

**HIGH COMMISSION OF INDIA
(Economic and Commercial Wing)**

Accra

ECONOMIC & COMMERCIAL REPORT FOR GHANA FOR AUGUST 2022

MACROECONOMIC

- **Monetary Policy Rate:** The Bank of Ghana Monetary Policy Committee in an emergency meeting on 17 August 2022 raised the policy rate by 300 basis points to 22% in a historic move to ease growing inflationary pressure and contain the depreciation of the cedi. It also increased the primary reserve requirement of banks from 12% to 15% to help mop up liquidity and douse the price pressures which will be implemented in phases starting with 13% from 1 September, 14% from 1 October and 15% from 1 November 2022. The 7-member Committee announced plans by the central bank to purchase all foreign exchange arising from the voluntary repatriation of export proceeds from mining and oil & gas companies to help shore up forex liquidity. As per the Bank's data, gold exports fetch an average of US\$ 3.5 billion annually, of which the companies voluntarily repatriate about 75% whereas data from the Ghana Chamber of Mines shows mineral exports bring in an average of US\$ 5 billion per annum, of which gold is the lead earner.
- **Consumer Price inflation:** Ghana's consumer price inflation rose to 31.7% annually in July 2022 from 29.8% in June 2022, the highest since December 2003, exceeding the Bank of Ghana's target range of 6-10% for 11 consecutive months. Food inflation increased to 32.3% in July from 30.7% in June 2022 while non-food inflation also rose to 31.3% in July from 29.1% the previous month. The inflation for locally produced items was 30.9% whereas inflation for imported items was 33.9%. The inflation rate in July 2022 was driven by transport (44.6%); housing, water, electricity, gas and other fuels (43.0%); furnishings, household equipment and rout maintenance (42.0%); recreation, sport and culture (33.8%); personal care, social protection and misc. goods and services (33.7%) and food and non-alcoholic beverages (32.3%). All the six divisions recorded inflation rates higher than the national average.
- **Producer Price Inflation:** The Producer Price Inflation (PPI) rate for July 2022 was 41.2% which means that between July 2021 and July 2022 (year-on-year), the PPI increased by 41.2%, compared to 38.7% in June 2022. The month-on-month increase in the PPI between June 2022 and July 2022 was 1.9%. The manufacturing sub-sector recorded the highest year-on-year PPI rate of 57.4%, followed by the mining and quarrying sub-sector with 23.9%. The utility sub-sector recorded the lowest year-on-year producer inflation rate of 1.3%. The manufacturing sub-sector recorded the highest monthly inflation rate of 3.1%, followed by the utility sub-sector with 0.1% while the mining and quarrying sub-sector recorded the least inflation of -1.3% in July 2022.
- **S&P's credit rating of Ghana:** On 5 August, Standard and Poor's (S&P) Global Ratings downgraded Ghana's foreign and local currency credit ratings from 'B-/B' to 'CCC+/C' with a negative outlook. According to S&P, the downgrade was due to intensifying financing and

external pressures on the economy and based on the lingering effects of the COVID-19 pandemic, the severe global shock of the Russian invasion of Ukraine on Ghana and the consequent fiscal and external imbalances; the elevated gross financing needs in the face of International Capital Market hiatus; the limited commercial financing options; and steps taken by the government to fast-track fiscal consolidation and the passage of key revenue bills.

- **Fitch further downgrades Ghana:** Fitch Ratings has further downgraded Ghana’s long-term foreign-currency (LTFC) issuer default rating (IDR) from ‘B-’ to ‘CCC’ or eight levels below investment grade, on the back of increasing possibility of debt restructuring, uncertainty surrounding the pending IMF programme, tight external debt servicing schedule as well as the uncertain pace of fiscal consolidation and high cost of domestic debt. “The downgrade reflects the deterioration of Ghana’s public finances which has contributed to a prolonged lack of access to Eurobond markets, in turn leading to a significant decline in external liquidity,” indicated Fitch.
- **Ghana’s cedi, inflation projection:** The cedi has since the beginning of the year dropped by at least 35% in 2022, according to Bloomberg, making it the world’s worst-performing currency after Sri Lanka’s rupee among 150 economies tracked. In its latest ‘Ghana’s Private Infrastructure Investment Set for Medium-Term Recovery’ report, Fitch predicted a 43% and 30% depreciation of the cedi to the US dollar in 2022 and 2023 respectively. Fitch also expects Ghana’s inflation rate to remain high in the near term in the face of spiking global food and fuel prices, coupled with the continuing investor concern over the country’s large fiscal deficits which is putting downward pressure on the cedi. “Accordingly, we forecast consumer price inflation to average 25% and 15% in 2022 and 2023 respectively,” Fitch stated. The electronic cedi (eCedi) currently being piloted by the Bank of Ghana will boost business operations and economic activities in the country, according to speakers at an MTN Mobile-Money Stakeholder Forum on 10 August 2022, the introduction of the eCedi would bring opportunities to financial service providers to deliver better products and services, enhance digital payment and reduce the risks associated with cash transactions and the general exposure to cash. The eCedi is expected to complement and serve as a digital alternative to physical cash and drive the cash lite agenda.
- **External debt:** Ghana faces US\$ 2.75 billion of external debt servicing in 2022 including amortisation and interest and US\$ 2.8 billion in 2023 according to Fitch. In 2022, it is expected that Ghana will meet its external debt obligations – in part through a combination of US\$ 750 million term loan from the African Export-Import Bank (BBE), US\$ 250 million in syndicated loans from international commercial banks, and up to US\$ 200 million from the government’s sinking fund. Fitch predicted that “In the absence of an approved programme by end of the year, government will have to draw more heavily on its international reserves which were US\$ 7.6 billion, including oil funds and encumbered assets, as of June 2022.”

TRADE

- **Ghana’s trade:** According to the Bank of Ghana (BoG), Ghana’s total merchandise imports in June 2022 recorded US\$ 7.6 billion, up by 11.9% (y-o-y), driven mainly by the oil and gas imports which increased by 87.8% to US\$ 2.3 billion, while non-oil imports dipped by 4.7%

to US\$ 5.3 billion at end-June 2022. The BoG's data shows the total exports for the first half of 2022 reached US\$ 9 billion, compared with US\$ 7.6 billion for the same period in 2021 last year. Crude oil exports went up by 61.3% (y-o-y) to US\$ 42.8 billion while non-traditional exports increased to US\$ 1.4 billion, up by 21.7%, with gold exports bagging US\$ 3 billion, higher by 13.1%.

