



THE PROFESSIONAL ACCOUNTANT

OFFICIAL JOURNAL OF INSTITUTE OF CHARTERED ACCOUNTANTS, GHANA



HIGHLIGHT

**Building Investor Trust in
Financial Reporting: The
Accountants' Fiduciary
Responsibilities**

JANUARY/MARCH 2026

OFFICIAL JOURNAL OF INSTITUTE OF CHARTERED ACCOUNTANTS, GHANA

JANUARY/MARCH 2026

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Secretariat Address

Institute of Chartered Accountants, Ghana
P.O. Box GP 4268, Accra
Tel: 0544366701 /2; 0277801422
Digital Address: GA-416-9906
website: www.icagh.org
Email: info@icagh.com

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EDITORIAL



Tax laws shape how governments raise revenue and how citizens and businesses interact with the state. In Ghana, the Value Added Tax system has long been a central part of public finance, funding critical services such as health, education, and infrastructure. Over the years, however, the VAT regime became increasingly complex and polarised, fragmented by multiple amendments, special rates, and overlapping levies. This complexity created compliance challenges, increased disputes, and in some cases discouraged voluntary tax compliance.

In response to the above challenges, the Government promised VAT reforms in the 2026 budgets which resulted in Parliament passing the Value Added Tax Act, 2025 (Act 1151), which took effect on 1 January 2026. The new law repeals and replaces the previous VAT Act, 2013 (Act 870), and brings together several indirect tax reforms announced in the 2026 Budget. It also works alongside amendments to the National Health Insurance Act, and the Ghana Education Trust Fund Act. This article explains the key features of the new VAT Act in clear terms, focusing on what has changed, why it matters, and how it affects ordinary consumers, small businesses, large companies, and the wider economy. It concludes with practical recommendations for taxpayers and policymakers.

The development of Ghana's capital markets has been a long process, shaped by economic reforms, regulatory changes, and efforts by governments to broaden investment opportunities for individuals and institutions. A capital market is where long-term financial instruments like equity (shares), debt (bonds), treasury bills, and mutual funds are traded. These markets are vital for mobilizing savings into productive investments, supporting business growth, and fostering economic development. The writer outlines how the capital market in Ghana has expanded from a narrow base in the early 1990s to a more diversified ecosystem that includes a stock exchange, bond markets, alternative markets for smaller firms, and emerging collective investment schemes such as mutual funds. This evolution reflects broader liberalization and financial sector

reforms over the past four decades. This article further seeks to examine the effect of Act 1151 on the operations of players in the sector and how it will impact the capital market performance and proffers recommendations on the way forward for consideration by regulators, government, and players in the sector.

Trust is the invisible currency that underpins markets, institutions, and professional credibility. For accountants and finance professionals, trust is not an abstract moral concept; it is the foundation of assurance, stewardship, compliance, and leadership. When public trust in governance erodes, as Ghana has experienced in recent years, the consequences ripple far beyond politics. They affect how financial statements are believed, how investments are priced, how taxes are complied with, and how institutions are respected. This article examines how the accounting and finance ecosystem can internalise the lessons of the trust deficit and translate them into practical actions that restore confidence, enhance institutional performance, and support sustainable national development.

Fiduciary accounting is a specialised field that demands precision and adherence to ethical standards. It involves managing financial affairs on behalf of another, a responsibility that carries with it legal obligations to act in the best interest of beneficiaries or clients. The writer emphasizes the significant role of fiduciary accounting, as fiduciaries are entrusted with the stewardship of assets that can have profound impacts on individuals' financial futures. The complexities of fiduciary accounting require not only a deep understanding of financial mechanisms but also an unwavering commitment to ethical conduct. This dual requirement ensures that those who rely on fiduciaries can do so with confidence, knowing their interests are being managed with both expertise and integrity.

These and many more are presented in this edition. To contribute articles or comment on this edition please forward your comments to ofori.henneh@icagh.com

IFAC NEWS

International Standards Effective for Implementation in Year 2026

The following are some of the International Standards issued by the various Standard Setting Bodies ready for implementation in year 2026.

IAASB

Several major International Auditing and Assurance Standards Board (IAASB) standards and amendments are effective for implementation—specifically for periods beginning on or after December 15, 2026. The primary focus for 2026 is sustainability assurance and enhanced auditing requirements for fraud and going concern.

Here are the key standards ready for implementation in 2026:

1. Sustainability Assurance

a) ISSA 5000, General Requirements for Sustainability Assurance Engagements:

Main Concepts: This is the overarching, framework-neutral standard for sustainability

assurance. It is effective for sustainability reporting periods beginning on or after December 15, 2026, with early adoption encouraged.

b) IESBA Sustainability Standards (IESSA): While issued by the IESBA, these ethics and independence standards are designed to work with ISSA 5000 and become effective in December 2026.

2. Auditing Standards (ISAs)

a) ISA 570 (Revised 2024), Going Concern:

Main Concepts: This revised standard strengthens auditor requirements for evaluating management's assessment of an entity's ability to continue as a going concern, introducing new explicit conclusions in the auditor's report.

b) ISA 240 (Revised), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements:

Main Concepts: This standard enhances the auditor's focus on professional skepticism and responsibilities regarding fraud.

c) Narrow Scope Amendments to ISQMs and ISAs:

Main Concepts: Amendments relating to the definition of listed entities and public interest entities (PIEs) are effective for periods beginning on or after December 15, 2026.

d) Narrow Scope Amendments Related to External Experts:

Main Concepts: Revisions to ISA 620 (Using the Work of an Auditor's Expert) and other standards to align with IESBA's revisions on external experts are effective for periods beginning on or after December 15, 2026.

3. Review Engagements

a) ISRE 2400 (Revised), Engagements to Review Historical Financial Statements:

Main Concepts: Narrow scope amendments related to PIE definitions are effective for periods beginning on or after December 15, 2026.

4. Implementation Support Resources

To support these changes, the IAASB has published:

a) ISSA 5000 Implementation Guide: A comprehensive guide to assist practitioners.

b) Illustrative Reports: Examples of assurance reports with unmodified and modified conclusions.

c) FAQs for ISA 570 (Revised 2024): Guidance on the new going concern requirements.

5. Future 2026 Developments

a) ISA 500 Series & Tech Projects: The IAASB is actively working on revisions to audit evidence standards (ISA 500, 330, 520) and technology-related guidance, with drafts expected in March 2026, though these are for future, not 2026, implementation.

b) ISA for LCE Maintenance: A first draft of the

revised ISA for Less Complex Entities (ISA for LCE) is scheduled for discussion in March 2026.

IPSASB

Based on the latest IPSASB updates as of December 2025, the following International Public Sector Accounting Standards (IPSAS) and amendments are either effective or scheduled for implementation in 2026:

Key 2026 Effective Dates

a) IPSAS 47, Revenue: This is a major new standard approved in late 2025 to replace the previous three revenue standards. It is effective for periods beginning on or after January 1, 2026.

b) Amendments to IPSAS Standards: Specific IFRIC Interpretations: Effective January 1, 2026 (earlier application permitted).

Main Concepts: These amendments address specific IFRIC and SIC interpretations that the IPSASB deemed relevant to the public sector, aiming to improve consistency with IFRS.

c) Improvements to IPSAS Standards, Volume 10: This volume, which consolidates improvements approved throughout 2025, is expected to be approved in March 2026 and will generally be effective for 2026, including updates to:

- o IPSAS 4, The Effects of Changes in Foreign Exchange Rates (lack of exchangeability).

- o IPSAS 33, First-time Adoption of Accrual Basis IPSAS (updated to ease transition).

- o IPSAS 40, Public Sector Combinations (definition of an operation and recognition of assumed contingent liabilities).

d) Conceptual Framework Improvements: Amendments to the Conceptual Framework (related to the definition of material) approved in late 2025 become effective upon publication.

Key 2026 Developments & Early Adoption

a) IPSASB SRS 1, Climate-related Disclosures: While the mandatory effective date is January 1, 2028, this inaugural sustainability standard was approved in December 2025 for publication in

early 2026, with earlier adoption permitted.

e) IPSAS 51, Tangible Natural Resources Held for Conservation: Approved in December 2025 with an effective date of January 1, 2028, earlier adoption is permitted for this new standard.

f) 2025 Handbook: The 2025 edition of the Handbook of International Public Sector Accounting Pronouncements was released, serving as the base for 2026, containing all standards published as of January 31, 2025.

IESBA

The International Ethics Standards Board for Accountants (IESBA) has approved several major standards that are effective for implementation by December 15, 2026 (or for periods beginning on or after that date). These standards are heavily focused on sustainability assurance, ethical practices in reporting, and the use of experts.

Key IESBA standards ready for 2026 implementation include:

a) International Ethics Standards for Sustainability Assurance (IESSA):

Main Concepts: This new standard provides comprehensive ethical, including independence, requirements for sustainability assurance practitioners. It is designed to be used by all professional accountants and other practitioners, including non-accountants, conducting sustainability assurance.

b) Sustainability Reporting-Related Revisions:

Main Concepts: Revisions to the Code that address ethical risks in sustainability reporting, such as greenwashing, and ensure the objectivity of professionals reporting on sustainability information.

c) Using the Work of an External Expert:

Main Concepts: New standards addressing ethical requirements when using the work of external experts in audit, assurance, and other non-assurance engagements.

d) Value Chain Independence Provisions: While most IEISSA provisions are effective December

2026, specific independence requirements related to the “value chain” in sustainability reporting will become effective on July 1, 2028.

Implementation Support

a) Early Adoption: Early adoption of these standards is permitted and encouraged.

b) Guidance Resources: IESBA has released new staff publications and guidance, including a “Summary of Prohibitions in the IEISSA” and materials on “Using the Work of an External Expert,” to support adoption.

c) Handbook: These revisions are included in the 2025/2026 IESBA Handbook, specifically featuring the new Part 5 for Sustainability Assurance.

These standards are aligned with the International Auditing and Assurance Standards Board’s (IAASB) ISSA 5000 (International Standard on Sustainability Assurance 5000) for assurance engagements.

IAESB

Based on the 2026 Handbook of International Education Standards published by the International Federation of Accountants (IFAC), the following revisions to the International Education Standards (IES) are effective for implementation as of July 1, 2026:

a) Revised IES 2, 3, and 4 (Initial Professional Development): These revisions enhance the focus on sustainability and related competencies for aspiring professional accountants.

b) Revised IES 6 (Initial Professional Development – Formal Assessment of Professional Competence): Updated to modernize the assessment standard.

c) Revised IES 8 (Professional Competence for Engagement Partners): Continued implementation of standards outlining competence requirements for partners responsible for audits.

Key Focus of 2026 Standards:

The updated standards, particularly IES 2, 3, and 4, aim to strengthen global consistency in formal

assessment and support emerging skill needs in ethics and sustainability. The 2026 Handbook replaces the 2019 edition.

Related 2026 Implementations:

- a)** IESSA: The IESBA's International Ethics Standards for Sustainability Assurance (IESSA) become effective for periods beginning on or after December 15, 2026.
- b)** ISSA 5000: The IAASB's International Standard on Sustainability Assurance 5000 is also effective for periods beginning on or after December 15, 2026.

Early adoption of the revised IES 2, 3, 4, and 6 is encouraged.

IASB

Several International Accounting Standards Board (IASB) amendments and new requirements are mandatory for annual reporting periods beginning on or after 1 January 2026. These changes focus on enhancing the classification and measurement of financial instruments, addressing specific contract types, and improving disclosures.

Key standards and amendments effective January 1, 2026, include:

- a)** Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Classification and Measurement), addressing issues from the post-implementation review of IFRS 9.
- b)** Amendments to IFRS 9 and IFRS 7 related to Contracts Referencing Nature-dependent Electricity, clarifying hedge accounting for power purchase agreements based on nature-dependent sources.
- c)** Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates regarding Lack of Exchangeability, providing guidance on assessing currency exchangeability and determining spot rates.
- d)** Annual Improvements to IFRS Accounting Standards—Volume 11, which includes narrow-scope amendments to several standards.

Key Preparation Activities for 2026:

- a)** Companies should prepare for IFRS 18 Presentation and Disclosure in Financial Statements during 2026, as it requires restated comparative figures for 2026 when it becomes effective on 1 January 2027.
- b)** Early application of the 2026 amendments is permitted.
- c)** Entities may need to update IT systems to align with new classification rules.

Note: The IFRS for SMEs third edition is expected to be effective from January 1, 2027, instead of 2026.

ISSB

Several jurisdictions and organizations are gearing up for the mandatory implementation of the International Sustainability Standards Board (ISSB) standards—specifically IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures)—with key milestones in 2027.

While the standards were issued in June 2023 for use from 2024, many countries have adopted a phased approach, making 2027 a major year for mandatory, widespread adoption.

Key Jurisdictions and Sectors Targeting 2027 for Implementation

- a)** Chile: Rules modified to require companies to apply ISSB Standards starting in 2027, based on FY2026 data.
- b)** Ghana: The Institute of Chartered Accountants Ghana has mandated implementation for Significant Public Interest Entities starting in 2027.
- c)** Kenya: The Institute of Certified Public Accountants of Kenya has set mandatory reporting for Public Interest Entities (PIEs) to begin in 2027.
- d)** Malaysia: Mandatory application for listed companies is being phased in, with 2027 being a key year for smaller entities.
- e)** Nigeria: Mandatory reporting for public interest entities is set to begin in 2027, with full application following shortly after.

f) China/Chinese Taipei: Large-cap listed companies are expected to report using 2026 data in 2027.

g) Japan: The Sustainability Standards Board of Japan (SSBJ) is finalizing standards aligned with ISSB, with the first wave of companies expected to report for the year ending March 2027.

h) Philippines: Mandatory reporting for the largest listed companies is expected to start in 2027.

i) Bolivia: Mandatory adoption for all entities with economic activities is scheduled for January 1, 2027.

Key 2027 Implementation Details

a) Targeted Amendments: In December 2025, the ISSB issued amendments to IFRS S2 to address

implementation challenges, specifically designed to be effective for reporting periods beginning on or after January 1, 2027.

b) Scope 3 Emissions: California's climate law requires Scope 3 emissions reporting to begin in 2027.

c) Assurance: Many jurisdictions (such as Ghana) are setting 2027 as the date for mandatory limited assurance on these disclosures.

Status of Standards

The standards themselves (IFRS S1 and S2) are fully finalized and released. The 2027 timeline refers to the adoption and enforcement by local regulatory bodies, not the issuance of the standards themselves.

Exposure Draft and comment letters: Risk Mitigation Accounting—Proposed amendments to IFRS 9 and IFRS 7

Exposure Draft and comment letters: Risk Mitigation Accounting—Proposed amendments to IFRS 9 and IFRS 7

The International Accounting Standards Board (IASB) has published the Exposure Draft Risk Mitigation Accounting, proposing amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The IASB is proposing:

- to add a risk mitigation accounting model for companies managing repricing risk on a net basis; and
- to require a company to disclose its strategy for managing repricing risk and the effects of its risk management activities.

The IASB is also seeking feedback on the proposed withdrawal of IAS 39 Financial Instruments: Recognition and Measurement.

Supplemental reference materials have also been made available, including Basis for Conclusions, Illustrative Examples and Implementation Guidance and Snapshot.

How to respond to the Exposure Draft

Stakeholders can respond to the request for comment on the Exposure Draft by submitting a comment letter below.

The Exposure Draft will be open for comment for 240 days, with the comment period closing on 31 July 2026.

