
Republic of Ghana
Country strategic opportunities programme
2025–2030

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Action: The Executive Board is invited to review the country strategic opportunities programme 2025–2030 for the Republic of Ghana.

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Map of IFAD-funded operations in the country



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 05-02-2025

Executive summary

Introduction

1. This country strategic opportunities programme (COSOP) was formulated by IFAD in close consultation with the Government of Ghana. It provides guidance for IFAD-financed operations and partnerships during the period 2025–2030, and is aligned with several of the Government’s programmes and medium- and long-term development frameworks (2026–2029).
2. The Republic of Ghana is one of the strongest performers in Africa in terms of economic growth. It attained lower-middle-income status in 2011 and has experienced a long period of stable governance. Nonetheless, poverty and malnutrition persist, particularly in the country’s northern regions.
3. Agriculture remains the primary source of employment, particularly for the poorest people in rural areas, and provides Ghana with an important source of foreign exchange through exports of agricultural commodities.

Overall goal and strategic objectives

4. The goal of the COSOP is to foster sustainable, inclusive and resilient livelihoods to reduce rural poverty and improve well-being.
5. The COSOP will focus on partnerships with the private sector and build business models that are relevant and aligned to IFAD’s target groups participating in key agricultural value chains. The COSOP will direct investments towards access to financial services and productive infrastructure, and capitalize on rapidly evolving digital infrastructure.
6. The COSOP will have two strategic objectives:
 - **Strategic objective 1:** Enhance access to finance for high-growth, climate-resilient and market-oriented value chains and financially viable business models for micro, small and medium-sized enterprises that are pro-poor and can drive rural growth.
 - **Strategic objective 2:** Enhance public and private investments in rural productive infrastructure to strengthen the climate resilience and market integration of rural livelihoods.

Financing

7. The COSOP will have a six-year cycle (2025–2030),¹ and will adopt the multiphase adaptive programme approach to enable effective use of IFAD resources for greater impact. The COSOP has a current financing envelope of US\$67.50 million from IFAD and US\$25.45 million from the Green Climate Fund plus financing from other sources. The proposed financing under the Fourteenth Replenishment of IFAD’s Resources (IFAD14) will be determined subject to internal procedures and subsequent Executive Board approval.

¹ Extendable by an additional three years.

Republic of Ghana

Country strategic opportunities programme 2025–2030

I. Country context

A. Socioeconomic setting

1. Located in West Africa, Ghana features a diverse landscape. Its southern coastline extends along the Gulf of Guinea, while inland, the Ashanti Plateau and Kwahu Escarpment dominate the forested south-central region. The Volta River Basin spans central Ghana.
2. Ghana is a lower-middle-income country.² Its gross national income per capita (GNIpc) has fluctuated in recent years, amid debt crises, inflation (22.9 per cent in 2024) and currency depreciation (30 per cent decline in 2022). An International Monetary Fund (IMF) bailout stabilized the economy, with GNIpc rebounding slightly to US\$2,360 in 2023.
3. Ghana's industrial sector contributes 30 per cent of GDP (mining, oil production and manufacturing) while the agriculture sector contributes 21 per cent. The economy is transitioning towards the industry and service sectors.
4. Ghana's strides in poverty reduction are evidenced in the national poverty rate falling from 52 per cent in 1991 to 23 per cent in 2023³ and 25.9 per cent in 2024.⁴ However, weak economic growth, limited government spending and high inflation are projected to increase poverty rates.⁵
5. Around 41 per cent of Ghana's 33.8 million people live in rural areas.⁶ However, inequalities in the northern regions persist, along with higher poverty rates (over 40 per cent), seasonal food insecurity and limited access to education and health care.
6. Ghana is facing multiple burdens of malnutrition, particularly among children, with high rates of stunting (18 per cent), wasting (6 per cent) and underweight (12 per cent).⁷ Micronutrient deficiencies of vitamin A and iron are also prevalent, particularly in women in rural areas.
7. Gender disparities persist, with women underrepresented in leadership and facing higher unpaid care burdens, despite constitutional protections. Male outmigration to urban areas widens gender gaps as women are left to manage farms and households.
8. Unemployment among young people (aged 15–35) is estimated at around 12 to 13 per cent, with significant underemployment affecting many more. Education often fails to align with labour market needs, leaving graduates unprepared for formal jobs. Over 80 per cent of young people work in informal roles with no job security or benefits.

² For the current 2025 fiscal year, lower-middle-income economies are those with a GNI per capita between US\$1,146 and US\$4,515 calculated using the World Bank Atlas method in 2023.

³ World Bank. 2024. [Ghana Poverty and Equity Brief, October 2024](#).

⁴ News Ghana. 2025. [World Bank: Quarter of Ghanaians Trapped in Poverty](#).

⁵ World Bank. 2025. [The World Bank in Ghana: Overview](#).

⁶ World Bank. 2023. [Rural population \(% of total population\) – Ghana](#).

⁷ Ghana Statistical Service (GSS) and ICF. 2023. Ghana Demographic and Health Survey 2022: Key Indicators Report.

Table 1
Country indicators

Indicator	Data	Year of reference	Source
GNI per capita	\$2,320 (Atlas method)	2024	World Bank
GDP growth	5.7%	2024	IMF World Economic Outlook
Public debt (% of GDP)	70.5%	2024	IMF 2025 ⁸
External debt (% of GDP)	35.5%	2024	IMF 2025
Debt service ratio (% of government revenue)	22%	2023	IMF Ghana Report
Inflation rate (%)	22.9%	2024	IMF 2025
Population size	34.1 million	2023	Ghana Statistical Service
Population, female	50.7%	2023	Ghana Statistical Service
Youth population (15–24)	19% of total population	2023	UNFPA Ghana
Unemployment rate	13.4% (general)	2023	Ghana Living Standards Survey (GLSS 7)
Fragility Index	60.8 (0-120 scale)	2024	Fragile States Index
INFORM Risk Index	4.3 (Medium risk)	2023	INFORM

B. Transition scenario

9. Ghana's economy, once a regional high-growth performer, has faced turbulence since 2020,⁹ slowing growth to 3.3 per cent in 2022 and 2.9 per cent in 2023. Inflation surged to 54 per cent in late 2022, and public debt was 70.5 per cent of GDP in 2024.¹⁰ A US\$3 billion IMF Extended Credit Facility (May 2023) offers a stabilization roadmap. In 2024, GDP growth exceeded expectations, reaching 5.7 per cent.¹¹ Recovery remains fragile, requiring prudent debt management, export diversification and inclusive policies. Long-term prosperity hinges on governance improvements, private sector innovation and equitable resource management.

C. Food system, agricultural and rural sector agenda

10. **Overview.** Ghana's food system and agriculture sector are central to its economy, employing nearly 40 per cent of the workforce. Agricultural potential remains vast; however, the sector faces challenges such as climate vulnerability, post-harvest losses (30 per cent) and reliance on rainfed farming.
11. **Food system dynamics.** Ghana's food system is dualistic, combining smallholder farms (80 per cent of production) with emerging commercial agribusinesses. Staple crops dominate, while cash crops drive exports.
12. **Dependency on imports.** Despite the existence of fertile land, Ghana spends over US\$2 billion yearly on food imports, including rice, poultry and vegetable oils, straining foreign reserves and exposing the system to global price shocks.^{12,13,14} The private sector is engaged at all levels. Ghana's private sector drives food systems (production, processing and distribution systems) via agribusinesses, out-grower partnerships, and small and medium-sized enterprises (SMEs), linking smallholders to markets.
13. **Agricultural transformation agenda.** The agenda focuses on modernization, sustainability and rural development to transform agriculture into an engine of inclusive growth, and requires investments in infrastructure and finance to grow rural enterprises. The Government plans to digitalize land registries to resolve tenure disputes and attract investment. Success hinges on addressing structural

⁸ IMF. 2025. [Regional Economic Outlook: Sub-Saharan Africa. April 2025.](#)

⁹ COVID-19; war in Ukraine; fiscal strains.

¹⁰ World Bank. 2025. [The World Bank in Ghana: Overview.](#)

¹¹ Ibid. <mailto:?subject=https://www.worldbank.org/en/country/ghana/overview>

¹² Ministry of Food and Agriculture. 2021.

¹³ United States Agency for International Development (USAID). 2020. Rice Sector Study.

¹⁴ International Trade Administration. 2025. [Ghana Country Commercial Guide.](#)

bottlenecks, enhancing transparency, scaling climate adaptation and empowering smallholders.

Challenges and opportunities

14. Ghana's agriculture sector, a cornerstone of its economy and livelihoods, faces a complex mix of key challenges that are hindering its potential to capitalize on emerging opportunities that could drive sustainable transformation.
15. **Climate vulnerability.** Erratic rainfall, prolonged droughts and flooding threaten crop yields and livestock production.¹⁵ Climate change has reduced agricultural productivity by up to 7 per cent in recent decades, jeopardizing staple crops.^{16,17}
16. **Fragmented land tenure systems.** Customary land ownership and unclear titles discourage investment, especially for women, who cultivate 70 per cent of subsistence crops but own just 10 per cent of farmland. Land disputes further stall commercial farming.¹⁸
17. **Limited and/or weak infrastructure.** Only 1.5 per cent of Ghana's arable land is irrigated, forcing farmers to rely on erratic rainfall. Only 3 per cent of farmers use irrigation.^{19,20} Northern Ghana, which faces chronic droughts, has less than 5 per cent irrigation coverage.^{21,22} Only 30 per cent of rural roads are paved, leading to high transport costs and limited market access.²³ Limited cold storage and warehouse facilities result in 20 to 30 per cent post-harvest losses for perishable produce.^{24,25} The dearth of formal markets and aggregation centres forces farmers to sell at low prices to intermediaries. Only 15 per cent of rural farmers have access to structured markets.^{26,27}
18. **Post-harvest losses.** Only 50 per cent of rural households have access to electricity, limiting agroprocessing and mechanization.²⁸ Nearly 30 per cent of produce is lost due to inadequate storage, poor transportation and limited processing infrastructure.
19. **Limited access to finance and technology.** High transaction costs, limited collateral, low returns and the perceived risk of lending to the agriculture sector limit access to finance. Rural banks and microfinance institutions cover only 25 per cent of farming communities.²⁹ Poor network coverage in rural areas limits access to digital tools. Only 35 per cent of rural farmers use digital services.^{30,31}
20. **Youth disengagement and an ageing farmer population.** Young people's lack of involvement in the sector is driving them to seek employment opportunities outside agriculture, leaving an ageing farming population – which poses risks to the sector's sustainability and capacity for innovation.

Emerging opportunities

21. Opportunities exist to leverage digital tools, climate-smart practices and inclusive policies to facilitate the shift from subsistence to sustainable agribusiness. With 60 per cent arable land, Ghana has the resources to transform its food systems –

¹⁵ Social, Environmental and Climate Assessment Procedures background study.

¹⁶ World Bank. 2022. Climate Change Knowledge Portal.

¹⁷ Ministry of Food and Agriculture. 2021.

¹⁸ GSS. 2020.

¹⁹ Ghana Agricultural Sector Investment Programme. 2022.

²⁰ CABI. 2019.

²¹ African Development Bank. 2022.

²² Ghana Irrigation Development Authority.

²³ World Bank. 2023. Ghana Rural Transport Infrastructure Report.

²⁴ Food and Agriculture Organization of the United Nations. 2021. Ghana Post-Harvest Loss Assessment.

²⁵ GSS. 2020.

²⁶ USAID. 2020. Ghana Market Systems Report.

²⁷ ITC. 2021.

²⁸ International Energy Agency. 2022. Ghana Energy Commission Report.

²⁹ IFAD. 2021. Ghana Rural Financial Services Survey.

³⁰ GSMA. 2022. Mobile Connectivity Index for Ghana.

³¹ National Communications Authority. 2023.

by building resilience to climate risks and strengthening linkages between smallholders, processors and regional markets.

22. **Agro-financing and insurance.** Banks and microfinance institutions provide loans and credit to farmers and agribusinesses. Private insurers offer weather-indexed crop insurance to mitigate risks for farmers. There are opportunities for innovation in the range of financial and insurance products available for the agriculture sector.
23. **Digital agriculture.** Platforms like e-Agriculture provide farmers with weather data, market prices and financial services. Digital platforms are being used to connect farmers directly to buyers, reducing post-harvest losses and improving market access.

Government policy and institutional framework

24. The Government provides a supportive policy framework, and the Medium-Term National Development Policy Framework (2026–2029) provides a broad framework for government policy. In addition, the Feed Ghana Programme (2025–2028)³² aims to transform agriculture into a modern, climate-resilient and market-driven sector.³³ The Government has embarked on an ambitious agenda for agriculture through the Feed Ghana (2025) strategy. In addition, the National Rural Development Policy aims to improve rural infrastructure (roads, energy, water) and livelihoods through decentralized governance.³⁴

Institutional framework

25. IFAD's main counterparts in Ghana have been the Ministry of Food and Agriculture, the Ministry of Finance and the Ministry of Trade, Agribusiness and Industry. There are several challenges – weak technical capacity, limited field presence, weak extension systems, procurement delays and lack of financial resources. In addition, government institutions have limited experience and understanding of the private sector and market-oriented approaches. These capacities will be strengthened through strong technical teams and the use of specialized entities.

II. IFAD engagement: lessons learned

A. Results achieved during the previous COSOP

26. Five IFAD projects³⁵ were implemented during the last COSOP. Overall, the projects were designed to target more than 787,528 household members.³⁶ As of the end of September 2024, the projects had provided services to 330,000 people and are expected to surpass this target upon completion of the ongoing Affordable Agricultural Financing for Resilient Rural Development Project (AAFORD) and the Promoting Rural Opportunities, Sustainable Profits and Environmental Resilience Project (PROSPER). The achievements under each strategic objective of the previous COSOP are outlined below.
27. **Strategic objective 1: Promote a financially sustainable and inclusive rural transformation.** Analysis shows that there was a 43 per cent increase in government expenditure on agriculture at the country level from 2019 to 2023 and that significant resources were generated from development partners for the sector. Some of the projects³⁷ changed the rural enterprise landscape. Examples include the provision of business advisory services for SMEs under the Rural Enterprises Programme (REP), engagement with the private sector through the

³² Ministry of Food and Agriculture. 2025. [Feed Ghana Programme](#).

³³ Ibid.

³⁴ Energy Commission. 2022.

³⁵ Promoting Rural Opportunities, Sustainable Profits and Environmental Resilience Project (2021–2023); Emergency Support to Rural Livelihoods and Food Systems Exposed to COVID-19 (ESRF) (2020–2024); Affordable Agricultural Financing for Resilient Rural Development Project (2019–2027); and Rural Enterprises Programme (REP) (2012–2025).

³⁶ IFAD. 2024. Ghana COSOP completion review.

³⁷ Rural Financial Services Project; REP; Rural and Agricultural Finance Programme; Ghana Agricultural Sector Investment Programme; and ESRF.

establishment of the One District One Factory (1D1F) concept and support for vocational training and access to finance. While AAFORD had ambitious plans to secure development finance from a range of institutions, these plans suffered due to unrealistic cofinancing targets at design.

28. **Strategic objective 2: Strengthen productivity in inclusive value chain development.** The supply of free certified seeds and agrochemicals, along with equipment and facilities, contributed to higher crop production in maize, rice, vegetables and open pollinated varieties of soybeans and cowpeas. This resulted in several seasons of bumper harvest, especially for hybrid maize, with an increase in harvest by 20 to 30 per cent under the Ghana Agricultural Sector Investment Programme (GASIP).
29. **Strategic objective 3: Strengthen capacities and economic opportunities.** GASIP adopted a value chain approach in developing secure market linkages between farmer-based organizations (FBOs) and agribusinesses through formalized agreements. Per the endline survey, 58.5 per cent of FBOs were estimated to have formal contracts. The Emergency Support to Rural Livelihoods and Food Systems Exposed to COVID-19 focused on constructing about 29.5 km of farm tracks. REP III and GASIP provided business development and rural financial services to farmers, processors, and micro, small and medium-sized enterprises (MSMEs).

B. Lessons

30. **Pre-emptive identification and proactive actions.** Lessons have been pre-emptively garnered within the portfolio and proactive actions continue to bring enhancements. Several restructurings have ensured that designs are aligned to the country's demands; the reduction and consolidation of the portfolio are enhancing efficiency and effectiveness for both the client and IFAD; monitoring and evaluation (M&E) is being streamlined into a single system; and fiduciary issues are decreasing in number.
31. **Adaptive business models.** An explicit focus on productive infrastructure and access to finance will enhance the linkages within value chains. The use of background analytical assessments can be the drivers to facilitate investments, while ensuring that gender, youth, climate and nutrition are mainstreamed into interventions as deemed relevant. Assessments ensure grounding in feasibility and viability and return on the investments.
32. **Expanding partnerships with the private sector** and other development actors supporting rural enterprises and value chains can help to match production with market demand. The new COSOP would benefit from an assessment to identify tools for efficient partnership with the private sector.
33. **The targeting strategy can be made more responsive** to the needs and choices of the target groups. This could be achieved by adopting a more systematic approach and undertaking district-level multidimensional poverty and gender assessments to guide adjustments to targeting and gender aspects, as needed, during implementation.
34. **Sustainable input systems.** One-time input distribution without financing mechanisms undermines farmer resilience. Linking input access to agro-dealers, credit systems or revolving funds, alongside training to access financing, ensures sustainability. The blended finance facility (BFF) under AAFORD is facilitating this financing, while enhancing the financial literacy of the farmer groups.
35. **Nutrition-sensitive approach.** Nutrition-sensitive projects require the incorporation of intermediate outcome indicators for a comprehensive understanding of their impact pathways. Nutrition is being explored as a multidimensional aspect, including targeted interventions such as addressing anaemia in young women.

36. **Phasing and clarity in design.** Unsuitable models for the local context, such as franchise models that lack proper feasibility and incentives for private sector participation, can cause the business advisory centres and 1D1Fs to fail. Piloting and scaling gradually ensure alignment with market demand and beneficiary capacity. In the case of PROSPER, geographical targeting and phasing are being implemented before scaling to other regions. Additionally, systematic programmatic linkages are being actively pursued.
37. **Financial flexibility.** Short-term loans to participating financial institutions hinder participation and outreach. Extending tenors (by four or five years), simplifying applications and allowing blended financing make the loans more attractive, which increases demand. The BFF under AAFORD, which will transition to PROSPER, has commenced operations with these emerging lessons.
38. **Market-aligned pricing.** Policy rate loans exclude target groups. Accessibility of finance is enhanced by pricing loans based on commercial benchmarks and offering tiered rates (for women and youth) that do not distort the market.
39. **Natural resource management.** A comprehensive roll-out of Social, Environmental and Climate Assessment Procedures (SECAP) among stakeholders has been conducted, and environmental and social management systems have been developed, including plans for implementation and monitoring of onlending activities financed by IFAD. For SMEs accessing financing, the COSOP will ensure SECAP compliance assessments are conducted and monitored.
40. **Policy and institutional consistency.** Long-term IFAD support has enabled systemic change. Embedding enterprise development in national policies and funding multi-year capacity-building for rural institutions sustain progress. Through AAFORD and PROSPER, lessons are being captured to feed into policy areas related to agriculture sector financing.
41. **Financial management.** Recent experience has highlighted recurring risks. Challenges included inadequate funds flow management and a lack of strong fiduciary safeguards. Concerns over the independence of Ghana's audit service have led to the use of independent audit firms for project oversight. Multi-donor coordination issues further contributed to delays and ineligible expenditures. Lessons stress the need for early government engagement, integrated internal audits, stronger oversight of implementing partners, dedicated fiduciary manuals, and tools to track fund and input flows.
42. **Portfolio design and management and cofinancing.** Delays and implementation challenges can be minimized in future projects by ensuring that cofinancing is not relied upon until it is confirmed, and that designs are simple and build on the strengths of implementing agencies.

III. Strategy for transformational country programmes

A. COSOP theory of change

43. Smallholder farmers in Ghana face systemic barriers that hinder agricultural productivity, profitability and climate resilience, perpetuating food insecurity and rural poverty. A primary challenge is limited access to modern technologies, infrastructure and market integration. Financial exclusion further stifles progress: most smallholders lack access to affordable credit, limiting investments in quality inputs and technology. High-risk perceptions by lenders and informal credit sources trap farmers in low-productivity cycles. Financial service providers can combine grants with loans; deploy flexible interest rates; develop innovative loan products suitable for women and youth to provide affordable credit; and reduce transaction costs through the use of digital tools. Additionally, rural infrastructure challenges – such as dilapidated roads, insufficient storage and processing, and limited cold chains – drive up post-harvest losses and transport costs. Limited digitalization in supply chains reduces transparency and market efficiencies.

44. The theory of change of the country programme, embedded within the investments,³⁸ is based on the premise that: **IF** the capacity of smallholder farmers and agriculture enterprises is strengthened and access is provided to productive rural infrastructure, climate-proofed production technologies, blended finance, digital services and targeted support to improve nutrition, **AND IF** market-centric value chains are developed through inclusive business models and strong transparent partnerships with the private sector, **THEN** rural poverty can be reduced and food security, climate resilience and nutritional status enhanced **BECAUSE** of increased production and productivity, supportive market-oriented infrastructure, enhanced farmers' capacities and business orientation, partnership with the private sector, access to finance and digital services, targeted support for nutrition and an enabling policy environment.
45. The potential risks are low appetite for lending in rural areas and the agriculture sector because of high perceived risks and high transaction costs for financial institutions and lack of appropriate loan products for the rural clientele. The risks to infrastructure investments can be the high cost of making infrastructure climate-resilient, the limited number of contractors in rural areas who can deliver good quality without delays, and poor maintenance after project completion. The COSOP will mitigate these risks through close engagement with implementing partners and putting in place mechanisms to deal with them.

B. Overall goal and strategic objectives

46. The goal of the COSOP is to foster sustainable, inclusive and resilient livelihoods to reduce rural poverty and improve well-being. The country programme will pursue the following two interlinked strategic objectives (SOs) over the COSOP period. The SOs address the two key constraints regarding access to finance and infrastructure to facilitate the achievement of the goal.

SO1: Enhance access to finance for high-growth, climate-resilient and market-oriented agricultural value chains and financially viable business models for micro, small and medium-sized enterprises that are pro-poor and can drive rural growth

47. SO1 will be achieved through the following outcomes:
- (i) **Outcome 1.1.** Financially and environmentally sustainable livelihoods developed with improved capacity for business development and partnerships with the private sector.
 - (ii) **Outcome 1.2.** Increased capacity of and access by smallholder farmers, FBOs and village savings and loans associations (VSLAs) and agricultural value chain actors to blended finance and digital services.
 - (iii) **Outcome 1.3.** An enabling policy environment for access to financial and business services through formalization of MSMEs.

SO2: Enhance public and private investments in rural productive infrastructure to strengthen the climate resilience and market integration of rural livelihoods

48. SO2 will be realized through the following outcomes:
- (i) **Outcome 2.1.** Enhanced productive infrastructure supporting increased production and productivity in selected agricultural value chains with potential for value addition in agroprocessing and marketing.
 - (ii) **Outcome 2.2.** Enhanced climate resilience of smallholders through access to infrastructure and digital tools and services that help them reduce their losses and address climate risks.

³⁸ AAFORD and PROSPER.

- (iii) **Outcome 2.3.** Enhanced nutritional status of young women and mothers and their families.
49. **Sustainability.** In line with recommendations from the country strategy and programme evaluation, and ensuring a multipronged approach, the COSOP will create and empower community-led management committees to be responsible for the upkeep of infrastructure.³⁹ It will leverage the BFF mechanisms to de-risk and sustain the growth of investments in climate-resilient value chains. Partnering with local financial institutions will provide affordable credit products tailored to smallholders and agriculture-based MSMEs, thereby enabling their growth. Environmental sustainability criteria will be embedded into lending practices. Advocating for policy reforms (e.g. incentives for climate-smart and green investments) will further attract enterprises. The infrastructure and capacity-building aspects will be sustained by ensuring that infrastructure is climate-resilient and establishing clear ownership, and operating and maintenance responsibilities of communities and local governments, ensuring long-term functionality.
50. **Scaling up.** To scale outcomes under **SO1**, leverage partnerships with financial institutions to replicate tailored credit products (outcome 1.2) nationally, while advocating for policy reforms (outcome 1.3) to incentivize climate-smart investments. Integrate digital platforms to expand financial access and link sustainable livelihood models (outcome 1.1) to value chains. For **SO2**, facilitate public-private partnerships for investments in productive and climate-resilient infrastructure (outcomes 2.1 and 2.2). Embed into national programmes activities and approaches that contribute to outcome 2.3. Align both strategic objectives with national climate and rural development agendas to secure funding and institutionalize gains. Annual reviews will ensure that robust evidence is garnered through implementation. The enhanced management information systems will feed the M&E systems, further ensuring that learning translates into knowledge management (KM). KM will pave the way to bridging the gaps in regulatory environments and thereby support policy interventions.
51. **Alignment with IFAD13 priorities.** The COSOP is aligned with the overall IFAD13 priority of building rural resilience and a food-secure future focused on vulnerable communities. The COSOP is designed to undertake this through targeted investments in enhancing food systems and building their resilience through access to finance along strategic food value chains, improved rural infrastructure and increased engagement with the private sector.
52. **Mainstreaming.** The four mainstreaming themes will be integrated into the COSOP as follows:
- (i) **Environment and climate.** The country programme will address climate vulnerabilities through integrated, locally led solutions that build community resilience and protect rural livelihoods. Infrastructure design will incorporate environmental sustainability considerations. The COSOP will partner with financial institutions that have established procedures for screening loans using environmental tools aligned with national environmental protection standards, and that provide green financing products and incentives for sustainable projects. Digital tools will be used to provide timely weather information and for monitoring purposes.
 - (ii) **Gender.** The country programme will take an inclusive approach and use tools⁴⁰ to promote equality and inclusion through project services such as lending products tailored to women in terms of collateral requirements, loan

³⁹ Support will be provided by ongoing technical training and capacity-building through existing government initiatives, institutionalizing adequate maintenance funds within local government budgets to ensure a dedicated and continuous financial stream for public infrastructure upkeep.

⁴⁰ For example, the Gender Action Learning System.

size and tenor. Gender-responsive infrastructure will be prioritized. Women's inclusion in forums established under COSOP will be ensured, along with financial literacy, leadership training and land rights advocacy for women. Gender will be mainstreamed and carefully monitored through the gender equality and women's empowerment metrics.

- (iii) **Youth.** Building on the experience from investments in Enable Youth or 1D1F factories (under REP), IFAD will promote agribusiness and entrepreneurship opportunities, which will create employment for youth in value-added activities through access to finance, business training and building digital skills in areas of interest to them. Quotas have been included for young women and men for all activities in the ongoing portfolio.
 - (iv) **Nutrition.** The COSOP includes projects with targeted interventions for vulnerable groups, especially women of reproductive age, that promote nutrition-sensitive farming practices to diversify production in staple crop value chains, ensuring access to more nutritious and safe foods.
53. Table 2 below identifies how the policy challenge regarding access to finance will be addressed through IFAD investments and the facilitation of enterprises.

Table 2
COSOP strategic objectives

<i>Key development priority (strategic objective)</i>	<i>Underlying institutions</i>	<i>Policy reform challenges</i>	<i>Proposed interventions (lending, non-lending)</i>
SO1: Enhance access to finance for high-growth, climate-resilient and market-oriented value chains and financially viable business models for MSMEs that are pro-poor and can drive rural growth	Ministry of Finance and the Bank of Ghana play direct roles in rural finance and MSME support.	High cost of financing to the agriculture sector	PROSPER and AAFORD
	Association of Rural Banks (ARB) Apex Bank	Lack of access to affordable financial services	Formulate financial policies and develop loan products
	Participating financial institutions	Perceived risk of lending to the sector	2 blended finance products developed to suit smallholders' needs
	Ministry of Trade, Agribusiness and Industry: Drives MSME formalization and financial inclusion policies	Facilitating the formalization of MSMEs	2 existing/new laws, regulations, policies or strategies proposed to policymakers for approval, ratification or amendment 10 policy-relevant KM products developed Identify policies to incentivize the formalization of MSMEs
SO2: Enhance public and private investments in rural productive infrastructure to strengthen the climate resilience and market integration of rural livelihoods	Ministry of Food and Agriculture Department of Feeder Roads Ministry of Local Government and Rural Development	Dearth of facilitating public/private market-oriented infrastructure in rural areas	Invest in infrastructure through lending operations

C. Target group and targeting strategy

Target group

54. IFAD's target group in Ghana will comprise poor subsistence, semi-subsistence and commercially oriented smallholder farmers with landholdings of up to 5 ha, along with micro and small-scale rural entrepreneurs, with a strong focus on women and youth across the target groups (appendix II, key file 2). IFAD will engage with large-scale agricultural value chain actors where this engagement benefits its target group through the creation of an enabling economic environment.

D. Targeting strategy

55. The targeting strategy will deploy a range of mechanisms including geographic, self- and direct targeting to reach rural poor people. It will prioritize MSMEs that integrate market-ready smallholder farmers into agricultural value chains. Active collaboration with these enterprises will be fostered through risk-sharing mechanisms, capacity-building programmes and incentives designed to encourage partnerships with smallholders.
56. In terms of geographic targeting, IFAD will prioritize the poorest and most vulnerable regions based on food insecurity, nutrition vulnerability, poverty headcount and climate vulnerability. Pockets of poverty in relatively well-off regions will also be potential target areas. The geographic spread of activities will be determined by a careful analysis of resources, management capacities and government priorities, and will be phased in the roll-out of investments, enabling projects to be implemented effectively and impactfully. The principle of contiguity, economic considerations and government priorities will guide the selection of geographic areas at all levels.
57. IFAD's ongoing portfolio is focused on the northern zone and the middle zone. The Eastern Region (in the southern zone) has been included to address a critical gap in donor investments and to respond to nutritional and poverty-related challenges in this region, which has the second highest number of farming households in Ghana. The two ongoing IFAD projects will work in close collaboration with each other and other investments to avoid duplication.

IV. IFAD interventions

A. Financing instruments

58. The COSOP will be financed through four IFAD financing cycles (IFAD11 to IFAD14) on blend terms. IFAD has been able to leverage additional resources of US\$25.449 million from the Green Climate Fund (GCF) and the Cooperative for Assistance and Relief Everywhere (CARE). Only 3.6 per cent of IFAD resources will be provided in the form of grants, while 19 per cent of GCF funds and 100 per cent of CARE funds will be grants. Funds will also be generated from domestic sources such as ARB, participating financial institutions and the Government.

Table 3
Financing for the COSOP 2025–2030
 (Millions of United States dollars)

	<i>IFAD</i>	<i>GCF</i>	<i>CARE</i>	<i>Amount</i>
Grant	3.5	4.75	1	9.247
Loan	116*	20.70	-	136.702
Total	119.5	25.45	1	145.949
(%) of grant	2.9%	19%	100%	6.3%

* Includes estimates for IFAD14.

B. Country-level policy engagement

59. Under the new COSOP, two specific policy measures are proposed: financial policies to enhance smallholders' access to financial services and the formalization of agriculture-based enterprises to facilitate their access to finance. The policy agenda will be implemented by showcasing how refinements in policy can enhance access to financial services and impact the COSOP's development objectives. Special knowledge products will be developed and disseminated to illustrate the policy impact.

C. Institution-building

60. The COSOP will strengthen FBOs, VSLAs and agriculture enterprises. FBOs will be strengthened by improving their governance structures, leadership and financial

management capacities. VSLAs will be provided with capacity-building, business planning support, equipment and access to finance.

D. Innovation

61. The COSOP will identify innovations by leveraging project-level investments to refine and scale up innovative ideas such as the BFF and the integration of digital solutions for smallholders and agriculture enterprises. Innovation will also be fostered through partnerships with the private sector and tech start-ups.

E. Knowledge management

62. Greater emphasis will be placed on knowledge management in order to highlight the lessons that emerge from IFAD's field experience for adaptive management of the portfolio and demonstrate policy lessons. The terms of reference of the M&E unit will be expanded to incorporate KM products and strategies for dissemination at the project level. Special KM events will be organized, and electronic and social media will be used to publicize lessons learned. Opportunities to engage and build partnerships with financial institutions and private sector enterprises will be pursued.

F. Information and communications technologies for development

63. Agricultural technology and digital solutions are improving access to markets, boosting productivity and building climate resilience despite challenges such as internet gaps, low digital literacy and high device costs. Initiatives like SAT4Farming,⁴¹ Farmonaut and digital extension platforms are providing targeted solutions. Opportunities will be sought actively within the ecosystem for initiatives to integrate or retrofit digital technologies into the portfolio. Potential areas will include weather and market information and linkages, input supply, precision agriculture, access to financial services and traceability.⁴² Information and communications technology for development (ICT4D) will enhance programme management and M&E.

G. Strategic partnerships and South-South and Triangular Cooperation

Government and civil society

64. IFAD will maintain partnerships with the Ministry of Food and Agriculture and the Ministry of Finance and with institutions such as the Bank of Ghana and the Department of Feeder Roads (to oversee infrastructure investments). The country programme will work with subnational bodies such as metropolitan, municipal and district assemblies to deliver public infrastructure works.

Civil society organizations.

65. During implementation both ongoing projects will be encouraged to establish partnerships with civil society organizations that can help to enhance access for women, youth and other disadvantaged groups.

H. Development partners

66. IFAD will collaborate closely with key development partners such as the World Bank, African Development Bank and other bilateral and multilateral agencies. It will also engage with the United Nations country team, given the close alignment of the COSOP with the United Nations Sustainable Development Cooperation Framework (UNSDCDF) (2023–2025)⁴³ regarding support to inclusive and sustainable economic growth and transformation.

⁴¹ Grameen Foundation. 2018. [Digital and Satellite Technology Program Launches to Support Ghana's Smallholder Cocoa Farmers](#).

⁴² Annie Kilroy and Patrick Shamba. 2024. Digital Agriculture Ecosystem Assessment. Ghana. Development Gateway.

⁴³ IFAD will continue to engage with the United Nations country team in Ghana and align its COSOP with its United Nations partners over time. A one-year extension of the current UNSDCF is expected to be sought.

I. South-South and Triangular Cooperation

67. To support the strategic objectives focused on access to finance and public-private partnerships, the COSOP will leverage South-South and Triangular Cooperation (SSTC) to promote the adoption of proven innovations from peer countries such as Brazil (road maintenance by the private sector), Nigeria (credit de-risking) and Morocco (policy for agribusiness). IFAD platforms such as the Agricultural Public Development Bank (Agri-PDB) Platform, the Smallholder and Agri-SME Finance and Investment Network and the Alliance for a Green Revolution in Africa (AGRA) will be explored. SSTC-earmarked funds integrated into AAFORD and PROSPER will be used. A demand-driven approach through regular engagement with local stakeholders will ensure the identification of relevant learning opportunities aligned with national priorities.

V. COSOP implementation

A. Investment volume and sources

68. The COSOP will have a six-year cycle (2025–2030).⁴⁴ Given the 43 per cent reduction in the allocation under the performance-based allocation system (PBAS) for the IFAD13 period, the COSOP will consider adopting the multiphase adaptive programme (MAP) approach over the next two or three cycles to enable effective and efficient use of IFAD resources for greater impact using a programmatic approach.
69. IFAD has committed US\$15 million for AAFORD and US\$52.5 million for PROSPER for the COSOP period. IFAD13 financing of US\$26 million will be used to cofinance an ongoing investment of a partner (Type C).⁴⁵ IFAD14 funds may be available to use the MAP approach for PROSPER, or other cofinancing opportunities may be explored. IFAD will consider financing a non-sovereign operation with a development finance institution for onlending to participating financial institutions in the sector. The proposed IFAD14 financing will be determined subject to internal procedures and subsequent Executive Board approval.

Table 3

IFAD financing and cofinancing of ongoing and planned projects

(Millions of United States dollars)

		Source (PBAS, Borrowed Resource Access Mechanism [BRAM], grant)		Cofinancing (US\$ millions)		
Project	IFAD financing	Loan	Grant	Domestic	International	Cofinancing ratio
Ongoing						
AAFORD	15.0	11.5	3.5	8.6	1.00	1:0.60
PROSPER	52.5	52.5		46.701	25.45	1:0.63
Planned						
IFAD13: Type C	26.00	26.00				
IFAD14	26.00 (TBC)	26.00 (TBC)				
Total	119.5	116	3.5	55.201	26.45	

B. Resources for additional activities

70. Climate financing from development partners and climate funds⁴⁶ will be sought for the pipeline. IFAD will endeavour to build the capital base of the BFF under AAFORD by exploring opportunities with other financiers.

⁴⁴ May be extended for an additional three years.

⁴⁵ An expression of interest to cofinance the Food System Resilience Programme in Ghana has been received from the World Bank.

⁴⁶ A proposal for the Adaptation Fund is under way.

C. Transparency

71. Projects will strictly adhere to IFAD and government procurement guidelines. Information dissemination and grievance redress mechanisms will be developed to ensure inclusion. Details of the procurement arrangements to build transparency and accountability are outlined in appendix X.

D. Country programme management

72. The IFAD country team in Accra will be responsible for managing the country programme, with backstopping from the regional office.

E. Monitoring and evaluation

73. The results management framework (RMF) constitutes the main tool for monitoring the country programme. A single integrated management information system will be developed to effectively link and track performance across the portfolio and feed into an automated RMF. The M&E system will be enhanced at the COSOP and project level, enabling the incorporation of results and lessons into actionable recommendations for policymakers and stakeholders. An annual progress review of the COSOP will be conducted and refinements incorporated.

