

▶ ILO Youth Country Briefs

June 2023

Ghana¹

Key points

- ▶ Ghana has maintained strong economic growth in the new millennium averaging an annual real gross domestic product (GDP) growth of 6.1 per cent between 2000 and 2019. The onset of the COVID-19 pandemic brought with it a significant slowdown, but growth remained positive at 0.5 per cent in 2020 and partially recovered to 5.4 per cent in 2021 and 3.6 per cent in 2022. Ghana is relatively prosperous compared to its neighbours, and is ranked as a lower middle income country with an estimated purchasing power parity (PPP) adjusted GDP per capita of US\$5,762 in 2022. The rate of extreme working poverty (EWPR) is relatively low at 8.8 per cent in 2022, much lower than the African rate of 31.1 per cent. The increase of the EWPR of 0.4 percentage points (p.p.) associated with the onset of the COVID-19 pandemic in 2020 was more than recovered in 2021, and by 2022 the EWPR was 0.6 p.p. below the 2019 rate. The aggregate employment to population ratio in the country is high and the gender gap in the ratio is relatively small compared to the African continent as a whole.
- ▶ Between 2013 and 2017, the share of young people in employment fell from 59.5 per cent to 52.2 per cent and the share of youth neither in employment nor education (NEET) increased correspondingly from 14.5 per cent to 22.3 per cent. This is just a little above the African average NEET rate of 21.3 per cent in 2017. For both indicators, gender gaps are relatively small. 46 per cent of young men (women) are employed in Agriculture (Services) and 35 per cent of young men (women) work in Services (Agriculture) with the remainder – just under 20 per cent of both sexes – working in Industry.
- ▶ The relative disadvantage faced by young people with disabilities, as measured by differences in NEET rates for those with and without disabilities, is relatively small compared to other countries in the region, however, it is still significant. Also in mild contrast with other countries, NEET rates do not fall as educational attainment increases. The highest NEET rates are recorded by young adults with secondary education, whilst tertiary graduates have similar rates to those with little or no education
- ▶ Youth employment has been a major policy priority in Ghana since 2000, underpinned by the adoption of the National Youth Policy (NYP) in 2010. Successive policies have integrated youth employment, including the 2015 National Employment Policy (NEP) which provided new opportunities to address labour market challenges of young people through youth-specific policies.

¹ This brief was prepared by a team lead by Niall O'Higgins and including Vipasana Karkee, Karina Levina, Marcelo Cuautle Segovia and Anna Barford. The brief is based primarily on an analysis of the available micro-data and a desk review of policy documents. Helpful comments and suggestions were provided by Mallory Baxter (MCF) and Jonas Bausch, Steve Kapsos and Bernd Mueller (ILO).

Key points *continued*

- ▶ Subsequent policies, such as the Coordinated Programme of Economic and Social Development Policies (CPESDP), the National Medium-Term Development Policy Framework (NMTDPF) and National Green Jobs Strategy (NGJS) have consistently prioritized youth employment in line with the NEP. They also seek to overcome demand and supply side constraints to achieve productive employment of young people, while attempting to pay special attention to the needs of disadvantaged groups.
- ▶ Although the primary focus remains on skills development, supporting entrepreneurship and creating jobs for young people in agriculture, infrastructure development, light manufacturing and transportation, youth employment is being mainstreamed into the green and digital economies, specifically in the sectors with demand for a highly skilled workforce, such as financial and ICT services, tourism and waste management.
- ▶ A major challenge lies in understanding the impact of youth employment strategies on youth employment outcomes. Systematic monitoring and evaluation of relevant policies could provide evidence to better inform future youth employment interventions.

▶ 1. Introduction: Contextual indicators

This brief summarises youth² labour markets and the school-to-work (SWT) transition in Ghana and its evolution in recent years. This introduction provides an overview of the aggregate economic and labour market context in the country. This is followed in section 2 by a discussion of the main characteristics of, and trends in, the country's youth labour market. Section 3 looks more explicitly at the SWT in Ghana seen through the lens of the ILO's SWT indicators and section 4 considers the changes visible in youth labour markets between 2017 and 2021. Section 5 briefly discusses key youth employment related policy initiatives in the country and section 6 summarises the main issues and challenges identified in the preceding analysis.

Since the beginning of the new millennium, Ghana has maintained strong real economic growth, averaging 6.1 per cent per annum (p.a.)³ between 2000 and 2019, which is well above the average rate of population growth over the same period of 2.5 per cent.⁴ Prior to the onset of the COVID-19 pandemic growth was slightly higher in the second decade of this millennium compared to the first; the country averaged real economic growth of 5.7 per cent between 2000 and 2010 and 6.5 per cent between 2010 and 2019. The onset of the COVID-19 pandemic brought with it a significant slowdown and growth fell to 0.5 per cent in 2020 before recovering partially recording growth of 5.4 per cent and 3.6 per cent in 2021 and 2022 respectively. Overall, this is above the growth record of sub-Saharan Africa (SSA) as a whole or indeed global growth rates (figure 1), despite the COVID-19 related slowdown.

² Throughout the brief, youth are defined as young people aged 15-29.

³ [IMF World Economic Outlook database](#).

⁴ [United Nations - World Population Prospects](#).

