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Land: Ghana	Datum der letzten Aktualisierung: 31.10.2020

## Wirtschaftsbericht Ghana 2019 / 2020

### 0. Zusammenfassung

Die Covid-19-Pandemie hat einem mehrjährigen starken Wirtschaftswachstum ein jähes Ende gesetzt und einige der fiskalischen Erfolge rückgängig gemacht, die im Rahmen eines Programms des Internationalen Währungsfonds erzielt wurden. Ghana hat in den guten Jahren seine Wirtschaft wenig diversifiziert und lebt weiterhin stark von wenigen Exportgütern im Rohstoffbereich. Die Regierung hat das Problem erkannt und will mit einem breit angelegten Industrialisierungsprojekt Gegensteuer geben, basierend auf einer Partnerschaft zwischen privaten Investoren und einem unterstützenden Staat. Allerdings verfügt der Staat über äusserst limitierte Mittel, die nötige Infrastruktur mit eigenen Mitteln rasch auszubauen und eine weitere Schuldenzunahme ist problematisch. Fortschritte bezüglich besserer Rahmenbedingungen für die Wirtschaft sind nicht genügend ersichtlich, insbesondere stagniert die Bekämpfung der endemischen Korruption. Die politische Auseinandersetzung im Vorfeld der Präsidentschaftswahl im Dezember 2020 ist hart, aber bis jetzt friedlich. Ghana sieht gute Gründe, Faktoren wie die politische Stabilität, die relativ komfortable Sicherheitslage und Accra als Sitz der neugeschaffenen AfCFTA als Trumpf einzusetzen, damit ausländische Firmen Ghana zunehmend als Eintrittstor in einen grossen afrikanischen Markt wahrnehmen.

### 1. Economic problems and issues<sup>1</sup>

In 2019, Ghana continued to be one of the most politically stable countries in sub-Saharan Africa and among the world's fastest growing economies, with an overall real **GDP growth** of 6.5% on the back of a strong oil and gas production - an improvement on the 2018 rate of 6.3%. In the wake of the Covid-19 pandemic, Ghana's economy contracted for the first time in 37 years by 3.2% in the second quarter of 2020. The economic growth for 2020 was reviewed by the BoG from the pre-Covid projection of 6.8% to between 2.0% and 2.5%, due to lower oil production, weak global aggregate demand, global supply chain disruptions and a steep decline in international travel, trade and retail, and hospitality services. The IMF however projects a growth rate of 0.9%.

**Inflation** continued to be in single digits, dropping in the second half of 2019 from 9.4% in July to 7.9% in December. The first half of 2020 however saw an increase in inflation from 7.8% in March (when the first cases of Covid-19 were recorded in Ghana) to 11.3% in May. The external sector performance remained relatively strong in 2019, supported by improvements in the **trade surplus** from USD 1.81 billion (2.8% of GDP) in 2018 to USD 2.26 billion (3.4% of GDP). Meanwhile, total exports contracted by 9% in the first eight months of 2020 mainly driven by the sharp decline in crude oil export receipts. The **current account balance** withstood large capital outflows and improved on the back of strong commodity exports.

The government successfully completed the IMF lending program in April 2019 to help stabilize the economy. Ghana's economic climate broadly improved and the country was on track to keep its budget deficit below 5% of GDP for a third year, in line with the 2018 fiscal responsibility law which seeks to lock in fiscal discipline by capping the fiscal deficit at 5%. As a result of the double shock of the pandemic and a global economic recession, Ghana's 2020 mid-year budget review announced a projected **fiscal deficit** of 11.4% of GDP whereas 4.7% had been projected prior to Covid-19. Despite the recent spout of fiscal discipline, the government's fiscal space is tightly constrained. Most expenditures go towards servicing the debt and financing

<sup>1</sup> Growth figures are based on the IMF World Economic Outlook 2020 and the 2020 Mid-Year Budget Statement of Ghana. Inflation, fiscal and debt figures are based on the conclusion of the Article IV mission (all accessed on August 5, 2020).

the public sector wage bill, while domestic revenue mobilization is chronically weak. This limits the government's ability to react to possible crises and pursue growth and poverty-reduction-oriented expenditure policies. As of September 2020, the BoG estimated the country's debt to GDP ratio at 68% (32% secured locally and 36% from outside Ghana) attributable to various factors including funds advanced for the clean-up of the banking sector and energy sector bailouts. Structurally, expenditures were higher than revenues and therefore Ghana continues to be at a **high risk of debt distress**. According to the BoG, the **Ghana cedi** ended 2019 with a **depreciation rate** of about 12.9% to the USD, compared to about 8.8% in 2018 and 4.45% in 2017. It is however expected to end 2020 with less than 5% depreciation to the USD.

