

# Development Challenges in Africa: The case of Ghana

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# The policy dilemmas in Ghana and priority

Government has list the following priority intervention policy areas for development (2017-2024):

- Economic development
- Social development
- Environment, infrastructure and human settlements development;
- Governance, corruption and public accountability; and
- Strengthening Ghana's role in international affairs.

**The policy trade-off is mainly between the implementation of economic development policies and social development policies in Ghana.**

# Ghana's Economic Transformation

- Industrialisation – industrial transformation.
- The Ten-Point Plan (TPP) to achieve economic growth and development.
  1. **Stimulus package**
  2. **One District One Factory**
  3. **Strategic Anchor Industries**
  4. **Industrial Subcontracting**
  5. **Industrial Parks and Special Economic Zones**
  6. **Export Development and diversification**
  7. **SME development**
  8. **Domestic Retail Trade Infrastructure**
  9. **Business Regulatory reforms**
  10. **Public private dialogue**

# Potential returns from policy initiatives

- Business enabling environment for the private sector growth through business regulatory reforms
- The Business Regulatory Reform (BRR) Programme launched to promote high growth, job creation and economic transformation through modernisation of the quality of Ghana's business regulatory system.
- The aimed is to, amongst others, to create a regulatory environment that is fair, efficient and transparent

# Development challenges in Ghana

The following still remain as key development challenges in Ghana:

- Poor macroeconomic conditions
- Unemployment, poverty, unreliable energy, corruption, poor infrastructure and low income
- Growing income inequalities
- FDI directed into extractive sectors
- A weak business climate holding back productive investment
- Low adoption of modern agricultural technology
- Very weak manufacturing sub-sector
- Low domestic savings and investment
- High cost of doing business
- Failing public sector machinery
- Destruction of the environment and water bodies

# Development Opportunities in Ghana

- Political Stability
- Extractives Development
- Citizen engagement
- Youthful population
- Growing Middle Class
- Opportunities in Science, Technology and Innovation

# African Continental Free Trade Agreement

## Ghana's preparations towards fully-fledged implementation

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Implementation of aggressive industrial transformation agenda</li><li>• Paperless Port system</li><li>• Streamlining, simplification and automation of Business registration</li><li>• Implementing a common ECOWAS biometric passport which would be graduated into the continental passport</li></ul> | <ul style="list-style-type: none"><li>• Paperless court system for Electronic Case Management</li><li>• National Identification Systems</li><li>• Digital Addressing system e-Payment Platforms for Government Services/electronic transactions</li><li>• Massive institutional reforms</li><li>• Removal of customs barriers across the country</li><li>• Development of internal trade infrastructure</li></ul> |
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## Opportunities for Ghana's Private Sector

- Jobs, employment opportunities and increased income
- Space for industrial development
- Economies of scale and movement of factors across borders;
- Increase diversification and transformation of the economy;
- Reduce vulnerability of external shocks
- Add value to local industries,

## Impacts Analysis of AfCFTA on Ghana

**(1) Socio-Economic; (2) Financial; and (3) Legal/Regulatory impacts**