TRADE UNIONS AND TRADE

Ghana Trade
Fact Sheet

African Continental Free Trade Area

TRADE UNIONS AND TRADE IN AFRICA
AfCFTA
LES SYNDICATS ET LE COMMERCE EN AFRIQUE

sask

LRS Labour Research Service

GHANA TRADE FACT SHEET
Trade unions, Trade and AfCFTA

Trade Union Congress (Ghana)

October 2024

The AfCFTA will influence national policies that affect employment, income, and livelihoods – trade unions need to be prepared to engage with this process.

The practicalities of the AfCFTA, how it will affect trade, policies, and employment, are unknown and need to be better understood.

This resource provides insight into trade dynamics in Ghana and helps trade unions think about trade and their interests in the AfCFTA.

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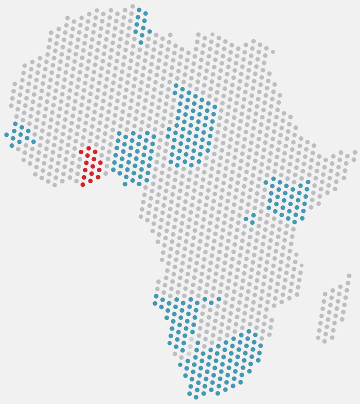

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AFRICAN CONTINENTAL FREE TRADE AREA

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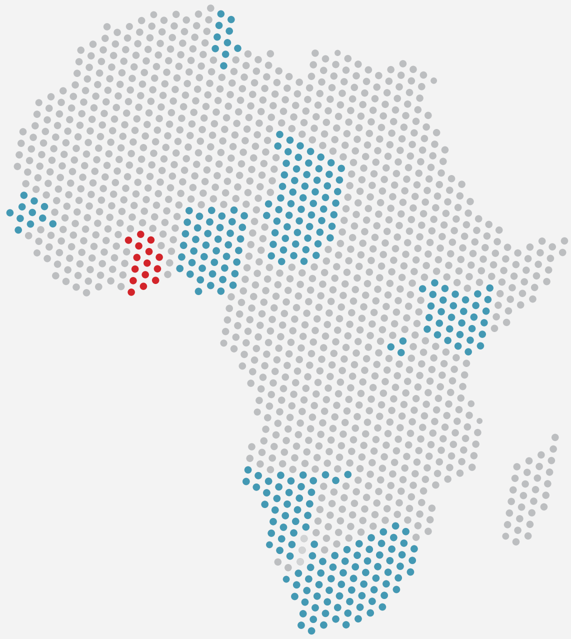

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TRADE UNIONS AND TRADE

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AFRICAN CONTINENTAL FREE TRADE AREA

List of abbreviations

1D1F	One District One Factory
AfCFTA	African Continental Free Trade Area
AGOA	African Growth and Opportunity Act
APROA	Amalgamation of Pensioners and Retired Officers Association
CBWU	Construction and Building Materials Workers' Union
CRWU	Cocoa Research Workers Union
CWU	Communications Workers' Union
ECOWAS	Economic Community of West African States,
EPZs	Export Processing Zones
FAWU	Food and Allied Workers' Union
FBSEU	Finance and Business Services Union
FUSSAG	Federation of Universities Snr. Staff Association of Ghana
GAWU	General Agricultural Workers' Union
GCMQWU	General construction, manufacturing, and quarries workers' Union
GDP	Gross domestic Product
GEMM	General Manufacturing and Metal Workers' Union
GFL	Ghana Federation of Labour
GFZA	Ghana Free Zones Authority
GMWU	Ghana Mine Workers' Union
GPRTU	Ghana Private Road Transport Union
GSP	Generalised System of Preferences
GSS	Ghana Statistical Services
GSTP	Global System of Trade Preferences among Developing Country
GTPCWU	General Transport Petroleum. and Chemical Workers' Union
HSWU	Health Services Workers' Union

JTC	Joint Trade Committee
LGWU	Local Government Workers' Union
MDU	Maritime and Dockworkers' Union
MEDIANET	Media of Printing Industry Workers' Union
NARM	National Association of Registered Midwives
NGO	Local Nongovernmental Organisations
NUSPAW	National Union of Seamen, Ports and Allied Workers
NUTEG	National Union of Teamster and General Workers
PHC	Population and Housing Census
PRISTEG	Private School Teachers and Educational Workers' Union of Ghana
PSWU	Public Services Workers' Union
PUWU	Public Utility Workers' Union
RWU	Railway Workers' Union
SADC	Southern African Development Community
SME	Small and Medium Enterprises
TEGLEU	Textile, Garment and Leather Employees' Union
TEWU	Teachers and Educational Workers' Union
TIFA	Trade and Investment Framework Agreement
TUC (Ghana)	Trade Union Congress (Ghana)
TWU	Timber and Woodworkers' Union
UAE	United Arab Emirates
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
UNICOF	Union of Industry, Commerce and Finance
UNIWA	Union of Informal Workers Associations
UPSP	Union of Private Security Personnel
US	United States
VER	Vulnerable Employment Rate
WTO	World Trade Organization

SECTION 1:
COUNTRY DEMOGRAPHICS

The population

IN 2021 GHANA'S POPULATION WAS

30, 832,019

[Population and Housing Census (PHC)]

FEMALES

50.7%

MALES

49.3%

Data from the most recent Population and Housing Census (PHC) conducted by the Ghana Statistical Services (GSS) indicate that the population was 30, 832,019 in 2021. Table 1 shows that the shares of male and females in the population were 49.3 percent and 50.7 percent, respectively.

Table 1: Population by Sex (2021)

Sex	Total	Percent
Male	15,200,440	49.3
Female	15,631,579	50.7
All	30,832,019	100

Source: GSS, 2021 PHC

Ghana has a young population. Seven out of ten of the people living in the country were between 0-35 years in 2021 (See Table 2). Children –defined by the children's Act 1998, Act 560 to include persons below eighteen years– constituted about 35 percent of the population. Ghana's Youth Authority Act 2016 (Act 939) stipulates the youth cohort to include persons between the ages of 15 and 35 years. The share of the youth in the population was 38.21 percent in 2021. This was made up of 20.29 percent and 17.92 percent for persons in the 15-24 and 25-35 age cohorts, respectively.

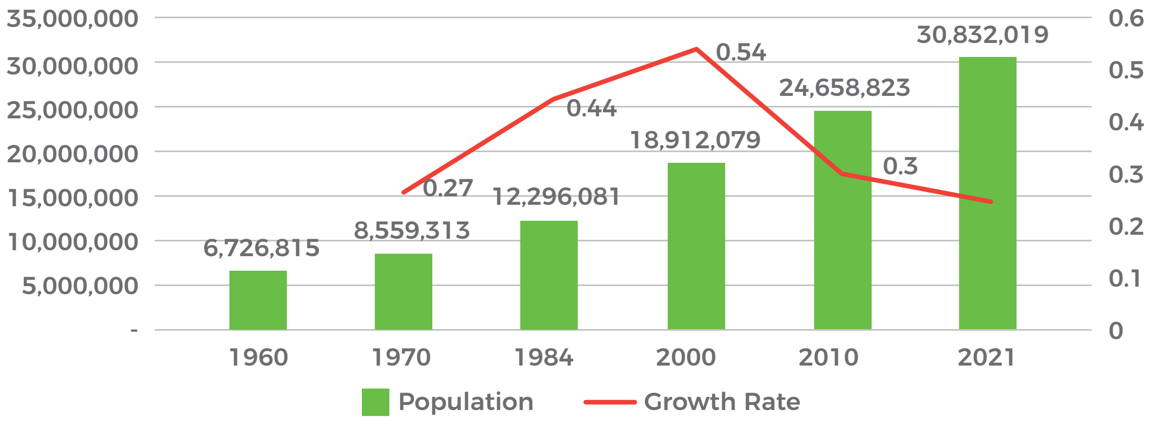
Table 2: Percentage of age category in the population

Age Cohort	Total	Percent	Cumulative percent
0-14 years	10,890,453	35.32	35.32
15-24 years	6,256,983	20.29	55.61
25-35 years	5,525,631	17.92	73.53
36-59 years	6,167,216	20	93.53
60 years and above	1,991,736	6.46	99.99
All	30832019	100	

Source: GSS 2021 PHC

Ghana experienced significant population growth in the last six decades. Figure 1 illustrates that the country's population increased from about 6.7 million in 1960 to 30.8 million in 2021, showing a growth of about three and half times.