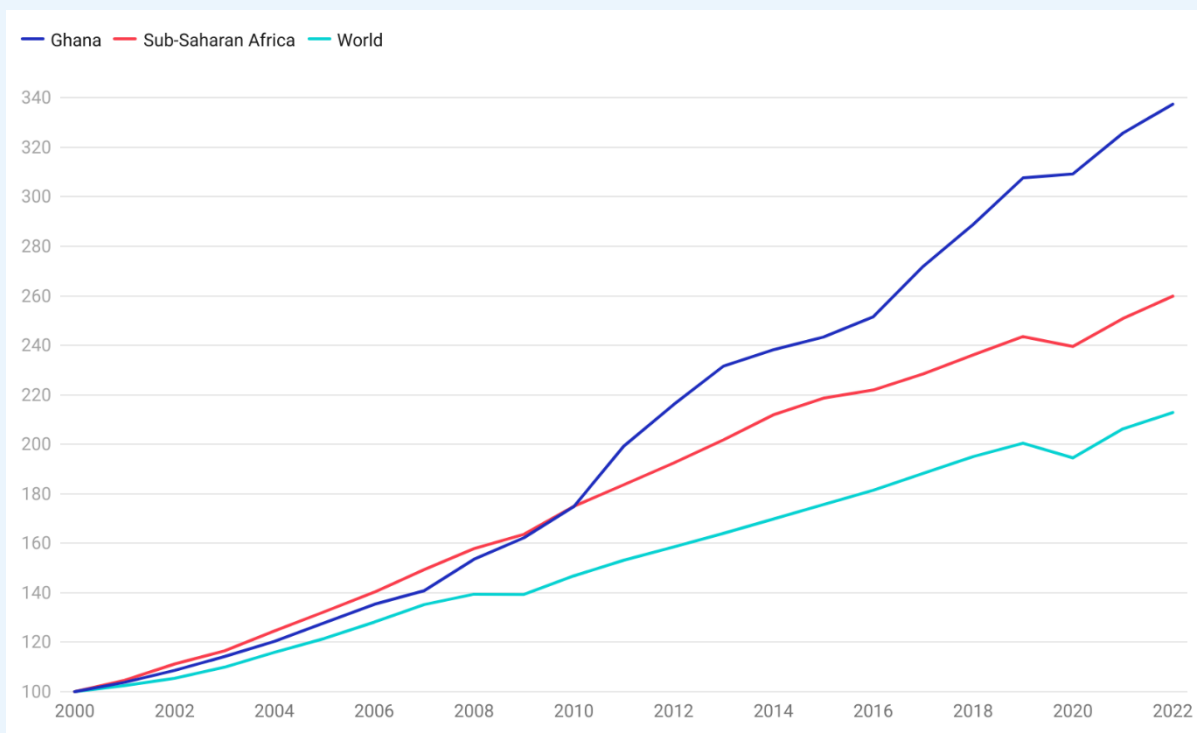
► **Box 1. YouthSTATS, a partnership between the ILO and the Mastercard Foundation**

The ILO, in partnership with the [Mastercard Foundation](#), has created a regularly updated dataset called [YouthSTATS](#), available on [ILOSTAT](#). The dataset was first produced by the ILO as part of its partnership with the Mastercard Foundation on the “[Work4Youth](#)” project which concluded in 2016. Initially composed of labour indicators for young people aged 15-29 derived from [school-to-work transition surveys](#) conducted through the partnership, the dataset now benefits from the ILO’s stock of [harmonized labour force survey micro-datasets](#). It serves as a central repository of international youth labour statistics.

This brief is one of seven country briefs undertaken under the new partnership. The countries covered are Ethiopia, Ghana, Kenya, Nigeria, Rwanda, Senegal and Uganda.

Ghana is relatively prosperous compared to its neighbours, and is ranked as a lower middle income country⁵ with a PPP adjusted GDP per capita of US\$5,762 in 2022.⁶ This is nearly 50 per cent higher than the corresponding average for SSA as a whole of US\$3,926.

► **Figure 1. Real GDP, Ghana, Sub-Saharan Africa and the World, 2000-2022; 2000=100**



Note: The figure reports indices for real GDP over time, for Ghana, sub-Saharan African and the world with 2000 = 100

Source: Calculated from the [IMF World Economic Outlook database: October 2022 edition](#).

The employment to population ratio in Ghana of 68.9 per cent, in 2017, is high compared to the ILO’s modelled African and global estimates (table 1), and, encouragingly, at just 4 p.p. the gender gap in the employment to population ratio is relatively small compared to regional and global figures.

⁵ [WB Country income groupings](#).

⁶ The PPP adjusted GDP p.c. estimates used in this brief are from the [IMF World Economic Outlook database](#).

► **Table 1. Employment to population ratio by sex in Ghana, Sub-Saharan Africa, Africa, and the World, 2017 (age 15+)**

	Male	Female	Total
Ghana (LFS)	71.1	67.1	68.9
Africa (ILO Modelled Estimates)	67.3	49.8	58.5
Sub-Saharan Africa (ILO Modelled Estimates)	69.1	58.4	63.6
World (ILO Modelled Estimates)	68.9	44.5	56.7

Source: Authors' calculations based on ILO Modelled estimates, <https://ilostat.ilo.org/>.

A job alone does not guarantee sufficient income to escape poverty, however, here too Ghana is performing relatively well. In 2022, the extreme working poverty rate (EWPR) in the country was estimated as 8.8 per cent, well below the average rate for the African continent (31.1 per cent) and even more so compared to SSA (35.5 per cent).⁷ The EWPR in Ghana fell from 28.7 per cent in 2000 to 9.4 per cent in 2019. The increase of the EWPR of 0.4 p.p. associated with the onset of the COVID-19 pandemic in 2020 was more than recovered in 2021, and by 2022 the EWPR was 0.6 p.p. below the 2019 rate.

