



**HIGHLIGHT  
ON GHANA'S**

# CONSTRUCTION & REAL ESTATE

SECTOR



Ghana's Infrastructure development has seen massive progress, being **ONE OF GOVERNMENT'S TOP PRIORITIES**.



The sector contributed an average of **7.5% TO ANNUAL GDP** between 2013 and 2020.



It is poised to undergo **SUSTAINED GROWTH**, bouncing back from the COVID-19 pandemic slump (OBG).

## OVERVIEW



The country's real estate sector has also **GAINED MOMENTUM**, due to the



**HIGH  
URBANIZATION  
RATE**



**AN  
INCREASING  
MIDDLE CLASS**



**INFLUX OF  
NON-RESIDENT  
GHANAISANS**



**FOREIGN  
HOMEBUYERS.**



In spite of the increase in residential structures in the past decade, Ghana still has a **HOUSING DEFICIT** of **1.8 MILLION**, according to the Ministry of Finance, indicating a gap for investments.

Within the property development sector lies three different segments:

## COMMERCIAL



## INDUSTRIAL



## RESIDENTIAL

# OVERVIEW

A potential investor interested can therefore explore the areas of

**Construction of residential homes** (to accommodate the growing population and the inflow of expatriates);

**Commercial facilities** (such as shopping malls, hospitality and theme parks); and

**Industrial facilities** (such as factories and warehouses).



The construction sector  
**EXPANDED 8.2%**  
year-on-year in  
the first half of 2021



**VALUED AT SOME \$9BN,**  
Ghana's construction sector was ranked  
the **SEVENTH LARGEST** in sub-Saharan  
Africa by Fitch Solutions in 2021

## ECONOMIC PERFORMANCE AND SIZE



Firms in the construction sector  
(particularly road) benefit from a  
**COMPARATIVELY ATTRACTIVE  
LABOR MARKET**, characterized by a



**Large, Expanding  
Workforce**



**Strong Female  
Participation**



**Low Labor  
Costs**



The real estate sector **CONTRIBUTED NEARLY  
GH¢13BN** to GDP in 2021.



Investments in the real estate sector have **RETURNS PROFILE OF 20%- 25%** depending on the size of project.



Positive returns on **AFFORDABLE HOUSE** construction are **expected in 10 years**.

## BUSINESS INTEL

Investments in the **ENGINEERING AND CONSTRUCTION** sector have **returns** profile of **25%-35%** depending on the size of project.



Source:  
UN SDG  
Investor Map



111

**AGENDA 111:** the construction of 111 hospitals throughout the country, to bolster Ghana's health system

**ONE DISTRICT, ONE FACTORY:**

to provide at least one factory in each of Ghana's 216 districts.



**ROADMAP FOR SECTOR DEVELOPMENT**



**ONE REGION, ONE INDUSTRIAL PARK:**

to develop an industrial park for each of Ghana's regions. In February 2020 the government announced the allocation of \$79m to the initiative

**MAJOR UPGRADES:** in Transport infrastructure development along Ghana's 695-km Eastern Corridor – which runs from the country's southern ports through Greater Accra and into the country's northern reaches





Construction, maintenance, and services for roads and railways



Rail upgrades and passenger rail transport on selected rail corridors



Development of lake transportation systems



## CONSTRUCTION

# SOME KEY INVESTMENT OPPORTUNITIES

## PROPERTY DEVELOPMENT



The **upgrading of all slums** into modern communities.



Development of **affordable housing units** to bridge the housing deficit



Development of **malls and formal retail centers** to meet the growing populace in the cities



Development of **large-scale hotel** construction projects.



Development of **Recreational Real Estate Facilitates**: theme parks, water parks, food courts, family entertainment centers, leisure parks, eco-lodges, coastal and inland lake resorts



The Ghana COVID 19 Alleviation of Enterprises and Revitalization of Enterprises (CARES) Programme is a **100 billion Ghana Cedis** economic response programme that will support the private sector in targeted sectors to accelerate growth, stabilize, revitalize, and transform the Ghanaian economy.





## GHANA CARES AND HOUSING & CONSTRUCTION

Government's action to support the Housing & Construction sectors through the CARES programme, include:

A

Creating a vibrant housing industry to address the country's housing deficit, particularly in cities, and also create jobs for; masons, carpenters, electricians, plumbers, gardeners, food vendors, etc.

B

Strengthening capacity of Ghanaian building construction companies, which can then be deployed to build houses.

C

Strengthening and expanding the housing mortgage and construction finance programme

D






Introducing a programme to facilitate access to land by housing estate developers.

E

Passage of the Home Ownership Financing Bill to drive the housing agenda.



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