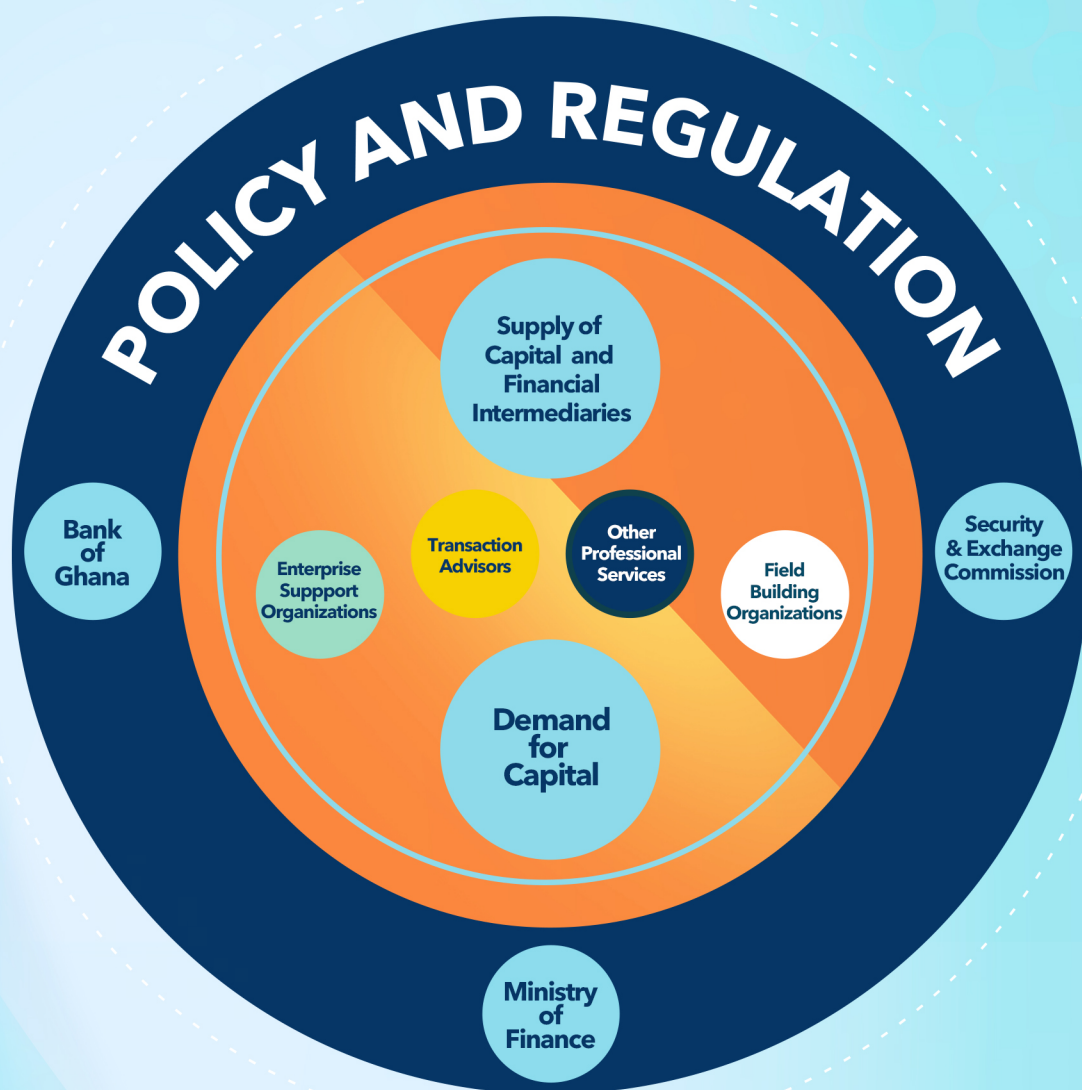


GHANA INVESTMENT COMPENDIUM



UNITED NATIONS
GHANA



Impact
Investing
Ghana



Food and Agriculture Organization
of the United Nations

CONTENTS

ACKNOWLEDGEMENTS	3
EXECUTIVE SUMMARY	4
SUPPLY OF CAPITAL AND FINANCIAL INTERMEDIARIES	6
DEMAND FOR CAPITAL	11
MARKET BUILDERS	14
POLICY AND REGULATION.....	17
AFCFTA	25
CALL TO ACTION	27

The Ghana Investment Compendium is licensed under the Creative Commons Attribution 4.0 International License (CC BY 4.0).

Disclaimer: The information provided in this guide serves as a general overview of the investment landscape in Ghana and is intended for informational purposes only. While efforts have been made to ensure the accuracy and relevance of the context, it should not be construed as professional financial, legal, or investment advice. Readers are encouraged to conduct their own research and seek guidance from qualified professionals before making any investment decisions or taking action based on the information provided in this guide. The authors, publisher, and partners of this guide shall not be held liable for any losses or damages resulting from the use of or reliance on the information presented herein.

■ ACKNOWLEDGEMENTS

This compendium is an initiative of the United Nations in Ghana and Impact Investing Ghana (IIGh). It was put together by the research team of Impact Investing Ghana with support from the UN Resident Co-ordinator's Office and the Food and Agriculture Organization (FAO) of the United Nations (UN). It builds on data from two reports: Impact Investing in Ghana: Unlocking Capital for Profit and Impact; and a 2022 longitudinal study on Catalytic Capital Investments in Ghanaian SMEs.²

Special thanks to:

United Nations in Ghana:
Charles Abani | Peter Aidoo

Impact Investing Ghana Team:
Julius Lampsey | Amma Lartey | Yaw Osei-Tutu

Food and Agriculture Organization (FAO)

¹"Impact Investing in Ghana: Unlocking Private Sector Capital for Profit and Impact (Summary Report), 2022" Impact Investing Ghana, <https://impactinvestinggh.org/download/download-report-summary/?wpdmdl=76918&refresh=6647300af34751715941386>

²"Catalytic Capital investments in Ghanaian SMEs: Strategies, Hurdles and Outcomes," Impact Investing Ghana, accessed May 6, 2024, <https://impactinvestinggh.org/download/catalytic-capital-investment-in-ghanaian-smes/?wpdmdl=78044&refresh=6645c3533949a1715848019>

