



Ghana's Textiles & Garments Sector

A SNAPSHOT

Introduction

Ghana has a rich textile production history, encompassing modern and traditional fabrics.

The textile and garment (T&G) sector is a strategic industry in Ghana due to its significant export potential and capacity to generate employment.

Ghana's government has identified this sector as crucial for driving Ghana's transformation into a manufacturing and export-driven economy. Ghanaian apparel and garment firms serve local, regional, and international markets.

Despite challenges such as limited skilled workforce, production scale, efficiency, and fabric supply, the T&G industry in Ghana has shown significant growth potential, producing high-quality products for niche markets, especially the U.S.A.



Opportunities for Investment

1

Industrial Textile Parks: Establish plug-and-play facilities through public-private partnerships, providing world-class infrastructure and meeting international standards.

2

Modernising Textile Mills: Enable retooling and capacity upgrades for existing mills.

3

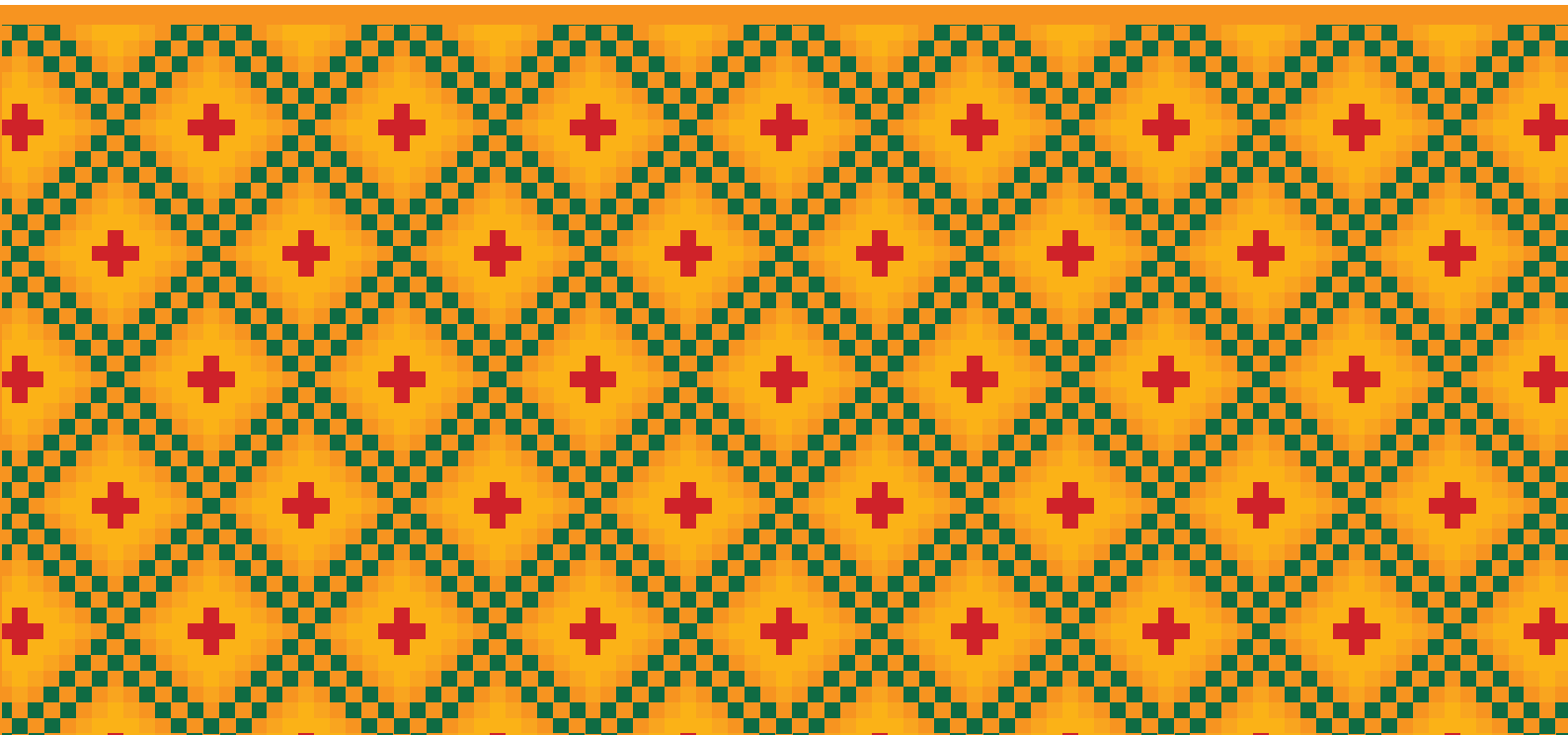
Sustainable Industries: Develop green, vertically integrated textile and garment industries to integrate Ghana into global value chains.

