

# Investment Guide for Stakeholders in the Rice Value Chain

## Ghana



The Investment Guide for Stakeholders in the Rice Value Chain in Ghana was produced with support from UKAID through the Foreign, Commonwealth & Development Office (FCDO), under the Africa Food Trade & Resilience Programme. The author recognizes the support and contributions of the members and Executive Board of CARP Ghana which is ECOWAS Rice Observatory's National Chapter for Ghana and AGRA technical teams in development of this guide.

The opinions expressed in this guide are those of the authors and do not reflect the official policy or position of AGRA, its employees, partners, or affiliates in any way. While AGRA has made every effort to ensure the accuracy and completeness of the information entered in this report, we assume no responsibility for any errors, inaccuracies, omissions, inconsistencies included herein. The mention of specific companies, manufacturers, or their products, whether these have been patented, does not imply endorsement, recommendation, or approval by AGRA, its employees, partners, or their affiliates in preference to others of a similar nature that are not mentioned. The descriptions, charts, and maps used do not imply the expression of any opinion whatsoever by AGRA concerning any country's development, legal or constitutional.

# Executive Summary

The Competitive African Rice Platform (CARP) Ghana seeks to foster collaboration geared towards proper alignment with the NRDS and ECOWAS Rice roadmap to drive investments in the rice value chain across the West African region. This guide outlines key opportunities and challenges in seed production, input supply, cultivation, processing, aggregation, and marketing. It highlights the sector's strategic importance, catalysed by the growing demand for Ghana rice, the import substitution potential of Ghana rice, and regional export opportunities.

CARP Ghana's emphasis on investments drives toward strategic areas such as mechanisation, quality inputs, modern processing infrastructure, storage, logistics, and market development to enhance productivity and sustainability of investment opportunities across the rice value chain. To catalyse a more robust investment mechanism, CARP Ghana also advocates for policy reforms, technology adoption, capacity-building, and traceability systems to ensure a competitive-driven rice economy. Supported by partners like FCDO, AGRA, and GIZ, CARP's initiatives aim to unlock economic growth, create jobs, ensure gendered investment mechanisms, and ensure food security through inclusive and environmentally sustainable practices. This document serves as a roadmap for stakeholders to maximise Ghana's rice sector potential.

# 1.0 Introduction

The Competitive African Rice Platform (CARP) is committed to fostering collaboration among stakeholders in the rice value chain—producers, input dealers, processors, aggregators, and millers. This investment guide highlights opportunities, challenges, and actionable recommendations to attract investments that drive growth, enhance productivity, and ensure sustainability across the rice value chain.

CARP Ghana's activities also align with the ERO Rice development roadmap and the National Rice Development Strategy (NRDS) of Ghana. The idea is to ensure the harmonisation and coordination of policy and investment for the rice sector in Ghana and across the ECOWAS region.

Supported financially by the FCDO and AGRA and technically by GIZ and AGRA, CARP Ghana sees the urgent need to engage its members in a B2B forum that will drive investment in Ghana's rice sector.



## 1.1 Overview of the Rice Value Chain

### Key Players and Roles

- 1. Seed Production, Research & Development:** Produce advanced seeds that meet all local environmental and quality standards to address food security challenges in Ghana, ensure self-sufficiency, and open opportunities for export. However, securing funding to release competent varieties remains a challenge.
- 2. Producers:** Cultivate rice, often constrained by limited access to high-quality inputs, technology, and financing.
- 3. Input Dealers:** Provide seeds, fertilisers, and agrochemicals, but face challenges related to market penetration and payment systems.
- 4. Processors:** Transform paddy rice into milled rice, with potential improvements in equipment efficiency and quality standards.
- 5. Aggregators:** Bridge the gap between producers and processors by ensuring steady supply and storage.
- 6. Millers:** Finalise rice production for market readiness, often constrained by limited storage, drying, and packaging technology.
- 7. Development Partners:** Engage actively in supporting financing, sharing of technology and best practices, and Research and Development to drive private sector investment. However, the inability to establish favourable policies hinders players from thriving.
- 8. Government:** Responsible for formulating policies on investment opportunities in Ghana's rice sector but faces financial constraints in implementing them effectively.

## 1.2 National Rice Sector Overview

Rice has become an important strategic crop in Ghana's economy and its consumption keeps increasing because of population growth, urbanisation, and change in consumer habits.

In 2010, rice occupied about 2% of the total area under cereals (the total area cropped under cereal in 2010 was 11%). The rice area increased to 4% in 2020 with the cereal area also increasing to 17% of the total cropped area (MoFA, 2021).

Between 2008 and 2020, paddy production was in the range of 302,000 and 987,000 MT (181,000 to 622,000 MT of milled rice) with large annual fluctuations (MoFA, 2021).