VI. Target group engagement

74. IFAD uses stakeholder consultations and target group feedback, participatory M&E and grievance redress mechanisms to engage stakeholders. IFAD will ensure that opportunities for participation in investments are properly communicated, especially to women, youth and vulnerable groups. Digital monitoring systems and platforms will be used to elicit feedback from project participants.

VII. Risk management

75. The COSOP will manage identified risks through several mitigation strategies. Political and regulatory risks will be managed by engaging closely with key counterparts to ensure commitment and support. Social and cultural risks will be managed through the design of gender- and youth-inclusive products and financial literacy campaigns. Environmental risks will be managed by promoting climate-smart agriculture and climate-resilient infrastructure. Operational risks will be managed by strengthening local partners' capacity. Projects that will be implemented as part of this COSOP will undertake regular reviews, stakeholder consultations, and KM and M&E initiatives to address emerging risks. In addition, projects will be restructured if required and funds repurposed to respond to emergency situations.

Results Management Framework

Country strategy alignment	Related UNSDCF/SDG outcomes	IFAD's SOs	Key COSOP results			
			<i>Strategic objectives COSOP (2025-2030)</i>	Investments and non-financial activities for the COSOP period	<i>Outcome indicators with targets</i>	<i>Output indicators with targets</i>
Governments Coordinated Programme of Economic and Social Development Policies (CPESDP) 2022–2025 which prioritizes economic transformation, fiscal stability, infrastructure, human capital, social inclusion, climate resilience, governance reform, and regional equity to achieve sustainable upper-middle-income status.		<i>IFAD's 2016-2025 Strategic Framework</i>				
			The goal of the COSOP is to foster sustainable, inclusive, and resilient livelihoods to reduce rural poverty and build resilient livelihoods for rural economic growth and transformation.		The overall outreach under this COSOP is expected to be 150,000 households (50,000 AFFORD, 70,000) PROSPER and 30,000 HHs from IFAD 13 allocation)	
			Development Objective: To strengthen the financial ecosystems and infrastructure, empowering pro-poor farmers and enterprises involved in agriculture for enhancing rural livelihoods.		120,000 households with improved access to infrastructure, finance and rural services	
	Ghana's UNSDCF aligns with SDGs 1,3,4,5,8,9,13,17, targeting poverty reduction, inclusive growth, health access, quality education, gender equality, sustainable infrastructure, climate resilience, and partnerships by 2030	Strategic objective 1 Increase poor rural people's productive capacities; • Strategic Objective 2: Increase poor rural people's benefits from market participation; and • Strategic Objective 3: Strengthen the environmental sustainability and climate resilience of poor rural people's economic activities.	SO 1: Enhance access to finance for high growth climate resilient, market-oriented value chains and financially viable business models and MSMEs that are pro-poor and can drive rural growth	Investment activities • Ongoing • Indicative Non-financial activities • KM • Capacity-building • CLPE • Partnerships SSTC	Outcome 1.1 Financially and environmentally sustainable livelihoods developed 24000 households (A) and 35000 households (P) reporting increase in production Outcome 1.2: Increased capacities of and access by smallholder farmers, FBOs/VSLAs and VC actors to affordable financial services 24,000 (A) and 35,000 (P) households reporting using rural financial services 2,025 Rural Producers' Organizations engaged in formal	25,000 (A) households trained in improved production practices and/or technologies. 400 existing FBOs/VLSAs equipped with essential value-enhancing equipment 450 FBOs/VLSAs supported to develop a business plan (A) 4,500 Rural Producers Organizations and 800 MSMEs trained (A) 1,1800 Rural Producers Organizations and enterprises supported in the development of business plans (P) 315 RPOs' business plans financed (A)

			Strategic Objective 2: Enhance public and private investments in rural productive infrastructure to strengthen the climate resilience and market integration of rural livelihoods	Investment activities <ul style="list-style-type: none"> • Ongoing • Indicative Non-financial activities <ul style="list-style-type: none"> • KM • Capacity-building • Partnerships • SSTC 	partnerships/agreements or contracts with public or private entities (P)	315 VC actors with outreach business plan and linked to financial institutions (A)
					Outcome 1.3. An enabling policy environment for access to financial services and formalization of MSMEs. 2 existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment	2 blended finance products developed to suit smallholders' needs, with 14,5 million USD of blended finance disbursed 10 policy-relevant knowledge products completed
					Outcome 2.1. Enhanced productive infrastructure supporting enhanced production and productivity in selected value chains. 10% households reporting improved physical access to markets	320 clusters benefitting from infrastructure and 108 Kms of roads (P)
					Outcome 2.2. Enhanced climate resilience of smallholders through access to infrastructure and services to address climate risks. 42,000 households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	100,000 households supported to sustainably manage natural resources and climate-related risks 30,000 households provided with climate information services (P)
					Outcome 2.3 Enhanced nutritional status of young women and mothers and their families 10,000 households (A) and 4,400 households (P) reporting reaching minimum dietary diversity (MDDW)	10,000 households (A) and 12,000 households (P) provided with targeted nutrition support

Annex: Outreach and assumptions

Indicators	AFFORD	PROSPER	IFAD 13	Hypothesis	
Goal: To foster sustainable, inclusive, and resilient livelihoods to reduce rural poverty and build resilient livelihoods for rural economic growth and transformation.					
# of households reached	50 000	70 000	30 000		
Development Objective: To strengthen the financial ecosystems and infrastructure, empowering pro-poor farmers and enterprises involved in agriculture for enhancing rural livelihoods.					
# of households reporting improved access to infrastructure, finance and rural services	40 000	56 000	24 000	Assumes that at least 75% of the households reached will report improved access	
Outcome 1.1 Financially and environmentally sustainable livelihoods developed					
Outcome indicator:					
# of households reporting increase in production	15 000	35 000		AFFORD target assumes that 60% of 25 000 beneficiary farmers will improve their production	
Output indicators:					
# of households trained in improved production practices and/or technologies	25 000	(-)			
# of existing FBOs/VLSAs equipped with essential value-enhancing equipment	400	(-)			
# of FBOs/VLSAs supported to develop a business plan	450	(-)			
Outcome 1.2: Increased capacities of and access by smallholder farmers, FBOs/VSLAs and VC actors to affordable financial services					
Outcome indicator:					
# of households reporting using rural financial services	24 000	35 000			
# of Rural Producers' Organizations engaged in formal partnerships/agreements or contracts with public or private entities	(-)	2 025			
Output indicators:					
# of Rural Producers Organizations trained	4 500	(-)			
# of MSMEs trained	800	(-)			
# of Rural Producers Organizations and enterprises supported in the development of business plans	(-)	1 180			
# of RPOs' business plans financed	315	(-)			
# of VC actors with outreach business plan and linked to financial institutions	315	(-)			
Outcome 1.3. An enabling policy environment for access to financial services and formalization of MSMEs.					
Outcome indicator:					
# of existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment	2				
Output indicators:					
# of blended finance products developed to suit smallholders' needs	2				
Value of blended finance disbursed (in million USD)	14,5	(-)			
# of policy-relevant knowledge products completed	(-)	10			
Strategic Objective 2: Enhance public and private investments in rural productive infrastructure to strengthen the climate resilience and market integration of rural livelihoods					
Outcome 2.1. Enhanced productive infrastructure supporting enhanced production and productivity in selected value chains.					
Outcome indicator:					

Indicators	AFFORD	PROSPER	IFAD 13	Hypothesis
% of households reporting improved physical access to markets	10%			Assumes
Output indicators:				
# of clusters benefitting from infrastructure	(-)	320		
# of kms of roads constructed	(-)	108		
Outcome 2.2. Enhanced climate resilience of smallholders through access to infrastructure and services to address climate risks				
Outcome indicators:				
# of households reporting adoption of environmentally sustainable and climate-resilient technologies and practices		42,000		
Output indicators:				
# of households supported to sustainably manage natural resources and climate-related risks	(-)	100,000		
30,000 households provided with climate information services (P)				
Outcome 2.3 Enhanced nutritional status of young women and mothers and their families				
# of households reporting reaching minimum dietary diversity (MDDW)	10 000	4 400		AFFORD target assumes 100% beneficiary hhs will reach
Output indicators:				
# of households provided with targeted nutrition support	10 000	12 000		

Key files

Key file 1: Rural Poverty and agricultural sector issues

Priority Areas	Affected Group	Major Issues	Actions Needed
Rural Poverty	Rural households, smallholder farmers, landless women and youth. Migrant farmers and herders. Underprivileged and people with disability (PWD)	<ul style="list-style-type: none"> Lack of access to finance, infrastructure, markets and opportunities for enhancing incomes and employment. Lack of climate resilience/vulnerability to climate-related shocks. High unemployment, especially the youth Low living standards High illiteracy among smallholder farmers Economic instability 	<ul style="list-style-type: none"> Build opportunities to build the asset base, provide opportunities for increased productivity and access to finance, infrastructure, adaptive inputs and skills to enhance resilience to both economic and climate risks. Improve access to production resources (land; high yielding, climate resilient inputs; water/irrigation, etc.) Provision of social interventions/amenities-WASH, education, health, etc. Target development to high-poverty areas Seek collaboration for effective monitoring and evaluation of poverty alleviation interventions/initiatives.
Food and nutrition security	Smallholder and landless rural population. Women and children;	<ul style="list-style-type: none"> Production systems remain vulnerable to shocks (climate and price). Small scale production with limited access to improved inputs, technology and supporting services. High post-harvest losses and inadequate storage and processing facilities. High prevalence of all forms of malnutrition (anaemia, stunting, overweight) Lack of diversification of the diet Low nutritious crop varieties and produce 	<ul style="list-style-type: none"> Increase production and productivity, through improved access to extension services, improved agriculture inputs, agriculture equipment and machinery and access to finance. Provide access to climate adaptive technologies and practices as well as facilities to reduce post-harvest loss. (greenhouses, cold storage, transport, warehouse, etc). Increase access to supporting services (business advisory services, market information, etc). Provide access to improved infrastructure and financial services. Collaborate with Ministry of Health on awareness creation on healthy diet through sensitization and nutrition education. Promote utilisation of nutritious food products in diets of households
Lack of climate resilient agriculture	Smallholder farmers Aquaculture/fish farmers	<ul style="list-style-type: none"> Increase in temperatures and unreliable precipitation patterns and changing weather patterns. Droughts/dry spells, floods, soil degradation. Low adoption of modern techniques/innovations, Incidence of Crop pests and diseases, etc. 	<ul style="list-style-type: none"> Promote drought-tolerant crop varieties, Investment in water efficient irrigation systems, Capacity building of farmers in climate-smart practices and support adoption. Support incentive based and insurance initiatives Support investment in adaptive research Conduct climate vulnerability assessments.
Lack of business skills and limited understanding of agriculture value chains.	Rural entrepreneurs and MSMEs	<ul style="list-style-type: none"> Unable to deal with the volatile market dynamics. Incur losses and inability to earn from agriculture investments. Lack of agricultural data and statistics for planning and decision making Inadequate avenues for entrepreneurial skills development (internships, coaching, mentoring, etc.) Seasonal variations in supply chain systems 	<ul style="list-style-type: none"> Enhance understanding of business opportunities through capacity building (training, orientation, handholding and mentoring). Provision of reliable agricultural data and information, including value chain analysis of major commodities Learning and sharing routes on experiences and best practices

Priority Areas	Affected Group	Major Issues	Actions Needed
Access to finance	Smallholder farmers, VSLAs, Rural enterprises/Agribusinesses (MSMEs).	<ul style="list-style-type: none"> • Low risk appetite of existing financial institutions. • Lack of financial products appropriate for rural small holders. • Lack of collateral and complex application processes/procedures. • Low capacity of VSLAs and others to service rural clients. • Inadequate fund allocation for agricultural lending by FI. • Inadequate rural outreach of financial institutions • Inadequate staffing and expertise in agricultural financing. • High policy- and interest rates • Default payments and high loan delinquency by beneficiaries. • Unstable currency/depreciation of local currency (forex) 	<ul style="list-style-type: none"> • Technical assistance to financial institutions to adjust strategies and business models towards SHF, VSLAs, rural enterprises and MSMEs • De-risk lending to small holders and rural clients. • Develop products that suit the profile of smallholders, rural entrepreneurs, livestock owners, women and youth, with a focus on investment lending through asset-based financing, micro-leasing, and pay as you go for equipment solutions, including mid to long term financing targeted at financial institutions. • Support the deployment of agricultural insurance through public policies and adapted business models for financial institutions. • Develop products for MSMEs in rural Ghana. • Formalise MSMEs to take advantage of incentives. • Reduce the cost of lending to smallholders and rural entrepreneurs through digitisation of lending processes • Partnerships with Fintech to develop digital solutions, strengthen partnerships between financial institutions and MNOs to increase outreach
Lack of rural infrastructure such as rural road, irrigation and other productive infrastructure	Rural population	<ul style="list-style-type: none"> • Limited investment in roads and other market infrastructure such as storage, processing, transport, etc. • Dependence on public financing • Inadequate land development equipment 	<ul style="list-style-type: none"> • Investment in small/medium scale irrigation schemes. • Access to resources to invest in infrastructure. • Access to financial services to enable rural clients and business to invest in productive infrastructures as storage, processing, transport, etc.
Access to inputs	Smallholder farmers Agroprocessors	<ul style="list-style-type: none"> • Limited access to quality inputs at affordable rate. • Limited inputs outlets in rural communities • Inadequate quality assurance and certification • 	<ul style="list-style-type: none"> • Enhance links with private sector input suppliers. • Support input supply chains • Strengthen inputs quality and certification systems
Market Access & Value Chain development	Smallholder farmers, small enterprises, women and youth,	<ul style="list-style-type: none"> • Poor road connectivity, exploitative middlemen, lack of storage/processing facilities. • Lack of transparency in markets and market information • Lack of appropriate transport/haulage services 	<ul style="list-style-type: none"> • improve rural roads, support farmer cooperatives and rural enterprises • Invest in market infrastructure • Provide loans for investment in rural facilities at household and group level. • Improve postharvest handling of produce (drying, cleaning, packaging, etc). • Conduct value chain analysis of key commodities
Access to output markets for produce	Smallholder farmers and agroprocessors	<ul style="list-style-type: none"> • Fragmentation of production, • Lack of farmer organization for aggregation and achieve economies of scale. • Absence of pro-active private sector • Coordination along the commodity value chains weak. • Weak quality control and standardization. • Poor quality of agricultural produce • Weak bargaining power of smallholder farmers and processors • Competition with imports of agricultural commodities 	<ul style="list-style-type: none"> • Increase coordination along value chains. • Strengthen producers' organizations and MSMEs negotiation and bargaining power. • Partner with private sector for necessary marketing structures. • Facilitate access to finance. • Improve access to roads. <ul style="list-style-type: none"> • Promote digitization and e-commerce • Facilitate contract farming • Advocate for supportive commodity marketing and trade policies

Priority Areas	Affected Group	Major Issues	Actions Needed
Gender Equity	Rural women	<ul style="list-style-type: none"> • Limited mobility, unequal access to assets, skills and finance. • Limited leadership role and empowerment • Social and traditional barriers • High rate of illiteracy. 	<ul style="list-style-type: none"> • Provision of assets, skills training and productive employment opportunities. • Support in establishing enterprises through access to finance and business development. • Strengthen empowerment through transformative methodologies • Mainstream gender-responsive interventions • Strengthen dialogue with traditional leaders and collaborate/partnership with advocacy groups (Affirmative Action). •
Youth Employment	Rural youth	<ul style="list-style-type: none"> • High unemployment, out-migration, lack of vocational training, • Lack of access to productive assets. • Poor social and economic facilities in rural areas • Lack of job opportunities • Lack of access to finance • Lack of data and information on youth unemployment 	<ul style="list-style-type: none"> • Provide business training and link with access to finance, promote innovation and digitalization to enhance interest of the youth in agriculture. • Strengthen participation of youth in development programmes • Collaborate with accredited youth institutions for targeted interventions • Support development of database on youth in agriculture

Key file 2: Target group identification. Priority issues and potential response (refers to chapter I-C, III-C)

Typology	Poverty Levels and Causes	Coping Actions	Priority Needs	COSOP Response
Smallholder women and men farmers (subsistence and semi-subsistence)	They cultivate land under 2 ha and are food insecure. Due to inadequate resources, they lack access to quality inputs, equipment and marketing opportunities. They are often forced to get inputs on credit for suppliers and sell back produce to them at exploitative prices. Climate change impacts their productivity. They tend to rely on their lean personal savings and traditional sources of funds such as susu and VSLAs. Their access to formal loans is limited. They are also vulnerable to malnutrition.	<ul style="list-style-type: none"> • Use small savings in periods of hardship • Limit intake of food Sell livestock to buy food • Intercropping to mitigate crop failure • Rely on wild foods/famine crops (e.g., baobab leaves) • Daily wage labour 	<ul style="list-style-type: none"> • Reliable savings schemes • Access to credit • Technical assistance (business & production, marketing) for food security and producing some surplus • Improved access to basic services including clean drinking water and feeder roads • Improved food and nutrition security 	<ul style="list-style-type: none"> • Climate smart agricultural practices • Value chain development • Access to VSLA • Food and nutrition support through training, production diversification and kitchen gardening • Improved access to clean drinking water, social and economic infrastructure
Market-Oriented Smallholder women and men Farmers	They cultivate more than 2 to 10 ha of land, augment their family labour with hired labour, and can make some investments in farm inputs and assets. They tend to target specific commodities for production for purely commercial purposes but diversify their production to include other crops for consumption. Depending on the land sizes allocated for cash crops, the farmers may earn from GHS 1,000 to GHS 6,000 a month separately from the earnings generated from off-farm activities and remittances	<ul style="list-style-type: none"> • Curbing next season investments to cope with present crises • \Drought Resilient Crop Cultivation – Growing millet, sorghum, or improved maize varieties to withstand dry spells • Small-Scale Irrigation – Using shallow wells, treadle pumps, or rainwater harvesting to supplement unreliable rainfall • Livestock Rearing as a Buffer – Keeping goats, sheep, or poultry as an alternative income 	<ul style="list-style-type: none"> • Access to credit • Access to quality inputs • Technical assistance (business & production, marketing) • Improved access to basic services including clean drinking water and feeder roads • Expanded Irrigation Infrastructure • Access to Formal Credit & Insurance • Improved Road Networks & Market Access 	<ul style="list-style-type: none"> • Climate smart agricultural practices • Training in farming as a business • Value chain development • Access to affordable rural finance • Inclusive FBOs • Improved access to clean drinking water, social and economic infrastructure

		<p>source during crop failures</p> <ul style="list-style-type: none"> • Collective Marketing (Farmer Groups/Cooperatives) – Pooling produce to negotiate better prices and reduce transport costs • Migration & Off-Farm Work • Temporarily seeking labour opportunities in nearby towns during lean seasons 	<ul style="list-style-type: none"> • Training in Climate-Smart & Post-Harvest Techniques – Education on seed selection, storage • Strengthened Farmer Cooperatives – Support for collective bargaining, bulk input purchases, and contract farming with agribusinesses 	
Women	<p>Women form 50% of Ghana's total population, contribute 52% of agricultural labour force and produce 70% of food crops. They constitute 90% of the labour force in the marketing of farm produce and play the lead role in post-harvest activities such as shelling of grains, storage, processing and marketing. Despite their essential role in agriculture, women farmers face numerous challenges that limits their productivity and ability to participate and fully benefit from agricultural development: their land ownership is 8%, patriarchal gender norms limit access to capital, equipment and time poverty. Men do the initial clearing and ploughing of land but leave the rest of farm activities like planting, weeding, maintenance, harvesting and marketing of farm produce for women.</p>	<ul style="list-style-type: none"> • Engage in small livestock rearing and gardening • Small-Scale Agro-Processing • Petty Trading & Non-Farm Work – • Selling cooked food, firewood, or working as labourers to supplement farm earnings • Joint Farming Groups (Susu/VSLA Models) – Forming savings clubs or labour-sharing groups to reduce costs and access emergency funds.. 	<ul style="list-style-type: none"> • Diversifying income (e.g., petty trade, handicrafts) • Forming women's savings groups (VSLA) • Cultivating drought-resistant crops • Collecting and selling non-timber forest products (e.g., shea nuts) • Relying on communal labour support (e.g., "Nnoboaa" system) 	<ul style="list-style-type: none"> • Training in climate-smart agriculture and farming as a business • Labor-saving farming tools • Entrepreneurship training • Grants and matching grants • Mobilizing savings and access to affordable finance • Inclusion in rural institutions • Nutrition training and kitchen gardens to diversify diets. • Education and good Hygiene practices • Access to financial loans and literacy • Improved access to clean drinking water, social and economic infrastructure
Youth	<p>Ghana's population is youthful: 58 % of the total population are aged under 25 years. Young people and adolescents face multifaceted health challenges that significantly impact their well-being and development. Only two out of every five young people are employed, while the remaining 30% are: in school, engaged in non-market work, inactive outside the</p>	<ul style="list-style-type: none"> • Cultivation of Fast-Maturing Crops • Urban Migration for Seasonal Work • Daily wage labour 	<ul style="list-style-type: none"> • Training in farming as a business • Access to vocational training & startup capital • Land tenure security for young farmers 	<ul style="list-style-type: none"> • Training in climate-smart agriculture and farming as a business • Entrepreneurship and agribusiness training • Grants and matching grants

	<p>school system, and unemployed. While an increasing number of youths are completing higher education, there are not enough jobs to support the rising numbers of qualified professionals entering the labour market. Agriculture, forestry and fisheries continue to be the largest employers of young graduates.</p>		<ul style="list-style-type: none"> • Affordable agricultural inputs (seeds, fertilizers) • Engagement in agribusiness • Market linkages for youth-led agribusinesses • Digital tools for weather & market info 	<ul style="list-style-type: none"> • Mobilizing savings and access to affordable finance • Inclusion in rural institutions • Access to financial loans and literacy • Nutrition education and good hygiene practice, kitchen gardens to diversify diets • Improved access to clean drinking water, social and economic infrastructure
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Key file 3: Organization matrix (strength, weaknesses, opportunities and threats analysis) (refers to

Organization	Strengths	Weaknesses	Opportunities	Threats
Enablers				
MoFA (Ministry of Food & Agriculture)	<ul style="list-style-type: none"> Technical expertise in value chains Coordination of extension services Availability of sector policies and plans Capacity for monitoring and evaluating the performance of the agricultural sector JSR) Collaborate with agricultural research and Universities for technology/innovations development. Have specialized subject matter Directorates. Highly knowledgeable and well-trained staff at national, regional and district levels. Experience in working with IFAD- and donor funded projects and programs. Capacity to mobilize funds for agricultural development (domestic and international) and attracting investment in the sector. Have dedicated IFAD Desk and staff. Ensuring improved public investment/infrastructure for agriculture (irrigation, storage, farm tracks, etc). Promotion of the application of science, technology and innovation in agriculture. 	<ul style="list-style-type: none"> Underfunded extension programs Slow tech adoption Policy incoherence and continuity; High turnover of trained and effective staff. Lack of reliable data for policy, economic and market analysis. Limited skills in quality assurance and certification. Limited experience working with private sector agribusinesses except smallholder farmers. Weak support for agro-industrial development. Inadequate budgetary allocation, especially for investments (PIP). Top-heavy bureaucracies. 	<ul style="list-style-type: none"> Promoting climate-smart infrastructure (e.g., irrigation) Youth agri-training programs Interministerial collaboration with MoF, MoTAI, for synergies in policy implementation Coordination of all development actors in the agricultural sector for complementarities/synergies. Resourcing of Statistics, Research and Information Directorate (SRID) to enhance agricultural data collection and management for policy development, planning and decision making. Potential/possibility to scale-up experiences and lessons learnt from IFAD projects. 	<ul style="list-style-type: none"> Climate change disrupting production Land tenure conflicts Frequent changes in political leadership affects continuity of policies and planned programmes. Poor quality of agricultural inputs Incidence of calamity pests and dry spells Poor quality of infrastructure constructed Liberal importation of food crops/products
Ministry of Finance (MoFEP):	<ul style="list-style-type: none"> Strong fiscal policy design, international funding access, regional economic leadership, donor project expertise. -Ability to mobilize domestic, bilateral and multilateral resources. 	<ul style="list-style-type: none"> Bureaucratic inefficiencies, high public debt, inconsistent policy enforcement, commodity dependency Not fully decentralized to the district levels. 	<ul style="list-style-type: none"> Digital fiscal tools (e.g., Ghana.Gov), AfCFTA trade expansion, green/SDG financing, tech-driven tax reforms. Development of a strong pro-poor rural finance policy 	<ul style="list-style-type: none"> Global economic shocks, political interference, cedi depreciation, youth unemployment, etc. Abuse of tax waivers. Improper accountability of programmes/project funds

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> Have dedicated IFAD desk and staff. Provision of tax reliefs/incentives on imports of agro equipment. Reliable population data and statistics for planning and policy formulation; 	<ul style="list-style-type: none"> Limited capacities in oversight over project implementation. Limited capacity in finance-related programmes. Insufficient involvement in getting a coherent rural finance policy; 	<ul style="list-style-type: none"> Involvement in enhancing the country's programme efficiency and effectiveness. Develop partnership in implementation of rural finance programmes; 	
Ministry of Trade, Agribusiness and Industry (MoTAI)	<ul style="list-style-type: none"> Strong political leadership. Trained and knowledgeable staff with diverse expertise. Fostering public-private partnerships, export promotion, and industrial transformation. Attracting foreign investments. Polymaking and regulatory body to drive Ghana's trade, industry, and investments. Decentralized to the Regional levels. Advocate for tax reliefs for imports of agro equipment. Advocate quotas for agri-products on regional and international markets. Facilitating trade within ECOWAS and on the continent through AfCTA. Strong linkage and collaboration with the Private sector. Handling trade disputes and ensuring fair trade practices. High interest in promoting industrial use of agricultural products and promoting agro-processing industries (1D1F). -Have recognised institutions for quality assurance and certification (GSA, FDA, etc); 	<ul style="list-style-type: none"> Weak and inconsistent linkages with MoFA. Limited programs to foster micro-enterprise development. Weak enforcement of policy environment for agro-industry. Weak oversight over industry standards and certification processes. Frequent operational changes. Ineffective compliance of trade policies and laws. 	<ul style="list-style-type: none"> Promotion of enabling trade and investment policies. Promotion of quality standards and grades. Promotion of Micro-Enterprise development. Improved collaboration with MoFA to address policy gaps Strengthened institutional collaboration between all units under MoTAI (e.g. GEA GRATIS, GSA, etc). 	<ul style="list-style-type: none"> Attrition of skilled staff. Agribusiness is new mandate Infiltration of sub-standard agro products into the Ghana Violation of ECOWAS trade protocols by foreigners. Cheaper imports threaten local production (e.g. poultry, rice, processed agro foods, etc). Abuse of trade incentives.
Ministry of Gender, Children and Social Protection (MoGC&SP)	<ul style="list-style-type: none"> Policies on Gender, Children and Social protection. Strong political leadership. Advocate for and commitment to enhance the livelihood of women and children and their rights in the development arena. 	<ul style="list-style-type: none"> No or limited presence at district level. Limited number of personnel with capacity in gender analysis and actions. Difficulty in mainstreaming gender issues in MMDAs. 	<ul style="list-style-type: none"> Promote rural women entrepreneurship in agribusiness. Graduating LEAP beneficiaries to economically productive groups to attract project support. Conflicting gender social norms and practices. 	<ul style="list-style-type: none"> Conflicting social and customary norms.

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> Have social protection interventions/projects (e.g. School feeding Programme. Livelihood Empowerment Against Poverty-LEAP, etc.); Ensuring affirmative action for women participation in governance, leadership and development of the country; 	<ul style="list-style-type: none"> Weak oversight over gender and children's issues. No or limited collaboration with MoFA projects. 	<ul style="list-style-type: none"> Child labour and possible international sanctions. Leveraging on Government Affirmative Action 	
Ministry of Environment Science and Technology (MESTI)	<ul style="list-style-type: none"> Policies that drive technology and innovation in all sectors. Strong research and development capacity, with well trained staff. Presence in strategic geographical locations. Affiliate with international science and technology bodies. Experience in building rural entrepreneurial capacity. 	<ul style="list-style-type: none"> Ineffective linkages with MOFA Limited mechanisms to foster micro-enterprise development. Limited scope for technology promotion and adoption at farmers' level. Weak research-extension linkages Slow adaptation of improved technology; 	<ul style="list-style-type: none"> Agricultural research collaboration with PROSPER. Adaptation of technology 	<ul style="list-style-type: none"> Non-compliance with environmental standards. Cumbersome formalisation processes can lead to abuse.
ARB Apex Bank	<ul style="list-style-type: none"> Capacity-building support for rural banks. -Whole bank to rural and community banks (RCBs). Strong Technical capacity to offer services (banking, supervision, training) to RCBs. Development of new products (e.g. money transfer), digital solutions. Ability to mobilise resources. Long-term experience in rural financial market. Credible record as a financial institution. Facilitates liquidity management 	<ul style="list-style-type: none"> Over-reliance on donor funding. Slow adoption of digital tools Weak oversight responsibilities. Limited control over governance of its members due to their governance structure. Limited financing models. 	<ul style="list-style-type: none"> Scaling mobile banking solutions Linking farmers to national value chains Key implementing partners in the capacity strengthening and outreach development of RCBs. As key policy stakeholder. Openness to partnership with international cooperative banking partners. Offer relatively cheaper credit for on lending to smallholder farmers. 	<ul style="list-style-type: none"> Regulatory changes impacting rural banks
Ministry of Health/Ghana Health Service (MoH/GHS)	<ul style="list-style-type: none"> Strong political leadership. Defined policies and programmes/guidelines on health and nutrition (women and children); Fully decentralised with well-trained staff. 	<ul style="list-style-type: none"> Inadequate logistics for service delivery. Weak operational relationship with MoFA. 	<ul style="list-style-type: none"> Collaboration for health and nutrition education. Availability of Health/nutrition manuals and training materials. Outsourcing of health and nutrition training, especially with lactating women and youth 	
Metropolitan/Municipal/District Assemblies (MMDAs)	<ul style="list-style-type: none"> Strong local political institutions. Supportive local/traditional leadership; Strong community representation in governance (two-thirds elected and 	<ul style="list-style-type: none"> Limited implementation capacities (planning and management, monitoring, quality control). 	<ul style="list-style-type: none"> Critical link in improving institutional mechanisms to deliver public goods to the communities. 	<ul style="list-style-type: none"> Interruption with Government change; Frequent transfer/reassignment of district staff. Ethnic conflicts

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> one third designated in the District Assembly). Closeness to target group and better knowledge of community needs. Leads in the planning and implementation of Local economic development activities. Advocacy and brokering for development. 	<ul style="list-style-type: none"> Limited capacities at sub-district level; Incomplete fiscal autonomy. Limited capacity (human and financial resources) to respond to the grassroots' needs. Bureaucracies and unmotivated staff. Political patronage in service delivery. Incomplete administrative and fiscal decentralization. Delayed payments of DACF by Government; 	<ul style="list-style-type: none"> Catalysing local public-private partnerships. Facilitation of business formalisation processes. 	
Universities and Research Institutions	<ul style="list-style-type: none"> Knowledgeable and trained staff, with varied expertise. Experience in research and development in several thematic areas. Capacity to conduct training and to carry out consultancies, adaptive trials and thematic studies and evaluations. Available in all geographical areas, with well-defined mandates: Strong collaboration with MoFA in the agricultural sector (Research-Extension Liaison Committees-RELCs). 	<ul style="list-style-type: none"> Under-funded RELCs. Dwindling government funds for research. Research approach often supply-driven and not responding to the needs of the poor: Limited collaboration mechanisms. Services provided could be expensive to small holder farmers. Research publications not conveniently packaged for different uses, especially for smallholder farmers. 	<ul style="list-style-type: none"> Stronger focus on applied and client-oriented research. Targeted out-of-classroom training. Socio-economic studies (including back-stopping). Development of research into different packages for different clientele. Students' attachment to smallholder farmers for learning and sharing experiences. MoUs may be required in instances of adaptive trials and consulting services. 	<ul style="list-style-type: none"> Out of budget costs Competing demands and
Service Providers				
Private Sector (e.g., Western Dedeew, Yedent, Premier Foods)	<ul style="list-style-type: none"> Market access for farmers. Adopt business development approach. Experience with commodity chain analysis and interventions. Capacity for delivery of training in entrepreneurship development, business management and marketing. Expertise in Market information and effective business management practices. Advocate for policy changes and negotiation for better business deals. 	<ul style="list-style-type: none"> Profit-driven, excluding poorest farmers. Exploitative pricing risks Not active in all geographical areas. Limited capacity for provision of specific services: Services sometimes are expensive. Weak governance structures. Limited capacity to maintain trust with smallholder farmers. 	<ul style="list-style-type: none"> Investing in rural aggregation centres Youth-focused contract farming. Opportunities for partnerships Diversification along the value chains Processing of intermediary products for integration into larger agribusinesses 	<ul style="list-style-type: none"> Global commodity price volatility. Regulatory pressure on margins Reluctance to share business data for assessment and evaluations. Mistrust in business transactions Erosion of trust if perceived as exploitative by smallholder farmers. Folding-up of business/operations.

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> Ability to establish and maintain social trust with local institutions. Contribute to local/community development initiatives. Main government organization for small enterprise promotion. Fully decentralised to the district level Availability of MSME policy. Attractiveness to mobilise additional resources from other donors. 			
Ghana Enterprises Agency (GEA)	<ul style="list-style-type: none"> Main government organization for small enterprise promotion. Fully decentralised to the district level Availability of MSME policy. Attractiveness to mobilise additional resources from other donors. 	<ul style="list-style-type: none"> Limited staff numbers and capacity, Staff turnover. Inadequate operational budget and logistics for field work. Inadequately motivated staff. Weak internal accountability mechanisms; 	<ul style="list-style-type: none"> Establishing stronger collaboration with regulatory and financial institutions. Ability to mobilise internal generated funds (IGF). Expanding its service provision. Plan to recruit, maintain and retain requisite staff. Synergies with private business development service providers 	<ul style="list-style-type: none"> Sustainability of the Business Resource centres (BRC) concept.
GRATIS	<ul style="list-style-type: none"> Main national agency in the field of technology development for small-scale industries. Experienced engineers. Presence in regional capitals. Autonomous structures. Research and designing of equipment and machines. Ability to prototype using high precision equipment (Computer numerical control-CNC). 	<ul style="list-style-type: none"> Lack of business approach. Weak in enterprise development and technology transfer Lack of systematic arrangement of trainees in job market. Slow in meeting customer request. Rural presence only through Technology Solution centres- with limited coverage and outreach. Lack of Institutional development strategy. Lack of requisite/compliment of expertise. Inadequate resources for operations. 	<ul style="list-style-type: none"> Production of prototypes and new processing equipment Manufacturing, installation and maintenance/ repair of processing equipment. Potential to generate resources from its activities. 	<ul style="list-style-type: none"> Competition with imported equipment. Rapidly changing technology
Ghana Agricultural Input Dealers Association (GAIDA)	<ul style="list-style-type: none"> High Entrepreneurial skills. Activities are widespread in all geographical regions. 	<ul style="list-style-type: none"> Limited staff and skills range. 	<ul style="list-style-type: none"> Enhanced quality control and traceability mechanisms 	<ul style="list-style-type: none"> Accreditation of Input dealers.

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> • Responsive to needs of smallholder farmers and market demand. • High risk-taking abilities. • Have strong market intelligence and effective business networks. • Ability to provide input and production credit to smallholder farmers. • Ability to Unionised and influence policy or decision making. • Availability of private capital. • Nearness to rural farming communities (local shops, agency shops; market-days retailing, etc). 	<ul style="list-style-type: none"> • Inadequately organized to provide a wide range of agricultural sector services. • Often lack adequate logistics for storage, transport. • Inadequate capacity for quality assurance and traceability. • Sole proprietorship limits level of investment. • Weak or no governance system (as individual entrepreneurs). • Limited knowledge on agro inputs. 	<ul style="list-style-type: none"> • Opportunity for contract input supply to targeted groups. 	<ul style="list-style-type: none"> • Tendency to diversify into non-agricultural businesses, thereby losing focus. • Tendency to exploit the system for abnormal profits (e.g. adulteration, falsification of expiry dates, under-weight; re-bagging, fake products, etc • Misinformation and dis-information to farmers;
Non-Governmental Organizations (NGOs)	<ul style="list-style-type: none"> • Proximity to vulnerable groups and project target groups" • Cost-effective implementation. • Experience in participatory community mobilisation and work; Strong knowledge of local/community context and dynamics. • High level of trust and credibility with local organisations. • Reaching most remote rural communities; Have complimentary resources for joint or parallel financing. 	<ul style="list-style-type: none"> • Limited staff numbers. • Limited thematic scope of operation. • Presence and activities dependent on funding partners. • Weak or no formal collaboration with Government institutions. • Limited linkage to Government policy dialogue and information exchange platform. 	<ul style="list-style-type: none"> • NGOs can be effective in the operational areas. • Collaborative relationship at field level (community mobilization, planting material multiplication and distribution, credit support, technology transfer, facilitation of training) 	<ul style="list-style-type: none"> • Uncertainty about continuous funding from funding partners. • Promoting funding partners' unpopular agenda. • Tendency to meddle in local politics.
Financial NGOs (e.g., Sinapi Aba Savings & Loans)	<ul style="list-style-type: none"> • Flexible collateral requirements • Agri-focused financial literacy programs 	<ul style="list-style-type: none"> • High interest rates • Limited branch networks 	<ul style="list-style-type: none"> • Mobile banking for remote farmers • Bundling insurance with loans 	<ul style="list-style-type: none"> • Over-indebtedness among smallholders
Youth Employment Agency (YEA)	<ul style="list-style-type: none"> • Focus on youth skills development • Partnerships with agri-tech firms 	<ul style="list-style-type: none"> • Limited rural reach • Short-term project cycles 	<ul style="list-style-type: none"> • Expanding agripreneurship programs • Digital platforms for youth engagement 	<ul style="list-style-type: none"> • Rural-urban youth migration • Mismatched training vs. market needs
Rural & Community Banks	<ul style="list-style-type: none"> • Extensive local presence in rural areas • Tailored loan products for farmers/MSMEs • Experienced provision of financial services to smallholders, rural processors and women groups. • Strong knowledge in local/community business operations and dynamics. • Relatively convenient transaction modalities for SMEs. 	<ul style="list-style-type: none"> • Limited capital base • High operational costs • High lending interest rates. • Limited outreach in all regions. • Little experience with other lending instruments e.g. Micro Leasing, Venture capital. • Limited capital adequacy. 	<ul style="list-style-type: none"> • Partnerships with fintech for digital lending • Expanding women/youth-focused loans • Collaboration in the field of enterprise development. • Attracting more SMEs with different financing models. • Exploring into digital financing models for enhanced financial inclusion. 	<ul style="list-style-type: none"> • Economic instability affecting repayment • Competition from informal lenders • Dis-interest in selected value chains. • Increased capital adequacy with BoG • Policy changes by Governing Board.