Agriculture and services are the major employment sectors in Ghana, with industry playing a much smaller role. Agriculture employs 42.0 per cent of workers (44.6 per cent of male workers, 39.6 per cent of female workers) whilst 40.5 per cent of workers are engaged in services (Table 2). Meanwhile, services account for a larger share of female employment (43.9 per cent) than agriculture (39.6 per cent).

► **Table 2. Employment distribution by economic activity by sex in Ghana, 2017 (age 15+)**

	Male	Female	Total
Agriculture	44.6	39.6	42.0
Industry	18.5	16.6	17.5
Services	36.9	43.9	40.5

Source: Author's calculations based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Despite the relatively high GDP per capita and the relatively low prevalence of extreme working poverty, informality is extensive in Ghana, and especially amongst women. In 2013, 92.1 per cent of workers in the country were informally employed; 88.8 per cent of men and 95.2 per cent of women. Informality is even higher amongst young people who had an informality rate of 94.2 per cent in 2013. Amongst young people, the gender gap in informality rates is quite small compared to older workers; with 93.4 per cent of young male workers and 95.1 per cent of young female workers being informally employed.

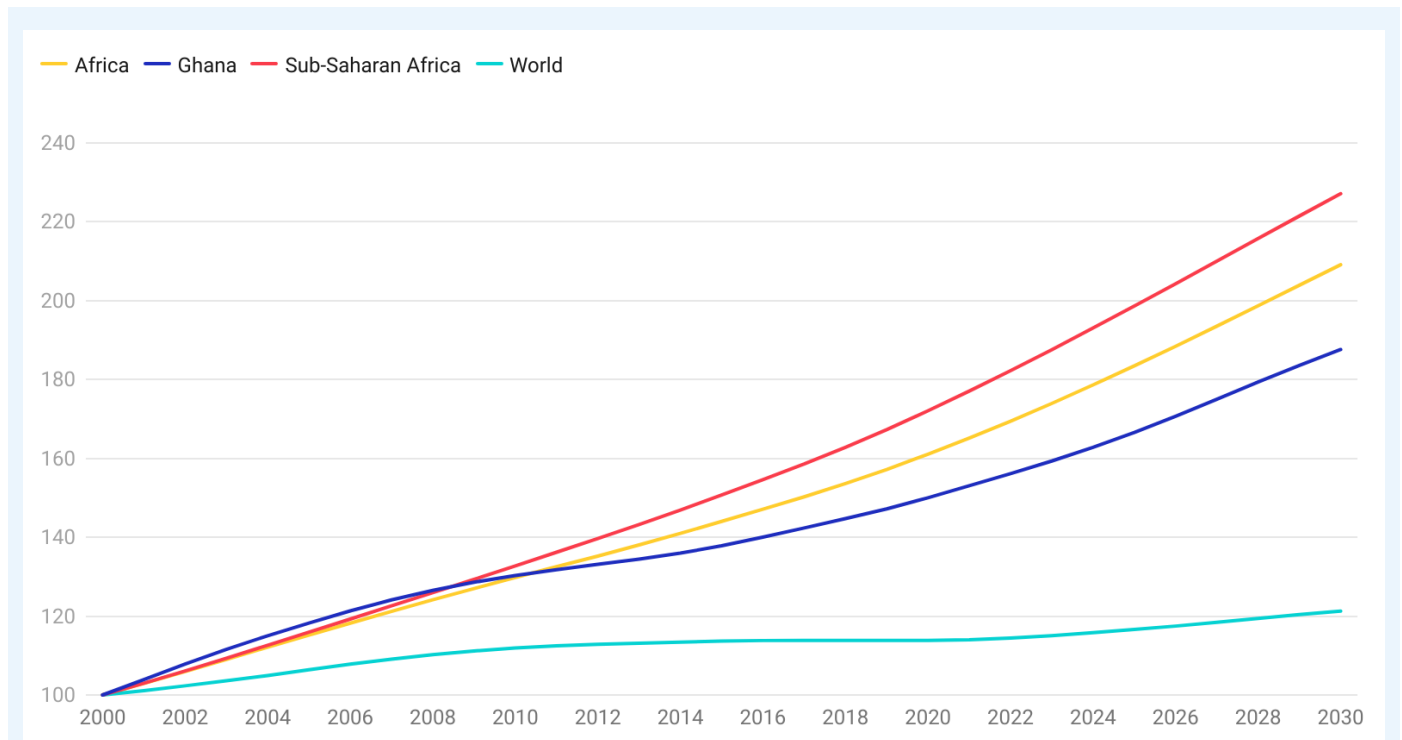
► 2. Youth labour market trends

Africa is a demographically young continent, with a growing youth population with all the potential and challenges this brings (ILO, 2020). Between 2000 and 2022, the youth population in Ghana is estimated to have increased at an average

⁷ [ILO modelled estimates](#), November 2022. For example, the corresponding rate in Nigeria, which is also classified as a lower middle income country and with a comparable GDP per capita (USD5,000 in 2022) was 34.3 per cent. The working poverty rate identifies the share of the employed population who are living in poverty despite being employed, implying that their employment-related incomes are not sufficient to lift them and their families out of poverty and ensure decent living conditions. Extreme working poverty is defined as the percentage of the employed population living in households with a per capita income of under US\$1.90 PPP (2011 prices) per day (ILO, 2019). See also, <https://ilostat.ilo.org/topics/working-poverty/>.

annual rate of 2.3 per cent, somewhat below the rate of growth of the youth population in Africa as a whole of 2.4 per cent but well above the global growth rate of the youth population of 0.6 per cent (figure 2).

