

Ghana Jobs and Economic Transformation (JET) programme contributes to improving the chance of a better life for Ghanaian citizens by supporting economic transformation (i.e. value addition, diversification, complexity, productivity, and growth) and the creation of quality jobs in up to five priority manufacturing sectors.



The UK-Ghana Partnership for Jobs and Economic Transformation (JET) Programme's support for the Ghana Automotive Development Policy (GADP) spurs over £35 million of private investment, resulting in no less than 320 direct jobs and more than 900 indirect jobs in greenfield assembly plants.

The automotive industry ranks as one of the world's largest manufacturing sectors, a cornerstone of industrialisation providing countries a path to become part of global supply chains. With the growing economies in Africa, global automotive manufacturers are starting to explore the continent's production capacity to satisfy the rising demand for vehicles.

South Africa and Morocco are both already well-established automotive manufacturing powerhouses with integrated supply chains, signalling to other emerging African economies who are now stepping on the gas with the development of the automotive and parts sectors at home, aware of the role that the industry has played in gaining investments as well as the creation of jobs required to grow the automotive sector.

Challenge:

When Ghana embarked on creating the Ghana Automotive Development Policy (GADP), it had an ambitious goal—attract investment, generate jobs and position the country as a competitive locus for vehicle assembly in West Africa. However, a fundamental challenge existed: sectoral technical expertise was scarce within key government institutions. Without a deep understanding of global automotive industry dynamics, trade-related investment measures, and regulatory best practices, Ghana risked implementing a policy lacking the credible structure needed to attract genuine investors.

Ghana JET Support: Demand-led and Contextually Relevant Technical Assistance

The Ghana JET programme identifies policy and regulatory constraints and provides targeted support to key government of Ghana institutions to improve the business environment. The programme works alongside the Government of Ghana to develop and implement policies that drive growth in manufacturing sectors while collaborating with policymakers to explore strategic policy advancements. Through technical assistance and results-based grants, the programme supports the government in reviewing and advancing policies that contribute to Ghana’s economic transformation.

Understanding this urgent need for technical support, the Ghana Jobs and Economic Transformation (JET) programme was able to step in and play a pivotal role in providing expertise and guidance throughout the policy development stage. This support included:

- 1

Conducting extensive research, global benchmarking, and consultations with diverse stakeholders to ensure the policy framework aligned with best practices and was appropriate to Ghana's specific economic environment.
- 2

Providing funding for the Project Lead within the technical team, driving the development of the Ghana Automotive Development Policy (GADP).
- 3

Appointing a multi-disciplinary panel of automotive experts to design and structure the policy and regulatory framework.
- 4

Establishing working groups within key government departments, led by the policy's core technical team, to enhance coordination and execution.
- 5

Developing clear standards and operational processes for all key policy elements.
- 6

Facilitating training and coaching sessions for government officials to ensure effective policy implementation.
- 7

Facilitating government-industry dialogues, bringing together policymakers and private sector players to co-create a policy that aligned with industry needs while safeguarding Ghana's economic interests.

Ghana Standards Authority	Customs Inspectorate	Ministry of Trade & Industry
		
Trained inspectors on compulsory vehicle standards, inspections, and the Vehicle Homologation Process.	Trained to inspect arriving kits for compliance with SKD, Enhanced SKD, and CKD definitions.	Coached on assessing assembly registration applications.

“The Automotive Development Policy was truly a ground-breaking experience in crafting an industry-specific investment facilitation tool that caught attention of global automakers to Ghana as investment ready partners with the right policy and incentive framework to kick start assembly plants for global vehicle brands and open up additional opportunities for the local manufacture of auto components and parts.”

- Patrick Nimo, Chief Director at Ministry of Trade and Industry (2024)

Impact

In April 2020, as a result of the Ghana JET programme's support, Ghana's parliament approved the Ghana Automotive Development Policy (GADP). The GADP was passed roughly within two years of its development, and the process included studies, an embedded consultant, and capacity building all of which were supported by the Ghana JET programme.

The Ghana Automotive Development Policy (GADP) served as a catalyst for transformative investment in Ghana's automotive sector, unlocking at least £35 million in new investments from local and global manufacturers including Toyota Tsusho, Japan Motors, Rana Motors, and Automobiles Industries Limited and creating more than 320 sustainable direct jobs and over 900 indirect jobs.

By establishing a clear and stable regulatory framework, coupled with strategic support measures, GADP provided the confidence and incentives needed for industry growth.

"All the provisions of the GADP made appealing for us to invest. The consultant hired by government was renowned: We were convinced this was a well-studied policy.

We would not have invested on our own, as it was impossible for assembly operation to work without a policy. It created a plan and a hope."

- Salem Kalmoni, Japan Motors.



These capacity-building initiatives equipped key personnel with a deeper understanding of the operational dynamics of the automotive industry, enhancing their ability to develop policies, enforce regulations, and facilitate industry growth effectively. This investment in skills and institutional capacity is essential for maintaining investor confidence and sustaining long-term industry growth.

"As a result of this training facilitated by the Ghana JET programme, The Ghana Standards Authority could do two new things: develop national standards for the automotive sector in Ghana and establish vehicle homologation assessments for vehicles imported into Ghana or assembled in Ghana. The GADP and all such capacity building that came with it was a springboard for the Ghana Standards Authority to fulfil its statutory mandate to protect consumers, facilitate trade and promote industrial efficiency and development through standardisation."

- Macmillan Prentice, GSA.

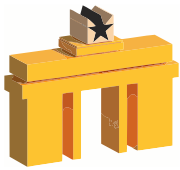


This collaborative effort led to the development of a policy framework that secured at least £35 million in investment resulting in more than 320 sustainable direct jobs and over 900 indirect jobs. These are not just numbers on paper; they represent real opportunities, real livelihoods, and real progress for communities across Ghana.

Investors confirmed that their investments in assembly plant and equipment is a direct result of the approval of the GADP, including:



Lessons Learned:



Strong government leadership anchors and drives policy development, but early buy-in from the private sector is vital for investment-aimed policies.



Engaging a diverse group of stakeholders in the policy drafting and decision-making process substantially improves the quality of the policy produced.



A team of technical consultants working solely for the government dramatically enhances the quality and velocity of policy development.



Political will and commitment must extend beyond the policy approval to include the implementation.

The Ghana JET programme's support of the GADP not only attracted global and local players to set up greenfield assembly plants but also laid the foundation for frontier shifts in a priority manufacturing sector and strengthened the manufacturing ecosystem through partnerships positioning Ghana as a rising hub for vehicle production in West Africa.

The Ghana Automotive Development Policy is a game-changer for Ghana's industrial future. It has set Ghana on a path toward economic diversification, job creation, and global competitiveness. As this journey continues, now is the time to reaffirm our commitment to implementing and refining the policy to maximise its impact.



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