghana allocated only 1% of its budget for education to technical and vocational education and training (TVET). Consequently, the country's public education system accumulated technical and financial deficiencies for years, losing linkages with the labour market and failing to meet the formal private sector's demand for mid-level skills. To stimulate industrial growth and promote innovation, the government requested the Bank to reform and reinforce TVET, a key middle- and long-term element of the country's industrialisation strategy.

Accordingly, the Bank's Development of Skills for Industry Project, implemented between 2013 and 2019, upgraded the education system by building or rehabilitating 13 TVET institutions, improving access to TVET by 13%. The project also made it possible for more than 800 master artisans to gain skills through trainer-of-trainers courses.

A key element of the project was to give women the financial support they needed to pursue a career in industry. The programme offered scholarships to disadvantaged students and female apprentices in the informal sector: 2,173 female beneficiaries received a TVET bursary, and tools and other support were given to 2,500 apprentices—54% of whom were women—in welding, carpentry, and mechanical engineering, all of which are male-dominated trades. In addition, 800 artisans, some of whom were men, were trained in fashion/cosmetology and hairdressing, which are female-dominated trades.







INTEGRATE GHANA

Although trade accounts for the largest share of Ghana's GDP, deeper integration with the continent and the region could multiply the volume of trade. Aware of this opportunity, Ghana, home to the secretariat of the African Continental Free Trade Area (AfCFTA), is promoting spatial inclusion and more linkages with Africa and the world.

Connecting Ghana within borders and beyond

Over 2012–2021, Ghana's trade flows concentrated increasingly on non-African countries. In 2019, for example, Asia, Europe, and America accounted for 87% of the country's trade in merchandise. Meanwhile, intra-African trade fell from 27.5% in 2012 to 8.2% in 2021. This reflects the persistently large share that raw commodities (oil, cocoa, and gold) contribute to Ghana's exports. It is also a result of the country's importing goods not sourced in Africa (motor vehicles, petroleum, processed foods, etc.).

Despite this trend, Ghana is aware of the opportunities associated with regional

integration, both in terms of partners and in terms of diversification. The country is strongly committed to the Economic Community of West African States (ECOWAS): it ratified the ECOWAS Trade Liberalization Scheme and the ECOWAS Protocol on the Free Movement of People and Goods, and it implemented the ECOWAS common external tariff. Ghana also values integration with Africa outside the ECOWAS region, as seen by its rapid ratification of the AfCFTA Agreement.

Facilitating African trade, both continentally and regionally, would give Ghana a chance to make its basket of exports more heterogenous. Africa's growing demand for processed products and intermediate goods could drive domestic industrialisation. This is particularly true in the ECOWAS region, where Ghana is strategically located to trade with the landlocked countries of Burkina Faso, Mali, and Niger. Yet limited domestic and cross-border infrastructure has kept regional trade to only 7% of all trade.

In the last decade, Ghana's openness to trade gave rise to several governance and infrastructure projects to better integrate cities

Integrate Ghana – Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Intra-African trade as a proportion of total trade in goods (%)	27.50	8.17	28.4	19.4
● Cost of trading across borders (US\$)	1 065	836	2 531	861

Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group ● Regression relative to the baseline

GHANA				
Integrate Ghana – Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● Transport—roads constructed or rehabilitated (km)	232	259	112%	45
● Transmission lines constructed or rehabilitated (km)	-	-		-

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target
● Bank operations have reached less than 60% of their target ● No data for the period

and communes within the country and to better integrate the country within the region. Some of those projects enjoyed the Bank's support. They reduced Ghana's cost of trading across borders from USD 1,065 in 2012 to USD 836 in 2021.

Among the governance measures introduced over this period were the removal of all roadblocks along the main trade corridors. Implementation remains a challenge, however, as different institutions with different jurisdictions and different legal statutes continue to impose arbitrary roadblocks along the corridors. This slows traffic and increases the cost of trade.

In addition, effective in 2017, Ghana introduced pre-arrival assessment inspections at the origin of imports. The same year, Ghana launched the Paperless Port initiative in Tema port. This smoothed the import process by introducing the automated clearance of goods and the risk-based inspection of cargo. Since then, transit guarantees are released immediately when goods arrive at Ghana's border crossings. Still, niggling challenges remain. Insufficient knowledge and

training for implementing agencies and other key players, for example, has left many actors ill at ease with the new system.