Figure 1: Population of Ghana and growth rate, 1960-2021

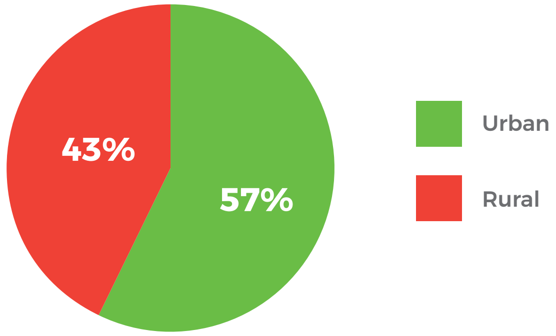


Source: GSS, PHC 2021

Locality

Most of the population live in urban centres. The proportion of the population in urban and rural areas were 57 percent and 43 percent, respectively in 2021 (see Figure 2).

Figure 2: Locality of the population (2021)



Source: GSS, PHC 2021

SECTION 2:
ECONOMIC INDICATORS

Gross domestic Product (GDP)

Figure 3 shows that GDP has been on positive trajectory in the last decade, increasing from US$49.4 billion in 2015 to US$79.6 billion in 2021. The country's GDP per capita has also been on an upward trend, rising from US$1784.2 to $2535.5 in the same period.

GDP HAS BEEN ON POSITIVE TRAJECTORY IN THE LAST DECADE, INCREASING FROM **US$49.4 BILLION IN 2015** TO

US$79.6 BILLION

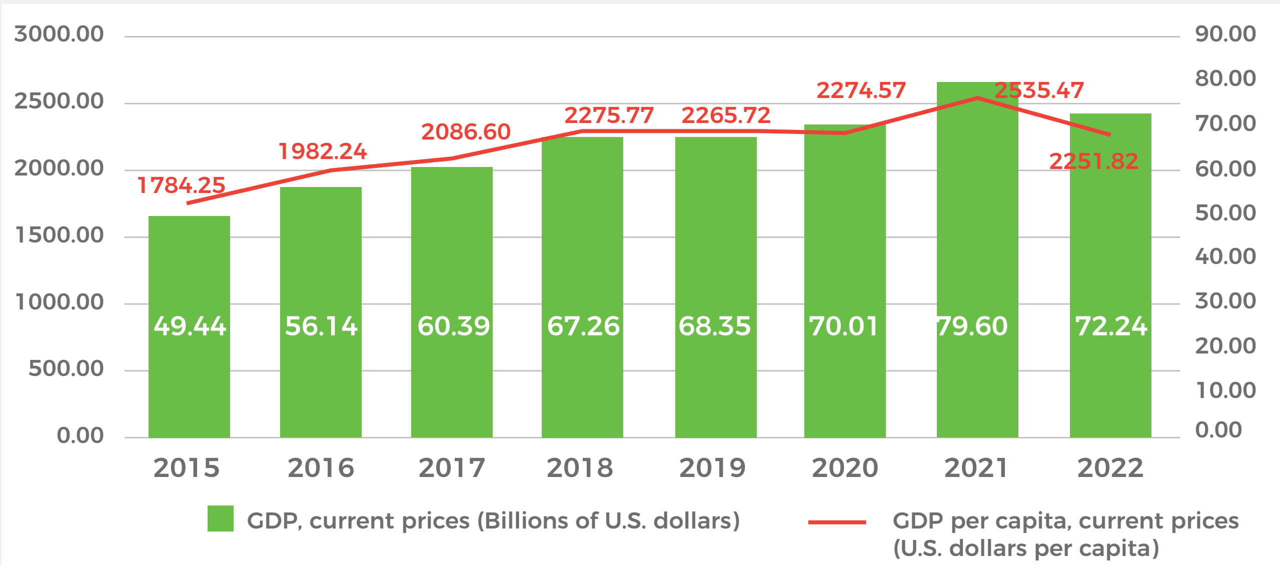
IN 2021.

SERVICES **48.5%**

INDUSTRY **30.4%**

AGRICULTURE, **20.1%**

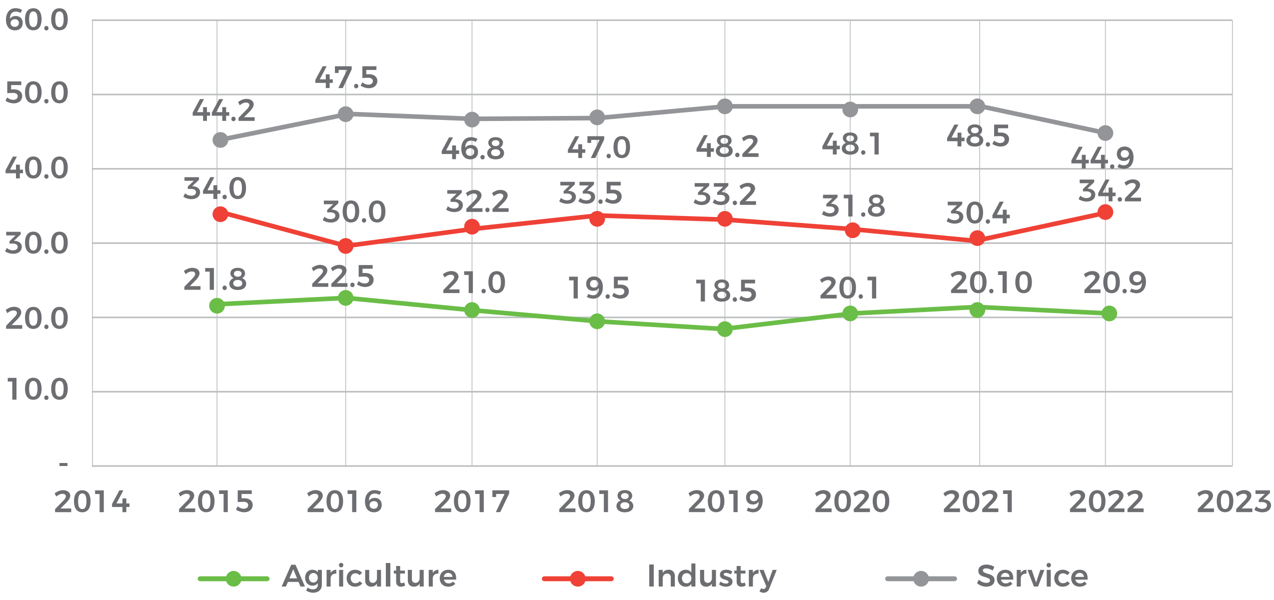
Figure 3: Ghana GDP (US$ billion) & GDP per capita, current prices (US$)



Source: IMF, 2023

The service sector is the main source of GDP. Services have provided over 40 percent of GDP since 2015 (see figure 4). Industry ranks second while agriculture provides about 20 percent of the country's GDP.