EXECUTIVE SUMMARY

The Ghana Investment Compendium is a helpful tool for anyone interested in learning about the investment landscape in Ghana, looking to invest, or looking for capital. It provides highlights of the various parts of the ecosystem and links to further information. It also highlights key opportunities such as the African Continental Free Trade Areas (AfCFTA) and the opportunity this expanded market has for businesses. It builds upon the research data used in developing the map of Ghana's investing ecosystem³ from two reports: a 2021 gap analysis of impact investing in Ghana;⁴ and a 2022 longitudinal study on Catalytic Capital Investments in Ghanaian SMEs.⁵

It is a pilot output of a larger collaborative research project to ensure up-to-date information about the investing landscape for diverse users. Its goal is to ensure that key actors can access up-to-date information about the investing landscape to inform action to ensure that the private sector grows in ways that lead to social and environmental impact and inclusive growth. Organisations and individuals who want to contribute to this collaborative research may contact; Yaw Osei- Tutu yaw.osei-tutu@impactinvestinggh.org or Peter Aidoo peter.aidoo@un.org

How the ecosystem fits together

The Ghanaian investing ecosystem is made up of the **supply of capital** from pensions, venture capital and private equity firms, development finance institutions and **financial intermediaries** like banks, stock exchanges and crowdfunding platforms that provide capital. It also includes organisations that **demand capital** such as businesses and the key industry associations these businesses are members of. These key stakeholder groups are supported by **market builders and professional services** such as transaction advisors, field-building organisations, enterprise support organisations, accountants, lawyers, and more. The **government** develops and implements policy through its ministries and agencies and regulates various aspects of the ecosystem through regulators such as the Bank of Ghana, the Securities and Exchange Commission, Food and Drugs Authority and more. Some government agencies have a mandate to supply capital and/or build the market such as the Venture Capital Trust Fund and they can be found under each section based on the roles they play. Regional institutions such as the African Continental Free Trade Area (AfCFTA) secretariat, the UN In Ghana and the Africa Impact Investing Group drive cross-regional trade, knowledge sharing and scale.

How to use this compendium

- Businesses looking for funding can start with the sections on **supply of capital and financial intermediaries** and **market builders and professional services**. These sections provide insights into where businesses can find funding (suppliers of capital) and the support services available to them (market builders), helping them tailor their strategies effectively.

³<https://ghanainvestingmap.com/>

⁴ "Impact Investing in Ghana (Summary Report), 2022," Impact Investing Ghana.

⁵ "Catalytic Capital Investments in Ghanaian SMEs," Impact Investing Ghana.

- Suppliers of capital and financial intermediaries wanting to invest in Ghana can begin by getting an overview of the regulatory environment in the **policy and regulation** section and understanding the competitive landscape in the section on the **supply of capital and financial intermediaries**. Those looking for businesses to invest in can understand the various business networks in the **demand for capital** section, and the support services available that can also be good referrals of investment-ready businesses, market builders and professional services.
- Foundations, development agencies and other donors can look at the sections on the **supply of capital and financial intermediaries** or **market builders and professional services** to understand the existing organisations and interventions, identify potential partners and avoid duplication. The section on **policy and regulation** provides helpful information about the various government ministries, agencies, regulators and relevant legislation.
- **ESOs**, Transaction Advisors, Professional Services, Business Associations and Chambers of Commerce can begin with the section on **supply of capital and financial intermediaries**, for information about funding opportunities for their members and clients. The section on **market builders and professional services** can provide information on other professionals they can collaborate with and direct their members to.
- Policymakers looking for information about how the local ecosystem is evolving and what is needed to grow it can explore the **supply of capital and financial intermediaries** and demand for capital sections to explore the landscape. They can also look to the section on market builders and professional services to understand potential collaborators to inform policy action

Data Sources

Data for this compendium come from two reports: a 2021 gap analysis of impact investing in Ghana;⁶ and a 2022 longitudinal study on Catalytic Capital Investments in Ghanaian SMEs,⁷ and the Ghana Investing Map. Other sources used are duly cited.

⁶"Impact Investing in Ghana (Summary Report), 2022," Impact Investing Ghana.

⁷"Catalytic Capital Investments in Ghanaian SMEs," Impact Investing Ghana.

SECTION I

SUPPLY OF CAPITAL AND FINANCIAL INTERMEDIARIES

Suppliers of capital include venture capital and private equity funds, pension funds, development finance institutions, government agencies, international development agencies, angel investors and faith-based organisations. They invest either directly in businesses or indirectly through financial intermediaries. Financial intermediaries such as commercial banks, rural and community banks, microfinance institutions, the Ghana Stock Exchange, Ghana Commodity Exchange and crowdfunding platforms channel funding to businesses.

SUPPLY OF CAPITAL

Venture Capital and Private Equity Funds

Venture capital and private equity funds provide long-term investments for businesses with high growth potential. Venture capital firms invest in more early-stage companies while private equity funds invest in more mature companies. These firms also support their investee companies with managerial expertise, and access to networks and may sit on the boards of the companies they invest in. They have extensive due diligence processes to ensure they select the right businesses. The Venture Capital Trust Fund is a government agency responsible for growing the industry. It is a Fund of Funds (a fund that invests in other funds) that provides funding to venture capital firms. Impact Investing Ghana is sponsoring a private-sector-led Fund of Funds as an additional source of funding for venture capital funds.

Examples of Venture Capital and Private Equity Funds



[Click here for more examples](#)

Pension Industry

Over the past years, private pensions have become increasingly central to Ghana's pension landscape, presenting an attractive opportunity for investors. From 2015⁸ to 2022⁹ Ghana's total pension funds surged from GHS 13.4 billion to GHS 46.6 billion in nominal terms, accounting for a growth of 246 percent. Private pension funds exhibited even more impressive growth, steadily rising from GHS 4.6 billion to GHS 34.5 billion, marking a 639 percent increase. Their share of total pension funds surged from 34.6 percent to 74 percent over the same period. By the end of 2022,¹⁰ 219 private pension schemes were administered by 26 corporate trustees and supported by 38 pension fund managers who act as investment advisors. The industry is currently served by 28 corporate trustees,¹¹ 34 pension fund managers¹² indicating a robust and evolving market ripe for further investment. Below are some examples and links to information on more organisations.