The Bank's approach to infrastructure development

Over 2012–2021, the Bank supported the construction of 259 km of roads that integrated cities and facilitated trade with most of Ghana's neighbours. In 2016, for example, it completed the Ffulso-Sawla road (Box 7). And in 2021, it finished the Accra Urban Transport Project, which constructed a four-tier interchange in Pokuase and built an additional 10 km of local roads. The project in Accra cut vehicle operating costs by 37%, shortened travel times, and reduced road accidents by 40%. Another important project was the Eastern Corridor Road Development Project (ECRDP), Phase 1, which links Ghana to Mali and Burkina Faso and was co-financed by the OPEC Fund for International Development and parallel-financed by the Japan International Cooperation Agency.

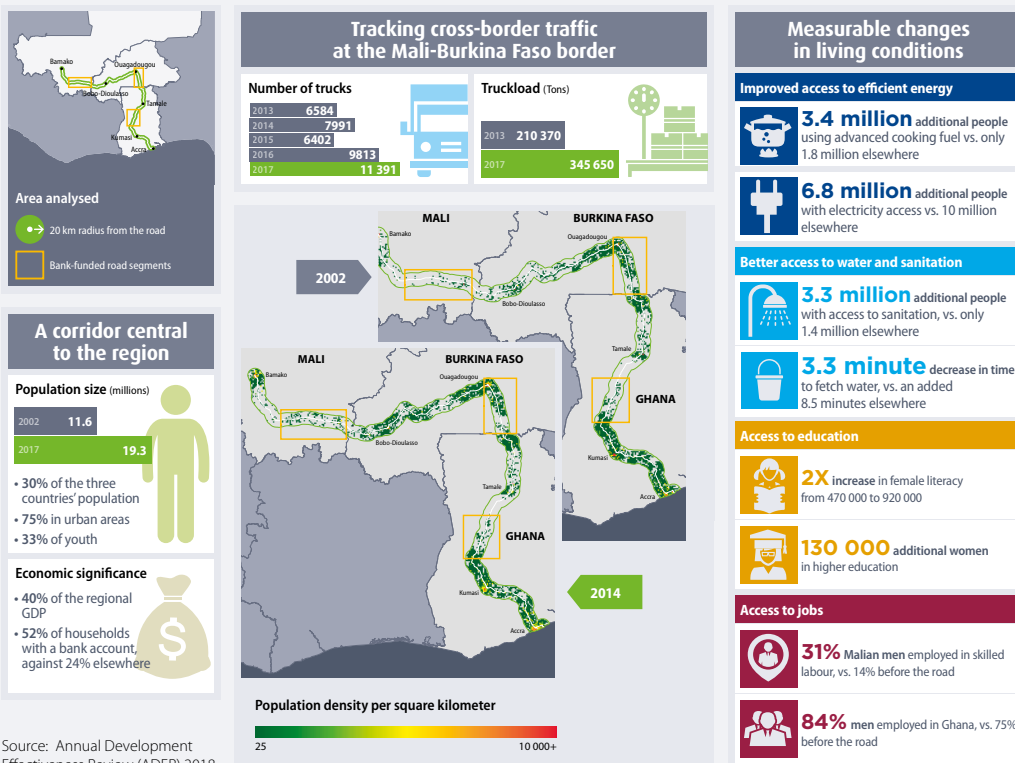
BOX 7 THE FUFULSO-SAWLA ROAD PROJECT

Between 2010 and 2016, the Bank implemented the Ffulso-Sawla Road Project in Ghana's Northern Region, one of the most impoverished and isolated regions of the country. This project took an innovative approach to infrastructure development and regional integration, not only constructing 147.5 km of road between Ffulso and Sawla but also developing important socioeconomic infrastructure across the area: schools, health centres, hospitals, markets, a water treatment plant, and more. The concept was to provide not only a road to link infrastructure but also to supply basic services likely to empower the rural poor and unlock the region's economic potential. Regional integration was a key premise of the project, as the road links Ghana with its northern neighbours, Burkina Faso and Côte d'Ivoire. An independent evaluation from June 2020 showed that the road reduced commuting time by 33% in 2019—equivalent to 120 minutes per month—significantly augmenting households' access to markets, clinics, hospitals, and schools. Trade costs and time-to-market in the area fell considerably, rendering regional trade more competitive and producing a 7% increase in the market integration index and a 2.2% increase in market diversification.