Figure 4: Industrial shares of GDP (%)

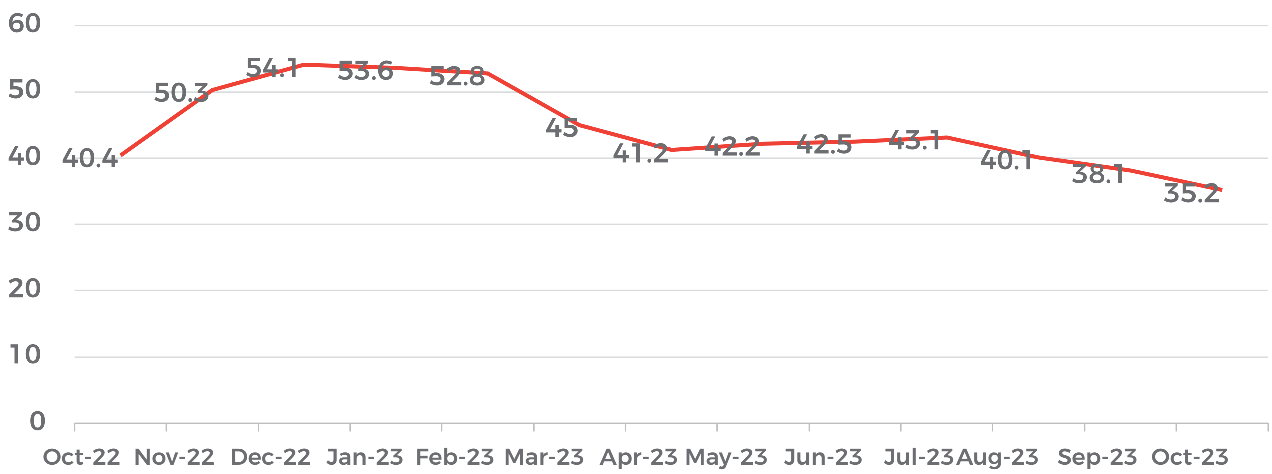


Source: GSS, Annual GDP, 2023

Inflation

Ghana encountered a significant escalation in cost of living in last year. Figure 5 shows that inflation rate reached 54.1 percent in December 2022, before moving down to 35 percent in October 2023.

Figure 5:: Headline Inflation, October 2022 to October 2023

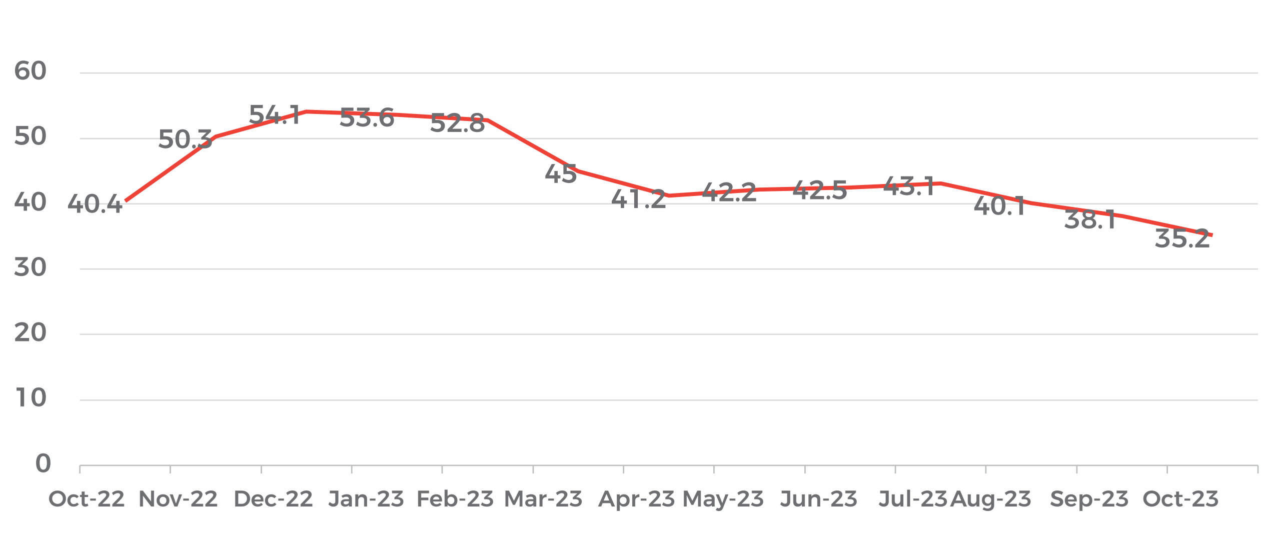


Source: Ghana Statistical Service

Interest rates

Figure 6 provides analysis of interest rates. It shows that between March 2022 and December 2022, the policy rate surged from 17.0 percent to 27.0 percent. The average lending rate of commercial banks rose from 20.6 percent to 35.6 percent, while the 91-Day treasury bill rate increased from 13.5 percent to 35.5 percent. Such high interest rate increases the cost of borrowing for businesses, including those involved in international trade. This makes it more expensive for such companies to fund their operations and expand trade activities.

Figure 6: Interest rate, Quarter 3, 2021 to Quarter 1, 2023



Exchange Rate

The Ghanaian Cedi (GH¢) depreciated against the major currencies – US Dollar (US$), British Pound (GBP), and Euro (EUR) – in 2023. Table 3 illustrates that the Ghana Cedi had depreciated by about 44 percent against the United States Dollar (USD), 39.1 percent against the Great British Pound (GBP), and about 42 percent against the Euro (EUR) from January 2022 to January 2023. The rate of depreciation slowed from January 2023 to January 2024. The depreciation of Ghana's currency has both positive and negative implications for the country's international trade. On the one hand, it makes the country's exports cheaper in foreign markets, boosting competitiveness of domestically produced goods and services and allowing export-oriented industries to benefit. On the other hand, depreciation of the local currency increases the cost of imported goods and services.

Table 3: Exchange rate (2022-2024)

	USD/GHC		GBP/GHC		Euro/GHC	
	Value	Depreciation rate (%)	Value	Depreciation rate (%)	Value	Depreciation rate (%)
Jan-22	6.02	-	8.09	-	6.75	-
Jan-23	10.80	-44.22	13.29	-39.12	11.73	-42.43
Jan-24	12.01	-10.10	15.24	-12.83	13.03	-9.99

Source: adapted from Bank of Ghana

SECTION 3: THE LABOUR MARKET

Employment and Unemployment

EMPLOYMENT IN 2022
AGE 15 YEARS AND ABOVE
59%

Employment rate

FEMALE
56.4%

MALE
61.3%

Table 4 provides analysis of the economic activity rates among Ghana's workforce. It shows that 59 percent of persons aged 15 and above were employed in the fourth quarter of 2022. Employment rate varies among the sexes. The proportions of males and females that were in employment were 61.3 percent and 56.4 percent, respectively.

Table 4: Labour force status of population 15 years and older by sex (%)

	2021		2022			
	Sex		Q1	Q2	Q3	Q4
Employed (%)	All	50.3	59.6	56.4	58.2	58.6
	Male	56.1	62.9	59.1	61	61.3
	Female	44.7	56.9	54.2	55.9	56.4
Unemployed (%)	All	13.4	13.4	13.9	13.7	11.5
	Male	11.6	10.3	12.4	10.1	10.3
	Female	15.5	15.9	15.2	16.6	12.5
Not in Labour force (%)	All	41.9	31.2	34.5	32.6	33.8
	Male	36.5	29.9	32.5	32.1	31.7
	Female	47	32.3	36	33	35.5

Source: GSS 2023; GSS 2021 PHC; and GSS Ghana Annual Household income and Expenditure Survey Quarter 4 2022 Labour Statistics Report

About one in ten of the workforce remained unemployed at the end of 2022 (see Table 5). Unemployment rates were similar among males (10.3%) and females (12.5%) in the last quarter of 2022.

Table 5 analyses the labour market situation of the youth. It shows that youth unemployment rate compares with the overall unemployment rate in Ghana. However, significant proportions of young persons (about 20 percent) were not in employment, education or training in the last quarter of 2022.

