Ministry of Foreign Affairs

# Activity: Ghana Private Sector Development 2 (26-0000941)

| | |
|---|---|
| Id | 26-0000941 |
| Date | 04-06-2026 |
| SAP application number | |

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# Key data

## Activity basics

| | |
|---|---|
| Type | Standard |
| Short name | Ghana Private Sector Development 2 |
| Contract party | GHANA NETHERLANDS BUSINESS & CULTURE COUNCIL (GNBCC) (30030711) |
| ODA | Yes |
| Amount EUR | 2891255 |
| Start date | 01-07-2026 |
| End date | 31-12-2030 |
| Full name | Ghana Netherlands Business and Culture Council (GNBCC) Private Sector Development 2 (PSD2) Proposal 2026–2030 |
| Summary | Four-year PSD2 proposal by GNBCC to support EKN Ghana's horticulture and cocoa objectives through two main pillars: capacity building and enabling environment. The programme combines support to youth and women-led SMEs, horticulture sector coordination through HBP and POMBI, business enabling environment dialogue with government, promotion of trade and investment ties between Ghana and the Netherlands, and lighter Embassy-requested support on cocoa coalition facilitation, access to finance follow-up actions, trade missions, fairs, and related stakeholder engagement. It also includes a portfolio-level PMEL / results measurement support function. It is positioned as a follow-up to PSD1 with stronger alignment to the Embassy's broader horticulture approach and Dutch-funded ecosystem. |

## Activity details

| | |
|---|---|
| Date of receipt of proposal | 29-05-2026 |
| Proposal's reference number | MINBUZA-2026.181161 |
| Budget holder | Ambassade Accra (8221ACC) |
| Limit access | No |
| Related activity | 10/01/1676 00:00:00 |

## Accounting data

| | |
|---|---|
| SAP application number | |
| Funds center | ACC GH Private sector development contr (1701U03020001) |

# Policy data

| | |
|---|---|
| Cooperation modality | Project support |
| Technical assistance | Between 25% (inclusive) and 50% (exclusive) of the activity budget |
| CRS code | 25010 Business Policy and Administration |
| Policy Keywords | |
| Refugees & host communities | No |
| Team Europe Initiative | No |
| Policy Markers | |
| __Trade & The Economy | Principal |
| _Security & Stability | Not targeted |
| Biodiversity | Not targeted |
| Climate change: adaptation | Significant |
| Climate change: mitigation | Not targeted |
| Desertification | Not targeted |
| Equality between men & women | Significant |
| Migration | Not targeted |
| Food security | Significant |
| Market development | Significant |
| Private sector development | Principal |
| Skills development | Significant |
| Youth employment | Significant |
| Explain your choices | This activity focuses primarily on private sector development, market development, and trade promotion in Ghana's horticulture sector, while contributing to stronger Ghana–Netherlands trade and investment ties. This fits the direction of the new policy note under preparation, with its stronger emphasis on market development, market-oriented SMEs, and Dutch earning capacity. Skills development, youth employment, gender equality, food security, and climate adaptation are significant secondary objectives. |

# Beneficiary location

| Beneficiary location | Country |
| --- | --- |
| Country | Ghana |
| Location type | Town |
| Specific location | Accra |

# Policy Appraisal

### Policy relevance

- What policy objectives, as set out in the annual plan, policy notes etc., will this activity contribute to?

This activity contributes primarily to Ghana MACS 2026–2029 Sub-goal 1 on transforming Ghana's horticulture sector into a competitive, sustainable and investment-ready industry that generates market development, inclusive employment, and strengthens food and nutrition security, and to Sub-goal 3 on facilitating trade and investment between the Netherlands and Ghana by improving the business enabling environment and supporting Dutch companies seeking to invest in Ghana.
It also supports the multi-year policy direction in the *deelstrategie hulp, handel en economie*, which identifies marktontwikkeling as the core and calls for stronger focus on market-oriented target groups, Dutch diamond cooperation, and links to Dutch earning capacity. This is consistent with the direction of the new policy note (*beleidsbrief BHOS 2026*) under preparation, which puts more emphasis on economic resilience, Dutch earning capacity, and stronger international economic partnerships.