The **banking sector** clean-up exercise which began in 2017 continued and has resulted in the revocation of the licenses of 9 banks, 347 microfinance companies, 39 microcredit companies and 15 savings and loans companies. While this took a heavy fiscal toll, the clean-up which has costed over USD 3.5 billion (5.6% of GDP) has created a smaller but more sustainable finance industry and is expected to unclog lending to the private sector. Efforts to diversify the economy were strengthened with the completion of the first phase of the USD1.5bn Tema Port Expansion Project – the country's largest maritime hub, which is expected to provide the needed connectivity to harness the benefits of the African Continental Free Trade Area (**AfCFTA**) being rolled out. The deployment of a heavily debated new Integrated Customs Management System (ICUMS) called UNIPASS however caused severe disruptions to cargo clearance at Ghana's ports and frontiers through the second quarter of 2020. The government concretized the "**Ghana beyond Aid**" vision and published a strategy that sets out ambitious medium term targets to spur Ghana's economic transformation and position it as one of the most attractive destinations for investments on the African continent. While some regard the agenda instrumental for post Covid progress, others have called it a mere rhetoric lacking the needed clarity for implementation.

Critical weaknesses however remain unaddressed. Growth continues to be driven by the performance of Ghana's **extractive sectors** – oil, gas and gold – whereas the contribution of the non-oil private sector remains constrained owing to the high **regulatory burden, corruption (Ghana ranked 80 out of 180 countries on the 2019 CPI) and still scarce lending**. While the extractive industries attract lots of foreign capital, they contribute little in terms of job creation and make Ghana vulnerable to the frequent swings of global commodity markets.

In 2019, new **fiscal risks materialized in the energy sector**. Following large investments in Ghana's generation capacity in recent years, power and gas supply now far outstrips demand. In a bid to stem the large fiscal costs (estimated at around USD 500 million per year for excess capacity charges), the government announced plans to renegotiate all power purchase agreements (PPAs) with independent power producers and put new ones on hold. Energy sector reforms were further derailed by the termination of the concession agreement between Ghana's largest power distribution utility Electricity Company of Ghana (ECG) and the private operator Power Distribution Services (PDS). These challenges add to the high legacy debts that have only been partially cleared, tariffs far below the production costs and large commercial and technical losses. **Debt owed to the power companies grew to USD 1.4 billion (2% of GDP) as of June 2020**. In general, reforms progressed slower than anticipated.

While the government continued to implement a number of **flagship programs on industrial and agricultural transformation** and rolled out new ones, long term financing of those initiatives is uncertain. The **One District One Factory (1D1F) initiative** as a pillar of the government's ten-point industrialization agenda has seen modest progress over the past year. With 76 1D1F projects reported as completed and operational, and 232 ongoing across the 260 districts of Ghana, it seeks to decentralize industrial development. Reforms of the business environment and the investment climate lag behind expectations (e.g. establishment of a one-stop shop). According the latest World Bank **Doing Business report**, Ghana dropped four places from 114 to **118** out of 190 economies. While the government's declarations are far from modest, implementation is often held back by vested interests and the slow and sprawling bureaucracy.

With the **December 2020 presidential and parliamentary elections** around the corner, the political climate is highly polarized as the incumbent president Nana Addo Dankwa Akufo-Addo will face his predecessor for the third consecutive time as flagbearers of the two dominant political parties; the New Patriotic Party and the National Democratic Party (NDC). Key subjects that are likely to affect the outcome of the polls are corruption, infrastructure development and the economy. Though it appears that the economic climate puts the current government in a more comfortable position than four years ago – when Ghana was in the middle of an economic crisis – this may not be enough to win over the electorate, as dissatisfaction with personal living conditions and a widening income gap persist. Amidst uncertainties with the pandemic, it is expected that the election process will absorb substantial government resources as with previous elections.