- **Fitch forecast:** The high inflation rate of 31.7% in July 2022, fiscal consolidation and tighter monetary conditions are impacting businesses and households which is expected to curtail demand for imported consumer and capital goods. “As such, we expect merchandise import growth to remain well below export growth, at 15% over 2022. Overall, we see the trade surplus widening to 4.4% of GDP in 2022 from 1.4% in 2021,” Fitch predicted. On the export front, Fitch anticipates merchandise exports to increase by a robust 26.9% over 2022, up from 1.8% in 2021. The dynamics of this rise involve the expansion of gold production by a healthy 4%, supported by the start of new gold mining projects and integration of artisanal miners into Ghana's formal gold mining sector. In contrast, there is a projected decline of 1.3% for oil output in 2022, an indication that Ghana will not be able to reap the full benefits of elevated energy prices.
- **Ghana's NTEs in 2021:** Ghana's Non-Traditional Exports (NTEs) grew at an annual average rate of 7.07% between 2017 and 2021, contributing 22.62% to the total national merchandise exports of Ghana in 2021. The country's NTEs earnings increased from US\$ 2.847 billion in 2020 to US\$ 3.33 billion in 2021, representing a 17 % increase. According to GEPA report, the top 10 leading products comprising cocoa paste, cocoa butter, cashew nuts, articles of plastics, canned tuna, iron/steel, natural rubber sheets, refined palm olein, cocoa powder, and aluminum plates contributed about US\$ 2.096 billion, representing 62.96% of the total NTEs earnings of US\$ 3.33 billion for 2021. The processed and semi-processed sector earnings was US\$ 2.809 billion in 2021, an increase of 17.88% compared to US\$ 2.382.98 billion in 2020. The increase was mainly due to high performance of cocoa butter, natural rubber sheets, cocoa powder, refined palm olein and aluminium plates, sheets and coils. Total earnings from the agricultural sub-sector in 2021 amounted to US\$ 476.01 million as against US\$ 433.02 million in 2020, showing an increase of 9.93%. The agricultural subsector contributed 14.29% to the total NTEs earnings in the year under review.
- **National AfCFTA Policy Framework, Action Plan launch:** Ghana unveiled on 2 August 2022 the country's National AfCFTA Policy Framework and Action Plan which provided policy prescription and strategic objectives with focus on trade facilitation, trade policy, infrastructure, enhancing productive capacity, trade information, market integration and finance to position private businesses in the country to fully take advantage of AfCFTA. The framework, which is geared toward the harmonisation of relevant policies, programmes, laws and regulations to boost the productive capacities of the private sector in Ghana, particularly the MSMEs, is to harness the full benefits of AfCFTA. Minister of Information Kojo Opong Nkrumah who launched the document on behalf of President Akufo-Addo said, “This framework, as brilliantly as it is structured will not mean much if you do not implement the programmes under it with speed, effectiveness and commitment. On his part, Minister of Trade and Industry Alan Kyerematen said the action plan outlined the short to medium-term implementation priorities and strategies for the Ghanaian private sector to harness the full

benefits of AfCFTA to become the new commercial capital of Africa in line with the government's vision of a "Ghana beyond Aid", which aimed at transforming the Ghanaian economy and enhancing economic self-reliance.

AVIATION

- **GCAA opens doors to more airlines:** With rising prices of domestic air tickets, the aviation sector regulator, Ghana Civil Aviation Authority (GCAA), has promote competition by opening its doors to help defunct airlines or new entrants eager to fly in the domestic space to commence operations. So far, it has received six requests from potential entrants seeking an opportunity to take advantage of the growing in-country airline business. Currently, Africa World Airlines (AWA) and PassionAir are the only two airlines offering services to the six domestic destinations, viz., Kumasi, Tamale, Takoradi, Wa, Ho and Sunyani. Data available showed that domestic passenger flows (throughput) increased from 423,718 in 2020 to 722,721 in 2021, the highest since 2013, with a lot more potential for further growth.

Phase-I of Sunyani Airport commissioned: President Nana Akufo-Addo has commissioned phase one of the Sunyani Airport rehabilitation project on 3 August 2022. Describing the commissioning as "a seminal moment in the growth and development of this elegant city, Sunyani", the President said "the rehabilitation of this airport is a critical part of government's vision to expand the frontiers of the aviation industry in the country, and to realise the dream of making Ghana an aviation hub in West Africa". The Minister for Transport, Kwaku Ofori Asiamah said the commissioning of Sunyani airport was a demonstration of the government's commitment to fulfilling its vision of expanding the aviation industry in line with its policy to establish an airport in each region to improve air connectivity and boost trade and tourism. The rehabilitated Sunyani airport currently has a total runway length of 1,520 meters, made up of 1,400 meters of paved and 60 meters of unpaved Runway End Safety Area (RESA) at both ends and has the capacity to handle and process 100 passengers per hour.

ENERGY

- **€20.51 million Kaleo Solar PV Plant goes into operation:** President Nana Addo Dankwa Akufo-Addo on 23 August 2022 inaugurated the first phase of the Solar Power Plant Project at Kaleo in the Upper West Region with an installed capacity of 13 Mega Watts of power (MWp) which the Volta River Authority (VRA) plans to increase its capacity to 28 MWp. The €20.51 million Kaleo solar project has been installed by the Elecnor SA from Spain with consultancy from Tractebel Engineering from Germany, and funded by German development bank, Kreditanstalt für Wiederaufbau (KfW). President Nana Akufo-Addo in his commissioning speech said it will supply power to 32,000 households in the region and the residents of the area could undertake domestic and commercial activities. He also disclosed that work has begun on the second phase of the project for a 15 MW plant to be completed by mid-2023 for which €15 million had been duly secured from KfW. Kaleo solar plant is VRA's third solar plant – the first was a 2.5MW solar plant in Navrongo in the Upper East Region built under the REDP in 2013; the second was a 6.5MW solar plant at Lawra, also commissioned by the President on 10 October 2020.
- **PURC increases tariffs for electricity and water.** The Public Utilities Regulatory

Commission (PURC) has announced a 27.15% increase in tariff for electricity and 21.55% increase in water tariff effective from 1 September 2022. It followed proposed increased in tariffs by utility companies, Ghana Water Company Limited and Electricity Company of Ghana (ECG), which were demanding for 334% and 148% respectively. Chairman of the PURC at a press conference on 15 August 2022 appealed the public to support the utilities companies as they aim to recoup lost revenues.