Source: <https://www.ifrs.org/projects/work-plan/dynamic-risk-management/ed-cl-risk-mitigation-accounting/#consultation>

Exposure Draft and comment letters: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures

In February 2026, the International Accounting Standards Board (IASB) published the Exposure Draft Amendments to the Fair Option for Investments in Associates and Joint Ventures. The Exposure Draft proposes narrow-scope amendments to clarify which entities are eligible to measure investments in associates and joint ventures using the fair value option in IAS 28 Investments in Associates and Joint Ventures.

The Exposure Draft responds to feedback from stakeholders that identified diversity in how the fair value option in IAS 28 is applied and the effects of that diversity on the classification of income and expenses in the statement of profit or loss in accordance with IFRS 18 Presentation and Disclosure in Financial Statements. They said clarity on this matter is particularly important because more entities are considering whether to elect that option as part of their implementation of IFRS 18.

The IASB's proposed narrow-scope amendments aim to improve consistency in application and

provide timely clarity ahead of the effective date of IFRS 18. The IASB has set a shorter comment period to allow for any amendments to be completed in time for the implementation of IFRS 18.

The Exposure Draft will be open for comment for 60 days, with the comment period closing on 20 April 2026. The IASB plans to issue any resulting amendments by mid-2026.

How to respond to the Exposure Draft

Stakeholders can respond to the request for comment on the Exposure Draft by submitting a comment letter below.

Source: <https://www.ifrs.org/projects/work-plan/amendments-to-the-fair-value-option-ias-28/ed-cl-investments-associates-joint-ventures/>

ICAG NEWS TITBITS

ICAG CEO Pays Courtesy Calls on World Bank Ghana and European Union to Strengthen Collaboration

By Joyce Hilda Efi Aboagye / ICAG



The newly appointed Chief Executive Officer of ICAG, E.O. Osaе, FCA, has paid courtesy calls on the World Bank Ghana Office and the European Union (EU) Delegation in Ghana as part of efforts to formally introduce himself as the new CEO of the Institute and to explore areas of strategic collaboration. The visits, which took place on Tuesday and Friday respectively, provided an opportunity for fruitful discussions on key issues affecting public sector accounting, governance, and financial accountability in Ghana.

At the World Bank Ghana Office, the CEO and his management team met with Mr. Andrei Busuioc, Senior Financial Management Specialist and Financial Management Coordinator for Ghana, Liberia, and Sierra Leone. Discussions focused on building capacity to ensure that qualified auditors are adequately empowered to audit the accounts of state institutions, as well as strengthening compliance with Anti-Money Laundering (AML) guidelines. Similarly, at the European Union Delegation in Ghana, the ICAG team engaged Ms. Sandrine Coets, Programme Officer for the Macro-Economic and Trade Section. The discussions covered key public sector accounting issues, collaboration opportunities, and measures to curb financial irregularities within government institutions.

The CEO emphasized the critical role of ICAG as the statutory regulator of the accountancy profession in Ghana and highlighted the need for institutional support to enable ICAG to effectively carry out its mandate. The discussions explored how public sector institutions can be supported to ensure the presence of professional accountants within state entities who can report effectively, strengthen financial discipline, and help combat money laundering and related financial crimes.

Gender inclusion within the accounting profession was also a key area of discussion. The parties examined initiatives aimed at bridging the gender gap by encouraging more women to pursue careers in accounting, leveraging the opportunities presented by Ghana's recently

passed Affirmative Action Bill. In addition, sustainability reporting featured prominently in the discussions. The engagements explored ways to empower state institutions to adopt and implement effective, fair, and transparent sustainability reporting practices in line with global standards, such as the IFRS S1 and S2.

As part of his broader stakeholder engagement agenda, the ICAG CEO is expected to pay similar courtesy calls on other state and international institutions in the coming weeks to continue discussions aimed at strengthening collaboration and advancing the accounting profession in Ghana.

The courtesy calls underscore ICAG's commitment to building strong partnerships with key development institutions to promote sound public financial management, accountability, and sustainable development in Ghana.





ICAG & UCC Forge Strategic Alliance to Redefine the Future of Accountancy Education

By Joyce Hilda Efi Aboagye / ICAG



In a decisive move to strengthen the future of the Accountancy profession in Ghana, the Chief Executive Officer of Institute of Chartered Accountants, Ghana (ICAG), Mr. Eric Oduro Osae FCA climaxed his working visit to Cape Coast with a high-level courtesy call on the Vice-Chancellor of the University of Cape Coast (UCC), Prof. Denis Worlanyo Aheto.

The meeting went beyond formalities. It was a strategic engagement focused on repositioning the Accountancy profession through stronger academic-professional collaboration.



Central to discussions was the development of a robust Memorandum of Understanding (MoU) between ICAG and UCC aimed at creating clearer pathways for accounting and business students to pursue the Chartered Accountant qualification.

The proposed partnership seeks to align academic training with professional standards, ensuring that graduates are not only degree holders but industry-ready professionals equipped with competence, ethics, and global relevance.

By deepening collaboration with leading institutions like UCC, ICAG is deliberately embedding the Chartered Accountant brand within the university ecosystem. Thus, inspiring students to see professional qualification not as an option, but as a natural progression of their academic journey.

The engagement reaffirmed a shared vision; to produce a new generation of Accountants who are technically sound, ethically grounded, and prepared to drive national development.

Both institutions recognised that the strength of Ghana's financial architecture depends significantly on how well its future professionals are trained today.

In a symbolic gesture of partnership and mutual respect, Prof. Aheto presented souvenirs to the Chief Executive Officer of ICAG, Mr. Eric Oduro Osaе, FCA marking what both leaders described as the beginning of a strengthened and forward-looking relationship.

As ICAG continues its regional engagements, the Cape Coast visit stands out as a bold step towards transforming accountancy education in Ghana, positioning the profession not only for relevance, but for leadership in a rapidly evolving global economy.



Excellence in a profession begins with integrity in its examinations - Eric Oduro Osaе, FCA visits KTU & ICAG exams centre in Koforidua

By Joyce Hilda Efiа Aboagye / ICAG



As part of his working visit to examination centres during the March 2026 Chartered Accountants examinations, the Chief Executive Officer of Institute of Chartered Accountants, Ghana (ICAG), Mr. Eric Oduro Osaе, FCA paid a courtesy visit to the School of Business at Koforidua Technical University (KTU).

The visit formed part of ICAG's broader effort to monitor the conduct of the Chartered Accountants examinations and ensure that the highest standards of professionalism, transparency, and integrity are upheld across all centres.

During his visit to the university, the CEO interacted with members and students of the Department and acknowledged the institution's important role in training and preparing future accounting professionals.

The engagement underscored the strong partnership between ICAG and tertiary institutions in developing competent and ethical Chartered Accountants for Ghana.

The CEO also visited the ICAG examination centre in Koforidua to observe firsthand how the examinations were being conducted.

The monitoring exercise allowed him to assess the examination environment and ensure that procedures and regulations guiding the conduct of the examinations were being strictly adhered to.

He further held a fruitful engagement with the invigilators at the centre, emphasizing the importance of diligence, vigilance, and professionalism in their roles.

He encouraged them to remain committed to



The working visit reaffirms ICAAG's commitment to maintaining excellence and ensuring that its examinations continue to produce highly competent professionals who will contribute meaningfully to national development.



upholding the credibility of the examination process, noting that the integrity of the accounting profession begins with the integrity of its assessments.

The CEO commended the invigilators for their dedication and reminded them that their work plays a crucial role in safeguarding the reputation and standards of Institute of Chartered Accountants, Ghana.



GIVE TO GAIN: CELEBRATING THE WOMEN OF ICAG ON INTERNATIONAL WOMEN'S DAY

A special feature dedicated to the women of ICAG

By Joyce Hilda Efi Aboagye / ICAG

Give a woman an opportunity, and she will build more than success, she will build impact.

At Institute of Chartered Accountants, Ghana (ICAG), this truth quietly unfolds every single day. In offices, meeting rooms, classrooms, service desks, and even across the country, women are shaping decisions, guiding teams, mentoring colleagues, and strengthening the Institute in ways both visible and unseen.

This year's International Women's Day theme, "Give to Gain," is more than a phrase, it is a philosophy lived by the women of ICAG. Because when women are trusted with responsibility, supported to grow, and empowered to lead, the results are unmistakable; institutions grow stronger, ideas flourish, and communities benefit.

Across ICAG, this philosophy is not simply spoken about; it is embodied in every role, every department, and every decision.

Women at the Table of Leadership

Leadership begins where voices are heard and respected. At ICAG, the importance of women in governance is not merely symbolic, it is written into the very law that guides the Institute.

Section (1) (g) of Institute of Chartered Accountants, Ghana Act, 2020 (Act 1058) provides that the Governing Council must include two women elected by members at the Annual General Meeting.

Yet today, the Institute has gone even further. ICAG's Governing Council currently has four women, with one serving as Vice President, a powerful reflection of the trust, competence, and leadership women bring to the profession.



Rev. Dr. Cynthia Ayorkor Sallah
Vice President

Ms. Patience Mawushie Dzikunoo
Council Member

Mrs. Belinda Dede Tandoh
Council Member

Ms. Frances Enyonam Sosoo
Council Member

The Finance Powerhouse

Behind every strong institution is a steady financial hand and at ICAG that leadership sits with a woman, the Director of Finance and Administration, whose careful stewardship ensures that ICAG continues to grow with strength and accountability.

Supporting her in this critical work are two dedicated women in the Finance office and Stores Unit. Also at the Procurement Unit, under the Finance and Administration Department is another woman who ensures smooth procurement processes, and young women national service personnel, who provide essential support across the Finance and Administration Department. Together, they keep ICAG's operations well-resourced, responsible, and responsive.



But leadership here extends beyond the walls of the Institute.

Recently, the Director represented ICAG as a speaker at the Women in Finance Summit, delivering bold remarks on women's leadership in finance reminding audiences that competence, courage, and opportunity must go hand in hand.

At the same event, another strong voice was heard, Akua Bonsu Owu, President of the Association of Women Accountants, Ghana (AWAG), the women's wing of the Institute. Her message focused on elevating the issues that matter most to women in the profession and creating pathways for the next generation to thrive.

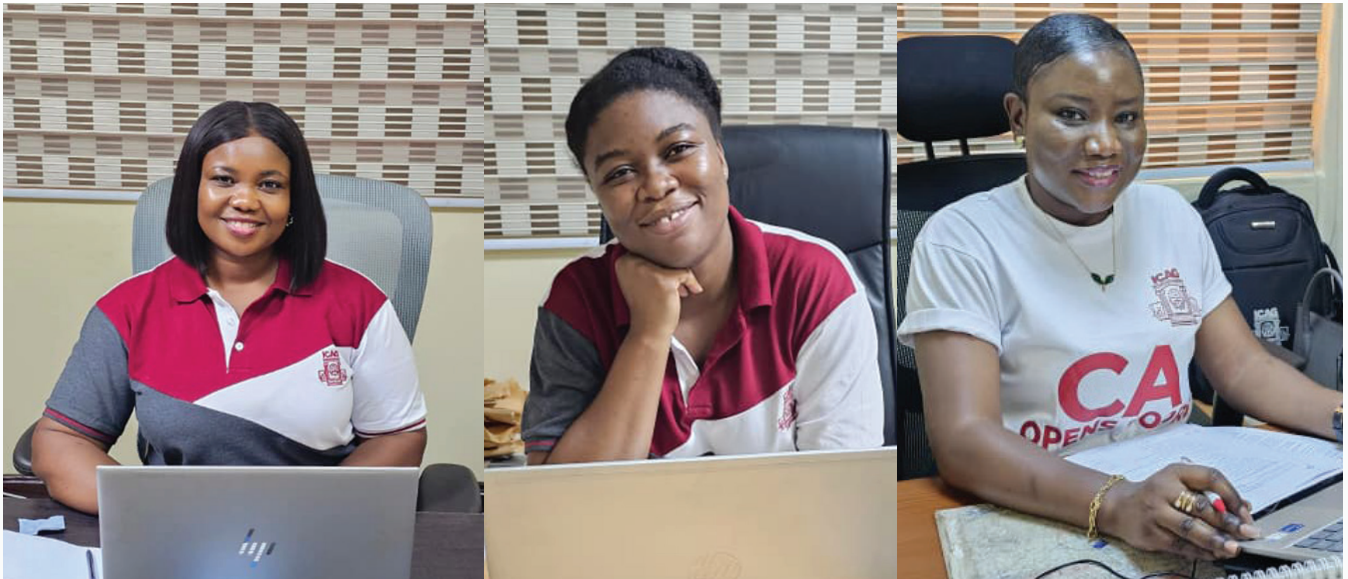


Guardians of Governance, Communication & Regional Leadership

Elsewhere within the Institute, another team of women ensures that ICAG's corporate integrity remains strong.

The Director of Legal and Corporate Affairs, herself a woman, leads the department responsible for safeguarding governance, compliance, and institutional reputation and supervises all ICAG regional offices ensuring consistency, efficiency, and professional standards across the Country.

Working alongside her are three remarkable professionals: a lawyer, a Corporate Communications expert, and an Events Officer, each playing a vital role in ensuring that the Institute's voice, values, and activities reach members and stakeholders with clarity and excellence.



People First - Nurturing the People of ICAG

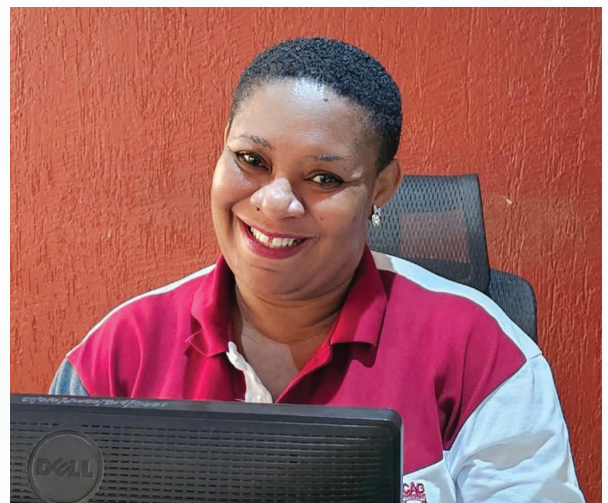
Behind every thriving organisation is a team that cares deeply about its people.



At ICAG, the Human Resource Manager, a woman supported by another woman in the administration department, works tirelessly to nurture talent, support staff, and build a workplace culture where

individuals feel valued and empowered.

Young women National Service personnel across various departments also contribute meaningfully, learning, growing, and bringing fresh energy to the Institute's work. Their dedication is a living example of ICAG's commitment to empowering the next generation of women leaders.