The annual production fluctuations are largely due to the area (ha) put under rice cultivation, with marginal yield variations (MT/H).

Rice production in Ghana is predominantly in the northern zones. According to the Ministry of Agriculture, the four northern regions Northern, Savannah, Northeast, and Upper East account for approximately 50% or more of the country's rice production. Notably, the Upper West Region is experiencing rapid growth in rice cultivation, shifting from its previous focus on maize production.

Additionally, the Volta and Oti Regions are key rice-producing areas within the Coastal-Savannah Agro-Ecological Zone. Across these regions, rain-fed upland rice remains the dominant variety cultivated.

## 1.3 Policy and Regulatory Environment

Over the years, successive governments have implemented policies to support investment in the rice sector and agriculture as a whole. In 2009, the Ghanaian government, through the Ministry of Agriculture (MoFA), partnered with the Coalition for African Rice Development (CARD) to develop the National Rice Development Strategy (NRDS) to drive overall rice sector growth and attract investment.

Additionally, the **Planting for Food and Jobs (PFJ) 1 and 2** initiatives introduced an input credit approach to support producers and SMEs in rice production, further strengthening Ghana's rice industry.

Launched in 2017, the PFJ program subsidizes 50% of rice seed and fertiliser costs and is credited with driving recent growth in rice production.

In addition, the Rice Sector Support Project (RSSP), introduced by the Ghanaian government in 2011, was designed to promote investment in lowland rice production in Northern Ghana. The Agriculture Investment Guide (2007) was developed to inform policy, regulations, and available incentives for agricultural investment, while the Ghana Agriculture Sector Investment Program (GASIP) (2015) aims to enhance infrastructure and facilities within the rice sector.

# Market Opportunities



**Growing local demand-** The increasing preference for high-quality locally produced rice presents a strong market opportunity for Ghanaian rice.



**Import substitution-** Reducing dependency on foreign rice can help save on import costs and strengthen the local rice industry.



**Regional Export Potential-** With improved quality standards, Ghanaian rice can tap into regional markets, creating new trade opportunities.



**Foreign Exchange Savings-** Increased local production reduces the need for imports, preserving foreign exchange earnings and boosting economic growth.

## 2. Investment Needs and Opportunities

A. Producers	Needs	Opportunities
	<ul style="list-style-type: none"> <li>Access to certified seeds and fertilisers.</li> <li>Mechanised farming tools (tractors, planters, harvesters).</li> <li>Training on sustainable farming practices including SRP concepts.</li> </ul>	<ul style="list-style-type: none"> <li>Investment in input supply chains to ensure timely and affordable access to resources.</li> <li>Establishment of mechanisation service centres and improvement in spare part dealership to always ensure the availability of spare parts.</li> <li>Credit facilities tailored to smallholder farmers to unlock the barriers relating to financing.</li> </ul>
B. Input Dealers	Needs	Opportunities
	<ul style="list-style-type: none"> <li>Expansion of distribution networks.</li> <li>Certified and acceptable input for the Ghanaian market.</li> <li>Integration of digital platforms for input sales and farmer outreach.</li> </ul>	<ul style="list-style-type: none"> <li>Investment in technology-driven platforms for real-time input delivery.</li> <li>Partnerships with financial institutions to offer credit for bulk input purchases.</li> </ul>
C. Processors	Needs	Opportunities
	<ul style="list-style-type: none"> <li>Modern milling equipment for better efficiency and quality of milled rice in Ghana.</li> <li>Quality control and certification systems to meet both local and international standards.</li> <li>Renewable energy solutions to reduce operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>Joint ventures to establish state-of-the-art milling facilities.</li> <li>Adoption of energy-efficient technologies.</li> <li>Value addition such as rice by-products for animal feed or biomass energy for environmental safety.</li> </ul>