It is feared that the ravages of Covid-19 might worsen Ghana's **poverty rate** which increased from 12.0% in 2012 to 13.3% in 2016. As part of the **government's measures to mitigate the economic impact of the pandemic**, A Coronavirus Alleviation Programme Business Support Scheme (CAPBuSS) has been launched as a credit scheme to support micro, small and medium enterprises (MSMEs) with a seed fund of GHS 600 million (USD 103 million) provided by the government beside additional funds from participating banks. A three-and-a-half-year Coronavirus Alleviation & Revitalization of Enterprises Support (CARES) programme has also been announced to start from 2021 with GHS 100 billion (USD 17.2 billion) funding of which 70% will be pulled from private sector sources. The government cut the communication services tax from 9% to 5% to reduce the cost of data for people working from home. A relief for electricity payment was granted until September 2020 and for water until the end of the year. The government is gradually easing the restrictions that it put in place to control the spread of the virus in order to reactivate the economy while keeping an eye on safety. The airport was reopened to international passengers after over five months of closure, while land and sea borders remain closed to passengers at least until the election date in December.

### **Consequences for Swiss economic interest**

Though the ambitious plans for economic transformation offer opportunities for Swiss companies in various sectors (e.g. green technologies, pharmaceuticals), the post Covid restoration of macroeconomic stability appears hazy, and introduces several risks for the private sector. The government's intention to strengthen local processing at the expense of exporting raw materials could discriminate against processing abroad but could also create new win-win situations. The gap between reform plans and actual implementation remains large and often frustrates business prospects. **The bias of the present administration toward a private sector led economic development presents a fair amount of chances for Swiss businesses.** Part of the heated antagonism anticipated over the election season may be attributed to **the "winner-takes-it-all politics"** which vests enormous powers in the President to appoint heads of state institutions including the Electoral Commissioner and Metropolitan, Municipal and District Chief Executives (MMDCEs). This system, in spite of Ghana's democratic credentials, **generates a level of unease and indecision for individuals and businesses** and makes political opposition feel excluded in national governance. Moreover, the referendum which would have paved the way for the direct election of MMDCEs was postponed early December 2019 to allow for further consultations.

## **2. International and regional economic issues**

### **2.1 Ghana's policies and priorities**

#### **The African Continental Free Trade Area (AfCFTA)**

In March 2018, Ghana became a founding signatory to the agreement on establishing the African Continental Free Trade Area (AfCFTA) which will create (as regards population) the world's largest single market covering 1.2 billion people with a combined GDP of over USD 3 trillion. This is perceived as **a unique opportunity to transform Africa's economic landscape, to reduce poverty and to improve intra-African trade.** While the pandemic is thought to have amplified the need for an intra-African trade, the start of agreement was **postponed from July 2020 to January 2021.** However, the Secretariat of the AfCFTA in Accra was commissioned and handed over by the President of Ghana to the AU Commission on 17.08.2020. Ghana, in trying to put the advantage of hosting the Secretariat, has pursued policies on integrating into global and regional markets. E.g. The government has introduced an Automobile Manufacturing Development Policy as part of its Industrial Transformation Agenda towards import substitution, to position Ghana as the new automobile manufacturing hub in Africa. Upon a request from the government of Ghana, SECO through the Swiss-Ghana Intellectual Property (SGIP II) Project, funded a comparative analysis of the intellectual property systems of selected African countries, which will help Ghana position itself to harness the benefits of the agreement.

#### **ECOWAS Single Currency**

After more than three decades of discussions on a single currency for the Economic Community of West African States (ECOWAS<sup>2</sup>), major decisions were taken to launch the single currency in 2020. The currency, which will be called ECO, will follow a flexible exchange rate regime and the Central Bank will be called the Central Bank of West Africa. The implementation will follow a gradual approach allowing countries that meet the convergence criteria to start using the currency as others catch up on their performance compliance. The

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<sup>2</sup> The 15 members of the Economic Community of West African States (ECOWAS) are Benin, Burkina Faso, Cape Verde, Ivory Coast, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

impact of the pandemic has worsened concerns raised over the economic alignment of member states to the monetary and fiscal policies required for the single currency to work. There are indications that the launch of **the new currency could be delayed for about 5 years.**

## Relations with neighboring countries

### Nigeria Border Closure

At the end of August 2019, Nigeria closed its borders to Benin in a bid to stem the illegal trade of agricultural and petroleum products. This also affected the bilateral trade between Ghana and Nigeria and fueled the anger of Ghanaian traders. In October 2019, the foreign ministers of both countries agreed to establish a temporary corridor to allow for the passage of goods between Nigeria and Ghana. While the ripple effect of the situation has sparked some debate, **a sustained border closure could aggravate trade tensions within the region.**

### Cocoa Cartel

Since 2018, Ghana and Cote d'Ivoire intensified their cooperation in the cocoa sector. The two cocoa producing countries – which together stand for around 60% of world output – aim to strengthen their control over world market prices and capture a greater share of the value chains for themselves. Following earlier talks during the Summer 2019 on a mandatory minimum floor price and a suspension of all future sales, **Ghana and Cote d'Ivoire introduced a “living income differential”** of USD 400 per ton of cocoa which established a minimum living income for smallholder cocoa farmers. Meanwhile, the government of Ghana announced the new cocoa producer price to take effect from October 1 2020.

