



Photograph: AP Associated Press

# GHANA

*The West African nation is in the midst of a year-long celebration of its 50 years of independence – a time for national pride and reflection*

Once a British colony known as the Gold Coast, Ghana became an independent nation on March 6, 1957. It was an event of huge significance, not just for the people of Ghana itself, but for the whole of Africa. Ghana was the first colony in sub-Saharan Africa to gain its independence, setting off a chain reaction across the continent.

Ghana's first president, Kwame Nkrumah, declared that "the independence of Ghana is meaningless, unless it is linked with the total liberation of Africa", and the new nation dedicated itself to supporting other African colonies seeking liberation. Nigeria was the first to follow, in October 1960, and within the ensuing decade most African countries had achieved self-rule, although the struggle for freedom was not finally to end until the collapse of apartheid in the early 1990s.

Ghana's current president, John Kufuor, makes the point that there was no blueprint for the enthusiastic, but mostly inexperienced, leaders of the new state as they got to grips with the business of governance, economic management and building a nation out of diverse peoples co-existing within artificial boundaries imposed by the colonial authorities.

It was an enormous challenge, and over the half century since then Ghana has suffered its share of political turmoil and econom-

ic problems. But as today's Ghanaians celebrate the 50th anniversary of their freedom, their nation enjoys a well-established stability and a high standing both regionally and internationally. There are good reasons for indulging a sense of national pride.

Of course, there are also still major challenges to be faced, and they are magnified by a much larger population. There were just five million Ghanaians at independence. Today, the population is almost 23 million, and becoming increasingly urbanised. Accra, the bustling capital city, is home to four million.

With the support of international donors, Ghana has seen one of the fastest rates of poverty reduction in Africa in recent years and has made steady progress towards realising its Millennium Development Goals. A sustained period of economic growth has set it on the path towards achieving its ambition of becoming a middle income country by 2015.

As Ghana celebrates, however, President Kufuor says it must not become complacent, but continue to strive towards achieving excellence. "As we reach one milestone, we must aim higher. As we achieve one goal – political independence, economic prosperity, a literate population, a longer and healthier lifespan, peace and self respect on our continent – we must raise our sights even higher." ●

**PM COMMUNICATIONS  
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# STABILITY AND THE RIGHT FOUNDATIONS FOR PROGRESS

*Under the leadership of President John Kufuor, Ghana has stabilised its economy and created confidence in its future*

If one of the most reliable indicators of a nation's success is international confidence in its economy, then Ghana can point to what happened on the London Stock Exchange at the end of September as demonstration that it is on the right track.

Usually dependent on donor loans and grants, the black star state went to the international money market to raise funds for national development projects, issuing a \$750 million, 10-year dollar bond at 8.5 per cent – becoming only the second sub-Saharan African nation, after South Africa, to do so. The bond was substantially oversubscribed, attracting more than \$3 billion from American and European investors.



**ALIU MAHAMA**  
Vice-President  
of Ghana

**FRANCIS POKU**  
Minister of  
National Security

One man who will have taken particular pleasure in that outcome is John Kufuor, the charismatic Oxford-educated lawyer who has been Ghana's president since 2001. Due to step down from the job at the end of his current and final term in 2008, Mr Kufuor can look back on his period in office with a sense of satisfaction. In his own words: "It is gratifying that the results of the years of hard work on the macro-economy and the commitment to good governance are yielding fruits. The economy is stable, inflation and interest rates are declining while the cedi maintains its value against major trading currencies."

Stability is a particularly valuable asset in the part of Africa in which Ghana is located, where conflict is an all too familiar obstacle to development in other states. Ghana itself has gone through its share of political turmoil in the half century since gaining its independence, but multiparty politics were restored in 1992 and Mr Kufuor's predecessor Jerry Rawlings, who seized power in a coup, retained it by winning two presidential elections, in 1992 and 1996.

The transition from Mr Rawlings to Mr Kufuor in 2001 was the first peaceful handover of power in Ghana from one elected administration

to another. And it is a clear sign of Ghana's political maturity that Mr Kufuor will also be standing aside on reaching the constitutional two-term limit of his time in office, and that whoever takes over from him can be confidently expected to do so as the result of a victory in next year's elections.

The hallmarks of Mr Kufuor's New Patriotic Party administration have been economic reform, improved fiscal control, prudent monetary management and investment incentives. As a result, the economy has remained resilient even in the wake of increases in the world market price of crude oil. Government policies have focused on development of the private sector, cutting corporate tax, freeing up capital controls and making it easier to register a business.

Kwadwo Baah-Wiredu, Minister of Finance, says: "Over the past six years, there has been a considerable improvement in our GDP growth rate, moving from 3.7 per cent in 2000 to 6.2 per cent in 2006. Our credit ratings have opened the door for external investors to play a role in the economy."

Mr Baah-Wiredu expects the economy to grow at 6.5 per cent this year, despite the serious flooding and drought the country has suffered.

Ghana's economic strength is based on the natural resources with which it is so well endowed. Gold, timber and cocoa production remain its major sources of foreign exchange. In 2006, the balance of payment recorded a surplus of \$178.8 million compared to a \$84.34 million surplus in 2005 thanks to a strong performance by the export sector, and growth in remittances from Ghanaian diaspora, donor resources and debt relief.

Subsistence agriculture remains the main economic activity, but the industrial and services sectors are growing and non-traditional ex-



**President John Kufuor has used his time in office to introduce economic reforms and investment incentives**

ports are rising. A major offshore discovery of oil earlier this year (see page 8) could have huge implications for the economy, and the potentially lucrative tourism sector and other business areas will get a huge boost at the start of next year when Ghana hosts Africa's biggest soccer event, the 2008 African Cup of Nations.

Vice-President Aliu Mahama says Ghana has always been a frontrunner and aims to show that it is still Africa's shining star. "We are very proud of having built a very solid base for Ghana's future, in terms of the economy, infrastructure, social issues and so on. We are focusing on five very important pillars: agriculture, infrastructure, good governance, private sector development and human resources."

The importance that the government attaches to good governance is emphasised by Francis Poku, Minister of National Security, whose department has a responsibility that extends beyond tackling issues such as terrorism to broader issues concerning the smooth working of the country. "We are interested in ensuring good governance, respect for the rule of law, human rights and the stability of all the country's democratic institutions," he says.

"We have made a good start. We have stability and we want Ghanaians to take advantage of it. By maintaining that stability, we can make Ghana an attractive destination for investors and tourists." ●

## AT A GLANCE



**Independence:** 6 March 1957

**Capital:** Accra

**Area:** 239,460 sq km

**Population:** 22.9 million

**GDP growth rate:** 6.2% (2006)

**GDP by sector:** agriculture 37%, services 37%, industry 25%

**Major exports:** gold, cocoa, timber, tuna, bauxite, aluminium, manganese ore, diamonds, petroleum and refined products, fertilisers

**Major imports:** capital equipment, petroleum, foodstuffs

**Trading partners (exports):** Netherlands, UK, US, Spain, Belgium, France

**Trading partners (imports):** Nigeria, China, UK, Belgium, US, Brazil, South Africa, France

Source: CIA World Factbook



**President Kufuor visiting an area affected by the floods that hit West Africa. Despite being one of the worst affected countries, Ghana still expects higher economic growth this year**

# A beacon of peace in a volatile region

*A leading player both in its own region and on the continent as a whole, Ghana is at the forefront of good governance and conflict resolution*

Addressing this year's summit of the African Union, held in Accra earlier this year, President Kufuor reminded delegates of the statement by Ghana's founding president, Kwame Nkrumah, that the independence of Ghana was meaningless unless it was linked up with the total liberation of Africa. "With that statement, he linked this country's destiny irrevocably to that of the continent," he said.

As the current chairman of the AU, Mr Kufuor has declared Ghana's readiness "to work with the rest of the continent to develop Africa and its people to gain a respectable and dignified place in the mainstream of the emerging global village."

Ghana has renewed its pledge to work with the rest of the continent in pursuit of the New Economic Partnership for African Development (NEPAD) initiative approved by the AU, and towards the eventual establishment of union government for the whole continent. "The task before us is enormous but exciting," President Kufuor told delegates. "We are at the crossroads, and at the same time the threshold, of a new era, with great opportunities but also many challenges and responsibilities for Africa."

Ghana is a strong supporter of regional integration, which it promotes through its membership of the Economic Community of West African States (ECOWAS) – currently moving towards economic integration – and the West African Monetary Zone, which plans to introduce a common currency by the end of 2009.

It is also an active member of the United Nations and took a non-permanent seat on the UN Security Council in January 2006. Kofi Annan, the Ghanaian who served as the UN's seventh Secretary-General, from 1997 to 2006, returned to a hero's welcome in his native country in January this year.

Ghana is at the forefront of economic reform and democratisation in Africa and has resolved to entrench democracy and good gov-

ernance, not only at home but in other African states as well. It was the first country to submit to the NEPAD-inspired African Peer Review Mechanism and to draw up a plan of action to bolster its governance systems. A total of 26 countries, representing 74 per cent of the African population, have now acceded to the initiative.

Vice-President Aliu Mahama says Ghana is a shining example in Africa. "Ghana shows that democracy can work. The country has been through four elections, always smoothly. Powers are well differentiated and responsibilities do not overlap. Ghana has become a country of freedoms."