Corporate Trustees



[Click here for more examples](#)

Pension Fund Managers



[Click here for more examples](#)

Development Finance Institutions (DFIs)

Examples of local and international DFIs:



⁸"Annual Report 2015," National Pensions Regulatory Authority, https://npa.gov.gh/assets/documents/NPRA_2015_Annual_Report.pdf

⁹"2022 Annual Report," National Pensions Regulatory Authority, https://npa.gov.gh/assets/documents/NPRA_AR_23_web.pdf

¹⁰"2022 Annual Report," National Pensions Regulatory Authority.

¹¹"List of Corporate Trustees," National Pensions Regulatory Authority, <https://npa.gov.gh/assets/documents/GENERAL-CONTACT-DETAILS-OF-LICENSED-CORPORATE-TRUSTEES-v33.pdf>

¹²"List of Registered Pension Fund Managers," National Pensions Regulatory Authority, <https://npa.gov.gh/assets/documents/PENSION-FUND-MANAGERS-IN-GOOD-STANDING-v31.pdf>

Government Agencies that Supply Capital

Some government agencies provide impact capital in Ghana. Examples of agencies:



DBG

Development
Bank
Ghana



International Development Agencies

International development agencies (IDAs) provide grants and guarantees to government, nonprofit and other partners for specific programmes. Some programmes provide grants, loans and other investment products to SMEs and other ecosystem actors. Examples of IDAs:



USAID
FROM THE AMERICAN PEOPLE



Global Affairs
Canada
Affaires mondiales
Canada



Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



Foreign, Commonwealth
& Development Office

Foundations

Private and corporate foundations provide grants and investment funding to nonprofits, enterprise support organisations, government agencies and directly to businesses. Examples of foundations:



**OTUMFUO
OSEI TUTU II
FOUNDATION**



enifoundation

Shell Foundation |



Angel Investors

Angel investors are individual investors who invest in businesses. They usually also support these businesses with managerial advice and access to networks. Some angels from angel networks invest together with others. The **Ghana Angel Investor Network (GAIN)** serves as the apex body for angel investor networks in Ghana. GAIN provides training and resources for people who want to become angel investors or set up an angel network. Examples of Angel Networks:



FINANCIAL INTERMEDIARIES

Ghana's financial sector is a dynamic landscape, offering robust opportunities for investment through its diverse range of banks and non-bank financial institutions, acting as primary mediators of capital between the supply and demand side. The Bank of Ghana Annual Report 2022¹³ showed that at the end of 2022, the sector consisted of 23 universal banks, 25 savings and loans companies, 14 finance houses, 147 rural and community banks, 177 microfinance Institutions, 1 mortgage finance company, 2 leasing companies, and 405 foreign exchange bureaux. Other financial intermediaries like the Ghana Stock Exchange, the Ghana Commodity Exchange and a few crowdfunding platforms connect suppliers of capital and businesses.

Commercial Banks

Commercial banks are the principal intermediaries of funds in Ghana. The banking sector¹⁴ showed remarkable resilience in 2022, with total assets reaching GH¢220.96 billion by the end of the year, growing by 22.9 percent compared to the previous year, mainly because of the revaluation of foreign currency assets. This growth, driven by a 42.6% surge in foreign assets and a 21.7% increase in domestic assets, underscores the sector's strength and potential for sustained expansion. Despite facing higher operating costs and macroeconomic challenges, banks managed to stay strong, supported by regulatory policies aimed at mitigating emerging risks, affirming Ghana's banking landscape as a promising investment destination. Examples of commercial banks:



[Click here for more examples](#)

¹³"Annual Report and Financial Statements 2022," Bank of Ghana, <https://www.bog.gov.gh/wp-content/uploads/2023/07/Annual-Report-2022.pdf>

¹⁴"Annual Report," Bank of Ghana

Specialised Deposit-Taking Institutions and Other Licensed Institutions

The performance¹⁵ of Savings and Loans (S&Ls) Companies, Rural and Community Banks (RCBs), Microfinance Institutions (MFIs), Finance Houses (FHs), Mortgage Finance Companies, and Leasing Companies in 2022 varied, yet collectively they showed resilience and potential for growth. By the end of December 2022, these institutions held combined assets valued at GH¢7.80 billion, slightly lower than the previous year (GH¢ 8.50 billion).

Stock and Commodity Exchanges

Ghana has three exchanges all set up by the government of Ghana: Ghana Stock Exchange (GSE), Ghana Alternative Exchange (GAX), and Ghana Commodity Exchange (GCX).



The **GSE** allows entrepreneurs and governments to raise long-term capital to drive change nationally and globally.



The **GAX** is an innovative market operated by the Ghana Stock Exchange. It focuses on businesses with high potential for growth. The GAX accommodates companies at various stages of their development, including start-ups and existing enterprises, both small and medium.



The **GCX** is an exchange that aims to establish linkages between agricultural and commodity producers and buyers, to secure competitive prices for their products, assuring the market quantity and quality as well as timely settlement of their trade.

Crowdfunding/Trading Platforms

Crowdfunding is simply the contribution of small sums of money by a large group of people to support a business venture. It includes equity crowdfunding where investors of a business start-up receive equity in the organisation or a share in its revenue, or debt crowdfunding which offers loans which are paid back when the project is successful. Donation based platforms collect donations and rewards based platforms give rewards such as priority access to a new product or service to its patrons. Examples of crowdfunding platforms



chango



GrowForMe

¹⁵"Annual Report," Bank of Ghana

SECTION II

DEMAND FOR CAPITAL

Demand for capital comes from impact ventures, private-public partnerships, and government projects, especially in the agriculture, energy, manufacturing, information and communications technology (ICT) sectors. There is an urgent need to scale up the supply of capital to meet demand. As stated, Ghana's financing gap for the SDGs is estimated at \$43 billion a year, including a \$5 million financing gap to meet the needs of small-and medium-sized enterprises (SMEs).



