



# GHANA FEDERATION OF LABOUR

(Affiliate of the International Trade Union Confederation (ITUC))

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## PRESS RELEASE

### POST-BUDGET POSITION OF GFL

The Ghana Federation of Labour (GFL) has reviewed the 2026 Budget and notes Government's renewed focus on strengthening domestic production, improving the business environment, and supporting the private sector as a central driver of economic growth. The budget introduces significant measures aimed at easing the cost of doing business, enhancing industrial competitiveness, and encouraging investment in strategic value chains. These interventions, if implemented effectively, can promote economic resilience and expand opportunities for decent work across the country.

Notable among the initiatives is the introduction of the ***National Integrated Oil Palm Development Policy (2026–2032)***, which seeks to scale plantation development, deepen out-grower inclusion, and expand downstream processing and value addition. We are of the firm view that, Oil palm remains a high-potential sector with the capacity to generate large numbers of jobs across farming, milling, refining, packaging and logistics. GFL is encouraged by this renewed commitment but urges Government to ensure that **smallholders are meaningfully integrated, labour standards are maintained, and financing reaches genuine producers.**

We further draw Government's attention to ***long-standing land tenure challenges, particularly disputes over stool and family lands after acquisition which continue to discourage investors and delay large-scale agro-industrial projects.*** Addressing these concerns is essential to unlocking investment and driving transformation within the value chain.

GFL also welcomes the introduction of **Tax Stamps and enhanced border controls to combat smuggling of palm oil, textiles, edible oils, beverages and other sensitive products. Smuggling has long undermined local industries, distorted fair competition, reduced government revenue, and weakened job security for**

**Ghanaian workers.** A well-designed and digitally verifiable tax stamp regime can protect domestic

manufacturers, enhance product quality assurance, and support a more level playing field for local businesses without imposing excessive compliance costs on SMEs. We encourage Government to maintain transparency and stakeholder consultation throughout the rollout.

The Federation acknowledges the tax reforms announced in the budget as an important step toward reducing business costs. These include **the reduction in the effective VAT rate, increased VAT threshold for SMEs, abolition of the COVID-19 Health Recovery Levy, extension of zero-VAT support for key industries such as textiles, and the removal of cascading tax costs through improved VAT input-credit rules for NHIL and GETFund.** Combined with improvements in energy reliability and capital investment, these measures have the potential to improve cash flow for businesses, increase industrial productivity, and stimulate reinvestment. *GFL encourages Government to extend such support to strategic agro-processing sectors, particularly edible oils and oil-palm processing, where competitiveness remains critical to sustaining jobs and reducing import dependency.*

As a workers' organisation, the GFL emphasises that the success of these interventions must ultimately be **assessed through the lens of job creation, fair wages, and improved working conditions. Industrial incentives must translate into tangible employment opportunities, strengthened occupational safety, and meaningful social protection.** We call on Employers and Government to commit to expanding local recruitment, investing in skills development, adopting modern and safer workplace practices, and demonstrating accountability through transparent reporting on job creation linked to policy incentives.

Finally, the Federation underscores that strong implementation, institutional coordination, and regular stakeholder dialogue are necessary to transform policy intentions into economic results.

**We urge Government to ensure transparent reporting on the oil-palm programme, efficient management of financing facilities, and structured engagement with labour unions to uphold worker rights and monitor progress. Domestic industrialisation and private sector growth can only be sustained through collaborative effort, accountability, and disciplined execution.**

GFL remains committed to a fair, inclusive and productive economy in which decent work forms the foundation of national development. As a Trade Union Centre, we stand prepared to partner Government and Employers to ensure that, the 2026 Budget delivers real benefits for industry, workers, and the Ghanaian people.

**For: GHANA FEDERATION OF LABOUR (GFL)**

A handwritten signature in black ink, consisting of a stylized initial 'A' followed by a long horizontal stroke.

**Abraham KOOMSON**

**SECRETARY GENERAL**