



**Congressional
Research Service**

Informing the legislative debate since 1914

Ghana: Current Issues and U.S. Relations

Updated November 22, 2024

Congressional Research Service

<https://crsreports.congress.gov>

R47329



R47329

November 22, 2024

Kosi Ogbuli
Analyst in Foreign Affairs

Ghana: Current Issues and U.S. Relations

Ghana stands out in West Africa for its record of stability and peaceful electoral transfers of power through competitive elections since a transition to multiparty rule in the early 1990s.

Ghana, the first sub-Saharan African nation to achieve independence from European colonial rule (in 1957), has a complex political history. The country endured decades of military rule, with several efforts to establish multiparty democracy. These efforts eventually led to the adoption of a new multiparty constitution in 1992. The current president, Nana Akufo-Addo, took office in 2017 and won reelection in 2020. An election scheduled for December 2024 will see Akufo-

Addo's vice president Mahamudu Bawumia competing for the presidency against former president John Mahama. Successive governments have generally respected civic liberties, and Ghana is one of two West African countries classified by Freedom House as "free." According to the U.S. State Department and international organizations, corruption, security force abuses, electoral violence, discrimination and attacks against sexual and gender minorities nevertheless remain challenges. Journalists have faced harassment and physical violence, including assassinations, for reporting on politically sensitive matters.

Ghana's economy is more diverse and dynamic than many in West Africa. Gold, crude oil, and cocoa are the country's leading export commodities. The services sector has burgeoned since the mid-2000s, underpinned by growing banking, tourism, transportation, and information and communications technology (ICT) industries. The economic shocks of the COVID-19 pandemic and Russia's war on Ukraine aggravated preexisting challenges, however. Inflation reached record-high levels in 2022 amid increases in global food and fuel prices and a depreciation of Ghana's currency, the *cedi*. The country, to which the People's Republic of China is a key lender, defaulted on its external debt in 2022 and secured a \$3 billion International Monetary Fund (IMF) loan in 2023.

Ghana has enjoyed relative security and stability since its transition to multiparty rule. Ghana has never experienced a civil war, though disputes over land and succession to local chieftaincy positions have at times spurred local insecurity. Since 2020, Congress has expressed growing concern about expanding Islamist extremist violence in the Sahel. Ghanaian authorities have warned that armed groups based in Burkina Faso, to Ghana's north, may seek to expand into northern Ghana, as they have done in neighboring Côte d'Ivoire and Togo, as well as in nearby Benin; Ghana has not experienced a proven extremist attack to date. Ghana also faces challenges in securing its territorial waters amidst persistent illegal, unreported, and unregulated (IUU) fishing.

U.S.-Ghana relations are premised on shared democratic values, cooperation on regional and multilateral diplomacy, and development partnerships. Ghana's democratic stability positions it as a reliable regional partner, evident in its strong diplomatic, economic, and security ties with the United States. The Biden Administration has designated Ghana, as part of the coastal West Africa sub-region, as a priority for assistance under the Global Fragility Act (GFA, Title V of Division J, P.L. 116-94). Ghana is a focus country under several U.S. global development initiatives, including the President's Malaria Initiative and Feed the Future, and has completed two Millennium Challenge Corporation development compacts. People-to-people and cultural ties also are robust: there is a sizable Ghanaian diaspora community in the United States, and Ghana is a major destination for heritage tourism and migration by Black Americans, driven in part by shared legacies of the Transatlantic slave trade. Presidents George W. Bush and Barack Obama, and then-Speaker Nancy Pelosi all visited Ghana while in office. Multiple coups, extremist threats, and rising Russian influence among some countries in West Africa may also elevate Ghana's strategic significance. Congressional attention to Ghana has focused on implementation of the Global Fragility Act, regional security concerns, child labor, and economic opportunities including the potential of trans-Atlantic cable projects.

Contents

Overview	1
Background and Current Political Situation.....	2
Economic, Development, and Fiscal Issues	4
Energy Sector.....	6
Human Development Index	7
Technology and Digital Economy.....	7
Security Considerations	8
Human Rights and Rule of Law	8
Gender Equity	10
Regional Dynamics and Foreign Relations	11
U.S. Relations and Assistance	13
U.S.-Ghana Trade and Investment	14
U.S. Assistance and Security Cooperation.....	15
Outlook and Considerations for Congress	17

Figures

Figure 1. Ghana at a Glance	2
-----------------------------------	---

Tables

Table 1. U.S. Bilateral Aid to Ghana: FY2022-FY2025	15
---	----

Contacts

Author Information.....	18
-------------------------	----

Overview

Ghana, a long-standing U.S. partner in West Africa, is approaching a scheduled general election on December 7, 2024. The election will determine a new president, as incumbent Nana Akufo-Addo is ineligible for reelection due to constitutional term limits. Economic instability increasingly dominates public discourse, with critics highlighting the government's inability to address related challenges. The protest movements and political unrest in other African countries with rising youth populations could presage similar strains in Ghana.¹ The U.S. Department of State has announced a new visa restriction policy aimed at deterring potential threats to Ghana's electoral process, such as vote rigging or intimidation.²

In addition to domestic strains, Ghana faces regional pressures amid rising Islamist insurgencies, a wave of military coups, and growing Russian influence in the neighboring Sahel region. Noting these trends, the U.S. intelligence community warned in early 2024 of an elevated risk of coups and instability in coastal West Africa.³

Ghana has experienced growing public unrest since 2021, driven by economic challenges such as rising inflation, unemployment, and the depreciation of the *cedi*.⁴ This discontent has sparked growing public criticism of the government. The candidates' messages have focused on economic recovery, digital innovation, security concerns, and governance issues.⁵

Ghana's stability, status as a democracy, and favorable policy toward the United States help make it a key regional U.S. partner. A proliferation of conflicts, military coups, and rising Russian influence in West Africa have also magnified Ghana's importance.⁶ U.S. engagement with Ghana has focused on governance, security, health, and economic development, largely through global and regional initiatives. U.S. strategic competition with the People's Republic of China (PRC)—a top trade partner and source of infrastructure financing for Ghana—appears to motivate some U.S. engagement in the broader sub-region. In addition, the Biden Administration's planned programming under the Global Fragility Act (GFA, Title V of Division J, P.L. 116-94) aims to leverage U.S. diplomacy, aid, and defense cooperation over the next decade to help prevent conflicts and instability in Ghana and other focus countries. It remains to be seen how the pending change in administrations might alter these plans. Congressional engagement also involves long-standing efforts to address child labor in West Africa's cocoa sector, including in Ghana.⁷ Congress has also shown interest in economic opportunities in Ghana, among them the potential of trans-Atlantic fiber optic cable infrastructure.⁸

¹ Kent Mensah, "Ghana: As youth embrace political activism, older generation retreats," *The Africa Report*, November 1, 2024.

² U.S. Department of State, "Visa Restriction Policy on Undermining Democracy in Ghana," October 28, 2024.

³ Office of the Director of National Intelligence, "Annual Threat Assessment of the U.S. Intelligence Community," February 5, 2024.

⁴ Ekow Dontoh, "How Once-Thriving Ghana Was Forced to Seek a Bailout," *Bloomberg*, June 24, 2024.

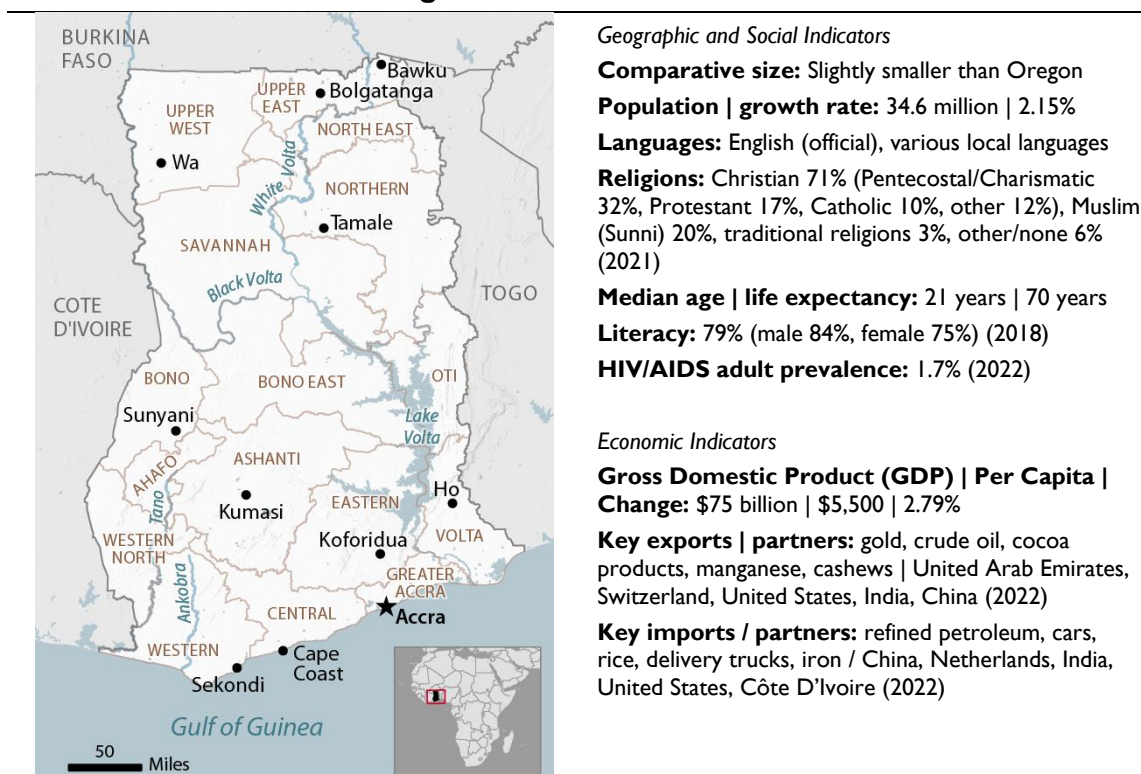
⁵ Isaac Kaledzi, "Ghana's presidential race: Candidates intensify campaigns," *DW*, October 26, 2024.