- **Russia and Ghana to set up joint working group on SMRs:** Russia and Ghana have agreed to establish a Joint Working Group (JWG) to coordinate and exchange information regarding Russian technological solutions for small modular reactors (SMRs) during a seminar on SMR technology held in Accra. The seminar, organised within the framework of nuclear energy cooperation between Russia and Ghana, was opened by Ryan Collier, Director General of Rosatom in Central and South Africa. He stressed the importance of the development of Ghanaian-Russian cooperation in the field of peaceful use of atomic energy, and the strategic partnership of the two countries.

Ghana takes next steps toward nuclear energy: President Nana wa Akufo-Addo approved a policy (decision taken in 2008 by the Cabinet) for the inclusion of nuclear energy in the country's power generation mix to pave the way for its inclusion into the National Energy Policy and Strategy. A statement issued on 31 August and signed by the President, technically known as the National Position – one of the key 19 infrastructure issues under phase one of the programme specified in the IAEA's Milestones Approach – stated that Ghana satisfied all the relevant obligatory technical issues related to the introduction of nuclear power and had met all the first phase of nuclear infrastructure requirements as recommended by the IAEC. Consequently, the President has directed the Minister of Environment, Science, Technology and Innovation (MESTI) and the Minister of Energy (MoE) to collaborate with the Chief of Staff at the Presidency “to take all the necessary steps to move the Ghana Nuclear Power Programme Organisation (GNPPO) from the Ministry of Energy to the Office of the President, to enhance proper coordination among the key institutions already established.” In phase 2, Ghana has made great strides in the required processes and currently makes efforts to facilitate the public announcement of the preferred site, the technology it has opted for, and the selected Vendor/Strategic Partner for the project by 2022-end. Five vendors, viz., USA, Russia, Canada and South Korea, have responded to Ghana's request for expression of interest in helping the country build its first plant, with an expectation that a contract for a 1 GWe plant would be signed sometime in 2024-2025.

MINING

- **First in West Africa to receive RJC certification:** Gold Coast Refinery Limited become the first gold refinery in Ghana as well as in West Africa to be certified to the Code of Practices of the Responsible Jewellery Council (RJC), an affiliate of the London Bullion Market Association (LBMA) responsible for the jewellery and watches industry. By this measure, Gold Coast Refinery, which was recently given the right to mint Asantehene's commemorative gold coin, is now a certified member of the RJC for a 3-year duration. The RJC accreditation will assist Ghana in formalizing gold sourcing methods, aids in the creation of responsible supply chains for gold from artisanal and small-scale miners as well as the Bank of Ghana in fulfilling its domestic gold purchase program target of purchasing 10,000 oz gold annually.

The certification has been issued in accordance with standards and supporting documentation of the Code of Practices 2019, aligned with the OECD Due Diligence Guidance and the UN Guiding Principles of Business and Human Rights.

- **Small-scale mining gold export:** The Chamber of Bullion Traders Ghana and the Ghana National Association of Small-Scale Miners in collaboration of the Ghana Revenue Authority (GRA) have collected GH¢ 52,003,346.65 as ‘withholding tax’ from licensed gold exporters by close of June mid-year 2022. The total gold exported by licensed gold traders for the first half of 2022 was 8,393.98 kg valued at GH¢ 3,494,019,901.96 (US\$ 504,587,985.06). The total withholding tax paid for the six months period was GH¢ 52,003,346.65.

OIL & GAS

- **Ghana Upstream Petroleum Chamber report launch:** The Ghana Upstream Petroleum Chamber has launched its report on 17 August 2022 at which the CEO David Ampofo said the decline in Ghana’s oil production for the past two years as a result of Covid-19 and energy transition had been a source of worry. He stressed the need to bring others on board and recommended an expedited appraisal of development projects and programmes to resolve the current lag between discovery and production, citing 5 exploratory wells had been drilled since 2019 but appraisal pending for 4 successful discoveries. Dr Kwame Boakye-Adjei, Operations Advisor said despite the challenges, the oil and gas sector continued to sustain jobs and businesses, with about 2082 service and companies registered with the Petroleum Commission while total employment in the industry stood at 5280 in 2021. The upstream industry which deals with the exploration and production of oil, he said contribute to the revenue basket of the country, with about US\$ 783.30 million accruing to the national budget through royalties, participation and taxes in 2021. The Chamber called on the government to urgently put in strategic incentives to attract more investment in oil exploration in the country.
- **US\$ 3.6 billion contracts to indigenous oil & gas companies in 3 years:** Ghana has only three operating fields - Jubilee, TEN and Sankofa Gye-Nyame - that had been in production for the last six to 12 years. The upstream petroleum exploration and production firms awarded contracts worth US\$ 3.6 billion to indigenous companies between 2018 and 2021 as part of efforts to increase local participation. In 2021, contracts valued at US\$ 754 million were awarded to local companies operating along the value chain, up from US\$ 300 million in 2020, US\$ 670 million in 2019 and US\$ 370 million in 2018 according to the Chamber’s report. The upstream industry regulator National Petroleum Commission requires that production and exploration companies award contracts to Ghanaian companies where local knowledge, skills and capacity exist, in terms of Petroleum (Local Content and Local Participation) Regulations, 2013 (L.I. 2204), which defines local content to include the quantum/percentage of locally produced materials, personnel, financing, goods and services rendered to the oil industry which can be measured in monetary terms. A total of 1,571 indigenous firms had registered with Petroleum Commission as at end of 2021 and these companies provide a wide range of services and products including fabrication, food and raw material supply, among others. It also stated that efforts to increase locals’ employment in the upstream industry has yielded dividends, with 90% of the industry’s total 5,280 workforce being Ghanaians in 2021 from 87% in 2020 and 85% in 2019.