The World Bank agrees that Ghana plays a key role in the sub-region and at the regional level. "Ghana provides an example of successful political and economic performance in West Africa, a region that includes a number of countries that have experienced violent conflicts."



**KOFI ANNAN**  
Former Secretary-General of the United Nations

Committed to a policy of good neighbourliness and friendly relations with all states regardless of ideology, Ghana is often seen as an oasis of peace. It also stands out for the long and distinguished role it has played in international peacekeeping. President Kufuor has played a leading role in mediating in regional conflicts, including those in Liberia and Cote d'Ivoire.

Ghanaian forces taking part in peace missions have been widely praised for their professionalism.

Starting with their participation in the UN operation in the Congo in the early 1960s and extending to ongoing peace missions in Liberia, Cote d'Ivoire, Democratic Republic of the Congo and Lebanon, Ghanaian troops have contributed to conflict resolution missions around the world – in Asia, Europe and the Middle East, as well as Africa.

Ghana is among the top ten contributors to United Nations peacekeeping forces and its troops have served in 29 UN missions. It also contributes troops to ECOMOG, a non-standing regional peacekeeping force formed by



Ghana's independence monument in Accra, bearing the words Freedom and Justice

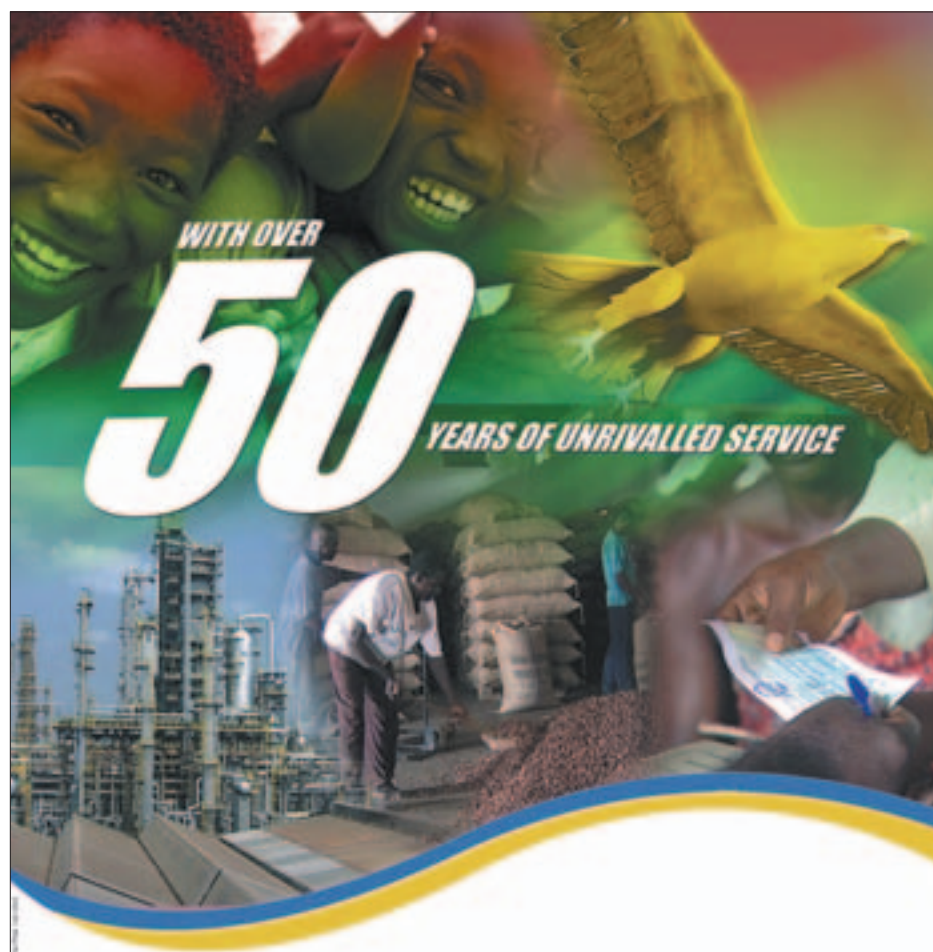
member countries of ECOWAS from units of their national armed forces, which since its formation in 1990 has intervened to resolve conflicts in Liberia, Sierra Leone and Guinea Bissau.

In addition, Ghana has taken a lead role in supporting the African Crisis Response Initiative, a US initiative that seeks to promote peace and stability on the continent.

In 2004, the Kofi Annan International Peacekeeping Training Centre was opened in Ghana to provide training to meet the changing demands of peacekeeping in the West African sub-region and, indeed, the continent. The centre aims to develop into a world-class education, training and research facility, embracing all aspects of peace operations. ●



A constitutional democracy with a 200-seat parliament, Ghana draws on both the British Westminster model and the presidential system of the United States



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# Financial sector is strong and looking for opportunities

*Banks are becoming more competitive and providing greater support to private enterprise*

Ghana's financial sector is strong and looking for opportunities, according to the Governor of Bank of Ghana (BoG), the country's central bank. "We now have a banking industry that is reasonably competitive and well capitalised, sound and liquid, having withstood the pressures of rapid disinflation over the past years," says Paul Acquah.

Recent developments in the sector show strong asset growth, increased competition and improved financial soundness. A recent survey of the industry by PriceWaterhouseCoopers concluded: "The banking sector in Ghana remains one of the sectors with the brightest opportunities, despite increasing competition."

The banks are moving away from lending to the government and towards supporting business. The reduction in domestic borrowing by government and the abolition of a secondary reserve requirement has freed up funds for lending to the private sector.



**PAUL ACQUAH**  
Governor of the  
Bank of Ghana

"We are putting an emphasis on developing the domestic capital market, so that the opportunities become wider and more diversified," Dr Acquah explains. "The banks are at a stage where they have to shift just from investment in treasury bills towards true financial intermediation, and they can apply their liquid resources towards this."

At the end of the second quarter of 2007, annual growth of real credit to the private sector was at 33.3 per cent. This includes increasing lending to small and medium sized businesses (SMEs). BoG has been proactive in supporting rural banking, and banks are responding to encouragement to reach out to small operators.

"We are seeing the banks offering more credit to smaller businesses, rather than repelling it through high charges," says Dr Acquah. "Previously they just focused on the corporate sector."

Consumer credit is also on the increase, and the banks are introducing new products and services as the battle for deposits intensifies. Ghana is still largely a cash-based society, without a widely practised savings culture. However, use of new customer facilities, such as debit cards and automatic telling machines (ATMs), is rising.

Competition between the banks has been stepped up with the entry into the market over the last five years of five foreign banks,

four of them Nigerian, bringing with them a more aggressive approach.

Currently, there are 23 licensed commercial banks in Ghana, with a network of around 600 branches. However, the number is expected to decrease following a recent announcement by BoG that the minimum paid up capital requirement for banks is to increase next year from 70 billion cedis to between 500-600 billion cedis (\$50-60 million).

A series of mergers and acquisitions is likely to follow as smaller institutions that are unable to meet the new requirements are swallowed up. However, the adjustment is expected to strengthen the risk-based manage-

ment of the banks and encourage them to enhance their operational efficiency and push ahead with new technology projects.

By the end of the year BoG and the Ghana Association of Bankers hope to introduce an automated interbank payment and settlement system that will allow banks to transact business between themselves electronically, eliminating time-consuming, costly and labour intensive manual transactions.

All banks will use the Ghana Interbank Payment and Settlement System (GIPSS) either directly or by accessing it through member banks. In addition to the common electronic platform, the GIPSS will include a bio-

metric smartcard, codeline cheque transaction, real time gross settlement system and automatic clearing house.

The GIPSS will significantly reduce the usage of cash for business transactions and move the economy towards electronic payments. It will also extend services to the unbanked and underbanked segments of the population.

"We are preparing the economy for electronic payment systems so that we can increase the number of people that are involved with a banking system and can integrate rural communities," says Dr Acquah. ●



**"We are seeing the banks offering more credit to smaller businesses, rather than repelling it through high charges. Previously they just focused on the corporate sector" - Paul Acquah, Governor of BoG**

## GCB branches out with new services

*The country's largest indigenous bank focuses on flexibility, speed and convenience for customers*

Dubbed Best Bank in Ghana this year by Global Finance Magazine, Ghana Commercial Bank (GCB) is staying one step ahead of the competition by optimising its use of new technology.

Licensed as a universal bank, GCB is the country's largest indigenous financial institution in terms of breadth of coverage and customer base. With the opening of new outposts this year, it now boasts 135 branches and 10 agencies, all connected to the bank's wide area network. This paves the way for the development of new web-based products.

It is currently building a new bank complex on the campus at the Kwame Nkrumah University of Science and Technology in Kumasi to serve the needs of students and the university catchment area.



**LAWRENCE ADU-MANTE**  
Managing Director  
of Commercial  
Bank of Ghana

The bank has moved to make long queues at its banking halls a thing of the past with its new expedited Royal Banking concept, which is designed to provide a service characterised by flexibility, speed and convenience for customers.

Internet banking is being fully implemented and the number of automated telling machines doubled from 50 to 100. The bank has also introduced an ATM Funds Transfer Option, a facility that allows customers to transfer funds from their accounts into a third party account with ease.