⁶ U.S. Department of State, "U.S.-Ghana Relations," accessed November 20, 2024.

⁷ CRS Report RL32990, *Child Labor in West African Cocoa Production: Issues and U.S. Policy*, coordinated by Tiaji Salaam-Blyther.

⁸ In the 118th Congress, for example, H.R. 3385, as passed in the House, would direct the Secretary of Commerce to submit to Congress a report containing an assessment of the value, cost, and feasibility of a trans-Atlantic submarine fiber optic cable connecting the contiguous United States, the United States Virgin Islands, Ghana, and Nigeria.

Figure I. Ghana at a Glance



Sources: Data from *CIA World Factbook*, IMF World Economic Outlook Database and UNAIDS; figures reflect 2024 estimates unless otherwise specified. CRS map using data from the U.S. Department of State, Global Administrative Areas (GADM), and ESRI.

Background and Current Political Situation

Ghana achieved independence in 1957, under the leadership of then-Prime Minister and later president Kwame Nkrumah.⁹ Since 1992, Ghana's multi-party democracy has seen control of the executive branch and parliament alternate between the New Patriotic Party (NPP), which describes itself as economically liberal, and the National Democratic Congress (NDC), which identifies as social-democratic. Both parties have pursued similar policies focused on poverty reduction, public services improvement, attracting foreign investment, and economic development. According to several indices, Ghana has demonstrated greater success in governance and institutional capacity than most other West African nations.¹⁰ Ghana also has higher literacy rates and performs better in terms of multiple development indicators than many countries in the region. Socioeconomic disparities persist, however, often reflecting geographic divisions, with northern Ghana lagging behind the south in terms of economic investment and development. Administrative capacity also is more limited outside of urban zones; according to one analysis, "the state's administration extends to the entire country but varies in quality ... despite administrative reforms in recent years, the visibility of the state is limited in rural areas."¹¹ Poverty rates are highest in Ghana's rural Northern, Upper West, and Upper East regions and

⁹ BBC, "Ghana is free forever": Kwame Nkrumah's speech at independence," March 6, 1957, at https://www.bbc.co.uk/worldservice/focusonafrika/news/story/2007/02/070129_ghana50_independence_speech.shtml.

¹⁰ Freedom House, "Freedom in the World 2024: Ghana," accessed July 26, 2024.

¹¹ Bertelsmann Stiftung, "Ghana Country Report 2022."

lowest in metropolitan greater Accra, in and around the capital (see **Figure 1**).¹² The Ghanaian government, along with international partners, including the United States, has intensified development efforts in the northern regions to help address these disparities and potential security risks.¹³

President Akufo-Addo began his second term in January 2021, after winning reelection in late 2020, and is term-limited.¹⁴ He has reiterated his commitment to several flagship development initiatives launched in his first term, particularly in areas such as education, manufacturing, and healthcare. In public remarks and strategy documents, Akufo-Addo has emphasized his vision of a “Ghana Beyond Aid,” entailing structural economic reforms and a “change in mindset and attitudes” aimed at reducing Ghana’s reliance on donor assistance.¹⁵ He also has identified security, economic recovery, and “structural transformation to value-added activities,” infrastructure investment, education, and improving access to electricity and water as priorities.¹⁶

The narrow parliamentary majority of President Akufo-Addo’s, NPP, which holds 138 of 275 seats, arguably has impeded his agenda, including revenue generation plans. The NDC’s opposition to the “e-levy”—a tax on mobile money transactions and a pillar of Akufo-Addo’s efforts to raise tax revenues for his priorities on electronic transactions—temporarily delayed its enactment in law and contributed to missed revenue targets in 2022. A 2022 survey by Afrobarometer suggested that the e-levy is widely unpopular, and in early 2023, the government reduced the e-levy from 1.5% to 1%.¹⁷

Ghana’s debt burden has risen as the Akufo-Addo government has borrowed to fund its policy initiatives. An ensuing economic crisis, worsened by a sharp uptick in inflation starting in 2022, has forced the government to cut expenditures, jeopardizing its major social programs.¹⁸ The Akufo-Addo Administration has faced growing public unrest since 2021, prompted in large part by the economic challenges faced by citizens and by many Ghanaians’ perception that the government has inadequately addressed these issues.¹⁹ Demonstrations have focused on living conditions, joblessness, economic policies, corruption, and utility shortages. A 2022 Afrobarometer poll revealed widespread dissatisfaction, with nearly 90% of Ghanaians

¹² Ghana Statistical Service, “Multidimensional Poverty–Ghana,” 2020.

¹³ USAID’s Country Development Cooperation Strategy (CDCS) for Ghana for 2020-2025 identifies accelerating development in northern Ghana as one of three development objectives. USAID, *Ghana CDCS 2020-2025*, 2020. World Bank, “Bridging the divide: Insights into Regional Poverty and Inclusion in Ghana,” June 5, 2024.

¹⁴ The December 2020 elections featured a rematch between Akufo-Addo and former President John Mahama of the NDC, whom Akufo-Addo defeated in 2016. European Union observers assessed the campaign environment to be free and competitive, and found the elections generally credible and transparent, though five people reportedly died in election-related violence. European Union Election Observation Mission, “Final Report: Ghana, Presidential and Parliamentary Elections, 7 December 2020”, 2021.

¹⁵ See, for instance, Government of Ghana, “Ghana Beyond Aid (GBA) Charter and Strategy Document,” April 2019.

¹⁶ President Nana Addo Dankwa Akufo-Addo, Inaugural Address, January 7, 2021, and Message on the State of the Nation, February 27, 2024.

¹⁷ Afrobarometer is a nongovernmental, nonprofit public opinion polling consortium. Afrobarometer, “Majority of Ghanaians Oppose E-levy, Not Confident It Will Fund Development Programmes, New Afrobarometer Study Shows,” July 13, 2022. The Conversation, “Ghana’s e-levy is unfair to the poor and misses its revenue target: a lesson in mobile money tax design,” March 27, 2023.

¹⁸ Cooper Inveen and Christian Akorlie, “Ghana Announces Sweeping Spending Cuts to Tackle Deficit,” Reuters, March 24, 2022. IMF, “World Economic Outlook Database: Ghana Inflation,” accessed October 15, 2024.

¹⁹ Audrey Elom Donkor, “How Campaign Promises Crashed Ghana’s Economy,” *Foreign Policy*, June 26, 2023.

expressing agreement with the statement that the country was on the wrong track, and most voicing disapproval of the government's economic management.²⁰

General elections are slated for December 2024; the major emerging issues are economic, especially joblessness and inflation.²¹ These may pose challenges to the election prospects for incumbent Vice-President Mahamudu Bawumia, who in late 2023 won an NPP party primary race to become its presidential nominee.²² Bawumia's primary opponent is the NDC's candidate, former President John Mahama, who holds the distinction of being Ghana's first leader to have served at every level of political office.²³ To date, campaigning has generally been peaceful, despite a few minor incidents of political violence. A key challenge for the government will be to ensure that the election is viewed as free, fair, and credible by the Ghanaian public. Disinformation has been a primary concern in the pre-election period.²⁴ A 2024 Afrobarometer survey revealed that while the vast majority of Ghanaians state that they support elections as the optimal method for selecting leaders, public trust in the election management appears to have dropped to its lowest point in 23 years.²⁵

Economic, Development, and Fiscal Issues

Ghana boasts a diverse economy compared to its West African neighbors. Its key exports are gold, crude oil, and cocoa; Ghana is the world's second-largest cocoa exporter after Côte d'Ivoire and produces about 20% of global output.²⁶ The cocoa sector is a significant source of jobs in the country and accounted for 13% of goods exports in 2023. Ghana's recent production, already weakened by poor harvests, has seen its lowest output in 20 years, due to weather factors and plant disease; similar factors affected harvests in Côte d'Ivoire. In addition, as much as 160,000 metric tons of cocoa in Ghana may have been lost to smuggling in the 2023/2024 season.²⁷ In response, financial speculators drove prices sharply upward, reaching \$6,000 per ton in February 2024, \$9,000 in March, and peaking at \$12,000 in mid-April.²⁸ Between May and October, prices fluctuated between \$7,500 and \$8,500 per ton, before stabilizing at approximately \$8,000 in early November.²⁹ In response to the growing smuggling issue, the Ghanaian government reportedly plans to substantially increase prices paid to farmers and deploy military forces to assist with anti-smuggling operations.³⁰ In November 2024, news reports indicated that farmers were holding

²⁰ Afrobarometer, "Ghanaians Bemoan Economic Conditions, Say Country Is Heading in the Wrong Direction, New Afrobarometer Study Shows," July 19, 2022.