Organization	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> Guaranteed by Apex Bank. 			
GIRSAL (Ghana Incentive-Based Risk-Sharing System for Agricultural Lending)	<ul style="list-style-type: none"> Reduces lender risk via guarantees Focus on agri-MSMEs 	<ul style="list-style-type: none"> Complex application processes Limited awareness in remote areas 	<ul style="list-style-type: none"> Scaling guarantee coverage for youth-led enterprises Partnering with input suppliers 	<ul style="list-style-type: none"> Currency fluctuations affecting input costs
Client Organizations				
Farmer Based Organizations (FBOs)	<ul style="list-style-type: none"> Collective bargaining power for inputs/markets Shared resources (e.g., equipment, training) Presence in all districts and rural communities. Focus on agribusiness and related businesses. Indigenous technology and knowledge. Communal/self-help spirit and support for one another. Experience gained over long practice; 	<ul style="list-style-type: none"> Weak governance and leadership structures Limited access to formal finance Fragmentation across small groups Lack of appropriate organisational and entrepreneurial skills. Weak linkages with public institutions Weak linkages with structured markets. Inadequate financial resources for investment Weak negotiation and bargaining power. Inadequate inclusion in formal systems; 	<ul style="list-style-type: none"> Linkages with agribusinesses for contracts Government/development partner grants for infrastructure Climate-smart farming training Advocate for farmer-centred policies Potential as strong pressure groups. Potential for uptake of innovations, Potential for linkage to improved market access Potential for building business and financial capacity. 	<ul style="list-style-type: none"> Climate change impacting crop yields Exploitation by middlemen Land tenure disputes Leadership crisis Partisan politics/political infiltration Lack of financial accountability within group
Water Users' Associations (WUAs)	<ul style="list-style-type: none"> Organized under irrigation schemes with access to large tracks of land and water. Have policy support and enabling environment for their operations. Ability to organize production to meet market demand (quantity); Strong and organized membership structure; 	<ul style="list-style-type: none"> Lack of capacities to maintain infrastructural works (dams, canals, bunds, etc); Insufficient management capacities. Inadequate processing and postharvest infrastructure (e.g. drying platforms, storage facilities, transport, etc.) 	<ul style="list-style-type: none"> Involvement in policy dialogue over land tenure to secure access to land and water. WUAs as channels for other community development activities. Group credit 	<ul style="list-style-type: none"> Leadership crisis High utility charges (electricity, water charges) and maintenance costs
Community/Village Savings & Loan Associations (VSLAs)	<ul style="list-style-type: none"> Deep community trust and participation Flexible, low-interest loans tailored to members Promotes financial inclusion for women/youth Locally organized and greater ownership. Convenient operational modalities. High social capital. 	<ul style="list-style-type: none"> Limited capital pool for large-scale needs Informal structure lacks legal protection Dependency on member consistency Limited integration into the financial services sector (unbanked). Inadequate funds for investments; 	<ul style="list-style-type: none"> Partnerships with banks/NGOs for fund-matching - Digitizing record-keeping via mobile apps Scaling to new communities Potential for mobilizing matching funds. Opportunity to mainstream into formal banking system. 	<ul style="list-style-type: none"> Economic shocks reducing savings capacity. Member dropout due to migration Regulatory crackdowns on informal groups Risk of theft, embezzlement or robbery

Organization	Strengths	Weaknesses	Opportunities	Threats
Local Private sector equipment Producers/fabricators and maintenance service providers	<ul style="list-style-type: none"> Skills in the fabrication of equipment. Interventions are demand-led and more sustainable. Creation of rural employment and apprenticeship opportunities. Presence and nearness to clients. 	<ul style="list-style-type: none"> Require skills upgrading to manufacture specialized equipment. Limited equipment base, leading to inconsistent quality and precision of products. Reluctance to open to innovation. Limited capital for operations Try and error approach. Offer no warranty Mostly informal; 	<ul style="list-style-type: none"> Expansion of manufacturing, repair & maintenance of existing and new types of equipment. Prototyping. Contracting opportunities Formalisation of businesses 	<ul style="list-style-type: none"> Using inferior raw materials Environmental pollution and disposal of waste (e.g. e-waste, metal scraps, etc)
Private Small and medium scale (Women) processing groups/Individuals.	<ul style="list-style-type: none"> Presence in most agro-producing areas. Focus on processing, at least partly for local markets (rest home consumption). Rich indigenous knowledge and skills. Strong communal spirit and mutual support Community based and nearness to primary producers. Knowledge of local production and marketing dynamics. 	<ul style="list-style-type: none"> Lack of appropriate organisational and entrepreneurial skills. Weak linkages with remunerative markets. Inappropriate processing methods Limited linkages with formal credit providers. Poor processing equipment and technology. Substandard products. Poor environmental awareness and/or management practices. Limited capacity to meet market requirement (demand and timely supply); Limited resources to invest in research and innovation. Mostly family owned with limited business management skills and systems; 	<ul style="list-style-type: none"> Potential as strong pressure groups. Potential for ease of technology transfer and adoption. Potential as market facilitators. Potential to build capacity to access credit. Potential for organized market information systems. Partners (individuals) for product development and innovation. More readily access credit. Potential for ease of technology transfer. Serve as processors of intermediary products for larger processors. Potential to scale-up; Potential to create employment; Product development and innovation (individuals). 	<ul style="list-style-type: none"> Limited access to land High operational costs Low agricultural production Competition with high end processed products in the market. Compliance with city land use bylaws
Local Business Associations (LBAs)	<ul style="list-style-type: none"> Organized with functional leadership and management structures, Access to market information and business opportunities. Specialized and commodity-based groups. Ability to influence policies and decision making; 	<ul style="list-style-type: none"> Sometimes other interests than those of farmers and consumers (collusion). Elite capture of leadership position. Vulnerable to political interference. 	<ul style="list-style-type: none"> Potential for enhanced efficiency of supply lines and access to credit. Potential partners for organized market information systems. Potential for improving equipment, skills and upgrading technical and business skills.; 	<ul style="list-style-type: none"> Aligning itself to political partisanship Over diversification Lack of capital and business opportunities Lack of financial accountability Leadership crisis

Key File 4: Strategic partnerships potential

Partnering objective	Partner	Nature of project or justification for partnering	Project/Programme Coverage	Status	Expected results from the partnership
Agriculture Growth & Value Chain Development	Ministry of Food & Agriculture (MoFA)	Strengthen policy alignment, farmer training, and value chain infrastructure (e.g., irrigation, farm access roads, storage, processing).	National, focusing on Northern, Upper East, Upper West Eastern regions.	Ongoing/Expandable	Improved smallholder productivity; enhanced post-harvest management.
	Ministry of Trade, Agribusiness and Industry (MoTAI)	Strengthen policy on agribusiness development, commodity marketing and trade facilitation	Nationwide	Ongoing/Expandable	Improved smallholder farmers access to remunerative markets, incentives for regional and international trade.
	SNV	Intensify the transition to sustainable and resilient agri-food systems through regenerative agriculture. Develop synergies for gender equality and social inclusion. Sharing approaches for developing strong local organisations and effective governance Promotion of climate adaptation and mitigation.	Overlapping project areas in the Northern and Middle Belts	Proposed	Smallholder farmers adopt good agricultural practices (GAPS) for improved productivity and poverty reduction.
	Japan International Cooperation (JICA)	Capacity building of small holder rice and vegetable farmers Provision of irrigation infrastructure	Rice growing Areas (Irrigation schemes)	Proposed	Increased productivity in rice and vegetables production
	Agence Française de Développement (AFD),				
Access to Rural Finance & Business Development	ARB Apex Bank	Provide tailored credit products for smallholders and agribusinesses.	Rural districts with high agricultural activity (e.g., Ashanti, Bono East).	Ongoing/Expandable	Increased access to affordable credit; reduced reliance on informal lenders.

Partnering objective	Partner	Nature of project or justification for partnering	Project/Programme Coverage	Status	Expected results from the partnership
	Rural and Community Banks (RCBs)	Expand microfinance and financial literacy programs for rural women/youth.	Community-level coverage (e.g., Upper East, Volta regions).	Ongoing/Expandable	Enhanced financial inclusion; growth of rural SMEs.
	Ghana Enterprises Agency (GEA)	Entrepreneurship training and business development services, including formalisation of agri-SMEs. Coaching and Counselling of MSEs	Nationwide, prioritizing youth and women-led enterprises.	Proposed	Increased number of viable rural agribusinesses.
	Price Waterhouse Coopers (PwC)	Development of business and financial models. Technical Capacity building of private sector businesses	Nationwide	Ongoing/Expandable	Smallholder farmers and Agribusinesses adopt viable and profitable business culture.
	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Promote competitive matching grant facility. Capacity building and sharing lessons learnt in integrating gender, youth and ICT in food systems. Policy dialogue.	Northern Belts	Proposed	Strengthened collaboration between public and private sector in policy dialogue for improved access to finance by agribusinesses and MSEs,
Building Climate Resilience	Environmental Protection Agency (EPA)	Promote climate-smart practices (e.g., agroforestry, soil conservation).	Northern Ghana (climate-vulnerable communities).	Proposed	Reduced soil degradation; improved adaptive capacity.
	Ghana Meteorological Agency (GMeT)	Provision and dissemination of weather data and information. Provision of automatic weather stations (infrastructure).	Nationwide (Northern, Middle belt and Eastern region)	Proposed	Reliable and timely provision of weather information for smallholders' production planning and decision making
	Ghana Irrigation Development Authority (GIDA)	Capacity building on efficient water use and management	Areas under Irrigation schemes (Volta, Eastern and Northern regions)	Ongoing/Expandable	Reduced effect of drought, increase productivity in rice and vegetables, build resilient of farming systems
	CSIR-Savanna Agricultural Research Institute (SARI)/Crop Research Institute (CRI)	Pilot drought-resistant technologies and farmer-led climate adaptation strategies. Production of drought and pest resistance crop varieties. Provision of environmental and natural resources management innovations.	Northern Belt (e.g., Upper East, Northeast regions, Volta and, Eastern regions).	Ongoing/Expandable	Higher resilience to climate shocks; adoption of resilient farming practices and crop varieties.
	CARE International Ghana	Integrate gender-responsive climate adaptation into IFAD projects.	Northern Ghana (women-focused programs).	Ongoing	Empowered women farmers; equitable resource access.
	Alliance for Green Revolution in Africa (AGRA)	Promotion of improved and climate resistance crop varieties (e.g. maize, rice)	Nationwide, especially in the Northern, Middle belts and Eastern	Proposed	Farmers have easy access to and adopt climate-resistant crop varieties.

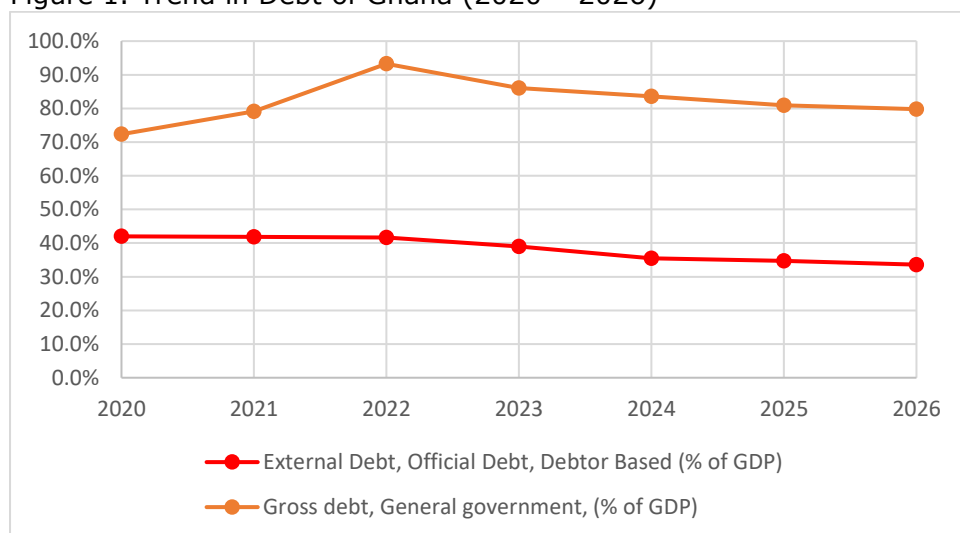
Partnering objective	Partner	Nature of project or justification for partnering	Project/Programme Coverage	Status	Expected results from the partnership
		Advocacy for policy development on seeds and fertilizers. Strengthening the competitiveness of MSMEs in agro-processing, value addition and resilience of raw material supply chains.	region, focusing on maize, rice, soybean, cowpea and vegetables.		Improved smallholder productivity.
Access to Markets	Ghana Commodity Exchange (GCX)	Link smallholders to structured markets via warehouse receipt systems and digital platforms. Capacity building and extension services to smallholder farmers. Advocacy and policy dialogue.	Nationwide, focusing on maize, soybean, and sorghum value chains.	Proposed	Reduced post-harvest losses; better price transparency.
	National Food Buffer Stock (NAFCO)	Facilitate aggregation of produce for market access. Provision of improved warehousing and storage.	Nationwide,	Proposed	Regulation of prices, ensuring food availability, and providing a safety net for vulnerable populations. Reduction of post-production losses.
	Private Agribusinesses (Farmer Cooperatives & Aggregators), e.g. Western Dedeew, Yedent, etc.	Strengthen collective bargaining power and bulk sales to processors/exporters. Capacity building and provision of credit to smallholder farmers	Key commodity hubs (e.g., rice in Volta and Northern regions, maize, soya sorghum and shea in the Northern belt, maize, cashew and vegetables in the middle belt and Eastern region)	Ongoing/Expandable	Remunerative farmgate prices; improved value chain coordination. Improved quality and marketability of produce
Co-Financing	World Bank (WB)	Synergy to co-finance a funding gap in the Food Systems Resilience Programme to develop rural irrigation infrastructure.	Various Regions	Expression of interest received, under internal discussions	Improved production and productivity and climate mitigation through climate proofed irrigation infrastructure.
	African Development Bank (AfDB)	Capacity building and skills training for agricultural entrepreneurship. Development of transport infrastructure. Supporting the private sector for industrialisation	Nationwide	Proposed	Enhanced skills of the private sector partners. High quality, climate proof road infrastructure and improved connectivity between producing centres and markets developed.

Transition projections

Ghana is a lower-middle income country (LMIC) currently recovering from weak economic growth, having experienced significant debt distress and currency depreciation, which have contributed to limited government spending and high inflation—particularly in food prices in the past five years. Living standards have worsened with more people being pushed into poverty and increased food insecurity, particularly in rural areas. The international poverty rate (at \$2.15 in 2017 PPP) increased from 23.1 % in 2021 to 26.4 % in 2023 and is predicted to have declined slightly to 25.9 % in 2024.

Despite defaulting on external debts in 2022, recent Government efforts to restructure debt under the IMF Extended Credit Facility and World Bank Development Policy programmes are beginning to pay off. Gross general government debt, which peaked at 93.3 % in 2022 has declined to 83.6 % in 2024 and is predicted to continue declining to about 79.8 % in 2026. External debt, which stood at 42 % in 2020, has declined to 35.5 % in 2024 and is projected to further decline to about 33.6 % by 2026. Ongoing advancements in tax policy, revenue administration, public financial management reforms, and structural reforms in the energy and cocoa sectors are all part of the comprehensive macroeconomic policy adjustments being implemented and these are expected to yield a favourable environment for economic growth, poverty reduction and food security.

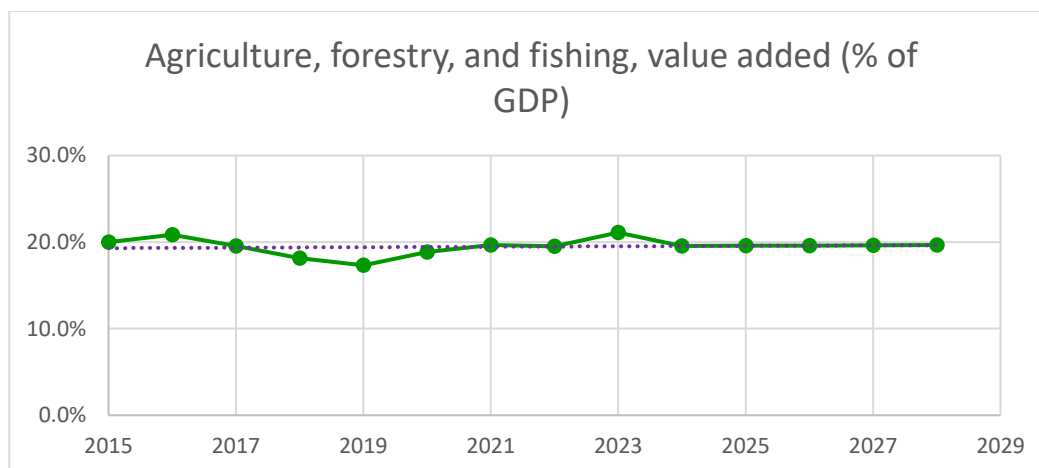
Figure 1. Trend in Debt of Ghana (2020 – 2026)



According to World Bank data, Ghana's GNI per capita (Atlas method, current US\$) has remained relatively flat in the last four years, reaching approximately US\$ 2,360 in 2023, with projections for slight improvement as reforms and investments take hold. In 2024, Ghana's GDP growth exceeded expectations, reaching 5.7 %, a significant improvement from the 3.1 % recorded in 2023.

This expansion was driven by industry, which grew by 7.1 %, year-on-year, thanks to strong growth in mainly mining and construction. In contrast, agriculture grew by significantly less (2.8 %), with some improvements in livestock and crop production driving the observed growth. Agricultural value added also remained flat at about 21.1 % of GDP in 2023 and based on a linear trend projection would remain flat at about 19.6 % between 2024 and 2029, highlighting underlying low productivity in the sector.

Figure 2. Agricultural Value Added (as % of GDP)



Other sectors have outperformed agriculture, including the services sector, which grew by 6.1 % in 2024, supported by strong growth in information and communications, financial and insurance, and transport services. On the expenditure side, growth has been supported by consumption, mainly public, and a rebound in investment spending. Overall, economic growth is set to recover and reach the stable target growth of about 5 percent per annum in the coming five years while agricultural growth is projected to remain relatively stagnant with minor increases that could reach an average of 3.1 % per annum in the optimistic scenario. Thus, unless significant investments and broad-based adoption of technology and value addition can be fostered to rapidly transform the sector, agriculture is expected to slightly improve in the next five years. The likelihood of mobilising significant financing for agriculture is clearly low, given the limited fiscal space of Government, the ongoing debt servicing commitment tied with borrowing restrictions, as part of the debt restructuring, and this is compounded by diminishing ODA grants, in a global context where major foreign donors, including the United States and Europe, are reducing their aid flows.

As such, the economic transition predicted for Ghana is one of moderate growth with stabilizing macroeconomic conditions, which should facilitate a modest improvement in poverty reduction and food security in the medium term. In the optimistic case, growth may exceed expectations reaching 5.5 to 6.0 % per year, most likely driven by non-agricultural sectors and financed mostly by public resources and potentially a growing FDI if macroeconomic management, policy and regulatory environment continue to improve. This optimistic scenario can be envisaged in the medium-term, assuming continued commitment to disciplined debt management and overall public financial management, coupled with good performance of ongoing and forthcoming investments, including in agriculture.

Development Finance

According to the OECD Transition Finance toolkit⁴⁷, Ghana's financing mix has been dominated by tax revenues, which accounted for 42 % of development finance in 2022, followed by robust remittance inflows (25 %), which have remained relatively flat after declining sharply in 2016⁴⁸. Contributions from foreign direct investments (FDI) have

⁴⁷ OECD Transition Finance Toolkit:

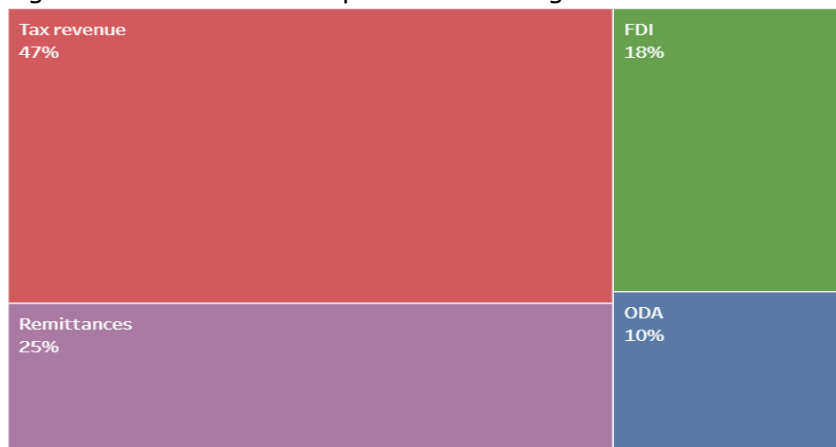
https://public.tableau.com/views/TransitionFinanceDashboard/FINANCINGMIX?%3Adisplay_count=y&publish=yes&%3Atabs=no&%3Aorigin=viz_share_link&%3Atoolbar=no%3F&%3AshowVizHome=no

⁴⁸ Recent reports from the IMF, however, show that remittances have since rebounded in 2024:

<https://www.imf.org/en/News/Articles/2025/04/14/pr-25107-ghana-imf-reaches-agreement-on-the-4th-review-of-ecf>

remained relatively stable at about 18 %, as FDI growth was hampered by policy and regulatory constraints, including in the agriculture sector. The remaining financing comprises 10 % Official Development Assistance (ODA) and less than one % Other Official Flows (OOF). The public sector continues to provide the majority of development finance, which stood at 58 % in 2022, while the rest (42 %) is attributed to the private sector.

Figure 3. Ghana's Development Financing Mix



As an LMIC recovering from debt distress, Ghana has access to different types of financing from Multilateral Development Banks (MDBs) but limited access to global financial markets. Having successfully issued nine Eurobonds between 2007 and 2021 to raise US\$ 15.5 billion and being the first Sub-Saharan African Sovereign to issue USD bonds post-COVID-19, thereby raising US\$3 billion, Ghana no longer has access to the market due to the debt situation.

As Ghana will remain under the IMF's debt sustainability programme until 2027/28, it is unlikely they will be eligible/or want to borrow under BRAM. The reduction of the IFAD13 allocation is due to - (i) relinquishment of the IFAD12 allocation of almost US\$31 million (total allocation was US\$ 46 million (approximately)), and the deterioration of the portfolio performance. Generally, development finance from MDBs is on Blend lending terms, with some exceptions such as the AfDB, which has provided grants to Ghana. In the case of IFAD, Ghana is eligible for Blend lending terms. For the IFAD13 cycle, Ghana's allocation is US\$ 26,945,000, which is divided into US\$ 26,135,000 (Performance-Based Allocation System, PBAS) and US\$ 810,000 (Additional Climate Contributions, ACC), all on blend terms. Ghana is currently not eligible for Borrowed Resources Access Mechanism (BRAM) financing under IFAD 13.

Transition Scenarios

The following table outlines three potential scenarios for Ghana's economic and fiscal transition over the next decade. These scenarios reflect different trajectories based on assumptions of the pace of reforms, global economic conditions, and domestic implementation effectiveness. Adjustments to the IMF predictions have been performed to generate the low- and high- scenarios, based on a functional form that incorporates the standard deviation and a power function, with adjustment parameters:

Table 1. Summary of Transition Scenario Projections

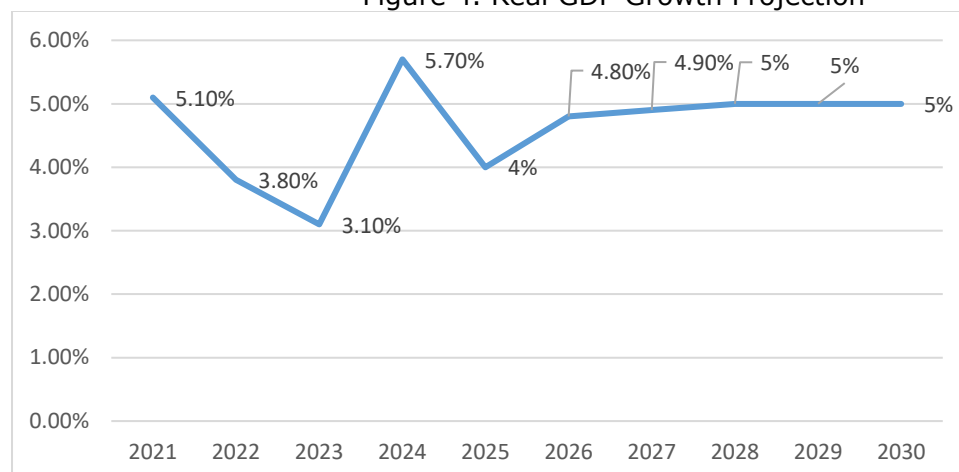
	Baseline	Low Scenario (Pessimistic)	High Scenario (Optimistic)
Real GDP growth (Annual percent change)	5.7% (2024)	4–5%	5.5–6%
Debt-to-GDP (%)	70.5% (2024)	71.3–56.9%	65–54.7%

Inflation (YoY %)	22.9% (2024)	23.5–14.3%	16.5–7.3%
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Source: IMF and author's estimates IMF predictions are obtained from the IMF Data Mapper.⁴⁹

-GDP Growth Rate (%) – The IMF projects Ghana's growth around 5% in the next five years. Historically Ghana grew at a faster pace, prior to the COVID-19 pandemic and the war in Ukraine, with agriculture playing an important role in reducing poverty and producing food to meet national food security requirements. In the **Low-scenario**, we assume slightly slower momentum – with a forecast of 5 % growth through 2030.

Figure 4. Real GDP Growth Projection



Source: IMF Data Mapper

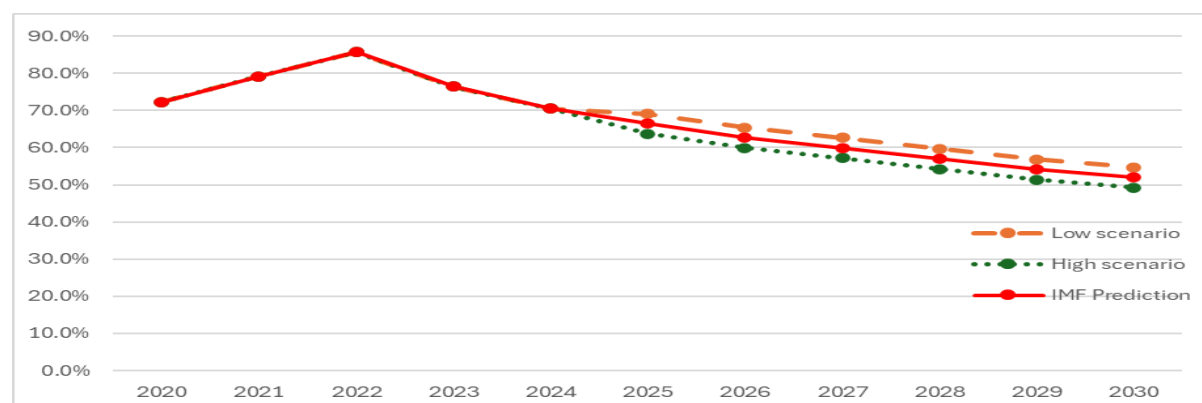
In the **High-scenario**, growth is predicted to rebound, reaching between 5.5 and 6 %, largely driven by industry and service sectors, with agriculture making an important but limited contribution, which is predicted to remain flat in growth. Policy reforms, with respect to debt management, are anticipated to continue through 2030, enhancing business confidence in the long term and the improved macroeconomic management is expected to boost investments across sectors in the long run, including in agriculture and rural livelihoods. Relative productivity differences across sectors, with industry and services maintaining higher productivity, are expected to drive rural transformation with labour shifting towards these higher productivity sectors while agriculture remains relatively flat.

- Debt-to-GDP Ratio (%) – General government debt, as a percentage of GDP, was 70.5% in 2024 and is estimated to be 66.4% in 2024. Under the **Low scenario**, the rate of debt reduction could be slow, reaching 54.7% by 2030. There is also possibility of debt remaining flat above 60% for the next four years, in a **stressed scenario**, where growth is curtailed by global shocks, including increased trade restrictions and reduced ODA, FDI, and remittances. In contrast, the **High-scenario** assumes strong growth and prudent fiscal management with growing investor confidence: in such a favourable scenario debt could decline to less than 50% of GDP by 2030. Overall, it is projected that debt would decline by between **49.7% and 54.7%** by 2030. This range assumes a continuation in the concerted debt restricting efforts of Ghana.

Figure 4a. Projections of Ghana's Debt-to-GDP Ratio (%)

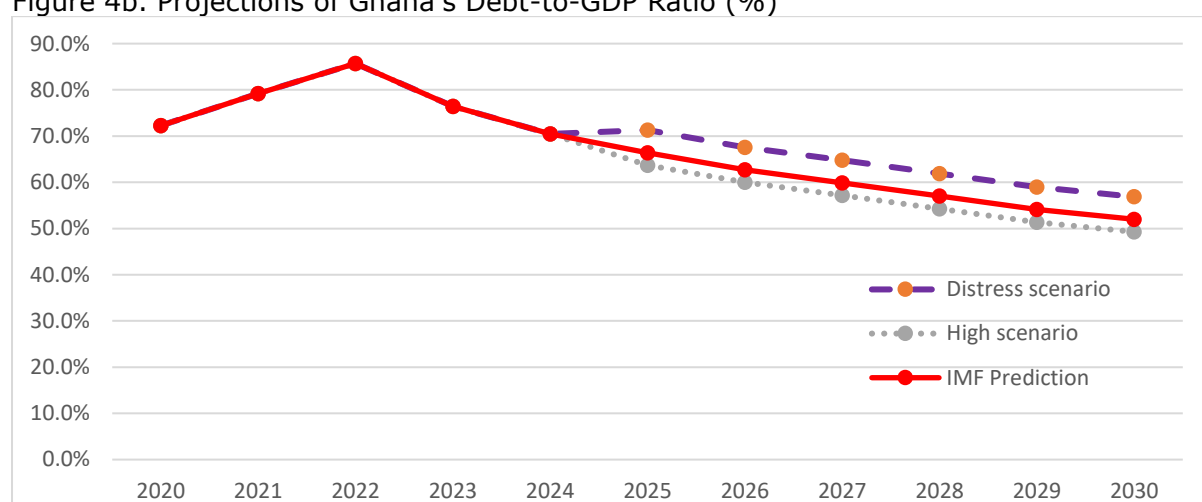
⁴⁹ <https://www.imf.org/external/datamapper/profile/GHA>.

<https://www.imf.org/en/Countries/GHA> Each scenario column in the table above represents plausible values by 2030 under varying assumptions. All cited projections are from recent sources (IMF and World Bank).



Source: IMF Data Mapper and author's estimations

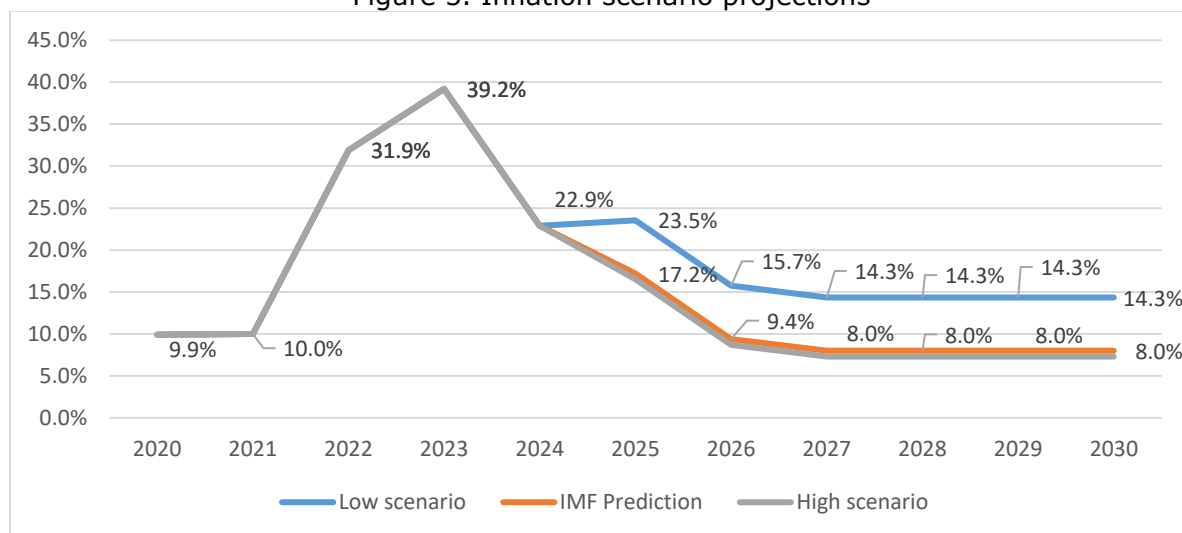
Figure 4b. Projections of Ghana's Debt-to-GDP Ratio (%)



Source: IMF Data Mapper and author's estimations

-Inflation (YoY %) – Ghana's long-term inflation target is 8 % ($\pm 2\%$). IMF forecasts have inflation at 17.2% CPI in 2025. In the **low scenario**, with weak growth in a context of uncertainty and global trade shocks, and a depreciating Cedi, inflation would stay well above the target at 23.5%. In the **High-scenario** (optimistic case), stronger than expected growth coupled with prudent fiscal management and well-managed exchange rate could begin to tame inflation, with the CPI beating the IMF prediction to reach 16.5 %.

Figure 5. Inflation scenario projections



Operational implications/engagement with IFAD

The current LMIC status combined with the debt distress of Ghana could affect the overall volume of resources to be committed over the COSOP period. Certainly, Ghana is less likely to be eligible for BRAM resources over the course of the COSOP period and is not eligible for DSF grants from IFAD, further constraining the likelihood to increase the volume of development financing borrowed from IFAD. Seeking alternative financing, including through green-climate-environmental funds and private sector engagement will be crucial to increase the volume of financing under the COSOP.

Rural Sector Policy Assessment

Ghana's rural policy landscape will undoubtedly affect the envisaged transition scenario. It is therefore important to understand the policy landscape and prediction thereof, to better estimate the likely transitions. IFAD's Rural Sector Performance Assessment (RSPA), conducted by The Economist Intelligence Unit on behalf of IFAD, evaluates the quality of policies and institutions in the rural sector to assess their effectiveness in driving rural development and transformation that benefits the rural poor. The RSPA is specifically designed to measure how responsive a country's rural policies are to the needs of poor rural populations.

For 2024, the RSPA found Ghana to be a top performer on various clusters as shown in the table below. However, the main areas for improvement relate to the cluster on macroeconomic management, particularly fiscal policy and taxation, which scored the lowest (2.6) and monetary and exchange rate policies (2.9) which scored the second lowest. Trade policy, debt policy/management, and policy framework for gender equality were also identified as key areas for improvement. Access to agricultural inputs and produce markets also scored relatively low (3.5), suggesting the need for continued investments to support access to markets for smallholder farmers.

GHANA	
RSPA Indicator	Score
1) Policies and legal framework	4.4
1.1) Policies and framework for rural development and rural poverty alleviation	4.9
1.2) Legal frameworks for and autonomy of rural people's organizations	4.5
1.3) Representation and influence of ROs and rural people	3.9
2) Rural governance, transparency and public administration	4.2
2.1) Quality and transparency of allocation of resources for rural development	4
2.2) Accountability, transparency and corruption	4.5
3) Natural resources and environmental policies and practices	4.4
3.1) Environmental assessment policies and grievance mechanisms	4.5
3.2) National climate change policies	4.8
3.3) Access to land	4.3
3.4) Access to water	4.2
4) Financial policy, access to services and markets	4.3
4.1) Access to and use of rural financial services	4
4.2) Investment climate for rural business	4.6
4.3) Access to agricultural input and produce markets	3.5
4.4) Access to extension services	5.1
5) Nutrition and gender equality	3.8
5.1) Nutrition policy framework and outcomes	4.1
5.2) Policy framework for gender equality	3.5
6) Macroeconomic policies and conditions for rural development	3
6.1) Monetary and exchange rate policies	2.9
6.2) Fiscal policy and taxation	2.6
6.3) Debt policy	3.5
6.4) Trade policy	3.1
RSPA overall score	4

Source: EB 2024/143/R.17/Add.1: Progress report on the implementation of the performance-based allocation system and the Borrowed Resource Access Mechanism – Addendum. 7 December 2024.