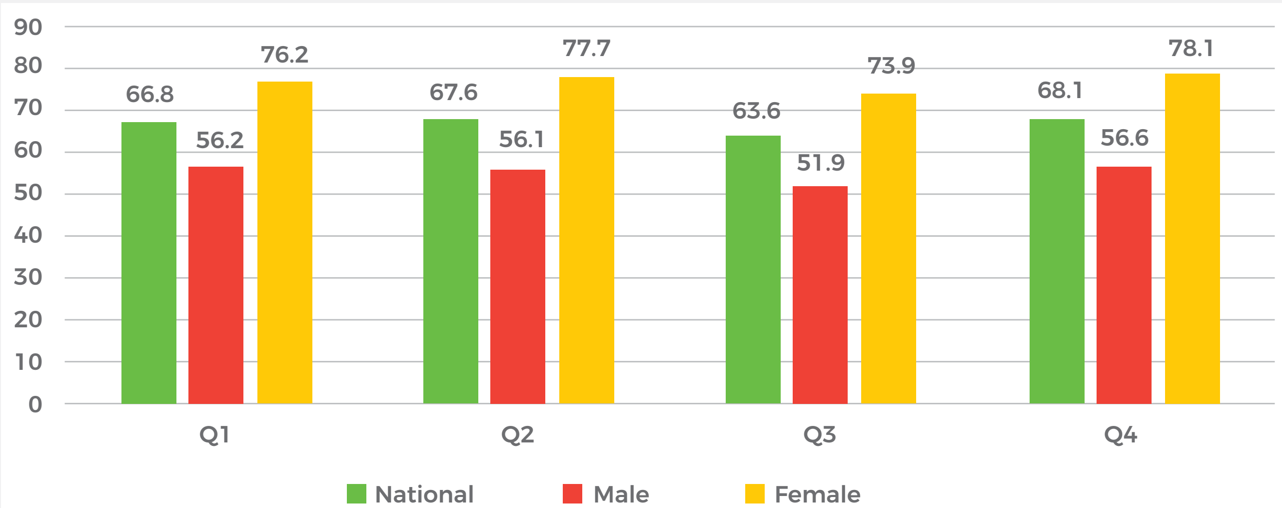
Table 5: Youth Population (15-35 years) Not in Employment, Education or Training (NEET).

Quarter	Population	Employed (%)	Unemployed (%)	NEET (%)	Other (%)
Q1	10,483,009	48	12	26	14
Q2	10,590,970	44	10	24	22
Q3	10,610,163	46	12	24	18
Q4	10,444,392	46	9	20	25

Source: GSS 2023; GSS 2021 PHC; and GSS Ghana Annual Household income and Expenditure Survey Quarter 4 2022 Labour Statistics Report

A key feature of the Ghanaian labour market is high vulnerable employment rate (VER). The International Labour Organisation (ILO) defines vulnerable employment to include own-account workers and contributing family workers. Such are less likely to have formal work arrangements and are more likely to lack decent working conditions, adequate social security and representation by trade unions. About two in every three persons were in vulnerable employment in 2022, with the fourth quarter recording the highest VER (68.1%). Vulnerable employment among females was at least 20 percentage points higher than the VER males in every quarter.

Figure 7: Percent of employed population 15 years and older in vulnerable employment, 2022



Source: GSS, Ghana Annual Household income and Expenditure Survey Quarter 4 2022 Labour Statistics Report

Majority of Ghana's employed population are in services. The proportions of employed persons in the services sector were about 45 percent and 53 percent in 2017 and 2021, respectively. In 2022, agriculture saw notable rise in its share of employed population, increasing from about

33 percent to almost 40 percent. Such rise may be attributed to movement of labour from the services sector owing to jobs loses from to the impact of COVID-19 on the hospitality and tourism sub-sectors of services.

Table 6: Industrial sector of employed population 15 years (percent)

Classification	2017	2021	2022
Services	43.5	53.3	44.6
Agriculture	38.3	33	38.9
Industry	18.2	13.7	16.45

Source: GSS GLSS7, PHC & AHIES

Another stylised feature of the labour market is high informality. In 2022, approximately 85 percent of the employed population were in the informal economy (see Table 7). About 77 percent of the employed population were in the informal economy in 2021, showing a rise in informality.

Table 7: Proportion of the employed populated 15 years and older by sector of employment (percent)

Sector	2021	2022
Public(Government)	9.5	6.40
Semi-Public (Parastatals)	0.4	0.23
Private Formal	12.6	8.58
Private informal	77.1	84.48
Local NGO/CSO	0.1	0.05
International NGO/CSO	0.1	0.05
Religious Organization (local)	0.3	0.18
Religious Organization (international)	0	0.03
Total	100	100.0

Source: GSS PHC & AHIES

SECTION 4:
TRADE UNION MEMBERSHIP

Trade Unions in Ghana

Ghana has 76 registered trade unions, including two centres: the Trade Union Congress (Ghana) – hereafter, TUC (Ghana) – and the Ghana Federation of Labour (GFL).

Table 8: Membership of TUC

No.	Affiliates	Main Sector	Members
1	General Agricultural Workers' Union (GAWU)	Agriculture	52,000
2	Ghana Mine Workers' Union (GMWU)	Mining	11,608
3	Public Services Workers' Union (PSWU)	Public services	26,957
4	Maritime and Dockworkers' Union (MDU	Maritime	7,500
5	Construction and Building Materials Workers' Union (CBWU)	Construction	8,860
6	Timber and Woodworkers' Union (TWU)	Forestry	9,200
7	Railway Workers' Union (RWU)	Transport	1,589
8	Public Utility Workers' Union (PUWU)	Public services	11,664
9	General Transport Petroleum. and Chemical Workers' Union (GTPCWU)	Transport	9,521
10	Teachers and Educational Workers' Union (TEWU)	Education	48,720
11	Communications Workers' Union (CWU)	Telecommunication	1.637
12	Local Government Workers' Union (LGWU)	Public Service	8,000
13	National Union of Seamen, Ports and Allied Workers (NUSPAW)	Maritime	1,500
14	Health Services Workers' Union (HSWU)	Health	33,000
15	Ghana Private Road Transport Union (GPRTU)	Transport	120,000
16	Union of Industry, Commerce and Finance (UNICOF)	Finance and Industry	20,000
17	Federation of Universities Snr. Staff Association of Ghana (FUSSAG	Education	2,253
18	General construction, manufacturing, and quarries workers' union (GCMQWU)	Construction	5,594
19	Union of Informal Workers Associations (UNIWA)	Trade	118,000
20	Cocoa Research Workers Union (CRWU)	Agriculture	3,300
21	Amalgamation of Pensioners and Retired Officers Association (APROA	multiple	-
22	National Association of Registered Midwives (NARM)	Health	-
	Total membership		500,903

Source: DTDA, Labour Market Profile 2023/2024, Ghana

Table 9 shows that males dominate the membership of the TUC (Ghana). Available data from 11 affiliates of the TUC (Ghana) indicate that male dominance ranges from as high as 98.8 percent in the GPRTU to about 54 percent in the LGWU. Only three of the 11 unions: the CWU, the UNIWA, and the NARM-GH have higher female concentrations. The sex distribution within the affiliates of the TUC (Ghana) is a function of concentrations of males and females in the sectors where the unions organise.

Table 9: Sex distribution of membership

No.	Name of Union	Main Sector	Male (%)	Female (%)	Total (%)
1	GPRTU	Transport	98.76	1.24	100
2	GMWU	Mines	93.38	6.62	100
3	RWU	Transport	92.99	7.01	100
4	PUWU	Public Service	77.65	22.35	100
5	TWU	Forestry	70.74	29.26	100
6	GCMQWU	Construction	70.08	29.92	100
7	HSWU	Health	55.33	44.67	100
8	LGWU	Public Service	54.00	46.00	100
9	CWU	Telecommunications	41.04	58.96	100
10	UNIWA	Trade	38.8	61.2	100
11	NARM-GH	Health	4.99	95.01	100
	All		56.98	43.02	100

Source: LRPI of TUC, fieldwork, 2023

Industrial distribution of Union members

Most of the members of the TUC (Ghana) work in the services sector. Table 10 provides analysis of the industrial distribution of the members of the TUC (Ghana), showing that 11 out of 14 affiliates of the TUC (Ghana) organise predominantly in the services sector. Only the GCMQWU and the GMWU reported majority membership in the industrial sector.