²¹ Kent Mensah, "Ghana's Central region: a political battleground set to shape December poll," *The Africa Report*, November 8, 2024.

²² Kent Mensah, "Ghana: Why is NPP's Bawumia trailing Mahama in latest polls?" *The Africa Report*, October 14, 2024.

²³ "Vice-President Bawumia Wins Ruling Party Presidential Ticket," *Africa Confidential*, November 9, 2023.

²⁴ "Ghana election: Fact-checking claims about voting day," *BBC*, December 8, 2020.

²⁵ Afrobarometer, "AD781: Ghanaians want fair and competitive elections, but mistrust the electoral commission," March 7, 2024.

²⁶ OPEC Fund for International Development, "Ghana is cocoa, cocoa is Ghana", June 2, 2022. Sustainability by numbers, "The chocolate price spike: what's happening to global cocoa production?" April 1, 2024.

²⁷ Maxwell Akalaare Adombila, "Exclusive: Ghana lost 160,000 tons of cocoa to smuggling in 2023/24 season, Cocobod official says," Reuters, September 17, 2024.

²⁸ J. Edward Moreno, "A Failed Crop Rattled the Chocolate Industry. Then Speculators Came," *New York Times*, May 10, 2024.

²⁹ Markets Insider, "Cocoa Price," accessed November 13, 2024.

³⁰ Ekow Dontoh, "Ghana Seeks 65% Hike in Cocoa Purchase Price to Curb Smuggling," *Bloomberg*, September 10, 2024.

back cocoa beans, anticipating potential price hikes and further disrupting supply chains.³¹ The role of child labor in West African cocoa production has been an issue of congressional concern for decades (see below).

Gold and crude oil are larger sources of export earnings than agriculture, contributing 45% and 27% respectively in 2023, but generate fewer jobs.³² In August 2024, the country opened a new gold refinery to add value to its natural resources and combat smuggling. This facility, the Royal Ghana Gold Refinery, aims to process 400 kilograms of gold daily, primarily sourced from artisanal small-scale mines, a move meant to decrease illegal gold exports.³³

Ghana also has significant deposits of the critical mineral lithium. A consortium of Australian and U.S. firms is investing, alongside the state, in the development of a new lithium mine.³⁴

Ghana has experienced a generally positive development trajectory over the past decade, although the pace of poverty reduction has slowed. According to World Bank estimates, 21% of Ghanaians lived below the international poverty line of \$2.15 per day in 2024, compared to 37% in 1990, when it stood at \$1.90 per day.³⁵ However, the COVID-19 pandemic interrupted Ghana's previously strong economic growth trajectory. Current growth estimates, according to the World Bank, are upwards to 4%.³⁶ Extreme poverty is primarily concentrated in the north, and in rural areas.

The Akufo-Addo administration increased borrowing, contributing to a financial crisis by late 2022. Ghana could no longer access international debt markets as its sovereign bonds were downgraded to junk status, and the country defaulted on most of its external debts. In early 2023, the government initiated a debt swap with domestic creditors, who held approximately one-third of the public debt.³⁷

China, which held a reported \$1.9 billion in Ghana's debt as of late 2023 out of an estimated \$31 billion, has played a prominent role in Ghana's debt situation.³⁸ U.S. and European diplomats criticized China in 2023 for holding up parallel talks with external lenders on debt restructuring.³⁹ In early 2024, however, an official bilateral creditor committee co-chaired by France and China reached a loan restructuring deal with Ghana, unlocking a \$3 billion International Monetary Fund (IMF) loan arrangement.⁴⁰ The program, Ghana's 17th IMF credit arrangement, is conditioned on fiscal consolidation and improving debt sustainability, and likely will require fiscal belt-tightening measures, such as spending cuts and tax raises, which may prove politically

³¹ Maxwell Akalaare Adombila, "Ghana cocoa farmers hoard beans in anticipation of price hike," Reuters, November 4, 2024.

³² Bank of Ghana, "Annual Report and Financial Statements 2023", 2024.

³³ Yinka Ibukun and Ekow Dontoh, "Top Africa Gold Producer Taps Small Mines for Refinery," *Bloomberg*, August 9, 2024.

³⁴ "We Will Never Be Free from the IMF If We Continue like This," *Business News*, December 12, 2023; and "10 Things Ghana Stands to Benefit in Lithium Lease with Barari DV," *Ghana Web*, December 8, 2023.

³⁵ World Bank, "Macro Poverty Outlook: Ghana," April 2023. World Bank, "Republic of Ghana: Poverty and Inequality Profile," June 2015.

³⁶ World Bank, "The World Bank in Ghana: Overview," accessed November 19, 2024.

³⁷ Christian Akorlie, "Ghana says domestic debt swap closed with 85% participation," Reuters, February 15, 2023.

³⁸ Research Department Bank of Ghana, "Monthly Statistical Bulletin," April 2024.

³⁹ U.S. Department of the Treasury, "Remarks by Secretary of the Treasury Janet L. Yellen at Press Conference as Part of 2023 IMF-World Bank Annual Spring Meetings," April 11, 2023; and Reuters, "China Must Join Ghana Debt Restructuring Effort Soon, Germany's Lindner Says," February 4, 2023.

⁴⁰ Jorgelina Do Rosario and Maxwell Akalaare Adombila, "IMF board to review Ghana \$600 mln loan payout on Friday," Reuters, January 15, 2024.

challenging to implement. Kenya’s fiscal crisis and resulting protests might foreshadow similar responses in Ghana, as one Ghanaian parliamentarian has cautioned.⁴¹

Food and fuel prices spiked in late 2022, hitting an inflationary high of 54%—the highest level in decades—due in part to Russia’s war in Ukraine along with a sharp depreciation of the *cedi*, eroding local purchasing power and sparking protests.⁴² Inflation rates in late 2024 remained over 20%. In the face of strikes by teachers, health-sector workers, and other public-sector employees, the government increased salaries and cost of living allowances for civil servants and exempted pensions from its domestic debt-swap program. The *cedi* has continued to decline; after losing 39% of its value against the dollar in 2022, it dropped a further 15% in 2023 and 26% in 2024, as of November.⁴³

Energy Sector

Ghana relies on hydropower and thermal energy to meet most of its energy needs. The electricity access rate stands at 86% (2021), with 50% of rural residents and 91% of urban residents connected to the electricity grid.⁴⁴ Over the past decade, Ghana’s energy sector has faced recurrent electricity supply volatility (both shortfalls and gluts), and is a major source of public debt. In late 2023 and early 2024, Ghana’s power sector faced significant challenges. In February 2024, the state-owned Electricity Company of Ghana temporarily cut power to the parliament building over an unpaid \$1.8 million debt, highlighting the sector’s ongoing financial struggles and the government’s difficulty in meeting its obligations to energy providers.⁴⁵

Ghana has also sought alternative energy sources. After considering bids from five companies for the construction of what would be its first nuclear power plant, a commercial agreement was reached in late August, between Nuclear Power Ghana (NPG) and Regnum Technology Group, the U.S. developer for a small modular reactor project using NuScale Power technology.⁴⁶ This agreement reportedly would require a “123 agreement” and congressional consideration.⁴⁷ The U.S. Nuclear Regulatory Commission and the Ghana Nuclear Regulatory Authority have engaged in discussions regarding establishing regulatory oversight and legal frameworks aimed at fostering U.S.-Ghana civil nuclear cooperation.⁴⁸

⁴¹ Kennedy Wandera, “Ghanaian MP cautions colleagues on ‘passing bad laws’ after Kenyans stormed parliament during anti-tax protests,” July 3, 2024; and Kennedy Wandera (@KennedyWandera_), X post, July 3, 2024, at https://x.com/KennedyWandera_/status/1808402484647387576.

⁴² U.S. Department of State, “2024 Investment Climate Statements: Ghana,” Accessed November 13, 2024. CRS Insight IN11919, *Russia’s Invasion of Ukraine: Implications for Global Food Prices and Food Security*, by Rhoda Margesson et al.

