



## Mobilising diaspora capital for Ghana's growth

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- This brief is an abridged version of the full report, [Mobilising diaspora capital for Ghana's growth: A policy and market study](#). It is tailored for Ghanaian government policymakers to distil the report's key messages and support informed discussion and next steps.
- Throughout the consultations, it was evident that significant efforts have already been made to mobilise diaspora investment. There is generally a strong appetite across governments, an enabling policy framework, and a consensus that the diaspora adds value not only in terms of financial capital but also as partners who bring know-how and market access. This is coupled with a shared understanding of the need to structure and encourage diaspora investment in ways that harness these value-adds and enable it to become a scalable engine in Ghana's growth journey. However, despite this demand, several bottlenecks limit its scale and impact. To enable diaspora investment to flow in an organised, scalable, and sustainable manner, Ghana must address several gaps in bridging policy to productive implementation. This policy brief outlines three of the key policy findings and suggestions.

Specifically, the key messages covered in the policy brief relate to the following recommendations:

- Addressing the trust deficit
- Build the evidence base to target the right diaspora
- Ensuring institutional harmonisation

## The project

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The analysis draws on consultations with 27 institutions, including: The Ghana Royal House of Chiefs, Diaspora Affairs, Office of The President, Ghana: Investment Promotion Centre, Bank of Ghana, Ministry of Trade and Industry, Ghana Free Zones Authority, Ghana Revenue Authority, and the 24 Hour Economy Secretariat; focused on understanding the role and growth potential of diaspora investment in Ghana.

The underlying hypothesis of the exploratory study, which underpins this policy brief, is that Ghana's diaspora still remains an underutilised asset and has substantial potential to drive national growth. Although domestic demand for diaspora investment is high, effective mobilisation requires more strategic organising and targeted initiatives to ensure that efforts to attract and deploy diaspora capital are not only progressive but also scalable.

The domestic demand for diaspora investment is high, but to fully absorb and scale such capital, the country requires strategic data collection, targeting specific diaspora groups, diaspora based partnerships, a stronger transition mechanism for returnees, institutional harmonisation, and closing the trust deficit.

The full report aims to establish a baseline understanding of the current demand side of diaspora investment in Ghana. It is exploratory rather than exhaustive or conclusive, but seeks to present a coherent picture of current dynamics within the investment ecosystem. The findings are intended to inform future strategies and actions that can mobilise diaspora capital more effectively, unlocking its potential as a catalyst for private sector development.

The report was funded through the International Growth Centre. The consultation interviews were primarily conducted by Joevas Asare (Managing Director, ARK Group International), who served as the Principal Investigator.

## The key challenges

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Diaspora investment in Ghana is active but unorganised—largely ad hoc and channelled through small personal networks, often facilitated through informal middlemen. In its current form, it is not scalable, exposed to governance risks, and fails to realise its full potential. A repeated theme that emerged from stakeholders during consultations was a trust deficit: while appetite among the diaspora is high, weak structures for due diligence, monitoring, and accountability mean many investors get "burnt," and negative experiences spread quickly—deterring others.

Government action is needed to put buffers and safeguards in place that:

- Assure investor confidence that capital is protected and transparently managed; and
- Hold all parties—diaspora included—accountable for delivering real value in Ghana.

Without decisive steps to strengthen governance, build trust, institutional harmonisation and a stronger evidence base, diaspora investment will likely remain fragmented, with growing risks of investor losses and reputational damage to Ghana. Addressing these challenges will signal confidence, making it easier and safer for the diaspora to invest.

## Policy suggestions

The following section outlines the key policy suggestions and underlying dynamics, structured around three themes that emerged in the consultations. Each theme highlights priorities and actionable suggestions to strengthen the environment and structures for diaspora investment in Ghana.

1. **Addressing the trust deficit:** The consultations presented mutual concerns around trust, which emerged as the single most prominent issue across all consultations. There is a growing perception among diaspora investors that local systems cannot be fully trusted, compounded by the fact that many non-diaspora business leaders in Ghana also express limited trust in existing structures. This overarching mistrust is often rooted in previous negative experiences, where investors have been "burnt", and such stories spread quickly through networks. This heightens perceived risk not only for those directly affected but also for their wider circles, in turn making it harder to build the trust needed for scalable diaspora investment.