INDUSTRY

- **GIADEC seeks US\$ 6 billion for integrated aluminium industry:** The Ghana Integrated Aluminum Development Corporation (GIADEC) is confident of attracting over US\$ 6 billion private capital to actualise a harmonised comprehensive aluminium industry, in line with the country's renewed commitment to use its bauxite endowments to become an automobile and industrial hub. GIADEC is also banking on the integrated aluminium development plan to unlock the potential of Ghana's construction, pharmaceutical, electric cable manufacturing and packaging industries by seeking private partners to, among other things, exploit bauxite deposits, establish refineries and retrofit Volta Aluminium Company (VALCO), the country's only smelter into a state-of-the-art plant. In order to diversify the risk and attract investors, GIADEC has break it up into four projects, *namely*, expansion of an existing mine at Awaso and development of the country's first refinery, currently being carried out with a local partner; to develop a mine at Nyinahin and Mpasaso in the Ashanti Region with a refinery for which a contract has been already signed with Rocksure International Ltd; seeking for a partner to develop a second mine in the Nyinahin area with a refinery solution; and modernisation and retrofitting of the VALCO smelter that will lead to an expansion of the plant's capacity. GIADEC has obtained Cabinet's approval to identify and engage a strategic partner and need, among others, about US\$ 700 million to replace the lines that produce the aluminium.
- **GIISDEC undertakes its iron and steel master plan validation and review workshop:** The Ghana Integrated Iron and Steel Development Corporation (GIISDEC) has developed a Master Plan to support and anchor the implementation of government's vision which, contain clearly defined, stable and predictable trajectory for the industry to enable investors make informed decisions. Addressing a two-day master plan validation and review workshop on 23 August 2022, the Deputy Minister of Lands and Natural Resources George Mireku Duker stated that Ghana is endowed well-endowed with substantial mineral resources, with the major ones being gold, diamond, manganese and bauxite, which have been contributing significantly to the country's developmental trajectory, with gold alone providing approximately 40% of the country's export earnings while accounting for more than 90% of the gross mineral revenues. He said Ghana has huge potential for iron ore and base metals including copper, zinc, nickel, chrome, and lead, holds vast deposits of industrial or development minerals including sand, gravel, granite and salt, among others and revealed that the country has more than 1.5 billion tonnes of iron ore with an average grade of 40% iron oxide. Mr. Duker said the draft master plan for the iron and steel has been prepared taking into consideration best practices that pertain to the country's peculiar circumstances in the exploration industry and GIISDEC is expected to strategically partner with private sector entities to develop operations along the entire iron ore value chain.
- **US\$ 38.36 million Water Treatment Plant:** President Nana Addo Dankwa Akufo-Addo, during a day's working visit to the Upper East Region on 5 August 2022, commissioned the Tono Water Supply System in Toni, Navrongo within the Kassena Nankana Municipality. The project involves the design and construction of new raw water intake at the Tono reservoir, including pumping station and raw water transmission pipeline, a new water treatment plant located at Tono, 67 km of new transmission pipelines to transport drinking water from the Tono water treatment plant to the supply areas in Navrongo, Bolgatanga and Paga, 50 km new distribution network to transport drinkwing water to consumers in Navrongo, Bolgatanga and

Paga, new elevated reservoir, rehabilitation of the existing Vea water treatment plant for improved water transmission and distribution to Bongo and its environs and provision of 400 standpipes. Constructed with a €37,683,226 secured in January 2018, comprising a €25 million loan from the ING Bank NV of Belgium and a €12 million grant from the government of Netherlands through the ORIO funding, the new water treatment plant will deliver 4.5 million gallons of potable water a day to about 347,466 households in more than 40 major towns and communities.

- **US\$ 20 million compost plant in Damongo:** President Nana Akufo-Addo on 24 August 2022 has commissioned a US\$ 20 million Integrated Recycling and Compost Plant (IRECoP) in Damongo, capital of Savannah Region. Built by Zoomlion Ghana Limited with its European partner, Komptech, in partnership with the government, the 400-tonne facility which will employ technology to recycle organic, plastic and other waste into usable raw materials to feed agricultural and other industries is one of the first 16 recycling and compost plants being constructed across all the regions in the country. The plant has the capacity to process about 400 tonnes of solid waste, produce up to 200 tonnes of compost, as well as recover 56 tonnes of plastic waste daily in the Damongo municipality and will create about 500 direct jobs for the teeming youth of the area besides improving the general sanitation situation. Additionally, it will serve as a research and training centre for educational institutions as students will be allowed to use the facility for internship, project work and attachment.
- **GH¢ 1.074 million recovered from Labianca:** The Office of the Special Prosecutor (OSP) has recovered GH¢ 1.074 million from Labianca Company Limited, owned by a member of the Council of State, Ms. Eunice Jacqueline Buah Asomah-Hinneh, towards the shortfall in import duties the frozen foods company paid to the State. The OSP accused Ms Asomah-Hinneh of influence-peddling for allegedly using her position as a member of the Council of State and member of the Board of Directors of the Ghana Ports and Harbours Authority (GPHA) to get a favourable decision from the Customs Division of the Ghana Revenue Authority (GRA) for a reduction in the tax liabilities of Labianca. The OSP faulted a Deputy Commissioner of Customs in charge of Operations, Joseph Adu Kyei, for issuing what it described as unlawful customs advance ruling which reduced the benchmark values of the frozen foods imported by Labianca, thereby reducing the company's tax obligations to the State. According to the investigative report dated 3 August, the OSP found that though the Commissioner of the Customs Division Colonel Kwadwo Damoah (retd) was not directly responsible for the unlawful customs advance ruling, he could not be "absolved of the ultimate responsibility for the apparently contrived decision" as he gave approval to Mr. Kyei's action."