FIGURE 6 HIGH-RESOLUTION IMPACT MAPPING OF A WEST AFRICAN REGIONAL CORRIDOR

The Bank is using high-resolution impact mapping to assess the impact of a 1900 km regional road corridor it supported linking Bamako, Ouagadougou and Accra. Focusing on an unprecedented geographic scale, the map provides details on the road’s economic footprint, improvements in human development and increases in cross-border traffic. By comparing data from household surveys and applying geotagged datasets and satellite imagery, the methodology assesses with a high degree of reliability the changes in people’s living conditions—for example, additional people with access to energy. Changes in living conditions are drawn from household surveys undertaken in 2003 and 2014, before and after the road was made available and focusing on an area 20 km wide on both sides of the road. It should be noted that not all of these changes are directly attributable to the project, but they reflect broader improvements in living conditions.



In all its interventions, the Bank seeks to complement hard infrastructure with soft infrastructure. All of its projects in Ghana made educational facilities, health services, water, and markets more accessible to communities in the area.

The Bank also supported the rehabilitation of the Tema Aflao Road, a critical segment of the Trans-West African Highway linking Ghana to Togo, Benin, and Nigeria. Construction of this segment caused transportation costs to fall and opportunities to grow for the 110,000 people

living near the road, many of whom have built kiosks and shops to serve the increased traffic.

The Bank's work in infrastructure plays a catalytic role in integrating the continent. The combination of new roads and efficient one-stop shops can improve journeys dramatically, saving time and reducing costs. The Bank's investments in West Africa, including the Bamako-Burkina Faso-Ghana Road corridor, continue to deliver results years after completion (Figure 6).

Air transport has not been left behind. As part of plans to consolidate Ghana's position as the regional hub for West African air traffic, the Ghana Airports Company Limited's capital investment programme built a terminal with the capacity to handle 5 million passengers at Kotoka International Airport in Accra. It also rehabilitated airports in Kumasi, Tamale, Ho, and Wa. The modernisation and upgrading of Accra's airport—Ghana's principal port of call for business travellers and tourists alike—enticed 6.5 million passengers in 2016, making it the third busiest airport in West Africa after Lagos

and Dakar. Finally, the country expanded its port infrastructure with the Takoradi Port Expansion Project and the Tema Port Expansion Project, which have progressed steadily in recent years.

Looking forward

Acknowledging the importance of linking Ghana with its trading partners while expanding spatial inclusion at home, the Bank's country strategy for 2019–2023 features a pillar for developing infrastructure that enables domestic, regional, and global trade. Within this framework and drawing on the success of the Ffulso–Sawla Road Project, the Bank is duplicating its integrated approach to infrastructure development in other projects. One is the Eastern Corridor Road Development Programme, which seeks to deepen inclusivity, stimulate socioeconomic development, and facilitate domestic and regional trade along the N-2 road that links the southern seaports to the hinterland and Ghana's landlocked neighbours in the north. ■





IMPROVE THE QUALITY OF LIFE IN GHANA

Improving the quality of life is a prerequisite to Ghana's social and economic transformation. Human development and inclusion empower people and give them a reason to trust in the future. Over 2012–2021, the country has worked to bridge gaps in this area.

Providing services and prospects for the future

Human development in Ghana is at a medium level, and the country ranked 138th of 189 countries on the United Nations Development Programme's Human Development Index in 2020. This score, the third highest in West Africa, reflects the proportion of Ghanaians living below the poverty line, which decreased from 24.2% in 2012 to 10.7% in 2021. Access to drinking water rose from 76.8% to 85.8% of the population, and access to sanitation facilities grew from 16.4%

to 23.7%, despite pervasive regional disparities (Box 8 and Figure 7). The Bank's operations contributed to these achievements, equipping 276,864 people with new or improved access to water and 1,083,661 people with new or improved access to sanitation.