Given the above results, the COSOP could also incorporate Country-Level Policy Engagement activities that focus on the areas needing improvement. Some may be beyond the mandate of IFAD and would require partnering with other entities that specialize in the respective areas. Where IFAD has a comparative advantage, it would be crucial to work closely with government and various stakeholders to support policy improvements. Examples may include on the areas of gender equality, access to agricultural inputs and produce markets, representation of Rural Organizations (ROs) and rural people.

Conclusion

Ghana's past rural development policies and investments have achieved significant progress on rural poverty reduction and food security. Through IFAD investments, Ghana has promoted rural entrepreneurship, financial inclusion, and economic development. However, the challenges of macroeconomic management, particularly debt distress, in the face of global shocks, including COVID-19, the war in Ukraine have curtailed progress. While recent efforts have started to pay off, recent trade restrictions and reduced ODA, suggest a need to tread cautiously to build resilience to the shocks in the external environment. Balancing prudent debt management with continued investment in rural areas, particularly for financial inclusion and infrastructure as well as ensuring that benefits are targeted well and enable equitable participation, particularly for women and youth, will be crucial for furthering sustainable rural development in Ghana. Despite fiscal space

constraints, staying the course on investing in rural transformation will remain key to long-term sustainable development, job creation and growth.

SECAP Background Study

INTRODUCTION

Objective

1. The SECAP Background Study has been developed to inform and strategically orient the country strategic opportunities programme (COSOP) on social, environmental and climate change issues. In particular, the study will support IFAD Ghana 2025 – 2030 COSOP development process in realising cross-cutting sectoral objectives such as: i) gender equality and women empowerment in agriculture, ii) youth in agriculture, iii) improved nutrition, iv) environmentally sustainable agricultural development and climate change adaptation and mitigation, and v) Protecting the rights and livelihoods of indigenous peoples.
2. The study includes i) a synthesis of the key climate change, environmental and social challenges identified as mainstreaming priorities for IFAD; (ii) an analysis of the institutional, policy and legal framework; (iii) a climate vulnerability assessment using geospatial indicators; and (iv) key recommendations to address the challenges providing IFAD with strategic recommendations for action.

Approach and Methodology

3. The approach and methodology used for conducting this background study was mainly literature review of relevant national documentation that includes sector and wider institutional framework, legislation, policies, strategies and plans that are likely to have implications on the country programme and IFAD's work at large. The study also involved analysis of ongoing projects in Ghana including supported investments by IFAD and other development partners. Country programme evaluations, including existing environmental, social and climate related studies and assessments were also analysed.

SITUATIONAL ANALYSIS AND MAIN CHALLENGES

4. Ghana is a middle-income country, situated in West Africa on the Gulf of Guinea, bordered by Côte d'Ivoire, Togo, and Burkina Faso. It has a population of about 30.8 million of which 50.7 percent are women. Ghana's population is very young (35 percent for 0-14 years and 38 percent for 15-35 years age groups)⁵⁰. The population density is around 129 people per square kilometre with an average household size of 3.6 people. Regions in southern Ghana have the highest population concentration. 25 percent of the population lives along the coast in rapidly expanding urban areas like Accra and are especially vulnerable to flooding and waterborne diseases. Three in ten (30.2 percent) persons 6 years and older are not literate in any language. Illiteracy is higher among females (34.4 percent) than males (25.9 percent)⁵¹.

Socioeconomic situation and underlying causes

Poverty

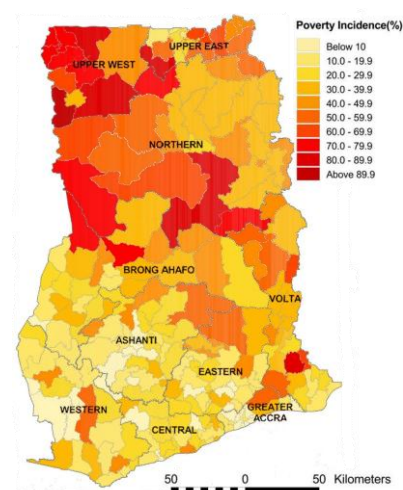
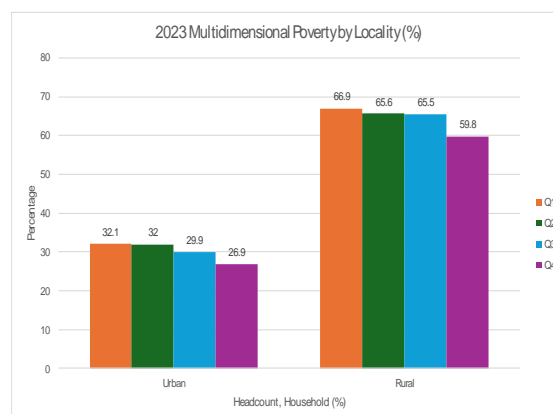
5. Around 24.2 percent of the national population live below the poverty line surviving on less than \$1 a day⁵². Despite Ghana being one of the fastest growing economies in Sub-Saharan Africa, progress has since stagnated with poverty projected to increase to 33.4 percent in 2025 because of failure to fully recover from the COVID-19 pandemic, bouts of inflation and overreliance on natural resources that are prone to climate change impacts among other factors.

⁵⁰ Ghana Statistical Service, 2021 Population and Housing Census, Preliminary Report, Volume 1

⁵¹ Ghana Statistical Service, 2021 Population and Housing Census General Report Volume 3D

⁵² Oxfam 2024 <https://www.oxfam.org/en/what-we-do/countries/ghana>

6. Ghana ranks 145 out of 193 countries on the Human Development Index (HDI) of the United Nations Development Programme (UNDP 2023/24). Multidimensional poverty in rural areas is about twice that of urban areas (Fig 1)⁵³. Multidimensional poverty increases with household size. Households with ten or more members are most likely to experience multidimensional poverty, compared to households with less. The incidence of multidimensional poverty is lowest for households whose heads are married (35.3 percent) and highest for widowed and/or single female head of household. Households whose heads are working in the agricultural sector are poorer than those in other sectors⁵⁴.
7. The elderly (persons aged 65+) are the least poor with an MPI of 0.158. The Northern Regions (Northern, Upper East and Upper West) have the highest multidimensional poverty above the national average of 41.3 percent whilst Greater Accra Region being the lowest with 18.2 percent⁵⁵. Greater disparities exist between the northern and southern regions of the country (figure 2) and the regions with high poverty incidence are also the most prone to climate change related vulnerabilities⁵⁶. The northern regions of Ghana suffer from erratic rainfall, poor soil quality, and inadequate rural roads and other vital infrastructure.

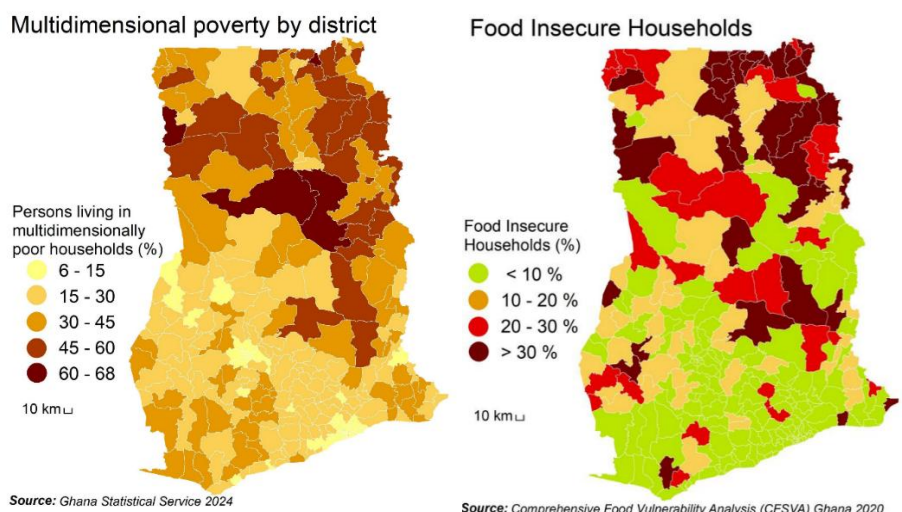


⁵³ Ghana Statistical Service, 2024, Multidimensional poverty report ([URL](#))

⁵⁴ Ghana Statistical Service, 2023 Annual Household Income and Expenditure Survey, Quarter 4 Bulletin

⁵⁵ Ghana Statistical Service, 2021, Population and Housing Census Volume 3

⁵⁶ World Bank Group, 2024, Country Programme Evaluation, Approach Paper



8. Food insecurity is higher in rural areas (39.1%) compared to urban areas (36.4%). Food insecurity is concentrated in the five northern regions in the country, comprising, Upper East (48.7 percent), Northeast (33 percent), Northern (30.7 percent), Upper West (22.8 percent) and Savannah (22.6 percent). Women face higher levels of food insecurity (54.5%) compared to men (46.2%)⁵⁷
9. The northern regions are particularly susceptible to climate-induced livelihood crises, with significant out-migration, increased conflict over resources, and decreased agricultural productivity due to desertification and decreased rainfall. The region's reliance on rain-fed agriculture and transhumance systems makes it highly vulnerable to environmental degradation and climate change, including extreme weather patterns, seasonal flooding, and droughts. Additionally, the region's geographic location brings less rainfall, greater land and soil degradation, and a predisposition to droughts and floods, forcing agricultural households to adopt low-risk and low-input strategies, creating a cycle of poverty and deepening the exclusion trends of the northern regions. Livelihoods in northern Ghana are characterized by the limited opportunities available outside of agriculture. In northern Ghana, adults are less likely to be employed outside of agriculture, which remains the primary avenue of employment due to constraints such as inadequate infrastructure, poor access to finance, and challenging socio-economic and climate conditions). The northern regions' predominantly savannah vegetation and poor soils further impede agricultural productivity in this area⁵⁸.

Gender

10. Ghana's overall position of 103rd out of 146 countries on the gender gap index score indicates persistent challenges in achieving gender parity, especially in areas such as economic empowerment, education, health, and political participation. This is due to the underrepresentation of women in political leadership roles, particularly in parliament (14 percent) and local government (15 percent), alongside persistent societal norms and gender stereotypes that hinder women's participation in decision-making positions⁵⁹.
11. Women comprise approximately 40 percent of Ghana's agricultural and fishery sectors and 70 percent make up the rural composition and produce around 70 percent of Ghana's food stocks⁶⁰. Studies have shown that 30 percent men own land for

⁵⁷ Ghana Statistical Service (GSS)/WFP/FAO, 2020 Comprehensive Food Security and Vulnerability Analysis

⁵⁸ Ghana Statistical Service, 2022 Multidimensional Poverty Report, Quarter 4

⁵⁹ "Increase Women's Participation, Representation in 2023 District Level Elections - ABANTU for Development," <https://www.modernghana.com/news/1232687/increase-womens-participation-representation.html>.

⁶⁰ USAID/Ghana Gender Equality Fact Sheet, July 2023

agricultural purposes as compared to women's 8 percent⁶¹. The traditional heritage that pertains in Ghana is largely disadvantageous to women's access to and control over land. In principle, all stool subjects and lineage members irrespective of sex have inherent rights of access to stool and lineage lands (usufructuary rights). Lineage/stool members seeking land to farm or for any other purpose ask the lineage/stool head to assign them a piece of the land. This land ownership discrepancy gives men more access to and control of land for agricultural purposes.

12. Ninety-five (95) percent of the women farmers are concentrated in the unskilled and low-wage production end of value chains. In male headed households, men tend to have the upper hand in decision making especially on what to plant, where, recruitment of labour, how much of the farm produce goes for sale, farm proceeds for household purposes and what to save. Although the division of labour is not clear cut, women tend to do the most labour intensive and time-consuming work than men. Research has shown that while women are encouraged to participate in all stages of crop production, they are less welcome to participate in the harvesting, which is the moment when income will be earned⁶². Whilst both male and female small holder farmers are caught in a cycle of poverty, women suffer from a more profound lack of farm inputs including improved technology, access to credit, and land rights which reduce their opportunities for economic growth⁶³. However, Women are more likely than men to adopt improved technologies that are affordable and require little or no complementary inputs⁶⁴. Men dominate extension services (85 percent), creating challenges for women to access them due to social norms.
13. Women further encounter challenges in terms of market access as well as asymmetries in negotiating fair prices with middlemen traders. Despite Ghana being ranked very high for having more women entrepreneurs (37.9 percent), the women still face major constraints contributing to large gender gaps in profits, ranging from 23 percent to 73 percent⁶⁵. Studies have also shown that women tend to operate in crowded markets with reduced opportunities for growth as compared with self-employed men and they tend to express a lack of confidence in their abilities and leadership. Harmful social norms affect women and girls, who are the main victims of gender-based violence (GBV), child marriage and early pregnancy, and disproportionate household responsibilities.

Gender Based Violence and Harmful Norms

14. In Ghana, traditional values, cultural norms as well as socializing processes have bestowed a low status on the woman and girl child. About 31.9 percent of Ghanaian women have faced at least one form of domestic violence - physical, economic, psychological, social or sexual⁶⁶. Seventeen percent of women between the ages of 20 and 24 report being married before the age of 18. In the Northern and Upper East regions, child marriage rates are as high as 28 percent.⁶⁷
15. Thousands of children and adolescents live and work on the streets, most of these girls become vulnerable to sexual violence and exploitation. The traditional practice of engaging children and adolescents in farming and other related works alongside their parents to teach them necessary skills at times take on exploitive dimensions.

⁶¹ Ministry of Food and Agriculture (MoFA 2023)

⁶² M. Mensah and B. Y. Fosu-Mensah, "Agriculture and gender roles in the semi-arid region of Ghana." *West African Journal of Applied Ecology*, 28(1) (2020): 144-157.

⁶³ USAID/Ghana, Gender Analysis Report 2020

⁶⁴ Wilhemina Quaye et al., "Bridging the Gender Gap in Agricultural Development through Gender Responsive Extension and Rural Advisory Services Delivery in Ghana," *Journal of Gender Studies* 28, no. 2 (February 17, 2019): 185–203, <https://doi.org/10.1080/09589236.2017.1419941>.

⁶⁵ World Bank. Profiting from Parity: Unlocking the Potential of Women's Businesses in Africa. Africa Region Gender Innovation Lab (GIL) and the Finance Competitiveness & Innovation (FCI) Global Practice, 2019.

⁶⁶ Domestic Violence and Victim Support Unit (DOVVSU), 2020

⁶⁷ UNFPA Country Programme Document for Ghana. 2022. https://ghana.unfpa.org/sites/default/files/pub-pdf/country_programme_document_8_-_ghana_cpd_-_final_-_12_jul_22_eng.pdf.

Prohibited child marriage, female genital mutilation/cutting and the “troski” system of ritual enslavement persist in certain parts of the northern regions. These forms of violence, abuse, exploitation and neglect of children and adolescents are often rooted in social, cultural and gender-related beliefs and practices.

Youth

16. The number of youths in agricultural households is 2,270,441 representing 20 percent of the total agricultural household population⁶⁸. Many young people in Ghana live in urban areas where agricultural activities are minimal. Despite the potential of the agricultural sector, many young people in Ghana are not interested in working in it. One of the foremost challenges is limited access to land, with only 8% of youth owning farmland. This constraint restricts their ability to establish and expand agricultural ventures. Low participation of youth in agriculture could be traced to poor returns to agricultural investments, lack of agricultural insurance, unprofitability of the occupation and inadequate access to financial products and services. Financial institutions often appear reluctant in giving credit facilities in the form of loans to youth because they regard them risky clients who are liable to non-payment of loan amounts in the event of poor harvest⁶⁹. According to the Ghana Statistical Service, youth unemployment stands at 32.8 percent, and underemployment at 50.5 percent, indicating a pressing need for targeted financial support to foster youth-led agricultural ventures. The declining youth engagement poses a threat to sustained agricultural growth and food security. The aging national demographic with mean age of farmers at 45 years, and life expectancy at 57 years underscores the urgent need to attract and empower younger generations to sustain and innovate within the agricultural sector.

Persons with Disabilities

17. About 8 percent of Ghana's population have some form of disability and this is higher in rural areas (9.5 percent) than in urban areas (6.5 percent). Women are more likely to have a disability than men (8.8 percent compared to 6.7 percent)⁷⁰. These gender differences are driven partly by demographic factors, as disability is strongly increasing in age and women are far more likely than men to live longer. However, even at younger ages, disability prevalence is higher for women at all ages over 15⁷¹. While there is no detailed analysis to explain these trends specifically for Ghana, World Bank analysis of data from 10 countries in Sub-Saharan Africa cites lack of adequate healthcare during childbirth, intimate partner violence, and the lack of investments in health and well-being of girls and women as reasons for the disproportionate incidence of disability amongst women, in addition to age-related demographic dynamics⁷². These factors are also likely to be drivers of gender differences in Ghana.
18. Persons with disabilities are vulnerable to loss of employment opportunities and lower productivity of their own-account work in agriculture. There are about 122,209 persons in agricultural households with some form of disability, and this constitutes 1.1 percent of the agricultural household population. The agricultural sector could provide potential employment opportunities and improve their productivity for people with disabilities, but several challenges prevent their full participation including negative community attitudes and limited assistive devices, as well as lack of access to land, funds, and start-up capital including labour required for successful

⁶⁸ MoFA/World Bank (2022), West African Food System Resilience Program – Phase 2 (FSRP2)

⁶⁹ Wuni, Bofo and Dinye (2017), Examining the non-participation of youth in agriculture in the midst of acute unemployment in Ghana

⁷⁰ Ghana Statistical Service (2021), Population and Housing Census Volume 3

⁷¹ Ghana Statistical Service (2024) Thematic Brief: the Elderly in Ghana, based of 2021 Population and Housing Census data

⁷² Montes, Jose and Rachel Swindle (2021) “Who is Disabled in Sub-Saharan Africa?” Poverty and Equity Notes April 2021, No. 40. Washington, DC: World Bank.

enterprises⁷³. Many people with disabilities working in this sector participate by providing seasonal wage labour, and only a small proportion are farm owners. As a result of these factors, their vulnerability to poverty increases.

19. Among persons with disabilities are also the elderly people who are normally excluded from development initiatives. Female and child headed households are also among the vulnerable people and they face difficulties in accessing the means of production including timeous and accurate information and opportunities. Poor and landless households and households who live in remote communities or far away from service centres may have less information about projects, including benefits such as employment opportunities.

Indigenous Groups

20. Ghana is home to a rich tapestry of indigenous ethnic groups, each contributing to the nation's cultural diversity. The division of the territories of the people of Ghana among the ethnic groups were the five major ethnic groups, which are the Akan, Guan, Ga-Adangbe, Mole-Dabgon and the Ewe. Among these major ethnic groups are various subgroupings of ethnic groups because of the break ups during their migration.⁷⁴ Each of these indigenous groups has its own unique language, customs, and traditional practices, reflecting the rich cultural heritage of Ghana. Their festivals, art forms, and social structures play a crucial role in the nation's identity, fostering unity amidst diversity.⁷⁵
21. Ghana's legal framework does not formally recognise any specific group as "Indigenous Peoples" in the sense used in international discourse or in accordance with IFAD's 2022 Policy on Engagement with Indigenous Peoples. However, certain ethnic minority communities in Ghana, such as the Fulani pastoralists and the Konkomba, do meet the criteria of Indigenous Peoples for the purposes of IFAD's policy, and for safeguards compliance.
22. The Fulani are not one of the recognised ethnicities within the country, but they face distinct challenges when it comes to land access, security of tenure, and political rights. Traditionally, they were nomadic pastoralists without permanent land rights. In current times, this mobility has been constrained by environmental degradation, climate change, and growing competition for land, and the Fulani now must often negotiate access to grazing lands with local chiefs or communities, leading to tensions between pastoralists and farmers. These challenges are compounded by the fact that many Fulani communities lack formal land tenure security and are underrepresented in local decision-making processes⁷⁶. Fulani herders have also been employed by members of other Ghanaian ethnic communities to manage their herds, leaving many in a vulnerable patron-client relationship with other dominant groups. They have been reportedly subject to negative stereotyping, exclusionary government policies, denial of citizenship and even expulsion⁷⁸.
23. The Konkomba self-identify as indigenous peoples residing mainly in the north of the country. Having religious leaders rather than paramount chiefs, the Konkomba and other acephalous groups had limited political power and land rights, due to the vesting of traditional land rights through chiefdoms. Their political and economic exclusion led to period ethnic conflicts including the 1995 Guinea Fowl War in which 135,000 people were displaced and 2,000 died. However, advocacy for Konkomba self-determination

⁷³ Disability-inclusive education and employment: understanding the context in Ghana.

⁷⁴ <https://storymaps.arcgis.com/stories/a4d73a7a8a3a48869420de3b18fb90a3?utm>

⁷⁵ The information on the different ethnic groups is taken from Wikipedia, the Culture of Ghana

⁷⁶ Wikipedia, the Culture of Ghana.

⁷⁷ UNEP (2014) Proposed Project Gcf/Unep/Epa "Climate-Resilient Landscapes for Sustainable Livelihoods In Northern Ghana" Project's Indigenous Peoples Planning Framework (IPPF), draft for consultation

⁷⁸ Minority Rights Group (2020) "Ghana" from <https://minorityrights.org/country/ghana/>

led successfully to the setting up of a new Northeast Region following a referendum in December 2018⁷⁹.

Nutrition

24. Ghana is generally on course to meet the target for maternal, infant and young child nutrition, reducing anaemia among women of reproductive age, achieving the low birth weight to meet the target for stunting albeit the slow process. Currently, 35.4 percent of women aged 15 to 49 years are affected by anaemia. Infants born with low birth weight are estimated at 14.2 percent and 42.9 percent of infants aged 0 to 5 months exclusively breastfed. Child stunting and wasting stands at 17.5⁸⁰ and 6.8 percent for children under 5 years respectively. The prevalence of overweight children under 5 years of age is 1.4 percent and Ghana is 'off course' to prevent the figure from increasing⁸¹. Nutritional deficiencies are by far the largest contributor to morbidity among mothers and children aged 1 to 4 years. The primary nutritional deficiencies contributing to this burden are protein-energy malnutrition, dietary iron deficiency and Vitamin A deficiency. The national diet is heavily reliant on starchy staples, which has contributed to a recent increase in rates of overweight and obesity with Greater Accra Region topping the list with rates of micronutrient deficiencies remaining high.
25. Health outcomes in Ghana's northern regions continue to lag compared with the national averages e.g. about 33 percent of children in the Northern region are stunted compared to a national average of 19 percent⁸². Malnutrition is less in the Greater Accra Region where about 1 out of 10 under 5 children experienced stunted growth compared to 1 in 5 children in the Northern region. Stunting is also very common among children with mothers who have lower levels of education⁸³. Limited knowledge of key infant and young child feeding practices among caregivers remains a challenge in the country. This coupled with the lack of skills to prepare nutritious foods and the cost of certain foods, leads to poor diversity in the diets of infants and children.
26. There is urgent need for the sector to increase its spending on a broad set of nutrition-sensitive interventions. These interventions may include policy enhancement on food prices to promote healthy diets and food safety, food fortification, and the diversification and sustainable intensification of agriculture production.

Environment and climate context, trends and implications

⁷⁹ *ibid*

⁸⁰ Africa's average is 30.7 percent

⁸¹ Global Nutrition Report 2022, Ghana

⁸² 2023 Multidimensional Poverty Report (Quarter 4 Bulletin)

⁸³ Iddrisu WA et al 2023, identifying factors associated with child malnutrition in Ghana: a cross-sectional study using Bayesian multilevel ordinal logistic regression approach

Climate

27. Ghana has a tropical climate that follows the country's varied topography. Annual rainfall ranges from 1100 mm in the north to about 2100 mm in the southwest⁸⁴. The northern part of the country has one rainy season that extends from May to September; the south has two rainy seasons – the first lasts from April to July and the second from September to November. Like several other countries in West Africa, the dry season (December to March) brings the arid and dusty *harmattan* winds that blow from the Sahara Desert, and is marked by low humidity, hot days and cool nights. Average annual temperatures are around 26°C, with higher temperatures in the north and during the dry season. The area between the forest in the southwest and the savanna in the north is vital for domestic food production, due to more reliable rains and an extended growing season⁸⁵.



Forests and Biodiversity

28. Ghana has a land area of approximately 23.9 million hectares, with about a third of the area classified as High Forest Zone (HFZ). Within the HFZ, 266 areas in the forest and savannah zones have been gazetted as forest reserves, of which only 18 percent is considered arable while 14 percent is used as pasture^{86,87}. On the other hand, there are: one strict nature reserve, six National Parks, two wildlife sanctuaries, six resource reserves, one biosphere reserve and six wetlands declared as Ramsar sites. The current number of forest reserves and wildlife protected areas constitutes the permanent forest estate of Ghana. Weak institutional coordination and capacity, as well as lack of integration of biodiversity issues into development planning is hindering effective maintenance of permanent forest estate and biodiversity. There are also significant challenges in implementing effective Environmental Impact Assessment (EIA) procedures to protect biodiversity. Addressing these challenges requires a concerted effort to strengthen technical capacity, enforcement mechanisms, public participation, and governance structures within the EIA system.

Water Resources

29. The Volta River system basin covers 70 percent of the total country area, with the southwestern river system watershed covering 22 percent and the coastal river system watershed covering 8 percent. The Volta River system comprises the Oti, Daka, Pru, Sene and Afram rivers, as well as the white and black Volta rivers, whilst the southwestern river system watershed comprises the Bia, Tano, Ankobra and Pra rivers. The coastal river system watershed, on the other hand, comprises of the Ochi-Narkwa, Ochi Amissah, Ayensu, Densu and Tordzie rivers. The Volta Lake, with a surface of 8,500 km², is one of the world's largest artificial lakes. Overall, Ghana's total actual renewable water resources are estimated to be 53.2 billion m³ per year

⁸⁴ World Bank Group (2021), Climate Risk Country Profile - Ghana

⁸⁵ FAO. (2016), Fishery and Aquaculture Country Profiles: The Republic of Ghana

⁸⁶ United States Department of Agriculture (2023), Ghana Climate Change Report

⁸⁷ IFPRI (2012). Ghana – Strategy Support Program, climate change, agriculture, and food crop production in Ghana.

URL: <http://ebrary.ifpri.org/utils/getfile/collection/p15738coll2/id/127134/file/127345.pdf>

enough to cover domestic water demand is about 12 percent of the total surface water resources.

30. Crop irrigation and livestock water usage is estimated at 48 percent. Demand is expected to increase with growing population and rapidly growing and diversified demands, including hydropower generation, industrial processes, fisheries and aquatic ecosystem protection, which may also lead to non-optimal and unsustainable use of the resource. Interventions are expected to aim at ensuring an integrated water resources management approach so that the currently abundant water does not become a constraint to national development.
31. Wetlands ecosystems constitute about 10 percent of the country's total land surface, and they provide a range of socio-economic, cultural and ecological values for wetlands communities and the nation.

Agroecological regions

32. In Ghana, six major agroecological zones are recognized. These zones are defined by their climate, soil type and reflected in the distinctiveness of the associated natural vegetation. The agro-ecological zones are Sudan Savannah, Guinea Savannah, Coastal Savannah, Forest/Savannah transitional zone, Deciduous Forest zone and the Rain Forest zone⁸⁸. The rainfall pattern is uni-modal in the Coastal, Sudan and Guinea Savannah zones, but bi-modal in the three remaining zones⁸⁹. There are considerable variations between successive rainy seasons in terms of the onset, duration, and amount of fall. Rainfall within the agroecological zones is generally accompanied by high intensities and energy loads and is therefore erosive. Generally, alluvia soils (Fluvisols) and eroded and shallow soils (Leptosols) are found in all the agroecological zones⁹⁰. Mangrove swamps are found, albeit in patches along the entire coastline and beyond. The zones have, however, undergone tremendous changes because of anthropogenic forces induced by population and production pressures.

Agriculture

33. Agriculture plays an important role in the Ghanaian economy and provides employment for about 45 percent of the labour force on a formal and informal basis and accounts for 20 percent of national GDP⁹¹. Agriculture is a central pillar of the country's foreign earnings and overall economic well-being. The agriculture sector is dominated by smallholder farmers and is predominantly rainfed and therefore sensitive to climate variability and change. Ghana's Northern Savannah Ecological Zone, where significant agricultural production is centred and poverty is most severe, is likely to see increased impacts from climate change. Erratic precipitation patterns have severe consequences on productivity as only 2 percent of the country's irrigation potential is in use whilst 80 percent of the farms are rainfed. Most of the farms are very small (at most 1.2 hectares) which makes it difficult to secure enough food for household consumption let alone for commercialisation.



Figure 1: Map showing the six agro-ecological zones of Ghana (Source: ResearchGate Publication)

⁸⁸ Obuobie and Barry 2010; Groundwater in sub-Saharan Africa: Implications for food security and livelihoods. Ghana Country Status

⁸⁹ https://www.researchgate.net/figure/Map-showing-the-six-agro-ecological-zones-of-Ghana-This-map-was-created-using-ArcGIS_fig5_319988535

⁹⁰ *ibid*

⁹¹ United States Department of Agriculture (2023), Ghana Climate Change Report

34. Among the leading agricultural food crops harvested are cassava, corn, yam, peanuts, and sorghum while commercial crops include cocoa, palm oil, rubber, sugar cane, cotton, and tobacco. Ghana is the world's second-largest cocoa producer and exporter after neighbouring Côte d'Ivoire and both countries account for over two-thirds of the world's cocoa supply. Another well performing export crop is cashew while rice dominates imports.
35. Ghana is notably a high importer of poultry products which suggests that with the favourable national policy support, a well-developed and competitive local livestock and poultry industry will thrive. The prospects are particularly high for the poultry sub-sector because of the potential availability of grains which are base ingredients for feed production.

Environmental Degradation

36. Ghana's forest cover is declining at an average of 2 percent per annum, and this is not matched by the replacement efforts which are estimated at 20 percent only of the total lost forests. Economic activities such as logging, fuel wood production and farming are the main causes of forest loss. Farming methods have not changed significantly with most farmers still practicing slash and burn methods. Small-scale mining, known as "Galamsey", has become a major source of environmental and natural resource degradation. Most mining activities take place in forest areas, thereby affecting the environment significantly, including the land, forest and water bodies. After mining activities have been halted, it is not common to find degraded forests reclaimed. The annual loss due to land degradation is estimated at 4.2 billion dollars, equivalent to 9.6 percent of Ghana's GDP in 2022. The most affected regions are the Northern (37 percent), Upper East (28 percent), and Savannah (24 percent) regions, where land degradation poses a major threat to livelihoods, food security, and economic development⁹².
37. Weak institutional capacity for environmental management, poor coordination among the key Government institutions responsible for the sector, and the inability to sustain implementation of interventions related to reforestation and environmental management are the main challenges affecting efforts at reversing the natural resource degradation and enhancing environmental governance.

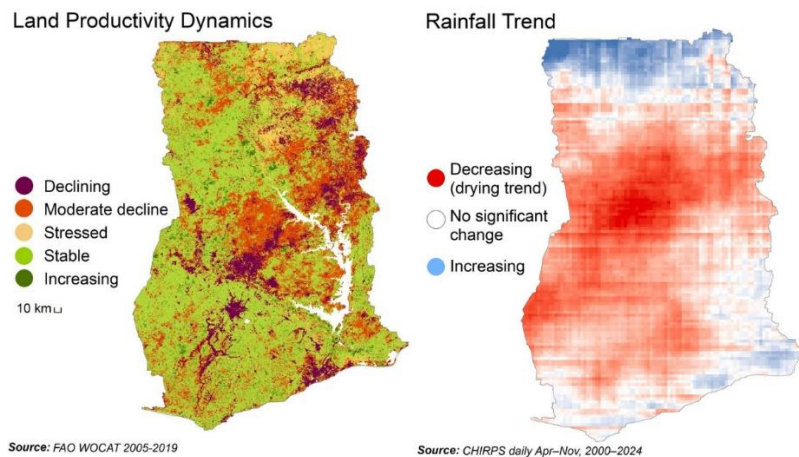
Climate change

38. Climate variability and change constitute a major threat and imposes a limitation on national development efforts. Climate change is manifesting through unpredictable changes in precipitation (too little, dry spells and/or too much), rising sea levels, floods, high temperatures and droughts. Ghana is expected to become hotter and drier. The average temperature increase per decade stands at 0.21°C and is expected to rise within the interval of 1.7°C to about 2.04°C by 2030⁹³ with changes expected to be more pronounced severe in the north. Additionally, there has been a significant increase in the frequency and intensity of extreme weather events, such as floods, droughts, and heatwaves. These phenomena negatively impact infrastructure, hydropower production, food security and coastal and agricultural livelihoods⁹⁴.

⁹² IFRI (2023) Poverty Implications of Agricultural Land Degradation in Ghana: An Economy-wide, Multimarket Model Assessment

⁹³ Tetteh B. et al, 2022, The effects of climate change on food production in Ghana: *Cogent Food & Agriculture*, 8(1)

⁹⁴ United States Department of Agriculture (2023), Ghana Climate Change Report



Climate Change Effects on Agriculture

39. Rising temperatures are projected to lower yields in major staple crops such as cassava, yams, plantains, maize and rice such as cassava, yams, plantains, maize and rice without intervention⁹⁵. Rising temperatures are also likely to increase the presence of pests and diseases which lead to crop failure and reduced yields. Suitable areas for cocoa production, mainly along the coast, are also decreasing due to temperature increase, floods, soil salinization and continued coastal erosion. Additionally, yield losses may become more severe as the likelihood of inconsistent rainfall and the length of growing seasons shorten. Reduced rainfall will shorten growing seasons and will affect yields especially without climate sensitive technology and effective climate and weather advisories. Unsustainable farming practices such as poor water management, limited crop rotation and poor soil management will further inhibit production⁹⁶.
40. In addition, natural disasters, migrations, and threats to human health can degrade human and social capital and devalue assets and infrastructure in agricultural communities. Rural populations in the Upper East, Upper West and Northern regions are more vulnerable to climate change than the people in other regions. This is attributed to the region's stagnated development and the dryland agriculture's vulnerability to climatic stresses⁹⁷.
41. The average annual loss due to floods is currently estimated at US\$100 million. Under an RCP8.5/SSP 5 scenario, which is expected to double to US\$200 million by 2050 (0.18 percent of expected 2050 GDP), with direct losses expected to fall mostly on infrastructure (34 percent), residential buildings (28 percent), and agriculture (16 percent). The full economic costs of flooding are likely to be much higher, as, for example destroyed bridges cut off access to markets, floods destroy regional health centers, urban flooding compromises sanitation and hygiene. While most floods remain circumscribed, an estimated 4.3 million people, are already at high risk to a 100-year return period event. Flood risks in Ghana are expected to grow due to both hazards (climate change) and exposure (rising asset values, population size, and land use change)⁹⁸.

Fisheries and Climate Change

⁹⁵ USAID (2017). Climate Change Risk Profile - Ghana. URL: https://www.climate-links.org/sites/default/files/asset/document/2017_USAID_Climate%20Change%20Risk%20Profile%20-%20Ghana.pdf

⁹⁶ Dasgupta, A., et al, A. (2012). Vulnerability to climate change in rural Ghana: Mainstreaming climate change in poverty-reduction strategies.

⁹⁷ Stanturf, J. A., et al (2011). Ghana Climate Change Vulnerability and Adaptation Assessment. Washington: US Agency for International Development.

⁹⁸ World Bank (2022), Country Climate and Development Report

42. Fisheries sector is a major local industry for the economy and local diet. The fisheries sector includes oceanic and inland freshwater fisheries in Lake Volta, Lake Bosomtwi and other reservoirs. Rising sea surface temperatures will continue to alter the migratory patterns and reproductive cycles of key species such as anchovies, sardines, tilapia, and catfish⁹⁹. A decline in the fisheries productivity because of climate change (along with overfishing) has forced Ghana to substantially increase seafood imports to satisfy local demand.
43. Climate change also manifests in increasing levels of desertification in the northern savannah and undermines the agricultural potential and the economic viability of the northern ecological zone and its capacity to contribute to national development. It leads to increased financial cost of provision of economic and social infrastructure, as well as resettlements of people living in coastal areas. The challenge is to turn climate change and variability into an opportunity to expand national agricultural output and productivity and embark on systemic protection programmes.
44. In addition to these direct impacts, climate change can also lead to indirect economic losses through increased healthcare costs due to heat-related illnesses and waterborne diseases. It can also disrupt infrastructure, leading to costly repairs and reconstruction. This further exacerbates the economic challenges posed by climate change in Ghana.
45. There is currently limited private sector involvement in climate change initiatives in general, and adaptation in particular¹⁰⁰. Private sector consists of i) private financiers, including private commercial banks, microfinance institutions and private insurance companies, who could provide direct financing for the implementation of climate actions; and ii) private enterprises, such as privately owned small-scale enterprises, who could undertake activities that support climate change adaptation.