HEALTHCARE

- **COVID-19 Trust Fund votes GH¢ 2.27 million for NMIMR vaccine research:** The COVID-19 National Trust Fund has signed an agreement on 9 August 2022 with the Noguchi Memorial Institute for Medical Research (NMIMR) for the latter to conduct research into the effects of COVID-19 vaccines on citizens. Under the agreement, the Fund will support the Institute with about GH¢ 2,274,000 to embark on a study, which include measuring and comparing immune responses with respect to persons who received the different COVID-19 jabs and also determine the extent of the mediated protection of the vaccines. The Administrator of the Fund, Dr William Collins Asare, signed on behalf of his outfit while the

Director of the NMIMR, Prof. Dorothy Yeboah-Manu, initialed for the Institute at the Jubilee House in Accra. “We are happy to announce that the fund is donating this amount to enable the institute to undertake the COVID-19 vaccine research to establish the durability of immune responses elicited by three different vaccines — AstraZeneca, Pfizer and BioNTech — among the Ghanaian population. “We are certain that the NMIMR will be able to adhere to the provisions in the agreement and complete the research in 18 months,” Dr Asare said. The Fund, in a similar fashion, supported the Akuapim Mampong Centre for Plant Medicine and Research (CPMR) with about GH¢ 18,000 in June this year to research into the development of herbal products against SARS-COV-2 and COVID-19 viruses.

- **Africa’s first-ever genome sequencing by scientists in Ghana:** The Director of Ghana’s Genome Project (GhGenome), Prof. Fiiifi Ofori-Acquah, has been awarded a US\$ 3 million grant by the National Institute of Health (NIH) of the United States to sequence the “whole genome DNA” of children with sickle-cell disease in Ghana. Speaking at the official launch of the project on 24 August 2022, Vice Chancellor of the University of Ghana, Prof. Nana Aba Appiah Amfo, said the exercise promises to lead Ghana into the genomics revolution that is transforming how patients are cared for in more advanced countries. She encouraged the leadership of the GhGenome Project to take advantage of “this unique opportunity” to build capacity in bioinformatics – specifically in the area of human genomics – as population genome sequencing requires high-end bioinformatics to assemble the millions of newly re-sequenced nucleotides into a reference for Ghanaian genome which can be compared with genomes of other populations. “It is indeed our duty as Ghanaians to help decode the DNA we carry, to better understand our risks of developing many diseases including sickle-cell disease, breast and prostate cancer,” Prof. Appiah Amfo stated.

AGRICULTURE

- **23 Financial Institutions supported GIRSAL to de-risk agriculture:** The Ghana Incentive-Based Risk Sharing System for Agricultural Lending Limited (GIRSAL) has sought to de-risk and stimulate more investment into the agriculture sector. On 12 August 2022, the CEO Kwesi Korboe said “Our target is to provide GH¢ 2 billion worth of loans using our guarantees in 10 years, but I am happy to inform you we are entering our fourth year and have released about GH¢ 700 million.” He said GRISAL intended to impact as many businesses as possible with a five-year strategy to promote the import substitution agenda under which GRISAL is to help reduce the import of commodities such as rice and broiler. It also plans to push an export agenda to increase export volume, value addition, and develop new products, the CEO said. GRISAL will also provide capacity building information resources and expert technical support to improve knowledge and understanding of the agricultural sector and to strengthen their capacity to assess, structure and manage agribusiness lending. The training programme have been planned this year with 55 participants from 12 financial institutions, with the training session having opened on 9 August 2022.
- **100,000 smallholder farmers to benefit from Grow Ghana:** Yara Ghana initiated the "Grow Ghana" programme to help farmers, especially smallholder farmers, have access to high-quality affordable fertilisers to sustain food production and ensure/ enhance food security for the country. Yara has earmarked US\$ 20 million to supply some high-quality fertiliser under the "Grow Ghana" initiative to about 100,000 smallholder farmers. The intervention by

fertiliser company, Yara Ghana Company Limited, a Norwegian multinational agricultural company, is to provide farmers with free bags of YaraMila Actyva fertiliser to help reduce the average fertiliser cost incurred by smallholder farmers by one-third. On 5 August, the company took delivery of a consignment of 18,000 tonnes of high-quality YaraMila Actyva fertiliser which arrived at the Port of Tema to support the programme.

- **Cashew nuts constitutes over 60% of agri products export - GEPA:** Cashew nuts emerged as the only agricultural product that ranked among the top 10 leading non-traditional export (NTE) products in 2021, a report by the Ghana Export Promotion Authority (GEPA) has revealed. Cashew nuts contributed 60.38% of the total earnings from the agricultural sub-sector, 14.35% higher than what it did in 2020. According to the 2021 report, total value of the top 10 leading products amounted to US\$ 2 billion, representing 62.96% of total NTE earnings for 2021 which stands at US\$ 3.3 billion. The report noted that due to the potential of the crop, cashew nut had been prioritised among the integrated list of 17 products earmarked for attention as part of GEPA's export development strategy. It said under the National Export Development Strategy (NEDS), an approach had been adopted to add value to raw materials as part of the country's industrialisation drive. A study conducted by the Ministry of Food and Agriculture (MOFA) found that for every 100 metric tonnes of raw cashew nut exported, the economy lost about 30 jobs at the processing level and about US\$ 60,800 in income that would have gone to workers in the factories.
- **MEDA, GSA launch Code of Practice for cashew industry:** The Mennonite Economic Development Associates (MEDA) which is implementing the Farmers' Economic Advancement Through Seedlings (FEATS) Project has developed a Code of Practice for Cashew Planting Material Production in collaboration with the Ghana Standards Authority (GSA) and officially shared with key stakeholders from Ghana's cashew industry on 3 August 2022 in Accra. The Code of Procedure defines the minimum standards for cashew planting material production and also sets out the framework for good nursery practice for production of planting material in Ghana, aligned to Ghana's 10-year Cashew Development Plan that seeks to, among other things, embark on a rapid planting and mass spraying programme to ensure that by the year 2029, Ghana will achieve its annual local cashew harvest of at least 500,000 metric tonnes.
- **Cocoa sector sustainability must be govt's priority:** Ranking Member on the Finance Committed in Parliament, Dr. Cassiel Ato Forson, said that sustainability of cocoa should be of great concern to government and all, without partisanship due to its benefits to the country's economy. MEDA Ghana's Country Director Robert Austin said "MEDA is delighted that, through funding from Global Affairs of Canada, we are making lasting contribution to support Ghana's cashew industry. We note with satisfaction that even before the Code is available to the public, 23 small cashew nurseries in Ghana who have worked with the MEDA-FEATS project over the last four years are already employing the recommended practices as outlined in the Code of Practice". The Cashew Industry Association of Ghana (CIAG) has drawn up a 10-year cashew development plan that seeks to, among other things, embark on a rapid planting and mass spraying programme to ensure that by the year 2029, Ghana will achieve its annual local cashew harvest of at least 500,000 metric tonnes.