In August, it became the first bank in Ghana to acquire a principal certification for MasterCard business. Another recently introduced service is Moneygram, a collaborative initiative between GCB and MoneyGram International that en-

ables customers to send money online to more than 100,000 locations in over 170 countries and territories online.

"We are offering more service within our international money transfer system in order to reach the Ghanaian diaspora which is becoming more widespread," says Lawrence Adu-Mante, the bank's managing director.

In order to maximise its advances in technology, the bank has been channelling more of its budget into human resources, hiring new graduates with experience in ICT.

Founded in 1953, GCB is 34 per cent owned by the government, with the rest in the hands of private individuals and companies. Mr Adu-Mante explains that being partly state owned means that "we do not operate like the multinationals that exist within the country. Due to the government ownership, we have a strong corporate social responsibility. We balance this with the challenge of making a profit, as we are accountable to our shareholders."

The bank was established to provide banking services to facilitate economic growth within the country. "GCB has never wavered from that goal to date," says Mr Adu-Mante. "Basically we are involved in every sector of the economy."

The bank plays an important role in providing services for small, medium and micro enterprises in the agriculture, manufacturing, commerce and the services sectors, and is heavily involved in financing the cocoa industry. "GCB has always been a major player in cocoa financing for export," says Mr Adu-Mante. "The agriculture sector is very important to us as it provides such a large part of the Ghanaian economy."

The bank is also a major financier of the importation of petroleum products, an area of activity it is stepping up. Last year it obtained a universal banking license enabling it to add investment banking, brokerage service and development banking to its services. ●

# On the way to becoming a financial hub

*The green light for offshore banking is expected to raise Ghana's prestige and increase foreign investment, government revenue and jobs*

With its launch in September of North and West Africa's first offshore banking unit, Ghana has moved a step closer to realising President Kufuor's ambition to turn the country into an important financial hub. "Our expectation is that this facility will hasten the realisation of the vision of Ghana becoming a major financial hub of the sub-region," says the president.

The outcome of a public-private partnership between the government and Barclays Bank of Ghana, Barclays Ghana Offshore Banking Unit is intended to serve as the prelude to the establishment of an international financial centre in Ghana.

Paul Acquah, Governor of the Bank of Ghana (BoG), says the facility will attract banks of international repute to do banking in Ghana. "It will give prestige to the country and make Ghana a gateway to the rest of the world. It is a way of integrating Ghana into the world system."

According to Dr Acquah, Ghana is building a financial system that will develop over time into a vibrant segment of the international financial industry in the West African region. "It will be a financial centre of global standards in terms of the quality and incentives built into the regulatory environment, the financial institutions and the services they can deliver," he says.

He adds that this positioning is even more important in the context of the emergence of an ECOWAS regional market with a common currency and free mobility of capital, goods, services and labour. The Eco, a common currency for the member countries of the West African Monetary Zone (WAMZ), including Ghana, is scheduled for introduction at the end of 2009.

Benefits expected to flow to Ghana from the new offshore banking unit are expected to include increased foreign investment and government revenue, job creation and the transfer of skills to Ghanaians. It is also hoped that the offshore unit will enhance the growth of the tourism sector of the economy, and other related sectors.

Finance Minister Kwadwo Baah-Wiredu says that offshore banking will attract "a pool of capital inflows that institutions and companies could tap into to spur the country's economic development, as well as enhanced revenue generation."

The BoG says it looks forward to receiving applications from other banks wanting to follow Barclays' example. In October, Stanbic Bank Ghana, a fully owned subsidiary of Standard Bank of Africa, announced that it too plans to operate an offshore banking facility in Ghana.



**KWADO  
BAAH-WIREDU**  
Minister of Finance

Dr Acquah stresses that the central bank will license only reputable and internationally active banks for offshore banking. "We will restrict entrance to credible banks to ensure the credibility of the system."

An anti money laundering system is being put in place, and Barclays will operate the same strict control measures used at its offshore banking branches in Mauritius and Seychelles. The Financial Services Authority in

London is also extending its surveillance into Ghana.

Margret Mwanakatwe, Managing Director of Barclays Bank of Ghana, says offshore banking is only the beginning of the establishment of the International Financial Services Centre. "We will have more activities such as aircraft financing and leasing, shipping registration and management, assets management, funds management and many more."

She adds that Barclays Ghana is committed to being the leading contributor to Ghana's future, with full support from its parent compa-



Ghana's new currency, issued in July when the central bank launched a redenominated cedi

"Ghana will become a financial centre of global standard"

ny in terms of financial, human, and technological resources. Other key involvements by Barclays in Ghana's economy include an \$80 million credit line for the West African Gas Pipeline project, a €22 million syndicated loan for the expansion of facilities at the Cocoa Processing Company, and funding for the operations of the Volta Aluminum Company, which the government took over a couple of years ago.

Last year, Barclays Ghana went into partnership with Western Union to offer cross-border money transfer services for inward remittances. The remittance market in Ghana, as processed by Western Union, is put at 100,000 transactions per month, with an average value of \$290 per transaction. ●

## quote/unquote



► Margret Mwanakatwe, Managing Director of Barclays Bank Ghana, on the 90th anniversary of Barclays' presence and its launch of offshore banking services in the country.

**How would you describe the relationship between Barclays and Ghana?**

Ghana and Barclays Bank have a long and healthy relationship. We recently celebrated our 90th anniversary here—you could say that Ghana and Barclays are inseparable. We have been through thick and thin with Ghana. We remained through periods of uncertainty, economic

difficulties as in the high inflation period, and now we are with Ghana when the country is enjoying macroeconomic stability.

**Do you think that Ghana can become a successful financial centre?**

I believe that Ghana is very well positioned to become a key African financial centre, well managed and well regulated, with a very strong and efficient central bank. Offshore banking will be a first step towards a bigger leap; including accounting firms, insurance firms, even call centres.

The government is looking towards economic growth and attracting foreign investment. We believe that we can help, and that a successful financial services sector will help put Ghana on the map.

**In addition to offshore banking, how is Barclays contributing towards that?**

Offshore banking is only one of the elements in the bigger picture of what we are trying to establish in Ghana's financial sector. People here want money to develop their businesses, and they are ready to pay it back; the behaviour of the borrower is in tune with the economy. We support those sectors that are growing and that need the money—for example the construction and infrastructure sectors, which are key to the country and are showing a huge appetite for growth.

Our balance sheet, and the balance sheet of our parent company, enables and encourages us to get involved in the bigger deals in Ghana, with both private and government projects.

## GHANA-UK RELATIONS

## A forward-looking partnership

It would be hard to exaggerate the sense of national pride felt by Ghanaians when President Kufuor made the first official state visit to the UK by a Ghanaian head of state in March. The Mall was packed with thousands of people wearing Ghanaian colours and waving the national flag as the president rode with the Queen in the Australian State Coach to Buckingham Palace, while in Ghana itself many more watched the event live on television.

At the state banquet to mark the occasion, the Queen spoke of the "forward-looking partnership" between the UK and Ghana, observing that "our histories and our people have long been woven together, and that has never been truer than today."

Coinciding with the 50th anniversary of Ghana's independence from the UK, the event was given an extra resonance by taking place just a month short of 200 years after the passage of the 1807 Slave Trade Act, which abolished the slave trade in the British Empire. For it was the prospect of high returns from the slave trade that prompted the arrival of the British on what was then known as the Gold Coast in the late 16th century.

Today, the partnership referred to by the Queen is based on areas of shared common heritage and mutual respect between two sovereign nations and partners in the Commonwealth. The British government strongly supports Ghana's commitment to democracy, the rule of law and respect for human rights, and the countries share common ideals, on such issues as peacekeeping and terrorism.

There are strong and wide-ranging cultural, social, economic and commercial connections. Ghana is the UK's

sixth-largest export market in sub-Saharan Africa. British exports to Ghana last year were valued at £190 million and Britain is Ghana's main trading partner. Major exports from Ghana to the UK include cocoa, spices, fish, vegetables and fruit.

The UK is the largest investor in Ghana, with an estimated £500 million of assets. The 141 companies with British equity registered with the Ghana Investment Promotion Centre include Unilever, Guinness, British Airways, Standard Chartered Bank, Barclays, Taylor Woodrow and Cadbury.



**KWAME ADDO-KUFUOR**  
Former Minister of Defence

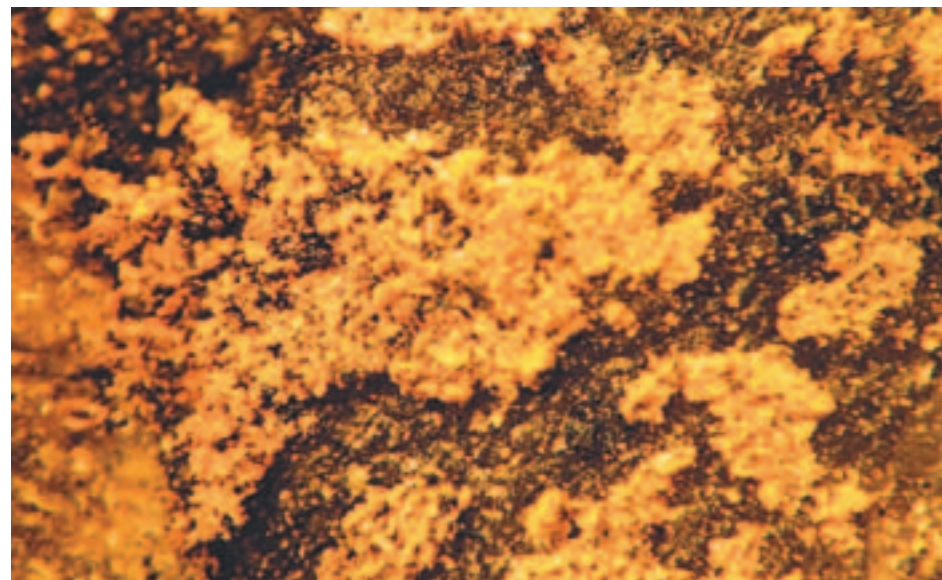
The former colonial power is Ghana's largest bilateral donor. Since the start of the Multi Donor Budget Support (MDBS) programme backing Ghana's Poverty Reduction Strategy in 2003, the UK has provided over £125 million in budgetary support. A further £40 million is being provided this year with £45 million to follow in 2008.