D. Aggregators	Needs	Opportunities
	<ul style="list-style-type: none"> <li>Warehousing and cold storage facilities.</li> <li>Transportation infrastructure for efficient logistics.</li> </ul>	<ul style="list-style-type: none"> <li>Investment in smart warehousing and logistics technology.</li> <li>Partnerships with transport service providers to optimise supply chain efficiency.</li> </ul>
E. Rice Millers	Needs	Opportunities
	<ul style="list-style-type: none"> <li>Advanced packaging solutions to meet export standards.</li> <li>Access to capital for scaling operations.</li> <li>Branding and market linkages for product differentiation.</li> </ul>	<ul style="list-style-type: none"> <li>Development of export-oriented packaging facilities.</li> <li>Investment in brand development and market penetration strategies.</li> <li>Public-private partnerships to access regional markets.</li> </ul>
F. Storage and Logistics	Needs	Opportunities
	<ul style="list-style-type: none"> <li><b>Post-Harvest Storage Infrastructure:</b> Investing in silos and proper storage facilities can minimize post-harvest losses, prevent over-drying, and ensure milling at optimal temperatures. Improved Transportation Networks: Strengthening transportation infrastructure will enhance the efficient movement of rice from production areas to markets and storage centres, reducing delays and losses.</li> </ul>	<ul style="list-style-type: none"> <li><b>Modern Warehousing Infrastructure:</b> Investing in climate-controlled warehouses will help minimise post-harvest losses caused by pests, moisture, and mould, ensuring better rice quality and longer shelf life.</li> <li><b>Public-Private Partnership:</b> Strengthening partnerships between the government and the private sector to establish large-scale warehouses, managed by private entities, will enhance storage capacity, reduce post-harvest losses, and support increased rice production.</li> </ul>
G. Marketing and Export	Needs	Opportunities
	<ul style="list-style-type: none"> <li><b>Development of domestic markets and branding of Ghanaian rice:</b> Ensuring strict quality standards and certification for Ghanaian rice will enhance its competitiveness in both local and international markets, boosting consumer confidence and export potential. Exploration of export opportunities within ECOWAS and beyond improved networking for swift trade of Ghana rice through the development of a marketing networking platform to link the local rice market of Ghana to the international market</li> <li><b>Expansion into Export Markets:</b> Exploring export opportunities within ECOWAS and beyond will create new revenue streams for Ghanaian rice. Developing a marketing platform to connect local producers with international buyers will enhance market access and facilitate swift trade.</li> </ul>	<ul style="list-style-type: none"> <li><b>Growing Domestic Demand:</b> Rice is a staple food in Ghana, and its consumption continues to grow due to increasing urbanization and shifting dietary preferences. Additionally, the rising demand for locally produced rice from institutions such as schools and hotels presents a significant opportunity to expand the domestic rice market and boost profitability.</li> <li><b>Retail and E-commerce Channels:</b> the rise in supermarkets and retail Chains has resulted in expanding local distribution networks through supermarkets and grocery stores. Also, online platforms and increased internet penetration and mobile phone usage offer opportunities to market and sell rice online through e-commerce platforms.</li> </ul>



## 3.0 Cross-Cutting Areas for Investment



### Capacity Building and Training

- Continuous training for stakeholders to adopt innovative practices.
- Establishment of rice centres of excellence for rice stakeholders.



### Policy Advocacy and Enabling Environment

Investments to support policy reforms and advocacy for reduced trade barriers, fair taxation, favourable credit terms, and input subsidies.



### Technology Adoption

Promotion of digital tools for farm management, input delivery, and market intelligence.

Traceability systems for quality assurance, implementing a coding system for rice farmers will ensure that all rice supplied to the market is traceable to its source. This will enhance transparency, accountability, and quality assurance, strengthening consumer trust in Ghanaian rice.

## 4.0 Investment Incentives and Support Structures



### Government Support

- Subsidies for inputs and equipment.
- Tax incentives for investments in agro-processing.



### Private Sector Partnerships

- Encouragement of joint ventures with local and international investors.
- Access to funding opportunities through development finance institutions.



### Donor and Development Partners

- Support for capacity-building programs and infrastructure development.
- Grants for pilot projects and innovations in the rice value chain.

## 5.0 Roadmap to Successful Investments

- 1. Identify Gaps and Needs:** Conduct assessments of specific needs for each stakeholder group.
- 2. Build Strategic Alliances:** Facilitate collaboration among stakeholders to pool resources and expertise for efficient resource and knowledge management.
- 3. Leverage Technology:** Invest in digital tools to increase efficiency and market connectivity.
- 4. Ensure Sustainability:** Focus on environmentally friendly practices and social inclusion, particularly women and youth in agriculture.
- 5. Monitor and Evaluate:** Establish systems to track the impact of investments and adapt strategies accordingly.

## 6.0 Conclusion

Investment in the rice value chain is a significant opportunity for economic growth, job creation, and food security. By addressing the specific needs of each stakeholder group and promoting a collaborative approach, investors can ensure impactful and sustainable outcomes.

This guide serves as a blueprint for potential investors, government agencies, and development partners aiming to unlock the full potential of Africa's rice value chain.





**AGRA**  
Sustainably Growing  
Africa's Food Systems

# Investment Guide For Stakeholders In The Rice Value Chain

---

## Ghana

**Author:**

**Habib Abdulai, National Coordinator – CARP Ghana**

Email: [habibabdulai41@gmail.com](mailto:habibabdulai41@gmail.com)

**Co-Author:**

**Sunil Dahiya, Senior Program Officer – AGRA - IMTF (West Africa)**

Email: [sdahiya@agra.org](mailto:sdahiya@agra.org)



**AGRA**  
Sustainably Growing  
Africa's Food Systems



**UK International  
Development**

Partnership | Progress | Prosperity