Despite these achievements, social development in Ghana is still a challenge. Several critical indicators of the quality of life have not improved, suggesting that the drop in poverty had not resolved a persistent lack of inclusion. Income inequality, as calculated by the Gini index, grew from 42.4 in 2012 to 43.5 in 2021, higher than the average in ADF countries. At the same time, general unemployment decreased from 5.9% to 4.7% and youth employment fell from 12.5% to 9.5%. These developments indicate progress in structural transformation, with a national economy increasingly able to provide formal

BOX 8 IMPROVING SANITATION IN URBAN AREAS

As urbanisation grows rapidly, access to sanitation in cities remains limited, particularly for low-income residents, who experience recurrent cholera outbreaks and floods. In the crowded capital, for instance, only 15% of the population was served by conventional sewerage networks in 2006. To address this situation, the government, with the Bank's support, implemented the Accra Sewerage Improvement Project, whose objective was to rehabilitate and extend the sewerage system. The project built on-site and off-site sanitation facilities, including treatment plants and pumping stations, and helped increase access to sanitation for the target population (about 1 million people) from 40.0% to 52.5%. In 2017, the Bank began implementing the Greater Accra Sustainable Sanitation and Livelihoods Improvement Project, an extension of the Accra Sewerage Improvement Project. This project concentrated on low-income areas of the Greater Accra metropolitan area, where it targeted 2.6 million people for better sanitary, environmental, and social conditions.



Improve the Quality of Life for the People of Ghana – Level 1	GHANA		ADF COUNTRIES	
	Baseline 2012	Latest 2021	Baseline 2012	Latest 2021
● Population living below the poverty line (%)	24.2	10.7	43.5	35.8
● Income inequality (Gini index)	42.4	43.5	41.3	41.3
● Youth unemployment rate (%)	12.5	9.5	6.9	10.1
● of whom young girls	13.1	9.2	7.1	10.9
● Unemployment rate (%)	5.93	4.70	4.37	5.10
● of whom women	6.21	4.80	4.70	6.60
● Enrolment in technical/vocational training (%)	3.7	2.8	8.0	7.0
● of whom women	3.0	1.5	7.2	8.6
● Enrolment in education (%)	64.4	72.5	58.1	59.5
● of whom women	62.6	72.7	54.5	56.7
● Access to safely managed drinking water services (% population)	76.8	85.8	51.7	59.0
● Access to safely managed sanitation facilities (% population)	16.4	23.7	22.2	26.0

Level 1: ● Significant progress, more than peer group ● Positive progress but less than peer group ● Regression relative to the baseline ● No data for the period

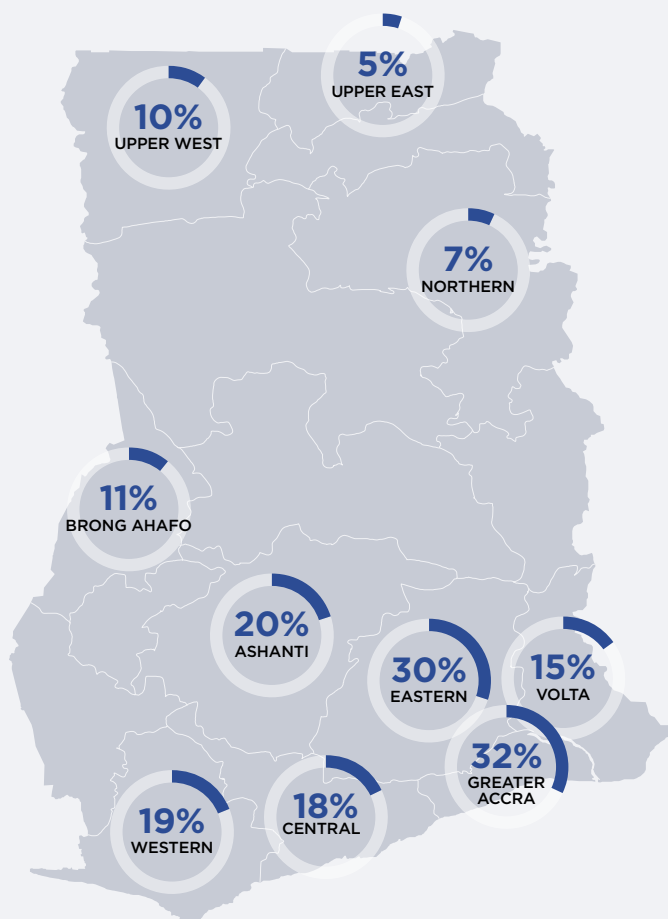
GHANA				
Improve the Quality of Life for the People of Ghana – Level 2	2012–2021			2022–2024
	Expected	Delivered	Rate	Expected
● Direct jobs created (number)	47 379	59 229	125%	3 269
● of which jobs for women	19 853	24 165	122%	1 372
● People trained across Bank operations (number)	72 690	168 929	232%	15 423
● of whom women	32 227	75 162	233%	7 073
● People benefiting from better access to education (number)	45 813	39 513	86%	-
● of whom female	22 725	19 546	86%	-
● People with new or improved access to water (number)	260 096	276 864	106%	-
● of whom women	128 485	137 037	107%	-
● People with new or improved access to sanitation (number)	1 356 984	1 083 661	80%	-
● of whom women	687 382	548 930	80%	-