Climate Stressor	Sectoral Risks			
	Agriculture	Fisheries	Water Resources	Human Health
Increased sea surface temperatures	Increased crop loss/failure and reduced yields, particularly for cassava	Decline in the number and diversity of fish and shrimp species	Increased conflict and political tensions with surrounding countries over transboundary rivers	Increase in waterborne diseases, particularly cholera in urban areas
	Increased incidence of pests and crop diseases			Increase in prevalence of malaria in the short term, particularly in coastal urban areas
Increased intensity and variability of rainfall	Shorter growing seasons	Reduced freshwater fish stocks due to reduced river flows	Reduced river flows, particularly in the Volta Basin Reduced quantity and quality of water for human consumption, agriculture, industry and hydropower	Increase in the incidence and severity of respiratory diseases such as asthma and meningitis due to increased exposure to dust and other particles from the <i>harmattan</i> winds
Drought-like conditions	Desertification and loss of arable land for agricultural production	Loss of income and livelihoods Reduced protein intake and nutrition deficits for human population	Contaminated water sources due to salinization and runoff	
Rising sea level	Soil salinization and saltwater intrusion into coastal aquifers		Damaged water infrastructure due to storm surges	

CLIMATE VULNERABILITY ASSESSMENT

46. A climate vulnerability assessment was conducted for the COSOP formulation using the IFAD GeoAdapt methodology¹⁰¹. This assessment calculated a composite

⁹⁹ Environmental Protection Agency. 2015. Ghana's Third National Communication Report to the UNFCCC.

¹⁰⁰ National Adaptation Plan (2018)

¹⁰¹ IFAD, 2022, Catalogue of Geospatial Tools and Applications for Climate Investments

vulnerability index based on freely available geospatial datasets. These datasets represent the three key components of climate vulnerability, as defined by the Intergovernmental Panel on Climate Change (IPCC):

- (a) **Exposure:** The type and intensity of climate hazards.
- (b) **Sensitivity:** The predisposition of a system to suffer harm, loss, or damage from a hazard event.
- (c) **Adaptive capacity:** The ability to cope with and respond to exposure and sensitivity.

47. **Vulnerability indicators.** The IFAD country team and the IFAD GIS unit selected the following 18 specific geospatial layers to compute this composite index:

Exposure

- Rainfall trend (Apr–Nov) from 2014–2024 (Derived from CHIRPS daily data via Google Earth Engine (GEE))
- Rainfall variability from May to Oct from 2014–2024 (CHIRPS via GEE)
- Trend in heavy rain days (≥ 10 mm/day) from 2014–2024 (CHIRPS via GEE)
- Heavy rains average (≥ 15 mm/day, Apr–Nov) from 2014–2024 (CHIRPS via GEE)
- Dry spell duration (longest spell from Apr–Nov) from 2014–2024 (CHIRPS via GEE)
- Max temperature trend ($^{\circ}\text{C}/\text{year}$) from 2014–2024 (ERA5-Land Daily Aggregated - ECMWF Climate Reanalysis via GEE)
- Dry season frequency (Apr–Nov) from 2014–2024 (CHIRPS via GEE)

Sensitivity

- Fire events from 2015 to 2024 (Fire Information for Resource Management System - FIRMS)
- Percent of households with multiple dimensional poverty per district from 2024 (Ghana Statistical Service 2024)
- Drought exposure from 2014 to 2024 (CHIRPS computed with Google Earth Engine)
- Land productivity dynamics from 2005–2019 (SDG 15.3.1 indicator from FAO-WOCAT)
- Land cover change (European Space Agency Climate Change Initiative Land Cover 2015–2019)
- Loss of forest cover (Global Forest Watch from 2001–2022)
- Percent of food insecure households per district in 2020 (Comprehensive Food Vulnerability Analysis 2020)

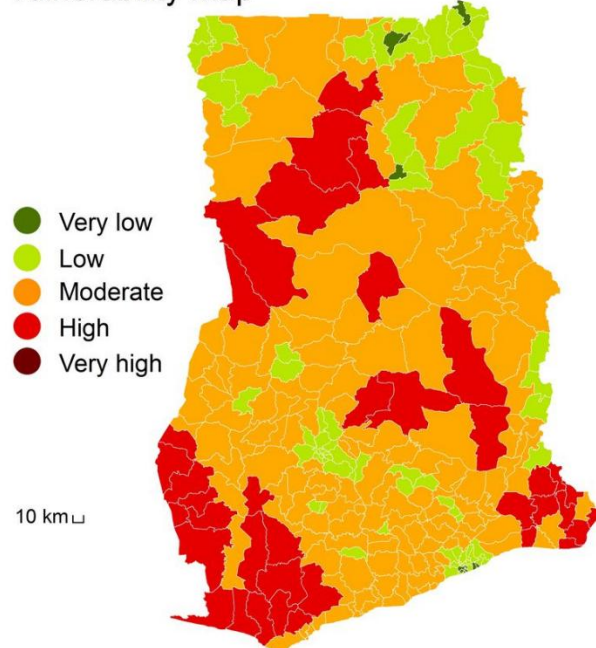
Adaptive capacity

- Accessibility to urban centres (normalization was capped at 120 minutes (JRC 2015))
- Density of minor, farm or feeder roads (OpenStreetMap)
- Percent of youth (population aged 15–24) of the total population (World Pop 2020)
- Percent of people owning a mobile phone per region in 2020 (National Communications Authority and Ghana Statistical Service)

48. To ensure comparability, thresholds were assigned to each dataset, converting them into variables ranging from 0 to 1 (representing high to low vulnerability). The final index was then calculated using the formula: $\text{Vulnerability Index} = (\text{Exposure} + \text{Sensitivity} - \text{Adaptive Capacity}) / 3$.

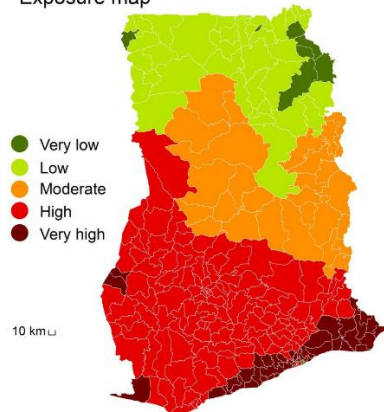
49. The **main vulnerability map** shows which areas should be the focus of IFAD interventions. Dark red areas indicate concentrations of high climatic stress, high sensitivity and low adaptive capacity. The southern and central zones have very high exposure to climate hazards, such as extreme rainfall and dry spells. In contrast, the northern regions have high sensitivity due to factors such as deforestation, poverty, food insecurity, and declining land productivity. The north has the lowest adaptive capacity, characterised by limited infrastructure, poor accessibility to services and lower mobile phone penetration.

Vulnerability map

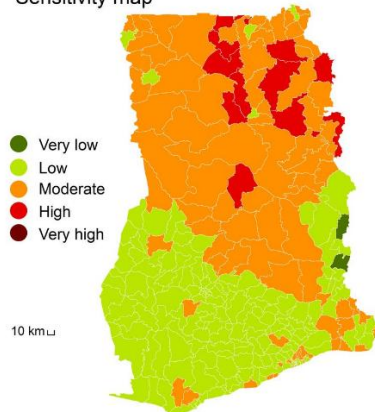


50. The **exposure map** reveals spatial variation in climate-related hazards across Ghana. The southern regions exhibit the highest levels of exposure, driven by a combination of factors including high rainfall variability, an increasing frequency of heavy rainfall, longer dry periods and rising maximum temperatures. Specifically, the southern and coastal zones exhibit very high exposure due to frequent and intense heavy rainfall (≥ 15 mm/day) and warming trends (>0.03 °C/year), indicating a heightened risk of flooding, erosion and heat stress. In contrast, the northern regions generally display lower exposure levels, particularly with regard to rainfall variability and fewer occurrences of extremely heavy rainfall. Nevertheless, prolonged dry spells and erratic rainfall patterns still pose a threat to the northern zone, particularly for rain-fed agriculture, contributing to climate stress.

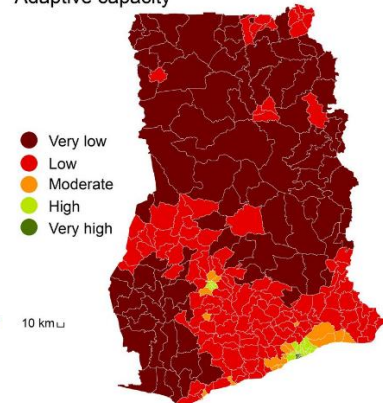
Exposure map



Sensitivity map



Adaptive capacity



51. The **sensitivity analysis** reveals variations across Ghana, with areas of very high sensitivity concentrated in the north and centre of the country. These areas are

characterised by low land productivity, frequent fire events, deforestation and high levels of poverty and food insecurity — all of which amplify vulnerability to climate-related stressors. In contrast, southern districts tend to show low to moderate sensitivity. This pattern indicates that northern Ghana is particularly vulnerable to the impacts of climate change due to environmental exposure and underlying fragilities in land systems and livelihoods.

52. **The adaptive capacity analysis** for Ghana reveals regional disparities in infrastructure, connectivity, and service access. Southern Ghana exhibits higher adaptive capacity across key indicators, whereas northern Ghana lags behind. For example, mobile phone ownership – a critical channel for market access and climate information – is far greater in the south. A similar divide is seen in transport infrastructure: feeder and farm road networks are denser and better developed in the south. Road development is heavily concentrated in the agriculturally and economically active southwest (e.g. Ashanti and Greater Accra regions), while much of northern Ghana remains relatively underserved by minor roads. Accessibility to cities, measured by travel time, further underscores this north–south gap. Many communities in the northern regions must travel well over an hour – often via limited road networks – to reach major urban centres or essential services.

INSTITUTIONS AND LEGAL FRAMEWORK

Institutions

53. Key Institutions that will be critical to the Country programme are listed in the table below. Identification of relevant institutions including Private Sector¹⁰², Civil Society organisations and Development Partners will be an ongoing activity throughout the implementation of the COSOP. Each project will develop a specific Stakeholder Engagement Plan to map out institutions, their roles and responsibilities as well as a practical communication plan for effective engagement and coordination.

Table 1: Key Institutions for Environment, Social and Climate Management

Agency/Institution	Mandate
Ministry of Food and Agriculture (MOFA)	Lead agency and focal point of the Government of Ghana, responsible for developing and executing policies and strategies for the agriculture sector within the context of a coordinated national socio-economic growth and development agenda.
The Ministry of Environment, Science, Technology and Innovation (MESTI)	This ministry is responsible for establishing a scientific and technological foundation for sustainable development.
Ministry of Finance (MoF)	Ministry responsible for ensuring macro-economic stability for promotion of sustainable economic growth and development of the country.
Climate Financing Division (CFD) under MoF	Role of the CFD is to secure financial resources for climate action through innovative mechanisms, partnerships, and access to international climate funds to support Ghana's climate-resilient development agenda.
Climate and Green Finance Resource Mobilization (CRM) under the CFD	The Unit oversees, coordinates and manages financing of and support to natural resources, and climate change and green economy activities.

¹⁰² Private financiers, including private commercial banks, microfinance institutions and private insurance companies, private enterprises, such as privately owned small-scale enterprises

Ministry of Fisheries and Aquaculture Development	The ministry ensures sustainable development and management of aquaculture and fisheries resources.
The Ministry of Lands and Natural Resources	This ministry is responsible for sustainable management of the country's natural resources, including forests, wildlife, and land including efforts to combat land degradation across different sectors like agriculture and mining.
The Environmental Protection Agency (EPA)	The technical arm of MESTI responsible for environmental protection and climate action in Ghana. This agency is responsible for enforcing environmental laws and regulations. The EPA enforces standards for air and water quality, waste management, and emissions control.
Ministry of Gender, Children and Social Protection (MOGCSP)	Ministry responsible for the formulation of policies that promote the institutionalization and development of women and children issues.
Ministry of Water and Sanitation	Ministry responsible for the improvement of living standards through increased access to and use of safe water, sanitation and hygiene practices and sustainable management of water resources.
Ghana Irrigation Development Authority (GIDA)	Government Organization responsible for development and construction of small-scale irrigation schemes for farmers.
Water Resources Commission (WRC)	Overall responsible body for water resources management in Ghana.
Ghana Meteorological Agency (GMet)	Governmental agency under the Ministry of Communication mandated to offer weather and climate services.
National Disaster Management Organization (NADMO)	Government agency that is responsible for the management of disasters as well as other emergencies in Ghana. The board operates under Ghana's Ministry of Interior.

Policy and regulatory frameworks

54. *The Constitution:* The processes for national development planning and institutional arrangements for undertaking national development planning are set in a provision under the 1992 Constitution (Article 86). Article 36 (9) of the 1992 Constitution states that the government is responsible for preserving the environment for future generations. Article 41(k) states that citizens are responsible for protecting the environment. From the perspective of social inclusion, the Constitution guarantees equality before the law (Article 17) and prohibits discrimination based on ethnicity, gender or religion. It mandates the state to eliminate social and cultural inequalities and protect minority rights. In practice, this framework has contributed substantially to addressing disparities among ethnic minorities.
55. *Agriculture Development:* As part of its agenda to end poverty and bring prosperity to its citizenry, the Government of Ghana over the years has committed to developing policies that would help achieve this. Recent policies include the Coordinated Programme of Economic and Social Development Policy; Food and Agriculture Sector Development Policy (FASDEP) 2007- This policy aims to improve food security, increase incomes, and enhance the competitiveness of the agricultural sector; The 2022 to 2025 Medium-Term Development Policy Framework; Ghana Beyond Aid Charter Strategy.
56. *Environment and Biodiversity:* The Environmental Protection Act, 1994 (Act 490) – established the Environmental Protection Agency which makes environmental policy and prescribes standards and guidelines; The Environmental Assessment Regulations -these regulations require that all activities that could negatively impact the environment must be assessed before a permit is issued; The National Environmental Policy - aims to ensure sustainable development through coordinated environmental management; the Forestry Commission Act, 1999 (Act 571); Ghana Forest Plantation Development Strategy 2016–2040; Land Degradation Neutrality (LDN) 2017 targets; National Biodiversity Strategy and Action Plan (under review); National Biodiversity Targets (2024) in line with the Kunming-Montreal Global Biodiversity Framework (KM-GBF); National Irrigation Policy, National Water Policy, and National Wildlife Policy.

57. *Climate*: Ghana National Climate Change Policy (2013) – provides strategic direction and coordination for climate change issues in Ghana focusing on effective adaptation, social development and mitigation; National Adaptation Plan (2020); National Climate Change Adaptation Strategy (2012) – developed to enhance Ghana's development and resilience to climate change; Nationally Determined Contribution (NDC) (2020-2030), Low Carbon Development Strategy (2016), United Nations Framework Convention on Climate Change, Paris Agreement; Initial National Communication (2001); Second National Communication (2011); Third National Communication (2015); Kigali Amendment to the Montreal Protocol; United Nations Convention on Biological Diversity; National REDD+ Strategy (2015); National Action Program to Combat Drought and Desertification (2012) and The Renewable Energy Act, 2011 (Act 832).
58. *Gender, Youth Development and Social Inclusion*: The Commission on Human Rights and Administrative Justice Act, 1993 (Act 456); The Chieftaincy Act (2008); The Local Government Act (2016); Right to Information Act (2019); Affirmative Action (Gender Equality) Act 2024; The Cultural Policy (2004); National Gender Policy; Gender Equality and Social Inclusion (GESI) Strategy 2016; National Youth Policy (2022 – 2032); National Nutrition Policy 2013; the Labour Act, 2003 (Act 651); Exemption from National Health Insurance premium payment for pregnant women, indigents, persons with mental disorders, pensioners, elderly (above 70 years) and differently abled persons. Finally, although not codified at a national level, customary land tenure systems are a fundamental aspect of land governance in Ghana — particularly for rural ethnic communities.

Programmes and Partnerships

59. There are several initiatives being implemented currently aimed at addressing the challenges of hunger and food security during climate change. The country with the help from development partners, is making efforts towards integrating climate change considerations into agriculture and fisheries development planning to ensure a more resilient and sustainable future including but not limited to:
- i. Investing in early warning systems and disaster preparedness measures to reduce the impacts of extreme weather events.
 - ii. Promoting drought-tolerant livestock and crops and water-efficient irrigation techniques to enhance agricultural resilience.
 - iii. Input subsidy programs (seeds, fertilizers, and agrochemicals) to stimulate food production and generate income for rural and agricultural communities.
 - iv. Developing community-based adaptation programs that empower vulnerable communities to adapt to changing conditions.
 - v. Strengthening coastal infrastructure to protect against erosion and flooding.
 - vi. Social protection programmes aimed at reducing poverty and food insecurity etc.
60. While these initiatives are crucial, the country faces significant challenges in implementing them effectively. These include limited financial resources, inadequate technical capacity, and coordination issues among various stakeholders. It is crucial for development partners through the responsible ministries to prioritise these adaptation measures, invest in research and development, and create an enabling environment for climate-resilient development.

List of ongoing programmes and projects is attached as *Annex 1* of this study document.

STRATEGIC RECOMMENDATIONS

Lessons learned

61. The 2019–2024 COSOP included projects to improve rural prosperity and resilience. The COSOP was designed to align with the government's policies and Ghana's transition to a middle-income country which was done to a satisfactory level.
62. An opportunity was missed as most of the projects did not capitalise on SECAP as a framework to avoid, reduce and manage negative project impacts. Some of the projects did not manage to develop ESMPs, SEP and GRM on time which could have maximised the benefits from the projects. The next COSOP needs to prioritise development of relevant triggered SECAP instruments at project design stage and the subsequent capacity building on national and project personnel to implement such.
63. The 2019-2024 COSOP gave prominence to IFAD mainstreaming themes (climate change, gender, youth, disability and nutrition) in addition to gender and women empowerment which was covered well in the 2013-2018 COSOP. The next COSOP will need to focus on enhancing the effectiveness of the mainstreaming agenda through in-depth assessment of what worked and what didn't, identify areas that were covered and not as well as population reached etc.
64. The success of implementation of mainstreaming themes requires participation of multi stakeholders and thus coordination is important to ensure that activities leverage synergies and avoid unintended negative consequences.
65. A lot was done during the outgoing programme on rural financial inclusion despite the remaining sector gap. The next COSOP should harness the positive lessons and apply them into new designs. There is need to ensure that the most marginalised women and youth benefit from the various financial services accordingly.
66. Participation of private sector in climate change adaptation initiatives remained low which gives an opportunity for the next country programme to explore especially in the following areas:
 - i. Establishment of weather forecasting and early warning systems to help farmers make informed decisions.
 - ii. Development of climate-smart technologies such as improved livestock management practices, including feeding strategies and disease control, drought-resistant and high-yielding crop varieties and value addition through processing and packaging of agricultural products and
 - iii. Amplifying the carbon market framework developed by the GoG and ensuring smooth operationalisation.
67. The targeting strategy in the 2019 – 2024 COSOP included both direct and self-targeting among other IFAD targeting criteria and focusing on the poorest, the poor and the vulnerable rural farmers and those who are more likely to be left behind. It is important for the next COSOP to take stock of the successes made and the extent to which these groups have been empowered to participate in development initiatives as active citizens and the contribution made by the preferred targeting strategy to projects development outcome. This will help refine the targeting strategy going forward.
68. Disability inclusion in agriculture remained a grey area with most of the projects implemented not being able to demonstrate how this should be done and the subsequent rural success stories for other projects to learn. The next COSOP with guidance from the IFAD's Disability Inclusion Strategy should improve on disability targeting.

Strategic orientation

69. COSOP 2025- 2030 will be guided by the key national policy and strategy documents and the outcomes and recommendations of international standards and guidelines under the IFAD overall mandate to end poverty and hunger through improved rural food security and nutrition and strengthening environmental sustainability.

70. Ghana developed the Food and Agriculture Sector Development Policy (FASDEP) to guide development and interventions in the agriculture sector. The country's vision for the sector is a modernised agriculture sector culminating in a structurally transformed economy and evident in food security, employment opportunities and reduced poverty. The specific objectives for the policy are: i) Food security and emergency preparedness; ii) Improved growth in incomes iii) Increased competitiveness and enhanced integration into domestic and international markets; iv) Sustainable management of land and environment; v) Science and technology applied in food and agriculture development and vi) Improved institutional coordination.
71. In terms of climate change, the COSOP will be guided by Ghana's climate change policy and strategy, primarily outlined in the "National Climate Change Policy" (NCCP). The Policy and strategy directly link with the country's Nationally Determined Contribution (NDC) and National Adaptation Plan (NAP) by providing the overarching framework for implementing climate change adaptation and mitigation actions, with the NDC detailing specific commitments to reduce emissions and the NAP focusing on targeted adaptation strategies to address climate vulnerabilities identified within the broader policy framework as follows.
- i. Ghana has updated its Nationally Determined Contribution (NDC) under the Paris Agreement from 2020 to 2030, an affirmation of the country's resolve to address the impacts of climate change on the country's economy and its vulnerable people. The update covers 19 policy areas and translates into 47 adaptation and mitigation programmes of action. The 47 climate actions are expected to build the resilience of over 38 million people, generate absolute greenhouse gas emission reductions of 64 MtCO₂e, create over one million jobs, avoid 2,900 deaths due to improved air quality by 2030¹⁰³. However, current progress towards achieving these targets is mixed. As of the latest assessment, Ghana has achieved 19% of its 2025 interim targets, indicating a need for accelerated action to stay on track. Scaling up mitigation efforts, attracting climate finance, and fostering technological innovation are essential to bridge the gap and achieve the ambitious emissions reduction goals outlined in Ghana's NDCs. Overcoming barriers to implementation and strengthening monitoring and evaluation systems will be crucial for ensuring effective progress towards a low-carbon future.
 - ii. Recognizing the urgent need to adapt to the impacts of climate change, Ghana has developed a National Adaptation Plan (NAP) that identifies 13 priority sectors for adaptation interventions. These sectors include agriculture, water resources, coastal zones, health, and infrastructure, among others, reflecting the diverse challenges posed by climate change across various facets of society and the economy. The NAP prioritises measures to enhance resilience in agriculture, protect coastal communities, and ensure water security in the face of changing climate conditions. Gender-responsive adaptation measures are integrated into the plan, with the goal of reaching 38% of the population, ensuring that adaptation efforts are inclusive and equitable.
 - iii. Financing, technology support and knowledge are the key catalysts identified for implementing the measures to deliver the NDC and NAP to which IFAD can tap into. The scale will depend on the available resources during the COSOP. There is need for strengthening of institutional capacity for implementation particularly at district level, through targeted training programs and knowledge sharing initiatives. Enhancing private sector participation in adaptation projects can unlock additional resources and drive innovation in climate solutions. Improving monitoring and reporting

¹⁰³ Ministry of Environment, Science, Technology and Innovation (MESTI): Updated Nationally Determined Contribution under the Paris Agreement (2020 - 2030)

mechanisms will enable more effective tracking of progress and adaptive management of climate interventions.

72. Environmental management and protection within the COSOP projects will be guided by the Environmental Protection Act and supporting Environmental Assessment Regulations which require that all activities that could negatively impact the environment must be assessed before a permit is issued. In line with IFAD SECAP standards and guidelines, the most stringent regulations will be applied.
73. Ghana's national voluntary Land Degradation Neutrality (LDN) targets to be achieved by 2030 focus on initiatives like restoring degraded land through reforestation and plantation development, protecting existing natural forests and biodiversity hotspots, managing mining and logging activities sustainably, and replanting trees along riverbanks to reduce erosion. The COSOP will design projects in partnership with private sector and farmers, to support integrated landscape level planning and implementation in the identified LDN hot spots areas. The focus should be on enhancing agricultural productivity while reducing the environmental footprints which can be done through i) implementation of sustainable land management practices, ii) capacity building for farmers in climate-smart agriculture, iii) digital monitoring systems for land degradation and iv) financial packages to support green investments at local level.
74. As part of the review and update of the National Biodiversity Strategy and Action Plan (NBSAP), Ghana submitted its National Biodiversity Targets in August 2024 in line with the Kunming-Montreal Global Biodiversity Framework (KM-GBF). The targets aim at enhancing global biodiversity conservation efforts, to address biodiversity loss and to meet Ghana's obligations under the Convention on Biological Diversity. Previous challenges cited for poor implementation of the NBSAP include inappropriate methods of mainstreaming biodiversity issues into sectoral and sub-sectoral programs due to lack of coordination across the sector, lack of information and lack of resource mobilization strategies to ensure sustainability. IFAD should seek new opportunities to harmonise and align its assistance according to the Government's action plan with a focus on strengthening integration of biodiversity issues especially at the local level including agricultural biodiversity and traditional knowledge. There is need to inculcate adequate understanding of biodiversity values and elaboration of possible impacts during Environmental Impact Assessments (EIAs) and monitoring of portfolio projects.
75. The new COSOP will ride on the newly signed Affirmative Action (Gender Equality) Act 2024 which aims to address deep rooted gender imbalances by ensuring equitable participation of women in governance and decision-making processes. The act makes it easier to incorporate women into all developmental processes and decision making at various levels. Some of the provision in the law include mandatory representation to a minimum of 30 percent, gender responsive budgeting, protection against discrimination among other issues. IFAD could support dissemination and early implementation processes which could be a challenge given the existing cultural norms and historical biases.
76. The country programme will support rural youth based on the National Youth Policy which speaks on empowering the young generation through creating sustainable opportunities for development, developing creative and innovative youth appropriately equipped with sense of responsibility, patriotism and national pride with advanced technology. This is in line with the need to attract youth to agriculture through innovative and advanced technology.
77. The COSOP will also find its footing regarding nutrition mainstreaming through the National Nutrition Policy specifically for its provision on efficient coordination and cooperation across all stakeholders. Implementing nutrition interventions will require addressing the underlying and basic causes of malnutrition and this calls for significant

contribution of all key sectors including agriculture, health, education, gender and social protection, local government, WASH, as well as civil society and private sector.

78. The country programme will ensure that interventions are designed to target and address the specific needs and challenges of people with disabilities and empower them by providing opportunities for their meaningful participation in decision-making processes, and to ensure that essential services are accessible and responsive to their specific needs. Design must ensure that people with disabilities have equal access to opportunities and resources in the agricultural sector.
79. Finally, the programme will also ensure that the particular needs and challenges of minority ethnic groups and Indigenous Peoples are carefully considered, especially with respect to access to land and other resources, as part of an overall conflict-sensitive approach to targeting and social inclusion. This will include adherence to FPIC principles wherever land tenure is affected directly by IFAD projects.

Strategic actions and targeting

80. Based on lessons learned through the previous projects and considering the focus of GoG, on climate change and biodiversity loss as key issues to be addressed, there is need for innovative approaches to projects designs to strengthen attention on environmental protection and climate actions.
81. In line with the IFAD's mainstreaming priority themes (youth, gender, environment and climate change, and nutrition), there is a good opportunity for the 2025- 2030 COSOP opportunity to address the connected problems of rural poverty, forest and land degradation through an integrated ecosystem management approach. This entails having an in-depth understanding of the natural resource characteristics of individual ecosystems, the services those systems provide (or not), and the opportunities and threats for sustainable utilisation of an ecosystem's natural resources to meet community's social and economic needs. This approach can help empower farmers, improve farm productivity, reduce waste, and enhance biodiversity as well as strengthening equitable and sustainable socio-economic benefits for communities within the ecosystem.
82. In line with IFAD priorities, the programme will prioritise the poorest and most vulnerable regions in Ghana based on food insecurity, poverty headcount and share of the population of the poor in the country. Projects designs will have a strong focus on interventions that remove structural barriers to participation of the rural poor.
83. Specific additional actions that will enhance the country programme are as follows:

Thematic Area and Background Issues	Strategic Action and Targeting
Targeting Significant impediments to the previous country programme's targeting efforts included. <ul style="list-style-type: none"> Limited institutional capacity at the local/district level¹⁰⁴ which undermines the program's ability to accurately identify and track beneficiaries, leading to inefficiencies in resource allocation and project implementation. Budget constraints (e.g. co-financiers failing to come through) and later disbursements have affected accuracy of beneficiary targeting and the overall 	<ul style="list-style-type: none"> Strengthen the digital beneficiary registration system (e.g. GIS-based beneficiary mapping) to improve data quality, minimize exclusion errors, and facilitate real-time monitoring (this entails investing in solid data management systems, ensuring data integrity, and training local staff on effective data collection and utilisation). Strengthen monitoring and evaluation processes to ensure accountability and impact e.g. regular review meetings with stakeholders will facilitate information sharing and collaborative problem-solving. Improve coordination with other development partners and define roles to enhance resource

¹⁰⁴ Data indicates that only 40% of district offices are fully staffed, creating operational bottlenecks. Moreover, 60% of field officers lack essential digital documentation tools, hindering efficient data management (

<p>effectiveness of the poverty reduction initiatives.</p> <ul style="list-style-type: none"> • Coordination challenges among implementing partners e.g. overlapping responsibilities between various agencies create confusion and duplication of efforts, further complicating the targeting process. • Effectively reaching and uplifting the most vulnerable populations below the poverty line and struggling with basic needs and limited opportunities proved to be a challenge across projects. • Poor roads, long distance to service centres and/or markets affected efficient beneficiary targeting. 	<p>allocation and maximize collective impact and efficiency of IFAD's interventions.</p> <ul style="list-style-type: none"> • Enhance the consultative and participatory approach to targeting through capacity building and monitoring of sub-projects, service providers and private financial institutions across all projects • For geographic targeting, concentrate interventions for higher impact and greater efficiency as compared to nationwide approach
<ul style="list-style-type: none"> • Empowerment and capacity-building • Throughout its engagement in Ghana, IFAD has implemented diverse capacity building methodologies in Ghana, tailored to the specific needs and contexts of different communities. These approaches e.g. VSLAs, GALS, FFS and digital literacy have aimed to empower rural communities, foster innovation, and promote sustainable development. While the initiatives have yielded positive results, significant challenges have been encountered that includes high illiteracy rates, cultural barriers, infrastructure gaps, resource constraints, limited access to technology and climate change impacts which calls for continuous adaptation and innovation in future programme implementation. 	<ul style="list-style-type: none"> • Enhance the community-led approaches (that are culturally sensitive) as a tool to empower communities to take ownership and implement solutions tailored to their specific needs. • Design projects and specific capacity building components with a minimum of five-year commitment to ensure sustainable impact. • Use integrated capacity building approaches e.g. combining technical training, financial literacy, and market access facilitation to achieve holistic results and maximise on resources • Continue and enhance partnerships with local NGOs to leverage resources and expertise.
<p>Youth</p> <p>IFAD has successfully implemented several programs and initiatives to support rural youth in Ghana. IFAD's commitment to technical training has led to the development of programs spanning eight regions, equipping youth with the business skills and entrepreneurship required for the agriculture sector. Over 15,000 youth led businesses have since been created. Additionally, digital agriculture initiatives have reached over 25,000 young farmers, enhancing access to information and technology. Despite the successes however, limited access to land remains a major obstacle, with only 23 percent of youth owning farmland. This further limit access to other factors of production e.g. access to credit loans.</p>	<ul style="list-style-type: none"> • Create an enabling environment for young agro entrepreneurs to access land as a priority for youth involvement in agriculture. • Facilitate access to finance and technological, skills development and ecosystem development (e.g. policy reforms and capacity building of financial institutions etc). • Given the young demographic structure in Ghana, develop the country programme in a way that it offers career opportunities in research, environment, mobile financial services, agro-processing and other technical areas for the youth as compared to rudimentary tilling of the soil and tending to animals.
<p>Gender and Women Empowerment</p> <p>A range of economic empowerment initiatives targeting women's participation in agricultural production and value chains have yielded positive outcomes, contributing to increased agricultural productivity and income</p>	<ul style="list-style-type: none"> • Undertake a needs assessment for women's adaptation to climate change to guide specific project design and financial injection. • Develop climate smart technologies that are gender sensitive and friendly for women to fully participate in agro enterprises.

<p>generation for women. Some projects like the NRGF reached more than 50 percent outreach. Success factors include Partnerships with local NGOs; use of the GALS methodology and male engagement strategy; innovative mobile money solutions and integration with government extension services. However, the programme still faced challenges that hindered women's full participation and empowerment such as cultural resistance, land tenure issues, literacy barriers, time poverty and access to climate adaptation technology. In the previous portfolio projects, it was also found that women were under-represented in vocational training, technical apprenticeships and traditional apprenticeships.</p>	<ul style="list-style-type: none"> • Prioritize enhancing digital literacy among women farmers including providing training programs and access to technology • Strengthen policy advocacy efforts to promote women's land rights including engaging with policymakers, advocating for legal reforms, and supporting the development of policies that ensure secure land tenure for women farmers. • Create an enabling environment for women to access capital, skills development and ecosystem development (such as policy reforms and capacity building of financial institutions etc). • Explore ways of promoting the GALS methodology across other non-IFAD programmes through the MoFA leveraging on the GALS manual including a more proactive engagement in policy dialogue, partnership building and mobilization of expertise to back up design and implementation with qualified technical assistance.
<p>Environmental Impacts Management Some projects during the previous COSOP did not manage to develop ESMPs, SEP and GRM during design stage which could have maximised the benefits from the projects.</p>	<ul style="list-style-type: none"> • Include an environmental assessment for the coverage of the new COSOP, including the characteristics of the Northern Regions, in the preparatory analyses, which will be deepened in project design. • Prioritise development of relevant triggered SECAP instruments at project design stage and the subsequent capacity building on national and project personnel to implement such. • Increase budget allocation for environmental safeguards to adequately support the implementation of environmental management practices and monitoring efforts • Enhance capacity building for local environmental officers (including partner organisations), equipping them with the skills and knowledge necessary to effectively implement and monitor environmental safeguards
<p>Climate Change IFAD's climate change portfolio in Ghana encompasses a range of projects focusing on agricultural adaptation, rural infrastructure, and community resilience building. These initiatives have delivered positive results, leading to an increase in the adoption of climate-resilient farming practices and yield improvement in target communities. There are challenges however that hinder project effectiveness and scalability including limited institutional capacity; technical barriers; weak coordination; weak data collection and monitoring at local level, cultural resistance and inadequate financing.</p>	<ul style="list-style-type: none"> • Strengthen institutional capacity through investing in targeted training programs for local staff on climate adaptation, emphasising practical skills and knowledge transfer. • Develop joint partnerships with GoG and private sector to access funds for the provision of innovative climate resilient technologies effective for pro-poor adaptation interventions¹⁰⁵ • Strengthen partnership with private sector to amplify and implement the carbon market framework developed by the GoG • Strengthen digital early warning advisory services for agriculture production as well as food crisis prevention and management¹⁰⁶. • Identify and scale up successful pilot projects to the national level, replicating best practices and lessons learned to reach a wider audience

¹⁰⁵ Environment and climate-financing opportunities to support climate action for smallholder farmers are also available from Adaptation Funds, the Global Environment Facility and the Green Climate Fund.

¹⁰⁶ NAP emphasizes the importance of early warning systems to enhance preparedness and reduce the impacts of extreme weather events. The goal is to have early warning systems covering 60% of districts by 2025, enabling communities to take timely action to protect themselves and their livelihoods.

<p>Infrastructure</p> <p>The portfolio's infrastructure projects in Ghana have demonstrably improved rural livelihoods and agricultural productivity. Despite the achievements, infrastructure development has faced significant implementation challenges such as: Procurement delays; Cost overruns of 25-40 percent on major construction projects; Operation and maintenance issues; Limited local contractor capacity; Climate impacts that have damaged roads but also insufficient climate-resilient designs; Land acquisition delays and Community engagement gaps leading to insufficient buy-in and sustainability challenges.</p>	<ul style="list-style-type: none"> • Design projects with adequate budget allocation for rural road rehabilitation/construction to improve access of farmers to markets • Establish and ensure functionality of a dedicated procurement unit for infrastructure to streamline processes, reduce delays, and ensure cost-effectiveness • Implement climate-resilient design standards for all infrastructure projects to mitigate climate risks and enhance long-term sustainability • Consider creating a dedicated maintenance fund (out of the total project cost) to ensure adequate resources for routine maintenance and repairs. • Develop a comprehensive programme to build the capacity of local contractors on climate resilient and sustainable infrastructure. • Strengthen community management systems to foster ownership, encourage active participation, and ensure long-term sustainability of project infrastructure. • Institute real-time monitoring mechanisms to track project progress, identify potential challenges, and ensure timely intervention.
<p>Extension Services</p> <p>Accumulatively, IFAD country programme's initiatives through extension services have led to a 73 percent increase in crop yields for participating farmers. The adoption of digital platforms by 125,000 farmers has modernised agricultural practices and improved access to information. Climate-smart agriculture training has been successfully provided to more than 85,000 farmers, enhancing their resilience to climate change. The integration of mobile technology has significantly improved the delivery of extension services but however, challenges remain such as limited number of active extension staff, with only 1,500 agents serving approximately 3 million farmers, poor remuneration and incentives, high staff turnover (45 percent) of trained staff, budgetary constraints for field visits and poor infrastructure affecting effective digital extension service delivery.</p>	<ul style="list-style-type: none"> • Expand digital platforms to reach more farmers, bridging the digital divide and providing access to timely information. • Increase extension staff over the next five years to improve the staff-to-farmer ratio and enhance service delivery. • Promote more female extension service providers to reach out to marginalised women who are normally left out because of societal norms. • Implement a performance-based incentive system to motivate extension staff and improve their effectiveness and allocate 15% of the agricultural budget to extension services to ensure adequate funding and sustainability. • Strengthen public-private partnerships to leverage the expertise and resources of both sectors for improved service delivery. • Enhance climate resilience training programs to equip farmers with the knowledge and skills to adapt to climate change. • Improve monitoring and evaluation systems to track the progress and impact of extension programs.

Monitoring

84. Implementation of the COSOP will be monitored using several instruments, including:

- COSOP Results Management Framework and Logical Framework of each project
- COSOP Result Review and COSOP Completion Review
- SECAP Documents Review
- Supervision and implementation support mission reports and other reports through on-going projects; and
- Annual outcome surveys will be leveraged to obtain information concerning the COSOP.