Several dynamics of this culture of mistrust were highlighted. In some cases, diaspora investors send money through remittance channels as passive investment, without formal contracts, entrusting friends or relatives to manage the funds. Information asymmetries and the absence of formal governance can then lead to misuse, unproductive investments, or outright loss of capital. In other cases, returnees invest in setting up businesses in Ghana without fully understanding local systems and business practices. Misaligned expectations can generate frustration and prompt reliance on middlemen who are insufficiently vetted, again increasing the risk of loss. Both patterns point to mistrust driven by a lack of clear, transparent and enforceable governance structures. Remittance channels, in particular, are poorly suited as

investment vehicles because they are not designed or regulated for the purpose of investment.

The more positive experiences described in the consultations involved the use of trusted, formal vehicles with strong governance, transparency and a clear regulatory framework. These platforms and regulated instruments gave diaspora investors greater confidence, acting as systems of trust that can help change narratives and perceptions around investing in Ghana. Greater support and signposting should be provided to such platforms, intermediaries and vehicles, which serve as key channels for facilitating diaspora investment into Ghana.

The trust deficit was also perpetuated by a common view of corruption, which was identified as a major bottleneck to scaling diaspora investment and a broader threat to private sector development. This was noted particularly in relation to political-level corruption in key sectors such as mining. The most frequently cited issue was illegal mining, referred to as “galamsey”.

Galamsey has caused severe land degradation, river and water pollution, loss of farmland and deforestation, with knock-on effects for drinking water, public health, fisheries and livelihoods. This was seen as a critical concern, especially because, despite periodic crackdowns, bans and task forces, the practice persists due to weak enforcement and corruption. As such, galamsey is both a governance problem and a source of social tension and mistrust.

Stakeholders stressed that these activities also risk undermining export markets and the perceived quality and standards of products from Ghana, as international buyers may view the issue as a reputational and environmental risk they do not wish to be associated with. As diaspora investors become more aware of these governance challenges, their confidence is further eroded, reinforcing existing mistrust. It was also noted that some diaspora may themselves be involved in illegal mining, underscoring the diversity within the diaspora and the need for strong governance of diaspora-related investments, so that Ghana knows who its diaspora investors are and can ensure that their contributions support productive, responsible growth rather than damage to other sectors or the wider economy.

It is recommended that:

- The government should set the tone and be acutely sensitive to this culture of mistrust. Ensure that macroeconomic challenges do not lead to broken agreements or altered commitments to

diaspora investors, at the public sector level, as such actions risk damaging long-term relationships and eroding diaspora investor confidence in the country.

- The government should give close attention to and take enforcement action against systemic governance failures, such as “galamsey”. If issues like illegal mining are not addressed urgently, there is a risk that: i) responsible investors will withdraw; ii) predatory investors will enter and worsen the situation; and iii) international buyers and stakeholders will begin to halt or restrict business with Ghana.
- There is a need to improve support for formal intermediaries and platforms. Existing investment platforms function as core current "systems of trust" with significant potential to mobilise diaspora investment. These vehicles should be actively promoted, particularly to passive diaspora investors, and support should also include assistance on governance, foreign exchange management, due diligence, and other operational bottlenecks.

- 2. Build the evidence base to target the right diaspora:** There was broad agreement that Ghana has made significant progress over the years in establishing the underlying frameworks and policies for diaspora engagement and investment.

However, consultations highlighted that engagements to date have been largely diplomatic in nature, focused on outreach in major diaspora hubs, rather than on a clearly defined set of target diaspora groups. There is now a recognised need for more strategic, segmented engagement that narrows in on specific diaspora profiles with the greatest catalytic potential, thereby helping to pave the way for others to follow. One group that stood out is those who are approaching retirement or who are already retired but are actively interested in engaging in Ghana.

Stakeholders also expressed the view that, although substantial efforts have been made to mobilise the diaspora broadly, the impact has been limited and not as effective as it could be. A key constraint identified is the lack of robust data and evidence. While Ghana is ahead of many African countries in its efforts to engage the diaspora, there is still no comprehensive database that is fully integrated into institutional data and information systems and that can guide a nuanced understanding of diaspora profiles.