### Maritime Border Dispute

Following the resolution of the long simmering maritime border dispute between Ghana and Cote d'Ivoire in September 2017, another similar dispute on the delineation of the **maritime border between Ghana and Togo resurfaced in 2019.** Ghana indicated its willingness to appeal to the International Tribunal for the Law of the Sea should no amicable solution be found.

## 2.2 Outlook for Switzerland

**Ghana's foreign economic policy poses a limited risk for discrimination against Swiss economic interests.** The implementation of the AfCFTA could have major consequences on Switzerland's trade with Africa. As AfCFTA is a free trade area and not a customs union, it does not have a common external tariff for its members. It could however enter into negotiations with EFTA, another free trade area.

The introduction of an Automobile Manufacturing Development Policy by the government of Ghana could position Ghana as the new automobile manufacturing hub in Africa. This has drawn Volkswagen and various Japanese and French car brands, and offers a long-term opportunity for the Swiss auto supplier industry. The more interventionist stance of Ghana and Cote d'Ivoire in the cocoa sector could lead to market distortions and have repercussions for the Swiss chocolate industry, as Switzerland sources more than 50% of its beans from Ghana. Local content policies – a popular policy instrument for a number of years, albeit assessed to be broadly in line with Ghana's WTO commitments – remain a potential source of possible discrimination against foreign economic interests.

## 3. Foreign trade<sup>3</sup>

### 3.1 Development and general outlook

Ghana's external sector continued to improve until the pandemic hit. The country had achieved a relatively broad macroeconomic stabilization, high growth, and inflation close to the midpoint of the Bank of Ghana (BoG) target band. Despite risks, **the outlook remained positive as reflected in strong investor interest in the February 2020 Eurobond issuance of USD 3 billion.** The current account deficit narrowed from 3.1% of GDP in 2018 to 2.7% in 2019 and is projected to widen to 4.5% in 2020 due to the fall in oil prices, and lower tourism revenues and remittances.

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<sup>3</sup> All figures from IMF Staff Report on the Seventh and Eighth Review under the Extended Credit Facility Arrangement (accessed on August 5, 2020), and the IMF Request for disbursement under the rapid Credit facility—press release; staff report; and statement by the Executive Director for Ghana (accessed on August 5, 2020), unless otherwise noted.

**Ghana's key commodities showed a mixed performance.** Whereas cocoa and gold exports fell in 2018 by 23% (from USD 2.7 billion to USD 2.1 billion) and 6% (from USD 5.8 billion to USD 5.5 billion) respectively, compared to 2017, oil and gas exports more than compensated for that drop and increased by 47% (from USD 3.1 billion to USD 4.6 billion). Cocoa output, which registered one of its best harvests in 2017, fell as a result of disease and bad rainfall. Gold output remained the single largest export and is expected to increase as the ban on small scale and artisanal mining – which in the past was estimated to account for around 20 to 30% of Ghana's gold production – was lifted at the end of 2018. Oil and gas output was ramped up as the maintenance work of the Jubilee Field was completed and the TEN and Sankofa Fields became fully operational. Ghana's three key commodities – oil and gas, gold and cocoa – continue to account for around four fifth of Ghana's total exports. According to the Ghana Export Promotion Authority, non-traditional exports recorded a small increase to USD 2.9 billion in 2019 as compared to USD 2.81 billion in 2018. However, the economic environment has deteriorated rapidly in 2020 as a result of the pandemic. Commodity prices for Ghana's three main exports have been volatile. Oil prices have more than halved since early January 2020. Cocoa prices rose earlier in the year due to concerns about global supply but have since dropped about 10 percent year-to-date. Prices of gold have increased strongly due to the flight to safety; from USD 1'520 in January to USD 2'034 in August.