Level 2: ● Bank operations have reached 95% of their target ● Bank operations have reached 60–94% of their target ● Bank operations have reached less than 60% of their target ● No data for the period

jobs outside of agriculture. Also, from 2012 to 2021 the school enrolment rate increased from 64.4% of the population to 72.5%—more than 10% higher than the average in ADF countries—and from 62.6% to 72.7% for women. The Bank contributed to this achievement by supporting 39,513 people, of whom 20,000 were women, to attain better education. Through our Development of Skills for Industry Project (Box 7 – Industrialise Ghana) and other projects, 168,929 Ghanaians, including 75,162 women, benefited from training—three times more beneficiaries than expected.

Contributing to gender equality

The African Gender Index assigns countries a score between zero and 1, where a score closer to zero represents more gender inequality in favour of men, and a score closer to 1 indicates greater parity. In 2019, the Africa Gender Index ranked Ghana 20th of 51 countries in Africa. Ghana's score of 0.54 indicates significant gender disparities in economics, politics, education, and social matters in almost all spheres of life: leadership and decision-making, education and literacy, and access to productive resources.

FIGURE 7 HOW MUCH OF EACH REGION HAS BASIC SANITATION OR BETTER?

Source : World Health Organization and UNICEF

Despite this, women's situation in Ghana has been improving, as demonstrated by greater gender parity in primary school education and in the labour force. The Bank has committed to closing gender gaps in industry and trade by boosting women's participation in agro-industries and creating an enabling and inclusive business environment for domestic, regional, and global trade.

Women's enrolment in education progressed noticeably and increased faster than men's between 2012 and 2021, rising from 62.6% to

72.7% over ten years. The status of women remains challenging, however, as women are highly concentrated in low-skilled work, principally agriculture, which employs 52% of the female population. Gender gaps are also large as regards access to finance, the control of economic resources, and employment outside agriculture. Women also benefit less than men from enrolment in technical and vocational training: their rate of enrolment declined from 3.0% to 1.5% between 2012 and 2021 because many women were unable to meet the enrolment criteria, namely proof of prior credits in science

subjects. Indeed, many women hesitate to study technology and science, as both areas are dominated by men. To mitigate this challenge, the Development of Skills for Industry Project used the role model approach and awarded bursaries to female students pursuing technical and vocational education and training (TVET) and science, technology, engineering, and mathematics-related courses. In addition, the Bank's Gender Responsive Skills and Community Development Project provided skills training and entrepreneurial development to more than 1100 women.

Gender is not the only dimension on which Ghanaians experience exclusion. Youth experience more unemployment than older adults, and the country suffers from spatial disparities between rural areas in the north and urbanised, seaside regions in the south: incomes, access to basic public services, access to infrastructure, and exposure to climate change are all affected. The Bank's interventions narrowed these multidimensional gaps by supporting the creation of 59,229 direct jobs, including 24,165 jobs for women. Furthermore, the Program on Affirmative Finance Action for Women in Africa recently implemented the Financing Climate Resilience Agricultural Practices in Ghana project, which intends to give over 400 women-led agribusinesses direct access to climate finance.

The Bank will continue to work closely with the Ministry of Gender, Children and Social Protection to design, implement, and monitor

projects. For example, the Bank is supporting a process led by the ministry to develop an up-to-date Country Gender Equity Profile. The process is engaging various government ministries and agencies, including the Ghana Statistical Service, as well as the United Nations Country Team and a wide range of civil society organizations and women's groups.

Looking forward

In the coming years, the Bank will continue implementing operations in a range of sectors that support human development and the quality of life.