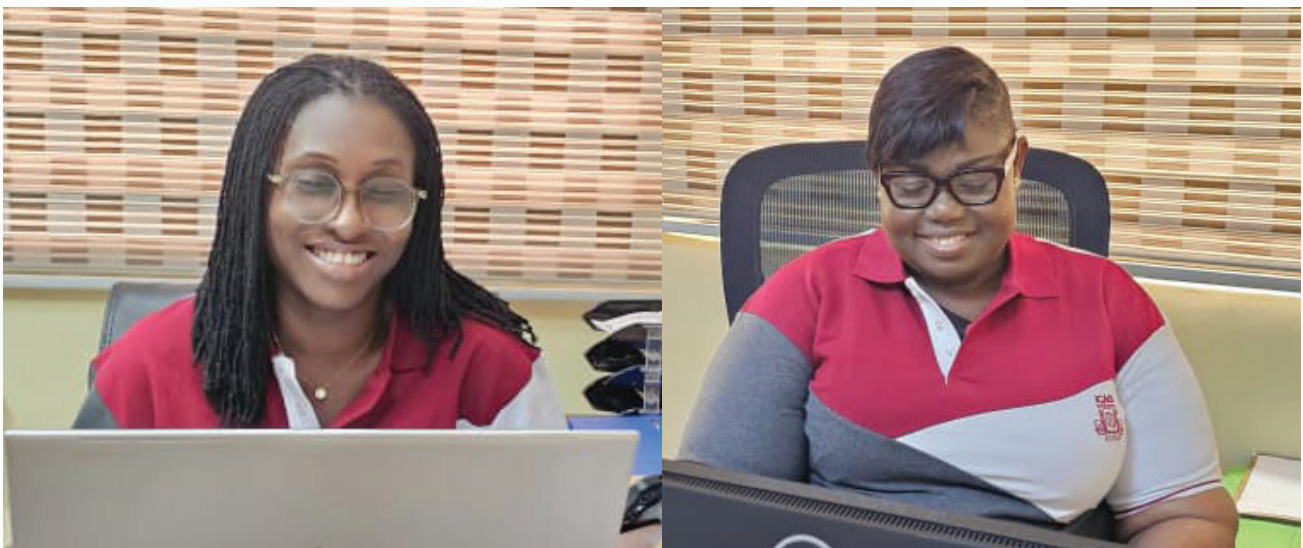


Guardians of Professional Standards Shaping

Very critical to the profession is the training and assessment of future accountants.

This enormous responsibility rests in the capable hands of the Examinations Manager, a woman who oversees the rigorous processes that guide thousands of students on their journey toward qualification.

Working alongside her is another remarkable woman who has dedicated over 30 years of service to the Institute, a living example of loyalty, experience, and institutional memory.



At the ICAG College, another woman who has worked with Institute for 25 years leads the mission of professional learning, guiding students through the discipline, knowledge, and mentorship required to succeed in the accounting profession.

And within the Quality Assurance and Monitoring Department, women continue to play pivotal roles. A Senior Manager; a woman supports the Director in maintaining professional standards, assisted by two other women whose work helps safeguard the quality of the profession.



Within the same department, the Manager for the Partners in Learning (PIL) Initiative also a woman works diligently to strengthen learning partnerships that enhance professional development.



Supporting Members and Students Every Step of the Way

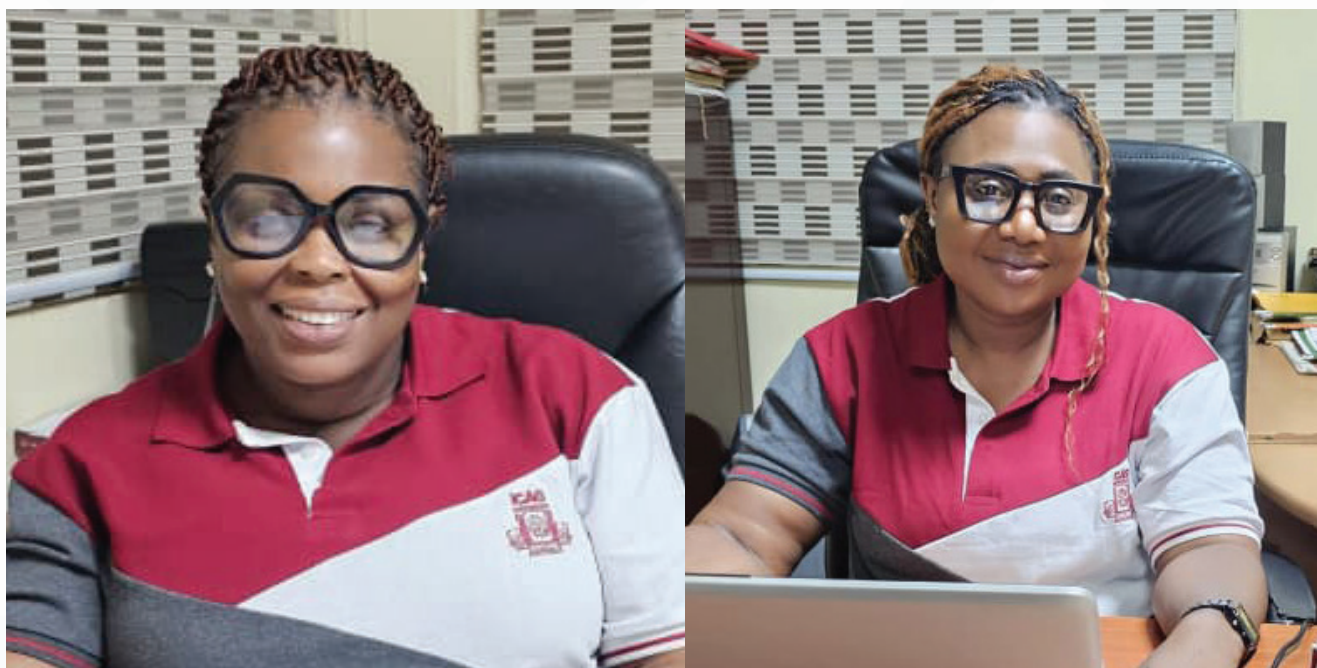
The journey of an accountant does not end with qualification it continues through lifelong learning.

At Member Services, a woman Manager, assisted by another woman, works daily to support members of the Institute to ensure that members have the best of support because Members remain at the heart of the Institute.

Within the same space, another woman coordinates Continuous Professional Development (CPD) programmes and ICAG professional training sessions, ensuring that members remain relevant, informed, and empowered throughout their careers.



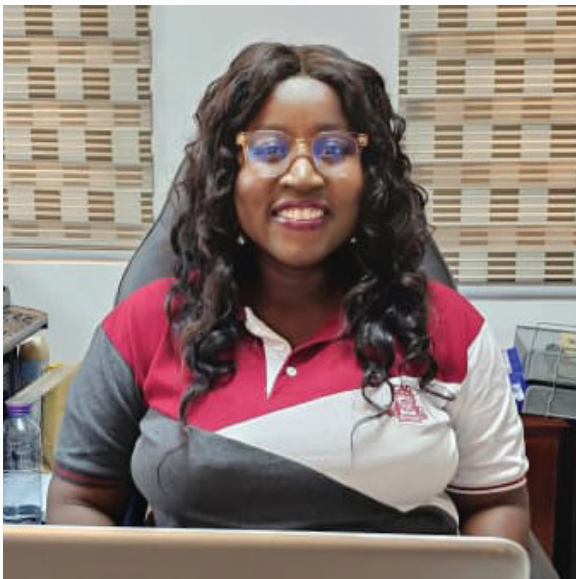
Students, too, find guidance through the leadership of the Student Services Manager, supported by another woman who helps ensure that aspiring professionals receive the support they need at every stage of their journey.



Every Role, Every Contribution - The Faces you meet Every day

Some of the most important roles in any organisation are those that quietly ensure everything runs smoothly. Behind the scenes and at the front lines, women keep ICAG welcoming, organised, and efficient.

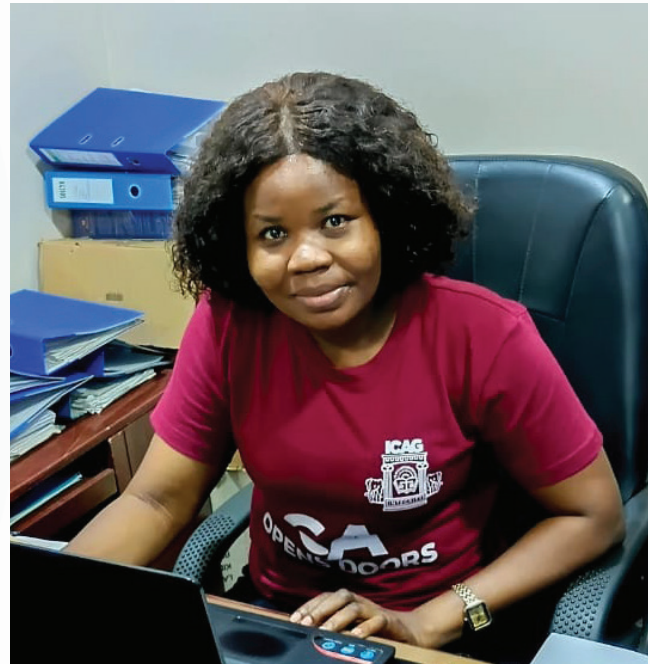
At the CEO's Secretariat, a woman serves as the Personal Assistant to the CEO, ensuring coordination, organisation, and efficiency at the highest level of leadership.



In the Internal Audit Department, a woman serves as a Manager, helping safeguard accountability and transparency across the Institute's operations.



Far beyond the main office, ICAG's presence in Tamale is overseen by a woman who manages the office there ensuring that the Institute's reach and services extend to members across the country.



And for every visitor who walks through the Institute's doors, the very first smile they encounter comes from another dedicated woman at the front desk, warmly welcoming members, students, and guests.

These roles may differ in responsibility, but together, they strengthen the Institute.



A Future Built on Opportunity

ICAG's commitment to empowering women extends beyond the workplace.

Through the Association of Women Accountants, Ghana, the Institute continues to champion mentorship, networking, and leadership opportunities for women across the profession.



Eric Oduro Osae, FCA – A True “He for She” Leader

Empowering women within the profession is strengthened when leadership actively champions equality and opportunity.

At ICAG, this commitment is clearly reflected in the stance of the Institute's Chief Executive Officer, Mr. Eric Oduro Osae, FCA, who has made it clear that the advancement of women within the profession is a priority.



With the passage of Ghana's Affirmative Action Act, he has reaffirmed ICAG's commitment to strengthening the role of women in both professional practice and leadership.

His position reflects a belief that aligns perfectly with the spirit of this year's International Women's Day theme.

On the occasion of International Women's Day, the CEO also shared a thoughtful message with female staff on the Institute's staff WhatsApp platform, expressing appreciation for their dedication and contribution to the development of both the Institute and the country.



He noted:

“As we celebrate International Women’s Day, we take this opportunity to appreciate our ladies in the Institute and the critical role you continue to play for the development of our country and the Institute. As men, please rest assured that we very much appreciate your partnership in this enterprise and pledge to continue to support you in all your endeavors, especially respecting the principles of mutual respect, mutual recognition and mutual benefit at the workplace towards industrial harmony. Happy International Women’s Day once again to all of you; your efforts and various roles are highly appreciated.” – Eric Oduro Osae, FCA.

His message and actions reflect a leadership approach that proudly embraces the “He for She” principle recognizing that the advancement of women is a shared responsibility.

This spirit of support was also echoed by colleagues across the Institute. Mr. Emmanuel Arthur balancing alongside members of the Association of Women Accountants, Ghana (AWAG), demonstrates his support for the growth of women in the accounting profession.

Similarly, Mr. Augustine Awuah from the Finance Department also took to the staff platform to celebrate the women of ICAG, acknowledging their dedication and emphasizing the importance of supporting women to thrive.

Together, these gestures reinforce an important message that when men actively champion the growth of women, institutions become stronger, more balanced, and more progressive.



The Meaning of “Give to Gain”



For the women of ICAG, “Give to Gain” is not simply a theme for a celebration.

It is a lived experience.

It is the colleague who mentors a younger staff member.

It is the professional who represents the Institute on international platforms.

It is the young national service personnel learning, contributing, and preparing to lead one day.

It is the quiet dedication of women who ensure that every department runs with excellence.

Every opportunity given has resulted in stronger leadership, better ideas, deeper collaboration, and a more resilient Institute.

And so, as ICAG celebrates the women who contribute to its mission every single day, the message is clear:

WHEN WOMEN ARE GIVEN THE OPPORTUNITY TO LEAD, TO LEARN, AND TO THRIVE, THE ENTIRE INSTITUTE GAINS.

Our dedication strengthens ICAG.

Our leadership advances the profession.

And Our stories continue to inspire the future of accounting in Ghana.

To every woman within the Institute; those whose work is visible and those whose contributions happen quietly behind the scenes, we celebrate you.

Happy International Women's Day once again!

GAMA Engages ICAG CEO on Expanding Muslim Participation in the Accounting Profession

By Joyce Hilda Efia Aboagye / ICAG



The Executives of the Ghana Association of Muslim Accountants - GAMA have paid a courtesy call on the newly appointed Chief Executive Officer of Institute of Chartered Accountants, Ghana (ICAG), E.O. Osaе, FCA, today at the ICAG Secretariat. The engagement focused on discussions aimed at enhancing and increasing the number of Muslims in the accounting profession in Ghana. The two parties explored effective strategies through which GAMA can deepen its collaboration with ICAG to attract more Muslims into the profession and support their development.

The CEO reaffirmed ICAG's commitment to supporting initiatives that promote inclusivity and diversity within the accounting profession. He emphasized the Institute's readiness to work closely with GAMA to implement practical and impactful programmes towards this goal.

Members of the public can expect key initiatives and joint programmes from ICAG and GAMA in the coming months aimed at encouraging and supporting Muslim accountants across the country.



The Release of IPSASB SRS 1, Climate-Related Disclosures

1. On January 29, 2026, the International Public Sector Accounting Standards Board (IPSASB) issued IPSASB SRS 1, Climate-related Disclosures.
2. The standard is intended to support governments and other public sector organizations by providing clear, decision-useful information about climate-related risks and opportunities.
3. It is IPSASB's first sustainability reporting standard developed specifically for the public sector.
4. IPSASB SRS 1 is aligned with IFRS S2 aimed at enhancing comparability of climate-related disclosures across public and private sector entities, particularly for users such as lenders and other resource providers.
5. It mirrors IFRS S2 and is organized around four (4) core pillars: Governance, Strategy, Risk Management, and Metrics and Targets.
6. The standard requires entities to disclose their governance arrangements for climate oversight, including how roles and responsibilities are assigned and carried out.
7. It also requires entities to explain how climate-related matters affect business strategy and decision-making, describe actual and potential financial impacts, and provide forward-looking information such as scenario analysis and assessments of climate resilience strategies.
8. In addition, they are expected to outline processes for identifying, assessing, prioritising, and monitoring climate-related risks and opportunities.
9. Under Metrics and Targets, disclosures include greenhouse gas emissions across Scopes 1, 2, and 3, measured using the GHG Protocol or another recognized methodology, along with other relevant indicators and targets.
10. While closely aligned with IFRS S2, IPSASB SRS 1 incorporates public-sector-specific adaptations including expanded focus on stakeholder information needs beyond investors, terminology tailored to the public sector context, and a rebuttable presumption that the GHG Protocol will be used for emissions reporting unless an entity can justify an alternative approach.
11. The standard also includes transitional provisions. For example, entities may omit Scope 3 emissions disclosures for the first three (3) annual reporting periods.
12. Additionally, first-year reliefs—consistent with practices in the private sector—include exemption from presenting comparative information and permitting climate-related disclosures to be issued after the financial statements in the initial year of application.
13. IPSASB SRS 1 applies to general purpose financial reports for annual periods beginning on or after January 1, 2028. (with early adoption permitted).
14. Comments or views from stakeholders can be shared through the following contact details:

| Cell: 0276954720; 0244654329 |
Email: ceo@icagh.com |

ISSUED BY COUNCIL OF ICAG

Re-Publication of Press Release

IFRS Sustainability Disclosure Adoption Roadmap for Ghana

1. Section 127(5)(b) of the Companies Act 2019 (Act 992) mandates Institute of Chartered Accountants, Ghana (ICAG) to adopt and approve standards for financial reporting for all companies.