### 3.2 Bilateral trade<sup>4</sup>

**In 2019, both imports and exports picked up substantially.** Imports from Ghana rose by 47.1% amounting to CHF 2.46 billion, compared to CHF 1.67 billion (6.9% drop) in 2018 and CHF 1.80 billion 2017 (23.5% rise). The fluctuations are explained by the dynamics in of gold imports per year. **Gold represented 97% of the total imports in 2019** while cocoa was 3%. Swiss exports to Ghana in 2019 rose by 33.4%, reaching CHF 37.4 million compared to CHF 28 million (18.4% drop) in 2018. The exports were mainly composed of pharmaceuticals (40%) and machinery (40%). **Switzerland's total volume of trade with Ghana in 2019 amounted to CHF 2.5 billion**, with the bilateral trade deficit widening from CHF 1.65 billion in 2018 to CHF 2.42. billion in 2019 due to the significant increase in gold imports.

Measured in total trade volume (imports and exports combined), **Ghana remained among Switzerland's most important trading partner in Sub-Saharan Africa**, again ranking second in 2019, just behind South Africa.

Notwithstanding these impressive statistics, the trade volume excluding the two main commodities gold and cocoa remains negligible. The potential for more diversified trade and higher Swiss exports depends largely on further reforms to modernize the Ghanaian economy and facilitate trade and greater local demand.

Switzerland and Ghana continued to enjoy excellent and broad political relations which culminated in the historic state visit of the Ghanaian President Nana Addo Dankwa Akufo-Addo, at the invitation of Swiss President Simonetta Sommaruga in February 2020.

## 4. Foreign investments<sup>5</sup>

### 4.1 Development and general outlook

**Net foreign investment inflows** increased in 2019. Total inflows – composed of foreign direct investments (FDI) and portfolio investments – fell from USD 5.8 billion in 2017 to USD 3.8 billion in 2018 but picked up again to USD 5.5 billion in 2019. The drop in 2018 was largely the result of a substantial outflow of portfolio investments – typically a more volatile source of foreign capital – reflecting the greater risk aversion of investors in the second half of 2018. **FDI** held up well, driven by the capital needs of the oil and gas sector that absorbs most foreign investments. Against the backdrop of a more difficult external financing environment, Ghana's financing position came under stress. Despite this, the Bank of Ghana could increase gross international reserves from 2.6 months of import cover (USD 5.3 billion) in 2018 to USD 3.4 months (USD 6.6 billion) in 2019. This is however estimated to drop to 2.7 months in 2020.

The government continued to tap debt markets but financing conditions were more difficult. **Ghana continued to borrow heavily in the domestic and Eurobond markets** mainly for deficit financing and debt re-profiling purposes. However, financing conditions for emerging markets worsened in 2018 owing to an increase in the oil price, interest rate hikes in the US and raising global trade tensions. Sell-offs affected in particular holdings

<sup>4</sup> All figures from the Swiss Foreign Trade Statistics (accessed on October 8, 2020).

<sup>5</sup> All figures from IMF Staff Report on the Seventh and Eighth Review under the Extended Credit Facility Arrangement (accessed on August 5, 2020), and the IMF Request for disbursement under the rapid Credit facility—press release; staff report; and statement by the Executive Director for Ghana (accessed on August 5, 2020), unless otherwise noted.

of non-resident investors in the domestic market. Despite the more challenging financing conditions, the government was broadly on track in implementing its debt management policy, which consists of lengthening debt maturities. The government issued new Eurobonds in March 2019 for a total of USD 3 billion in three tranches (7-year priced at 7.88%, 12-year priced at 8.13% and 31-year priced at 8.95%), but seems to have shelved earlier plans for a massive USD 50 billion century bond.

### Year of Return

The initiative of the 2019 “Year of Return” was introduced by the government to encourage Africans in the diaspora to return, settle and invest in Ghana. By September 2019, a 45% increase in visitors were recorded compared to the same period in 2018. Subsequently, a follow-up project dubbed “**Beyond the Return**” was kick started in January 2020, **to engage persons of African descent in trade and investment cooperation, and skills and knowledge development.**

### 4.2 Bilateral investment<sup>6</sup>

**Swiss investment flows to the African continent reversed.** Compared to Switzerland’s total investment flows, investments to Africa remained marginal. Against the backdrop of the marginal flows, Switzerland’s capital stock in Africa remained equally small and continued to represent just 0.9% or CHF 11.3 billion of Switzerland’s total capital stock abroad in 2017. According to the IMF, Switzerland’s capital stock in Ghana stood at USD 534 million in 2016 compared to USD 259 million in 2015.<sup>7</sup> As of mid-2019 a total of 56 large and small Swiss companies or companies with Swiss participation were operating in Ghana. Even more so than with trade, the potential for increased investments depends on the further modernization and diversification of the economy and a conducive business environment and investment climate.