### Rationale

- What issue/problem will be addressed by the activity
- Why does the activity help to address the issue/problem?
  For ODA activities over EUR 250.000, please explain the Theory of Change

The proposal addresses persistent weaknesses in Ghana's horticulture sector: weak business capabilities, fragmented coordination, weak market linkages, and limited follow-through from learning and convening. This is broadly in line with the horticulture analysis in the proposal itself and with the findings of the Ecorys Learning Oriented Monitoring review (February - April 2026), which notes that the sector remains underdeveloped and that progress on access to finance and sector-wide transformation has been limited so far. The proposal responds through capacity building, enabling environment support, sector convening, and lighter trade and follow-up functions.
The proposal's Theory of Change is that sector transformation requires a combined approach that links capacity building, enabling environment support, market development, and selective trade and coordination functions. More specifically, PSD2 assumes that if youth, women-led SMEs and horticulture businesses improve their technical, managerial and commercial capacities, while HBP and POMBI strengthen sector coordination, market linkages and policy dialogue, then horticulture SMEs will become more formalised, investment-ready and better connected to markets, services and Dutch-Ghanaian business opportunities. In turn, this is expected to contribute to a more competitive, sustainable and investment-ready horticulture sector with stronger employment, market development and food and nutrition security outcomes. This logic is consistent with the MACS 2026–2029 and the Economic Work Plan 2026, which explicitly frame the horticulture track around skills, finance, inputs, markets, and sector convening.
Key assumptions are that stronger capacities, better coordination, and improved market and finance linkages will translate into better-performing and more investment-ready SMEs. The POMBI evaluation by Resilience (May 2026) supports this overall logic, but also shows that stronger follow-up, prioritisation and practical use of MEL are needed for these causal links to hold more consistently in practice.

### Contextual analysis

- Who is/are the target group(s) and why?
- Who are the other main stakeholders?
- To what extent have stakeholders been involved in formulating the proposal?
- Is the intervention aimed at a specific geographical location, and if so, why?

The clearest target groups in the proposal are youth and young professionals, women-led SMEs, and horticulture SMEs and businesses. Other key stakeholders are GNBCC, HBP members, Dutch and Ghanaian businesses, EKN, LVVN, RVO, POMBI partners, MoFA, and financial institutions.
This broadly aligns with the *Deelstrategie hulp, handel en economie 2025*, which emphasizes SMEs and market-oriented actors, but farmers are not the main programme-wide target group in this proposal. The activity combines national sector functions with activities in Accra and selected horticulture regions, in particular the Ashanti and Northern regions, while the SME support component may also extend to the Eastern and Volta regions depending on the location of participating businesses and cohorts.

### Added value

- What is the added value of the Dutch government being involved in relation to other donors, the EU, NGOs and local authorities?
- Are the recipients making an own contribution or co-participating in the activity, and if so, to what extent?

The added value of Dutch support lies in the integrated approach: combining sector development, convening, policy dialogue, trade facilitation, and Dutch private sector linkages around one horticulture track. This is in line with the *Ghana MACS 2026-*

*2029* and the *Deelstrategie hulp, handel en economie 2025*, both of which stress focus, synergies between interventions, and the Dutch diamond approach. GNBCC adds value as a flexible local implementing and convening partner that can connect Embassy priorities to sector actors and Dutch-linked initiatives.

**Lessons learned**

- What lessons learned (from previous or comparable activities, published evaluations, relevant publications) will be addressed by the activity?

The proposal builds on clear lessons from recent years. The *Ghana MACS 2026-2029* notes that combining PADEO and combi-track approaches helped create useful horticulture synergies and PPP opportunities. The *POMBI Members Evaluation & Recommendations report (May 2026)* prepared in the context of the Resilience / MDF-facilitated POMBI process shows that POMBI worked best as a practical platform for networking, collaboration and exchange, rather than as a heavy formal structure. The *Ecorys Learning Oriented Monitoring review (2026)* shows that access to finance remained the weakest pillar and that MEL should better support adaptive management. These lessons are partly reflected in the revised proposal.
PSD1 more broadly also showed that isolated activities are not enough: youth training, women's entrepreneurship support, SME upgrading, trade facilitation, and sector convening delivered value, but stronger links between them and other EKN-funded activities are needed to translate outputs into sustained business growth, employment, and market outcomes. In particular, PSD1 highlighted the importance of more practical workplace exposure for youth, stronger business systems and market positioning for SMEs, greater regional outreach beyond Accra, and more systematic follow-up on longer-term results. PSD2 seeks to respond to this by linking HBC, WIB, the SME Support Desk, HBP, POMBI, and broader trade and PMEL support more explicitly within one horticulture support ecosystem.