2. ICAG, announced adoption of the International Financial Reporting Standards (IFRS) S1 and S2 in 2023, and approved a roadmap for a phased approach to the adoption and implementation of IFRS Sustainability Disclosure Standards in Ghana on 28th March, 2024. Ghana has adopted the phased approach due to the following considerations:

a) The concept of sustainability reporting is new to most companies in Ghana. Hence the need for sensitisation, capacity building, and reskilling for those who have some level of sustainability reporting experience to understand and implement the IFRS S1 and S2 effectively.

b) Some entities in Ghana, either by voluntary means or through directives issued by their regulators, prepare sustainability reports. A mandatory adoption of the standard in the first year of application, in 2024 may be too early to harmonise existing reporting frameworks with IFRS S1 and S2, and transition to common standards for all reporting entities, and

c) The need for entities to carry out preparatory tasks in advance to facilitate implementation of the IFRS sustainability standards such as establishing appropriate sustainability governance structures, controls, and systems to generate the required data and sustainability information to be disclosed. These processes require time to undertake.

3. Consequently, ICAG has adopted a three-phased approach to Ghana's IFRS sustainability standards implementation roadmap as follows:

(a). Phase 1: Voluntary Adoption/Implementation: This phase covers reporting entities who elect to report sustainability disclosures ahead of

the mandatory adoption date set out in this roadmap.

This will be for the accounting period beginning on or after January 1, 2024 (i.e., the effective date of the standard), and through to the accounting period ending on or before December 31, 2026. Companies who elect to be part of this phase shall complete a readiness assessment. The readiness assessment is to ascertain the preparedness of such companies to adopt the standards.

(b). Phase 2: Mandatory Adoption: This phase will commence at the expiration of the voluntary adoption period for entities under this category. This Phase will be categorized into two groups, namely "Significant Public Interest Entities" and "Other Mandatory Adopters".

For the purposes of this roadmap, Significant Public Interest Entities (SPIEs) comprise, listed entities on any recognised exchange in Ghana; non-listed entities that are regulated (specifically banks and insurance companies, corporate trustees and registered pension schemes); public limited companies; and private companies that are holding companies of public or regulated entities.

This phase also includes oil and gas upstream exploration; development and production companies issued with petroleum agreements; mining exploration and production companies; oil and gas refineries; automobile production companies; cement manufacturing companies; and power generation companies other than those generating power through renewable sources.

The mandatory adoption date for this category of entities within the Significant Public Interest Entities (SPIEs) is the period beginning on or after 1st January, 2027.

For the purposes of this road map, Other Mandatory Adopters (OMAs) comprise, all other companies incorporated under the Companies Act, 2019 (Act 992) except those classified in this road map as (a) SPIEs; (b) Government Organizations (excluding State-Owned Enterprises Reporting under IFRS); and (c) Non-Mandatory Companies (defined below). The mandatory adoption date for this category of entities within the Other Mandatory Adopters (OMAs) is the period beginning on or after 1st January, 2028.

Another category of entities, for the purposes of this roadmap, are referred to as “Non-Mandatory Companies.” They are not required to mandatorily adopt the sustainability disclosure standards. Such entities are encouraged to adopt the standards to harness their potential benefits.

An entity in this category may not have public accountability and:

a) does not have its debt or equity instruments traded in a public market.

b) is not in the process of issuing its debts or equity instruments for trading in a public market.

c) does not hold assets in a fiduciary capacity for a wide group of non-equity holders as one of their primary businesses, its annual revenue is not more than GHS50 million in the last two consecutive years to its current year or total assets of GHS40 million in the year immediately preceding its current year as per the entity's financial statements or such amount as may be determined by the Council of ICAG.

(c). Phase 3: Government and Not-for-Profit Organisations (i.e., organisations required to apply IPSAS accounting framework). The Council of ICAG recognises that the International Public Sector Accounting Standards Board (IPSASB) has issued its first sustainability reporting standard, IPSASB Sustainability Reporting Standard 1 (IPSASB SRS 1).

The IPSASB SRS 1 is effective for periods on or after January 1, 2028, with earlier application permitted.

Transition Reliefs

4. Several transition measures and reliefs have been provided by the International Sustainability Standards Board (ISSB) to assist preparers with the implementation of the standards. All entities set out in this roadmap to adopt the standards are allowed to apply these measures and transition reliefs provided by the ISSB.

5. Details of these measures and reliefs are published on the ISSB page via the IFRS Foundation website, <https://www.ifrs.org>. Preparers are encouraged to visit the page for details of the IFRS sustainability standards, the SASB standards, and other supporting guidance and reliefs provided.

Disclosure of Sustainability Information

6. Reporting entities should incorporate their IFRS sustainability disclosure information in their annual report. To ensure consistency, the IFRS sustainability disclosures should be presented after the directors' report but before the independent statutory auditor reports on the entity's financial statements. In addition, a statement of the responsibilities of the directors regarding the sustainability disclosures should be included in the directors' report in the annual report of reporting entities. The sustainability disclosures section in the annual report should be signed by two directors of the reporting entity and the Chief Sustainability Officer (or other persons designated to perform such a function in the entity).

Referencing

7. The title to the sustainability-related financial information disclosure and its corresponding page number should be included in the table of contents or reference table in the annual report of reporting entities for ease of navigating to the information disclosed.

Reporting Timelines

8. The timelines for reporting on sustainability-related disclosures should be consistent with the timing of an entity's financial statements. For the avoidance of doubt, reporting entities in Ghana

are required to report their sustainability-related disclosures at the same time as their financial statements for the period under consideration.

The period covered by the sustainability disclosures should be the same reporting period as the related financial statements subject to the exemption or transition reliefs provided in this roadmap and/or under IFRS S1 and IFRS S2 at the time of adoption/implementation.

Comparative Information

9. Subject to the reliefs provided in this roadmap and/or under IFRS S1 and IFRS S2, preparers are required to disclose comparative information to the current period's sustainability disclosure information in their annual report.

Statement of Compliance

10. Where an entity's sustainability-related financial disclosures comply with all the requirements set out in the IFRS sustainability standards, that entity will be required to make an explicit and unreserved statement of compliance in its sustainability report. An entity shall not describe its sustainability-related financial disclosures as complying with the IFRS sustainability standards unless it complies with all the requirements set out in the standards.

Sustainability Assurance

11. The International Standard on Sustainability Assurance (ISSA 5000) developed by the International Auditing and Assurance Standards Board (IAASB), is an overarching standard that covers all requirements for a sustainability assurance engagement. The IAASB officially published the ISSA 5000 on November 12, 2024. The standard was approved on September 20, 2024, with final application materials and guidance released in January 2025.

12. It is important to note that obtaining an assurance report on sustainability disclosures in the first year an entity adopts/implements the standards would not be mandatory. This is because the reporting entity may still be in its transition phase and assessing the robustness or appropriateness of its governance systems

and processes. Mandatory assurance on sustainability disclosures would commence from the second year, the entity adopts/implements the IFRS sustainability standards.

Type of Assurance Report to be Issued on IFRS Sustainability Disclosures

13. The decision on the type of assurance report to be issued on IFRS Sustainability Disclosures is deferred until ICAG release implementation road map.

Assurance on Sustainability-Related Financial Disclosures

14. Assurance on sustainability-related financial disclosures must be carried out by qualified and experienced independent assurance providers who possess the requisite professional qualifications approved by the Council of ICAG.

15. Comments or views from stakeholders can be shared per the following contact details:

**|Cell: 0276954720; 0244654329| Email: sustainability@icagh.com |
ISSUED BY COUNCIL OF ICAG**

FEATURES

Dissecting the Value Added Tax Act, 2025 (Act 1151): Why It Matters to Every Taxpayer



Ibrahim Asare

CA, MCITG, ADTP, BCom, and HND

Introduction

Tax laws shape how governments raise revenue and how citizens and businesses interact with the state. In Ghana, the Value Added Tax system has long been a central part of public finance, funding critical services such as health, education, and infrastructure. Over the years, however, the VAT regime became increasingly complex and polarised, fragmented by multiple amendments, special rates, and overlapping levies. This complexity created compliance challenges, increased disputes, and in some cases discouraged voluntary tax compliance.

In response to the above challenges, the Government promised VAT reforms in the 2026

budgets which resulted in Parliament passing the Value Added Tax Act, 2025 (Act 1151), which took effect on 1 January 2026. The new law repeals and replaces the previous VAT Act, 2013 (Act 870), and brings together several indirect tax reforms announced in the 2026 Budget. It also works alongside amendments to the National Health Insurance Act, and the Ghana Education Trust Fund Act.

This article explains the key features of the new VAT Act in clear terms, focusing on what has changed, why it matters, and how it affects ordinary consumers, small businesses, large companies, and the wider economy. It concludes with practical recommendations for taxpayers and policymakers.



1) Value Added Tax (VAT)

Value Added Tax (VAT), known in some countries as goods and services tax (GST), is a type of tax that is levied on the price of a product or service at each stage of production,

distribution, or sale to the end consumer. VAT is a consumption tax and as the name suggests, value-added tax is designed to tax only the value added by a business on top of the services and goods it can purchase from the market.

The history of the tax suggests that Germany and France were the first countries to implement VAT, doing so in the form of a general consumption tax during World War I. The tax was designed separately and unknown to each other by two people namely Wilhelm Von Siemens, a German businessman, and Thomas S. Adams, an American. The modern variation of VAT was first implemented by France in 1954 in Ivory Coast (Côte d'Ivoire) colony. Recognizing the experiment as successful, the French introduced it in 1958 and other European countries and the rest of the world followed suit.

Introduction of VAT in Ghana first surfaced in 1995, but it suffered a setback in its implementation, and was reintroduced in 1998 with a successful implementation to date. The VAT regime has seen several changes over the years, from revision in some thresholds, to introduction of flat rate schemes, the introduction of associated levies, and the introduction of withholding tax on VAT by some specified taxpayers.

a) Why a New VAT Act was Necessary

Before Act 1151, Ghana's VAT system had been amended many times. Flat-rate schemes existed alongside standard VAT rate scheme, different sectors were treated differently, and levies such as the NHIL and GETFund Levy created a cascading tax effect where taxes were charged on top of other taxes. For many businesses, especially small and medium enterprises, understanding their obligations was difficult. For the tax authorities, enforcement was uneven and costly.

The new VAT Act was designed to simplify the system, improve clarity, and strengthen administration. By consolidating VAT laws into a single statute and aligning related levies, the government aims to broaden the tax base, reduce avoidance, and improve revenue collection without necessarily increasing the overall tax burden.

b) A Unified VAT Rate, and the End of Flat Rates, and COVID-19 Health Recovery Levy

One of the most significant changes under Act 1151 is the abolition of the 1 % COVID-19 Health Recovery Levy, and the introduction of a single VAT rate of 15% for all taxable supplies. Previously, some retailers operated under a 3% flat rate scheme, while certain real estate supplies were taxed at 5%. These special rates have now been abolished.

For consumers, this means prices of some goods and services may change, especially where businesses previously charged lower flat rates. For businesses, the change simplifies accounting and reporting, since everyone now applies the same VAT rate. However, it also means that businesses previously under flat-rate schemes must adjust their pricing, invoicing, and accounting systems to reflect the standard VAT regime.

Importantly, although the VAT rate is now unified at 15%, the NHIL and GETFund Levy remain at 2.5% each. Together, these levies bring the total indirect tax burden on most taxable supplies to 20% instead of 21.9% in the previous VAT regime, saving businesses and consumers 1.9% of their indirect tax cost.

c) Removal of Cascading Taxes and Granting of Input Tax Deductions for NHIL and GETFund Levy

A major improvement introduced by the new law is the removal of the cascading effect of certain levies on domestic supplies. Under the old system, the levies were part of the tax base which VAT was determined, this resulted in tax on tax and the NHIL and GETFund Levy were also not input tax deductible raising the cost of taxable supplies.

Act 1151 changes this by making the invoice amount the tax base for both the levies and the VAT, and allowing both the NHIL and GETFund Levy to be treated as deductible input tax for qualifying domestic supplies. This reform reduces the hidden tax burden on businesses and promotes fairness within the VAT system. It also aligns Ghana more closely with international VAT principles, where value added, not gross turnover, is taxed.

However, the cascading effect has not been completely eliminated. For imports, the law does not clearly allow deductions of NHIL and GETFund Levy at the ports, meaning importers may still face higher VAT costs if no alternative guidance is issued by the Commissioner General. In addition, other taxes such as Communications Service Tax, and Excise Duties continue to form part of the taxable value where applicable.

d) Expanded Scope of Taxable Activities

The new VAT Act broadens what is considered a taxable activity. Notably, exploration of natural resources and the export of certain non-traditional products (except cocoa, coffee, shea butter) are now classified as taxable activities. This change brings more economic activities into the VAT net and reflects the growing importance of sectors such as mining services, agribusiness, and exports.

At the same time, some exemptions have been removed. Betting, gaming, and lottery activities are no longer exempt from VAT. Management fees for private equity, venture capital, and mutual funds have also lost their exempt status. Businesses operating in these sectors must now assess whether their supplies are taxable and adjust their compliance accordingly.

e) Changes to VAT Registration Rules

Registration rules under Act 1151 are stricter and more far-reaching than before. For suppliers of goods, the registration threshold has been increased from GHS 200,000 to GHS 750,000 in annual turnover. This relieves some smaller traders from the obligation to register.

For suppliers of services, however, the law takes a very different approach. The turnover threshold has been removed entirely. Any person who begins to supply taxable services in Ghana is required to register for VAT within 30 days, unless the Commissioner-General of the Ghana Revenue Authority grants an exception.

This change has major implications, especially for consultants, professionals, barbers, vulcanizers, hairdressers, tailors, digital service providers, and freelancers. While it broadens the tax base, it also raises concerns about how the rule will be applied in practice, particularly in the informal sector.

Public entertainment promoters are also subject to new rules. They must register for VAT at least 48 hours before an event, regardless of the expected revenue. The previous minimum threshold of Ghs10,000 expected revenue has been removed.

f) Digital Services and the Modern Economy

Recognizing the growth of the digital economy, Act 1151 expands the definition of digital services. It now includes software updates, distance maintenance of equipment, virtual asset management, and digital asset management services. Non-resident persons who supply these services to customers in Ghana are required to register and account for VAT, usually through a tax-registered agent. This reform ensures that digital businesses contribute fairly to Ghana's tax system, just like traditional brick-and-mortar businesses. It also aligns VAT rules with recent legislation governing virtual asset service providers.

g) Stronger Enforcement and Higher Penalties

The new VAT Act significantly strengthens enforcement measures. Penalties for failure to register have been increased. Instead of a maximum penalty of two times the unpaid tax, the law now provides for a minimum penalty of three times the unpaid tax. This gives the tax authority greater leverage against non-compliance.