## 5. Trade, economic and tourism promotion

### 5.1 Foreign economic promotion instruments

In terms of business hubs, Ghana is covered by the Lagos office of Switzerland Global Enterprise (S-GE)<sup>8</sup> with which the Embassy is in regular contact. Activities of S-GE in Ghana are however marginal, due to the still limited interest of Swiss companies to export to and invest in Ghana. **The Economic Section of the Swiss Embassy performs a number of trade promotion functions.** The Embassy reinitiated the **Swiss Business Lunch** held at the Swiss residence as a networking platform for Swiss companies. In December 2019, the Embassy launched an internal survey to better understand the composition and expectations of the Swiss business community.

Furthermore, the Embassy participated in several launch events of Swiss companies and also regularly meets with representatives of Swiss companies established in Ghana or visits their facilities on business trips. The private Swiss-Ghanaian Chamber of Commerce in Accra has been dormant for some time.

The Embassy has a good cooperation with the Swiss African Business Circle (SABC)<sup>9</sup>. At the request of the SABC, **Ambassador Philip Stalder on 12 October 2020 gave a business briefing webinar** about Ghana with about 25 Swiss companies participating.

**Economic development cooperation** remained an important pillar of Switzerland’s cooperation with Ghana. Ghana is one of 13 priority countries – the only priority country in Sub-Saharan Africa besides South Africa – for Switzerland’s economic development cooperation of SECO. **Over the last four years (2017-2020), Switzerland has invested CHF 70 million on development cooperation measures in Ghana.** Cooperation with the private sector and mobilizing private sector financing for Ghana’s economic development is a cornerstone of SECO’s country program with Ghana. In 2019, several new programs were approved or launched in the areas of decentralization reforms, domestic revenue mobilization and strengthening the national trade standards infrastructure.

Four public-private partnerships with the Swiss private sector were launched under the Swiss Platform for Sustainable Cocoa with a co-financing facility to promote sustainability along the cocoa value chain. 2019 also

<sup>6</sup> All figures from the publicly available statistics from the Swiss National Bank (SNB) on Swiss direct investments abroad (accessed on November 5, 2019). Figures for 2018 are not available. Disaggregated figures for Ghana are not available. Africa includes North Africa (Egypt, Morocco, Tunisia).

<sup>7</sup> IMF Coordinated Direct Investment Survey. Figures for 2017 and 2018 are not available. Figure represents only the stock where Switzerland is listed as the immediate investing economy. Figures for the stock where Switzerland is the ultimate investor economy are not available.

<sup>8</sup> <https://www.s-ge.com/en>

<sup>9</sup> <https://www.sabc.ch>

witnessed the first official mission of the Swiss Platform and the launch of a formal consultative process with Ghana's Cocobod.

## **5.2 Ghana's interests in Switzerland**

Ghana is interested to strengthen trade and investment relations with Switzerland as long-standing partners, even while Ghana explores opportunities to diversify the economy. Switzerland and "Swiss made" products continue to enjoy an excellent reputation in Ghana. A large number of Ghanaians tag Switzerland with innovation and high standards of quality.

Besides that, the government would also welcome more investments of Swiss companies in Ghana (e.g. in green technologies, pharmaceuticals, automotive parts). **The need for companies to add value locally instead of importing raw materials (such as gold and cocoa) is reiterated** on many occasions.

**At the same time, economic development cooperation is in high demand.** Ghanaian counterparts appreciate the focus of Switzerland on the economic development cooperation with emphasis on improving the framework conditions for doing business and strengthening the institutional foundations for sound economic management.

## Annex 1

### Economic structure

<b>Distribution of GDP</b> (% of total GDP)	<b>2013</b>	<b>2018</b>	<b>2019</b>
Agriculture	21.7	19.7	18.5
Industry (mining, oil and gas, manufacturing, construction)	36.9	34.0	34.2
Services	41.4	46.3	47.2
<i>of which public services (public administration, education, health)</i>	9.9	8.6	8.7
<b>Distribution of employment</b> (% of total labor force)	<b>2005</b>	<b>2013</b>	<b>2017</b>
Primary (agriculture, mining, oil)	57.9	46.3	N/A
Secondary (manufacturing, construction)	12.9	12.8	10.8
Services	29.1	40.9	21.9
<i>of which public services (public administration, education, health)</i>	5.1	5.4	4.6

**Source:** GDP figures from Ghana Statistical Service, <http://www.statsghana.gov.gh>, employment figures from Ghana Statistical Service, Ghana Living Standards Survey (GLSS) Round 5 conducted in 2005, Round 6 conducted Oct 2012 - Oct 2013 and Round 7 conducted Oct 2016 - Oct 2017 (all accessed on October 8 2020). No newer datasets available for the distribution of employment. Data on percentage of total labour in primary sector inconsistent.