- **Stakeholders' consultative meeting in poultry value chain:** The Ghana International Trade Commission (GITC) held the consultative meeting on 17 August 2022 with stakeholders in the poultry value chain as part of its mandate to protect local industries from unfair competition and illegal trade practices, especially the dumping of products on the local market. Ghana National Association of Poultry Farmers (GNAPF) President Victor Oppong Adjei said Ghana's poultry industry which recorded annual growth of 20% in the 1970s had now become a pale shadow of itself, with imports of more than 600,000 tonnes of frozen chicken in 2021, based on the actual import of 227,903 tonnes of frozen chicken from the EU, the third leading source after US and Brazil, and assuming that same figures were exported by both countries to Ghana. The data from the EU also showed 569 million pieces of frozen chicken were imported into Ghana last year, translating into US\$ 600 million or 98%, thus left the local poultry industry with 2% market share of chicken. Participants included the GNAPF, Food and Drugs Authority (FDA), Ghana Standards Authority (GSA), Ghana Export and Import Bank (GEXIM), Ministry of Food and Agriculture (MoFA), Chamber of Agribusiness, Ghana National Chamber of Commerce and Industry (GNCCI) and Joerees Farms and Butchery.

BANKING

- **Bank of Ghana to boost reserves:** The Bank of Ghana is confident of boosting its reserves by US\$ 500 million from miners, oil and gas-producing firms and other major exporters between now and December 2022 to accrue from a new arrangement that allows the central bank to pay cedis for foreign exchange repatriated by the exporters. The Bank already purchased US\$ 20 million from one mining firm while Dr Philip Abradu-Otoo, Director in the Research Dept. disclosed on 27 August that it also received commitments of over US\$ 120 million from other mining companies in the programme's first week. The purchase and the pledges brightened the Bank's optimism that the programme would successfully bolster its reserves, which fell by more than half to US\$ 3.58 billion in June 2022 from US\$ 7.94 billion in June 2021.
- **Bank of Ghana launch new innovation system:** The Bank of Ghana has launched a system design to allow live, time-bound testing of both licensed and unlicensed innovations under the regulator's oversight, known as the Regulatory and after a successful pilot implementation of the system in the last two years. The Sandbox is in line with the Bank's commitment to continuously evolve a conducive regulatory environment that fosters innovation, financial inclusion and financial stability. The system is designed such that start-ups which cannot afford licensing fees, for example, are all allowed to join the Sandbox and launch their innovations under specific regulations.
- **Govt. eyeing GH¢ 750 million with new E-VAT policy:** The government is seeking to raise GH¢ 750 million in Ghana following the passage of the Value Added Tax Amendment Bill, which introduces the E-VAT policy. The tax measure broadens the scope of the existing laws to cover electronic commerce, provides for the electronic issuance of a tax invoice, upfront payment of VAT by an unregistered importer and the zero-rating of the supply of locally assembled vehicles. A report of the Finance Committee of Parliament indicates that the E-Vat policy addresses issues of inequalities and compliance in the payment of tax. During the mid-year budget review, the GRA said it was finalising all relevant processes to facilitate the effective collection of VAT revenue including the proposed amendment of the Value Added

Tax Act 870 to enable its electronic collection, effective 1st October 2022.

TRANSPORT

- The Minister of Transport Kwaku Ofori Asiamah has announced plans by the government to accelerate ongoing measures to streamline charges at the ports to help reduce the cost of shipping in the country. As a result, he said, processes were underway to develop service standards for the operations of shipping lines, terminal operators, freight forwarders and other service providers. Speaking at the 5th Ghana Shippers Awards in Accra on 19 August 2022, the Minister said the government was keen on implementing measures that would help shippers and shipping service providers remain competitive in the global shipping and logistics industry.
- **Thelo DB Consortium, Ghana sign 25-year Rail Management Agreement:** The Thelo DB consortium (consisting of Thelo DB and Transtech Consult Limited) has signed a Rail Management Agreement with the Government of the Republic of Ghana through the Ghana Railway Company Limited, to develop and operationalise the Western Railway Line. When completed, the project which includes planning and implementation of the the associated infrastructure, training and operations and maintenance management will transform Ghana's existing rail network into a modern, robust and integrated railway system running from the Port of Takoradi to Humi Valley to Obuasi, including the branch line from Dunkwa to Awaso to Nyinahin and to Eduadin. The investment for the Ghana Western Railway Line Project, estimated at US\$ 2.1 billion in addition to what the government had already invested, would amount to about US\$ 3.2 billion, will ensure that the rail infrastructure is upgraded and that there is interoperability of railway systems; new standardised rolling stock; required maintenance facilities; a spare parts regime and operational integration into other transport infrastructure and systems. Ronnie Ntuli, Chairman of Thelo DB, said: "The intention of this Project is to develop, implement and operationalise the Western Railway Line as a fully integrated railway system to enable efficient mobility of freight and passengers. This, will in turn, catalyse investment, infrastructure development, promote trade, skills development and job creation thereby generating broader economic growth in Ghana, and hopefully, the broader West Africa region."