Ghana's armed forces maintain a close relationship with the British military.

Kwame Addo-Kufuor, the former Minister of Defence, says: "Since independence, we have tried to maintain and improve upon the standards the British put in place. We carry out joint exercises and send our troops to British military institutions. We also get financial and logistical support."

Up to one million Ghanaian expatriates are reckoned to live in Britain, and a growing number of middle class Ghanaians are sending their children to further their education in UK.

Like Ghana's Oxford-educated president, Minister of National Security Francis Poku says that a period living in the UK helped to shape his outlook. "I was able to witness British democracy and I believe I have brought this experience to my role."



Gold provides Ghana with a steady stream of hard currency earnings

# Gold accounts for 40 per cent of export earnings

*Centuries ago the English named it the Gold Coast, and today Ghana remains Africa's second largest producer of the world's most precious metal*

Gold from this part of Africa was traded to Europe as long as one thousand years ago – principally across the Sahara by caravan, the original sources being the kingdoms of Ghana, Mali and Songhai. When the Portuguese came in the fifteenth century they were so impressed by the amount of gold to be found that they called the place *mina*, or mine. Later on, the English named it the Gold Coast.

The mining industry continues to play a pivotal role in Ghana's economy today – particularly given the current high price commodities market. Gold vies with cocoa as Ghana's leading export, accounting for

around 40 per cent of total export earnings. In fact, Ghana is now Africa's second biggest gold producer after South Africa. Operations include both surface and underground mining, with various methods used by the mining companies to extract the gold, including carbon in leach and heap leach methods.

The region of Ashanti is synonymous with gold production, and among Ghana's best-known producers is the Obuasi mine, which through the years has produced more than 25 million ounces. It is still a reliable producer for AngloGold Ashanti, one of Ghana's biggest mining groups and a global power in the gold sector.

Ghana @50 and Barclays @90



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Mining accounts for 5 per cent of Ghana's GDP. Minerals make up 37 per cent of total exports, with gold 90 per cent of the total

Goldfields Ghana is another leading player, with two key mines: Tarkwa and Damang. Its Managing Director, Alan Ashworth, says joint annual production from these two sites currently tops the 900,000 ounces mark. A \$175 million investment for Tarkwa, the larger of the two mines, will maintain these levels. With operations around the world, Goldfields is one of the world's top tier gold producers. "Ghana is a major player for the Goldfields group," says Mr Ashworth.

Among the more recent entrants is Newmont Ghana, which poured the first gold from its Ahafo project only in 2006. Last year, it sold more than 200,000 ounces from the mine. This year, the

total is expected to be up to 450,000 ounces. Newmont Mining's Chris Anderson says that during construction of the Ahafo site the company was employing around 4,800 workers – a major boost to the local economy – and the figure is still in excess of 1,200. "Technically everything is running well, the design and



**JOYCE ARYEE**  
Chief Executive of  
Ghana Chamber of  
Mines

planning has been done well," he says.

The successful execution of Ahafo is an example of Ghana's strong industry expertise, which boasts an array of service providers and engineers familiar with the complexities of mining projects.

Like other mining companies, Newmont has faced an energy crunch which threatened production during these early days. To show its commitment to the country, Newmont and the other big mining corporations joined forces with local power authorities to bring in more generating capacity at short notice to ease supplies. Production from the new electric generating unit is now up and running and feeding power into the grid.

Although Newmont brought in some additional expertise, it is also investing heavily in training and development of local people. This is especially important in the case of Ahafo, a region where to date there has been little other mining activity.

"We are passionate about local employment so one of the things that we have done is to set up a training institute to take farmers and to train them in modern industrial work practices and teach them skills," says Mr Anderson. More than 50 per cent of the unskilled labour used on the Ahafo venture comes from the surrounding villages.

## "We need to add value to the mining industry"

Although gold accounts for the vast majority of mineral exports from Ghana, other minerals mined in the country include bauxite and manganese, mainly in the western region of the country. These bulk minerals are typically shipped through to the port of Takoradi for onward export.

Diamond production is also significant, as in many other parts of West Africa, though it has been overshadowed by gold. Overall the mining industry makes up roughly 5 per cent of Ghana's gross domestic product and perhaps over a third of its total exports.

The Chamber of Mines is the industry's voice across all of these various sub-strands of the mining sector. Joyce Aryee, its Chief Executive, believes the industry must play a meaningful and positive role in the future of the country. "As a chamber we are very keen on becoming an industry that is a catalyst for development in Ghana and we are being very proactive in doing this," she says.

The homegrown AngloGold Ashanti – formerly Ashanti Goldfields – shows that local talent is more than capable of building a successful and dynamic mining business. Joyce

Aryee is keen to flag the skills and resourcefulness of industry workers and professionals. With such a rich geology, she thinks the Ghanaian mining sector still offers immense potential for future development, which means opportunities for private investors, not just in gold but all parts of the industry.

"A lot of developments can piggy-back off mining, which I think is very important in Ghana," she says.

She draws parallels to Johannesburg, where local mining activities helped create one of Africa's biggest and richest cities. For this to happen, government policy makers and private sector investors need to work hand in hand to coordinate projects and planning. "We need to be forward thinking in the ways that we can add value to the mining industry," she says. ●

## ENGINEERING

### Regional ambitions built on domestic success

Mining specialist RiepcO provides precision engineering services to the country's all-important mining and industrial sector. Based in Tema, the company has grown up with Ghana itself, a truly indigenous firm that represents the best of domestic engineering talent and know-how.

Established in 1980 by Executive Chairman Charles Darko, the company weathered some rocky early years to build what is now a thriving and growing enterprise. "We started with a few British companies and then moved into the processing side of the mining industry," says Mr Darko.

Starting out was not easy but after a while RiepcO managed to expand its client base to get a better foothold and gain in stature and reputation. Word of mouth spread. "As we progressed we were given recommendations by companies that we had been in contact with." RiepcO's proven expertise has given it a strong platform in the industry, says Mr Darko.

"The mining world is very small and we have good credibility with the mining companies. We are flexible and responsive to their needs."

As well as engineering services, RiepcO brings in mining and other equipment from Europe and elsewhere and then markets it to mining organisations across



**RiepcO's expertise has won it a strong reputation in the mining industry**

Ghana providing close technical support along the way. "We now have a number of quality products that we bring into the country from Germany, Sweden and Canada in which we have a service contract."

The company is currently active in a partnership with German and South African companies to bring in hydraulic

hoses which can be assembled inside Ghana, a commitment to building the local industrial sector.

During difficult times in the mining sector, when gold prices softened some years ago, for instance, RiepcO has also made inroads into other industrial sectors. Mining still represents about 70 per cent of the business, but, with a good reputation behind it and a history dating back more than a quarter of a century, local companies are now well aware of what RiepcO can do.

The company continues to push itself, attending trade shows and events in Europe and South Africa, another leading African mining hotspot, to raise its profile. Its regional ambition is strong, partly because of the limited size of the domestic market.

"The problem we have in Ghana is the size of the market, so we will continue to service the sub-region. Because we are based in Tema it also means that we can easily service the industrial sector."

Outside Ghana, RiepcO has so far worked on projects in other West African mining states such as Guinea, Togo, Benin, Mali and Burkina Faso. And Mr Darko is looking further afield. "Our goal is to tackle the whole of the sub-Saharan region," he says. "It is easy for us because Ghana is centrally located."

# Getting the most out of the land

*A diversified and sustainable agricultural sector is key to making Ghana a middle-income country*

Agriculture is the largest sector of Ghana's economy, accounting for around 36 per cent of GDP and 40 per cent of foreign reserves. Modernisation and expansion of agricultural activities are the keys not only to increasing the locally-produced food supply, providing raw materials for industry and building up exports, but also to reducing rural poverty and unemployment.

More than 60 per cent of Ghana's population are involved in agriculture, but the vast majority are engaged in subsistence farming, relying on the most basic farming methods to feed their families. In addition, the sector is vulnerable to erratic weather conditions that can bring drought and, more recently, devastating floods.

The government is working to increase the production and productivity of high-value cash and food staple crops and to enhance the



**ERNEST DEBRAH**  
Minister of  
Agriculture

competitiveness of Ghana's agricultural products in regional and international markets.

Ernest Debrah, Minister of Agriculture, says: "In order for us to become a powerful exporter, we must start with the internal market." Farmers are being organised into larger groups, giving them access to loans to acquire modern equipment and to develop commercial farming enterprises.

