Ghana

Country Overview

Politics

Ghana is a presidential republic in West Africa. Following the most recent election, Nana Addo Dankwa Akufo-Addo became president on January 7, 2017 after defeating the incumbent candidate, then-president John Dramani Mahama, in what was judged to be a peaceful election. The country’s political atmosphere has been relatively stable and peaceful since the early 1990s, when the new constitution re-established a multi-party political system.

Economy

Ghana was classified by the World Bank in 2019 as a lower middle-income economy. Ghana’s GDP was USD 65.56 billion in 2018. The expected growth rate for 2019 was 7.6 percent, while a focus on agribusiness by the government expects to see a six percent increase in non-oil economic sector growth. Oil production has largely driven Ghana’s GDP growth. The U.S. Department of State reports that it is one of the more lucrative locations within Sub-Saharan Africa for investment due to its abundance of raw materials, political stability and level of security. Of the labor force comprising of approximately 12.49 million in 2017, an estimated 44.7 percent work in agriculture, 14.4 percent work in industry, and 40.9 percent work in the service industry.

At present, the Ghanaian economy is heavily dependent upon its primary commodity exports, making it sensitive to fluctuations in commodity market prices. To combat this vulnerability, the government of Ghana is actively promoting the export of non-traditional products in an attempt to diversify its export base. These non-traditional exports include products such as cocoa butter and oil, wood manufactures, apparel, and fresh vegetables, among others. Ghana is eligible for trade under the African Growth and Opportunity Act (AGOA) and is a Feed the Future, Power Africa, Trade Africa, and Partnership for Growth country.

Social/Human Development
Ghana has a current population of nearly 29 million people; the vast majority of the population identifies with at least one of the following eight ethnic groups: Akan (47.5 percent), Mole-Dagbon (16.6 percent), Ewe (13.9 percent), Ga-Dangme (7.4 percent), Gurma (5.7 percent), Guan (3.7 percent), Grusi (2.5 percent), and Mande (1.1 percent). The remaining 1.4 percent identify as ‘other.’ Since achieving independence in the 1950s, Ghana has become a destination for regional migrants, although emigration has peaked periodically during economic slowdowns. The country has a large number of internal migrants who travel to urban regions. According to the World Bank, approximately 23.4 percent of the population lives below the national poverty line. Ghana’s Human Development Index score for 2019 was 0.596, ranking the country 142 out of 189 countries.

U.S. Department of State TIP Report Summary

U.S. Department of State TIP Ranking: Tier 2 Watchlist

According to the Trafficking in Persons Report, trafficking risk may be found among Ghanaian children in export supply chains including fishing, artisanal gold mining, quarrying, and agriculture. Women and girls are vulnerable to sex trafficking associated with the oil sector.

Read the full TIP Report at: https://www.state.gov/reports/2019-trafficking-in-persons-report/

Migrants and Other Vulnerable Populations

Ghana has negative net migration and only 1.3 percent of the country’s population are migrants. The largest source countries for migrants are Togo, Nigeria, Côte d’Ivoire, Burkina Faso, and Liberia. An estimated 11,899 refugees out of 13,216 persons of concern lived in Ghana at the end of 2018. The refugee population is primarily from Cote d’Ivoire, Togo, Liberia, Sudan, and Cameroon.
The most popular destination for Ghanaians is Nigeria, followed by the United States, the United Kingdom, Côte d’Ivoire, and Italy.
Exports and Trade

Ghana’s top exports in 2018 were precious metals and stones (pearls, gold), mineral fuels, cocoa, fruits and nuts, and manganese ores and concentrates.¹⁹
The top importers of all goods from Ghana are India, China, South Africa, Switzerland, and the Netherlands.\textsuperscript{21}
Trafficking in Persons Risk Factor Analysis

Legal/Policy Risk Factors

Level of Legal Protection for Civil Liberties and Workers’ Rights
Freedom of Association

The law provides workers, with the exception of military, police, Ghanaian Prison System and security and intelligence personnel, with the rights to form and organize unions. However, only those unions that have obtained a certificate of registration and are authorized under the chief labor officer can receive a collective bargaining certificate. It has been reported by union leaders that the fees associated with registration can be expensive. Additionally, workers who perform services deemed to be ‘essential’ by the Ghanaian government may not participate in strikes. The Ghanaian government’s definition of essential services includes services that are outside of the ILO’s definition of essential services, such as utility workers and medical center employees. The U.S. Department of State reports that the Ghanaian government generally respects eligible workers’ rights to freedom of association. In 2019, the International Trade Union Confederation (ITUC) gave Ghana a rating of 3, characterized for regular violations of rights, on its 1 – 5+ scale, with lower scores indicating that the country offers better protections of workers’ rights.