Deal Source Africa is a programme to help investors find investment-ready companies in Ghana that meet their selection criteria. It organises curated deal rooms where investors can meet businesses that have been matched to them. It also trains transaction advisors and connects businesses to transaction advisors.

Relevant Business Associations

Business Associations and Chambers of Commerce also provide market linkages, and capacity building and advocate for an improved operating environment for their members. These include, but are not limited to the following:



The **Private Enterprise Federation** was established in 1994 as the apex institution to forge consensus and provide a leadership voice for advocacy, initiated by the Association of Ghana Industries, Ghana National Chamber of Commerce and Industry, Ghana Employers' Association, and the Federation of Associations of Ghanaian Exporters, with support from the United States Agency for International Development (USAID). Its mission is to service the development needs of the private sector through advocacy for efficient resource allocation, provision of business development support services, and capacity building for sustainable private sector-led national economic development. As a non-profit, non-political, autonomous institution, PEF is a company limited by guarantee under the Ghana Companies Code, Act 179, and its membership is open to all private businesses and trade associations from both the formal and informal sectors.



The **Association of Ghana Industries (AGI)** is a non-profit business organisation established in 1957 and incorporated in 1958 by a group of indigenous manufacturers in Ghana. It is recognised as the leading voice of the private sector in Ghana. AGI's mission is to provide proactive support services to the industrial sector, significantly contributing to the growth and development of industry in Ghana.



The **Ghana National Chamber of Commerce & Industry (GNCCI)** is an association of business operators, firms and industries established under the Legislative Instrument (LI 611 1968; Act 232) to promote and protect commercial and industrial interests in Ghana. The GNCCI is the representative voice of the business

community in Ghana. It serves as a link between the private sector and government at various levels, while offering the business community in Ghana a myriad of business support services. Since its inception, the Chamber has been critical to the growth of the Ghanaian economy.



The **Ghana Employers' Association (GEA)** is a national organisation representing employers from all sectors of the economy, established in 1959 to enhance and protect their interests following the formation of a central trade union for workers after independence. GEA aims to promote the interests of employers, provide a forum for consultation and experience sharing, and advocate for members by keeping them

informed about laws and practices affecting employers. Additionally, GEA represents employers in dealings with the government, non-governmental organisations, and other national bodies, and promote good management practices.



The **Federation of Association of Ghanaian Exporters (FAGE)** is an umbrella organisation of exporter, and product associations established in 1992. Registered under the Companies Code of Ghana, (Act 179, 1963), FAGE operates as a not-for-profit organisation. It

promotes the expansion and diversification of Ghanaian exports to international markets by assisting member firms in product development and marketing, and by improving the enabling environment for trade through government advocacy.



The **Ghana Association of Banks (GAB)** is the country's mouthpiece and advocacy lead for the universal banking sector currently representing the interests of 25 member institutions (including the ARB Apex Bank, which represents all rural banks). It is a not-for-profit

organisation that was formed to protect the interest and aspirations of its members and to provide a platform for bank-to-bank networking among members.



**THE GHANA
CHAMBER
OF MINES**

The **Ghana Chamber of Mines** serves as the primary minerals industry association in Ghana. It advocates for the collective interests of companies involved in mineral exploration, production and processing in Ghana. Leveraging the resources and capabilities of its members, the Chamber is dedicated to providing

services that address the needs of its members, government stakeholders, and local community, in order to enhance development.



Social Enterprise Ghana (SEG) is an organisation that seeks to bring together all the players in the social enterprise sector in Ghana to build a stronger social enterprise ecosystem and increase its impact. As the national network for impactful social entrepreneurs, hubs, accelerators, impact investors, and support organisations, SE Ghana fosters collaboration and knowledge exchange. It advocates for business-friendly policies for social enterprises and supports members with training, research, access to skills, access to market, access to technology and access to finance. SE Ghana has a goal of facilitating funding to social enterprises by catalysing \$1 billion dollars for social enterprises in Ghana by 2030.



The **Association of Ghana Startups (AGS)** is the leading association representing startup entrepreneurs in Ghana, with a mission to build globally competitive startups, enhance their growth, and reduce failure rates through collaboration with experienced entrepreneurs, government bodies, regulators, financial service providers, and advisory services. AGS aims to create a common platform for startup entrepreneurs and MSMEs to share ideas, address challenges, and access a pool of business support service providers, fostering an environment conducive to business success and scaling. Partnering with various institutions, AGS offers tailored support services to startups across the country, striving to be the most influential network for the protection and growth of startup businesses in Ghana and the West African sub-region.

Private-Public Partnerships

Public-private partnerships involve collaboration between a government agency and a private-sector company. The Ministry of Finance (MoF) in 2010 established the **Public Investment and Assets Division (PIAD)** as the Ghana PPP advisory team to take a lead role over the PPP Programme in Ghana.

The division provides technical expertise to support the relevant line Ministries, Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies in the development and management of prospective PPP transactions that satisfy the Government of Ghana public investment priorities.

SECTION III

MARKET BUILDERS

Organisations and entities that play a role in developing and strengthening markets by facilitating transactions, providing support services, and fostering a conducive business environment. This includes field-building organisations that work on filling in gaps in the ecosystem, enterprise support organisations (ESOs), transaction advisors, non-governmental organisations (NGOs) involved in capacity-building and entrepreneurship support, as well as trade associations and chambers of commerce promoting investment opportunities and facilitating networking among businesses.

FIELD BUILDING ORGANISATIONS



Impact Investing Ghana (IIGh) is an ecosystem builder galvanising all relevant stakeholders to catalyse investments, especially for small and growing businesses. IIGh conducts research and stakeholder engagement to identify gaps in the ecosystem and drive collaborative action by the stakeholders. Its goal is to unlock \$1 billion in local and international funding, build capacity and increase collaboration; influence the creation of an enabling environment; and support the growth of impact investing in West Africa and globally.

Impact Investing Ghana is sponsoring the setup of the Ci-Gaba Fund of Funds. Ci-Gaba is a local currency \$75 million blended finance vehicle to unlock local pension funding for West African venture funds and small & medium enterprises for inclusive growth in Ghana and West Africa ([read more](#)).