TOURISM

- **'December in GH' launch:** The Ministry of Tourism, Arts and Culture (MOTAC), Ghana Tourism Authority (GTA) and the 'Beyond the Return' Secretariat have earmarked activities and events under 'December in GH' flagship programme and officially launched it in La Palm Beach Royal Resort on 4 August 2022. Activities earmarked for this year's celebration included the OguaaFetuAfahye in Cape Coast, Central Region; AsogliTeza (yam festival) in Ho, Volta Region; Kobine Festival, Lawra, Upper West Region; Kundum festival in Axim, Western Region, AhobaaKese Festival in GomoaAssin in the Central Region and the Odwira festival at Akropong, Eastern Region; Fun and Fly Paragliding Festival, King of the Mountains Cycling Championship, Special Tour to augment the Paragliding Festival all in Kwahu, Miss Tourism, Explosion of Joy, Sensitisation Workshop on Tourist Sites, Tourism Fitness Day Health Walk, The Global Citizen in Accra, Ghana week in Washington DC and United Nation World Tourism Day in Wa, Upper West Region.

- **Tourist arrivals in Ghana:** Ghana Tourism Authority (GTA) recorded in the first half of 2022 more than 400,000 international arrivals in Ghana against a target of one million for the year 2022. The news reported Minister of Tourism, Arts and Culture, Dr Ibrahim Mohammed Awal as stating that “...available data indicate that the first half of the year has recorded over 400,000 international arrivals against a target of one million for the whole of 2022. Considering the fact that the second half of each year is the peak period for international arrivals, the target of one million tourists would be achieved. Events such as AfroNation, Afrochella, Essence among others would help drive tourists to Ghana.” Dr. Awal also disclosed that recently rehabilitated and modernized National Museum recorded over 14,000 visitors in 6 weeks compared to 12,874 for the whole of 2015 prior to its closure in 2016. He also said government is concluding plans to build a US\$ 10 million ultra-modern tourism and hospitality training school in Accra to attract students from the sub-region to study in Ghana.

BILATERAL

- **Visit of BEML team:** Mr. Shantanu Roy, Executive Director and Mr. Veerendra G, General Manager (Africa) from Bharat Earth Movers Limited (BEML) visited Ghana on 29-30 August 2022. They had meetings with the Ministry of Defence, Ministry of Trade and Industry, Ministry of Transport, Federation of Chamber of Mines. Trade Minister suggested to consider manufacturing mining and construction equipment in Ghana under AfCFTA as local manufacturing of equipment will be cheaper than competitor’s and will cater to the requirement of mining sector of Ghana and the West Africa market. They also met with Ghana Heavy Equipment Ltd. (GHEL) which expressed their interest in BEML equipment. and both are working towards signing of a MoU while BEML work on its plan to set up a base in Ghana.
- **BSM on plastics sector:** Mission and Plexconcil organized India-Ghana Virtual Meet/BSM for the Plastic sector on 2 August 2022. Mr Arvind Goenka, Chairman, Plexconcil delivered the welcome address to all participants and made a presentation on India’s strength and potential of plastic sectors for trade and business with Ghana. Mr. Sugandh Rajaram, High Commissioner in his address highlighted the huge synergies to further strengthen increasing plastics exports from India to Ghana at the online buyer seller meet. The inaugural session ended with a vote of thanks by Mr. Dasmohapatra, Executive Director of Plexconcil, followed by a session between Plexiconcil members and participants from Ghanaian companies.
- **Chamber of Pharmacy visit to India for Pharmatech Expo 2022:** A delegation from Ghana National Chamber of Pharmacy participated at the 13th Edition of PharmaTech Expo 2022 & LabTech Exp 2022 held from 5-7 August 2022 at Helipad Exhibition Centre, Gandhinagar, Gujarat. The event was hosted by the Indo-African Chamber of Commerce & Industry and focused on the pharmaceutical machinery and equipment manufacturing sector and pharmaceuticals packaging, Lab and Analytical Instruments, pharmaceutical formulations, and Nutraceutical.
- **Trade Minister woos Indian investments:** Hon. Alan Kyerematen, Minister of Trade and Industry, at a reception in India House to mark the 75th anniversary of India’s independence on 15 August evening urged Indians to invest more in Ghana, especially in the manufacturing

sector, to benefit from the opportunities offered by the African Continental Free Trade Area (AfCFTA). He said, Indian companies in the country had contributed immensely to Ghana's economy and also created jobs for the youth but could still do more by taking advantage of the peaceful business environment in the country. The Minister and High Commissioner also raised a toast to the health and well-being of H.E. the President of Republic of Ghana, to the welfare and prosperity of the people of Ghana and to the enduring and friendship between India and Ghana.

- **During Amrit Mahotsav week:** Mission launched a weeklong celebration in Ghana which kicked off Bollowood Gala with ICCR dance troupe which showcased diverse culture of India through scintillating performances at National Theater in Accra and the Center for National Culture in Kumasi as well as at India House on 15 August evening. The launching of week long India @75 Amrit Mahotsav by the ICCR visiting troupe enthralled Ghanaians with mesmerising show, kaleidoscope of cultural diversity of India. The High Commissioner stressed it as celebration of our peoples and cultures, as he welcomed the dance troupe and thanked political, traditional leaders and Friends of India for their blessings by their attendance.

EXTERNAL

- **Japan:** The Japan International Cooperation Agency (JICA) has opened discussions with the Secretariat of the Africa Continental Free Trade Area (AfCFTA) in Accra on how to maximise the benefits of the trade pact for businesses in Africa. The discussions also explored the possible areas of cooperation between the two sides to enable for JICA to invest resources and technical expertise to help enhance the opportunities for businesses. JICA is collaborating with the World Bank Group on what the two can do to ensure that the private sector is well equipped to participate in and benefit fully from the initiative stated JICA Vice President Ryuichi Kato at a virtual press interaction with journalists across Africa on 22 August 2022.
- **United Kingdom:** The UK-Ghana Chamber of Commerce (UKGCC) has donated GH¢ 50,000 to support the establishment of a clinical trials unit at the University of Ghana Medical Centre (UGMC). The fund was raised during the UKGCC's recreation of the first Royal Ascot Ladies Day Experience Event. At a short ceremony to present the donation, the UKGCC Board Chairman Anthony Pile, who is also the Founder of Blue Skies, said "Embarking on this clinical trials unit project, I think, will make a difference not just to Ghana but frankly to all of us within the ECOWAS region." The UGMC Medical and Scientific Research Centre Fundraising Committee Chairperson Lucy Brimpong Ofori-Ayeh said the support will go a long way to make a dream come true, as most of the clinical trials that were being carried out for new medicines were done elsewhere, not in Africa, nor with African subjects, and the genetic makeup of the trial participants were different from Africa.
- **Korea:** The Korea International Cooperation Agency (KOICA) on 5 August 2022 signed a Memorandum of Understanding (MoU) with UNICEF-Ghana for the implementation of a project to accelerate entrepreneurship and innovation in Ghana. The project called "Accelerating Entrepreneurship and Innovation in Ghana 2022 to 2026" has funding of US\$ 2.2 million from KOICA to assist Ghana's effort for supporting young entrepreneurs. KOICA Country Director Mooheon Kong signed for his organisation while Country Representative Anne-Claire Dufay signed for UNICEF.