**Durability**

- How will the results of the activity be sustained after its end date? What is the exit-strategy?

Durability will depend on whether the activity strengthens lasting sector functions rather than only delivering project outputs. The proposal does include an exit strategy, focused on reducing GNBCC's dependence on EKN funding through remunerated services, sponsor-based activities, trade mission services, and broader positioning as an implementing partner. At the same time, this strategy remains fairly high-level and still needs to be demonstrated in practice.
In policy terms, the activity supports the ambitions in the *Ghana MACS 2026-2029* and the *Deelstrategie hulp, handel en economie 2025* around sustainable market development, stronger private sector cooperation, and a more investment-ready sector. A key condition for durability will be whether HBP/GNBCC can gradually strengthen member value, cost recovery and institutional sustainability over time.

**Gender**

- Does the proposal include a gender analysis? If yes, what are the main outcomes? If no, why not?
- Does the proposal justify the target group's gender-specific interests and needs (and why)? Please explain.
- Have women and young people been included in the stakeholder analysis? Please explain.

The proposal does not include a separate stand-alone gender analysis. Gender is, however, clearly reflected in the design of the activity, most notably through the Women in Business component and the broader focus on women and youth as priority groups within PSD2. This is consistent with the *Ghana MACS 2026-2029, the Deelstrategie hulp, handel en economie 2025, and the Concept beleidsbrief BHOS, May 2026*, all of which emphasise inclusive economic participation and stronger opportunities for women and young people. Women and young people are therefore included in the target group choice and stakeholder framing.

**Climate change**

- Does the proposal include an analysis of the possible effects of climate change on the activity or its results?
- Does the proposal include any interventions to combat these effects (adaptation/mitigation)?

The proposal does not contain a separate climate analysis, but climate is included as a relevant cross-cutting theme. This aligns with the *Ghana MACS 2026-2029*, which includes improved climate resilience, and with the *Deelstrategie hulp, handel en economie 2025*, which treats climate as an important cross-cutting consideration in market development and sector programming. In the proposal, this is reflected mainly through support to a more resilient horticulture sector and the broader focus on local production, sector strengthening and adaptive PMEL.

**Cooperation, harmonisation and alignment**

- Does the activity involve cooperation with Dutch organisations, the EU or other donors (including delegated cooperation), local organisations or other parties?
- How does the activity contribute to harmonisation and/or multi-donor financing?
- What is the degree of (policy and financial) alignment?

Yes. Cooperation and alignment are central to the activity. The proposal explicitly links PSD2 to other Dutch-supported initiatives such as EWS-KT, Orange Corners, CBI, AgriGRADE, Solidaridad, PUM and Agriterra, and uses HBP and POMBI as mechanisms to strengthen coherence and avoid duplication. This is in line with the *Ghana MACS 2026-2029* and the

*Deelstrategie hulp, handel en economie 2025*, both of which emphasise integrated country programming, synergies, and Dutch diamond cooperation. The activity is therefore aligned both in policy and operational terms.

### Digitalisation

- Have proposed digital technologies been developed or chosen in collaboration with end-users?
- Does the proposal include an analysis of the local digital ecosystem?
- Is data security guaranteed?
- Are digital solutions locally sustainable/relevant?
- Is duplication avoided?

Yes, in a focused way. The main digital element is the HBP digital marketplace, which is intended to support visibility, matchmaking and more formalised trade relations within the horticulture sector. The proposal does not present this as a stand-alone digital programme, but as a supporting tool within the wider horticulture approach. The local digital ecosystem is not separately analysed in detail in the proposal, but the digital component is clearly intended to support the broader objectives on market development, private sector development and trade facilitation.

### Additional remarks (if applicable)

# Results

## Private Sector Development

### 1. Strengthening the business climate

*SDG target(s): 8a, 8.1, 8.3, 8.4, 8.5, 8.8, 8.10, 10.2, 17.11. Short description: In the result area 'strengthening the business climate', the approach is to strengthen the local business climate through interventions relating to infrastructure, youth employment and entrepreneurship, policy and regulation, institutional capacity building and social dialogue to strengthen MSME's within their ecosystem and improve their access to financial and other services.*

**Learning questions**
What have we learned from this activity for this result area, strengthening the business climate?
Measurements: Convening adds value when it leads to follow-up, business linkages, clearer priorities, and practical cooperation between actors.