85. The COSOP monitoring will give strong emphasis to monitoring of targeting performance on climate change adaptation, gender equality and women's

empowerment outcomes, youth empowerment, nutrition outcomes and results targeting vulnerable groups. All projects and implementing partners will be required to provide disaggregated data on women and youth participation in relation to targets of 20 percent men; 30 percent youth (men and women 15-35 years); 40 percent women and 10 percent PWD on programme activities. The Empowerment Index will also be monitored at baseline, MTR and endline of projects during the COSOP period.

86. In addition, to ensure that projects are designed, developed and implemented in line with key considerations for environment, social and climate change requirements, the COSOP and proposed projects will be monitored in line with the nine SECAP standards following key considerations, GoG regulations and international best practices, as well as seeking innovative ways to implement and monitor good practices that extend beyond basic input-output monitoring and safeguards compliance. Based on mandatory screening and categorization that applies the nine Standards, projects will ensure that the SECAP documentary requirements are conducted and/or prepared as applicable e.g.

- Environmental, Social and Climate Management Framework (ESCMF)
- Environmental, Social and Climate Management Plan (ESCMP)
- Environmental and social impact assessment (ESIA)
- Stakeholder Engagement Plan (SEP)
- Grievance Redress Mechanism (GRM)
- Resettlement Action Framework/Plan (RAF/P)
- Indigenous Peoples Plan (IPP)
- Free and Prior Informed Consent (FPIC) Plan
- Pesticide Management Plan
- Cultural Resources Management Plan
- Chance Find Plan
- Environmental and Social Management System
- Labour Management Procedure

Where there is a risk of significant GHG emissions, potential sources should be established and amounts estimated to form a baseline for reducing emissions.

87. Continuous Stakeholder Engagement: Consultations will be held with national and local stakeholders including civil society organisations and farmers' organisations. Feedback and recommendations from country program evaluations, support missions, annual outcome surveys and all review processes will be duly considered with the aim to fully exploit opportunities and provide homegrown solutions whilst making smallholder food and agricultural production systems more sustainable, resilient, and remunerative.

Annex 1: List of Ongoing Programmes and Projects

Table 2: Some of the ongoing programmes/projects in partnership with Development Partners and NGOs¹⁰⁷

Programme	Objective	Funding Agency	Period
Rural Enterprises Project	To boost and improve the livelihoods of micro and small entrepreneurs. Specifically, REP seeks to increase the number of rural enterprises that generate profit, growth and employment opportunities.	IFAD	2011 - 2025
Promoting Rural Opportunities Sustainable Profits and Environmental Resilience (PROSPER)	To strengthen the integration, climate resilience and environmental sustainability of smallholders and businesses in priority VCs in the Northern and Middle Ecological Belts taking advantage of the increased demand created by the Government's efforts to strengthen agro processing.	IFAD	2021 - 2032
Affordable Agricultural Financing for Resilient Rural Development Project (AAFORD)	Aims to support the food security and improved living standards of smallholder farmers, poor and vulnerable women and youth.	IFAD	2019 - 2027
Modernizing Agriculture in Ghana	To improve food security and make the agriculture sector more modern, equitable and sustainable.	Canadian Government	2017 - 2025
Ghana Tree Crop Diversification Project (TCDP)	To diversify and grow its economy through modernizing agriculture to accelerate productivity, resilience, and industrialization.	World Bank-IDA	2022 - 2027
West Africa regional Food Systems Resilience Program (FSRP-2)	To increase their preparedness against food insecurity and to improve the resilience of their food systems	World Bank	2022 -
West Africa Coastal Areas Resilience Investment Project 2 (WACA ResIP 2)	The Project aims at mitigating both natural and human-induced hazards like coastal erosion, floods, pollution, and the impact of climate change on West African coastal communities	World Bank	2023 - 2027
Savannah agriculture Value Chain Development Project (SADEP)	To ensure national food and nutrition security, create employment and contribute to industrialization.	AFDB	2022 - 2027
Additional Financing to Savannah Investment Programme	To increase climate-smart local food production, enhance food and nutrition security for women, youth and vulnerable groups in 12 selected districts in the Savannah Zone	AFDB	2023 - 2027
Savannah Investment Programme	To reduce importation of animal protein, enhance competitiveness of the poultry industry, improve small ruminants breeds and contribute to improved food and nutrition security	AFDB	2019 - 2026
Improved Resilience of Coastal Communities in Côte d'Ivoire and Ghana	To improve adaptation of small-to-medium coastal settlements in West Africa by reducing climate change impact and establishing resilient economies and communities	Adaptation Fund	2024 - 2029
Scaling-up climate-resilient rice production in West Africa (Benin, Burkina Faso, Cote d'Ivoire,	To improve climate resilience and increase rice system productivity of smallholder rice farmers across West Africa using a climate-resilient rice production approach.	Adaptation Fund/Sahara and Sahel Observatory	2023 - 2027

¹⁰⁷ To be updated as more information comes up

Gambia (Republic of the), Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo)			
Promoting Climate-Smart Agriculture in West Africa (Benin, Burkina Faso, Ghana, Niger, Togo)	To reduce the vulnerability of farmers and pastoralists to increase climatic risk, which undermines the level of food security, income generation, and the supporting ecosystem services of poor communities	Adaptation Fund/ECOWAS	2020 - 2025
Enabling Activities	To Support the ratification and early implementation of the Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Areas Beyond National Jurisdiction (EA-BBNJ)	GEF	Approved 2024
Eighth Operational Phase of the GEF Small Grants Programme (Tranche 2)	Local CSOs and CBOs in landscapes-seascapes around the world access grant financing and technical assistance, including capacity development and knowledge sharing to maintain and enhance their socio-ecological resilience, well-being and socio-economic conditions for global environmental benefits	GEF	Approved 2024
Financing Agrochemical Reduction and Management Plus (FARM+) in Ghana	Aims to help Ghana transition to more sustainable agriculture	GEF	Approved 2024
Ghana Sustainable Food System and Forest Management	Improve sustainability of forest resources	GEF/World Bank	Approved 2024
Landscape Restoration and Ecosystem Management for Sustainable Food Systems	To strengthen integrated natural resource management and increase benefits to communities in targeted savannah and cocoa forest landscapes.	GEF/World Bank	2021 - 2027
Using Marine Spatial Planning in the Gulf of Guinea for the implementation of Payment for Ecosystem Services and Coastal Nature-based Solutions	Enhance coastal and marine habitat in Ghana, Togo and Cote d'Ivoire through coordinated spatial planning (MSP), economic incentives (PES), and nature-based solutions	GEF	2023 - 2026
Ghana Shea Landscape Emission Reductions Project	Aims to restore degraded savannah forests and strengthen livelihoods in this area through enhanced ecosystem services	GCF	2020 - 2028
Program on Affirmative Finance Action for Women in Africa (AFAWA): Financing Climate Resilient Agricultural Practices in Ghana	Aims to empower vulnerable women groups in the country's most vulnerable agricultural zone by improving their participation in low-emission climate resilient agricultural practices	GCF	2019 - 2027

Accelerating Solar Action Program (ASAP)	to promote the adoption of distributed solar PV systems among Micro, Small, and Medium Enterprises (MSMEs) and households.	GCF		
Acumen Resilient Agriculture Fund (ARAF)	To improve climate resilience to ensure long-term sustainable increases in agriculture productivity and incomes for smallholder farmers.	GCF	2019 2030	-
Acumen Resilient Agriculture Fund II	Aims to enhance the climate resilience of smallholder farmers and the agriculture value chain, ultimately promoting increased productivity and food security.	GCF	2024 2029	-
Infrastructure Climate Resilient Fund (ICRF)	s to deploy capital to support the development and financing of climate-resilient infrastructure projects in Africa and to achieve medium to long-term returns for investors.	GCF	2024 2029	-
Inclusive Green Financing Initiative (IGREENFIN I): Greening Agricultural Banks & the Financial Sector to Foster Climate Resilient, Low Emission Smallholder Agriculture in the Great Green Wall (GGW) countries - Phase I	enhance access to credit and technical assistance for local farmers, farmers' organisations, cooperatives and micro and small sized enterprises.	GCF	2022 2030	-
Mirova Sustainable Land Fund 2	aims to tackle the interconnected challenges of land degradation and climate change by investing in SLM projects in selected countries (Costa Rica, Cote d'Ivoire, Ghana, Malaysia, Morocco, Peru, and the Philippines).	GCF	2025 2029	-
Arbaro Fund - Sustainable Forestry Fund	provides developing countries and their rural communities with a solution to increase carbon sinks by producing wood in a sustainable manner and conserving natural forests, whilst contributing to reduction of illegal logging	GCF	2020 2035	-

Fragility Assessment Note

The World Bank determines fragility using criteria such as low Country Policy and Institutional Assessment (CPIA) scores (typically below 3.2) or situations of conflict/refugee crises. Ghana's CPIA score has generally remained above this threshold, reflecting relative institutional stability and resilience despite economic challenges like debt and inflation. Ghana is not in the World Bank's List of Fragile and Conflict-affected Situations for FY 2024.

Appendix VI: Agreement at completion point

Introduction

1. In line with the International Fund for Agricultural Development (IFAD) Revised Evaluation Policy and the results-based programme of work and budget of the Independent Office of Evaluation of IFAD (IOE) for 2024 approved by the IFAD Executive Board at its 140th session in December 2023, IOE has undertaken a country strategy and programme evaluation (CSPE) in the Republic of Ghana. This CSPE is the third country strategy and programme evaluation (CSPE) conducted in Ghana, and it covers the period 2013-2023, including 7 projects with IFAD financing of US\$628.1 million. Previous evaluations were performed in 1995 and 2012, with the latter (referred to as the 2012 CPE) covering the period 2010-2015.
2. This Agreement at Completion Point (ACP) contains the recommendations made in the CSPE report, which were accepted by IFAD and the Government of Ghana, as well as the proposed follow-up actions agreed on. The ACP is signed by the Government of Ghana, represented by the IFAD Governor, and the IFAD Management, represented by the Associate Vice-President of the Department for Country Operations (DCO). The signed ACP is an integral part of the CSPE report, in which the evaluation recommendations are presented in detail and submitted to the IFAD Executive Board as an annex to the new COSOP. The implementation of the recommendations agreed upon will be tracked through the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), which is presented to the IFAD Executive Board on an annual basis by IFAD's Management.

Recommendations and follow-up actions

3. **Recommendation 1: Develop the next COSOP with explicit strategic orientations on support for business models (aligned with IFAD targeted groups), with clear impact pathways and measurable targets.** Following discussions between the Government of Ghana and IFAD to secure government's access to IFAD's program of loan, investments should be pursued and developed in an integrated manner, with complementarities between sustainable MSMEs and climate resilient value chains, and with clear pathways and measurable results that lead to attaining the COSOP strategic objectives. Supports to MSMEs should be linked to growing value chains to enable them to access higher and profitable value markets. Further, supported agricultural commodities should have clear links to wider value chains that have been identified by government as drivers of national development and growth. For instance, the new COSOP should consider more strategic, higher value investments that help build Ghana's underdeveloped agri-food processing and seed sectors. Furthermore, business models should guide business plans that are technically and financially sound, informed by feasibility and market studies. All these should be within a comprehensive resilience building framework presented in the COSOP, as demanded by the realities of climate mitigation and adaptation.

Agreed

Proposed follow-up actions: The new COSOP for Ghana will focus, through building on the past IFAD investments in the portfolio, towards productive infrastructure and access to finance. These strategic areas will enhance the linkages within value chains; build on current interventions of ensuring background analytical assessments are the drivers to facilitate investments; while ensuring that gender, youth, climate and nutrition are mainstreamed into interventions as deemed relevant. These objectives will be built on strategic assessments that have already been undertaken/or are in the process of being undertaken i.e. ICT4D; Targeting

and Gender; Nutrition; and Climate and Environment. It will also, within the investments ensure grounding in feasibility and market studies to assess the viability and return on the investments.

Responsibility: *Government of Ghana and IFAD*

Timeframe: *In the design and deployment of the new COSOP and investments within the cycle (2025-2030)*

4. **Recommendation 2: Further expand partnerships with the private sector and other development actors supporting rural enterprises and value chains (pro-poor oriented).** The expanded partnerships should support and/or complement IFAD's investments and capacity building interventions. The partnership should enable a matching demand-driven market orientation that informs supply-driven production. This means that farmers' capacity building is oriented towards specific market demands to meet standards for quality, quantity and timeliness. This also entails the identification of key relevant private actors, and fostering partnerships between them and smallholder FBOs, considering medium to long term perspectives. Moreover, IFAD should enhance the partnership and improve the knowledge sharing with other organizations that are engaged in supporting climate smart agriculture and pro-poor value chains in Ghana. This will help leverage additional funding, ensure learning among actors, and foster complementarities and synergies, in line with areas of technical expertise and the coverage of IFAD's supported programme.

Agreed

Proposed follow-up actions: Through the intervention of enhancing access to finance, the new COSOP will build on the partnerships with private sector within the value chains. As the involvement of the private sector is inevitable to the development of a viable value-chain, IFAD will undertake an assessment of the most efficient tools for the partnership with private sector.

The Blended Financing Facility (BFF), established under the Affordable Agricultural Financing for Resilient Rural Development (AAFORD), seeks a proof of concept in providing access to financing through two windows that are structured towards larger private sector players; aggregators; and farmer-based organizations. The operational manuals and pricing mechanisms have been confirmed, and this blending will allow small-holder farmers within four value chains to access financing at lower rates, than MSMEs. Once a proof of concept (within AAFORD), the BFF is expected to be the grounding fund for access to financing, expanding its scope through financing of various value chains and in wider regions within the country. IFAD will continue to seek partnerships in building the capital base of the facility, through partnerships with commercial financial institutions and other development partners. Currently the fund includes financing from the ARB-Apex Bank.

Responsibility: *Government of Ghana and IFAD*

Timeframe: *On-going and through the design of the new COSOP (2025-2030) and new investments.*

5. **Recommendation 3: Strengthen the targeting strategy by being more responsive to the needs and choices of the target groups and more systematic in the geographic scope.** IFAD's poverty targeting should be informed by the target group's state of poverty and lack of access to productive and financial resources, but it should also consider their strengths, local knowledge, specific needs and preferences. IFAD should support men, women, youth and other marginalised groups to strengthen their roles, self-confidence and solidarity. One way is through the use of the Gender Action Learning System (GALS). In addition, IFAD should have differentiated strategies for different target groups, such as young men and young women, including in the selection of crops and value chains to support. IFAD should

adopt a more participatory approach to targeting at design stage, for instance, by incorporating local knowledge on poverty and livelihoods analysis. Finally, the scope of geographic targeting should be informed by an assessment of IFAD's capacities and resources, and lessons from predecessor IFAD projects in order to build on previous achievements.

Agreed

Proposed follow-up actions: A country-wide Targeting and Gender assessment is currently underway. In the last 18 months; two major restructurings have facilitated the re-visiting of the targeting and gender within the investments, to ensure that the activities address the groups to enhance inclusivity and diversity. Ghana has just completed a district level multi-dimensional poverty assessment, which will feed into the targeting and gender assessment to guide IFAD's new COSOP and new investments. It will also guide any adjustments to targeting and gender, as needed, during implementation of our current investments.

Responsibility: IFAD and Government of Ghana

Timeframe: On-going and through the design of the new COSOP (2025-2030) and new investments.

6. **Recommendation 4: In line with the good practice and standards of financial institutions, systematically address capacity inefficiencies, including the implementation of functional system of documentation, monitoring and accountability.** It is important that the new COSOP provides an explicit results and accountability framework for inclusive rural finance and value chains. In this regard, IFAD should continue to improve and implement a functional, coherent and transparent documentation and M&E system, ensuring coordination of all relevant stakeholders, sound tracking of performance, adaptive management and accountability. In addition, IFAD should empower farmers to monitor and report on goods and services that they are to receive and the obligations under specific transactions for them and for IFAD. Within the framework of IFAD's information and communication tools (ICT) for development (ICT4D) strategy, the ICO should consider using ICT in M&E systems to enhance data accuracy, accountability and obtain stakeholder trust.

Agreed

Proposed follow-up actions: The Ministry of Food and Agriculture has established The Ghana Agriculture and Agribusiness Platform (GhAAP), which is an integrated and interoperable web-based platform that provides agribusiness value chain actors with information, insights, inputs, agronomic practices, markets and other resources to enhance coordination, transparency, interaction, tracking, monitoring and reporting in real-time. It is expected that all farmers and their land holding (polygon), will be on the system by end-2025. IFAD will access this system to access farmers for our interventions under investments. Additionally, a tried and tested MIS for monitoring and evaluation under the Emergency Fund is being rolled out to other IFAD financed projects. It is expected that all IFAD projects will use a single system, with multiple access to their own data, ensuring the tracking of performance, adaptive management and accountability, and ensuring the automated feeding of this into the results framework for the new COSOP.

Responsibility: Government of Ghana and IFAD

Timeframe: On-going and through the design of the new COSOP (2025-2030) and new investments.

7. **Recommendation 5: Leverage additional funding for infrastructure investments and explicitly address gaps that weaken the sustainability of those investments through effective local governance and enhanced community ownership.** IFAD should leverage additional funding and expertise for

infrastructure development. This can be done through public-private partnerships and collaboration with other international financial institutions. It should create and empower community-led management committees responsible for the upkeep of infrastructure, supported by ongoing technical training and capacity building through existing government initiatives. Finally, IFAD should work closely with concerned government ministries for institutionalizing adequate maintenance funds within local government budgets to ensure a dedicated and continuous financial stream for infrastructure upkeep, such as roads and irrigation infrastructure.

Agreed

Proposed follow-up actions: The Government has requested IFAD financing to focus on hard; tangible investments, ensuring a higher rate of return on the investments, both socially and financially. Our current investments have already been able to demonstrate proof of this. The new COSOP will develop a strategic objective of ensuring market productive infrastructure, while ensuring we (i) leverage on public-private partnerships; and (ii) the required capacity building and funding for the maintenance and operations.

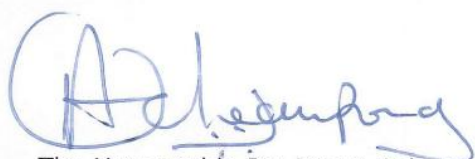
Responsibility: Government of Ghana and IFAD

Timeframe: On-going and through the design of the new COSOP (2025-2030) and new investments.

Signed on date

29TH NOVEMBER, 2024

For the Government of Ghana



The Honourable Dr. Bryan Acheampong
Minister for Food and Agriculture

Signed on date

10 January 2025

For the International Fund for Agricultural
Development (IFAD)



Mr Donal Brown
Associate Vice-President
Department for Country Operations

Annex (a): Implementation status of the Agreement at completion point

Recommendation	Proposed follow-up actions	Implementation Status
Recommendation 1: Develop the next COSOP with explicit strategic orientations on support for business models (aligned with IFAD targeted groups), with clear impact pathways and measurable targets.	<p>The new COSOP for Ghana will focus, through building on the past IFAD investments in the portfolio, towards productive infrastructure and access to finance. These strategic areas will enhance the linkages within value chains; build on current interventions of ensuring background analytical assessments are the drivers to facilitate investments; while ensuring that gender, youth, climate and nutrition are mainstreamed into interventions as deemed relevant. These objectives will be built on strategic assessments that have already been undertaken/or are in the process of being undertaken i.e. ICT4D; Targeting and Gender; Nutrition; and Climate and Environment. It will also, within the investments ensure grounding in feasibility and market studies to assess the viability and return on the investments.</p>	<p>The two strategic objectives of this COSOP align to the follow up actions under Recommendation 1. Additionally, all incoming requests for substantial investments are being supported by a robust feasibility and market study. An example is the design and construction of roads under PROSPER are mapping value chain actors (specifically small-holder farmers) and overlaying the map with the required road access ensuring that we are building roads where most advantageous to linking farmers to markets. These modalities will continue to be followed in the portfolio</p>
Recommendation 2: Further expand partnerships with the private sector and other development actors supporting rural enterprises and value chains (pro-poor oriented).	<p>Through the intervention of enhancing access to finance, the new COSOP will build on the partnerships with private sector within the value chains. As the involvement of the private sector is inevitable to the development of a viable value-chain, IFAD will undertake an assessment of the most efficient tools for the partnership with private sector.</p> <p>The Blended Financing Facility (BFF), established under the Affordable Agricultural Financing for Resilient Rural Development (AAFORD), seeks a proof of concept in providing access to financing through two windows that are structured towards larger private sector players; aggregators; and farmer-based organizations. The operational manuals and pricing mechanisms have been confirmed, and this blending will allow small-holder farmers within four value chains to access financing at lower rates, than MSMEs. Once a proof of concept (within AAFORD), the BFF is expected to be the grounding fund for access to financing, expanding its scope through financing of various value chains and in wider regions within the country. IFAD will continue to seek partnerships in building the capital base of the facility, through partnerships with commercial financial institutions and other development partners. Currently the fund includes financing from the ARB-Apex Bank.</p>	<p>The first strategic objective in the COSOP is aligned to enhancement of access to finance. The Blended Finance Facility has commenced disbursement to value chain actors, including SMEs. An evaluation of the lending will be conducted to assist in further refining the products. Additionally, multi-stakeholder platforms will inform challenges to lending and address these as required, including at the policy level.</p> <p>The Country and Project teams have reached out to Development Bank Ghana; DCFO and others to seek interest in financing through the BFF.</p>
Recommendation 3: Strengthen the targeting strategy by being more responsive to the needs and choices of the target groups and	<p>A country-wide Targeting and Gender assessment is currently underway. In the last 18 months; two major restructurings have facilitated the re-visiting of the targeting and gender within the investments, to ensure that the activities address the groups to enhance inclusivity and diversity. Ghana has just completed a district level multi-dimensional poverty assessment, which will feed into the targeting and</p>	<p>The Targeting and Gender assessment was completed and has been incorporated into this COSOP. The district-level multi-dimensional poverty assessment report is being used to</p>

more systematic in the geographic scope.	gender assessment to guide IFAD's new COSOP and new investments. It will also guide any adjustments to targeting and gender, as needed, during implementation of our current investments.	guide the interventions in PROSPER.
Recommendation 4: In line with the good practice and standards of financial institutions, systematically address capacity inefficiencies, including the implementation of functional system of documentation, monitoring and accountability.	The Ministry of Food and Agriculture has established The Ghana Agriculture and Agribusiness Platform (GhAAP), which is an integrated and interoperable web-based platform that provides agribusiness value chain actors with information, insights, inputs, agronomic practices, markets and other resources to enhance coordination, transparency, interaction, tracking, monitoring and reporting in real-time. It is expected that all farmers and their land holding (polygon), will be on the system by end-2025. IFAD will access this system to access farmers for our interventions under investments. Additionally, a tried and tested MIS for monitoring and evaluation under the Emergency Fund is being rolled out to other IFAD financed projects. It is expected that all IFAD projects will use a single system, with multiple access to their own data, ensuring the tracking of performance, adaptive management and accountability, and ensuring the automated feeding of this into the results framework for the new COSOP.	The GhAAP is currently on hold awaiting a policy decision by the Government on the additional funding needed to full functionality. The MIS to capture IFAD financed M&E has been procured for AAFORD and will be deployed by 30 September 2025. PROSPER is in the process of procuring the same software thereby ensuring that we have the two IFAD investments on one system. In the next quarter the country team will ensure that the new COSOP results framework is also maintained on the same system.
Recommendation 5: Leverage additional funding for infrastructure investments and explicitly address gaps that weaken the sustainability of those investments through effective local governance and enhanced community ownership.	The Government has requested IFAD financing to focus on hard; tangible investments, ensuring a higher rate of return on the investments, both socially and financially. Our current investments have already been able to demonstrate proof of this. The new COSOP will develop a strategic objective of ensuring market productive infrastructure, while ensuring we (i) leverage on public-private partnerships; and (ii) the required capacity building and funding for the maintenance and operations.	The new COSOP includes a strategic objective focusing on public investments for public infrastructure (roads, irrigation) and private cofinancing for private infrastructure (markets, warehouses).

COSOP preparation process

A. Participatory Approach and Interaction

1. A sixteen-member mission from the International Fund for Agriculture Development was assigned the preparation of the Country Strategic Opportunities Programme (COSOP). The mission was organized using the hybrid modality with both online and physical consultations organized in May 2025. A few specialist team members and staff from IFAD's regional office joined the country team and visited Ghana from May 24th to 31st, 2025. The purpose of the mission was to hold in-country consultations and discussions for the formulation of the new Country Strategy (2025-2030).

2. The participants in the mission included Ms. Moola Lakshmi (Country Director and CDT Lead), Ms Maliha Hamid Hussein (COSOP Consultant), Theophilus Otchere Larbi, (Country Programme Coordinator), Ms Wiredu, Barbara (Country Programme Coordinator), Ms Shazreh Hussain (Gender and Social Inclusion Specialist), Ms Paxina Chileshe, (Lead Regional Climate and Environmental Specialist), Athur Mabiso (Regional Economist), Ms Emily Wylde (Lead Gender and Targeting Specialist), Ms Brenda Gunde (ICT4D), Solange Heise (Nutrition), Xavier Desmoulin, (Rural Finance), Patrick Nya Opono (Value Chains and Markets), Mohamed Mouctar Diallo (Financial Management Officer), Steve Codjo (SSTC), Ms Carine Yemitia Toure (Senior Procurement Officer) and Johannes Stute (Procurement Specialist).

The mission met with key Government partners and stakeholders namely the Ministry of Finance (MoF), the Ministry of Food and Agriculture (MOFA), the National Planning and Development Commission, Partner Financial Institutions, Private Sector Organizations, the main development partners, including the World Bank, the African Development Bank, the United Nations Resident Coordinator, FAO, WFP, UNDP, etc. The mission also undertook consultations with a large variety of entrepreneurs and private sector enterprises involved with agriculture value chains to understand their key constraints and opportunities.

B. Background Analytical Assessments

3. The country office commissioned a series of studies and capitalized on the presence of IFAD's on-going rural sector and evaluation studies for strengthening the analysis for the COSOP. These studies included those listed below.

- a) **Nutrition Assessment Ghana: Sanne Bakker. 2024:** The assessment involved a desk-based review of available online information, including nutrition surveys, UN reports, scientific literature, and IFAD project reports. Additionally, consultations with stakeholders were conducted both online, and offline during a one-week mission by the consultant to Ghana. The review examined the status of food and nutrition security in rural areas, analysed malnutrition drivers within the food system context, and assessed key stakeholders, programs, and national policies. Portfolio documentation from IFAD projects was also analysed to identify current approaches, gaps, and good practices. Based on these findings, strategic approaches and interventions were formulated to integrate nutrition into IFAD's investments.
- b) **Targeting and Gender Strategy 2024:** Assessed the poverty situation in Ghana using the most recent survey data that were publicly available for Ghana's Multidimensional Poverty Index (MPI) estimation of 2022. It also assessed the intensity of deprivations in Ghana, which is the average deprivation score among people living in multidimensional poverty in the different regions. It pointed out that the northern regions are particularly susceptible to climate-induced livelihood crises, with significant out-migration, increased conflict over resources, and decreased agricultural productivity due to desertification and decreased rainfall. At

the same time, whereas there are regional patterns of poverty, district level data on MPI shows that within the more developed regions, there can also be districts with pockets of high economic and multidimensional poverty. The report also assessed food security basing its assessment on the Comprehensive Food Security and Vulnerability Analysis (CFSVA) 2020. It also reviewed the situation of women, youth and people with disabilities and their access to social sector services.

- c) **Digital Agriculture Ecosystem Assessment 2024:** Development Gateway: An IREX Venture. Prepared by Annie Kilroy and Patrick Shamba. February 2024. This Digital Ecosystem Assessment report provides a comprehensive analysis of Ghana's agricultural sector, identifying challenges, needs, and opportunities for innovation and growth through digital technologies. The assessment team interacted with 33 participants during the 25 key informant interviews conducted in Accra, Ghana, from December 4 to December 15, 2023. These include the Ghanaian Ministry of Agriculture, farmer groups, community organizations, non-governmental organizations, United Nations agencies, cooperating development agencies, government agencies at the national and community levels, and agricultural technology companies. Their provision of valuable insights and experiences was instrumental in deepening our understanding of the digital agriculture ecosystem in Ghana and greatly enriched this assessment
- d) **Rural sector performance assessment 2024.** undertaken by IFAD periodically to assess the policies and legal framework, rural governance, transparency and public administration, natural resources and environmental policies and practices, national climate change policies, access to land, water, financial policy, access to services & markets, investment climate for rural business, access to extension services, nutrition and gender equality, agroeconomic policies and conditions for rural development, etc. The mission also reviewed the analytical studies conducted by the World Bank, the Asian Development Bank, FAO, etc., for a better understanding of rural poverty and agriculture sector issues.
- e) **Social, Environmental, and Climate Assessment** Note was prepared separately (Annex IV) based on a detailed review of secondary information and the key country documents for an understanding of fragility and vulnerability to climate risks.
- f) **Country Strategy and Programme Evaluation (CSPE)** in the Republic of Ghana Independent Office of Evaluation of IFAD (IOE) for 2024. This CSPE is the third country strategy and programme evaluation (CSPE) conducted in Ghana, and it covers the period 2013-2023, including 7 projects with IFAD financing of US\$628.1 million. Previous evaluations were performed in 1995 and 2012, with the latter (referred to as the 2012 CPE) covering the period 2010-2015.

C. Stakeholder Workshop

4. IFAD jointly hosted a stakeholder consultation workshop on May 27, 2025, with the Ministry of Finance and MOFA to present its main finding and the way forward for the country programme. The workshop provided an opportunity to obtain feedback from key stakeholders, implementing partners and incorporate the perspective of farmer-based organizations and the private sector. This approach ensured that diverse perspectives informed the COSOP's strategic direction and alignment with national priorities. A list of workshop participants is attached at Annex Table VII.1.

D. COSOP Development

8. The COSOP report was prepared by the CDT with inputs and feedback from the in-country partners and the consultations held in bilateral meetings, consultation workshop, analytical background studies and review of secondary sources. This involved assessing how IFAD activities have performed in the past and what lessons can be learnt

for the future. The draft COSOP report was circulated to the UNCT and Development Partners for their review and feedback.

E. Timing for the remaining steps of the COSOP design are:

Date	Steps
May 2025	Draft COSOP prepared by CDT
May 2025	COSOP In-country validation of the COSOP by the CDT
June, 2025	Agriculture Sector working Group Draft COSOP will be discussed at a meeting with key Donor Partners, including GIZ, WFP, FAO, EU, AFD, AGRA, JICA, etc.
June 2025	Review of the draft COSOP by Regional Team and GoG
June 2025	Comments from Regional Team and GoG addressed by CD and CDT
June 2025	All other revisions to the COSOP
June 2025	Clearance of the final COSOP for submission by the CDT
June 2025	Submission of Draft COSOP for Regional Director's review.
July 2025	CD and CDT addresses comments from the RD
July 2025	CD/RD Submit the cleared COSOP to QAG for OSC review.
July 2025	OSC Date
July 2025	Minutes of the OSC
July 2025	Address OSC comments
July 2025	In-country endorsement of the revised COSOP
July 2025	Submit final COSOP to AVP-DCO for approval
July 2025	Upload in Scriptoria
July 2025	Including submission of docs to EB informal seminar
August 2025	COSOP EB informal seminar
13 – 18 September 2025	Executive Board Meeting Approval

Annex Table VII:1

Name of participant	Organisation/Ministry/Institute	Designation	Email address
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Dr. Mercy Ackah	Ministry of Local Government, Chieftaincy and Religious Affairs	HEAD, DEVELOPMENT FINANCE UNIT	Gsekyere@mofep.gov.gh
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Charles Ayueboro Adama	Ministry of Food and Agriculture	Deputy Director	Charles.adama@mofa.gov.gh
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Gordon Dery	ARB Apex Bank PLC	Head, Business Development and Credit	Gdery@arbapexbank.com
Emmanuel Asare	Development Bank Ghana	Monitoring and Evaluation Office	e.asare@dbg.com.gh
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South-South and Triangular Cooperation Strategy

I. Introduction

1. South-South and Triangular Cooperation (SSTC) has become an integral component of IFAD's operational model, increasingly embedded across its country programmes as a means of delivering rural transformation at scale. By linking farmers organisations, research centres, private-sector actors and governments across the Global South, SSTC enables IFAD to tap into a rich reservoir of home-grown innovations—ranging from climate-smart production techniques and inclusive digital-finance tools to pro-poor value-chain models. Guided by its SSTC Strategy 2022-2027, IFAD leverages the modality to build strategic partnerships, promote knowledge exchanges, and facilitate policy engagement in support of inclusive, resilient and sustainable rural economies.
2. Ghana plays an active role in the global South-South cooperation landscape, drawing on its established development base, technical expertise, and leadership within regional organizations such as ECOWAS and the African Union. The country has engaged in various SSTC platforms and initiatives, including partnerships with countries in Asia and Latin America for agricultural innovation, capacity-building programmes, and policy dialogue.
3. This context creates a strong foundation for IFAD and Ghana to collaborate in advancing SSTC to support the country's agricultural development priorities. As the COSOP focus on supporting rural transformation through the AAFORD and PROSPER project, SSTC will be leveraged to complement efforts for rural farmers access to finance (SO1) and promote policy engagement for an enabling environment for Private Public Partnerships for market access and infrastructure development (SO2).

II. Opportunities for rural development investment promotion and technical exchanges

4. Access to rural finance and the promotion of public-private partnerships (PPPs) will be key drivers of IFAD's new strategy in Ghana. SSTC will serve as a complementary instrument to accelerate progress in both areas—enabling Ghana to adapt proven solutions from peer countries in support of the COSOP's strategic objectives.
5. **Under Strategic Objective 1 (SO1), SSTC will be leveraged as a complementary instrument to address persistent challenges in expanding access to finance for smallholder farmers and rural enterprises.** Despite Ghana's progress, the country still faces barriers to rural financial inclusion—including limited digitization of rural banks, weak uptake of agricultural insurance, high lending risks, and prohibitively high interest rates (often 38–40%). These conditions restrict smallholders' ability to invest in improved inputs or technology, trapping them in low-productivity cycles. Furthermore, many rural financial institutions remain undercapitalized and constrained by non-performing loans and logistical weaknesses.
6. The AAFORD and PROSPER offer strategic platforms for innovation and learning. AAFORD is already piloting a BFF that seeks to lower agricultural lending rates to 20–25% and PROSPER is continuing this work through concessional climate finance. These initiatives present a foundation for engaging in peer exchanges with countries in the Global South that have successfully implemented innovative rural finance models, such as warehouse receipt systems, weather-index insurance, community-based savings and credit platforms, or mobile-enabled micro-loans.
7. Under the new COSOP, opportunities will be explored to use SSTC to identify, document, and promote successful financing instruments from other countries, and

support technical exchanges, peer missions, and policy-level dialogue. These efforts will be anchored in ongoing project operations and resourced through project budgets.

8. **Leveraging SSTC to create an enabling environment for Public-Private Partnerships in climate-resilient rural infrastructure (SO2).** Under the second strategic objective, the COSOP aims to enhance the climate resilience and market integration of smallholder farmers by scaling up investments in rural productive infrastructure—such as feeder roads, water-supply schemes, and post-harvest solutions. Public-private partnerships are central to achieving this goal, enabling shared investment, innovation, and sustainability in infrastructure delivery.
9. However, implementation challenges remain. The experience of the Department of Feeder Roads reflects the wider bottlenecks—namely, limited operations and maintenance (O&M) funding, outdated design standards, and coordination challenges. PPPs are still uncommon in feeder roads and small-scale rural infrastructure, even though they have gained traction in larger trunk road projects. Public institutions face capacity constraints in designing viable, climate-smart PPPs, while private investors remain hesitant due to unclear cost-recovery models, weak incentives, and high perceived risks linked to the agricultural sector.
10. To address these gaps, the new COSOP will explore collaboration under SSTC for institutional learning, technical exchange, and policy adaptation. It will draw on successful PPP models from other countries in the Global South that have promoted inclusive, climate-resilient infrastructure through co-financing arrangements and innovative risk-sharing mechanisms. To operationalise this approach, the COSOP can support activities such as:
 - Peer learning exchanges for officials from NDPC, MoFA, MoFEP, MOTAI and District Assemblies to engage directly with counterparts in other countries that have successfully implemented rural infrastructure 3Ps.
 - “PPP design labs”, co-hosted with private sector actors, to co-develop context-appropriate models for feeder roads, small-scale irrigation, and cold chains—with embedded provisions for maintenance, climate adaptation, and inclusive benefit-sharing.
 - Policy dialogues and knowledge-sharing forums focused on regulatory frameworks, cost-recovery models, O&M financing, and land-use planning to enable private sector engagement.
11. Existing platforms—such as the Annual Policy Forum under AAFORD—could be leveraged to convene regulators, financial institutions, farmer organisations, and private investors in addressing systemic barriers to inclusive rural infrastructure investment. These exchanges will be aligned with project planning and coordination processes, helping translate knowledge into actionable 3Ps pipelines.

III. SSTC engagement rationale

12. South-South and Triangular Cooperation is explicitly embedded in Ghana’s national policy framework. The Long-term National Development Plan (2018–2057) calls for deeper South-South engagement in trade, technology transfer, capacity building, and peacekeeping, and to institutionalize its role as a provider of development support, the country has proposed the creation of the Ghana Agency for Development Cooperation (GADC). In practice, Ghana has collaborated with countries such as China—on irrigation and rice production—and Brazil, through the “More Food International” programme to support smallholder mechanization. It also partners

with UN agencies, leveraging the WFP-China SSTC Trust Fund to strengthen rural value chains and working with UNDP on renewable energy technology transfer and climate policy development.