Upfront VAT payments by unregistered importers have also increased from 12.5% to 20% of the customs value. In cases of tax evasion, the law introduces minimum penalties and minimum prison terms, signaling a tougher stance on deliberate non-compliance. These measures are intended to encourage early registration and voluntary compliance, but they also raise the stakes for businesses that delay or ignore their VAT obligations.

h) Fiscal Electronic Devices and Electronic Filing

To improve transparency and reduce underreporting, the VAT Act supports the mandatory use of Fiscal Electronic Devices (FEDs) in key sectors from 2026. Businesses that issue fiscal receipts through FEDs are deemed to have complied with VAT invoicing

requirements. The law also allows FED users to file VAT returns electronically. In addition, a reward scheme is planned to encourage consumers to demand VAT invoices or sales receipts. Together, these measures aim to strengthen record-keeping and close revenue leakages.

i) Reliefs, Refunds, Withholding VAT Exemptions, and Cash Flow Challenges

Act 1151 introduces changes to VAT reliefs and refunds. Certain supplies, including those connected with reconnaissance and prospecting in the mining sector, are treated as relief supplies rather than outright exemptions. This may require affected businesses to pay VAT upfront and apply for refunds later. While the law allows refunds in specific circumstances, the administrative burden and delays associated with refund claims may create cash flow challenges, especially for manufacturers and exporters. Businesses must therefore plan carefully and maintain proper documentation to benefit from these provisions.

Compliant taxpayers may apply and be issued exemptions from the 7% withholding VAT in the current regime. This opportunity for cashflow management was not available in the erstwhile regime.

2. Conclusion

In conclusion, the Value Added Tax Act, 2025 (Act 1151) represents a major shift in Ghana's indirect tax system. By unifying the VAT rate, reducing cascading taxes, expanding the tax base, and strengthening enforcement, the government has taken steps to modernize VAT administration and improve revenue mobilization.

For businesses, the new law offers both opportunities and challenges. Simplification and input tax deduction can reduce costs, but stricter registration rules, expanded taxable activities, and heavier penalties increase compliance risks. For consumers, the reforms aim to promote fairness and transparency, even if some price adjustments occur in the short term.

Ultimately, the success of the new VAT regime will depend on effective implementation, clear guidance from the Ghana Revenue Authority, and a cooperative approach between taxpayers and the state.

3. Recommendations

I recommend among the following for consideration by taxpayers and policy makers: Businesses should review their operations carefully to determine whether they are required to register under the new rules, especially service providers and digital businesses. Early registration can prevent costly penalties.

Taxpayers should update their accounting systems and pricing structures to reflect the unified VAT rate and the deductibility of NHIL and GETFund Levy on domestic supplies.

Ghana Revenue Authority should issue clear and practical guidelines, particularly on service registration, compulsory registration, and VAT refunds, to reduce uncertainty and disputes whilst ensuring continuous and sustained public education to ensure taxpayers understand their obligations and the purpose behind the tax reforms, which will improve compliance, and the broader goal of national development becomes easier to achieve.

This article is my personal and professional opinion as a tax practitioner in the discharge of my duties as a GHANAIAN CITIZEN who seeks the success of Ghana, and it is not a representation of the opinion of any institution. This is the time for taxpayers to reach out to their tax consultants for tailored advice to suit their business to avoid compliance issues. My doors are opened for further engagements.

Ibrahim Asare (CA, MCITG, ADTP, BCom, and HND)

ibasare@gmail.com; ibrahim@ibasare.com; @ib_asare; 0244 423 960

(The author is a Chartered Tax Practitioner—a Member of ICAG and a Member of the Chartered Institute of Taxation Ghana).

as shares (equity) and bonds. Its objective was to mobilize capital from investors and match it with corporations and government agencies seeking long-term financing for growth. Trading commenced in November 1990, marking the beginning of organized equity trading in Ghana. Over the years, the GSE has expanded its product offerings and investor base.

k) Development of the Debt Markets

In addition to equity, Ghana's capital market has seen significant growth in debt instruments. Government securities such as treasury bills, notes, and bonds have become important parts of the market. The Ghana Fixed Income Market (GFIM), launched in September 2015, brought electronic trading to fixed income instruments, making it easier for investors to buy and sell government and corporate bonds. Treasury bills represent short-term debt (usually under a year), while bonds are medium and long-term instruments. The government issues these instruments to finance budget deficits and investment in infrastructure. Over time, the volume of government debt traded has grown, making it a cornerstone of the capital market.

l) Alternative Markets and Product Diversification

To deepen market participation and broaden investment options, the Exchange introduced the Ghana Alternative Market (GAX). This parallel market is designed to help small and medium enterprises (SMEs) access capital by offering a less stringent listing process compared with the Main Market.

Apart from traditional stocks and bonds, new exchange-traded products have appeared. For example, the Absa NewGold ETF (an exchange-traded fund tracking gold prices) was listed in 2012, making Ghana part of a regional trend toward diversified investment products.

m) Mutual Funds and Collective Investment Schemes

Alongside equity and debt markets, mutual funds and unit trusts have gained ground in Ghana as collective investment vehicles. These funds pool savings from multiple investors and invest in diversified portfolios of securities,

including stocks and bonds. They provide a way for less sophisticated or smaller investors to participate in capital markets without having to pick individual securities.

Regulatory oversight for mutual funds and related products falls under the Securities and Exchange Commission (SEC). The SEC sets rules for the registration and operation of Broker Dealer, Crowdfunding Intermediary, Crowdfunding Platform, Custodians, Depositories, Exchange Traded Funds, Fund Manager, Investment Advisory, Issuing House, Mutual Funds, Primary Dealers, Private Funds, Real Estate Investment Trust Funds, Registrars, Securities Exchanges, Trustees, Unit Trust, and other intermediaries to protect investors and ensure market integrity.

n) Government Interventions to Promote Capital Market Participation

Over time, successive governments in Ghana have taken steps to encourage broader participation in capital markets.

In the early 2000s and into the 2010s, the government used tax incentives to stimulate market participation. For example, capital gains tax exemptions were extended for investors on the stock exchange to reduce the tax burden on returns from investments. There were also tax holidays for listed companies to encourage more listings.

To deepen activity on the stock market, the government extended incentives including VAT exemptions on financial services for mutual funds and unit trusts that invest in equities. This was intended to make investment products more attractive and cheaper for Ghanaian investors.

a) Regulatory Reforms and Financial Infrastructure Development

Lawmakers and regulators have periodically updated the legal and supervisory framework. In the past decade, revisions to the Securities Industry Act and new guidelines for note trustees, OTC markets, and issuing houses have aimed to improve transparency, governance, and investor protection. The SEC's Capital Market Master Plan (2020–2029) is a strategic long-term blueprint to improve market diversity, widen the investor base, strengthen

infrastructure, and boost confidence in the capital markets. Technological upgrades like the fully automated trading platform and systems for clearing, settlement, and depository functions have made markets more efficient and accessible, reducing costs and barriers for both institutional and retail investors.

b) Importance of Capital Market Funds for Ghana's Economy

Capital markets are vital for Ghana's economic growth for several reasons including:

Mobilizing Long-Term Capital

Equity markets and bond issuances allow companies and governments to raise long-term financing beyond short-term bank loans. This supports infrastructure projects, business expansion, and development programs without overreliance on foreign debt.

Diversification and Risk Sharing

Mutual funds and collective investment schemes provide diversification for individual investors. Instead of investing in a single stock or instrument, a pooled fund spreads risk across multiple assets. This can improve stability for household savings and encourage long-term investment habits.

Deepening Financial Inclusion

By reducing barriers to entry and offering a range of products, capital markets bring more participants into the formal financial system. Broader participation strengthens savings mobilization and embeds more citizens in productive economic activity.

Market Discipline and Efficiency

Capital markets impose market discipline on firms and public institutions. Transparent pricing and disclosure requirements help improve corporate governance and financial performance.

c) VAT Treatment of Capital Market Services: Old vs New Regime

A significant issue affecting the cost of capital market participation in Ghana relates to Value Added Tax (VAT) treatment of services

provided by trustees, fund managers, brokers, financial advisors, and other service providers. Under the Value Added Tax Act, 2013 (Act 870) as amended by the Value Added Tax (Amendment) Act 2019, (Act 1005), certain financial services were specifically exempt from VAT. Paragraph 19 exempted financial services as defined by the Act and paragraph 28 also exempted management fees charged by a local fund manager for management of a licensed private equity fund, a venture capital fund or a mutual fund from VAT. These exemptions meant that trustees, advisors, and fund managers were not required to charge VAT on their fees, keeping costs lower for investors.

This exemption was a deliberate policy choice as it recognized that financial intermediation in capital markets serves a broader economic purpose and that adding VAT on top of management and advisory fees could raise the cost of investment products and deter participation.

With the new VAT regime, the Value Added Tax Act, 2025 (Act 1151) repealed Act 870 and brought a significant shift in how VAT applies. Under Act 1151, the VAT base has been broadened, and many financial services which hitherto were exempted are now treated as taxable supplies per the combined application of sections 1, 2, 4, 5, 6, 22, 33, 35, and the first schedule.

This means that services provided by trustees, fund managers, brokers, and financial advisors have lost their exemptions status and now attract VAT at 15% and its associated levies of NHIL 2.5% and GETFund 2.5%.

4. Conclusion

From progress made by Ghana in its Capital Market development, an imposition of VAT and its associated levies by Act 1151 could not be drafters' error but rather a policy decision to increase the VAT base. Under the old VAT Act (870), services provided by fund managers, trustees, brokers, and advisors were exempt from VAT, helping lower costs and attract investors. The removal of those exemptions under Act 1151 creates barriers and increases costs, which can deter participation and undermine the growth of capital markets. For Ghana's economy to continue benefiting

from deeper financial markets, policymakers should consider reinstating targeted VAT exemptions for core capital market services. This would make investment products more affordable, encourage broader participation, and support long-term economic growth.

5. Recommendations

I recommend among the following for consideration by stakeholders:

a) The SEC should formally engage the Ministry of Finance and GRA with data on how VAT on fund management, trusteeship, brokerage, and advisory services affects investor returns, fund costs, and market participation to make a case for reinstatement of the exemption through regulations.

b) Ghana Revenue Authority (GRA) should publish clear practice notes on:

i. What specific services in the industry are taxable?

ii. How bundled services should be treated.

iii. How cross-border advisory and management services should be handled, to reduce disputes and compliance uncertainty.

c) To the Ministry of Finance, I must say that, the capital market is a key channel for mobilizing long-term domestic savings and taxing the core services that enable savings and investment is counterproductive to fiscal sustainability in the medium term.

The Ministry should consider restoring the VAT exemptions through reintroduction of narrow exemptions or zero-rating for:

i. Management of licensed mutual funds and unit trusts.

ii. Trusteeship for collective investment schemes.

iii. Core brokerage services on licensed markets.

iv. Providers of investment advisory services. This will mirror the policy intent under the old regime and aligns with capital market development goals.

d) To the players in the industry, as it stands, Act 1151 requires them to register and charge the taxes effective 1st January 2026 and the first return and payment is expected to be filed latest by 28th February 2026 for January reporting period. Efforts should be made to align their invoicing system to reflect the new taxes and give extensive customer education on this additional tax cost they may see on their bills if the taxes are to be passed on to the customers to ensure transparency.

e) To retail and institutional investors, please note that, in the absence of any last-minute intervention by the Ministry of Finance or the GRA, the service charges you pay for capital market investment services may increase by up to 20 percent due to the imposition of VAT, NHIL, and GETFund levies.

This article is my personal and professional opinion as a tax practitioner in the discharge of my duties as a GHANAIAN CITIZEN who seeks the success of Ghana, and it is not a representation of the opinion of any institution. This is the time for taxpayers to reach out to their tax consultants for tailored advice to suit their business to avoid compliance issues. My doors are opened for further engagements.

Ibrahim Asare (CA, MCITG, ADTP, BCom, and HND)

ibasare@gmail.com; ibrahim@ibasare.com; @ib_asare; 0244 423 960

(The author is a Chartered Tax Practitioner- a Member of ICAG and a Member of the Chartered Institute of Taxation Ghana).

Unleashing Africa's Potential: Imperative of Investment in Infrastructure, Strengthening of Supply Chains, and Harmonization of Trade Systems for the AFCFTA to Succeed-Part 4



Dr. Isaac Ahinsah-Wobil

CA, CGMA, ACMA, CPFA, MIPA, MIIA, MIOD

The Role of Technology in Trade Facilitation

The role of technology in facilitating international trade goes on expanding and deepening within the diverse African continent. Digital tools and innovative platforms increasingly provide crucial opportunities to carry out logistics and supply chain processes in a more systematic and scientific manner, while also enhancing visibility and transparency into these essential supply chain processes. E-commerce has become a highly preferred toolkit among SMEs that are actively seeking to expand their market access. This is largely because, through e-commerce, SMEs have an enhanced ability to reach a wider geographical area, which provides them with valuable capacities to negotiate competitive rates, alongside the significant advantages of having access to crucial price information.

These factors give weight to this study in light

of the following: it aims to identify significant barriers that SMEs face in their effort to effectively acquire critical export market information, product and price information, which is highly useful for enhancing their performance on Trading Across Borders. The acquisition of this information and support services is crucial to their success in the increasingly global marketplace. From the supply side, technology has played an important role in modernizing customs and other administrative processes that create major operational barriers to trade. These creative projects have indeed resulted in great efficiency in operation, speedier response times, and facilitated trade through reduced processing times, delays, and eliminated bottlenecks.

There are especially striking case studies in Africa that clearly bear testimony to these advances.

One good example is an e-governance and risk management system that was co-developed into a customs framework credited with dramatically reducing the average processing time for clearances from more than four weeks to less than one week. Moreover, the introduction of an advanced risk management system resulted in a drastic reduction in the number of consignments targeted for inspection from over 90% to an unprecedented less than 5% of total import clearance transactions within six years. In 2021, the Kenyan Ports Authority proudly unveiled a groundbreaking TradeNet system which integrates the ports with the customs office and various cargo transporters, aiming to ease the flow of goods across Kenya. This will definitely result in an 80% reduction of human contacts at the points of access control, with an overall 50% decrease in verification time for goods across the port system. This integration of technology into trade processes not only makes it efficient but more secure and accessible to trading in the region. On

the demand side, the African Continental Free Trade Area has focused heavily on the efficient exploitation of advanced technology with the view to overcome long-standing and intractable customs and administrative bottlenecks that have hitherto plagued trade across various nations.

This focus may range from the innovative use of technology to inspect and work out papers efficiently through the smooth payment of levies, fees, and duties that normally cause delays in operations. In this regard, some of the progressive countries are now looking forward to cutting-edge artificial intelligence and blockchain solutions for further streamlining their processes. Take, for instance, the Ethiopian Investment Commission, which has only recently started making it possible to register companies online, easily open bank accounts, and apply for work permits online, effectively bringing to life the ambitious government strategy of a digital society.

In Nigeria, the government has entered into a partnership with a visionary tech company in an effort to upgrade the Nigeria Immigration Service National Identity database and give the country's visa processing system a more efficient and user-friendly face. Finally, it is impossible not to recognize the importance of sizeable investments that different African states are making into digital infrastructure as part of building a favorable trade environment. Set against such substantial investments, this extensive study is set to guide African governments on where they should steer their digitalization policy in regard to trade and how to direct their necessary digitalization investment.

Then, considering that at least 73% of these digital-ready SMEs participating in such an emancipative program effectively use digital tools to provide information to their customers, it goes without saying that they should also consider investing in robust skills training programs for their workers a priority. This will enable them to place their future workforce in a position to drive the growth of business, innovating on the latest technology, hence setting them competitively in an ever-changing marketplace.