1.1 What can The Netherlands offer in terms of resources, approaches, knowledge and expertise in specific sectors, to sustainably scale up local MSME productivity in focus countries?
Measurements: Dutch added value lies in horticulture expertise, business linkages, skills support, sector platforms, and practical public-private cooperation.

1.2 How, and under what conditions, can local MSMEs contribute to strengthening the business climate in focus countries?
Measurements: Local MSMEs contribute when they have better access to markets, skills, networks, business services, and a more supportive sector ecosystem.

1.3 How can we increase the commitment of Dutch companies to contribute effectively to the SDG 8 targets in focus countries?
Measurements: By linking Dutch firms to concrete market opportunities, local partners, and practical matchmaking with clearer follow-up and business value.

**Indicators**
Description how the activity contributes to the result area, strengthening the business climate
Measurements: Strengthens horticulture SMEs through HBP, POMBI, women-led enterprise support, trade facilitation, policy dialogue, and business linkages.

# Monitoring and evaluation

**Monitoring**

- *Specify what reporting information is required for this activity, based on the activity analysis decision tree (see Help). Include the following elements:*
- *Planning versus realisation: tracking progress against predetermined objectives as laid out in the project proposal.*
- *Performance and quality: checking relevance and appropriateness of the implementing organisation's performance based on key assumptions in the proposal and the outcomes of the risk analysis.*

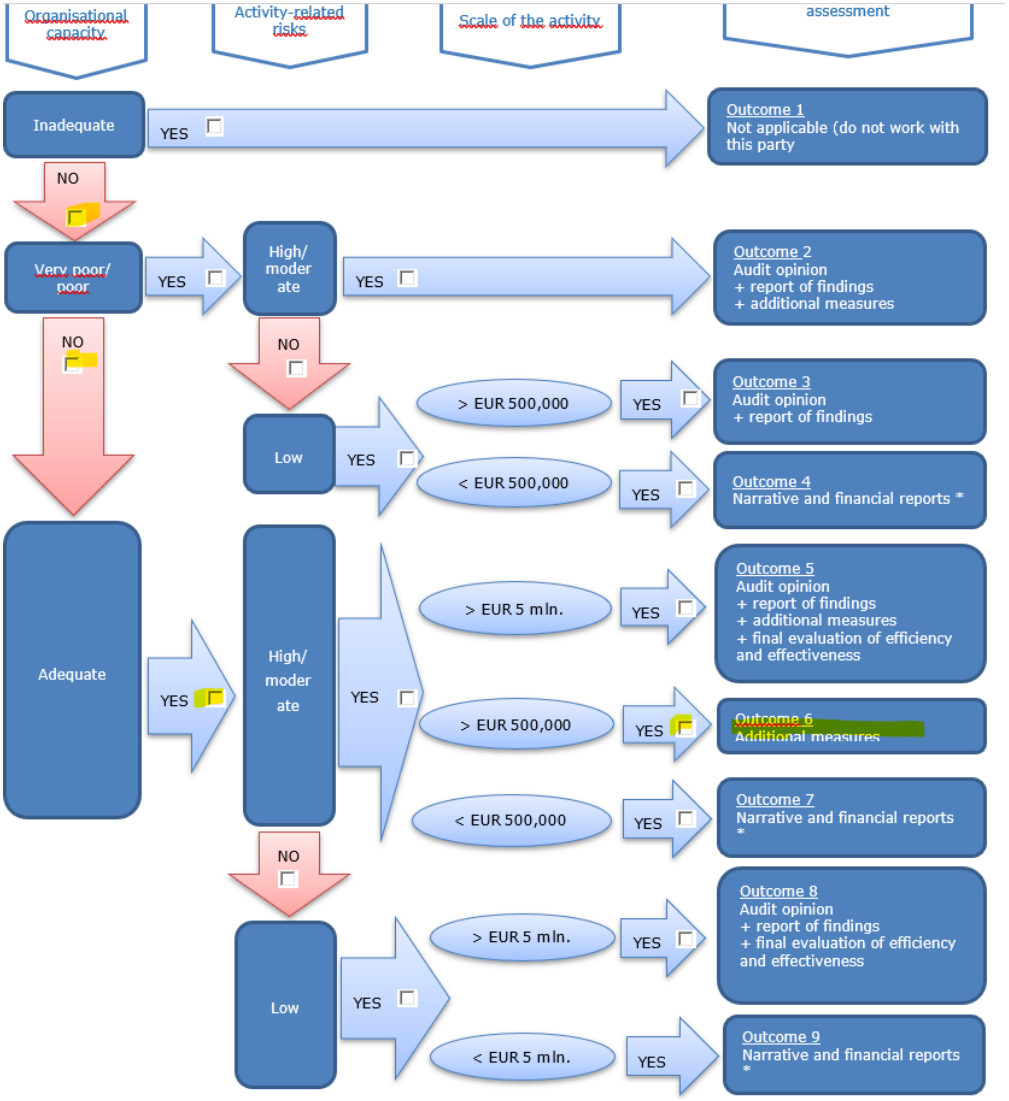
*Pay attention to the method and frequency of monitoring and describe the roles and responsibilities. For further information, see Help.*

