Ghana

Case study

Building investable markets in Ghana through catalytic finance

Unlocking diaspora and private capital for MSMEs in Ghana through investment crowdfunding

Funded by the European Union

GrEEn
Going GrEEn for a sustainable future

Kingdom of the Netherlands

SNV

UNCDF

Background

Ghana has a large and dynamic entrepreneurial base, yet persistent financing gaps continue to constrain enterprise growth, particularly for youth and women.

Young people in particular account for more than a third of the Ghanaian population (Ghana Statistical Service, 2021) and are a major driver of enterprise creation. Yet many remain concentrated on low productivity, informal activities, and an estimated 32 percent of youth are unemployed (Ghana Statistical Service, 2021), limiting their ability to participate productively in the economy.

Micro, small and medium-sized enterprises (MSMEs) sit at the centre of the economy, accounting for 92 percent of all businesses (United Nations Ghana, 2024) and generating 70 percent of GDP (Ministry of Finance, Ghana, 2024). Despite their central role in job creation and income generation, many MSMEs operate without access to the finance needed to grow.

Ghana's MSME financing gap is estimated at $5 billion as of 2024 (Stanbic Bank Ghana, 2024). Many young entrepreneurs, particularly women, lack the savings, networks, and financial information needed to secure loans. At the same time, limited lending by banks and other financial institutions continues to restrict investment in small businesses.

Development finance solution

In this context, UNCDF, within the Boosting Green Employment and Enterprise Opportunities in Ghana (GrEEn) programme, partnered with the Embassy of the Kingdom of the Netherlands, and SNV Netherlands Development Organisation with funding from the European Union under the Union Emergency Trust Fund (EUTF) for Africa. The programme aims to expand economic and employment opportunities for youth, women, and returning migrants by promoting sustainable, green businesses in the Ashanti and Western regions.

UNCDF's role in the GrEEn programme focused on two main approaches:

- deploying catalytic finance and technical assistance to stimulate green and climate-resilient investments in local economies, while supporting the upskilling of youth, women, and returnees to improve their employability.
- strengthening the enabling environment, specifically advancing the regulatory framework to support MSME finance through crowdfunding platforms.

Philo Yaa Adowaa, market trader in Ashanti, managing daily sales and cash flow for her business.

Photo: Rodney Quarcoo/UNCDF

Between 2019 and 2024, UNCDF deployed $1.4 million in performance-based grants to 11 financial service providers, including commercial banks, fintech companies, and e-money issuers offering digital wallet and payment services. UNCDF paired this financing with targeted technical assistance, enabling providers to pilot new products, adapt their business models, and expand into underserved markets.

Through this intervention, providers introduced financial innovations that expanded access to financial services for MSMEs, including women and youth-led businesses, allowing them to save, borrow, and invest.

As a result, UNCDF's support enabled financial service providers to secure $4.6 million in additional financing. For every $1 of UNCDF concessional capital, $3.30 was leveraged from private and public sources including domestic, international, and diaspora savings, deposits, and loans. This leverage demonstrates how targeted risk absorption can shift investor confidence and crowd in private capital.

In addition to the support provided to financial service providers, UNCDF strengthened the enabling environment required for private capital to reach MSMEs, especially through crowdfunding which enables individuals such as diaspora investors, to pool capital through digital platforms to finance businesses in exchange for returns. Due to the absence of a dedicated regulatory framework for investment crowdfunding in Ghana, platform growth was limited, investor participation was discouraged, and perceived risk remained high, despite growing demand for alternative sources of finance for MSMEs.

To address this gap, UNCDF worked with the Bank of Ghana and the Securities and Exchange Commission to support the development and adoption of Ghana's investment crowdfunding guidelines.

In partnership with Lelapa African FinTech Advisory, UNCDF provided targeted technical assistance and convened consultations with regulators, crowdfunding platforms, financial institutions, and other ecosystem actors. This process helped reduce regulatory uncertainty, strengthen investor protection, and establish clear conditions for investment crowdfunding platforms to operate.

Since then, regulators have licensed four platforms to operate in the market: Grow For Me Limited, Ingwoo Fintech Services Ltd, Propartners Exchange Limited and Regulus Investment and Financial Services Ghana Ltd. These platforms can now raise capital from investors and lend it to MSMEs through regulated investment crowdfunding services.