⁴³ XE, “Ghanaian Cedi to US Dollar Exchange Rate Chart,” accessed November 13, 2024. Ekow Dontoh, “How Once-Thriving Ghana Was Forced to Seek a Bailout,” *Bloomberg*, June 24, 2024.

⁴⁴ International Trade Administration, “Ghana - Country Commercial Guide: Energy and Renewables,” November 26, 2023.

⁴⁵ Maxwell Akalaare Adombila, “Ghana’s Sunon Asogli Delays Power Plant Shutdown After Interim Debt Deal,” Reuters, December 5, 2023, and “Ghana electricity supplier briefly disconnects parliament over debt,” Reuters, February 29, 2024.

⁴⁶ U.S. Department of State, “U.S. and Ghana Nuclear Firms Sign Landmark Commercial Agreement for Small Modular Reactor Project in Ghana,” August 29, 2024.

⁴⁷ DOE, National Nuclear Security Administration, “123 Agreements for Peaceful Cooperation,” December 7, 2022, <https://www.energy.gov/nnsa/123-agreements-peaceful-cooperation>.

⁴⁸ See U.S. Nuclear Regulatory Commission, “U.S. and Ghana Work Together on Independent, Transparent Nuclear Regulatory Framework,” July 21, 2023, at <https://www.nrc.gov/cdn/doc-collection-news/2023/23-043.pdf>.

Human Development Index

Ghana has recorded a generally positive development trajectory. Ghana's Human Development Index (HDI) score of 0.602 in 2022 places it in the medium development category, ranking 145th out of 193 countries.⁴⁹ This index measures achievements in health, education, and living standards.

Technology and Digital Economy

Ghana's information and communications technology (ICT) sector has emerged as a pivotal economic component.

As of January 2024, Ghana had approximately 39 million registered mobile connections, down from a previous high of around 44 million, potentially due to the disconnection of unregistered SIM cards.⁵⁰ Mobile connections correspond to 113% of Ghana's population, second only to Nigeria in West Africa. The country also boasts a 69.8% data subscription penetration rate, with subscriptions concentrated in urban areas.⁵¹ Despite these figures, challenges such as costly data access and insufficient last mile connectivity persist.⁵² In response, the Ghanaian government is promoting the expansion of fiber optic networks to improve nationwide data accessibility.⁵³ In 2023, the U.S. International Development Finance Corporation, African Data Centres (ADC) leadership, and U.S. Ambassador to Ghana Virginia Palmer signed a statement in Accra reaffirming their commitment to strengthening Ghana's ICT infrastructure.⁵⁴

Along with increased U.S. government investments, the presence of major U.S. technology firms in Ghana underscores its status as a key player in Africa's ICT and fintech sectors. Notable companies include Google, which inaugurated Africa's first Artificial Intelligence research center in Ghana in 2019; American Tower Corporation, which controls 84% of Ghana's over 6,500 telecom towers; and numerous other tech giants like Microsoft, IBM, and Oracle that are operating within the market.⁵⁵

Recent market shifts include Vodafone's divestiture to Telecel Group and Lynk Global's contract to provide satellite telecom services in Ghana, enhancing connectivity through innovative 'cell-towers-in-space' technology.⁵⁶ Ghana's Ministry of Communications and Digitalisation confirmed in a radio interview that the country would launch its 5G service on November 1, 2024.⁵⁷ On the announced date, Minister Ursula Owusu-Ekuful officially unveiled Ghana's 5G network

⁴⁹ UNDP Human Development Reports, "Human Development Insights: Ghana," accessed October 9th, 2024.

⁵⁰ Kwabena Adu- Gyamfi, "Ghana to block all unregistered sim cards after October," Africanews, August 13, 2024. Statista, "Total number of mobile connections in Ghana from 2017 to 2024," accessed September 13, 2024.

⁵¹ Ibid.

⁵² "The Last Mile, Explained," NCTA, April 4, 2023.

⁵³ Eric Nana Yaw Kwafo "Gov't has focused on digital transformation agenda to propel Ghana into a prosperous future – Bawumia," *Modern Ghana*, February 26, 2024.

⁵⁴ Development Finance Corporation, "DFC CEO Travels to Ghana to Strengthen Global Infrastructure and Grow Economic Opportunity," October 16, 2023.

⁵⁵ International Trade Administration, "Ghana - Country Commercial Guide: Information and Communications Technology (ICT)," November 26, 2023.

⁵⁶ Rorisang Moyo, "Lynk and Vodafone Ghana Collaborate to Bring Satellite-Direct-to-Standard-Phone-Technology to Ghana," *Space in Africa*, April 12, 2023.

⁵⁷ "Ghana to Launch 5G Service on November 1 – Minister of Communications," *Tech Labari*, September 10, 2024.

emphasizing “that this milestone reflects Ghana’s significant technological journey and dedication to progress.”⁵⁸

Security Considerations

Ghana has maintained its stability, even as much of West Africa has grappled with ascendant Islamist insurgencies and military coups. Ghana has never experienced a civil war, and it ranks among the top 10 contributors of military and police personnel to United Nations (UN) peacekeeping missions.⁵⁹ While the government has yet to report any attacks by Sahel-based affiliates of Al Qaeda or the Islamic State, authorities reportedly are increasingly worried about recent attacks in neighboring countries and security incidents along Ghana’s northern border.⁶⁰ A 2023 attempted bombing and fatal attack on immigration officers in the northeastern town of Bawku, which security experts attributed to a local dispute that may also involve militants, underscored Ghana’s potential vulnerability to Islamist violence.⁶¹ Ghanaian authorities attributed both incidents to “criminal elements.”⁶² In March 2023, President Akufo-Addo stated he “did not have any information” to confirm the presence of Al Qaeda in Ghana, but that it was possible Islamist extremist cells were operating clandestinely in the country.⁶³

Some observers assess that Islamist armed groups could leverage local grievances in northern Ghana to promote their cause, particularly among the Fulani, a predominately Muslim ethnic group that is also present in other countries in the region and is often viewed in Ghana as foreign, despite being an indigenous group.⁶⁴ Related discrimination, coupled with chieftaincy disputes over succession, resources, and internal rivalries, create a volatile environment that some observers suggest is ripe for extremist exploitation.⁶⁵ For instance, ongoing conflict in the northern border district of Bawku, which has claimed dozens of lives since 2021, arguably demonstrates the potential for violence stemming from these complex social and political issues.⁶⁶

Human Rights and Rule of Law

Successive Ghanaian governments have broadly respected freedoms of association, assembly, and expression. Alongside Cabo Verde, Ghana is one of two West African countries rated as “free” in Freedom House’s 2024 *Freedom in the World* index of political rights and civil liberties.⁶⁷ The country’s civil society is robust and diverse, nongovernmental organizations are generally at liberty to operate, and political commentators and opposition politicians routinely criticize and make demands of the government. Ghana’s state administrative apparatus also is more capable

⁵⁸ Ministry of Communications and Digitalisation, “Ghana Launches 5G Network: A Historic Leap Towards Digital Advancement,” November 3, 2024.

⁵⁹ United Nations Peacekeeping, “Troop and Police Contributors: Ranking of contributions by Country (as of 31 July 2024),” Accessed October 15, 2024. Ghanaian personnel in UN peacekeeping efforts are largely deployed as part of the UN Mission in South Sudan (UNMISS), the UN Interim Force in Lebanon (UNIFIL), and the UN Interim Security Force for Abyei (UNISFA).

⁶⁰ “Understanding armed violence in Bawku: Exploring links with terrorism and its drivers,” *Accord*, April 25, 2024.

⁶¹ Aanu Adeoye, “The Islamist insurgents threatening west Africa,” *Financial Times*, January, 21 2024.

⁶² Juster Domingo, “Attempted Bombing in North Ghana Fuels Jihadist Fears,” *The Defense Post*, February 10, 2023.

⁶³ C-SPAN, “Vice President Harris and Ghanaian President Akufo-Addo Joint News Conference,” March 27, 2023.

⁶⁴ Eliasu Tanko, “Could Ghana Be Jihadists’ Next Target?” *Foreign Policy*, May 14, 2024.

⁶⁵ Ibid.

⁶⁶ James Courtright, “A Small Town in Ghana Erupted in Violence. Were Jihadists Fueling the Fight?” *New Lines Magazine*, January 25, 2023.

⁶⁷ Freedom House, *Freedom in the World 2024*, 2024.

than those of many other countries in West Africa, albeit with service provision generally better in the south compared to the north, and in cities as opposed to rural areas.