- USA:** Led by Chairwoman Barbara Lee, a US Congressional delegation visited Ghana from 25-27 August 2022. President Nana Akufo-Addo met the delegation on 26 August and called for more US investments in Ghana, particularly in the rail sector, recounting how, at the beginning of the country's independence, Keizer from USA helped in building the Akosombo Dam and the VALCO Aluminium smelter which he described as major US investments that had paid dividends over the years. The President said the growing threat of terrorism in the region was a result of the US decade-long fight against terrorism in the Middle East and other parts of the world and appealed the US government to help West African deal with the threat of terrorism and violent extremism. In Tema, the seven-member delegation interacted with stakeholders in the fisheries sector including the Minister Mavis Hawa Koomson on US government's support to restore fisheries and combat illegal, unreported, and unregulated fishing in Ghana through the USAID at the Canoe Basin. The delegation visited SEKAF Shea Company and discussed the Sustainable Shea Alliance which supported tens of thousands of women shea producers and helped increase global demand for shea products. They also visited Ridge Hospital, W.E.B. DuBois Museum Foundation, besides separate engagements with US government exchange program alumni, Peace Corps Volunteers, and Fulbright Scholars.
- The US has voted US\$ 2.5 million funding to support farmers in Ghana to increase food production and mitigate food insecurity, revealed US Representative to the United Nations, Linda Thomas-Greenfield on 6 August 2022 during a courtesy call on the Northern Regional Minister, Shaani Alhassan Shaibu, in Tamale. The support to be made available through the US Agency for International Development (USAID) will be directed into developing and marketing inorganic and organic fertilisers as well as for supporting fertiliser importers and blenders, manufacturers, including private sector partners, to bring more fertiliser into the country for particularly the most vulnerable farmers. Additionally, it is to assist vulnerable households and individuals to protect their health and economic livelihoods and strengthen food systems to mitigate the risks of food insecurity. Ms Thomas-Greenfield said the new support for Ghana formed part of the US Congress' bipartisan emergency supplemental law signed by President Joe Biden in May 2022 and stressed the need to strengthen community resilience, build social cohesion, and fight counter-terrorism and violent extremism within sub-Saharan Africa. She further commended Ghana for being a peaceful democratic nation despite being surrounded by unstable countries within the sub-region.
- US Coast Guard Cutter Mohawk (WMEC 913) arrived in Tema, Ghana on 23 August 2022 for a scheduled port visit to include engagement opportunities with Ghanaian military and government leaders, including ship tours and a reception aboard Mohawk. "Ghana continues to demonstrate its leadership and commitment to regional security. We are very proud of the security cooperation partnership that we enjoy," said Lieutenant Commander Michael Vallianos, Acting OSC Chief to the US Embassy in Accra. "We look forward to increasing bilateral and regional engagements such as the Mohawk visit, as Ghana continues to export stability throughout the region." earlier in August he Mohawk visited Cote d'Ivoire, The Gambia, Sierra Leone, and Nigeria. The vessel arrived in Lagos on 18 August 2022 and took part in military exercises and training and engage with the Nigerian Navy.
- US Naval Forces Africa (NAVAF) and the Royal Danish Navy have jointly hosted the Maritime

Operations Planning Workshop (MOPW) in Accra for West African partners from 14 nations, viz. maritime forces from Benin, Cabo Verde, Cameroon, Cote d'Ivoire, Gabon, The Gambia, Ghana, Liberia, Namibia, Sao Tome & Principe, Senegal, Sierra Leone, Republic of Congo and Togo. During the eight-day workshop, participants exchange operational planning experiences, develop templates for use during exercises, and plan real-world operations. This marks the first workshop in three years, which was postponed as a matter of precaution due to the COVID-19 pandemic. Ghana also hosted the last jointly led US-Danish workshop in 2019.

SECURITY

- **Ghana Navy holds maritime counter-terrorism simulation exercise:** The Ghana Navy on 21 August 2022 has undertaken a maritime counterterrorism operational readiness exercise codenamed “Exercise Sea Hawk” at Nungua Junction Mall in Accra, aimed at testing the capability of the SBS to work together with other stakeholders to respond to a maritime-related counter-terrorism scenario. Minister for Defence Dominic Nitiwul said the exercise was “in furtherance of the national security vision of keeping Ghana safe and part of the “See Something, Say Something Campaign” and affirmed that “government is ready to support and equip the security services to protect us and will continue to re-equip the military to deliver in order to protect us.” Other participating units included Ghana Air Force, Eastern Naval Command, 154 Armoured Regiment, Ghana Military Police, Explosive Ordinance Disposal Team, and the Ghana Navy Aviation Cell. The exercise also sought to test and enhance the operational readiness of officers of the Navy’s Special Boat Squadron (SBS) Unit, who staged an interception scene on a cargo container purported to be smuggling arms and ammunition within Ghanaian waters. The team also demonstrated how to foil the transshipment of the arms and ammunition by feeder vessels that could be used by armed gangs in such operations. The exercise was observed by the Chief of the Defence Staff, Vice-Admiral Seth Amoama; the Chief of Naval Staff, Rear Admiral Issah Adam Yakubu; and other high-ranking officials from the Eastern Naval Command and the Ghana Air Force.

TRADE ENQUIRIES

- Mission received 65 trade enquires from India and issued 21 business visas.