Working Conditions

The law sets a daily minimum wage of 10.65 cedis (approximately USD 2.29) and a maximum workweek of 40 hours. The law also stipulates that workers must receive at least 48 hours of consecutive rest every seven days. Workers are entitled to at least 15 days of paid annual leave. However, the minimum wage, working hours and paid leave policies do not apply to domestic workers or those who work in the informal sector, which accounted for approximately 90 percent of the Ghanaian workforce according to Ghana Statistical Service’s 2015 Labor Force Report. Additionally, the U.S. Department of State reports that the Ghanaian government has been ineffective in enforcing its minimum wage, hours and other health and safety legislations.

Discrimination

Although the law prohibits discrimination in employment and occupation based on gender, race, color, ethnic origin, religion, political opinion, social or economic status, or disability, it does not explicitly prohibit discrimination based on age, language, sexual orientation and/or gender identity, HIV-positive status, or other communicable diseases. Additionally, the U.S. Department of State reports that the government does not effectively enforce its anti-discrimination legislation.
Forced Labor

The law prohibits forced labor, but the U.S. Department of State reports that resources, inspections, remediation and penalties are inadequate.29

Child Labor

The minimum age for general employment in Ghana is 15 years old. Thirteen is the minimum age for work that can be described as light work, that is, work which is unlikely to cause harm to the child or interfere in his or her school attendance. Children under 18 are prohibited from performing hazardous labor. However, the U.S. Department of State reports that the Ghanaian government’s enforcement of its child labor laws has been both ineffective and inconsistent, especially in its lack of provision of resources for law enforcement and judicial authorities. Additionally, while the Ghanaian constitution provides all children with a free, compulsory basic education from kindergarten to junior high school, not all children complete their education. Children in the northern regions of the country, especially girls, are less likely to attend school as a result of weak educational services and school related expenses.30

Civil Society Organizations

The U.S. Department of State reports that human rights groups “generally operated without government restriction” and that “government officials often were cooperative and responsive to their views.”31

Immigration Policies Limiting the Employment Options or Movement of Migrants

Foreigners and refugees can apply for work permits for employment in the formal sector, although the U.S. Department of State reports that most non-Ghanaians are employed in the informal sector.32

Ratification of ILO Conventions Related to Human Trafficking or Rights of Workers and Migrants
Use of Export Processing Zones

There are several free trade zones in Ghana, which were established after the Free Zones Act was passed in 1995. Within these zones, “free zone developers and enterprises shall be free to negotiate and establish contracts of employment with employees that include wage scales, minimum working hours, employee suspension and dismissal, settlement of disputes arising between employers and employees, and other such terms of employment as shall be consistent with I.L.O. Conventions on workers’ rights and conditions of service.” Additionally, companies within free trade zones are not required to pay corporate taxes for the first ten years after they are established. For any subsequent years, the zones are subject to a corporate tax of up to eight percent.34

Promotion of Emigration/Remittance Economy

In 2019, remittances accounted for 5.5 percent of Ghana’s GDP.35 The U.S. Central Intelligence Agency reports that the increase of emigration to the U.S. and U.K. since the 1990s has “drained the country of its health care and education professionals.”36
Political Risk Factors

Political Instability or Conflict

Ghana has a score of 65.9 in the 2019 Fragile States Index, placing it in the “Warning” Category.\(^{37}\) The recent presidential elections were judged to be free and fair, and there was a peaceful transition of power.\(^{38}\)

Level of Crime and Violence

The World Economic Forum Global Competitiveness Report ranked Ghana at 92 out of 141 for organized crime.\(^{39}\) The U.S. Department of State describes a level of crime and violence that is comparable to regional neighbors and specifically points to Ghana’s emergence as “a significant trans-shipment point for illegal drugs, particularly cocaine from South America and heroin from Afghanistan.”\(^{40}\)