Official corruption, including within the judiciary, has nonetheless been a chronic problem, and a source of public discontent and target of investigative reporting. Several high-level officials have been implicated in corrupt practices. In late 2022, for instance, President Akufo-Addo fired his deputy finance minister after an undercover journalist filmed him soliciting bribes from investors. Extortion and bribe-taking by police and other justice sector officials is reportedly pervasive; according to public opinion surveys, nearly three in five Ghanaians believe “most” or “all” police are corrupt.⁶⁸ Transparency International ranks Ghana as 70th among the 180 countries assessed in its *Corruption Perceptions Index*; it had the seventh lowest level of perceived corruption among countries in Africa.⁶⁹

In another measure of government performance, the State Department ranked Ghana as a Tier 2 country in its *2024 Trafficking in Persons* report, meaning it does not meet minimum standards for eliminating human trafficking but is making significant efforts to do so.

The establishment of media outlets by politicians has reportedly spurred increasing politicization and biased reporting within Ghana’s media sector, which fell 20 places between the 2021 and 2024 editions of Reporters Without Borders’ *Press Freedom Index*.⁷⁰ The State Department has documented “isolated attacks on and harassment and arrests of journalists by members of security forces,” as well as violence by political party supporters and unknown actors.⁷¹ It has been reported that despite some assessed improvements in press freedom in 2024,⁷² some politicians have openly threatened and harassed journalists, including those who report on corruption and other sensitive topics.⁷³

Conditions for LGBTQI+ community in Ghana and Pending Legislation

A range of international human rights groups have expressed concerns over increasing attacks and harassment targeting lesbian, gay, bisexual, transgender, queer, and intersex (LGBTQI+) people in Ghana, and over legal reforms that could further place LGBTQI+ persons at risk.⁷⁴ In 2024, Ghana’s parliament unanimously approved the “Human Sexual Rights and Family Values Act.”⁷⁵ The legislation aims to sharply restrict and criminalize same-sex relations. Within Ghana, it has reportedly garnered widespread support from local religious and traditional groups, who argue it upholds African values and protects family structures. Multiple political leaders, some reportedly influenced by Western evangelical groups, also back the bill, describing it as necessary to preserve cultural identity.⁷⁶

Some foreign governments and multiple human rights organizations and progressive voices, both domestic and international, have expressed opposition to the bill, and cited increased violence and discrimination against

⁶⁸ Afrobarometer, Round 8 Surveys (2019). A 2021 survey by the UN Office on Drugs and Crime (UNODC) found that over half of respondents who stated they had had contact with police officers in the year prior to the survey reported that they had paid a bribe or been asked to pay a bribe (UNODC, “Corruption in Ghana: People’s Experiences and Views”, 2022).

⁶⁹ Transparency International, “Corruption Perceptions Index”, accessed November 4, 2024.

⁷⁰ Reporters Without Borders, *Press Freedom Index 2024*, 2024

⁷¹ U.S. Department of State, 2022 Country Reports on Human Rights Practices, 2023.

⁷² Reporters Without Borders, *Press Freedom Index 2024*, 2024

⁷³ Richmond Acheampong, “Safeguarding Press Freedom in Ghana: Understanding and Addressing Attacks on Journalists,” *Modern Ghana*, January 2, 2024.

⁷⁴ Amnesty International, “Africa: Barrage of discriminatory laws stoking hate against LGBTI persons,” January 9, 2024.

⁷⁵ U.S. Department of State, “Ghanaian Parliament’s Passage of Legislation Undermines Human Rights,” 2024.

⁷⁶ Karen Attiah, “Opinion | Ghana’s draconian anti-gay bill reflects colonial values,” *The Washington Post*, March 14, 2024.

LGBTQ+ individuals since its introduction.⁷⁷ The U.S. State Department and some Members of Congress have voiced alarm over the legislation, cautioning that it may infringe on constitutional rights such as freedom of expression, media, and assembly.⁷⁸ As of October, the Supreme Court has granted the lawyers representing the Speaker of Parliament an additional seven days to file their statement of defense in the ongoing Richard Sky lawsuit, which challenges the anti-LGBTQ+ bill. Both defendants in the case—the Speaker of Parliament and the Attorney General—missed the initial deadline to submit their defenses.⁷⁹

According to a media account, Ghana's Finance Ministry warned in an internal memo that enacting the bill could jeopardize up to \$3.8 billion worth of World Bank assistance, including a crucial \$600 million budgetary support package, as well as IMF loan support and ongoing debt restructuring negotiations.⁸⁰ President Nana Akufo-Addo, who has stated he is awaiting a court ruling on the proposed measure, has faced criticism for delaying the bill's signing.⁸¹ Speaker of Parliament Alban Bagbin has halted new ministerial approvals, accusing the president of undermining parliamentary authority by not acting on the bill. Mahamudu Bawumia, the NPP flagbearer, has vowed to sign the controversial anti-LGBTQ bill into law if the Supreme Court rules it constitutional: "We'll wait for the court's decision, but once it's out and declared constitutional, signing is automatic – no ifs, no buts. We won't allow anything less."⁸² Former Ghanaian President and opposition presidential candidate John Dramani Mahama has voiced his opposition to LGBTQ+ rights but has apparently not stated whether he would sign this bill.

Gender Equity

Women in Ghana hold high-profile political leadership positions, including Chief Justice, Attorney General, and Speaker of Parliament. Despite these prominent individual roles, systemic gender inequalities remain pervasive, including in political representation, as measured by some indexes. According to the World Economic Forum's June 2024 Global Gender Gap Report, Ghana ranks 119th out of 156 countries in political empowerment; In the Sub-Saharan Africa region, Ghana stands at 18th out of 35 countries.⁸³

Ghana stands out globally in several areas of gender equality and leadership. The country ranks fifth worldwide for labor-force participation and holds the top spot for the percentage of women enrolled in secondary education. Additionally, Ghana is ranked 21st globally for the percentage of women serving as legislators, senior officials, and managers.⁸⁴ Notably, three women candidates are currently positioned to potentially make history by becoming Ghana's first female vice president.⁸⁵ However, women continue to face challenges related to financial services access, inheritance rights, and land ownership, where rights are either uneven or only partially equal.⁸⁶

⁷⁷ Francis Kokutse, "Meet the straight ally who is protesting Ghana's anti-LGBTQ bill," Associated Press, September 13, 2024; Human Rights Watch, "Ghana's Anti-LGBT Push Will Harm Its Democracy," December 12, 2023.

⁷⁸ U.S. Department of State, "Ghanaian Parliament's Passage of Legislation Undermines Human Rights," 2024; Senator Cory Booker, "Booker Statement on Ghanaian Parliament's Passage of LGBTQI+ Criminalization Bill," March 4, 2024.

⁷⁹ Hanson Agyemang, "Anti-LGBTQ+ case: Speaker of Parliament given seven days to file statement of defence," *Citi Newsroom*, October 17, 2024.

⁸⁰ Aanu Adeoye, "Anti-LGBT+ law puts Ghana's IMF and World Bank funding at risk, finance ministry warns," *Financial Times*, and Rachel Savage, "Ghana's president says anti-LGBTQ bill has not reached his desk," Reuters, both March 5, 2024; and "Lawyer Richard Sky explains why he went to Supreme Court with anti-gay bill," *The Herald (Accra)*, March 6, 2024. "Ghana president caught in squabble over anti-LGBTQ bill," Africanews, August 13, 2024.

⁸¹ Maxwell Akalaare Adombila, "LGBT Ghanaians await court ruling on restrictive new law," Reuters, April 18, 2024.

⁸² Kent Mensah, "Ghana: 'No ifs, no buts', NPP's Bawumia vows to sign disputed anti-LGBTQ bill," *The Africa Report*, August 27, 2024.

⁸³ World Economic Forum, "Global Gender Gap 2024 Insight Report," June 2024.

⁸⁴ *Ibid.*

⁸⁵ "Meet the 3 female running mates in the 2024 general elections," *Ghana Web*, October 10, 2024.

⁸⁶ World Economic Forum, "Global Gender Gap 2024 Insight Report," June 2024.

Ghana has signed onto most global conventions aimed at promoting gender equality, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the African Union’s Protocol on the Rights of Women. Likewise, Ghana’s 1992 Constitution obliges the state to ensure gender equity in public and private sectors.