► **Figure 2. Youth population in Ghana, Sub-Saharan Africa, Africa and the World, 2000-2030; 2000=100**



The figure reports indices for the youth population (age 15-29), for Ghana, sub-Saharan Africa, Africa and the World with 2000 = 100 in each case. Source: Population indices are calculated on [UN estimates and projections of population by age and sex](#), July 2022.

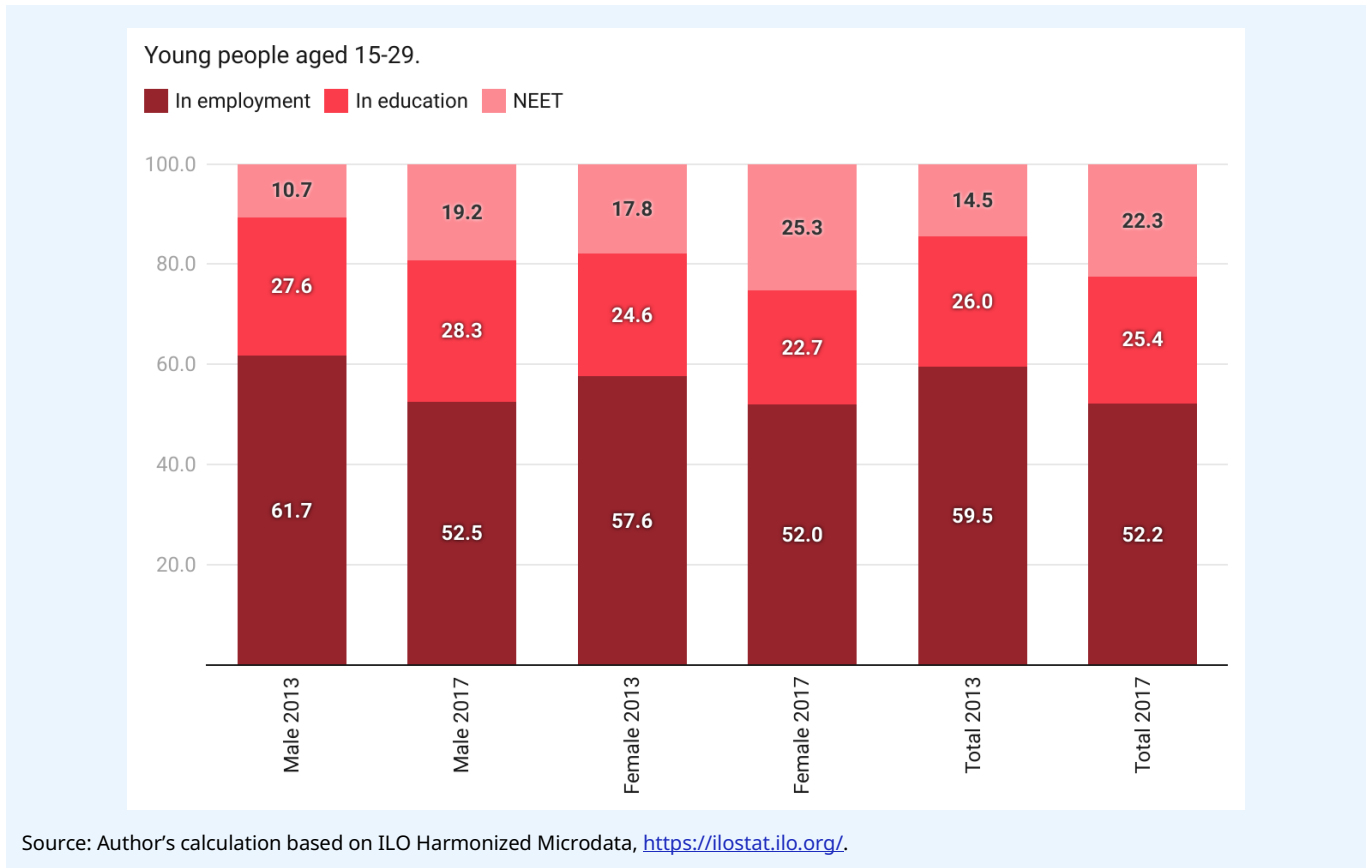
Educational attainment in Ghana is high compared to the regional average. UNESCO estimates that the primary completion rate in 2020 was 76.8 per cent; 13.5 p.p. above the SSA average of 63.2 per cent.⁸ Completion rates for lower and upper secondary education were 53.8 and 37.1 per cent respectively, which also compare favourably with the corresponding SSA averages of 44.5 and 26.7 per cent. Educational attainment was already relatively high in 2012 and consequently change since then has been relatively modest, albeit positive. Improvements in educational attainment have, however, been markedly stronger amongst girls than boys. Between 2012 and 2020, primary completion rates for girls increased from 72.7 per cent to 80.4 per cent whilst over the same period, the primary completion rates of boys increased 67.3 per cent to 72.0 per cent thus widening the female advantage at this level. The arguably positive – and widening – gender imbalance is maintained also at lower secondary levels, with completion rates of girls increasing from 52.8 to 56.4 per cent and for boys from 51.0 per cent to 51.3 per cent over the same period. At upper secondary level an even stronger trend is observable such that the completion rates of girls which were well below those of boys (23.7 per cent against 27.2 per cent) increased by over 13 p.p. between 2012 and 2020, so that by 2020 they were significantly higher than those of boys (37.4 per cent against 34.2 per cent).