Environmental and Social Impacts of Trade Infrastructure Development

Development of trade infrastructure has immense social implications, hence environmental, which need to be carefully managed in a sustainable manner by both investors and policymakers alike. Any stage in the infrastructure development process—operations and use included—must be pursued in a manner that will actively contribute to the sustainable and equitable utilization, as well as the preservation and conservation of ecosystems and natural resources. Each sustainability concern must be fully reflected through how the trade infrastructure is developed, how its construction is managed, and also how the continued running and maintenance of any buildings are carried out. Besides, these sustainability considerations turn out to be one important consideration during the location selection of specific infrastructure projects such as ports, roads, and other trade premises.

They play a critical role in the determination of the optimal size, while the most effective ways are being figured out through which trade infrastructure is best planned, designed, and ultimately implemented for use. The effects of trade infrastructure are very evident and therefore are not limited to just the construction and continued operation of large infrastructure projects but also the flows and entry of goods to any low points associated with borders, commonly referred to as “hot spots,” where a majority of goods will pass through.

This is a complex interplay that requires thoughtful and strategic means in terms of how development aligns with larger sustainability goals. Trade infrastructure has negative and positive impacts on the environment and society; these mixed impacts must be carefully translated into comprehensive planning and effective management of any facility, always seeking ways to mitigate or adapt to them. Unluckily, even the building of trade infrastructure, which increases accessibility and decreases distribution costs, contributes greatly to degrading the environment, which itself increases the prospect of flooding risks and jeopardises vital habitats of many species.

These could be very profound social effects, with communities displaced and an emergent

need for access to land and other basic resources for construction sites, workers, and materials needed for these ambitious projects. In the context of the above, generating new property, new job positions and all different projects that require community labour develop community member buy-in to a project, in terms of ownership, participation, etc., of the local people.

Limiting those environmental and social costs associated risks could remarkably increase long-term infrastructure performance, operational readiness, and contribute more to local buy-in. However, to guide such critical discussions, there is a great need for further detailed social and environmental assessments of any larger infrastructure projects. Such assessments can be used to translate the benefits of the project into locally acceptable frameworks and defined courses of action that resonate with the community. The mass assessment follows an in-depth process that provides very useful information to policymakers on the various proposed facilities and their alternatives. This includes data on the vulnerable groups who are going to be affected, showing where and how the adverse effects are going to take place and what offsetting measures can be taken to prevent them. Environmental and social economics can effectively be used to determine the levels of the externalities that are likely to occur, using appropriate valuation techniques and metrics of the market. The constant running of these plants, focusing on issues like maintenance, repairs and overall exploitation also tend to create negative environmental and social impacts. For example, regular honour and sweeping of unloading areas can incidentally clog waterways, causing major habitat and soil disturbance hence operations must be guided carefully towards mitigating these kinds of problems.

All these limitations must be strategically covered through the infrastructure erected and furthermore the operation of such facilities must be designed towards minimizing the said limitations efficaciously. In addition, to ensure effective control, continuous monitoring, close observation, and appropriate behavior change are required, especially when drainage capacities are expected to be more than initially estimated.

Policy Recommendations and Future Directions,

Strategic policy and recommendations include: Robust and efficient governance frameworks must be supported that allow for regular, predictable collection and dissemination of data, leading to a transparent and collaborative environment among all the stakeholders in trade and infrastructure in all countries. The reason why a strong governance framework is important is that it builds trust and reliability among its entities involved in trade and infrastructural development.

Each country and regional economic community should invest in integrated policies that not only develop the infrastructure but also tend to technological development and human capital development, which are vital drivers of sustainable economic growth. It would also be much better that the regional organizations must be motivated and work effectively in the alignment of nations through innovating solutions to complex coordination issues in finance, policy, taxation, standards, and political risks. These institutions, however, play a major role in helping nations avoid complex issues relating to international trade safely.

Policies should be constantly evaluated to ensure all the relationships now unfolding between infrastructure investment, technology, governance, trade, and labor specialization are incorporated into the policy approaches taken by governments and institutions. An adaptive approach creates space for the incorporation of new insights and experiences into existing frameworks. Besides that, one should provide for policy development of local, interregional, and environmental trade that would make a positive impact, offering innovation and quality in local and regional products and services. Such a priority is not only economically important but also from an ecological point of view.

Most importantly, technology should be leveraged to efficiently collect, process, and analyze the mountain of data available that can underline successes, reduce risks related to trade and supply chains, and inform on policy outcomes. The ability to leverage data analytics is increasingly important in today's complex trade environments. Various national trade and infrastructure agencies, together with other key stakeholders across Africa, joined the initial presentation online for the first

phase of the research project that shared data and policy recommendations. Strategies and policies were discussed, rigorously tested, and examined in minute detail in a set of regional, national, and local workshops designed to ensure that cooperation is enhanced and best practices are shared. Individual policy guidelines are presented in a “what might be done?” “ format that applies a five-block analysis framework:

1. Political economy and governance demands related to trade facilitation and infrastructure investment;
2. Infrastructure trade-offs and holistic policy design;
3. Interconnected technology, informality, and the effects of human capital investments on supply chains;
4. The key challenge of shaping an integrated regional policy environment;
5. The design of effective policies, strong partnerships, and further research. On this basis, the specific recommendations proposed to speed up harmonization and convergence in trade among regional economic communities include much more effective trading conditions as well as trade facilitation policies, adoption of technology, and improvements in infrastructure, all of which will serve as significant rewards for these communities in the pursuit of continued economic development and regional cooperation.

Conclusion and Key Takeaways

The essay has brought together a poignant and insightful synthesis of the state of AfCFTA and the richly complex landscape of trade and infrastructure across the African continent. The compelling interlinking of major infrastructure investments, the strengthening of supply chains, and the harmonization of trade policies have been done at great length. The proposition that ‘no trade will move on unmade-up infrastructure’ has deep implications for AfCFTA’s future prospects and Africa’s more general trade initiatives. The innovative Harbours-in-the-Desert initiative coupled with the inspiring example of Djibouti underscores the fact that innovative regional solutions can

indeed go beyond and transcend daunting physical and environmental realities that had heretofore tended to impede progress. More so, all the other critical takeaways mentioned in this essay have underlined the essential contribution of technology and sustainable infrastructure in this process of transformation. These cut across the intricate trinity of connectivity, enhancement of supply chains, and harmonization of trade. In addition, strong leadership in enabling and invariant driving of change, as well as the appropriate handover between political administrations so as to continue to see and advance this common vision of a better, more interconnected future of trade in Africa.

Taking these important findings together, the implications of all of these significant results are that there would be a strong and unmistakable motivation to pursue far-reaching reforms for substantial gains from trade across a diverse range of stakeholders and participants. What would also provide greater emphasis and urgency could be collaboration by committed researchers through rigor and comprehensively designed and assessed wide-ranging trade-enhancing proposals.

The enlightening results of this special issue add to the growing and expanding body of literature about various economic and social benefits related to broader market access. Further research that will logically follow some of these discussions may indeed bring to light how different industries and global firms view and overcome a number of challenges and benefits coming from investments in trade-enabling infrastructure throughout Africa.

The time to act meaningfully and do more is now; inadequate funding remains the most urgent and significant obstacle that needs to be addressed: tackling this crucial bottleneck requires coordinated support from all AfCFTA stakeholders committed to change. Meanwhile, we eagerly await the full implementation and coming into effect of all interventions designed to empower Africa to truly walk the talk of allowing trade commitments to make a real difference. Indeed, uniting for trade among ourselves is doubtless the fastest and surest way of unlocking concerted efforts to unleash the immense potential that Africa holds.

Trust Deficit: The Hidden Cost and Opportunity for the Accounting and Finance Profession



Prof. Samuel Lartey

www.pefghana.org

Introduction

Trust is the invisible currency that underpins markets, institutions, and professional credibility. For accountants and finance professionals, trust is not an abstract moral concept; it is the foundation of assurance, stewardship, compliance, and leadership. When public trust in governance erodes, as Ghana has experienced in recent years, the consequences ripple far beyond politics. They affect how financial statements are believed, how investments are priced, how taxes are complied with, and how institutions are respected.

Ghana's widely discussed trust deficit in public leadership presents both a challenge and a calling for the accounting and finance community, professionals in practice, aspiring accountants, regulators, educators, public sector finance officers, and tertiary institutions. The profession sits at the intersection of governance, transparency, and economic confidence. As such, it is uniquely positioned to

embed trust-building principles into everyday operational routines, strengthening resilience, professional success, personal fulfilment, and ethical leadership.

This feature examines how the accounting and finance ecosystem can internalise the lessons of the trust deficit and translate them into practical actions that restore confidence, enhance institutional performance, and support sustainable national development.

Understanding the Trust Deficit: Why it Matters to Accountants and Finance Professionals
Recent data illustrate why trust has become a defining issue for Ghana's economy and professions:

- 74% of Ghanaians report that corruption has increased in recent years (Afrobarometer, 2023).
 - Ghana scored 42/100 on Transparency International's Corruption Perceptions Index (CPI) 2024, ranking 80th of 180 countries.
 - The Ghana Statistical Service (GSS) Governance Series Wave 1 Report (2022) found that 18.4% of citizens who interacted with public officials paid bribes, mostly in cash, to access services.
- For accountants, these figures are not merely political indicators. They translate into:
- Higher audit risk and reputational exposure
 - Increased cost of capital due to investor scepticism
 - Weak tax morale and compliance gaps
 - Reduced confidence in financial and public-sector reporting

In low-trust environments, financial information

is discounted, controls are bypassed, and ethical professionals face pressure to compromise. Conversely, high-trust systems reward integrity with lower transaction costs, stronger institutions, and long-term prosperity.

The Role of the Accounting and Finance Community in Rebuilding Trust

1. Accountants as Custodians of Credibility

Accounting professionals, whether in public practice, corporate finance, audit, or the public sector, are custodians of financial truth. Their daily routines determine whether institutions are trusted or doubted.

Practical embedding of trust:

- Strict adherence to IFRS, IPSAS, and ISA standards, even under commercial pressure
- Zero tolerance for off-book transactions and informal payments
- Consistent professional scepticism in audits and financial reviews

Following Ghana's adoption of IPSAS accrual standards in phases since 2016, public sector accountants who applied asset recognition and liability disclosure rigorously improved transparency in ministries and metropolitan assemblies, even where political incentives favoured opacity.

2. Financial Reporting as a Trust Signal to Markets

Transparent financial reporting directly affects business resilience and access to finance.

Indicator	Low-Trust Environment	High-Trust Environment
Cost of borrowing	High risk premium	Lower interest margins
Investor behaviour	Short-term, speculative	Long-term, patient capital
Audit reliance	Questioned	Respected
Business resilience	Fragile	Adaptive and stable

According to the World Bank (2022), countries with stronger financial transparency frameworks attract up to 20–30% more foreign direct investment (FDI) than peers with weak disclosure regimes.

For Ghanaian firms, accountants who ensure accurate reporting, timely audits, and credible disclosures directly contribute to investment attractiveness and enterprise survival.

Embedding Trust in Daily Professional Routines
A Trust-Centred Operational Model

Ethical Values

Transparent Systems

Consistent Reporting

Institutional Credibility

Economic and Professional Resilience

Step	Description
Ethical Values	Commitment to integrity, honesty, and ethical standards in all professional actions.
Transparent Systems	Implementation of processes and platforms that allow clear, verifiable, and open access to information.
Consistent Reporting	Regular, accurate, and verifiable reporting of financial and operational activities.
Institutional Credibility	Building the reputation and reliability of organizations through integrity and accountability.
Economic and Professional Resilience	Ensuring that both organisations and professionals can withstand challenges, attract investment, and maintain trust-based relationships.

This trust chain breaks when shortcuts are taken, but it strengthens when embedded into routine decisions.

1. Ethics Beyond Compliance

Professional ethics should move from exam-tested knowledge to daily behavioural norms.

- Refusing facilitation payments, even when “everyone does it”
- Escalating irregularities through proper governance channels
- Protecting whistleblowers and internal controls

Research by the ACCA (2021) shows that organisations with strong ethical cultures experience up to 40% fewer fraud incidents than those relying only on procedural controls.

2. Public Sector Accountants: Restoring Faith in the State

Public finance professionals play a pivotal role in reversing political distrust.

Key trust-building actions include:

- Transparent budget execution reporting
- Real-time publication of procurement and payment data
- Enforcing commitment controls to prevent arrears accumulation

The GIFMIS platform, operational nationwide by 2018, significantly reduced ghost payments when fully utilised. Its effectiveness, however, depends on the integrity and competence of accountants who operate it.

Aspiring Accountants and Tertiary Institutions: Shaping the Next Trust Leaders

Accounting education must address the trust deficit not only through technical training but also through leadership development.

Curriculum Priorities for Tertiary Institutions

Area	Traditional Focus	Trust-Oriented Enhancement
Financial accounting	Standards and rules	Ethics, judgement and consequences
Auditing	Procedures	Professional scepticism and courage
Taxation	Computation	Tax morale and public value
Governance	Theory	Case-based integrity failures

Embedding real Ghanaian case studies, such as lessons from the financial sector clean-up (2017–2019, costing over GH¢21 billion), helps students understand the cost of weak oversight and compromised ethics.

Trust, Wellbeing, and Leadership in the Profession

Trust is also personal. Professionals operating in ethical environments experience:

- Lower stress and burnout
- Higher career satisfaction
- Stronger leadership credibility

A Harvard Business Review (2020) study found that employees in high-trust organisations report 76% more engagement and 50% higher productivity than those in low-trust settings.

For accounting leaders, integrity is therefore not only moral it is strategic.

The Accounting and Finance Community as Partners in National Governance

Professional bodies, firms, regulators, and educators must act collectively:

- Professional bodies: Enforce discipline consistently, not selectively
- Firms: Reward ethical behaviour, not only revenue generation

- Regulators: Strengthen inspection and quality assurance regimes
- Academia: Produce accountants who value public interest over short-term gain

When accountants are seen as neutral, principled, and competent, they help close the trust gap between citizens, markets, and the state.

Conclusion

The trust deficit confronting Ghana is not solely a political problem; it is a professional and institutional challenge with direct implications for accounting, finance, and economic leadership. In an environment where public

confidence is fragile, accountants and finance professionals are among the most powerful architects of credibility.

By embedding transparency, ethical judgment, and accountability into everyday operational routines across public, private, and academic spheres, the accounting and finance community can transform trust from a national weakness into a competitive and moral advantage.

Resilience, professional success, and authentic leadership flourish where trust is practised daily, not merely proclaimed. In rebuilding trust, accountants do more than balance books; they help balance society itself.

Building Investor Trust in Financial Reporting: The Accountants' Fiduciary Responsibilities



Julius Opuni Asamoah

According to the Black's Law Dictionary, "a fiduciary is defined as a person who holds a position of trust and confidence, similar to that of a trustee and is legally bound to act in good faith and primarily for the benefit of another party".

Fiduciary accounting is a specialised field that demands precision and adherence to ethical standards. It involves managing financial

affairs on behalf of another, a responsibility that carries with it legal obligations to act in the best interest of beneficiaries or clients. The significance of this role cannot be overstated, as fiduciaries are entrusted with the stewardship of assets that can have profound impacts on individuals' financial futures.

The complexities of fiduciary accounting require not only a deep understanding of financial mechanisms but also an unwavering commitment to ethical conduct. This dual requirement ensures that those who rely on fiduciaries can do so with confidence, knowing their interests are being managed with both expertise and integrity.