New technologies are required to promote intensive agriculture, increase productivity, produce bet-

ter yields and reduce post-harvest losses. Steps are being taken to sort out problems of land ownership, which at present prevents farmers from using their land as security in order to obtain credit.

"Modernisation will lead to larger farm sizes that will require capital to finance," the minister says. "If we can mechanise the sector,



**Agriculture accounts for 36 per cent of GDP and is the country's main source of employment**

improve irrigation and establish a transparent land holding system, then farming will become more commercially viable and access to credit will become easier."

Ghana is already one of the world's leading producers of cocoa and Mr Debrah believes there is much more potential in the crop. "We are doing well in cocoa production, but we can do better," he says. "We are encouraging farmers to replant their crops. Our interest is not only to produce more cocoa, but also to increase cocoa process-

ing and servicing."

Government ambitions for the agricultural sector extend beyond cocoa, however, and the focus is on creating a diversified portfolio of agricultural exports. By encouraging investment, Ghana aims to become a world-class exporter of high value fruit and vegetables. "The goal is to become a multi-crop country," says Mr Debrah.

Production of palm oil, cashew, cotton and rubber is being developed, as are horticulture and floriculture. Ghana ranks among the top

**The Ministry of Fisheries** is determined to continue the positive impact the fisheries industry has on the nation and develop it into a billion-dollar business over the next four years. To promote sustainable and thriving sector, the Ministry aims to maintain availability at all times through research, technology, development, investment and other support services to fishers, processor and traders, and thereby ensure food security and poverty reduction in this potentially bountiful industry.

Ministry of Fisheries - P.O. Box M37 - Ministries, Accra - Tel: +233 21 776 005 - Fax: +233 21 678 5670

## “The goal is to become a multi-crop country”

six suppliers of horticultural produce to the EU markets. Vegetables and pineapple have been identified as the major exports that can be used to spur growth. An ultra modern fruit terminal has been completed at Tema Port, with cold storage facilities.

With the help of the African development bank, there are also moves to build up the livestock industry, for which the northern region is particularly suitable, and which the minister believes has potential for foreign investment. Ostrich farming is being gradually introduced, and sheep are being brought in from Botswana, as well as cattle from the sub-region.

Financial help is also being provided by the US Millennium Challenge Corporation (MCC). A five-year, \$547 million anti-poverty grant, the agency's largest to date, is aimed at improving the lives of the rural poor by raising farmer incomes through private sector-led, agribusiness development. The largest amount will go towards enhancing the profitability of commercial agriculture among small farmers. ●

## COCOA

# No compromise on quality says Cocobod chief

Ghana is known not just for the quantity of its cocoa production – only Cote d'Ivoire produces more – but also for the high quality of its beans. “The Ghana cocoa bean is different from any other,” says Isaac Osei, Chief Executive of the Ghana Cocoa Board (Cocobod). “The quality is higher, which is why the market pays a higher premium.”

He emphasises that Ghana will never compromise on maintaining the standard expected of its cocoa. “We do our best to ensure that every bag of cocoa beans that leaves this country is of the very best quality,” he declares.

Although state-owned, Cocobod is run as a corporate entity, according to Mr Osei. “Government interference is practically nil,” he says. Currently in its 60th year, the industry regulator is working towards raising cocoa production to one million tons per year by 2010.

The effectiveness of its efforts was manifest in a record crop of 740,457 tons in 2005/2006. Unfavourable weather conditions reduced the 2006/2007 crop to 614,469 tons. However, increased financial incentives have been announced for farmers, licensed buyers and

**Chief Executive Isaac Osei with President Kufuor on a recent visit to Cocobod**

transporters in order to boost the 2007/2008 harvest, which is projected at 650,000 tons.

The strength of Cocobod's reputation in international financial circles is indicated by its successful sourcing of a record trade finance facility of \$900 million for cocoa purchases this year. Its recent bid to secure a \$150 million medium-term facility to modernise and expand quality assurance and warehousing was over-subscribed by more than 33 per cent.

Mr Osei says the production target of one million tons will be achieved through productivity-enhancing schemes, modernisation and expansion of logistics, and improvement in quality assurance systems. “We have focused on long-term planning,” he explains. “This includes upscaling the production of



cocoa in Ghana not through expansion but through increased yield by applying appropriate technology, improved agronomic practices, support for farmers and proper application of pesticides and fungicides.”

While cocoa is Cocobod's prime concern, it is by no means its only one. It also buys, processes and markets coffee and sheanuts. Mr Osei points out that there are more food crops cultivated in the cocoa growing areas than cocoa itself, and echoes the government's commitment to diversity. “We want our farmers to look at other crops,” he says. “We do not want a mono-crop culture in Ghana.”

In Ghana, the political and cultural significance of the Chieftaincy remains undiluted by the march of modernisation. Ghana has made considerable economic progress since gaining its independence in 1957 - the first African nation to do so - and yet retains a strong bond to its cultural roots.



Ministry of Chieftaincy and Culture  
www.ghana.gov.gh

The role of the Chieftaincy in Ghana is both political and spiritual, the heads of each tribe playing an active role in the decision-making process and acting as custodians of the cultural heritage of Ghana. Tribal chiefs such as the Asantehene, the leader of the politically influential Ashanti tribe, are instantly recognisable by their unique traditional heritage, which has been maintained over the years.

2007 marks the celebration of Ghana's Golden Anniversary of Independence, and nowhere in Ghana is the resonance of this event felt with greater fervour than at the Ministry of Chieftaincy and Culture. To mark the occasion, and the 200th anniversary of the abolition of slavery, the ministry invites people of all nations to come to Ghana and join the celebrations, whether it is a visit to discover your African roots or simply to enjoy the colour and spectacle that will flow across Ghana for the entire year.

# 2007

## A Chief Reason To Visit Ghana

Discover Ghana, and you will discover a cultural heritage that began at the birth of civilisation.



# Hopes rise after huge offshore oil discovery by UK-based company

*Talk of more than one billion barrels of oil in 'world class' find that could be a major step forward for the economy*

Not previously known as one of West Africa's big oil producers, Ghana's fortunes in the energy sector may be about to change with the discovery of what is said to be a world-class hydrocarbons reservoir earlier this year.

An initial deepwater find around 40 miles from the coast was followed by a linked discovery in an adjoining area soon after. Initial reports suggest that the field, located in the Tano Basin, could contain in excess of one billion barrels of highly marketable light crude – a find of immense proportions.

Though Ghana's deepwater oil infrastructure is minimal at the present time, bringing these kinds of projects onstream is almost routine practice in nearby Nigeria. With more testing and drilling, Ghana could shortly be among the region's better known oil exporters and its national finances could receive a major boost.

UK-based Tullow Oil made both the initial find in the West Cape Three Points block and the subsequent discovery in the adjoining Deepwater Tano license. Its partners include private-equity backed Kosmos Energy and US-based Anadarko Petroleum, plus the state-owned Ghana National Petroleum Corporation.

None of these companies have released reserves estimates as yet, though the scale of the linked discovery is reported to have surpassed all expectations. Speculation on the initial Mahogany-1 find was that the reservoir could hold anything between 400 million and 800 million barrels. With the follow-up Hyedua-1 well, these figures are being revised upwards. Typically, any talk of a world-class oil find means about a billion barrels.

In water depths of almost 5,000 feet, the discoveries also open up a new frontier exploration zone that has seen minimal work in the past. The bulk of exploration to date has focused on the shallow water areas close to the shore. This work has yielded some joy, though not always. Tullow's last well, for instance, in the Shallow Water Tano licence in September was plugged and abandoned as unsuccessful.

That has not dented its hopes elsewhere however. An appraisal campaign to test the deepwater structures more thoroughly is planned later this year and through 2008, with more wells lined up.

When Tullow made the Hyedua-1 discovery in August it outlined plans for more seismic acquisition to image the sub-surface area as well as a string of additional wells. This is a big investment in Ghana – the deepwater drillship used to drill the recent discovery wells, the Bedford Dolphin, does not come cheap.