UNCDF supported Grow For Me, a Ghanaian investment crowdfunding platform participating in the GrEEn programme. The aim was to scale up crowdfunding to mobilize diaspora and domestic investments for smallholder farmers, with a particular focus on women and youth.

Before UNCDF's intervention, Grow For Me had demonstrated a viable business model but remained limited in scale. The platform had raised over $200,000 from investors and supported more than 700 farmers across five regions. However, expanding into new regions required upfront capital and risk absorption that was not commercially viable at an early stage.

A Zeepay user receives payments and manages her money digitally, saving time and reducing the costs associated with handling cash.

Photo: Stephen Boadi/UNCDF

UNCDF deployed $244,000 in performance-based grant financing to absorb early-stage risks, including farmer onboarding and verification costs, regional expansion, platform operations, and uncertain returns for investors during initial investment cycles.

By the end of 2024, UNCDF's grants enabled Grow For Me to mobilize nearly $1.2 million in total investment, close to five times the original grant amount, with 70 percent sourced from diaspora investors. The platform expanded its user base to nearly 6,000 farmers, including more than 2,000 women and over 2,600 youth under the age of 35. It also delivered financial literacy and agricultural training to more than 2,300 farmers and provided over $370,000 in in-kind agricultural inputs, repaid after harvest.

The company subsequently attracted follow-on market-based financing, including €100,000 funding from the public-private programme develoPPP, $360,000 in commercial debt, and a $350,000 contract with the Alliance for a Green Revolution in Africa (AGRA).

Outcome

Through GrEEn, UNCDF combined de-risking finance, support to national regulatory reform, and targeted technical assistance, to unlock private capital and expand access to financial services at scale.

Across the portfolio, the 11 providers reached more than 200,000 people and small businesses. Of those reached, 43 percent were women and 61 percent were youth under the age of 35. The programme also strengthened the financial capacity of approximately 100,000 people, increased savings, mobilized diaspora investment, and expanded access to credit.

By shifting from isolated pilots to scalable, market-based solutions, the intervention improved the readiness of financial service providers and the broader ecosystem to serve underserved segments. This EU-funded programme provides a replicable model for using catalytic finance to crowd in private investment and build sustainable financial systems that continue to support inclusive growth beyond the life of the project.

Farmers reported tangible changes in their productivity, income, and household resilience:

"With the training and inputs, I was able to grow enough to sell and save. I've used the money to open a small supermarket, the only one in my community"

— Barikisu Ali, farmer,Fakawa (Ejura)

"I built a warehouse to reduce post-harvest losses. It has helped me make more profit and I've been able to pay my daughter's university fees."

— Rosemary Gyimah, farmer, Nkwanta (Ejura)

A woman in Ghana's Western region learns practical ways to manage her money digitally. With improved access to digital financial services many women are able to meet their financial needs more easily.

Photo: Stephen Boadi/UNCDF

At a glance

Financial instrument	**$1.4 million** **(UNCDF) result-based investment grants**
Volume catalyzed	**~ $4.6 million**
Donor	**European Union**
Implementing Partner	**11** **financial service providers operating in Ghana (Chango, Crowdfrica, Ecobank, Fidelity Bank, FundRaising Africa, Grow For ME, Oze, Paylnc, Pezesha, Viamo, Zeepay)**
Development Partners	**UNCDF, Embassy of the Netherlands, SNV Netherlands Development Organisation**
Geographic Focus	**Ashanti and Western regions of Ghana**
Timeline	**2019-2024**

About UNCDF

UN Capital Development Fund (UNCDF) mobilizes and catalyses an increase in capital flows for impactful investments in high-risk markets, especially in Least Developed Countries, Small Island Developing States and countries in special situations. By crowding in capital through the deployment of risk-absorbing financial instruments, mechanisms and structuring advisory, UNCDF contributes to job creation, sustained economic growth and equitable prosperity in more than 70 countries.

In partnership with UN entities and development partners, UNCDF operates with speed and agility to deliver scalable, blended finance solutions to drive systemic change and pave the way for commercial finance and scale up by development finance institutions and multilateral development banks.

Read more UNCDF stories across the globe

Contact

More information:

Yaa Owusu-Amoah
(wcac.region@uncdf.org)

Media enquiries:

Erika Antoine-Souklaye
(erika.antoine@uncdf.org)

Follow us

Visit **uncdf.org**