

# Programme for Sustainable Economic Development (PSED) in Ghana

## Migration and Employment Promotion (MEP)

### The challenge

Migration is a global phenomenon: worldwide, more than 250 million people are currently living outside their countries of origin. Many are forced to leave their homes due to war or violence, while others move to new countries in search of jobs or training opportunities. In Ghana's case, the latter pertains. The country is considered one of the most stable nations in West Africa, and its economic growth over the past few decades has been comparatively strong, but growth in the informal micro, small and medium-size enterprises (MSME) sector continue to lag. This development is particularly alarming, because 85% of the economically active population are working in the informal sector with lack of entrepreneurial and vocational skills and limited access to financial services.

Ghana's demographic structure is also exacerbating the situation: Like many African countries, Ghana faces a 'youth bulge', with almost 60% of the population under the age of 25. Most of the youth are either unemployed or underemployed. Many, especially young male Ghanaians, tend to migrate out of the country to escape their actual or perceived dire economic situation with about 800,000 Ghanaians currently living abroad.

Hence, migration often presents major challenges for the countries of origin, as well as the receiving countries. However, it also holds considerable potentials, particularly as regarding the economic development of the countries of origin, including the transfer of know-how and the investment of migrants.

### Objective

To prevent irregular migration becoming a threat to Ghana's growth, GIZ has been commissioned by BMZ to implement the Programme Migration for Development (PMD) with the Ghanaian German Centre for Jobs, Migration and Reintegration (GGC) in Accra, and expand the already existing Programme for Sustainable Economic Development (PSED) by the component Migration and Employment Promotion (MEP).

PMD and MEP focuses on the areas of migration and development; economic development and job creation; reintegration and employment perspectives in Ghana with strong complementarity.

PSED has a total of three components that focus in detail on *a) improving access to innovative, demand-driven microfinance and microinsurance services through Financial Systems Development (FSD)*, *b) enhancing access to formalized training for informal apprentices (TVET/Ghana Skills Development Initiative (GSDI))* and *c) promoting (self)-employment for disadvantaged population groups, including returning and potential migrants (MEP)*.

Programme name	Programme for Sustainable Economic Development (PSED)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
MEP Regions	Greater Accra, Ashanti, Ahafo, Bono, Bono East
Lead executing agency	Ministry of Finance (MoF) Ghana
Implementing partner	Ministry of Employment and Labour Relations (MELR) Ghana
PSED Duration	01.04.2016 – 30.09.2022
MEP Duration	01.10.2017 – 30.09.2022



L. A section of MEP – NBSSI training sessions in the five operational regions; participants receiving training in entrepreneurship with focus on areas such as marketing, financial management etc.

R. "From football to the kitchen", Faida received start-up equipment support and also participated in MEPs entrepreneurship training. He admitted that the entrepreneurship training programme was an eye-opener during the start of his now successful bakery and fruit juice business.



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*L. A beneficiary receiving start-up support to kickstart his business.*

*R. Bismark, a returnee kickstarted his business after he received logistics support and training from PSED-MEP. He makes reusable bags and further educates his customers on the responsible use of these eco-friendly materials.*

## Our approach

MEP has been implemented since October 2017 with the aim of improving the employment and income situation in five selected Regions: Greater Accra, Bono, Bono East, Ahafo and Ashanti. It offers capacity building measures for disadvantaged community members, including Ghanaians intending to migrate and Ghanaians returning from the diaspora.

MEP offers technical assistance and individual capacity development to these population groups through entrepreneurship and financial literacy trainings, adequate technical short courses, and linkages to opportune financial service providers.

In August 2018, the Ministry of Employment and Labour Relations (MELR) and GIZ signed a Memorandum of Understanding (MoU), in which both parties agreed to cooperate in the field of labour migration, reintegration and employment. Through this MoU, GIZ – through PSED-MEP and the related Programme Migration for Development (PMD) – and MELR intend to leverage existing synergies to strengthen the MELR and the labour department to better fulfil their function on a policy and operational level and to this end, build their capacities in the areas of prevention of irregular migration; fostering of regular migration; protection of migrants abroad, return and reintegration of (labour) migrants; creation of economic opportunities through employment or self-employment for Ghana's potential migrants.

## Achievements

Between December 2017 to September 2020, the project has trained over 9000 individuals (potential and returnee migrants) in Entrepreneurship and financial literacy in the operational regions of Ashanti, Bono, Ahafo, Bono East and the Greater Accra with 398 entrepreneurs receiving incubation and acceleration services.

Over 100 returnee migrants have received start-up equipment support to expand or start businesses that provide economic relieve and improved livelihoods.

400 returning and potential migrants have received technical / vocational short-term skills training with the National Vocational Training Institute (NVTI)

Over 800+ jobs and self-employment opportunities have been created which include a great number of newly started MSMEs.

Despite the setbacks that come with the COVID-19 pandemic, with many youths losing their jobs and sources of livelihood, 60 Entrepreneurship champions (in operational regions) have been equipped with training to further retain entrepreneurship knowledge in their various associations; this will further lead to about 1200 youth being trained. Over 20, 000 people were also reached through radio with business strengthening education with 46 labour officers also receiving training in ICT to enhance their mandate in Ghana.

## Outlook

MEP aspires to implement more innovative projects to effectively support disadvantaged youth, potential and returnee migrants, as well as contribute to the entrepreneurship ecosystem in Ghana. By December 2021, a total of 2200 entrepreneurs would have received comprehensive training on various aspects of entrepreneurship, combined with other innovative components such as business strengthening through radio talk shows (reaching a much wider audience with business advisory services), direct mentoring and coaching and the promotion of digital marketing skills.

MEP further seeks to strengthen and enhance the capacity of Public Employment Centres under the Labour department of the MELR through logistics support, to improve livelihoods.

## Partners

- Ministry of Employment and Labour Relations (MELR)
- National Vocational Training Institute (NVTI)
- National Board of Small-Scale Industries (NBSSI)
- British Council
- Ghanaian-German Centre for Jobs, Migration and Reintegration

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