13. Under the previous COSOP, Ghana engaged with IFAD in early initiatives that reflected a growing commitment to SSTC under the country operations. These included participation in the AVANTI – Advancing Knowledge for Agricultural Impact initiative and a regional post-harvest management programme on small-scale dryers—demonstrating the potential for shared learning and technology exchange. While both initiatives faced implementation challenges, they signalled an emerging platform that can be further leveraged to structure and scale up knowledge and innovation.
14. Across the current portfolio, projects such as AAFORD and PROSPER already embed knowledge exchange, peer learning, and regional collaboration into their design, providing a foundation for advancing SSTC under the new COSOP. To enhance effectiveness, SSTC activities in the upcoming COSOP period will build directly on these existing entry points and align closely with project objectives. They will be fully integrated into project programming, leveraging existing institutional mechanisms and tapping into dedicated resources for SSTC and knowledge promotion. For instance, PROSPER has earmarked USD 91,000 to support SSTC activities during implementation.
15. Annual coordination among IFAD, the PMUs, government counterparts and partners will help guide the strategic planning and implementation of SSTC activities throughout the COSOP cycle. This process will be embedded in the development of Annual Work Plans and Budgets (AWPBs) of the projects, ensuring that SSTC is operationalised in a coherent, demand-driven, and results-oriented manner. These efforts will ensure that SSTC is not treated as a stand-alone element but as an embedded tool to support the COSOP development outcomes.

IV. Partnerships and initiatives

16. The current IFAD portfolio in Ghana through the AAFORD and PROSPER projects already embeds different forms of SSTC as delivery modalities such as peer exchange and policy dialogue. Under the forthcoming country strategy, IFAD and the Government will expand these entry points in line with the two strategic objectives.

i. Strategic Objective 1

The Affordable Agricultural Financing for Resilient Rural Development (AAFORD) project serves as a platform for unlocking inclusive rural finance for smallholders to transition into more productive and sustainable livelihoods. AAFORD seeks to de-risk smallholder lending by creating a BFF that channels concessional credit to partner financial institutions—rural banks, MFIs and other PFIs—while layering risk-mitigation tools. By partnering with peer mechanisms such as Nigeria’s NIRSAL or fintech innovators from Asia, Latin America and elsewhere in Africa, Ghana can exchange operational know-how on structuring blended-finance windows and, in parallel, adapt digital credit-scoring, mobile banking and micro-insurance solutions that reach last-mile clients in rural communities.

The Promoting Rural Opportunities, Sustainable Profits and Environmental Resilience (PROSPER) project is designed to support the country’s poorest rural populations transition from low-input subsistence farming to profitable, climate-resilient agribusiness. Linked to the IGREENFIN regional programme, PROSPER will channel concessional climate finance—via rural financial institutions—to support investments in irrigation and efficient processing equipment. It will also pilot an Agricultural Refinancing Facility through ARB Apex Bank to expand access to affordable liquidity.

PROSPER will actively integrate SSTC through its engagement in IGREENFIN regional activities, including experience-sharing, fact-finding missions, and participation in the Sahel and Great Green Wall Award alongside countries such as Côte d'Ivoire, Senegal, and Burkina Faso. This position's PROSPER to serve as a platform for structured peer learning on green-value-chain financing, blended-finance structuring, and Environmental, Social, and Governance (ESG) standards for rural micro-finance institutions. Exchange visits among West African Development Banks and development banks from other regions can also be explored to accelerate the replication of successful de-risking tools for climate adapted agriculture.

Building on these entry points, IFAD and Ghana can leverage the Agri-Public Development Banks (Agri-PDB) Platform and the Smallholder and Agri-SME Finance and Investment Network (SAFIN) as channels for peer learning and knowledge exchange. The Agri-PDB is an emerging network where public and development banks exchange concrete solutions for financing inclusive, climate-smart agriculture. SAFIN provides a multi-stakeholder platform that connects financial institutions, agribusinesses, development partners, and governments to advance access to finance for smallholders and agri-SMEs. Early engagement with both platforms hosted by IFAD—particularly for the annual study tours and workshops planned under PROSPER—could support Ghanaian stakeholders in identifying proven financing models and operationalize practices to address current portfolio challenges, including effective structuring of blended finance facilities, innovative approaches to rural microfinance, and climate-smart investment tools.

ii. **Strategic Objective 2**

Both AAFORD and PROSPER embed policy dialogue and knowledge management as elements to support systemic change. AAFORD will establish an Annual Policy Forum to convene regulators, financial institutions, farmer organisations, and private investors to address persistent barriers to inclusive rural finance. Informed by a rolling programme of lessons-learned studies and supported by partners such as **the Alliance for Green Revolution in Africa (AGRA)**, the Forum will offer an open, multi-stakeholder space to inform policy reform and guide replication of successful models. PROSPER similarly envisages structured policy dialogues on rural infrastructure, value chains, and climate resilience, helping to shape enabling policies for blended finance and public-private partnerships.

The annual policy forum will provide a space for Ghana to engage with other countries that have implemented innovative policy and regulatory solutions—such as Brazil's local road maintenance PPPs, India's solar irrigation cooperatives schemes, and Morocco's Green Plan for Agri-Export Zones. These experiences could inform Ghana's efforts to develop robust PPP frameworks and mainstream climate-smart finance and infrastructure into national development planning.

AGRA, which is already envisioned as a strategic partner for policy engagement under the AAFORD Policy Forum, could play a key role in facilitating SSTC linkages across the African region. Through its established network and convening power, AGRA can contribute to connecting Ghanaian institutions with relevant reform experiences and regulatory innovations from countries such as Nigeria—deepening the regional value of the policy dialogue and enhancing the COSOP's reach beyond national boundaries.

V. Conclusion

17. The opportunities identified under the new country strategy for SSTC are grounded in ongoing activities and target existing opportunities to scale up development outcomes. As national priorities continue to develop, IFAD, through its relevant structures and in close collaboration with the government, will ensure that SSTC initiatives remain responsive, aligned, and impactful—leveraging proven solutions and partners in support of the country programme.

Financial management issues summary

COUNTRY	<i>Ghana</i>	COSOP PERIOD	2025-2030
A.COUNTRY FM ANALYSIS			
<i>Country Disbursement Ratio (rolling-year)</i>	21.3 %		
<i>Unjustified Obligations:</i>	<ul style="list-style-type: none"> <i>Outstanding Ineligible Expenditure –</i> <i>Outstanding Advances (Projects in Closed Status)</i> 		
	10,868 USD - Insufficient supporting documentation/evidence 42,646 USD Financial instrument: 2000000647 / 200000064700 The project closed and submitted their final justification WA; however, there are some gaps in reporting caused by currency exchange losses/gains.		
<i>PBAS Available allocation (current cycle):</i>	Allocated Amount: 26,945,000 Available Balance: 26,945,000		
<i>BRAM access</i>	YES		
<i>Country income category</i>	LMIC		

<p>Corruption Perceptions Index (CPI): In 2024, Ghana scored 42 out of 100 (i.e. 80th out of 180 countries), which is a slight decline from previous years. (Source: 2024 Transparency International CPI)</p> <p>Ibrahim Index of African Governance (IIAG): In the 2022 IIAG, Ghana scored 62.2 out of 100 (i.e. 7th out of 54 African countries), which is a strong governance performance. It surpassed both the African and West African average of 49.3 and 52.6, respectively. (Source: 2024 Mo Ibrahim Foundation IIAG Report)</p> <p>Public Expenditure and Financial Accountability (PEFA): The latest disclosed PEFA assessment for Ghana was conducted in 2018, which showed strengths in budget credibility and transparency and weaknesses in internal controls and external audit areas. (Source: 2018 PEFA Ghana Assessment Report)</p> <p>Public Financial Management (PFM) System: the government of Ghana has implemented strong PFM reforms, such as enacting the Public Financial Management Act and adopting the Integrated Financial Management Information System (GIFMIS). However, progress need to be made in budget execution, expenditure arrears, and the effectiveness of internal audit functions. (Source: World Bank IFSA)</p> <p>Program Governance and Anti-Corruption Arrangements: The anti-corruption and fraud mechanisms are in place, and the government has also ratified the United Nations Anticorruption Convention. However, there is inconsistency in enforcement and public trust in anti-corruption institutions is moderate. (Source: World Bank IFSA)</p> <p>Accounting and Auditing Profession: The Institute of Chartered Accountants of Ghana (ICAG) was established as the recognized professional accountancy institute. It is a member of the International</p>	

Federation of Accountants (IFAC) and plays a crucial role in maintaining accounting and auditing standards in the country.

(Source: IFAC)

GNI per Capita: Ghana's Gross National Income per capita was approximately USD 2,260 in 2023, categorized as a Lower-Middle-Income Country.

(Source: World Bank Country Data)

Implications of Ghana's FM and Governance Context on Project Design

- Ghana has a solid PFM and governance framework, but enforcement and audit independence remain weak.
- Declining CPI score and moderate public trust require strengthened accountability and anti-corruption measures.
- Internal control and audit gaps necessitate embedded project-level internal audit and independent external audits.
- GIFMIS limitations call for financial reporting tools aligned with IFAD standards.
- Budget execution challenges and arrears risks highlight the need for cash flow tracking and realistic budgeting.
- Weak fund and asset tracking mechanisms justify the use of digital tools for inputs, payments, and inventory monitoring.
- Over-reliance on government systems must be offset by project-specific fiduciary procedures and manuals.

Lower-middle-income status and fiscal constraints require careful planning of counterpart contributions and flexible co-financing structures.

B.PORTFOLIO – LESSONS {Strengths and Weaknesses}

Existing Portfolio:

Project	Project Status	%Disbursed of all financing instruments	Project FM inherent risk rating	Performance Score: Quality of Financial Management	Performance Score: Quality & Timeliness of Audit	Performance Score: Disbursement Rate	Performance Score: Counterpart funds	Completion date
REP	Available for Disbursement	86.81	High	Moderately Unsatisfactory	Mod. unsatisfactory	Unsatisfactory	Moderately Satisfactory	29/09/2025
GASIP	Project Completed	87.88	Substantial	Moderately Satisfactory	Satisfactory	Moderately Unsatisfactory	Moderately Unsatisfactory	30/08/2023
AAFOR D	Available for Disbursement	37.64	High	Moderately Satisfactory	Mod. unsatisfactory	Unsatisfactory	Satisfactory	29/06/2027
PROSPER	Available for Disbursement	0.95	High	Moderately Satisfactory	Not Specified	Highly Unsatisfactory	Moderately Satisfactory	30/03/2032
ESRF	Project Completed	99.4	Substantial	Moderately Satisfactory	Mod. unsatisfactory	Moderately Satisfactory	Satisfactory	30/08/2024
Ecobank Ghana	Project Completed	85.92	Moderate	Not Specified	Not Specified	Not Specified	Not Specified	29/09/2024
Fidelity Bank	Project Completed	91.83	Moderate	Not Specified	Satisfactory	Not Specified	Not Specified	29/09/2024

Main Strengths:

- Qualified pool of financial management personnel across projects.
- Timely submission of financial reports in compliance with IFAD requirements.
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Main Recurrent Risks / Weaknesses:

- Delays in the ratification and effectiveness of financing agreements.
- Incompatibility of the GIFMIS system with IFAD budgeting and reporting requirements.

- Slow project start-up phases, resulting in low initial disbursement rates.
 - Absence of internal audit functions within project structures.
 - Inadequate fund flow management by activity type (e.g. input distribution, rural finance, training).
 - Weak asset tracking systems and limited accountability for distributed inputs.
 - Over-reliance on implementing partners' self-reporting, with limited verification mechanisms.
 - Lack of enforceable fiduciary provisions in agreements with implementing partners.
 - Concerns over the independence of Ghana's Audit Service, leading to reliance on independent audit firms.
 - Fragmentation and delays in financial flows in multi-donor financing arrangements, increasing the risk of ineligible expenditures.
- Learned Lessons:**
- Engage with government counterparts early to expedite agreement ratification and project effectiveness.
 - Design projects with realistic start-up timelines and resourcing for smoother implementation.
 - Integrate internal audit functions within project implementation units.
 - Strengthen oversight of implementing partners through performance-based contracts, independent verifications, and fiduciary safeguards.
 - Develop and implement dedicated fiduciary manuals for trainings, input distribution, and grant/loan fund management.
 - Enhance coordination mechanisms for multi-donor financing and enforce compliance with IFAD disbursement rules.
 - Deploy tools to track fund and input flows to improve transparency and accountability.

C.PROJECT CONCEPT NOTE: N/A

Project Concept Note – FM KPIs:

<i>Project FM risk</i>	N/A
<i>Project type</i>	N/A
<i>Duration:</i>	N/A

<ul style="list-style-type: none">• <i>Financing Sources:</i>• <i>IFAD – PBAS</i>• <i>IFAD – SUPP GRANT</i>• <i>Gov Counterpart</i>• <i>Private sector</i>• <i>Beneficiaries</i>• <i>Financing gap</i>	N/A	N/A
<i>Proposed size:</i>	N/A	
<i>Lending Terms:</i>	N/A	
Recurrent cost: <ul style="list-style-type: none">• % total for the project:• % of the total financed by IFAD:	N/A	

Project Concept Note –FM Observations:

N/A

Prepared by: Mohamed Mouctar Diallo

Date: 23/05/2025

Procurement risk matrix – part A country level

1. Despite the robust country procurement legal and policy framework, the experience from the on-going projects identified the following risks: (i) capacity constraints leading to – failure to comply with procurement law; delays in processing procurement, delays in preparation of Terms of References (ToRs), Technical Specifications, delays in evaluations, review and clearance, weak records keeping and filing; and weak contract management resulting into cost overruns; (ii) competing demands on staff and uncoordinated transfers; (iii) political interference resulting into conflict of interest and poor performance of some service providers, (iv) the recent high inflation and rapid depreciation of the Ghana Cedis which could affect market predictability and pricing; and (v) perception of lack of competition – weak private sector with limited competition. Thus, the strategies proposed to mitigate these inherent risks are: (i) procurement staff complete training on the IFAD Procurement Framework; (ii) close IFAD procurement support and supervision; (iii) a detailed Operations Manual to be prepared to guide procurement implementation; and (iv) introduction of price adjustment clause for local currency contract with more than six months duration on a case by case basis.
2. The procurement arrangements will follow the Public Procurement Act, 2003 (Act 663) as amended. Furthermore, the procurement activities under IFAD Financed Projects will be undertaken via the Ghana electronic procurement platform (GHANEPS) which is now mandatory for the conduct of all government procurements in Ghana. This will minimize human interference in the procurement processes, thus improving the efficiency of the process.
3. The national bidding documents are acceptable for IFAD financed projects. However, the PMUs needs to include all clauses related to IFAD anti-corruption policies and reporting hotlines as well as the Self-Certification form. Additionally, all contracts will need to include the SECAP clauses, to align with the revised IFAD's 2021 SECAP guidelines. All projects in Ghana will use the Online Procurement End to end System (OPEN) for procurement planning and Contract monitoring as well as for the No objection demands. The annual procurement plans will be based on the Annual workplan and Budget (AWPB).
4. While the project procurement arrangements (PPA) has introduced the use of Sustainable Public Procurement approaches since 2022, it did not issue any criteria and there is no official guidance for using them. So, it is recommended to include of the IFAD SECAP requirements to achieve best value for money on a whole life cycle basis in terms of generating benefits, whilst minimizing damage to the environment.

IFAD PRM - Part A Country Level
Based on MAPS II – ASSESSMENT OF NATIONAL PROCUREMENT SYSTEM

Indicat or # and Sub- Indicat or #	Sub-Indicator Description	Findings regarding possible non- compliance with IFAD PPF	Inherent Risk of non- compliance with Project Objectives & IFAD PPF	Proposed Mitigation measure/s	Net Risk (taking only fully implemented and effective mitigation measures into account, otherwise the net risk should be identical to

					the inherent risk)
Consolidated Findings at Country Level		[to be determined by the SPO]	[to be determined by the SPO]	[to be determined by the SPO]	[to be determined by the SPO]
Pillar 1. Legal, Regulatory and Policy Framework					
1.1.	The public procurement legal framework achieves the agreed principles and complies with applicable obligations.				
1.1.1.	Scope of application and coverage of the legal and regulatory framework	The Public Procurement Act, 663 of 2003, as amended (Act 914) of 2016, and draft Regulations of 2003 provides the legal framework for public procurement in Ghana. It is AN ACT to provide for public procurement, establish the Public Procurement Authority; make administrative and institutional arrangements for procurement; stipulate tendering procedures and provide for purposes connected with these. The ACT was ENACTED by Parliament by the Parliament of the Republic of Ghana on 31st December 2003. (Source: PPA, Amendment, 2016 (ACT 914)) The Act applies to the procurement of goods, works and services, financed in whole or in part from public funds.	M	The IFAD should cooperate with the regulatory body to assess the impact of this fee on entities which will be in the position to pay and the public who rely on the PPA website for information	M

		(Source: PPA, Section 14(1)). Even though the Act 663 and its amendments encourages public and private sector engagements, actual Public Private Partnership (PPP) arrangements for the purpose of delivering projects is handled under separate legislation which is under preparation. (PPP Act 2000, Act 1039). The Act, regulations (draft) and the manual are published on the PPA website: www.ppaghana.org which is accessible to the public at no cost.			
1.1.2.	Procurement methods	Although allowable Methods of Procurement are established in Part IV, Sections 34-43 of the Public Procurement (Amendment) Act, 2016 (Act 914), it is noted in Section 15. (1) that "the Minister in consultation with the Board may, by notice in the Gazette, declare an entity, a subsidiary or agency of an entity or a person to be a procurement	M	The legislation handling actual Public Private Partnership (PPP) arrangements for the purpose of delivering projects should be finalized and enacted.	M

		<p>entity. However, these discretionary powers are pursuant to subsections 2 & 3 of Section 15. The PPA provides for (five) procurement methods/award procedures hierarchically listed from the most competitive to the less competitive: - Competitive tendering; - Two-Stage tendering; - Restrictive tendering; - Single Source Procurement; and - Request for Quotations (RfQs). Page 2 of 24 There are specific methods and procedures for the recruitment of consultants as detailed in PART V of the PPA (PPA, Sections 66 to 82). The choice of method to use in every procurement depends on the threshold agreed and planned for at the beginning of the financial year. Less competitive methods are based on the justifications and the verification of specific situations that justifies the choice regardless of the value</p>			
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		<p>(material criterion). PPA, Sections 38, 40 & 42 detail the reasons under which the choice of the procedure does not depend on the estimated value of the contract. Fractioning of contracts to limit competition is prohibited. According to Section 21(6), as amended, "A procurement entity shall not divide a procurement order into parts or lower the value of a procurement order to avoid the application of the procedures for public procurement in this Act." PART V of the PPA (PPA, Sections 45 to 46) details rules governing each procurement methods/procedures. Standards for international competitive bidding (section 45) are consistent with international standards. Open international tendering shall be in accordance with Part IV and Part V of Act 663.</p>			
1.1.3.	Advertising rules and time limits	Part Five, section 47 (1-4) of the Public Procurement (Amendment)	S	Payment of a fee for the publication of invitations on PPA website	S

		<p>Act, 2016 (Act 914) requires that invitations to tender and invitations to pre-qualify to be published in the Public Procurement Bulletin and on the website of the Authority (www.ppaghana.org). Section 47(4) further clarifies that "the invitation shall be published on the website of the Authority at a fee to be determined by the Board. Act 663, Sections 45(2c) & 53(1b)(2-5) specifies a maximum number of days for preparation of tenders under National Competitive Bidding (NCT) & International Competitive Bidding (ICT). 1. For national competitive bidding: "the time for preparation of tenders and submission under national competitive tendering procedures shall be minimum two (2) weeks and shall not exceed six 96) weeks"- Sections 44(7) For international competitive bidding: "allow tenderers at</p>		<p>as captured in Sections 47(4) of the Public Procurement (Amendment) Act, 2016 (Act 914). The IFAD should cooperate with the regulatory body to assess the impact of this fee on entities which will be in the position to pay and the general public who rely on the PPA website for information</p>	
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		<p>least six weeks to prepare and submit their tenders for international competitive tendering.” - Sections 45(2c). other considerations are: i. “if a procurement entity issues clarification or modification documents or if a meeting of tenderers is held, the procurement entity shall prior to the expiry of the deadline for the submission of tenders extend the deadline to give the suppliers and contractors reasonable time to take the clarification or modification, or the minutes of the meeting into account in their tenders.” - Sections 53(3) ii. “The procurement entity may, prior to the expiry of deadline for the submission of tenders, extend the deadline.” - Sections 53(4) iii. “The procurement entity shall, allow at least ten days before the expiry of the deadline, give notice of an extension of the deadline by fax, e-mail or any other expedited</p>			
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		<p>written means Page 3 of 24 of communication to each supplier or contractor to whom the procurement entity provided the tender documents or to any new prospective tenderers." - Sections 53(5) It is mandatory to ensure broad publication of tender notices in the public procurement Bulletin; at least one daily newspaper of national circulation; and a newspaper of wide international circulation, in a relevant trade publication or a technical professional journal of wide international circulation - Sections 47(4) of the Public Procurement (Amendment) Act, 2016 (Act 914). Sections 47(4) of the Public Procurement (Amendment) Act, 2016 (Act 914) states that, "the invitation shall be published on the website of the Authority at a fee to be determined by the Board. The publication provides the</p>			
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		detailed contents of the invitation to tender, invitation to prequalify, and invitation for expression of interest. (Sections 48 and 66 of the Act 663).			
1.1.4.	Rules on participation	The rule is that of openness to participation rather than limitation, which is an expression of the principle of competition. Sections 22 and 23 of the Act outlines a fair and transparent qualification of eligible tenderers and the prequalification proceedings. Sections 22 and 23 of the Act provides that "In the formation and contract procedures that fall within the scope of this Code, the widest access to pre-contractual procedures shall be guaranteed to those interested in procurement". Section 3(q) of the Act provides that Suppliers and contractors can be debarred in case of criminal or corrupt practices, however, procedures on how to conduct debarment have not been established yet	S	Procedures on how to conduct debarment have not been established yet and as elaborated by PPA, no supplier or contractor has been debarred so far as no evidence is available. The IFAD should cooperate with the regulatory body to assess the impact of this omission and find ways of developing the procedures for debarment.	S

		<p>and as elaborated by PPA, no supplier or contractor has been debarred so far as no evidence is available. Section 91 (1 & 2) entreats entities and participants in procurement processes in undertaking procurement activities, abide by the provisions of article 284 of the Constitution. Para 2 states that, "An act amounts to a corrupt practice if so construed within the meaning of corruption as defined in the Criminal Code, 1960 (Act 29)". There are no such specific provisions in the PPA, nor in any other legislative act, regulating the terms and conditions for SOEs to participate in the public procurement market as bidders. The following provisions of the Act provide for detailed eligibility criteria and set out the procedures and evidence that must be gathered (documents) for assessing it:</p>			
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		<p>Sections 22 (qualifications of tenderers);</p> <p>Sections 23 (prequalification proceedings);</p> <p>Sections 24 (decision on prequalification);</p> <p>Sections 25 (participation in procurement proceedings);</p> <p>Sections 26 (form of communications)</p> <p>; Sections 27 (documentary evidence in procurement proceedings);</p> <p>Sections 28 (record of procurement proceedings);</p> <p>Sections 29 (rejection of tenders, proposals, and quotations);</p> <p>Sections 30 (entry into force of the procurement contract);</p> <p>Sections 31 (Public notice of procurement contract awards); Page 4 of 24</p> <p>Sections 32 (Inducements from suppliers, contractors, and consultants);</p> <p>Sections 33 (Description of goods, works or services); and</p> <p>Sections 34 (language) The procedures for assessing the bidders' eligibility are themselves embedded within the whole</p>			
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		procurement procedure and do not have, from that point of view, autonomy – their only aim is to conclude whether a person, physical or legal, should be allowed to participate.			
1.1.5.	Procurement documentation and specifications	The Act establishes the minimum content of tender documents (Act 663, sections 48, 50, 68). The law requires the adding of the words “or equivalent” when neutral specifications are not available. This is provided in section 33 (2). The law allows potential bidders to request clarifications on the procurement processes (procurement documents) and the procuring entity is required to respond in a timely fashion and communicate the clarification to all potential bidders (in writing). This is provided in sections 50(3a), 51(1, 2, & 5), 52(3).	M	Revised STDs address all these issues.	M
1.1.6.	Evaluation and award criteria	Act 663, section 50 (3) defines that the tender invitation documents shall include the criteria and	M	No criteria shall be used for evaluation of bidders or of a bid that was not identified in	M

		<p>procedures for the evaluation of the qualifications of suppliers and contractors. Both price and non-price attributes may be considered to set the award criterion (PPA, Sections 75 & 76). The concept of life-cycle costing (LCC) is not explicitly mentioned in the Act. Part Six (Methods and Procedures to Procure Consultants) To select bids the following methods shall be used: (a) Quality Based Selection; (b) Quality and Cost Based Selection; (c) Consultant's Qualifications; (d) Fixed Budget (e) Least Cost selection; (f) Individual Consultant Selection; and (g) Single Source Selection (refer to Fifth Schedule) Act 663, section 50 (3) defines that the tender invitation documents shall include the criteria and procedures for the evaluation of the qualifications of suppliers and contractors. No information is disclosed to participants or to</p>		<p>the documentation made available in the request for expressions of interest or in the bid documents, provided that the evaluation criteria may be modified by notice to all bidders at least three weeks prior to the due date of the prequalification submission or the bid submission. To meet international standards of procurement, the following provisions and more should be considered to offer room for using it in the design of the bidding documents (especially the award criteria): (i) Contract value: the contract value corresponds to the total economic value that the winning bidder can benefit from, exempt from any tax. (2) The economic value refers to the price to be paid by the awarding</p>	
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		others not involved officially in the evaluation process (refer to Act 663, section 77.		entity, throughout the term of the contract, including possible extensions, renewals, or options, as well as any consideration or advantage, even if non-pecuniary, that the winning bidder can benefit from as a result of the conclusion of the contract."	
1.1.7.	Submission, receipt and opening of tenders	The legal framework provides for the modalities of submitting tenders and is well defined to avoid unnecessary rejection of tenders (section 53 (6)), as well as appropriate public opening procedures (Act 663 sections 56 (2) for goods and 73 (5) for services. The PPA prescribes that the bids submitted shall be opened, in a public session, at the place, date and time established in the tender announcement and in the tender program, and the session shall take place immediately after the expiry of the deadline	S	Security and confidentiality of bids should be maintained prior to bid opening and until after contract award.	S

		<p>for submitting bids. Records of opening proceedings are retained and available for review (Act 663, sections 28, 56 (5)). The procurement entity shall maintain records of proceedings as contained in "section 28 (1a1n). Section 78(1) gives suppliers, contractors, and consultants the right to seek review of a procurement procedure they were engaged in. Confidentiality of bids is maintained and disclosure of sensitive information during the debriefing is prohibited. Details of security and confidentiality are contained in "sections 63, 65 (9), 77 (1)". d) Yes, according to section 28(4) "disclosure of the portion of the record referred to in subsections (1) (c) to (e), and (1)(m), may be ordered at an earlier stage by a competent court; except that when ordered to do so by a competent court and subject to the conditions of the court</p>			
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		<p>order, the procurement entity shall not disclose: (a) information, if its disclosure would: (i) be contrary to law; (ii) impede law enforcement; (iii) not be in the public interest; (iv) prejudice legitimate commercial interests of the parties; or (v) inhibit fair competition as provided under the Protection Against Unfair Competition Act, 2000 (Act 589); or (b) information relating to the examination, evaluation, and comparison of tenders, proposals, offers or quotations and tenders, proposal, offer or quotation prices, other than the summary referred to in subsection (1) (e) of this section". PPA Part V Sub-Part II deals with the Submission of tenders. Sections 52, 53, 54 and 55 details the following: i. Language of tenders; ii. Submission of tenders; iii. Period of validity of tenders; modification and withdrawal of tenders; and iv.</p>			
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		Tender Securities.			
1.1.8.	Right to challenge and appeal	<p>Act 663, Part VII-Review: provides for an administrative review system. However, Act section 78 establishes matters not subject to review, which may compromise the review system. The Board of PPA acts as a second tier (Act section 80). However, there is a potential conflict of interest since the Appeals & Complaints Panel of the Board of PPA is a subdivision of the PPA, which also gives approval for single source procurement or restricted tendering. The legal framework establishes the matters that are subject to review and timeframes (refer to Act 663, section 78). The legal framework establishes the matters that are subject to review and timeframes (refer to Act 663, section 78) Decisions are published and made available to all interested parties and to the public. There exist an Appeals & Complaints</p>	S	<p>There are exceptions specified in the Act section 78 – Right to review that may weaken the right to review. There is also a potential conflict of interest since the Appeals & Complaints Panel of the Board of PPA is a subdivision of the PPA. The regulations should clarify the independence of the Appeals and Complaint system as well as the approval role of the PPA in single-source and restricted tendering processes. The decisions are published and available to the public, however some stakeholders have complained about delays in the publication of information on decisions. The complaint and Appeals system is without a standstill period to allow bidders</p>	S

		Panel, i.e., the Board of PPA.		to submit complaint between contract and signature. The complaint and Appeals system should include a standstill period to allow bidders to submit complaint between contract and signature and this is expected to be resolved in the revised regulations	
1.1.9.	Contract management	Clauses are generally consistent with internationally accepted practices (see IFI standard contracts for good practice examples). The procedures to ensure that contract obligations are appropriately discharged including handling of any addenda issues are well spelt out in contract provisions and guidance provided in procurement manual as well as a newly developed contract management manual. The principal law governing arbitration in Ghana is the	S	In spite of the availability of relevant provision in contracts and the availability of experts to supervise contracts, there is general challenges with contract management in some of the procuring entities especially relating to large value and complex contracts	S

		Alternative Disputes Resolution (ADR) Act, 2010 (Act 798). The Act deals with both domestic awards and foreign awards by reciprocating countries. Section 12 of Act 798 addresses the neutrality of the arbitrators, and the Act provides for due process. It includes steps for appointment of arbitrators (section 14) and enforcement of their decisions (section 57).			
1.1.10.	Electronic Procurement (e-Procurement)	The Law provides the option to issue bidding documents free; the practice is that ICB and NCB documents are issued to potential bidders at a minimal cost. Electronic dispatch of bidding documents is the practice and foreign bidders usually obtain bidding documents through their agents or representatives in Ghana	M	Bidding documents should be available for free download over reliable website.	M
1.1.11.	Norms for safekeeping of records, documents and electronic data.	Project implementing entities maintain contracts lists and records on OPEN. However, the data in OPEN data requires constant updates	M	Prompt reporting on contracts should be made project implementing entities to update the	M

		and was many times not up to date.		OPEN regularly.	
1.1.12.	Public procurement principles in specialised legislation	The legal and regulatory framework is based on the principles of economy, efficiency, effectiveness and equity, using processes that are competitive, fair and transparent. The legal and regulatory framework provides that public procurement shall be undertaken by means of advertised open bidding processes, to which equal access shall be provided to all eligible and qualified bidders without discrimination.	L		L
1.2.	Implementing regulations and tools support the legal framework				
1.2.1.	Implementing regulations to define processes and procedures conditions	There are no regulations that supplement and detail the provisions of the procurement law in Ghana. A draft (Regulations-PPA, 2003 (Act 663)) exists and has been made available at the PPA website "www.ppaghana.org". The PPA has indicated that the process to formalize the regulations was	H	The absence of a formal regulation to operationalize the Act could have an impact on the implementation of projects financed by the IFAD and should be subject to further discussions during project appraisal on a case by case basis. There	H

		<p>put on hold due to the amendment process of the Act 663 and thus with the passage of the amendment Act in 2016 it is expected that the regulations will be duly revised and formalized. All public procurement related regulations and policy documents are clear, comprehensive, and consolidated as a set of regulations and accessible at the PPA website "www.ppaghana.org". It is the Board of PPA, under the Act 663, section 3 (c), which has the responsibility to develop draft rules, instructions, and other regulatory documentation on public procurement. This has not yet become well defined and has not yet been tested.</p>		are also no regular updates of procurement law. Updates are subject Parliamentary Approval.	
1.2.2.	Model procurement documents for goods, works and services	<p>In line with Act 663, section 3c, 3h and 97, standard invitation and tender documents have been made available by the PPA and are published on the PPA website</p>	L		L

		(http://www.ppbghana.org). The standard clauses are in agreement with the legal framework. The documents are kept up to date with responsibility for preparation and updating clearly assigned to PPA.			
1.2.3.	Standard contract	There are General Conditions of Contract (GCC) for most common types of contracts and their use is mandatory (Act 663 section 50, Schedule 4). (b)Yes, the content of the GCC is generally consistent with internationally accepted practice. (c)Yes, there are General Conditions of Contract (GCC) for most common types of contracts and their use is mandatory (Act 663 section 50, Schedule 4). Special Conditions of Contract are made integral parts of the procurement documentations for procurement processes	L		L
1.2.4.	User's guide or manual for procuring entities (insert link to manual if possible)	The procurement manual exists and provides guidance to the procurement entities on	L		L

		procuring goods, works, and consulting services, as well as contracts' management.			
1.3.	The legal and policy frameworks support the sustainable development of the country and the implementation of international obligations				
1.3.1.	Sustainable Public Procurement (SPP)	The country has adopted sustainable public procurement policy related to environment and promoting policy for local SMEs development. These policies will be taken into account as part of the award (evaluation and qualification criteria) and contract provisions in order to help the local industry to perform, develop and create employment for the youth and also ensuring that the economic, environmental and social requirements in the country is safeguarded through various contracting activities. The operations and market practices development is also hampered by sustainability of project interventions that require resources for their continuous	L	Develop and operationalize the Sustainable Public Procurement (SPP) implementation plan	L

		operation and impact in order to expand and sustain the expected results.			
1.3.2.	Obligations deriving from international agreement	Obligations deriving from international agreements (like trade and environmental agreements and ILO Core Labour Standards) are consistently applied in public procurement.	L		L
1.4. Consolidated findings for Pillar 1.		The public procurement law, its regulations and the various procurement regulations outlined in the documents have been reviewed and the risks for the use of the procurement system in IFAD-financed operations was assessed. This assessment is based on the above key elements of the strengths and weaknesses of the procurement system.	S	Prompt reporting on contracts should be made project implementing entities to update the CMT regularly. Develop and operationalize the Sustainable Public Procurement (SPP) implementation plan. The complaint and Appeals system should include a standstill period to allow bidders to submit complaint between contract and signature and this is expected to be resolved in the revised regulations.	S
Pillar 2. Institutional Framework and Management Capacity					
2.1.	The public procurement system is mainstreamed and well-integrated with the public financial management system				

2.1.1.	Procurement planning and the budget cycle	The projects use the latest IFAD PP template, but it is not always up-to-date due to delays by the implementing entity to report back for consolidation. Furthermore, the PP does not capture the grants process. The PP reflects the annual budget cycle.	M	The procuring entity should update the PP regularly and share it with the implementing entities; grants should be listed in the PP; no procurement process should proceed unless listed in a cleared PP.	M
2.1.2.	Financial procedures and the procurement cycle	Although the procurement function at the implementing agency is under the same directorate with financial management (FM), the two functions are separated. Moreover, at project level (with all IFAD funded projects), these two functions are separate.	L		L
2.2.	The country has an institution in charge of the normative/regulatory function				
2.2.1.	Status and legal basis of the normative/regulatory institution function	The Law was enacted, yet the regulation is set to follow, and the manual was drafted. The Manual provides detailed steps on different procurement stages and processes.	L		L
2.2.2.	Responsibilities of the normative/regulatory function	Assessments are led by the national procurement regulatory authority or the	M	Strengthen the national procurement regulatory authority.	M

		concerned normative ministry of the Borrower with the participation of a diverse group of stakeholder including the procurement appeals body, a selected number of procuring entities, representatives of the private and banking sectors, civil society, authorities responsible for budgeting/payment/internal controls, audit authorities, anti-corruption agencies, competition bodies, international development partners engaged in the country, training institutions, the professional bodies, academia, research institutions and the media.			
2.2.3.	Organisation, funding, staffing, and level of independence and authority	The regulatory body is not adequately resourced and staffed to fulfil its functions.	S	Strengthen the regulatory body by recruiting qualified staff	S
2.2.4.	Avoiding conflict of interest	As per section 3 of Act 663, PPA is not responsible for direct procurement transactions, and its members are not represented	L		L

		in any tender committees. According to Part IV of the Act – Methods of Procurement, PPA has however a prior-review function and takes decisions regarding approval of single source and restricted tendering.			
2.3.	Procuring entities and their mandates are clearly defined.				
2.3.1.	Definition, responsibilities and formal powers of procuring entities	In spite of the availability of relevant provision in contracts and the availability of experts to supervise contracts, there is general challenges with contract management in some of the procuring entities especially relating to large value and complex contracts.	S	Provide capacity building to some of the procuring entities to overcome general challenges with contract management especially relating to large value and complex contracts.	S
2.3.2.	Centralised procurement body	The decisions are published and available to the public, however some stakeholders have complained about delays in the publication of information on decisions. (ii) Ambiguously, the Public Procurement Authority (PPA) endorses and gives approval for the use of a procurement	S	(i) the regulatory body is involved in operation (and at the same time monitoring procurement practices) which is conflictual and not in line with best practices; (ii) the regulator is involved in complaints and audits;	S

		method or methods (single source or restrictive tendering), other than competitive bidding, where the procurement requirement of the procuring entity, in the opinion of the Board, merits such endorsement and approval.		(iii) the regulatory body is not financially independent as it is subject to parliament to get financial resources necessary for its operations as indicated in Section 10 of the Act;	
2.4.	Public procurement is embedded in an effective information system				
2.4.1.	Publication of public procurement information supported by information technology	(a) absence of regulatory framework for the approval and publishing of procurement (b) plans; (b) no regulatory framework for the publishing of feedback on procurement complaints; and (c) no regulatory framework for the publishing of feedback on procurement audits.	M	Ensure the publishing of these documents on a timely basis.	M

