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## AGRICULTURAL TRANSFORMATION: PUBLIC PRIVATE PARTNERSHIP (PPP)- A CATALYST FOR ACCELERATED PRIVATE SECTOR INVESTMENT IN AGRICULTURE IN GHANA

Nana Osei-Bonsu, Private Enterprise Federation, Ghana <u>Executive Summary</u>

Agriculture is a key economic sector to many African countries as it employs most of the rural population and contributes significantly to household income, gross domestic product (GDP), foreign exchange earnings, food and nutritional security. Ghana is no exception in this regard.

In Ghana, the sector contributes about 25% to GDP and employs 55% (2006) of the working population. The importance of the sector cannot be over emphasized.

Successive governments of Ghana have initiated policies to spur the growth of the sector over the years but more needs to be done if Ghana is to meet the CAADP goals for food security, reducing poverty and malnutrition.

The various factors identified as the basis for agriculture not leading the industrialization and growth of the economy is predicated on the absences and or deficiencies in agricultural infrastructure namely irrigation, power, transport and access to markets, storage facilities to stem post-harvest losses, lack of long term low cost funding in addition to the agrarian method of farming.

The policy framework that should attract local private sector investment into the sector has been weak at best and has not attracted the quantum of investment necessary to propel the sector as the source for providing that raw material base for a value chain industrialization to deliver comprehensive projects that would create jobs and improve livelihoods.

The new public private partnership policy may not be a panacea for all the agricultural challenges but if it is targeted to wining sectors through the provision of incentives to attract mobilization of long term capital for rural sensitive investments, that should breach the gap for accelerated private sector investment necessary to pursue a national commercial agriculture to meet the CAADP development goals.

In conclusion, it is suggested that emphasis should be accorded implementable policies that would attract the resources and private sector players into investing in commercial agriculture that ensures inclusiveness of small landholders, women and the youth.

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