Monitoring will be based on annual narrative and financial reporting by GNBCC against the approved proposal, work plans, budget and results framework. This will include tracking progress against planned outputs and activities, and reviewing implementation quality, key assumptions and risks. Monitoring will take place through periodic progress reporting and regular review between EKN and GNBCC. GNBCC is responsible for routine monitoring and reporting for PSD2. EKN is responsible for oversight of progress, quality and follow-up.

The separate portfolio-level PMEL / results measurement function included in the proposal serves a broader EKN horticulture portfolio purpose and is distinct from routine PSD2 programme monitoring.

Per the activity analysis decision tree, the following reporting obligations will be required:

- Annual plan;
- Annual financial report
- Annual narrative progress report (including IAIT)
- Annual audit report
- Final narrative report (including IATI)
- Final financial report




## Evaluation

*Describe whether a final evaluation and/or a mid-term review has been planned. If yes, state:*

- *who will commission the final evaluation and/or mid-term review (for options, see Help);*
- *whether the procedure and practical arrangements have been agreed on with the implementing organisation (for details, see Help).*

No legally required external final evaluation is foreseen under this activity, given the budget size. However, around year 3, likely in 2029, EKN will most likely commission an external review or evaluation of the PSD2 programme. Depending on timing and scope, this may look at PSD1 and PSD2 together, or more broadly at the longer-term collaboration with GNBCC after approximately seven years of Embassy funding. This external review/evaluation will need to be budgeted separately and is not included in the current activity budget. Practical arrangements have not yet been agreed with GNBCC.

# Finance

### Budget breakdown

- **Include an overview of the activity budget, including overhead costs.**

The approved budget, including overhead costs, can be found in Sophia: MINBUZA-2026.181163

- **Is the budget arithmetically correct?**

Yes

- **Are the amounts/rates in the budget acceptable?**

Yes, the rates used are in line with local market standards. Moroever, the applied rates are in line with those charged under previous programmes with GNBCC.

- **Briefly explain the structure of the budget.**

The budget includes three main cost categories t1) Capacity building; 2) Enabling environment; 3) Support functions GNBCC (includes overhead & contingencies), each of which costists of various sub-budgets that concern specific activities. Moreover, several sub-worksheets exists to detail how costs, such as overhead costs, are calculated.

- **Are overheads proportional to outputs? What is included? What is recharged?**

In total EUR 237,516 in overheads is charged to the project. As the total activity budget is EUR 2,891,255 overheads thus amount to 8.21% of the total budget.

The costs included in the aforementioned overhead rate are shown in table 1 below.