Despite Ghana’s formal proclamations in support of gender equity, women in Ghana continue to face significant socio-cultural barriers. Practices such as female genital mutilation remain prevalent in certain regions despite legal prohibitions.⁸⁷ Likewise, many Ghanaian women are economically disadvantaged, with unequal access to financial resources, employment opportunities, and education.⁸⁸

In a step towards improving these conditions, in July 2024, Ghana’s Parliament unanimously passed the Affirmative Action Gender Bill. The bill, stemming from a process initiated in 1998, aims to promote an equitable society by requiring actions to address disparities in socio-cultural, political, economic, and educational areas across both the private and public sectors. The law mandates a minimum of 30% female representation in key national decision-making roles by 2030.⁸⁹ Currently women hold less than 15% of parliamentary seats.⁹⁰

Regional Dynamics and Foreign Relations

ECOWAS. President Akufo-Addo has been a prominent advocate for African economic interests and civilian governance, while navigating complex regional dynamics within the Economic Community of West African States (ECOWAS). He has championed debt relief and improved financial stability mechanisms for African nations.⁹¹ He also has voiced opposition to military rule in West Africa in the context of coups in four ECOWAS member states (Mali, Burkina Faso, Niger, and Guinea). After Niger’s 2023 military coup, President Akufo-Addo pushed for a robust ECOWAS response. The regional bloc imposed broad economic sanctions on Niger and floated military intervention.⁹² However, Akufo-Addo faced domestic opposition to intervention, and ECOWAS (including Nigeria, its strongest member militarily) backed off from threatened military action and subsequently lifted sanctions after Niger, Burkina Faso, and Mali signed a mutual confederation treaty and indicated their intent to leave ECOWAS.⁹³

Russia. President Akufo-Addo criticized Russia’s 2022 invasion of Ukraine, and has intimated that the war is part of the reason for Ghana’s economic woes.⁹⁴ A non-permanent member of the United Nations Security Council (UNSC) in 2022-2023, Ghana voted in favor of a UNSC

⁸⁷ Pulitzer Center, “The COVID-19 Lockdown Reignited Female Genital Mutilation in Ghana,” August 2, 2022.

⁸⁸ Mary Awusi, David Addae, Olivia Adwoa Tiwaa Frimpong Kwapong, “Tackling the legislative underrepresentation of women in Ghana: Empowerment strategies for broader gender parity,” 2023. Ghana Compact, “Gender Inequality: Challenges and Potential Solutions for Ghana.”

⁸⁹ “Ghana parliament passes law to quicken women’s empowerment,” Reuters, July 30, 2024.

⁹⁰ United Nations Security Council, “Women and peace and security: Report of the Secretary General,” September 28, 2023.

⁹¹ See, e.g., Remarks by the President of the Republic, Nana Addo Dankwa Akufo-Addo, at the 2022 Annual Meetings of the African Development Bank, May 24, 2022.

⁹² “Most of West Africa Ready to Join Standby Force in Niger: ECOWAS,” *Al Jazeera*, August 17, 2023; and “Military Intervention In Niger Unlikely, Says Ghana’s Top Army Chief,” *Business News Africa*, October 12, 2023.

⁹³ Ope Adetayo and Felix Onuah, “West African bloc says it risks disintegration if junta-led states leave,” Reuters, July 7, 2024; Final Communiqué – Extraordinary Summit of the ECOWAS Authority of Heads of State and Government on the Political, Peace and Security Situation in the Region, February 24, 2024. For more on Niger Coup see CRS In Focus IF12464, *Niger*, by Alexis Arieff.

⁹⁴ Ministry of Information, “Address to the Nation by President Nana Addo Dankwa Akufo-Addo on the Economy,” October 30, 2022.

resolution in February 2022 to condemn Russia's aggression. (Russia vetoed the measure.) Ghana subsequently voted in favor of five of six U.S.-backed UN General Assembly (UNGA) resolutions related to the war, but (like many African countries) abstained from an UNGA resolution suspending Russia from the UN Human Rights Council.⁹⁵ Akufo-Addo also expressed concern over the role of the Russian private military company Wagner Group (now rechristened the Africa Corps) in Africa, and in late 2022 publicly accused Burkina Faso of hiring "Russian mercenaries."⁹⁶ Burkinabe authorities denied the allegation and summoned Ghana's ambassador over the claim.⁹⁷ Russian security personnel reportedly deployed to Burkina Faso in early 2024.⁹⁸ At the Ukraine peace summit in Switzerland, Ghana's President Nana Akufo-Addo condemned Russia's invasion of Ukraine, calling it a case of "bullying" and asserting that Africa has been the greatest victim due to the geopolitical fallout.⁹⁹

China. The People's Republic of China (PRC, or China) is a top trade partner and financier of major infrastructure projects in Ghana. PRC firms, often with PRC state financing, have built hydroelectric dams and implemented transportation and ICT projects. Some projects have reportedly been financed with natural resource-collateralized loans or repaid partly with such resources (e.g., cocoa).¹⁰⁰ In 2018, Ghana entered into a Master Project Support Agreement (MPSA) with China, reportedly allowing PRC access to 5% of Ghana's bauxite reserves in exchange for a \$2 billion loan.¹⁰¹ This loan will finance major infrastructure projects, notably railway construction, while granting PRC-based companies rights to extract and process bauxite. The arrangement follows a similar 2017 PRC deal with Guinea, where bauxite concessions were exchanged for a \$20 billion infrastructure loan.¹⁰²

In early 2024, Ghana reached an agreement in principle to restructure \$5.4 billion in loans with official creditors, including China, enabling Ghana's government to access an additional \$600 million from an ongoing \$3 billion IMF policy-conditioned loan program.¹⁰³ At that time, China held 7% of Ghana's total external debt.¹⁰⁴ As of October 2024, the Government of Ghana has confirmed receipt of a draft memorandum of understanding (MOU) from its bilateral creditors. Once signed, this MOU will formalize the \$5.4 billion agreement initially reached in January 2024 with key nations, including France and China. In parallel, Ghana has also secured an agreement in principle with two bondholder groups to restructure approximately \$13 billion in debt.¹⁰⁵

⁹⁵ Ghana voted for UNGA Resolutions ES-11/1, ES-11/2, ES-11/4, and ES-11/5, and abstained from UNGA Resolution ES-11/3.

⁹⁶ Lalla Sy, "Wagner Group: Burkina Faso anger over Russian mercenary link," *BBC*, December 16, 2022.

⁹⁷ "Burkina Faso summons Ghanaian ambassador over Wagner allegations," Reuters, December 16, 2022.

⁹⁸ "Russian troops deploy to Burkina Faso," Reuters, January 25, 2024.

⁹⁹ Luke Kilian, "Ghana President Akufo-Addo: Africa is the greatest victim of 'bullying' Russia's Ukraine war," *African Business*, June 18, 2024.

¹⁰⁰ Jonas Nyabor, "Ghana: Chinese loans take centre stage in restructure talks," *The Africa Report*, June 21, 2023.

¹⁰¹ Nosmot Gbadamosi, "Ghana's Bauxite Boom," *Foreign Policy*, January 28, 2020.

¹⁰² Saliou Samb, "China to loan Guinea \$20 billion to secure aluminum ore," Reuters, September 6, 2017.

¹⁰³ IMF, "IMF Executive Board Approves US\$3 Billion Extended Credit Facility Arrangement for Ghana," May 17, 2023.

¹⁰⁴ IMF, "Ghana: Staff Report for the 2023 Article IV Consultation, First Review Under the Arrangement Under the Extended Credit Facility, Request for Modification of Performance Criteria, and Financing Assurances Review—Debt Sustainability Analysis," January 25, 2024.

¹⁰⁵ Maxwell Akalaare Adombila and Duncan Miriri, "Ghana clinches preliminary \$13 bln debt deal with bondholders," Reuters, June 24, 2024.

Some Ghanaians have criticized China's growing influence in the country. Their stated concerns include the negative environmental impacts of some PRC-funded projects and illegal small-scale gold mining (*galamsey*) involving PRC-nationals.¹⁰⁶ Ghanaian authorities have arrested hundreds of PRC nationals for *galamsey* in the past decade. While there have been these arrests, a 2022 Freedom House report indicated that Ghanaians primarily blamed their own government for negative impacts associated with *galamsey* activities, rather than China.¹⁰⁷ PRC firms also face accusations of exploitative fishing practices and labor abuses in Ghanaian waters.¹⁰⁸ Afrobarometer polling suggests that Ghanaians' perceptions of China as a positive influence declined markedly between 2019 and 2022, to one of the lowest levels among 28 African countries surveyed; positive perceptions of the United States also fell during that time, though to a more limited extent.¹⁰⁹

U.S. Relations and Assistance

U.S.-Ghana relations are anchored in Ghana's status as a democratic bulwark and stabilizing force in the region. High-level visits have included those by Presidents George W. Bush and Barack Obama, then-Speaker Nancy Pelosi, and most recently Vice President Harris in 2023.¹¹⁰

Such engagements have highlighted bilateral security, trade, cultural, and peacekeeping collaboration.¹¹¹ The State Department characterizes Ghana as a key partner in West Africa, particularly in maintaining democracy, countering extremism, and bolstering regional security.¹¹² The country hosts a U.S. Agency for International Development (USAID) West Africa regional mission (along with a bilateral mission), one of four U.S. Young African Leaders Initiative (YALI) Regional Leadership Centers in Africa, and one of two State Department International Law Enforcement Academies on the continent. Ties also include the U.S.-Ghana Business Forum, a regular exchange between U.S. and Ghanaian officials and business leaders focused on deepening commercial engagement. Civil nuclear cooperation is an emergent potential area of bilateral engagement.¹¹³

The U.S. Integrated Country Strategy for Ghana, issued in 2022, aims to drive sustainable economic growth, enhance inclusive development, and promote peace, security, and good governance. Key goals include fostering broad-based economic growth, improving food security, and addressing climate and health threats. The strategy also focuses on strengthening security

¹⁰⁶ Stacey Knott, "Mining Ghana's Bauxite Would Bring in Billions from China. But It Could Also Taint the Water for 5 Million People," *Washington Post*, October 28, 2019; and Amodani Gariba, "The \$19 Billion Ghana-China Deal Does Not Serve Ghana's Interest; Review It," *Ghana Web*, September 5, 2018.