Table 10: Industrial distribution of members

No.	Name of union	Service (%)	Industry (%)	Agriculture (%)
1	GPRTU	100	0	0
2	LGWU	100	0	0
3	TEWU	100	0	0
4	NARM	100	0	0
5	PUWU	100	0	0
6	PSWU	100	0	0
7	RWU	100	0	0
8	GTPCWU	100	0	0
9	UNIWA	100	0	0
10	CWU	100	0	0
11	HSWU	100	0	0
12	UNICOF	68	32	0
13	GMWU	1.41	98.59	0
14	GCMQWU	0	100	0
	All	91.92	4.48	3.6

Source: LRPI of TUC, fieldwork, 2023

The GFL
The second trade union centre in Ghana: the GFL has about 48,300 members.

Table 11: Membership of GFL

	Affiliates
1	Textile, Garment and Leather Employees' Union (TEGLEU)
2	Food and Allied Workers' Union (FAWU)
3	General Manufacturing and Metal Workers' Union (GEMM)
4	Union of Private Security Personnel (UPSP)
5	National Union of Teamster and General Workers (NUTEG
6	Finance and Business Services Union (FBSEU)
7	Private School Teachers and Educational Workers' Union of Ghana (PRISTEG
8	Media of Printing Industry Workers' Union (MEDIANET
9	ICT and General Services Employees Union

Source: DTDA, Labour Market Profile 2023/2024

SECTION 5:
INTERNATIONAL TRADE

Contribution to revenue

Table 12 show the importance of trade in revenue in Ghana. It shows that import duties as proportion of GDP was 1.6 percent. Import duties contributed about 13 percent of total tax revenue in Ghana in 2022.

Table 12: Trade and Revenue (2022)

Classification	Amount (US$ billion)	Percent of GDP
Total Tax Revenue	8.12	12.38
Taxes on Domestic Goods and Services	3.37	5.14
Import Duties	1.05	1.61
Nominal GDP	65.61	

Source: Ministry of Finance (2023)

Table 13: Total merchandise trade (US$ millions)

Classification	2015	2022
Merchandise exports (US$ millions)	10,321	17,494
Merchandise imports (US$ millions)	13,465	14,621
Merchandise trade balance	(3,144)	2,873

Source: United Nations Conference on Trade and Development (UNCTAD) (2023)

Trade balance

Ghana achieved merchandise trade surplus of US$2.8 billion in 2022, from deficit of US$3.1 billion in 2015. International merchandise trade statistics record all goods which add to, or subtract from, the stock of material resources of a country by entering (as imports) or leaving (as exports) its economic territory (OECD, 2024).

Table 14 shows that Ghana experienced deficits in trade in services in 2015 (US$1.1 billion) and 2022 (US$3.55 billion). Main services includes transport, tourism, financial, and insurance (O'Neill, 2023).

Table 14: Trade in Services (US$ millions)

Classification	2015	2022
Services exports (US$ million)	6142	8302
Services imports (US$ million)	7309	11854
Services trade balance (US$ million)	(1,167)	(3,552)

Source: UNCTAD (2023)

Main export destinations

IN 2022, GHANA'S TOP FIVE EXPORT DESTINATIONS WERE

SWITZERLAND AND LIECHTENSTEIN
US $3.0 BILLION

CHINA
US $2.8 BILLION

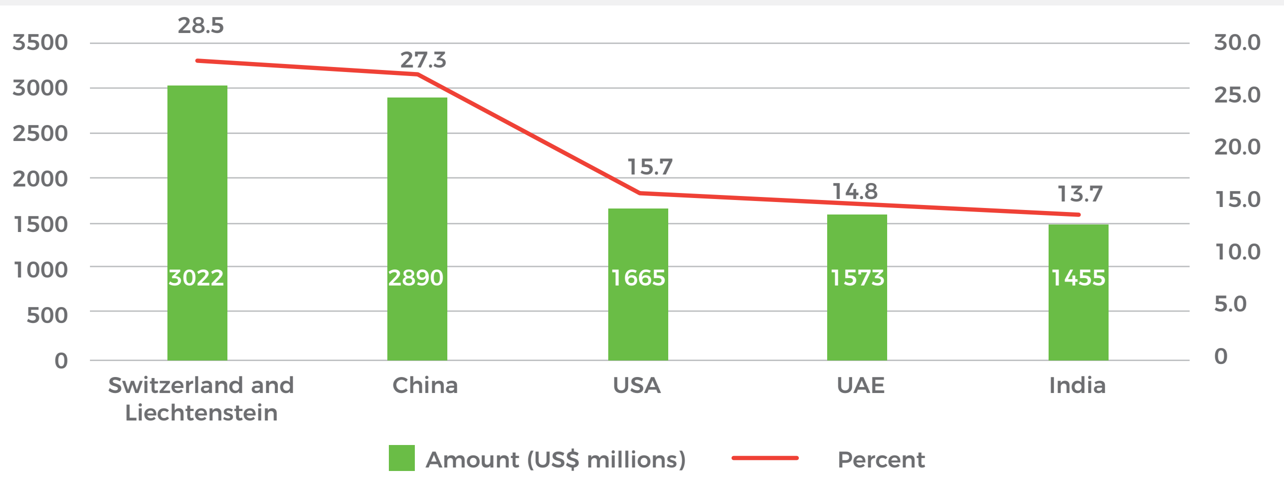
UNITED STATES OF AMERICA
US $1.6 BILLION

UNITED ARAB EMIRATES (UAE)
US $1.5 BILLION

INDIA
US $1.4 BILLION

Figure 9 shows that Switzerland and Liechtenstein topped, receiving 28.5 percent of Ghana's exports in 2022. The main exports products to Switzerland included gold (US$2.35 billion), cocoa beans (US$$80.3 million), and tropical fruits (US$7.22 million) in 2021 (Observatory of Economic Complexity (OEC), nd.). In 2021, the main products to the UAE were gold, non-fillet frozen fish, and cocoa paste. Ghana exported crude petroleum, cocoa beans, and cocoa paste to the US. Gold, crude petroleum, coconut, and cashews were among the main products that Ghana exported to India. China received crude petroleum, manganese ore and asphalt mixtures from Ghana in 2021 (ibid.).

Figure 8: Top 5 export destinations in 2022 (exports, millions of US$)



Source: Source: UNCTAD (2023)