The existing diaspora register is broad in scope and does not systematically capture variables such as investment capacity and willingness in relation to demographic characteristics, sectors of interest and other information needed to support more targeted outreach and tailored investment incentives. Building a more comprehensive yet focused database will require a deliberate strategy that prioritises quality and depth of information over sheer numbers in the initial stages. Although GIPC is now measuring diaspora investment, this needs to be harmonised and entered into a central database, which holds the comprehensive data set and acts as the authority for evidence.

A stronger understanding of the “supply side” of diaspora capital and capabilities would, in turn, allow for more effective and purposeful partnerships. At present, engagement efforts span a wide range of sectors and geography, with a clearer baseline, a more targeted approach could be pursued to generate greater traction and impact for investment.

It is recommended that:

- To increase the usefulness of diaspora-related data, there is a need to prioritise data quality over quantity. The central objective should be to build a stronger understanding of the investment profiles of the diaspora - capturing their willingness and capacity to invest, and how these factors interact with demographic characteristics.
- There are potential quick wins through better use of existing data - for example, by integrating diaspora credit records and other financial information already collected in host countries into a system that can serve as the authoritative source of information on diaspora investment. A data hub of this kind would help guide targeted initiatives, support more effective product development, and create a stronger bridge between Ghana’s policy framework and practical implementation.
- For diaspora investment to become truly catalytic, there is also a need to move towards more targeted engagement, focusing on specific segments of the diaspora. Defining priority groups enables more strategic and segmented engagement, based on a clearer understanding of the distinct value-adds different groups in the diaspora can bring, recognising that diaspora investors are not a homogeneous category and instead engaging diverse segments through specific strategies.

**3. Ensuring institutional harmonisation:** Ghana has a relatively strong institutional framework for diaspora engagement, and significant effort has gone into creating an enabling environment for investment over the years. However, progress at the implementation level has been limited. Several participants expressed concern that diaspora has been a stated priority for many years, with numerous announcements but few tangible outcomes. A recurring sentiment was that there is an insufficient transition from well-designed policy frameworks to concrete private sector initiatives. This is reflected in the gap between the strength of the policy foundation and the relatively small number of visible diaspora-facing platforms, formal intermediaries and vehicles that exist in Ghana.

Stakeholders stressed the need for more deliberate efforts to ensure that policy and government-led measures catalyse targeted, practical initiatives in the private sector. Strengthening collaboration between the public and private sectors was seen as essential so that both can work hand in hand to harness and grow diaspora investment. At present, some progress is recognised, but there is concern that it remains largely confined to the public sector sphere, with limited translation into tangible private sector outcomes.

Concerns were also raised about the harmonisation of the institutional framework, particularly in relation to the consistency of information. It was noted that different public institutions sometimes provide conflicting guidance, and that policy or regulatory updates are not always reflected uniformly across public agencies. This lack of harmonisation could be addressed more systematically through digitisation and streamlined information systems.

It is recommended that:

- The government should raise awareness of the formal entry points for diaspora investment and encourage the use of institutional pathways (for example, GIPC Diaspora Desk) rather than ad hoc middlemen. Doing so should reduce the number of diaspora investors who are "burnt" in the process, since institutional mechanisms are subject to formal governance and oversight. For this to work effectively, government agencies must also ensure harmonised messaging and consistent information.
- The government should raise visibility and awareness around local banking options for the diaspora. Greater awareness of services such as remote account opening can help diaspora

investors manage foreign exchange risks and keep their investments circulating and growing within Ghana.

- A practical win can also be to strengthen the accessibility of information in digital form. For example, automating access to accurate company data for potential investors would support more informed decision-making and provide a reliable entry point for due diligence.

## Conclusion

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These recommendations are not intended to be conclusive, but rather to serve as building blocks for organising and strengthening Ghana's diaspora investment landscape. Collectively, they can help bridge the gap between the existing policy environment and practical implementation, which is essential to transforming diaspora investment into a truly catalytic and strategic engine in Ghana's growth journey.