The imbalance in educational attainment in favour of girls at secondary level is, however, not reflected in the educational participation amongst young people aged 15-29. In 2017, 22.7 per cent of young women were participating in education compared to 28.3 per cent of young men. Indeed, the gap between young men and young women has widened since the previous Labour Force Survey undertaken in the country in 2013, when 24.6 per cent of young women and 27.6 per cent

⁸ <http://sdg4-data.uis.unesco.org/> [accessed November 30, 2022].

of young men reported still being in education (figure 3). Indeed, the gross enrolment ratio in tertiary education is slightly higher for males (19.2 per cent) than for females (17.7 per cent).⁹

► **Figure 3. Youth status in Ghana by sex, 2013 and 2017 (%)**



Two other important components of youth activity are reported in the figure, employment and NEET (Box 2). The share of young people in employment fell from 59.5 per cent to 52.2 per cent between 2013 and 2017. The share of young people not in employment, education or training (the NEET rate) increased correspondingly from 14.5 per cent to 22.3 per cent over the same period. For both indicators, gender gaps are relatively small. The gender difference in the employment to population ratio largely disappeared between 2013 and 2017, falling from 4.1 p.p. to 0.5 p.p. NEET rates are higher for young women than young men, and the gap has not closed significantly between 2013 and 2017. At 6.1 p.p., however, this is the smallest gender gap in NEET rates observable in any of the seven countries covered by these briefs.

⁹ <http://sdg4-data.uis.unesco.org/>.

► **Box 2: Young people not in employment, education or training (NEET)**

With the establishment in 2015 of the 2030 Sustainable Development Goals, the NEET rate – the share of young people not in employment, education or training – became the [target indicator \(SDG8.6.1\)](#) to measure progress in youth labour markets. Although NEETs also include (most of) the young unemployed,¹⁰ the NEET rate is a broader concept encompassing all young people who are, for whatever reason, not studying or working for pay or profit. NEETs are consequently a much larger, as well as a more heterogenous, group than the young unemployed.

Inter alia, the shift from the unemployment rate to the NEET rate as the focus of policies to promote decent work amongst young people leads naturally to a broadening of the scope of interventions. Reducing the NEET rate can be achieved by increasing entry of young people into employment, but also by increasing their participation in education and training. Moreover, there are many factors underlying (different types) of NEET status. These include the obstacles to obtaining decent work faced by specific groups – such as young women and/or young people with disabilities.

Source (and for further information): O'Higgins et al. (2023).

The employment of young people (aged 15-29) – broadly follows that of all workers outlined above (table 2). However, there are some differences. Service employment slightly outweighs employment in Agriculture amongst young people, and the differences between young men and young women are more marked than they are for the working age population as a whole. The difference between the prevalence of employment of young men and young women in both Agriculture and Services is over 10 p.p. (table 3). Employment in Industry accounts for a similar share – a little under 20 per cent - of both young male and young female employment.

► **Table 3. Youth (age 15-29) employment distribution by economic activity and sex in Ghana, 2017**

	Male	Female	Total
Agriculture	45.8	34.5	40.1
Industry	19.2	19.6	19.4
Services	35.1	46.0	40.6

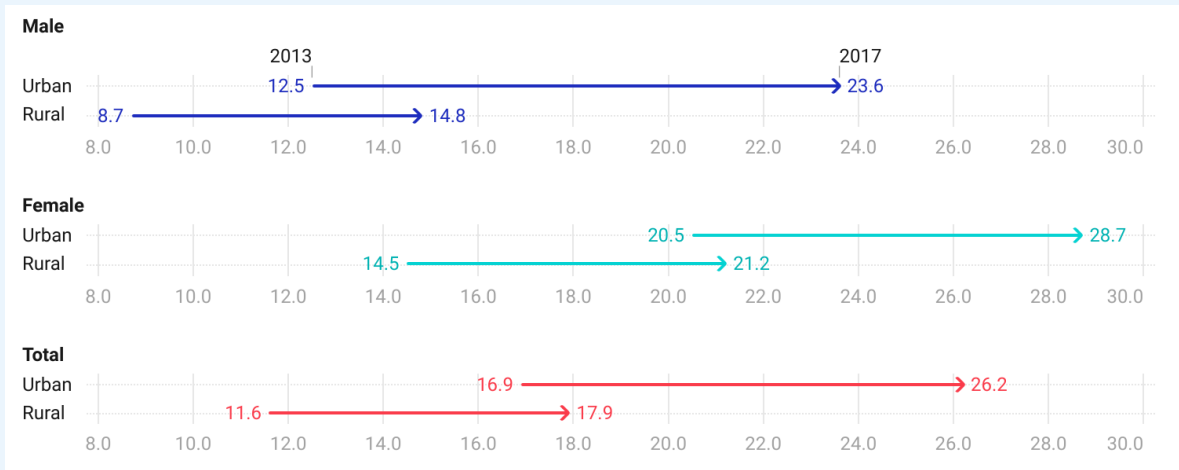
Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

The vast majority, over 84 per cent of young male and over 87 per cent of young female NEETs in 2017, were inactive; that is, they were not actively seeking work and so do not appear among the ranks of the unemployed. The share of inactivity amongst NEETs increased slightly between 2013 and 2017, from 83.8 to 85.9 per cent, mainly due to the substantial increase in share of inactive youth amongst young male NEETs from 79.6 to 84.2 per cent and the gap between the sexes diminished over the period. This serves to emphasize the importance of looking at NEET as opposed to unemployment as a key indicator of the labour market status of young people.

In contrast to the majority of the world, especially low and middle income countries (O'Higgins et al., 2023), in Ghana NEET rates are significantly higher in urban, as opposed to rural, areas for both young women and young men (figure 4). In all cases urban NEET rates increased more than rural ones between 2013 and 2017.

¹⁰ Excluding a relatively small but increasingly significant group of young people who are both unemployed and in education.