## Annex 2

### Main economic indicators

	2017 (provisional)	2018 (provisional)	2019 (estimated)	2020 (projected)
<b>GDP</b> (USD mil)	58,978	65,191	68,258	72,264
<b>GDP per capita</b> (USD)	2,038	2,217	2,229	2,085
<b>Growth rate</b> (% of GDP)	8.1	6.3	6.1	1.5
<b>Inflation rate</b> (CPI end of period, %)	11.8	9.4	7.9	9.9
<b>Unemployment rate</b> (% of total labor force)**	6.6	6.7	6.8	7.2
<b>Fiscal balance</b> (cash basis, % of GDP, excluding financial sector costs)	-4.7	-3.7	-4.7	-6.4
<i>of which primary fiscal balance</i> (% of GDP)	0.5	1.9	0.9	-1.0
<b>Current account balance</b> (% of GDP)	-3.4	-3.1	-2.7	-4.5
<b>Total debt</b> (% of GDP)	57.3	59.0	63.2	68.7
<i>of which external public debt</i> (% of GDP)	29.5	28.9	32.4	38.6
<b>Debt service ratio</b> (external debt, % of exports)	21.2	19.9	19.9	17.5
<b>Reserves</b> (gross, months of import)	2.8	2.6	3.4	2.7

**Source:** IMF Staff Report on the Seventh and Eighth Review under the Extended Credit Facility Arrangement; Request for disbursement under the Rapid Credit Facility—Press Release; Staff Report; and statement by the Executive Director for Ghana; IMF World Economic Outlook; World Bank, World Development Indicators, modeled ILO estimate; IMF Conclusion of Article IV mission, oral statements (all accessed on August 5, 2020).

## Annex 3

### Main economic partners of Ghana in 2019 (Ghana perspective)

Rank	Country	Exports (USD million)	Share (% of total)	Rank	Country	Imports (USD million)	Share (% of total)
1	China	2'808.60	16.7	1	China	1'895.91	18.2%
2	Switzerland	2'465.92	14.7	2	USA	976.22	9.4%
3	India	2'380.13	14.2	3	UK	685.55	6.6%
4	South Africa	1'971.00	11.8	4	India	582.20	5.6%
5	Netherlands	966.31	5.8	5	Belgium	532.89	5.1%
6	UAE	899.16	5.4	6	Turkey	466.79	4.5%
7	USA	704.28	4.2	7	South Africa	357.61	3.4%
8	UK	415.12	2.5	8	Vietnam	316.54	3.0%
9	France	377.03	2.2	9	UAE	275.84	2.6%
10	Italy	308.76	1.8	10	Canada	266.48	2.6%
				33	Switzerland	68.14	0.7%
	World	16'768.28			World	10'439.8	

**Source:** UN Comtrade International Trade Statistics Database (accessed on October 5, 2019). All figures as reported by Ghana. These are not necessarily consistent with mirror data from trade partners. Discrepancies are largely the result of differences in coverage, timing, valuation and classification of trade transactions as reported by the respective countries. No newer datasets available for the main economic partners of Ghana.

# Annex 4

## Bilateral trade

### PROVISORISCHE ERGEBNISSE

Eidgenössische Zollverwaltung EZV, Aussenhandelsstatistik, 3003 Bern

TN103: Schweizerischer Aussenhandel nach Ländern und Kapiteln

17.01.2019

Periode: Januar bis Dezember 2018

Land: 243 Ghana

\* = Veränderungsrate / Anteile nicht berechenbar

\*\* = Veränderungsrate > 999,9 %

Total 2: Ergebnisse inklusive Gold in Barren und anderen Edelmetallen, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten.