Exports to Africa

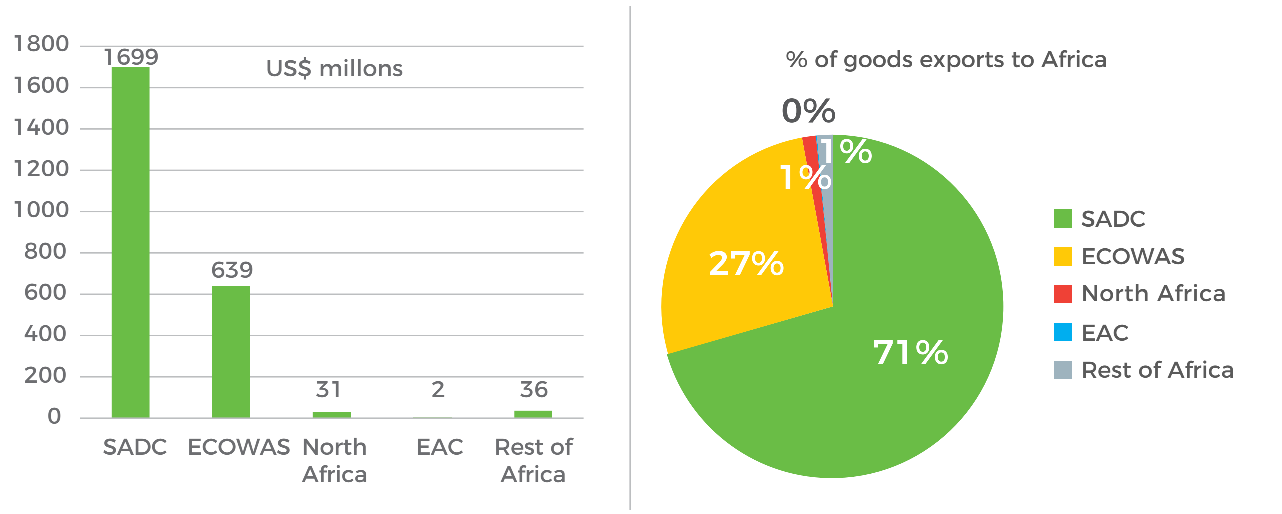
Table 15 shows that merchandise exports from Ghana to the rest of Africa dropped sharply from about 41 percent in 2010 to 9.3 percent in 2015, before rising to about 15 percent in 2019.

Table 15: Ghana's Merchandise exports by main destination, 2010-2019

Region (Country)	US $ (million)			% of goods export		
	2010	2015	2019	2010	2015	2019
Asia	1257	5083	6959	16.6	45.9	43.7
China	123	1200	2544	1.6	10.8	16
India	156	2425	2305	2.1	21.9	14.5
European Union (EU) 27	1694	2645	2528	22.4	23.9	15.9
Switzerland	320	1369	2464	4.2	12.4	15.5
Africa	3096	1034	2406	40.9	9.3	15.1
America	299	380	1091	3.9	3.4	6.8
Rest of the World	904	904	488	11.9	5.1	3.1

Source: adapted from Boakye, et. al. (2022).

Figure 9: Regional export markets within Africa

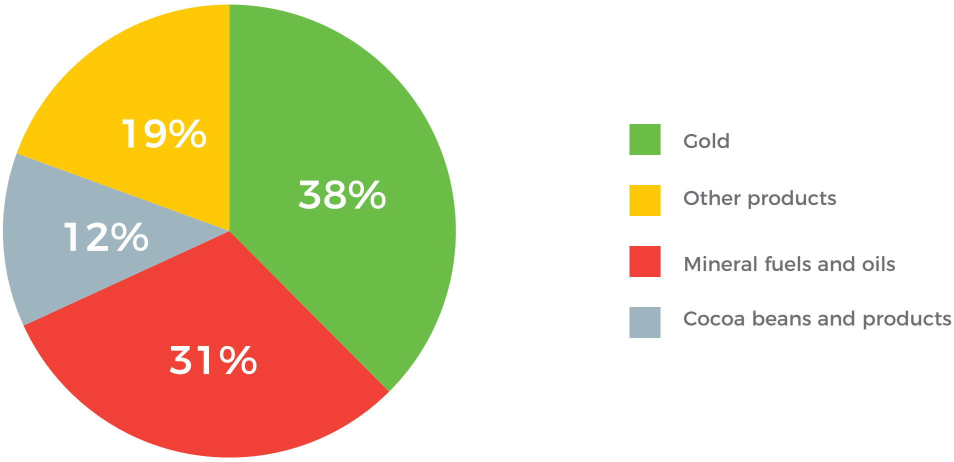


Source: adapted from Boakye, et. al. (2022).

In 2021, Ghana exported about 330 products worth some US$2.87 billion to the rest of Africa (UNCTAD, 2023). The main exports market for Ghana's products in Africa are the Southern African Development Community (SADC) led by South Africa, and the Economic Community of West African States (ECOWAS), led by Burkina Faso (Boakye, et. al., 2022). Figure 10 shows that the SADC and ECOWAS regions accounted for 71 percent and 27 percent respectively, of Ghana's export to Africa in 2019.

Export is dominated by agriculture and extractives. Gold (38 percent), mineral fuels and oils (31 percent), and cocoa (12 percent) were the top export commodities in 2022 (see Figure 11). Together, agriculture and extractive products accounted for about 80 percent of the country's exports.

Figure 10: Main export commodities (2022)



Source: GSS (2023)

Imports

Europe and Asia are the ain sources of imports into Ghana.

EUROPE

39.3%

ASIA

37.3%

Accounting for about **77 percent** of the country's total imports in 2022. Imports from **Africa into Ghana** was just about **11 percent** in that year.

Table 16 provides analysis of main sources of Ghana's imports.

Table 16: Sources of imports (2022)

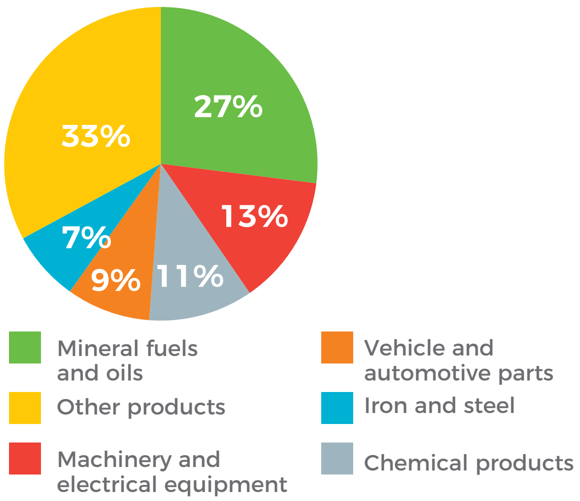
Region	Amount (US$ billion)	Percent	Cumulative percent
Europe	6.3	39.3	39.3
Asia	5.9	37.3	76.6
Africa	1.7	10.7	87.3
North America	1.5	9.7	97
Others	0.5	3	100
Total	16	100	

Source: GSS (2023)

Available data shows that about two-thirds of Ghana's imports from Europe came from the United Kingdom (34.2 percent), the Netherlands (19.2 percent) and Switzerland (9.9 percent) (GSS, 2023). The proportions of Ghana's imports from Asia from China and India were 47.7 percent and 14.4 percent, respectively (GSS, 2023). Within Africa, most of Ghana's imports came from South Africa (23.8 percent), Egypt (14.3 percent), Togo (9.1 percent), and Nigeria (8.6 percent).

As illustrated by Figure 11, about a third of Ghana's imports were minerals and fuels (27 percent), machinery and electrical equipment (13 percent) and chemical products (11 percent).

Figure 11: Main imports (2022)



Source: GSS (2023)

Trade Agreements

Ghana has various multilateral, regional, and bilateral trade pacts. It is part of the World Trade Organization (WTO); a signatory to the WTO Trade Facilitation Agreement. The country is also a signatory of the Global System of Trade Preferences among Developing Country (GSTP), comprising 42 countries across the world (WTO, 2023).

Table 17 shows that Ghana has 12 Preferential Trade Arrangements (PTA). These include 11 Generalised System of Preferences (GSP) agreements with countries such as Australia, Canada, Japan, Norway, Switzerland and the United States (US).

Table 17: Ghana's Preferential Trade Arrangements (PTAs)

No.	Provider	Type	Initial Entry Into Force	End Date
1	Armenia	GSP	10/10/2016	
2	Australia	GSP	1/1/1974	
3	Canada	GSP	7/1/1974	
4	Japan	GSP	8/1/1971	3/31/2031
5	Kazakhstan	GSP	10/10/2016	
6	Kyrgyz Republic	GSP	10/10/2016	
7	New Zealand	GSP	1/1/1972	
8	Norway	GSP	10/1/1971	
9	Russian Federation	GSP	10/10/2016	
10	Switzerland	GSP	3/1/1972	
11	US	GSP	1/1/1976	
12	US	Other PTAs	5/18/2000	

Source: Adapted from WTO (2023)

Ghana has a Trade and Investment Framework Agreement (TIFA) with the US. It trades with the US under the African Growth and Opportunity Act (AGOA) and the Generalised System of Preferences (GSP) programme.