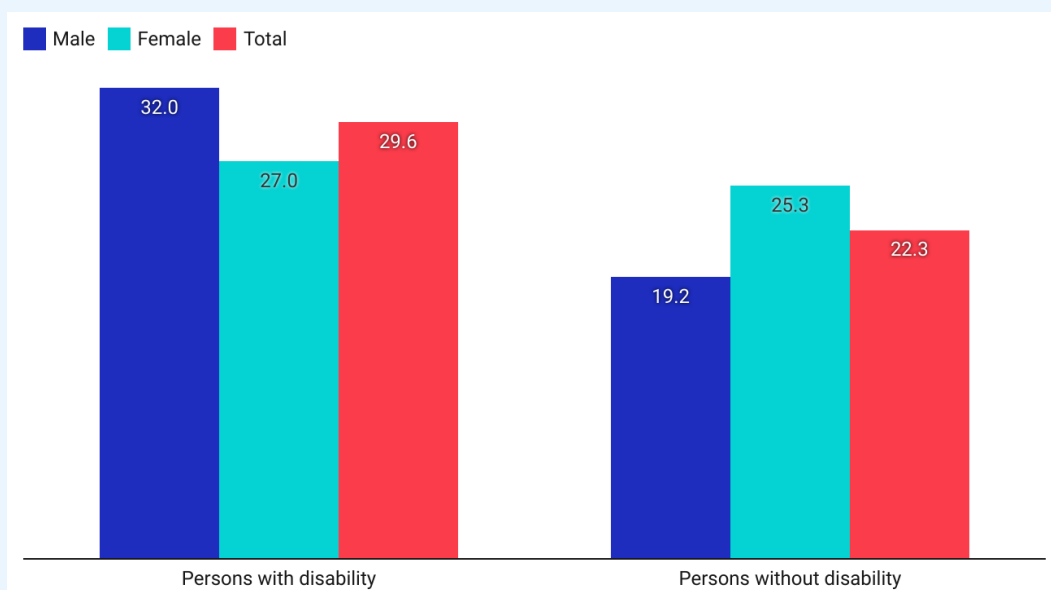
► **Figure 4. Share of young people (aged 15-29) not in education, employment or training by sex and geographic location, 2013 to 2017 (%)**



Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Less than one per cent of young people aged 15-29 reported themselves as being disabled in Ghana in 2017, with similar shares reported for both young women and men. Young persons with disabilities in the country have NEET rates which are significantly higher than young persons without – 29.6 per cent compared to 22.3 per cent – however in Ghana this gap is markedly smaller than for most other countries covered by these country briefs (figure 5). In 2017, the NEET rate of young men with disabilities was 32.0 per cent compared to 19.2 per cent of young men without disabilities, whilst young women with disabilities had NEET rates which were less than 2 p.p. higher than young women without disabilities; 27.0 per cent compared to 25.3 per cent. Curiously amongst youth with disabilities, NEET rates are higher for young men than young women, implying that the labour market disadvantage attached to a disability is greater for young men than young women.

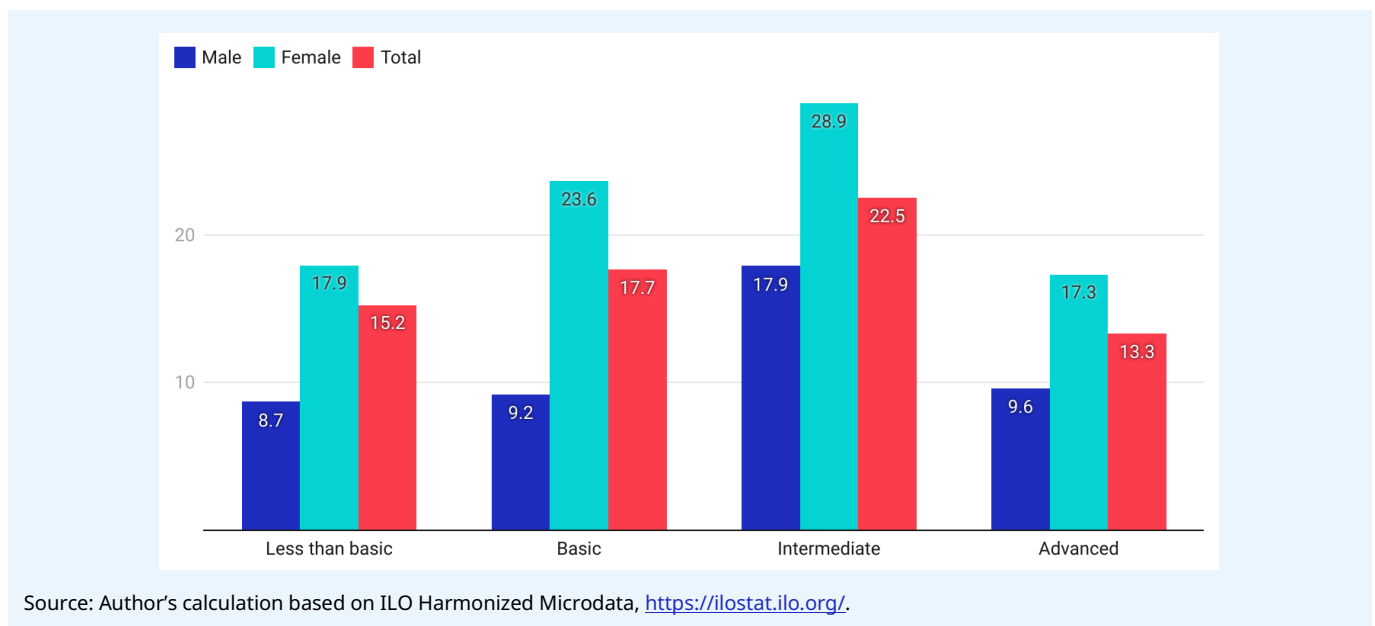
► **Figure 5. Share of young people (aged 15-29) not in education, employment or training by sex and disability, 2017 (%)**



Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Educational attainment also affects the likelihood of being NEET. Globally, NEET rates are typically inversely related to educational attainment levels, falling as educational attainment rises in the young adult population (O’Higgins et al., 2023), but this is clearly not the case in Ghana. NEET rates increase with educational attainment in the country from ‘less than basic’ through to intermediate (secondary) level, for both young adult women and men (figure 6). Whilst tertiary (advanced) educated young Ghanaians have NEET rates comparable to those with little or no education (less than basic). Understanding why this is the case is an important policy issue.

► **Figure 6. Share of young people (aged 25-29) not in education, employment or training by sex and educational attainment, 2017 (%)**



► 3. Youth employment policy in Ghana

In summarising key features of the school-to-work transition and youth labour market outcomes in Ghana, it is important also to briefly consider the main youth employment policy initiatives in the country. This section seeks to do just that. Youth employment policies have most to offer when they are well-designed, involve strong collaboration between the relevant ministries and engage other stakeholders, including social partners, complement other policies, are properly resourced, and have realistic implementation plans alongside robust evaluation and reporting. Moreover, as the brief has illustrated in the previous sections, young people are a highly heterogeneous group, and for maximum benefit policies should address the needs of especially disadvantaged groups, such as young people with disabilities and those with low levels of education. What follows is a review of the main policies relating to youth employment in Ghana compiled in late 2022.

Ghana’s 2015 Youth Employment Agency Act (Government of Ghana, 2015a) established a Youth Employment Agency to lead on creating employment opportunities for young people. Prior to this, the 2010 National Youth Policy aimed to create decent work and boost skills, and support disadvantaged youth. Other policies which address youth employment include the Coordinated Programme of Economic and Social Development Policies (CPESDP) 2014-2020; Ghana Shared Growth and Development Agenda II (GSGDA II) 2014-2017; National Employment Policy (NEP) 2015; Coordinated Programme of Economic and Social Development Policies (CPESDP) 2017-2024; National Medium-Term Development Policy Frameworks (NMTDPF); and National Green Jobs Strategy (NGJS) 2021-2025.

Youth employment policy framework

Coordinated Programme of Economic and Social Development Policies (CPESDP), 2014-2020

CPESDP (Government of Ghana, 2014a) aims to create 500,000 decent jobs in high growth, high employment potential sectors, namely infrastructural development, agricultural value chains, light manufacturing, sanitation and waste management, tourism, and financial and ICT services. Working poverty and decent work aims are addressed by increasing productivity; enforcing laws on workplace rights and safety; enhancing youth employability; providing loans, grants and tax incentives to MSMEs; and developing business support.

Ghana Shared Growth and Development Agenda (GSGDA II) Policy Framework 2014-2017

GSGDA II (Government of Ghana, 2014b) operationalizes the CPESDP. Two objectives target young people: 2.2, to accelerate job creation across sectors, and 7.2, to provide adequate training and skills development. Objective 2.2 is the responsibility of Office of the President, the Ministry of Employment and Labour Relations and the Ministry of Finance. Objective 7.2, is coordinated between the Ministry of Youth and Sports, the Ministry of Finance, the Ministry of Gender, Children and Social Protection, Education Institutions and the Commission for Technical and Vocational Education and Training (TVET). Both are underpinned by a youth-sensitive implementation strategy.

National Employment Policy (NEP) 2015

The NEP (Government of Ghana, 2015b) has four objectives: create decent jobs to meet labour supply; improve job quality; increase labour productivity; strengthen governance and labour administration. Youth employment is cross-cutting, and objective 1 has youth-specific strategies to: leverage apprenticeships for upskilling, including for early school leavers; offer job guidance in schools; incentivize business to hire and train youth; organise graduate entrepreneurs into cooperatives; and for social enterprises to create jobs for youth and vulnerable groups. The NEP lacks provisions for young women, youth with disabilities or NEETs. The NEP National Employment Coordinating Council includes the Ministries of Employment and Labour Relations; Finance; Trade and Industry; and Gender, Children and Social Protection. Engagement with the private sector, and workers' and employers' organizations is encouraged.

Coordinated Programme of Economic and Social Development Policies (CPESDP), 2017-2024

CPESDP aims to "stimulate the private sector to create jobs, especially for youth," (Government of Ghana, 2017). Youth employment is prioritized under certain headings, and youth specific measures include skills, linking education and the labour market, apprenticeships, entrepreneurship, job-search skills, youth desks and youth centres, and resources for modern agriculture. Two youth employment flagship initiatives, the National Entrepreneurship and Innovation Plan (Government of Ghana, 2020a) and National Industrial Revitalisation Programme,¹¹ aim to build one factory per district (n=216), resulting in 350,000 direct and indirect jobs. These policies and initiatives lack sensitivity to gender and disability.

Medium-Term National Development Policy Framework (MTNDPF), 2018-2021

The MTNDPF (Government of Ghana, 2018) operationalises the CPESDP with several objectives related to youth employment. Implementation strategies include supporting start-ups and early-stage businesses with financing and business services; programmes to attract youth into off-farm activities e.g. processing, packaging and transportation. Skills-based strategies include apprenticeships, skills development centres, entrepreneurial skills programmes and training for out-of-school youth and graduates. MTNDPF aims to create sustainable employment opportunities for persons with disabilities; no strategies address the specific needs of young women. Designed pre-COVID-19, the framework yearly targets are to upskill 100,000 young people and to create up to 180,000 jobs for youth leading to youth unemployment falling below 5 per cent.