One of these operations is the Bank's response to the COVID-19 outbreak. Taking stock of Ghana's vulnerability in terms of public health, the COVID-19 Response Support Programme is building socioeconomic resilience to the pandemic; upgrading healthcare facilities; supplying test kits, pharmaceuticals, and hospital beds; and promoting the adoption of an insurance package for health personnel.

The Bank will also continue to support the Government of Ghana as it transforms Ghana's labour force by developing skills that boost firms' productivity, increase workers' employability, and create jobs. This is sure way to encourage a dynamic and vibrant real sector that adds value, diversifies exports, and contributes to growth. ■





THE BANK'S EFFECTIVENESS IN MANAGING ITS OPERATIONS IN GHANA

The Bank uses the indicators of its result measurement framework to evaluate the effectiveness with which it manages its operations in Ghana. This chapter assesses the extent to which the Bank has supported the country with flexible financing, rigorously designed programme models, and appropriate delivery mechanisms. It also assesses the Bank's policy advice to Ghana's government and our collaboration with other development partners to maximise the effectiveness of aid. Finally, the chapter examines the Bank's organisational effectiveness, the extent to which we have decentralised our operations to be closer to

our clients, our business processes, and our management of human resources.

The Bank's successive country strategies in Ghana align with the government's priorities and with national policies and objectives. By setting out objectives and allocating resources, our country strategy papers (CSPs) reflect our common priorities and the Bank's comparative advantage as a development partner.

Portfolio performance. We monitor the performance of our portfolio closely to see how well our operations are implemented. As of

The Bank's efficiency in Ghana				ADF
	2012	2014	2021	2021
● Portfolio performance (scale 1-4)	2.8	3.1	3.3	
● Average time from approval to first disbursement (months)	7	16	11.9	27.7
● Average time from approval to signature (months)	7	16	6.8	-
● Percentage of projects at risk in the portfolio (%)	5	11	0	14
● Average age of projects in the portfolio (years)	4.4	4.1	4.4	-
● Annual disbursement rate (%)	15	22	19.45	16
● Average time to procure goods and works (months)	6.0	5.0	5.0	8.1
● Time to procure services (months)	8.0	6.0	4.5	
● Operations managed from the country office (%)	45	80	19	76 (Bank-wide)
● Quality of country strategy papers (1 low–4 high)	3.5 (2011)	-	3.5	3.1
● Quality of new operations (1 low–4 high)	3	-	3.3	3.3
● New projects that take gender equality into account (%)	0	-	100	89
● Operations completed with a timely completion report (%)	-	-	100	86
● Operations that achieved planned development outcomes (%)	-	75	100	87 (2020)

● Improvement compared to reference ● No change compared to reference ● Regression in relation to reference Bank

31 December 2021, the Bank Group's ongoing portfolio comprised 17 operations with a total value of UA 562.59 million (USD 796.28 million), of which UA 47.00 million (USD 65.84 million) had been disbursed. The portfolio consisted of 12 public sector operations with a total value of UA 330.93 million (USD 463.67 million), four private sector operations with a total value of UA 231.65 million (USD 324.50 million), and one multinational operation. Non-sovereign operations accounted for 41% of the portfolio.