The bedrock of fiduciary accounting lies in its principles, which guide the behaviour and decisions of fiduciaries. These principles are not merely suggestions but are integral to the practice, ensuring that fiduciaries conduct their duties with the highest level of professional responsibility. They serve as the compass by which fiduciaries navigate the complexities of their role, ensuring that their actions align with the expectations and trust placed upon them. Fiduciaries are tasked with the preparation

and presentation of financial reports that accurately reflect the financial status of the trust or estate they manage. These reports must be comprehensive, including all income, deductions, gains, losses, and distributions. Accounting regulations provide a framework for fiduciaries to determine how to allocate receipts and disbursements between principal and income, a distinction that affects beneficiaries differently depending on their interests in the trust or estate.

Financial reporting is a key communication tool between companies and investors, providing essential information to assess financial health and make informed decisions. The integrity of these reports is paramount; without trust, investor confidence can erode, potentially leading to market instability. Accountants working in all spheres of endeavours must embrace quality financial reporting. Quality financial reporting is essential for maintaining trust and confidence in financial markets, as it provides stakeholders, such as investors, creditors, and regulators, with reliable and accurate information for decision-making.

Trust in financial reporting is fundamental to the relationship between companies and investors. Trust enhances the credibility of financial statements, allowing investors to feel confident in the Accountants' work. This confidence extends to trusting the processes and controls that companies have in place to ensure the integrity of their financial reporting. During economic uncertainty, investors seek reassurance that the financial information they receive accurately reflects their companies' true financial position. Trustworthy financial reporting can mitigate fears of misstatements or fraudulent activities, which can severely impact investor confidence and market stability. Companies that consistently demonstrate transparency and accountability in their reporting practices are more likely to maintain investor trust, even in challenging times.

To build and maintain investor trust, financial statements must embody certain key elements. These elements ensure that the information presented is credible and useful for decision-making. Among these elements, accuracy and reliability, transparency and clarity, and consistency over time are fundamental components. Accuracy and reliability are the cornerstones

of trustworthy financial statements. Investors depend on precise data to evaluate a company's performance and make informed decisions. This requires that financial statements are free from material misstatements, whether due to error or fraud. Companies achieve this by implementing robust internal controls and adhering to established accounting standards like the International Financial Reporting Standards (IFRS). These frameworks provide guidelines that help ensure financial data is recorded and reported consistently and accurately. Regular audits by independent third parties enhance the reliability of financial statements, serving as an external validation of the company's financial reporting processes.

Transparency and clarity in financial reporting are essential for fostering investor trust. Transparent financial statements provide a clear view of a company's financial position, performance and cash flows. This involves not only presenting the numbers but also offering detailed explanations and disclosures that help investors understand the context behind the figures. Clarity is achieved by avoiding overly complex language and ensuring that financial reports are accessible to a broader audience. Companies can enhance transparency by providing forward-looking information, such as management's discussion and analysis, which offer insights into future prospects and potential risks.

Consistency over time is critical for the trustworthiness of financial statements. Investors value the ability to compare financial data across different periods to identify trends and assess a company's performance trajectory. Consistency in financial reporting practices ensures that such comparisons are meaningful and reliable. This involves maintaining uniform accounting policies and procedures from one reporting period to the next, unless a justified change is necessary. When changes occur, companies should provide clear explanations and restate prior periods if needed to maintain comparability.

Trust significantly influences investor decision-making. When investors have confidence in a company's financial reports, they are more likely to engage in long-term investments. This trust fosters a sense of security, encouraging investors to allocate their capital to companies whose financial statements they believe

in. Businesses with trustworthy reporting practices often enjoy a broader investor base and greater access to capital markets.

The presence of trust in financial reporting also influences the level of scrutiny investors apply to their analysis. Investors who trust the information provided are more inclined to focus on strategic factors such as growth potential, competitive positioning, and market conditions. This allows them to make more informed decisions regarding portfolio diversification and risk management. A lack of trust may prompt investors to prioritise verifying the accuracy of financial data and diverting attention from other critical investment considerations.

Trust in financial reporting can impact investor behaviour during times of market volatility. In uncertain environments, trusted financial statements provide a reliable foundation for decision-making, reducing the likelihood of panic selling or hasty investment choices. Investors who trust the integrity of a company's financial information are more likely to remain committed to their investment strategies, even when faced with external pressures. This stability contributes to market resilience; as individual investor confidence collectively supports broader market confidence.

Auditing is a vital mechanism for building trust in financial reporting, acting as an independent verification of a company's financial statements. By subjecting financial records to rigorous examination, audits provide assurance that the data presented is accurate and in compliance with relevant accounting standards. This process enhances the credibility of financial reports and reinforces investor confidence by demonstrating a commitment to transparency and accountability.

The role of external auditors is significant in this trust-building process. As independent parties, they bring an unbiased perspective, crucial for identifying potential discrepancies or areas of concern. Auditors employ a range of techniques, such as analytical reviews and substantive testing, to scrutinise financial records thoroughly. Their findings and opinions, typically presented in an audit report, offer valuable insights into the integrity of a company's financial reporting, serving as a key resource for investors seeking to make

informed decisions.

Trust and corporate governance are intricately linked; as strong governance frameworks are essential for fostering investor confidence. Effective corporate governance ensures that companies are managed in a way that aligns with the interests of shareholders and other stakeholders. This alignment is achieved through a set of practices, policies, and procedures designed to uphold accountability, fairness, and transparency within the organisation. By establishing clear roles and responsibilities for the board of directors, executives, and management, corporate governance helps mitigate the risk of unethical behaviour and financial misstatements.

One of the core components of corporate governance that bolsters trust is the presence of independent directors on boards. These directors, who are not involved in the day-to-day operations of the company, provide an objective perspective and hold management accountable for their actions. Their independence is crucial for ensuring that decisions are made in the best interest of shareholders, rather than being swayed by internal biases or conflicts of interest. Additionally, corporate governance frameworks often include committees, such as audit and risk committees, which focus on specific areas of oversight. These committees provide an additional layer of scrutiny, further strengthening the integrity of financial reporting and reinforcing investor trust.

Effective communication is a powerful tool for enhancing trust in financial reporting. Companies that engage in open and transparent dialogue with their investors foster a sense of confidence and reliability. This communication goes beyond the publication of financial statements, extending to regular updates, press releases, and investor presentations that provide insights into the company's strategy, performance, and future outlook. By proactively addressing investor concerns and questions, companies demonstrate their commitment to transparency and accountability.

The role of technology in facilitating effective communication cannot be overlooked. Digital platforms, such as company websites and social media channels, offer powerful avenues for disseminating information quickly and

efficiently. Companies can leverage these tools to engage with investors in real-time, providing timely updates and responding to inquiries. Virtual investor meetings and webcasts have become increasingly popular, allowing companies to connect with a broader audience, regardless of geographic constraints. By embracing these technologies, companies can enhance their communication strategies, ensuring that investors have access to the information they need to make informed decisions.

The quality spectrum of financial reports ranges from low-quality to high-quality disclosures, reflecting varying levels of accuracy, transparency, and relevance in financial reporting. At the lower end of the spectrum, low-quality reports may contain incomplete or misleading information, lack clarity, and fail to adhere to accounting standards, potentially resulting in misinformation for stakeholders. As we move towards higher quality, reports become more comprehensive and user-friendly, featuring timely disclosures that are both relevant and reliable.

High-quality financial reports exhibit transparency, offering a clear view of a company's financial health and performance while providing sufficient context for understanding the numbers presented. Factors such as regulatory compliance, auditor independence, internal controls, and corporate governance practices significantly influence where a financial report falls on this spectrum. Ultimately, understanding the quality spectrum helps stakeholders assess the reliability of financial information and make informed decisions, reinforcing the importance of striving for high-quality reporting practices in organisations.

Measuring the quality of financial reporting involves assessing several critical factors that contribute to the reliability and usefulness of financial statements. Key metrics include accuracy, relevance, transparency, and consistency in reporting practices. Tools such as ratio analysis, frequency of restatements, and the assessment of internal control effectiveness provide insights into the integrity of reported information. Additionally, the adherence to established accounting standards like IFRS, is

vital for ensuring comparability and consistency across financial reports. Stakeholder feedback, along with benchmarking against industry peers, can further enhance the evaluation process by highlighting areas for improvement. By systematically analysing these elements, stakeholders can gauge the quality of financial reporting and its impact on informed decision-making.

While high-quality financial reporting is widely advocated, there are several arguments that raise skepticism about its feasibility and effectiveness. One major concern is the significant cost and resource burden associated with implementing and maintaining rigorous financial reporting standards, which can disproportionately affect smaller firms and start-ups. Critics argue that the complexity of accounting standards may lead to information overload, making it difficult for stakeholders to extract relevant insights and leading to potential misinterpretation of financial data. Additionally, there is a viewpoint that emphasises the inherent subjectivity in certain accounting estimates and judgments, which can result in inconsistencies and biases in financial reporting.

To conclude, some stakeholders argue that the focus on compliance with accounting standards may detract from the real economic performance of companies, as businesses may engage in box-ticking behaviour rather than prioritising transparency and meaningful disclosures. Moreover, the argument exists that financial reporting may not adequately capture a company's long-term value or intangible assets, such as brand equity and customer loyalty, leading to a skewed view of financial health. In an increasingly dynamic business environment, critics assert that traditional financial reporting practices may lag behind the needs of modern stakeholders, necessitating a re-evaluation of how financial information is presented and interpreted. These arguments highlight the complexities and challenges surrounding the pursuit of high-quality financial reporting and suggest a need for ongoing dialogue and innovation in the field.

The Education Irony: When University Degrees Lead to Unemployment and Despair



Julius Opuni Asamoah

The current generation of students is grappling with a significant mental health crisis due to graduate unemployment, with implications that extend beyond campus boundaries to affect society as a whole. This crisis manifests in various forms, including anxiety, depression, eating disorders, substance abuse and in the extreme, suicidal thoughts. Practitioners have stated that Generation Z (Gen-Z, individuals born after 1996) exhibits the poorest mental health of any generation due to graduate unemployment.

While students entering higher education may already be stressed, higher education itself may be contributing to these problems, or even magnifying them. The emergence of identity politics has contributed to an era characterised by grievance and rage. Grievance magnifies our wounds and intensifies hatred toward those with differing views. These cognitive distortions can cause individuals to perceive the world negatively, leading to negativities. Common cognitive distortions include emotional reasoning, catastrophising, over-generalising, binary thinking, mind reading, labelling, discounting positives and game blaming.

Concerns have been raised about the effectiveness of higher education in equipping students for professional life, including soft

skills. As a result, many employers view Gen Z as indolent, uncooperative and ill-prepared for the demands of the workplace. Despite their academic achievements when it comes to theoretical knowledge, these graduates often lack the practical experience and interpersonal skills needed to succeed in the workplace. These findings emphasise a pressing need for higher education institutions to reassess and potentially redesign their curricula to better align with the evolving demands of the modern workplace. The disconnect between education and employability must be addressed. However, these University graduates think they are very well prepared in the same skills they view as the most important for success, including the ability to work effectively at the workplace.

Given the growing number of companies adopting skills-based hiring and eliminating University degree requirements, especially for middle-skill job, it is no wonder that innovative education models like apprenticeships are gaining traction. These alternative pathways offer a viable route to career success for individuals who may not benefit from traditional education.

Changes are necessary, and higher education must avoid the “Kodak effect”, a term used to describe organisations that face severe consequences for failing to innovate and evolve, clinging to outdated practices despite a changing environment. Kodak’s reluctance to adopt digital imaging, an innovation it had originally developed, was primarily due to its substantial profits from film sales.

This global world is inherent with binary thinking. This type of irrational thinking, known as dualistic or black-and-white thinking, involves categorising people or events into two opposing and mutually exclusive groups, such as good or bad, right or wrong, and us or them. Binary thinkers tend to see the world in terms of extremes, ignoring the possibility of compromise or middle ground. This can result in dogmatic and uncompromising attitudes that negatively impact their relationships, reasoning and decision-making. This mindset can lead

to conflict and bias and hinder one's ability to be creative and open-minded. The hyper partisanship we see today, which is causing gridlock and dysfunction in governance, is a manifestation of binary thinking.

Psychologists refer to this phenomenon as splitting, a method of coping with anxiety by reducing reality to extremes. This is why binary thinkers use absolute terms like always, never and completely. It is often associated with borderline personality disorder. Splitting can make it challenging to connect with others who hold different views or come from diverse backgrounds, and it can also lead to emotional instability, aggression, and psychological distress. Additionally, it can undermine societal values such as love, peace, justice, and unity. One can easily envision the challenges of teamwork when working with binary thinkers. Institutional practitioners warn of the dangers of pathological dualism, a harmful way of thinking that divides people into two extreme categories: the perfectly good and the absolutely evil. This black-and-white view can lead to dehumanisation and demonisation of others, making it easier to justify violence against them. It can also create a sense of victimhood, absolving individuals of moral responsibility and allowing them to rationalise harmful actions in the name of a greater cause. Educators who employ simplistic binary thinking to understand the world unintentionally harm their students. By framing history and society in terms of rigid "oppressor" and "oppressed" or "colonisers" and "colonised" categories, teachers are oversimplifying complex issues and fostering a divisive worldview. This can foster harmful attitudes like ignorance, hate and intolerance.

Many academics criticise organised theoretical education for its mistakes and inconsistencies. However, they often fail to understand that while deficiencies should not be ignored, accomplishments should also be recognised. Although many tertiary institutions have made serious errors over the past millennium, such as the numerous dwelling graduate unemployment, one should not overlook their prevalence.

There are mindless thinking and superficial listening. While binary thinking reduces complexity into two opposing extremes, mindless thinking is characterised by a lack of

reflection, careful thought, and engagement. This results in a superficial understanding that ignores the intricacies involved. Mindless thinking is the opposite of critical thinking of pragmatic tertiary education. Critical thinking of this type of education involves honing our ability to construct sound arguments and evaluate the arguments of others while minimising logical errors and flawed reasoning. Cultivating good critical thinking of pragmatic education begins with fostering a culture of deep listening among students. Deep or active listening is a powerful way of showing that one cares. This means listening to what those who disagree with us say. In both discussions and negotiations, active listening is crucial. It allows individuals to accurately comprehend opposing viewpoints, connect them to their own arguments and build bridges of understanding between different perspectives.

This skill enhances cognitive abilities, public speaking skills, and overall communication. In negotiations, active listening is essential for successful outcomes. By attentively focusing on the other party's words, understanding their perspective, and respecting their ideas, negotiators can gain valuable information, identify common ground, build trust and avoid misunderstandings in theoretical education. Failure to listen actively can lead to serious errors and hinders the negotiation process, making reaching a mutually beneficial agreement difficult or impossible.

Critical thinkers are not only good listeners but they also understand how to evaluate and interpret information. This means that they have to be able to distinguish between cogent arguments and logical fallacies. The internet is rife with disinformation and misinformation and the inability to differentiate between the two can lead to distorted thinking.

While spotting logical fallacies is essential for critical thinking, it is equally important to be aware of cognitive biases. These mental shortcuts, which we use to process vast amounts of information, can significantly distort our perception of reality. Even those skilled at spotting logical flaws may struggle to think critically if they are unaware of their own biases.