¹⁰⁷ Freedom House, "Beijing's Global Media Influence 2022: Ghana," 2022.

¹⁰⁸ Miren Gutiérrez et al., "China's Distant-Water Fishing Fleet: Scale, Impact, and Governance," *ODI*, 2020; Lieven Engelen, "Under cover of darkness: the damaging effects of illegal 'saiko' fishing," *The Guardian*, October 17, 2022; and Environmental Justice Foundation, "Fear, Hunger, and Violence: Human Rights in Ghana's Industrial Trawl Fleet," 2021.

¹⁰⁹ Preliminary results of the most recent round of Afrobarometer polling, shared via the organization's official X page (@afrobarometer), April 25, 2023, at <https://twitter.com/afrobarometer/status/1650859906193555456>.

¹¹⁰ White House, "FACT SHEET: Vice President Harris Announces Initiatives to Strengthen U.S. Partnership with Ghana and Promote Regional Security," March 27, 2023.

¹¹¹ U.S. Department of State, "Joint Statement on the October 3 U.S.-Ghana Security Dialogue," October 3, 2024.

¹¹² U.S. Department of State, "Remarks by a Senior Administration Official During a Telephonic Background Briefing on Ambassador Thomas-Greenfield's Travel to Ghana and Namibia," December 4, 2023, among related trip releases.

¹¹³ U.S. Department of State, "U.S. and Ghana Nuclear Firms Sign Landmark Commercial Agreement for Small Modular Reactor Project in Ghana," August 29, 2024.

forces, empowering communities to maintain peace, enhancing government accountability, protecting human rights, and supporting a free and professional media.¹¹⁴

Combating child labor in the cocoa sectors of Ghana and neighboring Côte d'Ivoire has been an enduring area of U.S. assistance and congressional engagement.¹¹⁵ The practice largely involves work by children on family-owned farms, often under hazardous conditions. Forced child labor, or child slavery, also occurs, but is reportedly more limited.¹¹⁶ The 2001 Harkin-Engel Protocol, a voluntary public-private agreement named after Members of Congress who helped champion it, aimed at eliminating severe child labor in cocoa supply chains; expired in 2021.¹¹⁷ Currently, 1.56 million children are estimated to be working in hazardous conditions in Ghana and Côte d'Ivoire's cocoa sectors.¹¹⁸ The U.S. Department of Labor provides aid to address this issue. Ghanaian civil society groups have lobbied the European Union (EU) for mandatory minimum cocoa prices to improve farmers' livelihoods. In 2019, Ghana and Côte d'Ivoire signed an accord with large cocoa industry actors, under which the latter would pay a premium over global cocoa prices, currently equivalent to about 10% of today's market prices.¹¹⁹ According to the U.S. Department of Labor, Ghana showed progress in combating the worst forms of child labor as of 2022, including increases in the government's labor inspector workforce and the number of inspections conducted.¹²⁰

Ghana and the United States share strong people-to-people connections, underpinned by substantial Ghanaian communities in multiple U.S. cities and American expatriates residing in Ghana.¹²¹ President Akufo-Addo has actively promoted Ghana to Black Americans through initiatives like the "Year of Return" and "Beyond the Return," aiming to boost tourism, migration, and investment based on shared historical ties rooted in the Transatlantic slave trade and shared ascribed descent. Ghana has also taken a stance on slavery reparations, hosting a summit advocating for a Global Reparation Fund.¹²² The annual "Detty December" festivities, which celebrate cultural ties between diaspora communities and those in Ghana, have emerged as a cultural phenomenon, attracting members of the African diaspora and further strengthening shared transnational bonds.¹²³

U.S.-Ghana Trade and Investment

Ghana holds a modest role as a U.S. trade and investment partner globally, but stands out as a key market for U.S. trade and foreign direct investment in Africa. In 2023, Ghana ranked among the

¹¹⁴ U.S. Department of State, "Integrated Country Strategy: Ghana," accessed September 27, 2024.

¹¹⁵ For more on child labor in West Africa see CRS Report RL32990, *Child Labor in West African Cocoa Production: Issues and U.S. Policy*, coordinated by Tiaji Salaam-Blyther.

¹¹⁶ Enoch Kwame Tham-Agyekum et al., "Impact of children's appropriate work participation in cocoa farms on household welfare: Evidence from Ghana," *Journal of Agriculture and Food Research*, Volume 14, 2023.

¹¹⁷ U.S. Department of Labor, "Harkin Engel Protocol," https://www.dol.gov/sites/dolgov/files/ILAB/legacy/files/Harkin_Engel_Protocol.pdf

¹¹⁸ U.S. Department of Labor, "Child Labor in the Production of Cocoa," accessed October 15, 2024.

¹¹⁹ "Putting a LID on Cocoa," *Africa Confidential* November 16, 2023.

¹²⁰ U.S. Department of Labor, "Findings on the Worst Forms of Child Labor- Ghana," 2022 (latest).

¹²¹ CRS tabulation of data from U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates.

¹²² Francis Kokutse, "A Ghana Reparations Summit Agrees on a Global Fund to Compensate Africans for the Slave Trade," Associated Press, November 16, 2023, and Edith Lederer, "UN Forum Says People of African Descent Still Face Discrimination and Attacks, Urges Reparations," Associated Press, October 31, 2023.

¹²³ Ghana Tourism Authority, "Akwaaba! Exciting December in Ghana," December 2023.

top destination markets, alongside South Africa (\$7.2 billion), Nigeria (\$2.6 billion), Ethiopia (\$1.2 billion), and Angola (\$595 million), with a trade value of \$850 million.¹²⁴

In 2024, U.S. goods exports to Ghana reached \$450 million, marking a 24% increase since 2023 but reflecting a 53% decline from 2021.¹²⁵ U.S. general imports from Ghana in 2024 were valued at \$703 million with “energy-related products” comprising much of the balance (\$467 million).¹²⁶ Ghana is eligible for duty-free trade benefits under the U.S. African Growth and Opportunity Act (AGOA, P.L. 106-200). From 2014 to 2021, Ghana’s AGOA utilization rates, excluding crude petroleum, have fluctuated. The rates were as high as 96.5% in some years but dipped significantly to as low as 46.7% in others, reflecting variability in Ghana’s export performance across sectors.¹²⁷

According to the State Department, “roughly 100 U.S. companies maintain operations in Ghana,” including U.S. multinationals Coca Cola, Cargill, Newmont (a gold mining company), IBM, and PwC.¹²⁸ In 2021, ExxonMobil withdrew from Ghana, relinquishing to the government its 80% stake in a deep-water oil prospect after 2.5 years of exploration, as part of its larger strategy to scale back operations in West Africa. Despite Exxon’s exit, the energy sector in Ghana continues to be supported by key international players, including Kosmos Energy (U.S.), Eni (Italy), Tullow Oil (UK), Vitol (Switzerland), and Aker Energy (Norway). In late 2022, Twitter (now known as “X”) inaugurated a headquarters in Accra, its first in Africa, but fired nearly all of its Ghana-based staff days later amid sweeping personnel changes following the company’s change in ownership. The terminated employees alleged a breach of Ghana’s labor laws.¹²⁹ In late 2024, X settled payments with staff dismissed from the company’s African headquarters.¹³⁰

U.S. Assistance and Security Cooperation

Table I. U.S. Bilateral Aid to Ghana: FY2022-FY2025

Actual or requested levels; millions of current U.S. \$; allocations by year of appropriation

	FY2022 Initial Actual	FY2023 Adjusted Enacted	FY2024 Request	FY2025 Request
DA	58.04	66.10	66.10	65.37
IMET	.84	.90	.90	1.15
INCLE	3.00	3.00	3.00	3.00
GHP- STATE	11.33	11.79	0	0
GHP-USAID	64.64	67.75	68.75	69.25
Total	137.85	149.54	138.75	138.77

Source: Department of State, Foreign Operations and Related Programs Congressional Budget Justifications (FY2024 through FY2025).

¹²⁴ United States Trade Representative, “The African Growth and Opportunity Act,” June 27, 2024.

¹²⁵ CRS calculation based on data from USITC Dataweb, accessed September 18, 2024, at <https://dataweb.usitc.gov/trade-data-reports/sub-saharan-africa/trade-data/by-country/Ghana>.

¹²⁶ Ibid.

¹²⁷ United States International Trade Commission, “African Growth and Opportunity Act,” March 1, 2023.