In addition to the above, Ghana has entered into a bilateral Economic Partnership Agreement (EPA) with the European Union (EU) and an Interim Trade Partnership Agreement with the United Kingdom (UK). There is as Joint Trade Committee (JTC): a Bilateral Trade Agreement signed between Ghana and India in 1981 (High Commission of India, 2023). The last meeting of the JTC happened in 2022 (ibid.).

In Africa, Ghana is part of the Economic Community of West African States (ECOWAS). The country is also state party of the African Continental Free Trade Area (AfCFTA), and has commenced trading under the Guided Trade Initiative.

SECTION 6:
EXPORT PROCESSING ZONES (EPZS)

Legal and Institutional Framework

The Free Zone Act, 1995 (Act 504) has established the Ghana Free Zones Authority (GFZA). The mandate of the GFZE is to create free zones to promote economic development in the country (GFZA, 2023).

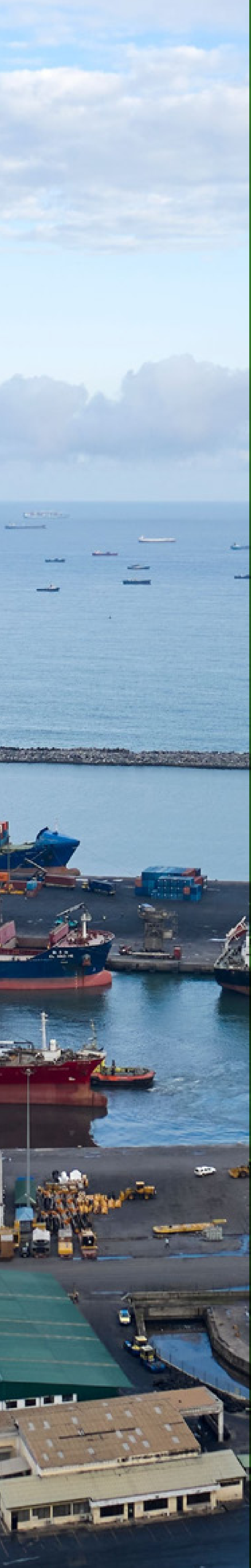
Locations

Ghana has allocated about 75,000 acres of land for EPZs in three regions. The designated zones are in Tema (covering 1,200 acres) of the Greater Accra Region, Boankra (spanning 1,099 acres) in the Ashanti Region, and Sekondi (encompassing 2,200 acres) and Shama (extending across 3,000 acres) in the Western Region (Otoo, 2019).

Incentives

Ghana offers monetary and non-monetary incentives for EPZ enterprises. The monetary incentives include:

i. 100 percent exemption from payment of direct and indirect duties and levies on all imports for production and exports from free zones;
ii. 100 percent exemption from payment of income tax on profits for 10 years which will not exceed 8% thereafter;
iii. total exemption from payment of withholding taxes from dividends arising out of free zone investment; and
iv. relief from double taxation for foreign investors and employees where Ghana has a double taxation agreement with the country of the investors or employees.



Ghana has allocated about

75,000 ACRES

OF LAND FOR EPZS IN THREE REGIONS.
The designated zones are in:

- **TEMA (COVERING 1,200 ACRES)** of the **Greater Accra Region**,
- **BOANKRA (SPANNING 1,099 ACRES)** in the **Ashanti Region**, and
- **SEKONDI (ENCOMPASSING 2,200 ACRES)** and **SHAMA (EXTENDING ACROSS 3,000 ACRES)** in the **Western Region.**

(OTOO, 2019).

The non-monetary incentives are no import licensing requirements, minimal customs formalities, and 100 percent ownership of shares by any investor – foreign or national in a free zone enterprise is allowed (GFZA, 2023). The other non-monetary incentives are guarantee against nationalization and expropriation, guaranteed against nationalization and expropriation, and no conditions or restrictions on repatriation of dividends or net profit, payments for foreign loan servicing, payments of fees and charges for technology transfer agreements and remittance of proceeds from sale of any interest in a free zone investment.

Ghana requires that at least 70 percent of annual production of goods and services of Free Zone Enterprises must be exported. Consequently up to 30 percent of annual production of goods and services of a free zone enterprise are authorized for sale in the local market (GFZA, 2023).

Sectors

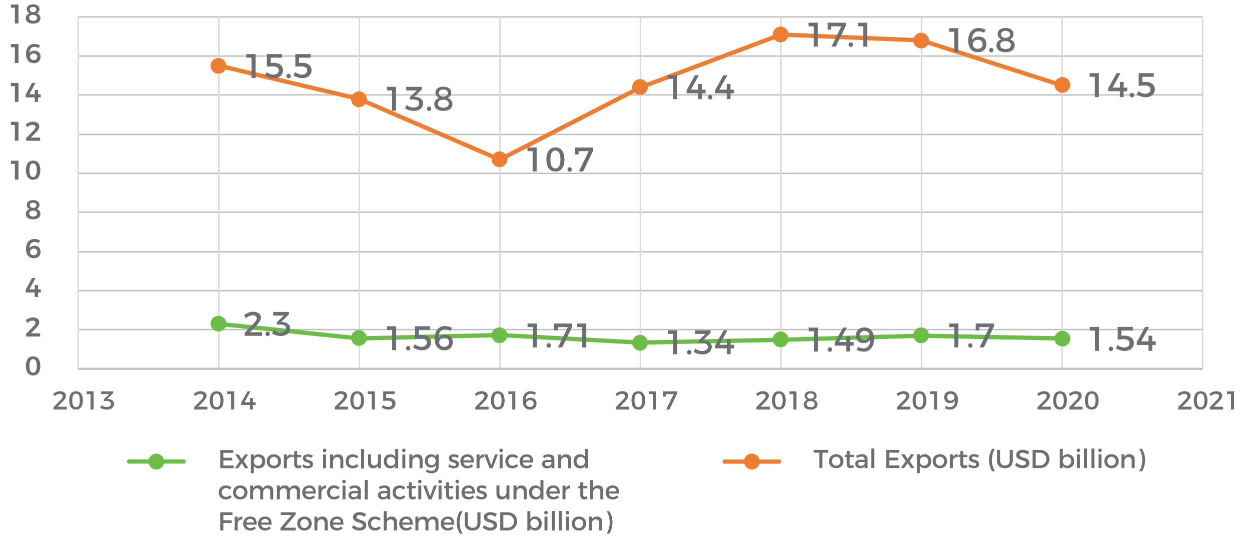
Enterprises in free zones operate in eight priority sectors, namely:

i. Agro Food Processing (Fruits, vegetables and coca);
ii. Information & Communication Technology (Data processing and transcription, call centres, software development and computer assembling);
iii. Textile/Apparel manufacturing (including accessories for garment industry and footwear);
iv. Sea Food Processing;
v. Jewellery/Handicraft Production;
vi. Light Industry/Assembling Plant;
vii. Metal Fabrication; and
viii. Floriculture

Contribution

Figure 12 provides analysis of the contribution of free zones enterprises to total exports in Ghana from 2014 to 2020. It shows that free zones enterprises contributed approximately 11 percent to the nation's total exports.

Figure 12: Contributions FZE to Total Exports



Source: WTO, GFZA; BoG; UN Comtrade

Employment

Table 18 shows that about 62,000 jobs were created by free zones enterprises in the last two years.

Table 18: Employment generation by free zones enterprises

Year	Number
2021	30,189
2022	31,746
Total	61,935

Source: Ministry of Trade and Industry (2023)

Unionisation

Unionisation in Free Zones is extremely low due to resistance by employers (Otoo, 2019).