At the time of the discovery, Tullow's Chief



One of the offshore rigs belonging to exploration firm Tullow, which is drilling more appraisal wells to discover the full extent of the find

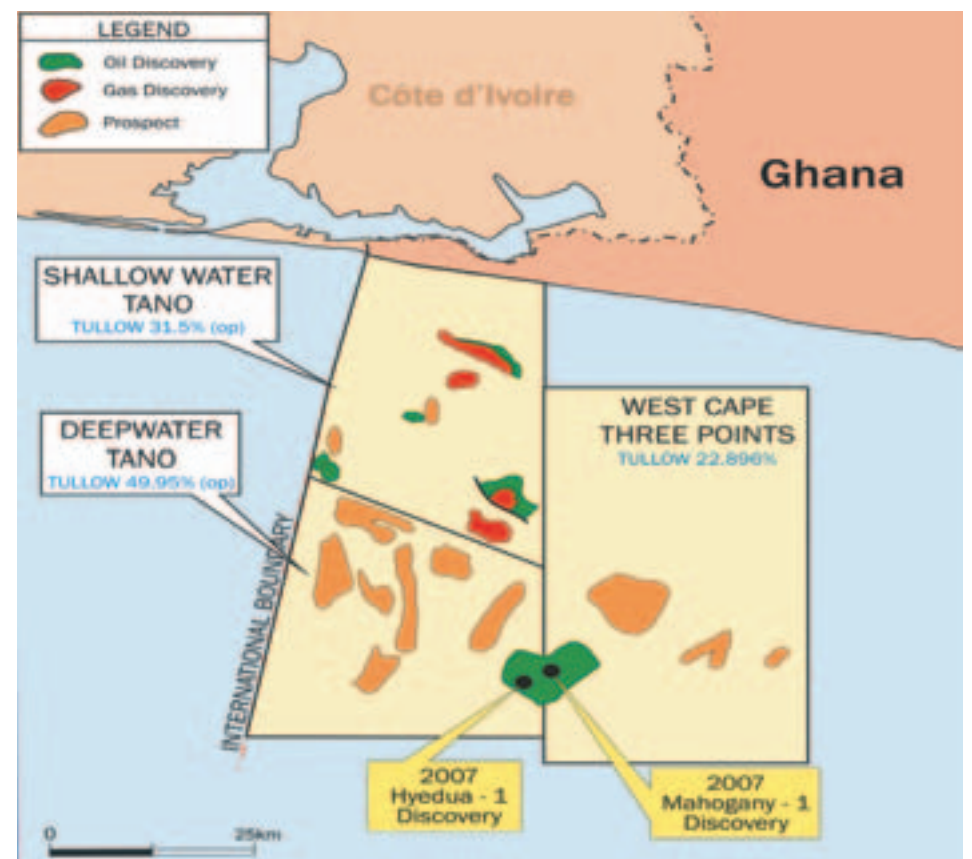
## The scale of the find is said to exceed all expectations

Executive Aidan Heavey said it was an important milestone for the country itself. "The discovery of oil in Hyedua-1, and the confirmation of its communication with the recent Mahogany discovery, represents a major step forward for the Republic of Ghana," he said.

Though no dates for first production have been given – speculation has hinted at a possible 2011 start-up – the scale of the find means Ghana is assuming priority status. "It significantly enhances our understanding of the resource, enables us to focus and accelerate our appraisal programme, and is highly encouraging for our plans to establish commercial production in Ghana," says Mr Heavey.

Although a discovery of this size would be developed principally for oil exports, the presence of such a large accumulation of resources could materially affect Ghana's own energy position. With limited production to date, the country relies largely on imports to meet its domestic fuel needs. Nigerian natural gas via the West African Gas Pipeline will help (see page 9), but the availability of local oil is another positive.

The recent discovery sites, which sit about three miles apart, are also reasonably close to



the shore, in comparison to some deepwater finds elsewhere. The Mahogany site is approximately 82 miles south-west of the port and industrial city of Takoradi, home to much of the country's power infrastructure.

The oil find could also stimulate more inward investment not just from other explorers but as development gathers mo-

mentum and new energy infrastructure is put in place. West Africa as a region is building its skills base in conjunction with the international oil companies and Ghana stands to benefit in this field. Putting together a world-scale oil development is a billion dollar business that could generate multiple benefits for the local economy. ●

# Pipeline project nears start

*Cross-border link with Nigerian gas fields means cheaper, more sustainable energy*

Approximately ten miles out from the West African coast, the lay barge Sea Horizon has been welding and positioning concrete-coated pipes at depths ranging from 100 to 250 feet. This is the long-awaited West African Gas Pipeline, which will carry Nigerian natural gas through to Ghana, via Togo and Benin – a flagship project marking a new era in cooperation and enterprise for the sub-region.

The legal, regulatory and financial hurdles in realising the project have been formidable, but the \$600 million cross-border connection is now close to being completed and almost ready for launch. When operator Chevron, which is leading the development, presses the start button, gas from Africa's biggest energy producer will flood into the pipeline, providing a ready and abundant source of energy for Ghana and neighbouring states.

The project, which will provide affordable fuel for energy generation, has been described by President Kufuor as a major foundation for regional economic growth and development.

Despite the recent deepwater oil discovery offshore, Ghana remains heavily dependent on energy imports. Having access to a reliable flow of gas from one of its close

of Ghana's thermal power generating stock is located. Another point of the pipeline will link to the city of Tema to supply Ghanaian industry direct. The pipeline will have a ca-

capacity of 475 million cubic feet of gas per day and provide an important new source of revenue for Nigeria, as well as vital energy supplies for Ghana. In theory, it could be extended to other regional demand centres.

Principally located in shallow offshore waters, where it will mostly be invisible to the eye, the pipeline will stretch from the Nigerian coastline all the way to Ghana, with feeder lines along the way. The Sea Horizon is laying the pipes at an average rate of up to almost two miles per day.

One of the more significant aspects of the scheme is its environmental benefits. In Ghana, the opportunity to burn natural gas for power generation or industry is a

step forward from a reliance on other fuels, typically diesel or heavy fuel oil. Natural gas is a cleaner burning alternative to these other options.

For Nigeria, the sale of additional gas volumes to Ghana and other markets will help it cut down gas flaring at upstream production sites. Nigeria has been keen to reduce the incidence of gas flaring at its oil and gas fields but has been hampered in the past by lack of available markets in which to sell its gas product.

When fully operational the pipeline could reduce greenhouse gas emissions by as much as 86 million tons over the next 20 years through flare reduction and changing to a cleaner burning fuel. ●


## Using gas at power plants could save 20,000 barrels of oil per day

neighbours will not reverse this, but will surely help to ease the supply situation at a time of high and rising global energy prices. Ghana is expected to save up to 20,000 barrels of crude oil per day by using gas from the pipeline to run its power plants.

Chevron heads the West African Gas Pipeline Company (WAPCo) alongside other stakeholders including Ghana's Takoradi Power Company, Shell and the Nigerian National Petroleum Corporation. Togo and Benin also hold a small equity interest each. The initiative is supported by the World Bank and a host of other multilateral sponsors.

The arrival of Nigerian natural gas will boost Ghana's competitiveness. Switching some of the country's power infrastructure to gas will enhance energy security and at the same time cut electricity production costs, providing cheaper, more sustainable energy.

The 425-mile pipeline will ultimately link to a terminal point in Takoradi, where much



**50<sup>th</sup>**  
Anniversary  
1957 - 2007


Bank of Ghana  
Thorpe Road, Accra  
Tel: (233 21) 666902/8  
[www.bog.gov.gh](http://www.bog.gov.gh)

**The Bank of Ghana** was established in March 1957, at the same time that Ghana gained independence - the first sub-Saharan country to do so.

As the central bank of the country, the Bank of Ghana has been empowered since 2002 by statute to pursue price stability. It is committed to fostering macroeconomic stability, underpinned by a prudent monetary policy and sound public finance management to support sustainable long-term growth with stability.

The year 2007 is the 50th anniversary of Ghana's independence, a landmark occasion that will see a series of celebrations across the country throughout the year. In its capacity as the monetary and regulatory authority, the Bank of Ghana has pursued policies to promote financial transformation for the advancement of the country.

So while Ghana celebrates 50 years of growth and development, together we are planning for the continued prosperity of our country for the next 50 years and beyond.



Bank of Ghana

Banking on  
continued economic  
**growth**

## FISHERIES

## Campaign launched to put fishing industry on course

When Gladys Asmah was appointed to head Ghana's newly established Ministry of Fisheries almost two years ago, she ordered a survey into the state of the nation's fisheries industry. The results were, in her words, "staggering and startling." For while Ghana's fish consumption requirement is 720,000 metric tons (mt), the annual fish harvest or supply is just 400,000 mt – a shortfall of 320,000 mt.

Almost 10 per cent of the population is involved in the industry, yet it accounts for just 3-5 per cent of agricultural GDP. In fact, although fish is Ghana's most important traditional export, earning between \$100-150 million a year, the country actually spends more – \$400 million a year – importing fish.

"Ghanaians rely on fish for 65 per cent of their protein, so to us fish is very important," says Mrs Asmah. "We want to make sure that we can put plenty on the plate cheaper, and be able to export as well."

She is in no doubt that Ghana has the potential to turn the fortunes of the fisheries industry around and, after a decline in 2005, the main focus of the industry, marine fishing, is showing signs of recovery, growing by an estimated 3.6 per cent last year.

Mrs Asmah believes that Ghana could earn a lot more from the ready markets in the EU and the US for its whole, loin and canned tuna, frozen fish, shrimp, lobster, cuttlefish, and dried and smoked fish. "We are targeting annual exports of \$1 billion of fish within four years," she says.

The fisheries industry has suffered from low investment. The biggest problem has been the outdated fleet – from trawlers to the canoes used by artisanal fishermen. Plans have been drawn up to modernise the nation's fishing vessels and equip them for deep-sea fishing. Dugout wooden canoes are being

clad with fibre glass or replaced with new boats.

"We are trying to modernise the whole fishing industry," says the minister. "We want to make sure that we equip the fishermen properly so they can bring in good catches."

Safe new landing sites are being constructed and refrigeration and cold storage facilities provided to prevent wasteful post harvest losses, which have been estimated at anything up to 30 per cent.



**GLADYS ASMAH**  
Minister of  
Fisheries

Mrs Asmah particularly emphasises the importance of tuna fishing. Ghana is one of the world's major tuna producing countries, but the minister says that lack of care and attention to the industry has cost the nation billions of dollars over the last 25 years. A number of foreign companies and investors have now agreed to partner Ghana in setting up tuna processing factories under a public-private partnership agreement.