State Persecution

In 2018, there were 13,216 “persons of concern,” fewer than other nearby countries.\(^{41}\) Throughout Ghana, people who are disabled, LGBTI, or HIV-positive face the highest amounts of discrimination and/or, persecution. There have been a number of police brutality complaints which have remained largely unaddressed.\(^{42}\)

Level of Corruption

The Transparency International Corruption Perception Index scores Ghana as a 41 out of 100, where a 0 signals “Highly Corrupt” and 100 signals “Very Clean”. Ghana is ranked 78 out of 180 on that index.\(^{43}\) According to the U.S. Department of State, there is a high level of corruption in all branches of the government, including the judiciary, the police force and the executive offices. The World Bank scores Ghana as a 52.88 out of 100 on its Control of Corruption ratings, with a 100 being a perfect score.\(^{44}\) Compared to its regional neighbors, Ghana’s rank is relatively low.

Socio-Economic Risk Factors

Level of National Economic Development

The Mo Ibrahim Foundation ranks Ghana as number 6 out of the 54 countries in Africa in terms of human development, with a score of 68.1 out of 100.\(^{45}\)
UN Human Development Index, Ghana falls in the medium human development category, with a rank of 142 out of 189 countries worldwide and a score of .596. However, neighboring countries surrounding Ghana rank lower in the UN rankings, including Burkina Faso, Togo and Benin.

**Level and Extent of Poverty**

According to the UN, approximately 30.1 percent of Ghanaians live in multidimensional poverty, with 10.4 percent living in severe multidimensional poverty.

Although poverty levels have been declining, economic growth within the country is uneven and demonstrates a large degree of inequality. Increasing prosperity is focused in metropolitan areas of the country, while the north remains largely underdeveloped. When adjusted for inequality, the Human Development Index score falls to 0.427, indicating a loss of 28.3 percent.

**Degree of Gender Inequality**

The United Nations Human Development Programme’s 2018 Gender Inequality Index rating for Ghana is 0.541, slightly better than the average of 0.573 for all of Sub-Saharan Africa. However, the average gender inequality rating for the countries that the UN has deemed to be “medium development countries,” including Ghana, is 0.501, meaning that the level of gender inequality in Ghana is higher than that of other countries of similar development levels. The UN reports that approximately 55.7 percent of women have a secondary education level, compared to approximately 71.1 percent of men. The rate of female participation in the labor market is 63.5 percent, compared to 71.5 percent for men. In 2018, women held 12.7 percent of the seats in parliament.

Gender-based discrimination is prohibited by law. The U.S. Department of State reports that while the law is generally enforced by the government, chiefs and tribal leaders empowered in their land are less likely to offer access to land rights to women. Additionally, although women have legal rights to own land, the Organization for Economic Co-operation and Development reports that “In some communities, widows and daughters may have rights to use the land but may not have control and transfer rights.”

**Landlessness and Dispossession**

The majority of land in Ghana (over 75 percent) is governed by customary law,
which includes practices shown to discriminate against female inheritance of land. This also reportedly enables “corrupt local leaders to benefit from rising land values at the expense of their community members.” Land grabs in Ghana have occurred primarily for corporate agricultural production.

**Environmental Factors**

Ghana is susceptible to droughts in the north, which can cause disturbances in citizens’ work and home lives. Recurrent drought causes disruptions to agricultural practices.

**Documented Trafficking Risk in Key Commodity Supply Chains**

**Cocoa**

**Cocoa Overview**

Cocoa contributes 8.2 percent of Ghana’s GDP and accounts for approximately 30 percent of the country’s total export earnings. Total cocoa production in the country grew from 450,000 tons in the year 2000 to 900,000 tons in the year 2010. The vast majority of cocoa is grown on small-holder farms. It is estimated that the livelihoods of six million people, between 25 and 30 percent of the population, are dependent on the cocoa industry. The cocoa market in Ghana is regulated by COCOBOD, a government agency, which purchases beans from farmers via authorized traders who are required to pay a minimum price. These traders then sell to the government-run Cocoa Marketing Company, which manages exports.