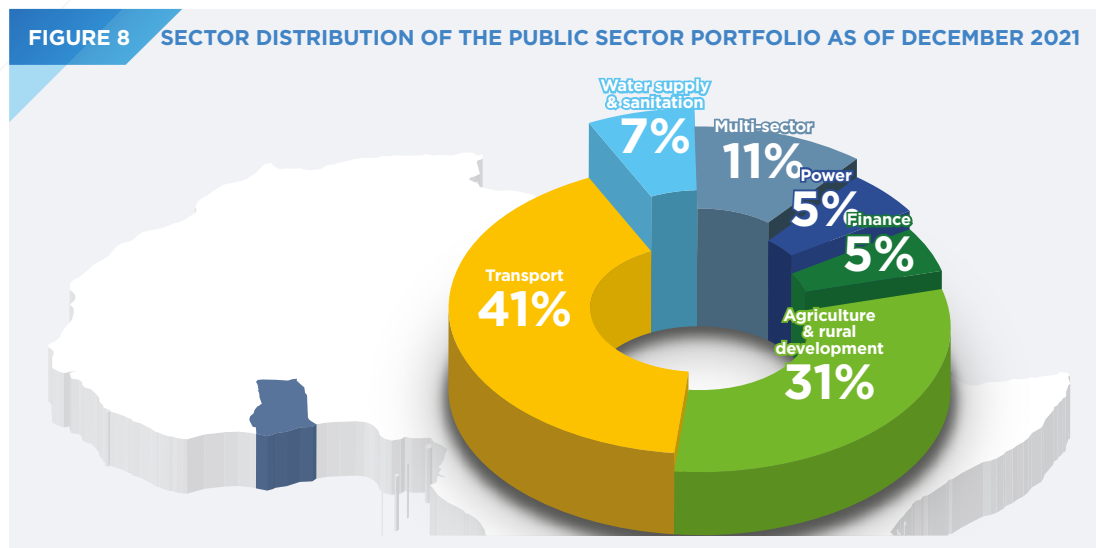
The sector distribution of the public portfolio showed that agriculture accounted for 31% and transport for 41%. The rest of the portfolio was invested in multisector and governance projects (11%), water and sanitation (7%), energy (5%), and finance (5%). The average size of a project increased continuously since 2012 to reach UA 23.44 million in 2021 (Figure 8).

Quality and efficiency of operations. The performance of the Bank's portfolio in Ghana is satisfactory, scoring 3.3 in 2021 compared to 2.8 in 2012 (the scale is from 1 to 4). This good progress over a decade is due to the dynamism of the Bank's team in Ghana and the Regional Delivery team to continuous dialogue with local partners, and to the Bank's flexibility and adaptability in managing the portfolio. Among other things, it testifies to task managers anticipating and resolving

problems and the Bank cancelling operations that were not performing well. Whereas 11% of the Bank's projects in Ghana were at risk in 2014, the portfolio as at end December 2021 had no projects at risk or potentially at risk. The average age of the Bank's projects in Ghana is the same since 2012: 4.4 years.

The speed at which the Bank implements its operations is an important indicator of the Bank's efficiency. The portfolio's annual disbursement rate was 15.0% in 2012 and increased to 19.5% in 2021, well above the average for ADF countries. In contrast, the time between project approval and first disbursement worsened from 7 to 16 months between 2012 and 2014. It was reduced to 12 months in 2021. Finally, despite numerous fluctuations throughout the period, the average time between approval and signature returned to the same level as in 2012 (6.8 months). This good performance is linked to the government lifting its moratorium on the signature of new projects and the better sequencing of projects at the Bank's Board, so that project approvals coincide with the parliamentary sessions that ratify the project agreements. In terms of procurement, which is key to project implementation, the time to procure goods and works fell from 5-6 months to 5 months, and the time to procure consultancy services dropped from 8.0 months to 4.5 months.

FIGURE 8 SECTOR DISTRIBUTION OF THE PUBLIC SECTOR PORTFOLIO AS OF DECEMBER 2021



Quality at entry. Whether the Bank’s projects achieve their objectives, depends largely on how well the projects are designed. To ensure that our projects meet our quality criteria, a project entry review process—the readiness review—assesses eight essential elements of project quality: alignment and strategic fit, lessons learned from prior operations, rationale and ownership, the focus on results and risk assessment, implementation arrangements, financial management/procurement, environmental and social considerations, and gender issues. Between 2012 and 2021, all new operations in Ghana were rated satisfactory (they scored above 3.3 out of 4). Similarly, 100% of our new operations were designed after having taken gender into consideration: this was not the case eight years before.

The readiness review tool also measures the **quality of our country strategy papers (CSPs)**. On a scale of 1 to 4, the CSP for Ghana covering 2012–2018 was rated 3.5 in 2011, meaning that it was highly satisfactory. The CSP for 2019–2023 was also rated 3.5. The latter benefited from recommendations from the Bank’s Independent Evaluations Department (IDEV), which evaluated CSPs from 2002 to 2015, as well as from the recommendations of the completion report of the 2012–2018 CSP. In particular, the report suggested that the Bank focus on fewer but larger projects and develop innovative financing mechanisms to support private enterprises in economic activities that add high value.