Hosted by IIGh, the Pensions Industry Collaborative (PIC) brings together Ghana's largest pension trustees and fund managers to collaborate to increase pension investments into the productive sectors of Ghana's economy. The Collaborative members are Axis Pensions, Databank, Enterprise Trustees, Glico Pensions, I C Securities, Petra Trust and Stanbic Investment Management Services.

The Collaborative has developed a Pensions Industry Alternative Assets Development Plan to provide a framework for key players in the Pensions Industry to collaborate with government, regulators and industry associations to increase pension investments into alternative assets for Ghana's development ([read more](#)).



The **Ghana Venture Capital & Private Equity Association** is an association of specialised practitioners engaged in the business of private equity in Ghana. Its role is to provide a strong voice for industry practitioners in stakeholder engagement and advocacy, drive industry growth, enhance the legitimacy of its members, and develop the capacity of industry players to safeguard both investors and investees ([read more](#)).



The **Ghana Research and Industry Collaborative (GRIC)** is a national collaborative set up to bridge the gap between research and industry and drive collaboration and innovation. This involves facilitating the translation of high-quality research into practical application for industry needs, conducting research-industry matchmaking, organising learning workshops, and advocating for resources to support collaborative ventures. GRIC comprises academic and applied research institutions, industry, government entities, and international partners. It is governed by a Steering Committee with three sub-committees focused on collaboration, capacity-building, and fundraising. The GRIC Secretariat is hosted by IIGh with the ultimate objective to become self-sustaining and to be independently hosted by its key stakeholders ([read more](#)).



The **Chamber of Trustees** is an umbrella organisation representing licensed corporate trustees in Ghana. As an autonomous, non-governmental entity, the Chamber serves as the central advocacy platform for Ghana's private pensions sector. The Chamber acts as a hub for sector-wide communication, corporate networking, legislative advocacy, capacity building, knowledge dissemination, and policy advocacy. It represents 34 licensed trustees and continues to expand its innovative membership categories.



A membership organisation for the securities industry with self-regulatory functions, to maintain prudent business practices among members and to ensure investor protection. **GSIA** works in partnership with the Regulator to ensure the protection of investors. It comprises firms regulated under the Securities Industry Act 2016 (Act 929) including investment dealers, investment advisors, fund managers, registrars and custodians with associate membership provision for other financial institutions and the Ghana Stock Exchange. ([read more](#)).

Enterprise Support Organisations

Enterprise Support Organisations (ESOs) provide advisory and other services to businesses. The Ghana ESO Collaborative was launched to bring together all the ESOs from the government and private sector to collaborate to increase their quality and become more financially sustainable. The ESO Collaborative has created and is implementing an action plan that identifies the gaps in the ecosystem and the action needed to fill them. It hosts a program-sharing platform esoghana.org to provide easy access to all ESOs programs in Ghana. The collaborative also runs a quality improvement program called SCALE which helps ESOs to assess their quality and improve their operations. It is also designing a grant and pre-seed facility for ESOs and high-growth potential businesses coming out of ESOs.

The Ghana Hub Network, one of the founding members of the ESO Collaborative is a network of 50+ technology and innovation hubs across Ghana. The government NEIP also has a Hub Acceleration Program that is supporting innovation hubs across Ghana with funding and technical support.



Transaction Advisors

Transaction advisors including generalist SME advisors and specialist legal, financial and ESG advisors support businesses who are actively raising funds to close investments. Deal Source Africa runs a program to train Transaction Advisors in partnership with BII, the program enables seasoned professionals from accounting and auditing, legal and other professions to understand the requirements of private funds so they can assist SMEs to prepare for due diligence, negotiate good terms and successfully raise investments. Visit <https://dealsourceafrica.co/transaction-advisors-list/> for a list of transaction advisors.



Legal Advisors

Kulendi@Law, Stafford Law, AB & David, Stobe Law, N. Dowuona & Company, Agency Seven Seven

Business Associations and Chambers of Commerce

Business Associations and Chambers of Commerce also provide market linkages, capacity building and advocate for an improved operating environment for their members. These include, but not limited to the following:



SECTION IV

POLICY AND REGULATION

Government ministries, agencies and regulatory bodies are responsible for formulating policies, laws, and regulations that govern investment, business operations, and economic development. Ministries focus more on developing policies and programs, agencies usually have a specific mandate to implement policy or play a specific role. Regulators create regulations to govern a sector to protect the general public, and foster an enabling environment for investment and business growth.

REGULATORS

Financial services regulators are responsible for issuing licences and ensuring compliance of various parts of the financing ecosystem. Other regulatory agencies are responsible for business registration, insolvency, taxation and other key services

Securities Industry

The **Securities and Exchange Commission** regulates capital markets, private funds, hedge funds and others. Below are relevant legislations for suppliers of capital looking to enter Ghana.

Relevant Legislation:

- Securities Industry (Amendment), 2021 (Act 1062)
- Securities and Exchange Commission (Amendment) Regulations, 2019 L.I. 2387
- Securities Industry Act, 2016 (Act 929)
- Foreign Exchange Act 2006 (Act 723)
- SEC Regulations 2003 (LI 1728)
- Unit Trust and Mutual Fund Regulations (LI 1695)
- SEC Crowdfunding Guidelines

REGULATOR



Banking

The banking industry is regulated by the Bank of Ghana which regulates Banks, Rural & Community Banks (through the ARB-Apex Bank), Non-Bank Financial Institutions, Forex Bureaux & Microfinance Institutions.

REGULATOR



BANK OF GHANA



ARB APEX BANK
Together for progress

The **ARB-Apex Bank** is a “mini”-central bank for rural and community banks (RCBs). The bank was registered as a public limited liability company in January 2000. Its shareholders are the RCBs. It monitors and ensures compliance of RCBs, maintains primary cash reserves, handles cheque clearing, provides guarantees, etc. to RCBs.