**Documented TIP Risks in Cocoa**

According to the U.S. Department of Labor, cocoa is produced with child labor in Ghana. A 2015 report published by Tulane University compared the 2008 – 2009 cocoa harvest cycle to the 2013 – 2014 harvest cycle in terms of active child labor in both Cote d’Ivoire and Ghana. The report found that children engaging in hazardous labor work in Ghana decreased by six percent between the two harvest cycles, lowering from 0.93 million children in 2008 - 2009 to 0.88 million children in 2013 - 2014.

**Gold**
Gold Overview

Gold accounts for over 96 percent of mined minerals in Ghana, and the minerals sector is responsible for roughly 37 percent of the country’s merchandise exports. The gold mining sector in Ghana employs over 17,000 people, and over 98 percent of them are native to the country. Over a third of production occurs in small-scale mining operations. Illegal mining remains a key issue in the country. It is estimated that USD 2.3 billion worth of gold was mined illegally in 2016 alone, with most of the illegal gold being exported to India and China.

Documented TIP Risks in Gold

According to the U.S. Department of State, children are subjected to forced labor in artisanal gold mining. Girls as young as ten are reportedly trafficked to mining camps. Hazardous child labor has been well documented, most notably by a 2015 report from Human Rights Watch. According to the report, thousands of children are involved in hazardous gold mining in artisanal gold mines in Ghana. These children may work with their families or independently. They are involved in a range of tasks including excavation in shafts, carrying ore, crushing ore, and washing ore with mercury. Children involved in gold mining – in Ghana and elsewhere – experience significant health consequences including bone and joint damage, respiratory disease, and mercury poisoning. Children have also died in mine collapses.

Oil and Gas

Oil and Gas Overview

Oil and gas production in Ghana began in 2010, and is currently overseen by Tullow, Kosmos, and Anadarko. These companies work in partnership with the state-owned Ghana National Petroleum Company (GNPC). The country is currently producing from three fields: Jubilee (60 km offshore), TEN (45 km offshore), and Sankofa (60 km offshore). Total oil production is expected to increase from 196,089 barrels of oil per day in 2019 to 420,020 barrels per day in 2023.

Documented TIP Risks in Oil and Gas

Environmental risks have been noted within the oil and gas sectors. For example, gas flaring has been used to boost oil production, while gas infrastructure was being built to harness the gas. Gas flaring can contribute to air pollution and
climate change.\textsuperscript{70}

Seismic testing and other exploration related activities have been shown to drastically decrease fish catch levels.\textsuperscript{71}

Wage discrimination between local workers and expatriates is also a noted issue.\textsuperscript{72,73} There are anecdotal reports of high fees charged by recruitment agencies placing workers on certain oil rigs.\textsuperscript{74}

**Fishing**

**Fishing Overview**

The Ghanaian fishing industry employs roughly ten percent of the population, and accounts for three percent of the country’s GDP. Marine fisheries account for 80 percent of the fish consumed in Ghana, and freshwater production has been ramping up in recent years.\textsuperscript{75} Total production in 2013 was around 298,000 tons. Fish production in Ghana has been on the decline since 1999, with the peak export year in 2003 (valued USD 120 million). Fish farming has been on the rise, from 1,200 tons in 2005 to 38,500 tons in 2014. The high price of tilapia and a high level of federal support for fish farming programs have led to the increase in production.\textsuperscript{76}

**Documented TIP Risks in Fishing**

According to the U.S. Department of State, children are involved in forced labor in fishing.\textsuperscript{77} The most well documented case study is that of the Lake Volta region in Ghana. The typical trafficking mechanism is a contractual agreement between the children’s parents and a recruiter, often for a multiple year period, with the parents given an advance payment or promised payment at the end of the contract. In many cases, both the parents and children lack awareness of the actual conditions, which are often abusive.\textsuperscript{78}
Endnotes


60 Fick, Maggie. “Ghana crackdown on illegal gold mining inflames tensions with Beijing.” *Financial Times*. April 30, 2017. [https://www.ft.com/content/cb032036-2a63-11e7-bc4b-5528796fe35c](https://www.ft.com/content/cb032036-2a63-11e7-bc4b-5528796fe35c)