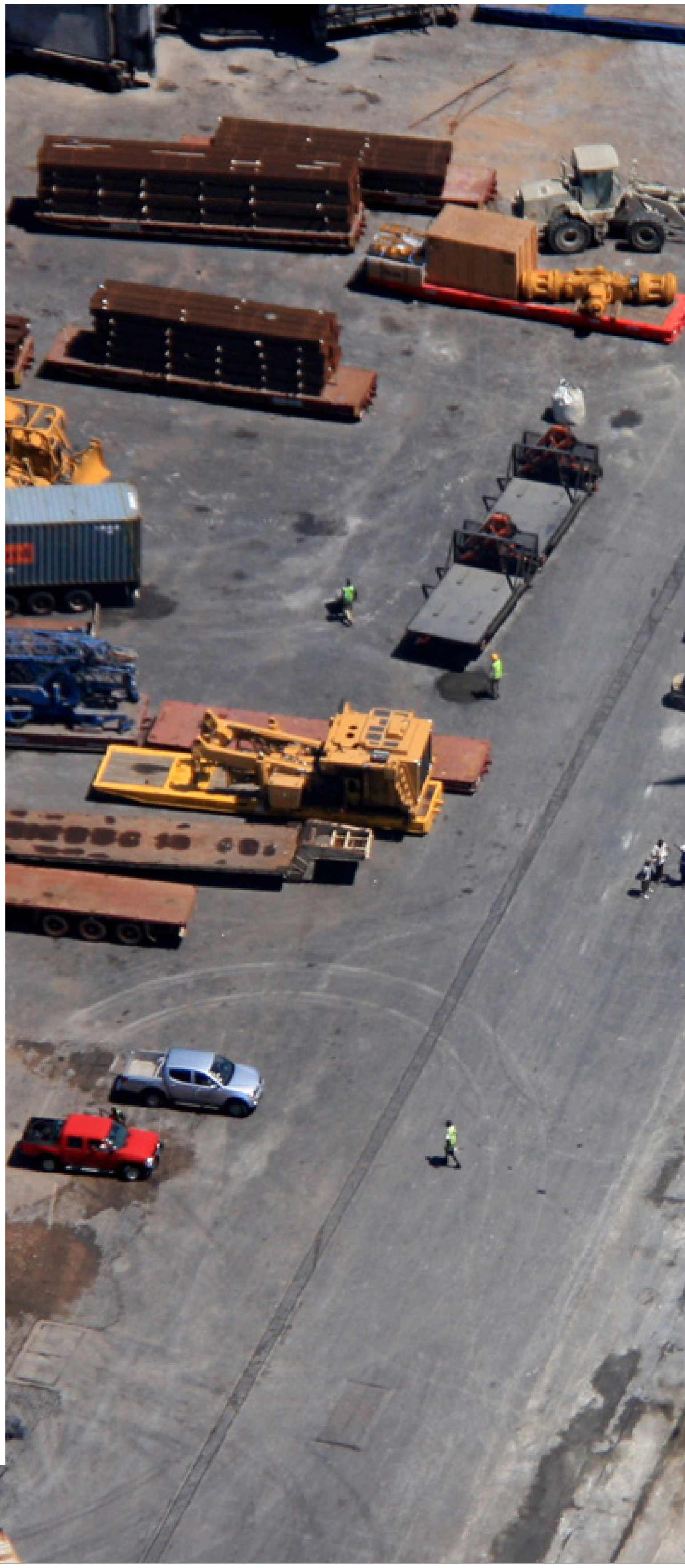
SECTION 7:

INDUSTRIAL DEVELOPMENT AGENDA

Industrial Transformational Agenda

Ghana has many industrial transformational agenda. These include:

1. One District One Factory (ID1F) initiative, designed to decentralise industrial development to ensure an even and spatial spread of industries across all districts of the country;
2. Business Regulatory Reforms to implement measures to ease the cost of doing business and position Ghana as business friendly environment;
3. Positioning Ghana's industrial landscaping to attract investment into the Industrial Parks and Special Economic Zones;
4. Industrial Parks and Special Economic Zones- facilitation of the acquisition of land for industrial parks within free zone enclaves;
5. Industrial Revitalisation Programme aimed at provision of stimulus package to economically viable but financially distressed companies;
6. Export Development Programme that seeks to empower and facilitate Ghanaian businesses to take advantage of the AfCFTA, AGOA and the EPA to promote the export of made-in-Ghana products;



Automotive Development Policy

Ghana has an automatic Automotive Development Policy.
The strategic objectives of the policy are:

1. to establish a fully integrated and competitive industrial hub for automotive manufacturing in collaboration with the private sector (global, regional, and domestic);
2. to generate highly skilled jobs in automotive assembly and the manufacture of components and parts, with spill over effects into other sectors of the economy;
3. to establish an asset-based vehicle financing scheme for locally manufactured vehicles to ensure affordability for vehicle buyers;
4. to improve balance of payments through competitive import substitution and export market development;
5. to improve vehicle safety and environmental standards; and
6. to transform the quality of the national road transport fleet and safeguard the natural environment;
7. Enhancing domestic retail infrastructure to enable value addition to locally manufactured products to make them competitive with other products from elsewhere;
8. Development of small and medium enterprises (SMEs) – focused on supporting small and medium scale enterprises with the needed boost to survive to support job creation.
9. Industrial sub-contracting exchange, involving linking SMEs to large companies in the country to ensure that the large companies subcontract some of their businesses to the SMEs; and
10. Improving public-private dialogue through facilitation of annual business summits to review implementation of various initiatives.

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SECTION 8:
LABOUR MIGRATION

Emigration

Data from the 2021 PHC show that significant proportion of Ghanaians living outside the country reside in Africa. Table 19 shows that three out of ten Ghanaian emigrants live in Africa. Similar proportion of Ghanaian emigrants (37 percent) live in Europe.

Total number Ghanaian emigrants in 2021:

293,395

EUROPE
110,239

ASIA
13,684

AMERICAS (NORTH, SOUTH/ CARIBBEAN)
69,600

AFRICA, OTHER THAN ECOWAS
29,310

Table 19: Emigration from Ghana (2021)

Country	Number	Percent	Cumulative percent
Burkina Faso	2,805	0.96	0.96
Cote d'Ivoire	21,526	7.34	8.29
Gambia	4,115	1.40	9.70
Liberia	4,130	1.41	11.10
Nigeria	17,607	6.00	17.10
Sierra Leone	1,593	0.54	17.65
Togo	8,525	2.91	20.55
Other ECOWAS Countries	8,210	2.80	23.35
Africa, other than ECOWAS	29,310	9.99	33.34
Americas (North, South/Caribbean)	69,600	23.72	57.06
Asia	13,684	4.66	61.73
Europe	110,239	37.57	99.30
Oceania	2,051	0.70	100.00
Total	293,395		

Source: GSS, 2023b

Migrants

Most of the migrants in Ghana are from ECOWAS. Table 20 shows that 92 percent of migrants in the country are from West Africa, with Nigeria (26 percent) having the highest share of migrants in Ghana.

Table 20: Non-Ghanaian population by country or region of origin

Country	Number	Percent	Cumulative percent
ECOWAS Countries	270,794	92	
Burkina Faso	47,095	16	16
Cote d'Ivoire	12,657	4.3	20
Gambia	294	0.1	20
Liberia	6,181	2.1	23
Nigeria	76,823	26.1	49
Sierra Leone	1,177	0.4	49
Togo	60,340	20.5	70
Other ECOWAS Countries	66,227	22.5	92
Africa, other than ECOWAS	5,887	2	94
Americas (North, South/Caribbean)	2,649	0.9	95
Asia	11,185	3.8	99
Europe	3,238	1.1	100
Oceania	294	0.1	100
Total	294,341		

Source: GSS, 2023b

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