Relevant Legislation:

- Bank of Ghana Act 2002, Act 612
- Bank of Ghana (Amendment) Act, 2016 (Act 918)
- Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)
- Non-Bank Financial Institutions Act, 2008 (Act 774)
- Bank of Ghana Notices /Directives / Circulars / Regulations

Crowdfunding Regulators

Equity and debt crowdfunding models are regulated by both the SEC and Bank of Ghana. The Bank of Ghana provides licensing approval for Donation and Reward Crowdfunding models as these models require the ability to collect, hold and disburse payments. Find more information about the regulatory framework for crowdfunding <https://www.bog.gov.gh/fintech-innovation/innovation-hub/crowdfunding/>

Relevant Legislation:

- SEC Crowdfunding Guidelines
- Bank of Ghana Crowdfunding Policy

Pensions

The pensions industry is regulated and monitored by the **National Pensions Regulatory Authority (NPRA)**. The NPRA oversees the operations of the three-tier pension scheme and ensures effective administration of all pensions in the country. For more information, see the section on the Supply of Capital.

Relevant Legislation:

- National Pensions (Amendment) Act, 2014 (Act 883)
- National Pensions Act, 2008 (Act 766)

REGULATOR



Insurance

The **National Insurance Commission**¹⁶ (NIC) is set up to ensure effective administration, supervision, regulation and control of the insurance industry in Ghana. The Commission is mandated with a broad range of functions, including the licensing of entities, setting industry standards, and facilitating the setting of codes for practitioners. Additionally, NIC is also responsible for approving insurance premiums and commissions, providing a bureau for the resolution of complaints, and arbitrating insurance claims disputes. Other responsibilities include offering recommendations to the sector Minister for policy formulation, supervising practitioners, enforcing compliance, and public education initiatives.

REGULATOR



Accounting & Impact Transparency

The **Institute of Chartered Accountants Ghana (ICAG)** is the body responsible for the certification and regulation of accountancy practice in Ghana. With the release of the International Financial Reporting Standards (IFRS) Sustainability Standards S1 and S2, the ICAG has adopted the standards and is developing a roadmap for the roll out of the standards in Ghana. FRS S1 requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects'). IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. These disclosures are currently voluntary.

REGULATOR



Conduct of Business, Business Registration, and Insolvency

The **Office of the Registrar of Companies (ORC)** is a government agency in Ghana established under the Companies Act, 2019 (Act 992). Its purpose is to facilitate the orderly conduct of business by providing business registration, insolvency, and regulatory services. Through its efforts, the ORC aims to create an attractive business environment in Ghana.

REGULATOR



OFFICE OF
THE REGISTRAR
OF COMPANIES

Relevant Legislation:

- Companies Act, 2019 (Act 992)
- Key Changes/Improvements in the the New Company's Act, 2019
- Corporate Insolvency and Restructuring Act, 2020

¹⁶"About Us," National Insurance Commission, accessed May 6, 2024 <https://nicgh.org/about-us/overview/>

- Corporate Insolvency and Restructuring (Amendment) Act, 2020 (Act 1031)
- Registration of Business Names Act, 1962 (Act 151)
- Incorporated Private Partnerships Act, 1962 (Act 152)
- Professional Bodies Registration Act, 1973 (Act 143)
- Data Protection Act, 2012 (Act 843)
- Cybersecurity Act, 2020
- Copyright Act, 2005 (Act 690)
- Trade Marks Act, 2004 (Act 664)
- The Technology Transfer Regulations, 1992 (L.I. 1547)
- Patents Act, 2003 (Act 657)

Taxation

The **Ghana Revenue Authority** is the Ghana administration charged with the task of assessing, collecting and accounting for tax revenue in Ghana.

Relevant Legislation:

- Growth and Sustainability Levy Act, 2023 (Act 1095)
- Income Tax Act, 2015 (Act 896)
- Income Tax (Amendment) Act, 2021 (Act 1066)
- Income Tax (Amendment) (No.2) Act, 2021 (Act 1071)
- Income Tax (Amendment) Act, 2023 (Act 1094)
- Value Added Tax Act, 2013 (Act 870)
- Penalty and Interest Waiver Act 2021
- Penalty and Interest Waiver (Amendment) Act, 2021 (Act 1073)
- Customs Act, 2015 (Act 891)
- Electronic Transfer Levy Act, 2022 (Act 1075)
- Electronic Transfer Levy (Amendment) Act, 2022 (Act 1089)
- Free Zones Act, 1995 (Act 504)
- Ghana Revenue Authority Act 2009, (Act 791)
- Ghana Revenue Authority (Amendment) Act, 2023 (Act 1096)



Employment & Labour

The Ministry of Employment and Labour Relations (MERL) is set up to coordinate and promote employment opportunities, decent jobs, and harmonious labour relations in all sectors of the national economy. It achieves this through the formulation of policies, regulations, monitoring and evaluation of performance of the sector.

Relevant legislation:

- The Labour Act, 2003 (Act 651)
- The National Labour Commission Regulations, L.I. 1822
- The Labour Regulations L.I. 1833
- The Alternative Dispute Resolution, Act 1998 (Act 798)



MINISTRIES

Government ministries are responsible for initiating and formulating policies, taking into account the needs and aspirations of the people; undertaking development planning in consultation with the National Development Planning Commission; and co-ordinating, monitoring and evaluating the efficiency and effectiveness of the performance of the sector they are responsible for. Ministries have oversight responsibility over departments and agencies who are usually responsible for policy implementation.

Ministry of Finance

The **Ministry of Finance** is one of the central management agencies of the Civil Service of Ghana with legislative mandate to ensure effective and efficient macroeconomic and financial management of Ghana's economy.

Relevant Acts and Policies:

- Exemptions Act, 2022 (Act 1083)
- Exemptions Act, 2022 (Act 1083) Administrative Guidelines
- Public Private Partnership Act, 2020
- Excise Tax Stamp Act (Act 873)
- Digital Financial Services Policy

Ministry of Trade and Industry (MoTI)

The **Ministry of Trade and Industry** serves as the primary advisor to the government on trade, industrial and private sector development. It is responsible for formulating and implementing policies to promote the growth and development of both domestic and international trade and industry. Additionally, the Ministry advocates for the private sector within the government and oversees the monitoring and implementation of the government's private sector development programmes and activities.