Total 2		Import in Mio. CHF				Export in Mio. CHF				Saldo in Mio. CHF	
		2017	2018	+/- %	Anteil	2017	2018	+/- %	Anteil	2017	2018
Total		1'796.48	1'673.86	-6.8	100.0	34.31	28.03	-18.3	100.0	1'762.16	1'645.83
01 - 24	Landwirtschaftliche Produkte	85.57	79.42	-7.2	4.7	1.04	0.72	-30.8	2.6	-84.53	-78.70
28 - 29	Chemische Grundprodukte	0.00	0.00	-54.5	0.0	0.13	0.12	-9.7	0.4	0.13	0.12
30	Pharmazeutische Erzeugnisse	0.00	0.00	-66.7	0.0	13.96	12.68	-9.1	45.3	13.96	12.68
31 - 32	Düngemittel, Farbstoffe, Pigmente			*	*	0.14	0.12	-10.5	0.4	0.14	0.12
33 - 34	Schönheitsmittel, Waschmittel	0.00	0.01	252.6	0.0	1.97	2.39	21.4	8.5	1.96	2.38
35 - 38	Stärke, versch. chemische Erzeugnisse		0.00	*	0.0	0.25	0.08	-69.5	0.3	0.25	0.07
39 - 40	Kunststoffe, Kautschuk	0.00	0.00	20.2	0.0	0.41	0.40	-1.7	1.4	0.40	0.40
41 - 43	Felle, Leder, Lederwaren	0.00	0.00	165.5	0.0	0.01	0.00	-39.5	0.0	0.01	0.00
44 - 46	Holz, Kork, Flechtwaren	0.17	0.25	51.2	0.0	0.16	0.02	-85.4	0.1	-0.01	-0.23
47 - 49	Papier und Papierwaren	0.00	0.00	170.8	0.0	0.10	0.15	54.8	0.5	0.10	0.15
50 - 63	Textilien und Bekleidung	0.02	0.02	14.3	0.0	0.08	0.07	-12.6	0.2	0.06	0.05
64 - 67	Schuhe, Schirme usw.	0.00	0.02	**	0.0	0.00	0.00	31.1	0.0	0.00	-0.02
68 - 70	Waren aus Steinen, Keramik, Glas	0.00	0.00	-99.0	0.0	0.15	0.13	-9.3	0.5	0.15	0.13
71	Edelsteine, Edelmetalle, Bijouterie	1'710.41	1'593.91	-6.8	95.2	0.00	0.00	-70.9	0.0	1'710.41	1'593.91
72 - 83	Unedle Metalle und Waren daraus	0.00	0.00	45.3	0.0	1.06	1.46	37.7	5.2	1.06	1.46
84	Maschinen ( nicht elektrisch)	0.01	0.12	**	0.0	7.72	5.35	-30.6	19.1	7.72	5.23
85	Maschinen (elektrisch)	0.13	0.01	-94.0	0.0	4.13	1.85	-55.3	6.6	4.00	1.84
86 - 89	Fahrzeuge, Flugzeuge usw.	0.00	0.06	**	0.0	1.58	1.04	-34.4	3.7	1.58	0.98
90	Opt. / medizin. Instrumente	0.06	0.00	-96.7	0.0	1.05	1.23	17.4	4.4	0.99	1.23
91	Uhrmacherwaren		0.00	*	0.0	0.03	0.01	-67.8	0.0	0.03	0.01
92	Musikinstrumente	0.00	0.00	353.5	0.0	0.02	0.00	-99.5	0.0	0.02	0.00
93	Waffen und Munitionen			*	*	0.00	0.00	-27.2	0.0	0.00	0.00
94	Möbel, Bettzeug usw.	0.01	0.01	40.7	0.0	0.28	0.15	-47.4	0.5	0.27	0.14
95 - 96	Spielzeuge, Sportgeräte usw.	0.00	0.00	-67.8	0.0	0.07	0.05	-18.8	0.2	0.07	0.05
97	Kunstgegenstände, Antiquitäten	0.09	0.00	-99.9	0.0			*	*	-0.09	0.00

Quelle: Schweizerische Aussenhandelsstatistik, Eidgenössische Zollverwaltung (aufgerufen am 5. November 2019).

## Annex 5

### Main investors in Ghana

Rank	Country	Inward direct investments (USD million, stock, 2016)	Share (% of total)	Annual change (% , stock)	Direct investment flows (USD million, 2018)
1	Ireland	4'699	36	25.3	
2	France	1'902	14.6	3.4	
3	Cayman Islands	1'616	12.4	*	
4	BVI	1'460	11.2	*	
5	Belgium	1'339	10.3	*	
6	Canada	701	5.4	6.2	
7	South Africa	632	4.8	24.9	
8	Switzerland	534	4.1	106.2	
9	China	436	3.3	*	
10	Nigeria	370	2.8	11.4	
	EU	n/a	n/a	n/a	
	SSA	n/a	n/a	n/a	
	Total	13'052	100	61.4	

Source: IMF Coordinated Direct Investment Survey (accessed on November 5, 2019). No newer datasets available for the main investors in Ghana.