4

Accessory Manufacturing: Establish factories for basic, decorative, and finishing garment accessories like zippers, buttons, and labels.

5

Textile Recycling: Create a circular textile ecosystem using waste and post-consumer fabrics to produce fibres, leveraging Ghana's role as a major destination for used clothing.



Strategic Importance

A well-developed textile value chain can accelerate Ghana's industrial economy and create substantial employment opportunities, particularly for the youth. The Ghanaian government are prioritising the revitalisation of Ghana's textiles and garments industry to enhance manufacturing, drive exports, and create sustainable jobs.

As a key sector for industrial growth, it will play a crucial role in boosting economic development and strengthening Ghana's position in the global market.. Realising this vision will require \$1.2 billion in investments for factories and industrial parks, alongside international cooperation.

Global Context

The global textile and garment market, valued at \$1,840.12 billion in 2023, is projected to grow to \$3,767.92 billion by 2033 at a compound annual growth rate of 7.43% . This growth is driven by rising demand for natural fibres, evolving lifestyles, and fashion preferences.

The industry is among the largest employers globally and a major contributor to GDP and the Sustainable Development Goals (SDGs).

¹ <https://precedenceresearch.com/textile-market>



Global Textiles & Garments Trends

- 1. Demand Growth:** Global textile demand is expected to grow by 2% annually, driven by population and GDP growth. While developed nations have high consumption levels, Africa's per capita consumption remains low at 2.2 kg, indicating significant growth potential.
- 2. Shifts in Sourcing Patterns:** Global trade in textiles and clothing, valued at \$958 billion in 2022², has shifted from China to emerging regions like Africa and Central America due to rising costs and geopolitical factors. Africa's share of global trade is currently negligible (about 1%) but expected to increase due to its abundant labour supply, competitive wages, and preferential market access. However, growing geopolitical tensions and increasingly strict ESG standards make familiar trends more complex.
- 3. Intensification of near-shoring:** EU and U.S. markets increasingly prefer the reliability of proximate suppliers, notably to support the fast-fashion industry. Near-shore location share of garment procurement increased from 39% in 2015 to 50% by 2021³.
- 4. Polyester dominates:** Cost-effective polyester will dominate future markets, but regenerative cotton has a resilient market share. Polyester will be 59% of the textiles market by 2030; cotton's share will reduce, but aggregate size will hold⁴.
- 5. Sustainability:** ESG remains important to major brands. Since 2020, six new EU and U.S. standards have been enacted, with increasingly strict standards on transparency and rules of origin. The industry focuses on environmental and social sustainability due to consumer awareness, brand ESG commitments, and emerging regulations.
- 6. Digitalisation:** Automation and digitalisation of textile processes are becoming essential for scaling production and meeting international quality standards.
- 7. New Business Models:** Inclusive business models that integrate stakeholder interests are emerging in response to the shifts in global trends.

² Boston Consulting Group, 2025

³ Boston Consulting Group, 2025

⁴ Boston Consulting Group, 2025



Regional Trends

West Africa produces 60% of Africa's cotton but transforms less than 5% into value-added products. Most textile demand is met by Asian imports, valued at \$11 billion in 2023. However, increasing investments in production capacity, such as Arise IIP's industrial parks in Benin and Togo and financing from institutions like Afrexim Bank and IFC, are changing the landscape.

Ghana has tariff-free access to three key export markets—the EU, U.S., and ECOWAS—with a total value of \$298B⁵, dwarfing its national market of ~ \$2B.

Ghana also benefits from initiatives like the 'Partenariat pour le Coton', launched by the World Trade Organisation and partners to develop the T&G industry in West Africa. The International Finance Corporation (IFC) approved \$8 million in funding for a large garment manufacturing facility in Greater Accra in 2022, supporting Ghana's ambition to become a regional T&G hub. DTRT Apparel Group, the largest garment manufacturer in West Africa, employs over 5,000 workers and aims to create an additional 6,000 jobs.

Ghana's Textiles & Garments Industry Segments

- **Textile Mills:** Vertically integrated mills produce African prints (e.g., Real Wax, Fancy prints) and fabrics for uniforms under brands like Woodin, GTP, ABC Wax, and Printex. These mills face competition from Asian imports but have the potential to upgrade.
- **Garment Manufacturing:** The readymade garment sector, though nascent, has significant growth potential. Notable companies include DTRT, MAA Grace, and Ethical Apparel Africa, and several factories have achieved export certifications.