Relevant Policies:

- The Ghana Automotive Development Policy
- National Micro, Small & Medium Enterprise (MSME) & Entrepreneurship Policy

GOVERNMENT AGENCIES GROWING THE ECOSYSTEM



VCTF is a Government-backed venture capital fund of funds, which focuses on investing in venture capital funds dedicated to investing in Small and Medium Scale Enterprises (SMEs). The Trust Fund also provides funding to support other activities and programs, which are aimed at promoting venture capital financing in Ghana. It aims to create a vibrant and well-structured venture capital industry with investments in various sectors, leading to job and wealth creation. VCTF was established by the VCTF Act 2004 (Act 680).



The **Ghana Investment Promotion Centre** is Ghana's foremost investment attraction and promotion agency under the Office of the President. Guided by the GIPC Act 2013 (Act 865), the Centre courts and facilitates valuable investments to stimulate economic growth, unlock opportunities and spur job creation.



The **NEIP** supports innovation hubs and startups with a focus on innovative, high-growth potential companies. Its primary objective is to provide an integrated national support for start-ups. NEIP primarily focuses on providing business development services; startup incubators and funding for young businesses to enable them to grow and become successful.



The **GEA** is the apex governmental body dedicated to the promotion and development of Micro, Small and Medium Enterprises (MSMEs) in Ghana. GEA is mandated to coordinate, implement and monitor the activities of the MSMEs Sector in Ghana. The GEA is an agency under the Ministry of Trade and Industry.

SELECTED SECTORS AND KEY LEGISLATION

Food and Drugs

The **FDA** is the National Regulatory Body responsible for the regulation of food, drugs, food supplements, herbal and homeopathic medicines, veterinary medicines, cosmetics, medical devices, household chemical substances, tobacco and tobacco products, blood and blood products as well as the conduct of clinical trials protocols. All regulated products must obtain a certificate from the FDA.

Relevant Legislation:

- Public Health Act, 2012 (Act 851)



Standards

Ghana Standards Authority is a government agency responsible for developing, publishing and promoting standards in the country. They provide certification of products and management systems such as ISO and HACCP. They also issue quality marks including the “Made In Ghana” quality mark. In addition, some imports are classified as “high-risk goods” (HRG) that must be inspected by GSA officials at the port to ensure they meet Ghanaian standards. These activities ensure that products or goods and services produced in Ghana, whether for local consumption or for export are safe, reliable and of good quality.

REGULATOR



Relevant Legislation:

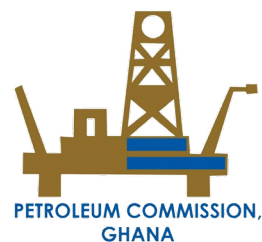
- Ghana Standards Authority Act, 2022 (Act 1078)
- Product Certification Mark Brochure
- Made In Ghana Quality Mark Application

Petroleum

The Ministry of Energy is responsible for providing policy direction for the Ghana Petroleum Industry by formulating policies, and monitoring and evaluation. The **Petroleum Commission (PC)**, Energy Commission, and the National Petroleum Authority (NPA) provide the regulations for the industry.

The Petroleum Commission was established by an act of parliament in 2011 (Act 821) following the discovery of hydrocarbons in commercial quantities. Its mandate is to regulate and manage the utilisation of petroleum resources and to coordinate policies in the upstream petroleum sector. The upstream sector of the Ghana petroleum industry encompasses the activities involved in the exploration, extraction, and initial process of petroleum. There are 17 upstream operators.

REGULATOR (UPSTREAM)



Relevant Legislation & Manual:

- Local Content and Local Participation Regulations L.I. 2204
- Petroleum Commission Act, 2011 (Act 821)
- Petroleum (Exploration and Production) Act, 2016 (Act 919)
- Petroleum Income Tax Law, 1987 (PNDCL 188)
- Petroleum Commission (Fees and Charges) Regulations, 2015 (L.I. 2221)
- Health, Safety, Security and Environment (HSSE) - Manual for Energy Sector Organisations

The **National Petroleum Authority (NPA)** was established by an act of parliament (NPA Act 2005, Act 691) to regulate the downstream petroleum sector in Ghana. As a regulator, the NPA ensures that the industry operates efficiently, remains profitable, and conducts business fairly, while also ensuring that consumers receive value for money. The downstream petroleum sector in Ghana includes all activities related to the importation and refining of crude oil, as well as the sale, marketing, and distribution of refined products in the country.

Relevant Legislation:

- National Petroleum Authority Act, 2005 (Act 691) as Amended by National Petroleum Authority (Amendment) Act, 2016 (Act 913)
- Petroleum Pricing Formula Regulations L.I. 2186

The **Energy Commission** is responsible for the development of regulations and codes for energy resources including electricity and natural gas supply, renewable energy and related industries in Ghana. The commission issues licences to entities that want to engage in commercial activity in the renewable energy industry. It also issues guidelines for the certification of electricians

Relevant Legislation:

- Energy Commission Act, 1997 (Act 541)
- Legislative Instruments on Energy Efficiency, Electricity Regulations, Natural Gas Regulations, and Renewable Energy Regulations

REGULATOR (DOWNSTREAM)



REGULATOR (ENERGY RESOURCES)



SECTION V

AFCFTA



The African Continental Free Trade Area (AfCFTA) is a landmark trade agreement that aims to create a single continental market for goods and services facilitated by the free movement of business persons and investments.

Officially launched in January 2021, AfCFTA is one of the largest free-trade areas in the world by the number of participating countries, bringing together the 55 countries of the African Union and eight (8)¹⁷ Regional Economic Communities.¹⁸ The agreement seeks to boost intra-African trade by reducing tariffs by 90%, harmonising trade policies, and addressing non-tariff barriers.¹⁹

AfCFTA is designed to foster economic integration, enhance competitiveness, and support sustainable development across Africa. It offers investors significant opportunities by providing access to a combined market of over 1.3 billion people with a GDP of approximately \$3.4 trillion.²⁰ Key sectors poised for growth include manufacturing, agriculture, infrastructure, and technology. As AfCFTA progresses, it is expected to drive industrialisation, create jobs, and contribute to poverty reduction across the continent.