2.4.2.	Use of e-Procurement	The Law provides the option to issue bidding documents free; the practice is that ICB and NCB documents are issued to potential bidders at a minimal cost. Electronic dispatch of bidding documents is the practice and foreign bidders usually obtain bidding documents through their agents or representatives in Ghana.	M	Bidding documents should be available for free download over reliable website.	M
2.4.3.	Strategies to manage procurement data	The system for collecting and disseminating Procurement information is weak in Ghana. Also record keeping and reporting systems are weak.	S	Procurement data collection and records management should be strengthened	S
2.5.	The public procurement system has a strong capacity to develop and improve				
2.5.1.	Training, advice and assistance	A clear training plan should be in place at project start-up, it is recommended for each procurement officer of the borrower's IA team who is directly involved in project implementation to go through the BUILDPROC certification course established by IFAD.	L		L

2.5.2.	Recognition of procurement as a profession	Considering new developments/challenges in the area of procurement (e-procurement, PPP, professionalization, etc.); and based on lessons learned during the implementation of projects, Contract management has been introduced.	S	Strengthen contract management and ensuring that the Procurement Officer position is a key personal for the projects.	S
2.5.3.	Monitoring performance to improve the system	This sector, like most others, suffers from delays in project implementation leading to cost overruns due to bureaucratic procedures, poor design, inadequate technical information, and inefficient contract management and monitoring. Additionally, the development of operations and market practices is hindered by the need for resources to sustain project interventions and their long-term impact.	S	To mitigate these risks, streamline bureaucratic procedures to expedite project approvals, enhance the design and technical information quality through thorough planning and expert consultation, and improve contract management and monitoring by implementing robust oversight mechanisms.	S
2.6. Consolidated findings for Pillar 2.		The National Standard Bidding documents (NSBDs) for goods, works, and consulting services, including General Conditions of	S	Provide capacity building to some of the procuring entities to overcome general challenges	S

		Contracts (GCC) for public sector contracts, and the dispute resolution mechanism and enforcement procedures of outcome of the dispute resolution process, have been reviewed and the risk for its use in IFAD-financed projects was assessed based on the above strengths and weaknesses of the procurement system.		with contract management especially relating to large value and complex contracts. The procuring entity should update the PP regularly and share it with the implementing entities; grants should be listed in the PP; no procurement process should proceed unless listed in a cleared PP.	
Pillar 3. Public Procurement Operations and Market Practices					
3.1.	Public procurement practices achieve stated objectives				
3.1.1.	Procurement Planning	Lack of procurement packaging in the Procurement Plan.	H	Procurement packaging is strongly recommended to increase interest of suppliers and contractors and enhance competition. This would greatly reduce the procurement burden at the procuring entity.	H
3.1.2.	Selection and contracting	According to the Act, participation of any contractor or supplier is to be based on qualification and appropriate financial and legal capacity (sections 22, 32,). However,	S	The draft regulations should be revised and formalized so that issues of preferences can be actualized. In addition, the revised	S

		<p>the shortlist for consulting services may comprise only national consultants (Act 663 section 67 (2)).</p> <p>Furthermore, Act 663 section 60 has provision of margin of preference, however, the Act refers to the regulations as the basis for calculating the margin of preference. The Act establishes the minimum content of tender documents (Act 663, sections 48, 50, 68).</p> <p>Although allowable Methods of Procurement are established in Part IV, sections 35, 36, 38, 40, & 42 of the Act 663, it is noted that the Minister may decide that it is in the national interest to use a different procedure;" (section 14 (1) (a), the Act).</p> <p>However, this discretionary powers of using a different procurement procedure has been vested in the Board by the Act 914 of 2016. The legal framework provides for the modality of submitting</p>		<p>regulations should include definition and clarity on the participation of government owned enterprises in public procurement. The debarment and sanctions regime should also be activated. The provisions of Act 914 regarding the discretionary powers of the Board using a different procurement procedure in the interest of the state will not be applicable in IFAD financed projects.</p>	
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		<p>tenders are well defined to avoid unnecessary rejection of tenders (section 53 (6)), as well as appropriate public opening procedures (Act 663 sections 56 (2) for goods and 73 (5) for services. Confidentiality of bids is maintained and disclosure of sensitive information during the debriefing is prohibited (sections 63, 65 (9), 77 (1)). Act 663, section 50 (3) defines that the tender invitation documents shall include the criteria and procedures for the evaluation of the qualifications of suppliers and contractors. Public procurement information is usually freely accessible through the website of PPA which contains comprehensive level of information including tender notices, contract awards etc. It cannot be established that the available information on the website is adequate to monitor</p>			
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		<p>outcomes, results, and performance of the public procurement system. Contract clauses and provisions are largely in conformity with internationally acceptable standards. Contract clauses and provisions are largely in conformity with internationally acceptable standards. The legal frame (Act) does provide for conditions under which different selection procedures are to be applied. (Act sections; 35(2), 72, 75 & 76).</p>			
3.1.3.	Contract management in practice	<p>Operations and Market Practices: The operational efficiency, transparency, and effectiveness of the procurement system at the level of the implementing agency responsible for managing individual procurements, in terms of the selection and contracting processes (achieving Value for Money - VfM through determination of appropriate PMPs, competition,</p>	L		L

		<p>transparency and fairness) as well as provisions for contract management, have been reviewed and the risk for their use, in general, in Bank-financed projects is rated Moderate due to the following reasons: The country has adopted Sustainable public procurement policy related to Environment, and promoting policy for local SMEs development. Whilst the recent amended Act, 2016 (Act 914) of the existing procurement legal regime took on board some of these policies, other policies in similar direction exists through executive directives which are issued on adhoc basis. Whilst it is expected that the adhoc policies are not likely to affect projects, the project is required to seek the Bank's clearance before application of these adhoc policies, such as green procurement. These policies will be taken into</p>			
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		<p>account as part of the award (evaluation and qualification) criteria and contracts' provisions in order to help the local industry to perform, develop and more importantly create employment for the youth, and ensuring that the economic, environmental, and social requirements in the country is safeguarded through various contracting activities. It is to be noted that this sector just as in most other sectors is characterized by delays in project implementation which leads to cost overruns, because of the bureaucratic procedures in government processes, and in some cases due to; poor design and inadequate technical information as well as inefficient contract management and monitoring strategies contribute to these delays. In addition, the operations and market practices development is also hampered by sustainability</p>			
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		of project interventions that require resources for their continuous operation and impact in order to expand and sustain the expected results. The operations and market practices will thus focus on procuring services and goods that will support transformational project activity initiatives that can be sustainable after project closure. However, it must be indicated that the various risks factors and challenges of the sector, which might affect the project, have been factored in the entire processing of projects and effort has been made to mitigate against these identified risks and anticipated challenges in the entire project implementation and specifically the procurement cycle.			
3.2.	The public procurement market is fully functional				
3.2.1.	Dialogue and partnerships between public and private sector	Even though the Act 663 and its amendments encourages public and private sector engagements, actual Public	S	Expedite the finalization and implementation of the PPP Act 2000 (Act 1039) to provide a	S

		Private Partnership (PPP) arrangements for the purpose of delivering projects is handled under separate legislation which is under preparation. (PPP Act 2000, Act 1039).		unified legal framework.	
3.2.2.	Private sector's organisation and access to the public procurement market	Procurement strategy clearly demonstrates understanding of any constraints facing private firms in their participation in public procurement competitions (e.g. difficulties in obtaining bid securities, insurance policies etc.)	L		L
3.2.3.	Key sectors and sector strategies	There no such information available. There are no government owned enterprises that compete with the private sector to participate in government business.	H	We highly recommend to include a sector market analysis for all procurement activities. Each activity strategy needs to be aligned with the market environment.	H
3.3. Consolidated findings for Pillar 3.		The operational efficiency, transparency, and effectiveness of the procurement system at the level of the implementing agency responsible for managing individual procurements, in terms of the	S	To mitigate these risks, streamline bureaucratic procedures to expedite project approvals, enhance the design and technical information quality through thorough	S

		selection and contracting processes (achieving Value for Money – VfM through determination of appropriate competition, transparency and fairness) as well as provisions for contract management, have been reviewed and the risk for their use, in general, in IFAD-financed projects was assessed based on to the above points.		planning and expert consultation, and improve contract management and monitoring by implementing robust oversight mechanisms.	
Pillar 4. Accountability, Integrity and Transparency of the Public Procurement System					
4.1.	Transparency and civil society engagement strengthen integrity in public procurement				
4.1.1.	Enabling environment for public consultation and monitoring	No information is available	H	IFAD financed projects should establish a reliable website which includes all procurement activities and contracts awarded including the environmental and social safeguards that were applied and considered to minimize any negative impact on the environment and/or the society	H
4.1.2.	Adequate and timely access to information by the public	The rating is based on an old assessment and was relating the situation before the current Law	S	All IFAD financed projects should establish a reliable	S

		was enacted. It is considered the inherent risk rating, as no other recent assessment is available		website which will include all procurement related information such as procurement opportunities and contracts awarded instead of relying on the website of MOA that does not include enough information.	
4.1.3.	Direct engagement of civil society	No information is available	H	IFAD financed projects should establish reliable communication means with the civil society to increase their direct engagement through public consultations or sharing of information through a reliable website.	H
4.2.	The country has effective control and audit systems				
4.2.1.	Legal framework, organisation and procedures of the control system	The country has the legal framework that governs the auditing of the public accounts and procurement in Ghana as embedded in: - Article 187 to 189 of the Constitution; - Audit Services Act, 2000 (Act 584); - The Public Financial Management Act, 2016; - The Internal Audit	S	Resolve the lack of proper balance between timely and efficient decision making	S

		<p>Agency Act, 2003; - The Public Procurement Act, 2003 (Act 663); and - The Public Procurement (Amendment) Act, 2016 (Act 914). There exist internal control mechanisms in individual agencies with clearly defined procedures, refer to; Act 663, section 20, IAA Act 2003, section 16 (3). Proper balance between timely and efficient decision making and adequate risk mitigation. Adequate independent control and audit mechanisms and institutions to oversee the procurement function. Specific periodic risk assessment and controls tailored to risk management Responsibility of Ghana Audit Service and Internal Audit Agency. Internal or external audits are carried out at least annually and recommendations are responded to or implemented within six months of the submission of</p>			
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		the auditors' report.			
4.2.2.	Co-ordination of controls and audits of public procurement	The Ghana Auditor – General conducts annual audits of the procurement activities of entities and furnishes copies of reports on the audits to the Procurement Board upon request from the Board. Procurement audits are not stand – alone reports but are part of the Auditors General Annual Report. The Ghana Audit Service (GAS) receives ad hoc procurement audit trainings.	L		L
4.2.3.	Enforcement and follow-up on findings and recommendations	Assessment of IA's Procurement Management and Contract Administration systems and internal control /audit procedures: This area investigates the adequacy of the IA's existing or installed internal control and audit procedures, procurement and contract management systems in terms of compatibility with IFAD's requirements for reporting and the codes of best practice including segregation of authority.	L	Prepare a training plan at the beginning of each fiscal year to provide procurement audit training to procurement entities involved in procurement audits	L

4.2.4.	Qualification and training to conduct procurement audits	Instead of providing ad hoc procurement audit training, a training plan should be prepared at the beginning of each fiscal year.			
4.3.	Procurement appeals mechanisms are effective and efficient				
4.3.1.	Process for challenges and appeals	Part VII of Act 663, sections; 79 and 80 describes the review mechanism and specifics. As reported, decisions are not all the time deliberated based on available information. Missing information and time limits for issuing decisions impede/delay the complaints process. Some complaints have been dismissed because the Appeals & Complaints Panel (A&C Panel) was not able to obtain information from the procuring entities. There exist procedures governing decision making process, Article 23 of the Constitution, Act 663 Part VII describes the review system but does not address the question of evidence and information upon which decision	M	Shorten the time taken by the procuring entity to issue decisions	M

		must be rendered. Review based on the Evidence Decree of(sec. 27). An appeals body exists which has the authority to review decisions of the specified complaints body and issue final enforceable decisions; Deadlines for review procedures are specified in the Act, section 79 and 80 (4).			
4.3.2.	Independence and capacity of the appeals body	The complaint body is not independent and autonomous about resolving complaints. Given the fact that three out of seven members of the A&C Panel represent the management of PPA. The PPA is an autonomous body by all standards (though not explicitly stated in the Act and its amendment) and well placed in the government structure. The finances of PPA are secured in the legal framework (section 10 of Act 663 and section 4 of its amendment). Sections 79 and 80 of Act 663 establishes terms and timelines for handling complaints and	S	Eliminate any conflict of interest that may arise due to the lack of independence of the appeals body.	S

		<p>administrative reviews and the Act 914 incorporates amended provisions to this at sections 39, 40, 41 and 42. The Board's clear authority for enforcement is provided under the legal regime. Section 80 of Act 663 specifies the remedies that are relevant to correcting the implementation of the process/ procedures. The legal framework establishes the matters that are subject to review and timeframes (refer to Act 663, section 78). Decisions are rendered on the basis of available evidence submitted by the parties to a specified body that has the authority to issue a final decision that is binding unless referred to an appeals body. Not adequately resourced and staffed to fulfil its functions.</p>			
4.3.3.	Decisions of the appeals body	<p>There exist procedures governing decision making process, Article 23 of the Constitution, Act 663 Part VII describes the review system but does not</p>	S	The Act must address the question of evidence and information upon which decision must be rendered	S

		address the question of evidence and information upon which decision must be rendered. Based on a 2010 report by the Appeals and Complaints Task Force, the Administrative Review Process Guidelines have not been formally adapted yet and also lack the required level of detail. Procedures for the complaints and appeals process should be established comprising the scope of work of the A&C Panel and decision-making. Section 80 of Act 663 specifies the remedies that are relevant to correcting the implementation of the process/procedures. The decisions are published and available to the public, however some stakeholders have complained about delays in the publication of information on decisions.			
4.4.	The country has ethics and anti-corruption measures in place				
4.4.1.	Legal definition of prohibited practices, conflicts of interest, and associated responsibilities,	The and legal /regulatory framework provides for the following: (a) Definitions of fraud, corruption	M	Conducting regular training for government employees and private firms on the	M

	accountability and penalties	and other prohibited practices in procurement consistent with obligations deriving from legally binding international anti-corruption agreements. (b) Definitions of the individual responsibilities, accountabilities and penalties for government employees and private firms or individuals found guilty of fraud, corruption, or other prohibited practices in procurement, without prejudice of other provisions in the criminal law. (c) Definitions and provisions concerning conflict of interest, including a cooling-off off period for former public officials.		definitions and consequences of fraud, corruption, and other prohibited practices. Strengthen oversight mechanisms to monitor compliance and enforce penalties swiftly and transparently for any violations. Additionally, implement strict conflict of interest policies, including a mandatory cooling off period for former public officials, to prevent undue influence and ensure integrity in procurement processes.	
4.4.2.	Provisions on prohibited practices in procurement documents	The legal and regulatory framework specifies this mandatory requirement and gives precise instructions on how to incorporate the matter in procurement and contract documents. (b) Procurement and contract documents include provisions on	L		L

		fraud, corruption and other prohibited practices as specified in the legal/regulatory framework			
4.4.3.	Effective sanctions and enforcement systems	The Law provides the authorized entity the right to debarment and informs all government procuring entities of debarred suppliers, contractors and service providers	M	The Programme will ensure the Cross-Debarment list is fully respected in awarding contracts under the IFAD finances; and assist IFAD investigations pertaining to the funded activities.	M
4.4.4.	Anti-corruption framework and integrity training	Corruption Perception Index according to Transparency International indicates that integrity and ethical values require strengthening.	M	All Bidding Documents should include IFAD policies and reporting hotlines. Self-Certification should be consistently used.	M
4.4.5.	Stakeholder support to strengthen integrity in procurement	Presence and effectiveness of a central Procurement Regulatory authority which is independent from transacting public procurement and assumes its role in disseminating professional guidance and rules concerning prevention of conflict of interest and integrity in the work of bid evaluation committees	M	Strengthen the central Procurement Regulatory authority	M

4.4.6.	Secure mechanisms for reporting prohibited practices or unethical behaviour	There is no statutory authority that is mandated with providing secure mechanisms for reporting prohibited practices or unethical behaviour.	S	IFAD through close follow up and supervision will ensure the compliance with its policy on Preventing Fraud and Corruption in its Activities and Operations.	S
4.4.7.	Codes of conduct/codes of ethics and financial disclosure rule	Codes of Conduct and the consequences of breach of obligations are known to all parent ministry and PIU staff engaged in project activities on part-time or full-time basis.	L		L
4.5. Consolidated findings for Pillar 4.		The Regulatory body has been assessed to ensure that it is not responsible for direct procurement operations and is free from other possible conflicts of interest in procurement. The legal framework, organization, policy, and procedures providing for internal and external control and audit of public procurement, which enforces the proper application of laws, regulations, and procedures, have also been assessed. Moreover, the	S	Strengthen the capacity and independence of the regulatory body to ensure it remains free from conflicts of interest and is not involved in direct procurement operations. Enhance the legal framework, internal and external control mechanisms, and audit processes to ensure strict compliance with procurement laws and regulations. Improve the complaints	S

	<p>existing complaints system has been reviewed to ensure that it sets out clear specific conditions that provide for fairness, independent and due processes. Finally, the legal provisions; including those relating to the institutions in charge of fighting against prohibited practices: (corruption, fraud, conflict of interest, and unethical behaviour) in public procurement, as well as those which define responsibilities, accountabilities and applicable penalties for prohibited practices, have been reviewed and the risk for its use in IFAD-financed projects was assessed based on the above key strengths and weaknesses in the procurement system.</p>		<p>system to ensure fairness and due process, and reinforce legal provisions to combat corruption, fraud, conflicts of interest, and unethical behaviour, including clear responsibilities, accountabilities, and penalties.</p>	
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Integrated country risk matrix

Integrated Country Risk Matrix			
Risk type	Inherent risk	Residual risk	Mitigation measures
<p>Country context</p> <p>The potential risks that the COSOP can face is low appetite for lending to rural areas and the agriculture sector because of high perceived risks and high transactions for financial institutions and lack of appropriate loan products for the rural clientele.</p> <p>The risks to infrastructure investments can be the high cost of making infrastructure climate resilient, limited number of contracts in rural areas who can deliver good quality without delays and poor maintenance post completion.</p>	Moderate	Moderate	<p>Continue to seek additional partners to buy-in to the Blended Finance Facility, while working on the policy aspects of increasing the lending portfolio, to the agriculture sector, of participatory financial institutions</p> <p>Explore technical assistance to the implementing partners, via an established NGO. The team is already considering Meta-Meta to roll out training to Department of Feeder Roads (who will design); and the PMU Infrastructure Engineers.</p> <p>Additionally, mitigation measures will be to ensure strong engagement with the GOG to ensure a supportive policy environment for access to finance and infrastructure for small farmers and rural agriculture enterprises.</p>

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<p>Political commitment</p> <p>Political commitment is gaining strength. The new Government (elected in November 2024) has been committed to ensuring the debt sustainability issues are addressed head-on.</p> <p>Relevance of IFAD as a lending partner is at risk, given that Ghana is under debt-distress. The situation could also impact counterpart funding which can be delayed and/or unavailable.</p>	Moderate	Moderate	<p>The two IFAD on-going projects have already been approved and under implementation. Government has expressed their interest in borrowing under the IFAD 13 window, however as they are still under the IMF's debt restructuring programme, IFAD will request for a preliminary IMF approval before presenting any programme to the IFAD Executive Board. Meanwhile, the IFAD PDT will pursue any potential investments within the country, with a specific focus on co-financing.</p> <p>The rapid pace at which the new Government has taken over the issues is evidenced in the rapid recovery of the Ghanaian economy and the strengthening of the Cedi.</p> <p>IFAD's relevance remains strong, with acknowledgement, at the highest levels of the Government, of the work that IFAD does, which we attribute to early engagement with the new Government.</p>

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			The COSOP annual reviews will continue to monitor and update any changes to the current situation.
<p>Governance Recent developments, including a sweeping of the local currency accounts of all on-going IFAD financed projects has led to some concern regarding governance break-down. Additionally, the lack of transparency and/or information has heightened the risk of IFAD's fiduciary obligations.</p> <p>Perceived lack of transparency in the auditing and procurement processes continues to remain a risk.</p> <p>The lack of resource allocation to the operations and maintenance of public goods risks that these will not be sustained over their life.</p>	Substantial	Substantial	<p>IFAD will use its own systems of procurement and financial management for its projects to minimize the risk. Promotion of accountability mechanisms and grievance redress systems, capacity-building for community governance bodies, and deployment of independent project management staff. Strict fiduciary conditions before disbursement.</p> <p>For the foreseeable future, the external auditors for the projects will be hired from the private sector, due to a downgrade of the Supreme Audit Institution.</p> <p>The country team will continue to pursue the appropriate allocation of resources towards operation and maintenance of public goods, such as roads, ensuring their sustainability over the intended lifespan.</p>

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<p>Macroeconomic According to the latest debt sustainability assessment (June 2025: https://www.elibrary.imf.org/view/journals/002/2025/175/article-A002-en.xml), Ghana remains at high risk of debt distress but is expected to reach moderate risk in the medium term (2028). Debt is currently assessed to be sustainable. Inflation remains high (projected to be 12% by end of 2025) and stress test results show that a commodity price shock would negatively impact the economy, putting overall public debt well above the current trajectory. Developments over the past few years and stress tests highlight sensitivity of the external and overall debt ratios to commodity prices and exports, as well as a combination of shocks.</p> <p>Ghana's fiscal position deteriorated again in 2024, due to large expenditure overruns, which led to a deterioration in the primary balance by almost 4 percentage points of GDP (IMF, 2025). Monetary policy has tightened, and export revenues have increased, continuing to be critical to enable debt payments (as arrears have crept up). Foreign exchange reserves increased between 2024 and 2025 (reaching 3 months of prospective imports (US\$7.6 billion) at end-March this year.) as the local currency appreciated (60 percent nominal exchange rate appreciation against the US dollar between November 2024 and May 2025). The US tariff decision of levying 10% on all Ghanaian exports to the US is not expected to impact Ghana in the short term. Overall, macroeconomic risks remain substantial with a prospect of improving to moderate in the long-term.</p>	Substantial	Substantial	<p>Most mitigation measures are largely at the discretion of the government, though actions of IFAD projects/programmes can make some contributions. The Government has signed an agreement with IMF and already made progress toward the chartered roadmap for stabilization, with growth beating the IMF-predicted targets and headline inflation decreasing. This is likely to provide some stability in the medium term, with the external debt restructuring expected to be completed in line with the IMF ECF parameters and debt-to-GDP ratio reaching 55% by 2028.</p> <p>At the project-portfolio levels, Government has been providing its counterpart funds to IFAD-financed projects. Market instability and price shocks will be managed through effective business planning, investment in resilience enhancing interventions, and provision of insurance among other financial services to IFAD's target group.</p>

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			A variety of interventions will be implemented including enhanced budget tracking tools, integration of co-financing monitoring mechanisms, stable financing from IFAD and IMF. Increased awareness and dialogue on counterpart fund mobilization.
<p>Fragility and security</p> <p>Climate related risks continue to rise in the country – including floods and drought. Additionally, current civil conflict in the Bawku area, compounded by civil unrest in neighbouring countries, has resulted in significant losses.</p>	Moderate	Moderate	<p>IFAD projects are designed to reduce natural and economic risks through its country level project investments. Natural disasters interventions will follow a coordinated approach on the ground ensuring that interventions are appropriate.</p> <p>Current investments will have to be reviewed to ensure that the loss of activity from the high-risk areas is addressed. Participation at SMT meetings to ensure regular updates, and coordinate with national peace and security programs, ensure engagement with local leaders, and support conflict-sensitive project design and implementation</p>

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<p>Sector strategies and policies</p> <p>The current Government has embarked on several new strategies and policies – 24 Hour Economy; Feed Ghana; Feed the Industry etc. Government provides a supportive policy framework and the Medium-Term National Development Policy Framework (2026-2029) by the National Development Planning Commission provides the broad framework for government policy. Both are robust. In addition, the Government has formulated the National Agricultural Policy (NAP 2020–2030) to transform agriculture into a modern, climate-resilient, and market-driven sector. It focuses on value chains, technology adoption, and private-sector investment. The Government has embarked on an ambitious agenda for agriculture through the Feed Ghana (2025) strategy. In addition, the National Rural Development Policy (NRDP) aims to improve rural infrastructure (roads, energy, water) and livelihoods through decentralized governance</p>	Moderate	Moderate	IFAD will engage closely in the supervision of its projects to ensure that the strategic objectives with respect to access to rural finance and access to climate resilient infrastructure are met.
<p>Policy alignment</p> <p>The country policy is significantly aligned to the IFAD mandate. However, if industrialization becomes the key driver, there is a risk that IFAD's mandate will take a backseat, as the focus will shift to the bigger, well-established players within the agriculture sector.</p>	Moderate	Moderate	The Government has provided a supportive framework for agriculture and rural development. IFAD will continue to engage with government in the advocacy of policy areas key for the rural poor.

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<p>Policy development and implementation</p> <p>The focus on agriculture policy is receiving a renewed interest, and it is being approached with a private sector perspective. This does lack the background evidence related to the staple crop sectors, where while the country has had the ability to produce, there has been high importation. Additionally, on the access to finance there is a risk that the available funds in the system might not be used towards agriculture lending, unless there is a significant policy requiring agriculture lending by financial institutions.</p>	Moderate	Moderate	Through both, PROSPER and AAFORD, IFAD will work to improve the enabling policy environment for access to financial and business services through developing new finance products and facilitation of MSMEs. Additionally, a continuous course correction of lending under the Blended Finance Facility will speak to the areas of challenges in the lending space and therefore provide ground for policy development.
<p>Environmental, social and climate context</p> <p>Existing risks such as land degradation, prolonged dry spells, droughts (particularly in northern Ghana) and floods result in the increased vulnerability of IFAD's target group and their livelihoods.</p>	Substantial	Substantial	Therefore, specific actions for soil and water conservation, integrated pest and soil fertility management and water use efficiency will be integrated in investments including capacity building for small scale producers. Infrastructure investments will be climate resilient through appropriate siting and robust design and construction materials. The actions and measures will be informed by relevant SECAP studies during design and early implementation. Adequate resources for implementation of recommendations from the studies will need to be allocated.

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<p>Financial management</p> <p>The risk that COSOP activities are not carried out in accordance with the provisions of IFAD's financial regulations and that funding is not used for the intended purpose with due regard to economy, efficiency and effectiveness.</p>	High	High	IFAD will closely monitor the project and provide overall financial oversight during implementation. IFAD will also strengthen oversight by introducing periodic missions by the PCU, mandatory third-party verifications, and performance-based agreements with clear M&E and reporting deliverables. Require implementing partners to submit evidence-based reports and integrate a dedicated IP oversight mechanism within the project coordination unit.
<p>Organization and staffing</p> <p>Limited capacity of local institutions to manage finances according to IFAD standards. Risk of politically influenced recruitment.</p>	High	High	Competitive recruitment via external firm, IFAD-approved profiles, continuous training.
<p>Budgeting</p> <p>Risks of cost underestimation, overestimated counterpart contributions, volatility of GHS exchange rate. Unrealistic AWPB preparation.</p>	High	High	<p>Inclusion of contingency provisions in the budget, alignment with national plans, documented co-financing commitments.</p> <p>Maintain Foreign-based designated and operational accounts except for daily operational expenditures to reduce currency losses.</p>

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<p>Funds flow/disbursement arrangements</p> <p>Low banking penetration in rural areas, limited traceability of payments, delays in justifying advances.</p> <p>High risk of poor traceability and accountability for distributed productive assets (e.g., inputs, equipment) due to weak tracking systems, inadequate documentation, and insufficient post-distribution verification. These issues have led to losses and ineligibilities in past projects.</p> <p>Weak financial and performance reporting by PFIs on funds disbursed or granted to beneficiaries has led to data gaps, insufficient accountability, and impaired oversight of credit and grant components.</p> <p>Weak monitoring and over-reliance on implementing partners' self-reports has led to insufficient verification of activities, weak accountability, and delays in detecting performance or compliance issues.</p> <p>Non-compliance with IFAD procedures could lead to disbursement delays, sanctions or funding cancellations. For projects with multiple donors, complex fund flow coordination may cause delays, confusion in fund use, or double financing of activities.</p>	High	High	<p>Use of secured mobile money, realistic cash flow forecasting, strict fiduciary clauses in contracts, systematic IFAD no-objection, training on procedures.</p> <p>Require detailed asset registers and geo-tagged distribution logs, integrate barcoding or digital inventory tracking, conduct random spot checks and beneficiary verifications, and include traceability requirements in all implementing partner agreements. Ensure traceability tools are budgeted and operational before distribution starts. Develop a standalone operations manual specific to asset/input distribution protocols.</p>

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			<p>Include reporting obligations and standardized templates in all PFI agreements, deliver capacity building on monitoring and reporting, establish regular review cycles and audits for PFIs, and condition disbursements on timely and quality reporting. A dedicated operations manual will be developed for managing loans and grants through PFIs.</p> <p>Strengthen oversight by introducing periodic missions by the PCU, mandatory third-party verifications, and performance-based agreements with clear M&E and reporting deliverables. Require implementing partners to submit evidence-based reports and integrate a dedicated IP oversight mechanism within the project coordination unit.</p> <p>Establish clear fund flow charts and assign dedicated financial project accounts for multi-donor coordination.</p>

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<p><i>Country internal controls</i></p> <p>Inadequate written procedures, unclear segregation of duties, irregular transaction documentation.</p> <p>High risk of over-reporting, unverifiable participation, and insufficient documentation related to training sessions and workshops. These issues have previously led to questionable expenditures and eligibility issues.</p> <p>Additionally, signing contracts, MoUs or partnership agreements without minimum fiduciary clauses has led to poor enforceability, cost overruns, delays, or disputes with unreliable service providers.</p>	High	High	<p>Development of IFAD-approved manuals, recruit an internal auditor as part of the project management unit, quarterly internal audits, training on best practices, strengthened approval processes.</p> <p>Develop a dedicated training activity operations manual that specifies eligible formats, documentation standards (e.g., signed attendance sheets, photos, trainer reports), and verification methods. Require pre-approved activity budgets and post-activity reconciliations tied to deliverables</p> <p>Ensure that all partner contracts include standardized fiduciary and performance clauses vetted by IFAD.</p>
<p>Accounting and financial reporting</p> <p>Discrepancies between IFAD requirements and national accounting standards (GIFMIS), risk of delays in reporting, and insufficient documentation for financial transactions.</p>	Substantial	Substantial	<p>Procure an accounting software until GIFMIS is proven to be aligned to IFAD minimum reporting requirement, Align financial reporting with IPSAS as much as feasible, train project teams on IFAD requirements, submit timely financial reports in accordance to IFAD exigence, and conduct monthly reconciliations.</p>

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<p>External audit</p> <p>Delay in auditor recruitment, variable audit quality, limited coverage.</p>	Substantial	Substantial	Early recruitment of an independent audit firm, training on with IFAD handbook on financial reporting and audit, comprehensive ToRs approved by IFAD, regular engagement with audit firm.
<p>Procurement issues</p> <p>Based on the following assessment of the issues identified within Ghana's Procurement System, its use regardless of the nature and the type of the project financed by the IFAD in the Borrower's country is considered under substantial risk.</p>	<p>Substantial - Based on the following assessment of the issues identified within Ghana's Procurement System, its use regardless of the nature and the type of the project financed by the IFAD in the Borrower's country is considered under substantial risk. However, it is possible for the IFAD, at the stage of preparation/appraisal of a given project.</p>	Substantial	<p>To reduce this risk level by considering: (i) the outcome of the sector market analysis; (ii) the amount and complexity of project procurement transactions; (iii) the procurement methods to be used; (iv) the IFAD's oversight arrangements (prior and post reviews); and (v) any other specific recommendations to be taken at the level of the Executing Agency to ensure adequate overall capacity and performance to implement procurement actions under the project in accordance with the IFAD's Procurement Policy Framework. Apply prior review for key contracts, build capacity in procurement management.</p>

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<p>Pillar I. Legal, regulatory and policy framework</p> <p><i>This pillar assesses the existing legal, regulatory and policy framework for public procurement. It identifies the formal rules and procedures governing public procurement and evaluates how they compare to international standards. The practical implementation and operation of this framework is the subject of pillars II and III. The indicators within this pillar embrace recent developments and innovations that have been increasingly employed to make public procurement more efficient. Pillar I also considers international obligations and national policy objectives to ensure that public procurement lives up to its important strategic role and contributes to sustainability.</i></p>	<p>Substantial - The public procurement law, its regulations and the various procurement regulations outlined in the documents have been reviewed and the risks for the use of the procurement system in IFAD-financed operations was assessed. This assessment is based on the above key elements of the strengths and weaknesses of the procurement system.</p>	Substantial	<p>Prompt reporting on contracts should be made project implementing entities to update the CMT regularly. Develop and operationalize the Sustainable Public Procurement (SPP) implementation plan. The complaint and Appeals system should include a standstill period to allow bidders to submit complaint between contract and signature and this is expected to be resolved in the revised regulations.</p>
<p>Pillar II. Institutional framework and management capacity</p> <p><i>This pillar assesses how the procurement system defined by the legal and regulatory framework in a country is operating in practice, through the institutions and management systems that make up overall governance in its public sector. This pillar evaluates how effective the procurement system is in discharging the obligations prescribed in the law, without gaps or overlaps. It assesses: i) whether it is adequately linked to the country's public finance management system; ii) whether institutions are in place in charge of necessary functions; and iii) whether the managerial and technical capacities are adequate to undertake efficient and transparent public procurement processes.</i></p>	<p>Substantial - The National Standard Bidding documents (NSBDs) for goods, works, and consulting services, including General Conditions of Contracts (GCC) for public sector contracts, and the dispute resolution mechanism and enforcement procedures of outcome of the dispute resolution process, have been reviewed and the risk for its use in IFAD-financed projects was assessed based on the above strengths and weaknesses of the procurement system.</p>	Substantial	<p>Provide capacity building to some of the procuring entities to overcome general challenges with contract management especially relating to large value and complex contracts. The procuring entity should update the PP regularly and share it with the implementing entities; grants should be listed in the PP; no procurement process should proceed unless listed in a cleared PP.</p>

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<p>Pillar III. Public procurement operations and market practices</p> <p><i>This pillar looks at the operational efficiency, transparency and effectiveness of the procurement system at the level of the implementing entity responsible for managing individual procurements (procuring entity). In addition, it looks at the market as one means of judging the quality and effectiveness of the system in putting procurement procedures into practice. This pillar focuses on how the procurement system in a country operates and performs in practice.</i></p>	<p>Substantial - The operational efficiency, transparency, and effectiveness of the procurement system at the level of the implementing agency responsible for managing individual procurements, in terms of the selection and contracting processes (achieving Value for Money – VfM through determination of appropriate competition, transparency and fairness) as well as provisions for contract management, have been reviewed and the risk for their use, in general, in IFAD-financed projects was assessed based on to the above points.</p>	Substantial	<p>To mitigate these risks, streamline bureaucratic procedures to expedite project approvals, enhance the design and technical information quality through thorough planning and expert consultation, and improve contract management and monitoring by implementing robust oversight mechanisms.</p>

<p>Pillar IV. Accountability, integrity and transparency of the public procurement system</p> <p><i>Pillar IV includes four indicators that are considered necessary for a system to operate with integrity, that has appropriate controls that support the implementation of the system in accordance to the legal and regulatory framework, and that has appropriate measures in place to address the potential risks for corruption in the system. It also covers important aspects of the procurement system, which include stakeholders, including civil society, as part of the control system. This pillar takes account of the procurement system and governance environment to ensure they are defined and structured to contribute to integrity and transparency.</i></p>	<p>Substantial - The Regulatory body has been assessed to ensure that it is not responsible for direct procurement operations and is free from other possible conflicts of interest in procurement. The legal framework, organization, policy, and procedures providing for internal and external control and audit of public procurement, which enforces the proper application of laws, regulations, and procedures, have also been assessed. Moreover, the existing complaints system has been reviewed to ensure that it sets out clear specific conditions that provide for fairness, independent and due processes. Finally, the legal provisions; including those relating to the institutions in charge of fighting against prohibited practices: (corruption, fraud, conflict of interest, and unethical behaviour) in public procurement, as well as those which define responsibilities, accountabilities and applicable penalties for prohibited practices, have been reviewed and the risk for its use in IFAD-financed projects was assessed based on the key strengths and</p>	<p>Substantial</p>	<p>Strengthen the capacity and independence of the regulatory body to ensure it remains free from conflicts of interest and is not involved in direct procurement operations. Enhance the legal framework, internal and external control mechanisms, and audit processes to ensure strict compliance with procurement laws and regulations. Improve the complaints system to ensure fairness and due process, and reinforce legal provisions to combat corruption, fraud, conflicts of interest, and unethical behaviour, including clear responsibilities, accountabilities, and penalties.</p>
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	<p>weaknesses identified.</p> <p>Weaknesses in complaint handling, oversight, and enforcement of procurement integrity. Risks of conflicts of interest and weak transparency mechanisms.</p>		