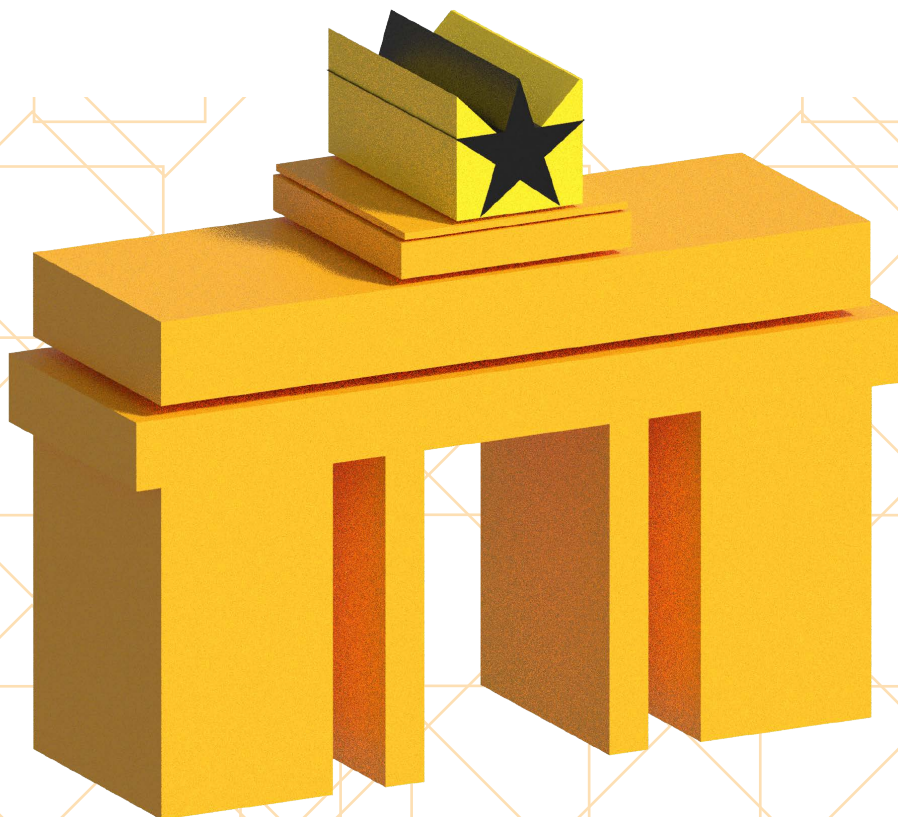
⁵ UN Comtrade, <https://comtradeplus.un.org>

Government Measures

The Government of Ghana (GoG) has partnered with international organisations like the UK FCDO, Tony Blair Institute, Gherzi Textil Organisation, UNIDO, GIZ, and the World Bank Group to develop long-term policies and build capacity.

Key measures include:

- **Preferential Trade Agreements:** Duty-free exports under agreements like AGOA (U.S.), EPA (EU), and ECOWAS protocols.
- **Investment Incentives:** Freezone incentives, tax exemptions on capital goods, VAT exemptions for local textile manufacturing, and automatic work permits for expatriates.
- **Targeted Support:** Technical assistance from international development partners through initiatives like the Jobs and Economic Transformation (JET) programme.



Why Ghana?



- **Incentives:** Ghana offers land for large-scale manufacturing and a range of fiscal and non-fiscal incentives, including tax exemptions and duty waivers.
- **Geographical Advantage:** Centrally located for transit to Europe and America, with an average of eight hours' flight time.
- **Competitive Labour Force:** Young, skilled, and trainable workforce.
- **Political Stability:** Ghana is the most peaceful country in West Africa and the second most peaceful in Sub-Saharan Africa (2022 Global Peace Index).
- **Business Climate:** Ranked first in West Africa in the Ease of Doing Business (2019, 2022).
- **Logistics and Infrastructure:** Home to West Africa's largest ports (Tema Harbour), a robust road network, and financial services, with shipping times of 30 days or less to the U.S. and EU.
- **Regional Gateway:** Ghana hosts the African Continental Free Trade Agreement (AfCFTA) Secretariat and is considered the commercial hub of Africa.

Summary

Ghana's T&G sector offers vast opportunities for investment, partnerships, and knowledge transfer, supported by government measures and international collaboration.

With its strategic location, favourable trade agreements, and competitive workforce, Ghana is well-positioned to become a regional and global hub for textiles and garments.



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