The fulcrum of the ministry's fisheries policy, however, is the development of aquaculture, to provide for both domestic consumption and export. With 10 per cent of its land surface covered by water, Ghana is eminently well suited to fish farming.

A crash development programme has led to the construction of 15,000 new ponds to add to the existing 4,000 fish ponds and cages, and the number of fish farmers has increased from around 1,200 to about 5,000. Last year, the total surface water under aquaculture more than doubled from 231 hectares in 2005 to 508 hectares, exceeding the government's target. Tilapia and catfish are being cultivated and other species are also being looked at. "We want to be one of the big exporters of tilapia, and it can be done," says Mrs Asmah. Ghanaian tilapia is brute stock – carrying the original genetic makeup of the species.

Delegations have been sent abroad to recruit experts from countries like Israel and China to help with training programmes, and modern hatcheries are being established to provide fish farmers with good quality fish fingerlings.

"If we get the foundations right, aquaculture could become a very strong resource for Ghana," the minister says. "If we can encourage more Ghanaians to go into it, the sky's the limit. We want investors to come and help us."

**Ghana is targeting annual fish exports worth \$1 billion within the next four years**



# Investment is required to make tourism thrive

*Ghana has a great deal to offer as a tourist destination but needs to attract the attention of visitors and investors to realise its potential*



**World heritage sites, beaches, a tropical climate and vibrant culture await visitors**

Ghana has pretty much everything a tourist could want, with a tropical climate, natural beauty, golden beaches, history, a vibrant culture and some of the friendliest people on the planet. However, the country remains strangely off the radar screen for most ordinary British and European travellers.

Maybe the tour operators have yet to find a way to market it in the way that South Africa, Kenya, and Gambia have all been successfully promoted. Yet Ghana has everything and more to rival any of these great holiday destinations, and has the potential to become one of Africa's premier tourist draws.

Former Tourism Minister Jakob Okanka Obetsebi-Lamprey draws comparisons with Malaysia, now a recognised long-haul destination for many Brits, but not always so. The aim of Ghana's tourism chiefs is to follow Malaysia's example. With the economy expanding steadily, there are moves to position the sunshine sector right at the heart of this growth.

"The tourism industry in Ghana certainly has the potential and the competitive advantage to become a very important sector of the economy," the minister says. "We do like to compare ourselves to Malaysia – everything that Malaysia has, we also have here in Ghana. We are working towards that model."

All the building blocks are there. As well as the stunning natural landscape, with beaches that are comparable with anything south-east Asia can offer, Ghanaians have their own unique culture and a warmth without peer even in West Africa. The country is home to more than 40 forts and castles, including Elmina and Cape Coast Castles, which are recognised by UNESCO as World Heritage Monuments.

In a continent often viewed with caution, Ghana is known as a beacon of peace. A relatively prosperous country for the region, its roads, airports and sea ports are among the best in Africa.

But for tourism to thrive much more investment needs to be made. Mr Obetsebi-Lamprey believes that Ghana needs to develop more of its overall tourism product in order to attract larger numbers of wealthy Europeans and Americans.

"We need to build more hotels and facilities, not only in the capital and other major cities but also inland. There is a need to identify all the different possibilities and tourism offerings that Ghana has –

for example great beaches, cultural holidays, ecotourism, and historical tourism, among others."

Things are happening. According to the Ghana Tourism Board the tourism industry is growing at a rate of about 12 per cent a year. The country's colourful 50th anniversary



**JAKE OBETSEBI-LAMPREY**  
Former Minister of  
Tourism



Ancient forts, tree-top walkways and the biggest show in Africa, the Cup of Nations, are highlighting Ghana's potential as a tourism destination, especially for the British market

sary celebrations have been another marketing gift for tourism officials. And then there is the football. The performance of the national football team, the Black Stars, in the 2006 FIFA World Cup in Germany, certainly helped the cause, but the big event takes place next year when Ghana hosts the African version of the tournament, the African Cup of Nations (see page 14).

Mr Obetsebi-Lampsey says high profile events like these are great opportunities to raise the international profile of the country and its people. "If we manage to treat our visitors in a fabulous manner and provide them with the best we have to offer during these

events then that will create a powerful and positive effect for Ghana."

Positive feedback could help stimulate new investment. "We currently have some extraordinary investment incentives in place as well as proposals for a tourism development fund that will hopefully provide assistance to the growth of the sector," says the former minister.

The bottom line however is that Ghana, like anywhere else, is competing head on with the rest of the world, not just for tourism visitors and receipts but also in terms of foreign direct investment.

Some have called Ghana Africa's best kept

"The kindness and hospitality of the people are unique"

secret, a label that needs to be discarded if the country is to reach its potential. Slowly but surely, it is gaining greater exposure, not just through showcase sporting events but daily through the Discovery Channel and other global TV stations.

"I have yet to meet or hear of anybody that has visited Ghana and been disappointed by their stay," says Mr Obetsebi-Lampsey. "We do not promise a huge amount to our visitors, but what we promise we deliver. The kindness and hospitality of the people are unique. The best thing is simply to come and see Ghana with your own eyes." ●

## CULTURE

### Keeping the heritage of Ghana alive

As Ghana develops economically, politically and socially, the importance of preserving Ghanaian culture and one of Ghana's most important cultural institutions – chieftaincy – has been recognised with the creation of new ministry.

Established by order of the President last year, the Ministry of Chieftaincy and Culture reflects the importance that the government attaches not only to the preservation of Ghanaian values and traditions in the face of powerful western influences, but also to the institution of chieftaincy itself. In a recent survey, 80 per cent of Ghanaians said they wanted chieftaincy to be preserved.

Explaining the dual title, the Minister, Samson Kwaku Boafo, makes it clear that culture and chieftaincy are inseparably intertwined. "The chiefs are the custodians of culture, so you cannot separate the two," he says. "Our objective is to re-



**SAMSON KWAKU BOAFO**  
Minister of Chieftaincy and Culture

engineer national focus on our cultural heritage, in tandem with the imperatives of modernity, to enable it contribute to the overall development of the country."

President Kufuor has expressed the hope that the ministry will help to resolve chieftaincy disputes, land and border disputes. However, he has also made clear that its job is not to interfere in the affairs of chiefs, but to cooperate with them to promote the institution.

The ministry serves as a link between the National House of Chiefs and the government. It also collaborates with other ministries. In local government, for example, chiefs play an integral role in grassroots democracy and in the relationship between the

authorities and the local communities. "From every hamlet, village, town and city there is a chief," says the minister.

"When the chief speaks his ruling is always final. He allows people to put forward their opinion, but what he says is



**Chiefs continue to play an important role in Ghanaian society**

final. There must be finality of decision and we believe that the king must be the custodian of that, but if a chief keeps making bad decisions the people will dispose him."

Ghana's rich cultural heritage, splendidly displayed at this year's anniversary celebrations, has an important contribution to make to Ghana's tourist appeal. Festivals, passage rites, and traditional dress, food and dancing all help

to make Ghana unique and bring in visitors, and are therefore crucial to government ambitions to make tourism the country's top foreign exchange earner.

"Ghana has suffered very little impact on its original culture and traditions, in fact, it is one of the only places in Africa where visitors can still experience Africa as it was 300 or 400 years ago," says former Tourism Minister Jakob Okanka Obetsebi-Lampsey. "There is great potential. We need to bring people here to see for themselves."

Mr Boafo makes the point, however, that culture is also a vital element in national identity "Culture is extremely important to this country as it determines what the nation is," he explains. "Now, there is an awareness of the important cultural issues that shape the nation."

The minister recently called on the chiefs to use their influence to persuade Ghanaian youth not to abandon their traditional culture for a preference for foreign foods, clothes and music.

The balancing act that Ghana has to perform is to balance tradition and identity with the need to embrace modernisation and national development. President Kufuor believes it can be done. "Culture has never been an enemy of change and should not be invoked as an excuse for those who seek to retard progress," he says.



Ghana and Chelsea midfielder Michael Essien is one of the Premiership stars who have lifted the international profile of African football



# CAN 2008 promises to be Africa's biggest and best sporting spectacular

*Ghana will be in the international spotlight in January when it hosts the continent's grandest and most exciting sporting tournament, the African Cup of Nations*

The countdown clock is ticking and excitement mounting as Ghana prepares to stage to the continent's grandest sporting tournament, the African Cup of Nations (CAN 2008). A showcase for African football talent – and many of the indigenous stars that now ply their trade in the Premiership and other European leagues – the event promises to be the biggest and best yet, with 16 countries from across Africa vying for the title and an international audience watching.

Ghanaian flair, colour and culture will bring the much hyped and eagerly anticipated competition to life for supporters both on the terraces and on the TV screens, and provide a taster of what is to come in 2010 when South Africa opens its doors to the FIFA World Cup.

The tournament runs from January 20 to February 10. Matches will be staged in the capital, Accra, another coastal venue, Sekondi, the central city of Kumasi and the northern town of Tamale, as Ghana plays host to the event for the fourth time.

On the field, defending champions Egypt will face a tough test clinging on to their title, while for Ghana, it will be an opportunity to claim their first tournament win in more than 25 years. The Ghanaian team last took the championship back in 1982, though the country does hold the

record for the highest number of appearances in the cup final – seven, winning on four separate occasions. The last two titles have been won by the host nation, an achievement Ghana will be hoping to replicate.