Learning from operations. The Bank’s project completion reports (PCRs) help us learn from completed operations. In 2021, 100% of our **completed operations achieved the development outcomes they had planned** (the average in ADF countries was 87%). This is good progress since 2014, when only 75% of operations did so. The PCRs of projects in Ghana were all submitted on time, which shows that task managers are committed to closing their projects properly and take the time to analyse successes and problems in order to improve future projects. On average, 92% of PCRs in ADF countries are submitted on time.

Growing closer to our clients. For several years now, the Bank has decentralised its operations by moving closer to its clients, the regional member countries. This has given rise to more

country offices and increased the number of staff in those offices. In Ghana, where the Bank has operated an office since 2007, we use our presence in the country to better dialogue with the authorities and monitor our projects more closely. This said, the **percentage of projects managed from the Ghana Country Office** decreased from 45% to 19% between 2012 and 2021. The situation is expected to improve as experts in energy and in water and sanitation are deployed to the Country Office.

Collaboration with other partners. The Bank’s office in Ghana is active in various inter-donor coordination bodies. In particular, the Bank chaired the Multi-Donor Budget Support Group until 2015, under Ghana’s Aid Policy and Strategy 2011–2015. The Ghana Country Office regularly dialogues with heads of corporations and missions, and staff take part in the meetings of various sector groups—including transport and agriculture sectors—that work on Ghana’s development agenda. As such, they conduct regular joint missions with development partners to identify or supervise projects and coordinate dialogue with national authorities. The Bank has been chairing the Transport Sector Working Group since 2014. It also chaired the Agriculture Sector Working in 2014 and 2015.

Whenever possible, to mobilise more resources, the Bank co-finances projects with other development partners. In 2014, we co-financed three projects with development partners, and the number of co-financed projects has since grown. A few examples of large projects of this nature are the new Kotoka Airport Terminal, for which the Bank furnished a non-sovereign loan of USD 120 million (the investment programme was worth USD 400 million); the Awoshie-Pokuase Road and Community Development Project, which we co-financed with the Agence Française de Développement; the Rural Enterprise Program, co-financed with the International Fund for Agricultural Development; the Eastern Corridor Road Project–Phase 1, co-financed with the OPEC Fund for International Development; COVID-19 budget support, co-financed with the Export-Import Bank of Korea; and the Ghana Mini Grid and Solar PV Net Metering project, co-financed with the Swiss State Secretariat for Economic Affairs. The Bank will continue its partnership approach to leverage more resources and multiply our impact. ■



CONCLUSION

The Ghana Results Brief shows that Ghana made remarkable progress in economic transformation between 2012 and 2021. The brief also highlights the Bank's contribution to Ghana's progress on the High 5s. It is a welcome marker of 50 years of collaboration.

But as this fertile period ends, challenges remain. The beginning of the new decade was marked by the COVID-19 pandemic, and the country is now grappling with the consequences of the war in Ukraine. These and other events will test the country's resilience and the inclusivity with which

Ghana pursues economic and social development.

Given the uncertainty, Ghana needs to deploy innovative strategies and scale up industrialisation, emphasising private sector development and investment. This challenge figures in the country's development plans and is reflected in the Bank's country strategy for 2019–2023, which assigns a significant role to the private sector, proposes two mutually reinforcing areas of intervention – industrialisation and trade – and seeks both to enhance the business environment and develop regional infrastructure to better connect markets. ■



AFRICAN DEVELOPMENT BANK GROUP

About this publication

Since 2011, the African Development Bank has produced yearly editions of its Annual Development Effectiveness Review (ADER), a publication that assesses the Bank's overall contribution to development results in Africa. The ADER is complemented by a series of reviews that cover the African Development Bank's activities in its regional member countries.

This country results brief is part of a series of summary reviews that examine ongoing operations in individual regional member countries. The African Development Bank appreciates the high level of dialogue it held with Ghanaian authorities during the preparation of several programming and project documents that fed into this review—a collaboration that testifies to the quality of the partnership between our institution and African countries.

Like other development effectiveness reviews, this report is intended for the general public and aims to strengthen our institution's transparency and accountability to our partners. It is innovative in its conciseness and its focus on the African Development Bank's High 5s. It also serves as an important management tool that helps us continuously improve our operations and our organisation as a whole.



AFRICAN DEVELOPMENT BANK GROUP



African Development Bank Group

Avenue Joseph Anoma – 01 B.P. 1387 Abidjan 01, Côte d'Ivoire

www.afdb.org