*Table 1: Methodology of GNBCC to calculate overheads attributed to PSD2.*

| Description | Budget 7-26 to 6-27 | Budget 7-27 to 6-28 | Budget 7-28 to 6-29 | Budget 7-29 to 6-30 |
|---|---|---|---|---|
| Overheads (GHS) | | | | |
| Rent and property rate | 21.601 | 22.379 | 23.185 | 24.019 |
| Printing and stationaries | 998 | 1.034 | 1.071 | 1.110 |
| Telephone and Internet | 4.837 | 5.011 | 5.191 | 5.378 |
| Facility repairs and maintenance | 5.948 | 6.163 | 6.384 | 6.614 |
| Utilities | 1.849 | 1.915 | 1.984 | 2.055 |
| Office supplies | 1.503 | 1.558 | 1.614 | 1.672 |
| Delivery and courrier services | 3.281 | 3.400 | 3.522 | 3.649 |
| Security expenses | 4.093 | 4.240 | 4.393 | 4.551 |
| Bank service charges | 3.060 | 3.170 | 3.285 | 3.403 |
| Software and network subscriptions | 10.118 | 10.482 | 10.859 | 11.250 |
| GNBCC audit and financial control services | 11.318 | 11.726 | 12.148 | 12.585 |
| **Total** | **68.607** | **71.077** | **73.635** | **76.286** |
| | | | | |
| Total staff at GNBCC | 12 | | | |
| Total number of months per year | **12** | | | |
| Total number of staff months of all staff at GNBCC | 144 | | | |
| | | | | |
| Number of staff months allocated to PSD2 (cells D87 - D110 sheet PSD2 Budget section D "Support functions" | 118,1 | | | |
| | | | | |
| Prorated allocation of GNBCC overheads | =68,607 X 118.1/144 | | | |
| **PSD2 Overhead budget** | **56.267** | **58.293** | **60.391** | **62.565** |

The allocation of overhead costs to EKN was determined as follows:

- The total number of staff months for all GNBCC staff amounts to 144 months per year.
- The number of staff months financed directly through PSD2 amounts to 118.1 months per year.
- Accordingly, the share of total staff months financed by EKN through PSD2 is calculated as follows: (118.1 / 144) × 100 = 82%
- Consequently, 82% of the total overhead costs could reasonbly be charged to PSD2, as such costs are generally linked to total staffing.

While EKN considers this methodology acceptable the percentage of overhead costs allocated to EKN should be adjusted if the share of PSD2-funded staff months decreases. For example, if GNBCC receives additional funding from other sources, thereby reducing the relative share of PSD2-funded staff months, the percentage of overhead costs allocated to EKN should decrease accordingly.

Moreover, as outlined in the ORIA, EKN will in regular moments of contact with GNBCC keep as a topic of conversation the financial health of the organization its dependency on the Embassy's private sector development programming.

**Is implementation conditional on the budget being amended in an inception phase? (Specify the requirements that the budget must satisfy and the date by which the budget must be amended)**

No.

### Earmarking

- **Is the Dutch contribution to the programme earmarked (i.e. reserved for a specific purpose)? If so, specify the reasons why.**

No.

### Prepayments

- **Based on the prepayment decision tree (see Help), do the payments need to be entered as prepayments and why? In the case of a lump sum, assess this against the applicable criteria and give the reasons for your choice.**

Prepayments

- **What is the maximum percentage that can be paid as prepayment, and why?**

95% for a maximum period of 12-months.
The organisational capacities of GNBCC are considered adequate, the risks are moderate but considered manageable (also based on earlier experiences). Therefore the aforementioned maximum percentage is considered acceptable.

- **Which are the reporting obligations on the basis of which prepayments can be closed?**

Final narrative and financial report and audit reports.

### Available resources

| | Foreign currency | EUR |
|---|---|---|
| Implementing organisation's own contribution | | 0 |
| Firm commitments by other donors (for each donor) | | 0 |
| Dutch contribution | | 2.891.255 |
| **Total available resources** | | 2.891.255 |
| **Budget needed** | | 2.891.255 |
| **Still to be financed** | | 0 |
| Soft commitments by other donors (for each donor) | | 0 |
| **Uncovered balance** | | 0 |

- **Are there any non-financial contributions relevant to implementation of the activity, such as deployment of volunteers, availability of buildings, materials, etc.?**

N.A.

- **If there is an uncovered balance, how will this affect implementation of the activity (e.g. proportional reduction in outputs, omission of regions) and how will this affect the decision whether to fund this activity?**

N.A.

### Grant with a repayment obligation, loans, equity investment or guarantee

- **Does the Dutch contribution take the form of a grant with a repayment obligation, a loan, an equity investment or a guarantee (either in whole or in part)? If yes, briefly set out the consequences for accounting and how correct processing in the financial records will be ensured.**

N.A.

- **Are there revolving funds? If yes, please explain what will happen to any residual funds, how closure will take place and which agreements should be made.**

N.a.

### Audit opinions

- **Is an audit opinion required for the activity (see Help)? Briefly explain.**

Yes. An annual audit report is required, as well as a report of findings to outline, for instance, improvements that the organization can make in terms of its administrtion or financial management.

- **Should the audit opinion be accompanied by an additional auditor's report (for example, on the risks set out above, or on monitoring that the organisation carries out on its prepayments to other organisations)?**

See previous question.