The opening day fixture on January 20 will pitch the host state against Guinea in Accra's newly refurbished 40,000 all-seater Ohene Djan Stadium. As one of the tournament favourites, the Ghanaian national team will be strongly favoured to progress to the next stage, especially after reaching the last 16 at the 2006 FIFA World Cup in Germany. Other seeded teams that Ghana may need to overcome include Nigeria and Tunisia, as well as Egypt.

Staging an event as huge as the 26th MTN African Cup of Nations Ghana 2008 (Ghana CAN 2008) is a test for the nation not just on the field but off it as well. With the eyes of Africa and much of the world upon the black star state, local organisers have faced a tough task in getting everything ready in time, from the four key stadiums to accommodation for the participating teams, officials and the one million visitors the competition is expected to attract.

Ghana aims to host the event in style. Special Ghanaian villages are being created at the key tournament centres where Ghanaian food, music and artifacts will be on offer. Big carnivals will be held in the evenings.

Primary responsibility for putting the event together rests with the Local Organising Committee (LOC), a mix of Ghanaian institutions and officials, and the Confederation of African Football (CAF). So far, all appears to have gone pretty smoothly, with preparations at each of the four venues, in Accra, Kumasi, Sekondi and Tamale, on track. A series of road shows are also being staged to whip up interest both inside Ghana and across the neighbouring states and foster greater ownership of the event.

The LOC is headed by Chairman of the Board Kofi Amoah, who insists the event is not such a leap in the dark. After all, Ghana hosted the competition back in 1965 and 1978, and co-hosted it with Nigeria in 2000. Since then, however, African football has been transformed, with the media spotlight intensifying because of the high profile of European-based superstars such as Ghana and Chelsea mid-

fielder Michael Essien.

"These international sports fiestas have become a big deal," says Dr Amoah. "Now they cut across society. The first time these events became profitable was in Los Angeles for the 1984 Olympics. Since then cities around the world have been using these events as a catalyst to make investments, and it will be the same for us." What with merchandise and TV rights, the stakes are getting higher.

Central to the tournament is getting the right infrastructure in place, an area in which the Ghanaian private and public sectors have worked together closely. According to Dr Amoah, about \$40 million has been spent on getting things right but this is a good investment in the country's future.

He says: "The multiplier effect of this investment will create jobs and be a catalyst for economic development. We have also added revenue generators like hotels, restaurants and meeting rooms to each stadium. Therefore, post-games there will be revenue streams to pay for maintenance and necessary upgrades, to ensure that these magnificent stadia do not become white elephants."

The main draw at the plush Accra International Conference Centre in October brought together the crème-de-la-crème of African foot-



**KOFI AMOAH**  
Chairman of  
LOC



Ghana enjoyed a successful run at the FIFA 2006 World Cup, backed by a colourful and vociferous support



## BLACK QUEENS

# National women's side is among the best in Africa

It is not just Ghana's men making an impact on the football field. The women's national side, dubbed the Black Queens, is pretty hot too.

The squad, dominated by players from leading Ghanaian women's side Ghatel Ladies, is led by skipper Adjoa Bayor, the 2003 African Women's Player of the Year.

Bayor has this year been named among the candidates for FIFA's Women's World Player of the Year Award; her compatriot, Michael Essien of Chelsea, is on the men's list, with all the winner's to be announced on 17 December.

Through the years, the Black Queens have proved their mettle against the best in Africa, reaching the final or semi final in the last five Africa Women's Championships in a row, the female equivalent of the African Cup of Nations. The team will be looking to go one better next time after narrowly missing out to arch rivals Nigeria on each occasion.

The next opportunity for the Ghanaian women to get the better of their Nigerian counterparts will be in Equatorial Guinea in 2008.

The women's national side also made an appearance at this year's 2007 FIFA Women's World Cup in China. Although it did not progress beyond the group stages, it marked a major achievement in reaching the tournament finals and representing the African continent to the rest of the world.



Photograph: Getty Images

Adjoa Bayor is among candidates for FIFA's Women's World Player of the Year

ball and afforded a glimpse of what is to come with a rich vein of Ghanaian culture and tradition on show. The draw was preceded by the naming of the official tournament mascot, Agorophene – meaning King of Sports.

For the first time in the history of the competition, sporting giant Adidas has created a special tournament ball, a move that perhaps reflects the growing commercial interest in the biennial event. The ball, featuring the colours of the Ghanaian flag, was presented at the draw ceremony by Adidas ambassador and former Liberian football superstar George Weah.

Dr Amoah promises that Ghana will put on a fantastic show. "We want to host a fabulous tournament," he says. "We need to have world-class training pitches, world-class accommodation, restaurants and tourist attractions."

CAN 2008 is significant in other ways, as the last major African soccer tournament ahead of the 2010 FIFA World Cup in South Africa. Dr Amoah says it is crucial that Ghana puts on a good show in order to help South Africa shine two years down the line. "I do not think that South Africa has a choice but to succeed," he says. "It is about Africans showcasing their organisational skills." ●

## Ghana are among the favourites and hope to replicate host nation success

# A passion for football

*Ghana has no shortage of local talent and has produced a roster of international football superstars*

Ghana's enthusiasm for all things football is not just based on the forthcoming African Cup of Nations, which it will host at four key cities next year. Though the event has sent the country football crazy, many Ghanaians are already fervent football supporters, both at the local level and in tracking developments overseas.

The country continues to produce an impressive number of players that are making their mark on the international soccer scene. Among the best known of the current batch is Michael Essien, recently ranked among Chelsea's most valuable players and as equally indispensable to the Ghanaian national team's midfield.

Another is Ghana captain Stephen Appiah, who is currently on the books of Turkish side Fenerbahce, though he too has been linked with a move to the English Premier League with clubs such as West Ham United showing interest. The East London club already have Ghana international defender John Paintsil on their books.

There are plenty of other names scattered far and wide across most of the European leagues and some further afield including the resurgent U.S. Major League.

There is history too in the shape of former national hero Abedi Pele, who was one of the pioneers of African football in Europe. The captain of Ghana's national side from 1992 to 1998, Pele played for a number of big name clubs in Italy and France, scooping a sackful of domestic honours in the process as well as the coveted African Player of the Year award on several occasions.

Though the cream of Ghanaian talent may have been swiped to play in Europe, the country maintains a vibrant and competitive local league, supported by grass roots football. This level is supported, not so much with the cash and academies seen in wealthy Europe, but with an enthusiasm and zeal among the young that would be hard to find anywhere outside Africa. Ghana shares this passion with other West African

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## Raised profile could bring investment spin-offs for economy

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states that have also made their mark in European football such as Cameroon, Nigeria and Cote d'Ivoire.

The OneTouch Premier League, the top Ghanaian football league, includes a few familiar team names itself such as Arsenal and Feyenoord. These teams are joined by more traditional African-sounding clubs like Ashanti Gold, Asante Kotoko and Hearts of Lions. A highly contested league dating back to 1956, it has been dominated largely by two clubs: Hearts of Oak and Asante Kotoko.

This league is also the platform for many prospective international club stars. Michael Essien, for instance, started out with local club Liberty Professionals, while Stephen Appiah played for Hearts of Oak, the Accra team that has won the title 19 times.

The performance of the Black Stars at next year's African Cup of Nations will no

doubt rally the cause, but football in Ghana is alive and well regardless. There are hopes that some of the funds raised from the professional game can be ploughed into the development of local talent, not just in Ghana, but across Africa.

Officials have also sought ways in which to use football and the huge interest it generates to draw money into other development projects, a kind of win-win scenario for football and African growth. Sponsors of the 2008 Ghana tournament will no doubt be keen to flag their involvement in promoting long-term African development objectives.

Nurturing this growth, in conjunction with Ghana's fervour for football, will take time. But the higher profile of the sport among global sponsors can only bring additional benefits to the local game and the economy. Huge investment has already gone into the 2008 tournament not just in building new stadia, but in transport links, power generation and other areas.

Head of the Local Organising Committee for next year's soccer tournament, Dr Kofi Amoah, believes that there is a new can-do attitude across Africa, reflected in football and in the business sphere. If this can help attract more overseas interest – either in African football or new inward investment – the continent can only stand to gain.

"We are using 2008 to share our passion for football with the rest of the world," says Dr Amoah. "I would like to invite our friends from across the world to come and share this passion with us." ●

## SOCCER AT SCHOOL



Photograph: UNICEF

Football star and UNICEF Goodwill Ambassador Marcel Desailly recently visited the Northern Region of Ghana with UNICEF to encourage children – especially girls – to play football and go to school.

In Tamale City, girls from two school football teams received a personal football lesson from Mr Desailly.

Kubira Abdul-Rahman, 15,

was delighted that the footballer had taken the time to shown her how to control and pass a ball. "He let us kick a ball to him! It was the first time in my life I have received a ball from a top professional footballer. I will never forget it," she said.

In 2005, only 35 per cent of girls attended secondary school in Ghana, as opposed to the 60 per cent who attended primary school. As

Goodwill Ambassador, Ghanaian-born Mr Desailly promotes the UN Millennium Development Goal to achieve universal primary education by 2015. He believes that young girls can benefit from playing football.

"Playing football helped me to gain self-discipline, confidence, negotiation skills, teamwork and leadership," he said. *Junko Mitani*

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