¹¹ See also, [About Us – One District One Factory \(1d1f.gov.gh\)](https://1d1f.gov.gh).

National Medium-Term Development Policy Framework (NMTDPF) 2022-2025

The NMTDPF (Government of Ghana, 2021a) prioritizes youth employment by positioning agriculture as a viable business for youth; supporting entrepreneurship and MSME development; harnessing the demographic dividend; and promoting effective participation of young people in development. The NMTDPF also aims to strengthen youth technological skills; design climate interventions with green jobs; and strengthen career guidance. The NMTDPF does not propose youth-specific strategies to leverage the benefits of digitalization, nor gender-responsive approaches for young women entering the labour market.

National Green Jobs Strategy (NGJS) 2021-2025

The NGJS (Government of Ghana, 2021b) promotes green job creation through aligning and co-ordinating policies; skills development especially for youth, women and people with disabilities; supporting sustainable and competitive green enterprises and markets; and supporting financing for green enterprises. Youth employment is mainstreamed across all the strategic objectives, however a couple of objectives are youth-specific. One is to assess and monitor skills needs for green jobs, align qualification frameworks and curricula, and ensure inclusive and equitable access to training. Another promotes green entrepreneurship with business development services and finance, especially for youth, women and persons with disabilities.

Other policies contributing to youth employment

National Gender Policy (NGP) 2015

The NGP promotes women's employment by training and equipping women with entrepreneurial skills alongside "structural, legal and collective action" to improve working conditions. Women's access to wage employment will be improved, and female overrepresentation in unpaid care and informal work reduced. NGP partners with disability organisations to address socio-economic barriers, improve rehabilitation centres, and ensure transport services to TVET centres. Measures to tackle gendered barriers to labour market entry are missing.

Mitigating the impact of COVID-19 on youth employment

The COVID-19 Alleviation and Revitalization of Enterprises Support (CARES) programme, *Obaatan pa* (Government of Ghana, 2020b), aims to stabilize, and then revitalize and transform the economy. This involves supporting commercial farming; attracting educated youth into agriculture; boosting light manufacturing; fast-tracking digitization; developing engineering/machine tools and ICT/digital economy; developing housing and construction; establishing Ghana as a regional hub; optimizing Government flagships and programmes; and boosting tourism. By 2023, 420,000 new formal, decent jobs should be created; 85 per cent in the private sector; 60 per cent for women. With 3,000 educated youth joining commercial agriculture, 15,000 additional jobs may be created. The YouStart initiative (Government of Ghana, 2022) aims to create 1 million jobs for youth in 2022-2025, through the private sector and entrepreneurship.

► 4. Key issues and challenges

- Ghana has maintained strong economic growth in the new millennium averaging annual real GDP growth of 6.1 per cent between 2000 and 2019. The onset of the COVID-19 pandemic brought with it a significant slowdown, but growth remained positive at 0.5 per cent in 2020 and partially recovered to 5.4 per cent in 2021 and 3.6 per cent in 2022. Ghana is relatively prosperous compared to its neighbours, and is ranked as a lower middle income country with an estimated PPP adjusted GDP per capita of US\$5,762 in 2022. The extreme working poverty rate (EWPR) is relatively low at 8.8 per cent in 2022, much lower than the African rate of 31.1 per cent and the increase of the EWPR of 0.4 p.p. associated with the onset of the COVID-19 pandemic in 2020 was more than recovered in 2021, and by

2022 the EWPR was 0.6 p.p. below the 2019 rate. The aggregate employment to population ratio is high and the gender gap in the ratio is relatively small compared to the African continent as a whole.

- Between 2013 and 2017, the share of young people in employment fell from 59.5 per cent to 52.2 per cent and the NEET rate increased correspondingly from 14.5 per cent to 22.3 per cent, which is just a little above the African average of 21.3 per cent for 2017. For both indicators, gender gaps are relatively small. 46 per cent of young men (women) are employed in Agriculture (Services) and 35 per cent of young men (women) work in Services (Agriculture) with the remainder – just under 20 per cent of both sexes – working in Industry.
- The relative disadvantage faced by young people with disabilities, as measured by differences in NEET rates for those with and without disabilities, is relatively small compared to other countries in the region, however, it is still significant. Also in mild contrast with other countries, educational attainment does not fall as educational attainment increases. The highest NEET rates are recorded by young adults with secondary education, whilst tertiary graduates have similar rates to those with little or no education.
- The adoption of the National Youth Policy (NYP) in 2010 laid the foundations to develop a comprehensive youth employment strategy in Ghana and subsequent development policies have consistently prioritized youth employment.
- The primary focus remains on skills development, supporting entrepreneurship and creating jobs for young people in agriculture, infrastructure development, light manufacturing and transportation. In addition, youth employment is being mainstreamed within the green and digital economies, especially in sectors which demand highly skill workers, including financial and ICT services, tourism and waste management.
- The policies that comprise Ghana's youth employment strategy recognise that young people are a heterogeneous group, with special attention required for the most disadvantaged young people, including those who leave school early, out-of-school youth and NEET. However, gender and disability mainstreaming is also required to increase policy inclusiveness.
- So far, little is known of the impact of the above policies on youth employment outcomes. Monitoring and evaluation evidence is scarce, and this impedes the evidence-based development of future youth employment interventions.

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