This trade agreement is not only a catalyst for economic transformation but also a pivotal step towards realising the African Union's Agenda 2063, which envisions an integrated, prosperous, and peaceful Africa.

AfCFT Protocols include²¹:

- The Protocol on Trade in Goods
- The Protocol on Trade in Services
- The Protocol on Rules & Procedure on the Settlement of Disputes
- The Protocol Investment
- The Protocol on Intellectual Property Rights
- The Protocol Competition Policy.

¹⁷These include Arab Maghreb Union (UMA), Common Market for Eastern and Southern Africa (COMESA), Community of Sahel-Saharan States (CEN-SAD), East African Community (EAC), Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), Intergovernmental Authority on Development (IGAD), Southern African Development Community (SADC),

¹⁸"Theme of the Year 2023: "Accelerating of AfCFTA Implementation," African Union, accessed May 6, 2024, <https://au.int/en/theme/2023/acceleration-of-afcfta-implementation>

¹⁹"The African Continental Free Trade Area," African Union, accessed May 6, 2024, <https://au.int/en/african-continental-free-trade-area>

²⁰"Accelerating of AfCFTA Implementation," African Union

²¹"The African Continental Free Trade Area," African Union

The Operational Instruments²² of the AfCFTA include:

- The Rules of Origin:
- The Tariff Concessions:
- The Continental Online Tool/Mechanism for Monitoring, Reporting and Elimination of Non-Tariff Barriers (NTBs):
- The Pan-African Payments and Settlement System (PAPSS):
- The African Trade Observatory

The **AfCFTA Secretariat**, headquartered in Accra, Ghana, is the administrative body responsible for coordinating the implementation of the African Continental Free Trade Area (AfCFTA). The Secretariat's duties include convening meetings and monitoring and evaluating the implementation process of the AfCFTA.

As of February 2022, eight countries from the five regions of the continent - Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania, and Tunisia - participated in the AfCFTA's Guided Trade Initiative,²³ which facilitates trade among state parties that meet the agreement's minimum requirements. This initiative supports matchmaking businesses and products for export and import, with earmarked products including ceramic tiles, batteries, tea, coffee, processed meat products, corn starch, sugar pasta, glucose syrup, dried fruits, and sisal fibre. In 2023, the AfCFTA Guided Trade continued to focus on Trade in Services in five priority areas: Business Services, Communication Services, Financial Services, Transport Services, and Tourism and Travel-related Services, aiming to enhance implementation and increase inter-regional and intra-African trade for the continent's economic development.

²²"The African Continental Free Trade Area," African Union

²³"Accelerating of AfCFTA Implementation," African Union

SECTION VI

■ CALL TO ACTION

Ensuring access to up-to-date data on the investing ecosystem as laws, institutions, supply and demand change over time is essential for the growth of the ecosystem. The UN In Ghana and Impact Investing Ghana put together this compendium as a pilot output of a larger collaborative research project to ensure up-to-date information about the investing landscape for diverse users. We invite internal development agencies, private sector associations, government institutions, enterprise support organisations and all ecosystem stakeholders to join us to expand the project to deliver the information required to drive focused action. Its goal is to ensure that key actors can access up-to-date information about the investing landscape to inform action to ensure that the private sector grows in ways that lead to social and environmental impact and inclusive growth.

Organisations and individuals who want to contribute to this collaborative research may contact; Yaw Osei- Tutu yaw.osei-tutu@impactinvestinggh.org or Peter Aidoo peter.aidoo@un.org

BIBLIOGRAPHY

African Union. *The African Continental Free Trade Area*. Accessed May 6, 2024. <https://au.int/en/african-continental-free-trade-area>

African Union. *Theme of the Year 2023: "Accelerating of AfCFTA Implementation*. Accessed May 6, 2024. <https://au.int/en/theme/2023/acceleration-of-afcfta-implementation>

Bank of Ghana. *Annual Report and Financial Statements 2022*. Accra: Bank of Ghana, 2024 <https://www.bog.gov.gh/wp-content/uploads/2023/07/Annual-Report-2022.pdf>

Impact Investing Ghana. *Catalytic Capital investments in Ghanaian SMEs: Strategies, Hurdles and Outcomes*. Accra: Impact Investing Ghana, undated. https://impactinvestinggh.org/download/catalytic-capital-investment-in-ghanaian-smes/?wpdm_dl=78044&refresh=6645c3533949a1715848019

Impact Investing Ghana. *Impact Investing in Ghana: Unlocking Private Sector Capital for Profit and Impact (Summary Report)*. Accra: Impact Investing Ghana, 2022. https://impactinvestinggh.org/download/download-report-summary/?wpdm_dl=76918&refresh=6647300af34751715941386

National Insurance Commission. *About Us*. Accessed May 6, 2024. <https://nicgh.org/about-us/overview/>

National Pensions Regulatory Authority (NPRA). *2022 Annual Report*. Accra: NPRA, 2022. https://npa.gov.gh/assets/documents/NPRA_AR_23_web.pdf

National Pensions Regulatory Authority (NPRA). *Annual Report 2015*. Accra: NPRA, 2015. https://npa.gov.gh/assets/documents/NPRA_2015_Annual_Report.pdf

National Pensions Regulatory Authority (NPRA). *List of Licensed Corporate Trustees that Have Fulfilled the Prescribed Requirements of the Authority of the 2023 Authorisation Process. The Licenses Are Valid Until 31st July 2024*. Accessed May 6, 2024. <https://npa.gov.gh/assets/documents/CORPORATE-TRUSTEES-IN-GOOD-STANDING-v33.pdf>

National Pensions Regulatory Authority (NPRA). *List of Registered Fund Managers that Have Fulfilled the Prescribed Requirements of the Authority for the 2023 Authorisation Process. The Licenses Are Valid Until 31st July 2024*. Accessed May 6, 2024. <https://npa.gov.gh/assets/documents/PENSION-FUND-MANAGERS-IN-GOOD-STANDING-v31.pdf>