¹²⁸ U.S. Department of State, “U.S. Relations With Ghana,” August 2, 2021 (current).

¹²⁹ Larry Madowo, “Twitter Africa employees accuse Elon Musk of discrimination over severance terms,” *CNN*, November 22, 2022.

¹³⁰ “Ghana: Fired Twitter staff finally receive pay-off,” *Africanews*, August 13, 2024.

Notes: Table excludes funds administered on a regional or global basis, or by federal entities other than the State Department and USAID. ESF = Economic Support Fund; INCLE = International Narcotics Control & Law Enforcement; IMET = International Military Education & Training; DA = Development Assistance; GHP = Global Health Program.

U.S. foreign assistance for Ghana supports a range of development, governance, and security goals. State Department- and USAID-administered aid totaled over \$149 million in FY2023 allocations (latest public data), and the Administration has requested \$139 million for Ghana in FY2025.¹³¹ A majority of U.S. aid to Ghana focuses on health, reflecting a trend across Africa, and supports initiatives targeting malaria, HIV/AIDS, maternal and child health, reproductive care, water and sanitation, nutrition, and health security. Additionally, the United States supports Ghana's agricultural sector through the USAID-led Feed the Future program, and provides assistance for education, governance, and civil society, among other developmental goals.

The United States and Ghana have increased their collaboration on security issues over the past decade, particularly in countering violent extremism. The State Department has provided military training and equipment to Ghana under the Trans-Sahara Counter-Terrorism Partnership (TSCTP), part of a broader shift toward supporting coastal West African countries under the initiative. The Department of Defense (DOD) has also provided Ghana with military training and equipment under its global train-and-equip authority (10 U.S.C. §333), focusing on maritime security, counter-narcotics, border security, and regional counterterrorism cooperation. The North Dakota National Guard has maintained a State Partnership Program (SPP) with Ghana since 2004, focused particularly on disaster prevention and response.¹³² U.S. Africa Command (AFRICOM) conducted Flintlock 2023 and 2024 in Ghana and Côte d'Ivoire, the Command's largest annual special operations exercise, involving 1,300 service members from 30 nations.¹³³

The Biden Administration has identified Ghana as a focus of assistance under the Global Fragility Act (GFA), as part of a coastal West Africa region that also includes Benin, Côte d'Ivoire, Guinea, and Togo. The Administration's March 2023 strategy for coastal West Africa outlines goals to enhance social cohesion, improve government responsiveness and accountability, and bolster security forces' effectiveness in the region.¹³⁴ An ongoing USAID Office of Transition Initiatives (OTI) program aims to build resilience to extremism; northern Ghana was an initial OTI target, among other coastal West Africa countries.¹³⁵

Ghana has also received Millennium Challenge Corporation (MCC) assistance through two compacts.¹³⁶ The first, a \$547 million initiative from 2007 to 2012, focused on poverty reduction among farmers. The second, a power-sector project that ended in mid-2022, was originally valued at \$498 million and aimed to enhance electricity distribution, promote energy efficiency, expand access to reliable power, and strengthen Ghana's regulatory framework. However, the MCC

¹³¹ U.S. Department of State, Congressional Budget Justification for FY2025, 2024.

¹³² National Guard, "North Dakota National Guard Celebrates 20-year Ghana Partnership," February 23, 2024.

¹³³ United States Africa Command, "Flintlock 2023 opens with ceremonies across Ghana and Cote d'Ivoire," March 16, 2023.

¹³⁴ U.S. Department of State, "The U.S. Strategy to Prevent Conflict and Promote Stability 10-Year Strategic Plan for Coastal West Africa," March 24, 2023.

¹³⁵ Creative Associates, "USAID/OTI Littorals Regional Initiative carries positive messages farther with Amplio Talking Books," May 20, 2024.

¹³⁶ On the MCC, see CRS Report RL32427, *Millennium Challenge Corporation: Overview and Issues*, by Nick M. Brown.

withheld \$190 million after Ghana terminated a contract with a private utility firm; maintaining the contract had been a requirement for fund disbursement.¹³⁷

Outlook and Considerations for Congress

Ghana is scheduled to hold general elections on December 7, 2024, to elect a new president and members of Parliament. Incumbent President Nana Akufo-Addo is ineligible to run, having reached the two-term limit. In 2025, the United States will engage with a new administration in Ghana that faces ongoing challenges. Congress may shape this engagement by funding and overseeing U.S. assistance and defense cooperation, through regional initiatives, or by engaging directly with Ghanaian stakeholders regarding security, governance, and economic prospects in the country and wider region.

Rising violence against LGBTQI+ individuals and violence against journalists have damaged Ghana's positive human rights reputation, and pending legislation may sharpen those concerns, including for some Members of Congress. Elsewhere in Africa, related concerns have harmed bilateral relations and affected aid, and have reduced eligibility for trade benefits under AGOA, among other effects.¹³⁸ Nevertheless, Ghanaian officials may resist what they perceive as foreign interference in domestic matters.¹³⁹

Amid growing bipartisan interest in strengthening U.S. trade and investment ties with African countries, some Members of Congress may explore opportunities to expand economic relations with Ghana, a key U.S. commercial partner in the region, such as through continued investments in the country's ICT sector. Additionally, Congress may evaluate the impact of U.S. development finance initiatives and trade programs, such as the African Growth and Opportunity Act (AGOA), on Ghana's bilateral trade, investment flows, and improvements in its business climate.¹⁴⁰ Some in Congress may also seek to compare the U.S. commercial presence in Ghana with that of China. The reportedly extensive involvement of Chinese nationals in Ghana's illicit economy (notably illegal mining and fishing) is another possible issue for Congress, in light of congressional concern over malign activities by China and other global competitors in Africa.¹⁴¹

Members of Congress may consider Ghana's potential position as a bulwark against growing Islamist insurgencies in the Sahel and possible vulnerability to regional security threats. Members may exercise oversight of deepening security ties with Ghana, including in light of recent coups in U.S. security partner states such as Niger. Congress may also consider whether or not to pursue options to help the Ghanaian government address the socioeconomic marginalization in northern Ghana, marginalization that may drive insurgent recruitment. Such options include initiatives to develop northern Ghana's agriculture, hunting, and forestry sectors. Likewise, Ghana's strategic importance as a Global Fragility Act (GFA) country, recurrent critic of Moscow, and ECOWAS

¹³⁷ MCC support is contingent on countries meeting specific governance criteria. MCC, "Statement Regarding the Termination of the Private Sector Concession by the Government of Ghana," October 23, 2019. These totals do not include a \$37 million contribution from the government of Ghana. For background, see MCC, "Ghana Power Compact," at <https://www.mcc.gov/where-we-work/program/ghana-power-compact>.

¹³⁸ See, e.g., Biden Administration actions in response to Uganda's enactment of its Anti-Homosexuality Act. White House, "FACT SHEET: The United States Response to Uganda's Anti-Homosexuality Act and Persistent Human Rights Abuses," December 11, 2023.

¹³⁹ "Ghanaian reactions mixed on U.S. visa restrictions over election interference," *West Africa Democracy Radio*, October 30, 2024.

¹⁴⁰ For more on AGOA see CRS In Focus IF10149, *African Growth and Opportunity Act (AGOA)*, by Liana Wong.

¹⁴¹ For more on China in Sub-Saharan Africa see CRS In Focus IF12566, *China and Sub-Saharan Africa*, by Ricardo Barrios et al.

member state has increased against the backdrop of regional instability, marked by a wave of coups, the presence of Russian influence, and escalating Islamist insurgencies.¹⁴²

Increasing cultural and people-to-people ties between the U.S. and Ghana may influence U.S. public commentary and congressional engagement with the country. Ghana stands out among African countries for its successful efforts to attract heritage-based tourism and migration from the United States, largely rooted in the shared history of the Transatlantic slave trade.

In considering U.S.-Ghana relations and Ghana's role in the region, Members may consider various additional options and tools to shape U.S.-Ghana policy and engagement such as

- Conducting hearings, briefings, or fact-finding trips to examine issues in the U.S.-Ghana relationship. Issues of possible interest to Congress may include the impact of the Global Fragility Act on Ghana as a bulwark for democratic governance, stability, and development in the region, and U.S. commercial interests in Ghana's critical minerals and IT development;
- Collaborating with Ghana on efforts to address military rule, democratic backsliding, and violent extremism within ECOWAS member states;
- Considering changes to the level or scope of foreign assistance appropriations for Ghana, and overseeing implementation of U.S. assistance for the country.

Author Information

Kosi Ogbuli
Analyst in Foreign Affairs

Acknowledgments

This report was originally written by Tomás F. Husted, former CRS Analyst in African Affairs.

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

¹⁴² Donna Charles, "Amid a Region Rife with Coups and Instability, Ghana is a Democratic Bulwark," *United States Institute of Peace*, October 11, 2023.