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A FISHERMAN WORKS ON HIS NET IN TEMA, GHANA | PHOTO: RAYMOND BAYOR / USAID

GHANA ECONOMIC GROWTH FACT SHEET

BACKGROUND

Ghana's economy, described by the World Bank in 2019 as the world's fastest-growing economy, has recently slowed down. Challenges include high levels of government debt, inflation, and energy costs, low agricultural productivity, and regional trade inefficiencies. Disparities also exist between the country's North and South. In the country's Northern Region, nearly 68% of Ghanaians live on less than \$1.25 a day. Stunting rates among children under five are as high as 40 percent in some districts.

On behalf of the American people, the U.S. Agency for International Development (USAID) Economic Growth program supports the Government of Ghana in creating a more diversified economy with a broad export base. The program does this by increasing agriculture-led economic growth and private sector-led investments, expanding trade, and facilitating access to markets. USAID also works to improve governance accountability, combat corruption, and expand reliable access to affordable electricity.

GOALS AND ACHIEVEMENTS

GOAL ONE: INCREASING AGRICULTURE-LED ECONOMIC GROWTH

Agriculture is central to Ghana's foreign exchange earnings and overall economic well-being. Through the Feed the Future initiative, USAID helps Ghana achieve self-reliance by enhancing agricultural productivity and profitability, strengthening competitive market systems, increasing access to finance, promoting resilience, optimizing economic inclusion, advancing leadership, and improving nutrition.

Key achievements in 2022:

- Supported more than 61,000 farmers—three quarters of them being women—to access agricultural inputs and finance. This generated over \$176 million in sales, and 3,000 women saved \$250,000 through village savings and loan associations.
- Partnered with Yara Ghana Ltd. to mobilize fertilizer for 100,000 smallholder farmers. Yara provided \$20 million in fertilizer, while USAID covered \$2.5 million in logistics costs to ensure the fertilizer reached the neediest.
- Partnered with the Ministry of Fisheries and Aquaculture Development and the Fisheries Commission to implement a directive that defined the sustainable fishing gear used by industrial trawlers. USAID also established landing beach enforcement committees to enforce the directive.

GOAL TWO: INCREASING GOVERNANCE ACCOUNTABILITY AND COMBATING CORRUPTION

USAID assistance helps Ghana finance its self-reliance by increasing access to finance and improving an environment that fosters broad-based economic growth. USAID facilitates public-private dialogue on policy and regulation, allows farmers and businesses access to finance and markets, spurs investment in key sectors, and forges business partnerships. Key achievements in 2022:

- USAID facilitated more than \$90 million in financing for more than 63,000 beneficiaries in diverse areas ranging from seed and fertilizer supply to strengthening value chain links to agricultural processing.

GOAL THREE: EXPANDING TRADE AND FACILITATING ACCESS TO MARKETS

USAID helps the private sector access and supply domestic, regional, and international markets; improve market information; meet required food safety and health standards; and introduce new technologies. Key achievements in 2022:

- Through the West Africa Trade and Investment Hub, USAID/Ghana forged ten partnerships with Ghanaian businesses to catalyze more than \$70 million of investment, export over \$200 million worth of goods, and create over 25,000 jobs.
- Partnered with financial institutions and intermediaries to assist more than 20,000 individuals and micro, small, and medium-scale enterprises (MSMEs) in accessing \$167 million in agriculture-related financing.
- Supported ten direct business partnerships in shea, cosmetics, honey, apparel, basket weaving, soy, fonio, and maize. As a result of USAID's \$8.5 million co-investment, these partnerships have created almost 14,000 jobs (approximately 94% female), leveraged \$19.5 million in private investment, and created \$34 million in exports and \$3 million in domestic sales.

GOAL FOUR: EXPANDING RELIABLE ACCESS TO AFFORDABLE ELECTRICITY

Through the U.S. Government's Power Africa Initiative, USAID partners with Ghana to better plan and execute strategies to meet its electricity needs in the most efficient way; achieve universal access to electricity; define and implement an institutional, regulatory, financial, and commercial strategy to develop the gas and power sectors; and build the financial sustainability of the energy sector. Key achievements in 2022:

- Reduced Ghana's energy debt by \$4.7 billion and averted emission of 10 million cubic tons of carbon dioxide into the atmosphere. The effort connected 225,000 households to electricity and integrated 50 megawatts of solar energy with a hydroelectric dam in northern Ghana, an innovative model that can be applied throughout West Africa.
- Reduced carbon dioxide (CO₂) emissions by more than 1,000,000 metric tons per year—the equivalent of taking 27% of cars off Ghana's roads—by reducing liquid fuels, increasing the availability of natural gas for power generation, and promoting solar power.