

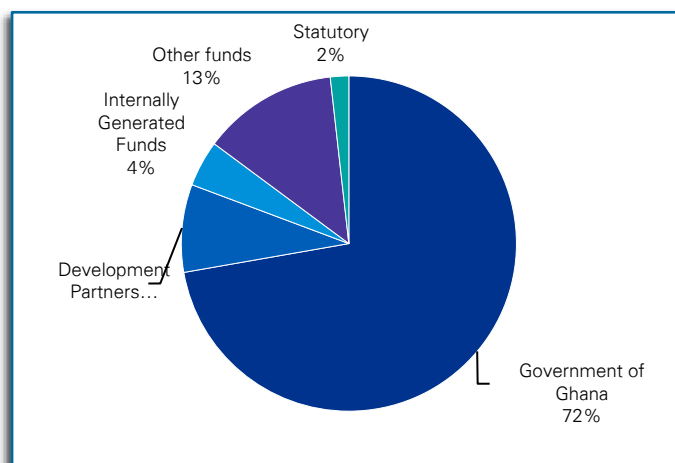
# GHANA BLAZES THE TRAIL WITH THE LAUNCH OF AN AMBITIOUS COUNTRY FINANCING ROADMAP FOR THE SDGs

## Background

The Government of Ghana, in partnership with the World Economic Forum's Sustainable Development Investment Partnership (SDIP), has launched the Country Financing Roadmap (CFR) for SDGs. Ghana thus became the first African country to cost the projects and programmes that will enable it to achieve the SDGs by 2030. This is a country-led initiative to formulate an action plan to unlock greater financing towards achieving the Sustainable Development Goals (SDGs) through public-private collaboration. The aim is to catalyse private financing for SDGs at scale, while improving the long-term competitiveness of the country.

## Financing landscape & challenges

Ghana has made moderate progress in achieving the SDGs but has instituted a robust mechanism for its implementation. The country has been able to integrate SDGs into its budgetary processes and prepares an annual report on funding allocated to SDGs. Based on the 2019 SDG report, the Government of Ghana together with other statutory and internally generated funds financed over 90% of all the SDGs-related expenditure with just about 9% provided by development partners. The diagram below shows the broad category of sources of funding for SDGs.



Source: CFR Report, June 2021

According to the CFR report, Ghana faces monumental challenges in meeting its developmental needs. The report identified critical challenges that need to be addressed if progress is to be made towards achieving the SDGs by 2030. Some of the key challenges identified are:

- Low domestic tax revenue
- Lack of bankable pipeline of projects
- Lack of data and inability to quantify risks
- Exchange rate risks
- Land ownership and acquisition challenges
- Unattractive nature of SMEs

## The Way forward

Ghana's Institute of Statistical, Social and Economic Research (ISSER) of the University of Ghana - with the support of the Ministry of Planning (in 2020), the SDG Advisory Unit, Office of the President, United Nations Development Programme (UNDP) and KPMG - have estimated both the cost for Ghana to achieve the SDGs by 2030 and the actual funding needed (funding gap). To fully meet the country's SDG targets, total cost is estimated to be \$522.3 billion, averaging \$52.2 billion per year. Based on projected government revenue and accounting for non-SDG related expenditure, a total funding gap of US\$431.6 billion is estimated over the period 2021-2030. This translates into a funding gap of US\$43.2 billion per annum. This a monumental gap that the government alone cannot bridge and requires private sector involvement.

*"Going forward, we are determined to scale up public-private collaboration around the SDGs to unlock innovative and sustainable financing to bridge the financing gap. The private sector generates the wealth, which is the oxygen for our economic and social investments, and the private sector is at the frontiers of innovation that we crucially need to accelerate progress in our SDGs implementation".* **Nana Addo Dankwa Akufo-Addo**  
**President of the Republic of Ghana, Co-Chair of the UN Secretary General's Eminent Group of Advocates for the Sustainable Development Goals.**

The CFR report proposes a number of solutions to scale up efforts and to de-risk investments in order to attract private capital. Some of the solutions include:

- Set up of SDG first loss fund to mitigate risk and attract private capital and development finance
- Set up a project preparatory fund to prepare project to the level of bankability
- Explore SDG bonds (Green bonds, blue bonds etc) as innovative financing mechanisms
- SME working capital facility to be managed under the Ghana Enterprises Agency
- Ensuring regulatory and policy certainty and consistency

With the implementation of these solutions, it is hoped that the perceived risk identified validated by over 50 stakeholders during the consultation phase of the project can be significantly mitigated.

*Credit: Country Financing Roadmap for the SDGs: Ghana Insight Report, June 2021*  
[http://www3.weforum.org/docs/WEF\\_SDIP\\_CFR\\_Ghana\\_Report\\_2021.pdf](http://www3.weforum.org/docs/WEF_SDIP_CFR_Ghana_Report_2021.pdf)

**KPMG's role was to provide technical assistance and project management and implementation during the preparation of the report.**

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