The fact still remains that many believe that higher education institutions fail to cultivate

critical thinking skills. A prevalent belief exists that a good number of universities prioritise indoctrination over teaching students how to think independently. In 2021, J. D. Vance delivered a speech at the National Conservatism Conference titled “The Universities are the Enemy” During this address, he strongly criticised American institutions of higher learning. Vance characterised colleges as hostile institutions and claimed they conduct research that gives credibility to some of the most ridiculous ideas. He also stated his intention to aggressively attack the universities in his country. Some believe that this was probably an exaggeration because there was little evidence that colleges are obsessed with woke indoctrination, but much of the public believes them. This may partially explain why confidence in higher education institutions is now so low.

Some companies are talking about diversity and belonging rather than diversity and inclusion because the latter reduces individuals to victim or villain and often alienates co-workers. Some believe these programmes, particularly in higher education, have become platforms for promoting specific political agendas. While appreciating one’s heritage can foster a sense of pride, excessive emphasis on identity politics can lead to oversimplified views of individuals. By defining people solely by a single characteristic, we risk perpetuating harmful generalisations and binary thinking that ignores the complexity of human identity. Those who engage in identity politics may fall into the trap of believing their group is inherently superior or inferior or viewing the other group as fundamentally unacceptable or ignorant. This kind of thinking overlooks the strengths and weaknesses that exist within all groups; that whether free education is the magical rod to increase graduate volumes or solve graduate unemployment.

There is diversity of views regarding the efficiency and effectiveness of current University education. This diversity encompasses more than just visible differences. It also includes a variety of perspectives and beliefs. In a truly inclusive environment, we recognise that individuals naturally hold differing viewpoints. While we may not always agree with every opinion expressed, supporting each person’s right to voice their thoughts respectfully is crucial. Embracing diversity means creating

space for a range of ideas and fostering an atmosphere where differing opinions can be shared and discussed openly.

Having negotiation and conflict resolution skills are highly beneficial in a work environment. These abilities are crucial for promoting healthy relationships, improving team communication, building colleague trust, reducing stress and nurturing a positive organisational culture. Binary thinking may be exacerbating an ability to compromise and resolve conflicts. By managing conflicts well, teams can stay focused and cohesive and reach their goals more cohesively, resulting in increased efficiency and higher productivity.

In this working world, intellectual humility is vital. Intellectual humility contrasts with arrogance and the belief in one’s intellectual superiority. It involves recognising the limits of one’s knowledge and the possibility of being wrong in one’s views. This mindset accepts that no one has all the answers and that even our most deeply held convictions might be flawed. Critical elements of intellectual humility include openness to new ideas, avoiding rigid, dogmatic thinking, acknowledging personal limitations and maintaining a willingness to learn. This approach fosters an environment that supports individual growth, knowledge acquisition and effective teamwork. Intellectual humility is closely related to tolerance and broad-mindedness. People should be aware of their intellectual limitations; listening to others’ perspectives on a particular issue is essential.

It makes little sense for academics to be intellectually arrogant. The academic world often cultivates an atmosphere of disciplinary elitism, also known as *déformation professionnelle*, reinforcing the notion that scholars believe they know everything. The term “vocational” is frequently used as a pejorative in higher education to malign departments (e.g., accounting, finance, MIS, and marketing) that teach workplace skills. This perception of elitism is amplified by frequent squabbles between departments about who teaches what courses and where the boundaries of academic fields lie. These conflicts suggest that many professors prioritise protecting their specific disciplines or sub-disciplines over encouraging students to learn from various sources and viewpoints. This approach prioritises academic turf wars

over a more inclusive and interdisciplinary approach to knowledge.

Educators who cling to the misconception of infallibility pose a significant societal risk. History demonstrates that individuals certain of their moral correctness have often caused immense suffering by attempting to reform or eliminate those with differing perspectives.

In the era of digitisation and AI, where information is growing exponentially and required skills are rapidly evolving, employees who cannot quickly acquire new knowledge and adapt may struggle to remain valuable. For an organisation to thrive today, it must be agile and frequently reinvent itself. To survive, it may have to reinvent itself. Organisational agility is impossible without employee creativity and adaptability; moreover, management must actively encourage and support change.

Agility requires a passion for learning new ideas. There are questions about whether higher education institutions are in deep trouble. Many have a mindset that might have made sense in the industrial age but is irrelevant to the information age. Higher education institutions may become the poster child for industries that have become fossilised despite the enormous changes in society and technology.

Furthermore, higher education must undergo a fundamental transformation to remain relevant, ensuring that University graduates are both engaged citizens and skilled contributors to a rapidly evolving economy. They must encourage students to acquire new knowledge and skills and not suffer from intellectual arrogance. Some academics engage in a practice known as “citation cartels”, where they cite each other’s work excessively to inflate the perceived impact of their research. This dishonest tactic manipulates the citation system, making articles seem more influential than they actually are.

One possible suggestion for converting ethical theories into ethical behaviours is to incorporate critical thinking into the study of ethics. At the very least, it can make students aware of real-life ethical dilemmas that await them. Critical thinking is essential for developing ethical thinking in students. Practitioners argue that teaching morality and ethics without fostering critical thinking can result in students being indoctrinated with the teacher’s moral perspective rather than developing their own ethical reasoning.

To conclude without scrupulous care, we merely pass on to students our own moral blindness, moral distortions and closed-mindedness. Certainly many who trumpet most loudly for ethics and morality in the Universities merely want students to adopt their ethical beliefs and perspectives, regardless of the fusion of insight and prejudice those beliefs and perspectives doubtless represent. They take themselves to have the truth in their pockets. Although no university has perfectly implemented the full spectrum of modern reform ideas proposed in all discourses, many are making some progress in specific areas.

Successful change hinges on integrated wellness programmes that blend mental health with academic skills; learning models that embed professional skills within academic subjects; teaching methods that encourage intellectual diversity and adaptability; and inclusive frameworks that address various forms of marginalisation. Effective initiatives are characterised by collaborative teams, strong feedback systems and partnerships with industry and the community. Universities must balance innovation with tradition, using technologies like AI-powered assessments and accommodations for diverse learners, to create personalised learning paths, to become more employable.

TECHNOLOGY CORNER

AI changes forecasting — But governance still wins

By: Martin Hoff

Why explainability and oversight will matter more than automation alone in Compliance Program Management

Artificial Intelligence (AI) is rapidly entering the compliance function—from horizon scanning and obligation mapping to risk scoring, testing, and continuous control monitoring. These AI enabled capabilities promise speed: faster issue detection, quicker risk assessments, and more efficient reporting. Yet leading institutions are discovering a decisive truth: automation without governance undermines compliance credibility. In a world of heightened regulatory scrutiny, it's the ability to explain and evidence how conclusions were reached—not just how quickly—that protects the organization.

Speed vs. defensibility is a false choice

AI can dramatically compress compliance workflows, but models that lack transparency create new risks: opaque logic, inconsistent outcomes across business units, and difficulty showing regulators a clear chain of reasoning. The winning approach treats speed and defensibility as complementary. Compliance teams move faster because they operate inside a governed framework—one that documents model intent, enforces ownership and approvals, and ensures

consistent control execution and evidence collection.

Explainability is the new baseline for compliance

When a model flags heightened risk, investigators, auditors, and regulators will ask: Which data drove the alert? What features mattered most? How stable is the model across populations? Explainability isn't just a model feature; it's an institutional capability embedded across the compliance lifecycle. It enables second line and audit functions to validate results, supports fair and consistent decisioning, and creates an evidence trail that stands up to inspection. With AI in the mix, "show your work" becomes non negotiable.

Oversight turns AI output into trusted action. Effective Compliance Program Management blends human judgment with automated guardrails:

- o Data lineage and quality: establish traceability from sources through transformations, with accountable owners.
- o Model governance: maintain versioning, documentation, approvals, and performance thresholds; monitor drift and bias.

o Policy control mapping: link obligations to policies, controls, tests, and issues for clear traceability from law to evidence.

o Standardized workflows: drive consistent investigation, escalation, and remediation steps—with auditable timestamps.

o Continuous assurance: automate testing where appropriate, and capture artifacts to support internal audit and regulator inquiries.

These controls don't slow the program down; they reduce rework, variance, and repeat findings—shortening time from alert to resolution.

How Compliance Program Management operationalizes AI governance

A mature CPM platform unifies obligations, risks, controls, testing, issues, and reporting in one governed environment. With AI augmenting tasks like obligation monitoring or control testing, CPM provides the structure to keep outputs explainable and defensible: a single source of truth across lines of defense; embedded approvals and attestations; role based workflows; and evidence repositories that tie every decision back to policy, control, and data lineage. The result is not just faster compliance work, but better, provable compliance.

What leaders can do now

1. Start with governance requirements, not algorithms: define documentation, approvals, and evidence standards up front.

2. Codify obligation to control mapping and link tests, issues, and actions for end to end traceability.

3. Implement model risk controls for any AI that informs compliance decisions (validation, monitoring, bias checks, drift).

4. Instrument explainability in workflows so investigators and auditors can see drivers and rationale by default.

5. Measure trust: track examination questions resolved without findings, repeat finding rates, cycle time from alert to closure, and evidence completeness.

Bottom line

AI will make compliance faster and more proactive. But in Compliance Program Management, trust—grounded in explainability and oversight—is the real differentiator. The organizations that win won't simply automate more; they'll pair automation with disciplined CPM governance so every alert, assessment, and decision is timely, consistent, and defensible.

Source: <https://www.wolterskluwer.com/en/expert-insights/ai-changes-forecasting-but-governance-still-wins>

<https://www.ifac.org/search>

TECHNICAL MATTERS

Achieving Three Capacity Building Goals in Ghana

Darlene Nzorubara, Annie Brinich

In 2022, IFAC, with funding from Gavi – the Vaccine Alliance and the Global Fund to fight HIV/AIDS, Tuberculosis and Malaria, and in collaboration with the Pan African Federation of Accountants (PAFA), began implementation of a capacity building project in support of the Institute of Chartered Accountants Ghana (I.CAG). The partnership between IFAC, Gavi and The Global Fund focuses on building the capacity of professional accountancy organizations (PAOs) and their members to support resilient and sustainable health systems in lower-income countries. Gavi and The Global fund both invest in Public Financial Management (PFM) and acknowledge the role of accountancy capacity in maximizing the effectiveness and impact of their lifesaving disbursements of funds for public health initiatives, while mitigating the risks of fraud and misappropriation of funds.

This project had three main goals:

1. Update ICAG’s professional qualification; train trainers and examiners in the updated professional qualification
2. Update ICAG’s information communication technology (ICT) system to deliver the updated professional qualification more effectively
3. Update ICAG’s Quality Assurance Monitoring (QAM) unit

Goal #1: Update ICAG’s professional qualification and train trainers and examiners in the updated professional qualification

Strengthening accountancy capacity in the public health sector helps to create more

resilient and sustainable public financial management systems, capable of supporting robust public health services. The first of the project’s capacity building goals was to update ICAG’s professional qualification for developments in accountancy with health sector elements, specifically. The updated ICAG qualification is a high-quality, relevant qualification. Designed to serve both the private and public sectors, the revised syllabus of this professional qualification aligns with evolving global standards and addresses critical knowledge gaps in previous syllabi. One of the most notable enhancements is the revamped Public Sector Accounting & Finance module, which now places a stronger emphasis on the International Public Sector Accounting Standards (IPSAS).

The project also supported the development of learning materials for students and practical guidance for tutors—ensuring a seamless transition to the new curriculum. The initiative has already demonstrated its impact: in November 2024, 16,000 students sat for the first exams under the updated qualification. By 2026, projections estimate that up to 20,000 students will have enrolled in the new professional qualification framework.

Training trainers and examiners in the updated professional qualifications was also important to this goal. Trained trainers can effectively educate and assess young professionals on the requirements of the new program. These efficient and knowledgeable ICAG trainers and examiners will enhance the perception of the ICAG designation, boosting ICAG’s reputation and ultimately increasing its revenue.

Goal #2: Update ICAG's ICT system to deliver the updated professional qualification more effectively

This project goes beyond curriculum reform—it is also a transformative leap in the digitalisation of professional accountancy education in Ghana. Goal #2 of the project included partial digitalisation of ICAG's learning and development system to improve delivery of the updated qualification.

At this time, ICAG Level 1 examinations have been fully digitalised, with plans to expand digital access to Levels 2 and 3 in December 2026. This shift not only modernizes the examination process but also expands access to remote learning and testing, helping more aspiring accountants across the region to pursue and attain professional credentials.

Delivering the ICAG professional qualification in a consistent manner across the country, with examination procedures that align with international good practice, will ideally lead to improved pass rates and faster graduation for candidates. This, in turn, will boost the number of qualified professional accountants in Ghana.

Goal #3: Update ICA Ghana's Quality Assurance Monitoring (QAM) unit

As a part of the capacity building project, ICAG's Quality Assurance Monitoring (QAM) unit was updated with consideration to the new International Standards on Quality Management and ISA 220 (Revised). The project developed curricula that included a simulated audit review based on these updated materials. ICAG trained eight reviewers and its QAM Director and performed one inspection visit to a firm in Ghana.

Going forward, the QAM Unit will monitor the implementation of the new guidelines in inspections of the firms. It will assess the level of compliance to the new quality standards by practicing firms in Ghana. The group will also assess the implementation of Investigative and Disciplinary processes in line with the IFAC Statement of Membership Obligations #6 on practicing firms that deviate from the quality standards.

To make the most of this update, the project took PAFA's more generic guidance on Quality Assurance Review (QAR) and tailored it to Ghana's unique local requirements. Ghana was the first jurisdiction to tailor PAFA's updated guidelines to local requirements, which provided useful feedback to PAFA on adapting QAR to a specific jurisdiction's requirements. Sharing resources in this way provides value for both ICAG and PAFA.

“Strong accountancy capacity saves lives,” Alta Prinsloo, of the Pan African Federation of Accountants (PAFA), said of the project. “When qualifications are modern, delivery is digital, and audit quality is enforced, public resources reach the people they are meant to serve. With IFAC and our health partners, we are helping ICAG build a model that can scale across Africa.”

Overall, improvements by this project to the QAM Unit enables ICAG to effectively regulate audits in the country, thereby enhancing the quality of the external audit assurance function. This in turn strengthens service delivery and trust in Ghana's public health system.

All three of these accomplishments create improved visibility for ICAG, especially by the government of Ghana, with whom ICAG can act as a partner in the implementation of accrual-based IPSAS in the country. This paves the way for the ICAG to be seen as a knowledge partner, providing key input to government policy from the perspective of the profession and enhancing ICAG's contribution to public health and society as a whole. Lenders, donors, and development partners will have increased confidence that public finances are being managed properly and in accordance with international best practice, and money is used for the purposes intended. Citizens and other stakeholders in public services will have access to financial information that is accurate, up to date, and in accordance with international standards.

Kwasi Agyemang, the then CEO of ICAG, said of the project:

“IFAC's PAO capacity-building initiatives have been instrumental in shaping the strategic direction and advancement of the accountancy

profession in Ghana. Through collaborations with global partners such as GAVI – the Vaccine Alliance, and the Global Fund, these initiatives have significantly modernized our professional qualification framework by introducing a world-class syllabus, comprehensive learning materials, and the digitalisation of assessment processes. Furthermore, our quality assurance and monitoring manuals have been updated to align with international best practices. Collectively, these initiatives have generated a multiplier effect, extending their benefits beyond ICAG to other professional accountancy organizations (PAOs) across the region.”

Adda Faye, Chief Financial Officer of the Global Fund, stated:

“Sustaining public health outcomes requires embedding health programs within national systems, underpinned by strong public financial management (PFM) that ensures accountability, transparency, and institutional

resilience. To enable this, the Global Fund invests in professional development as a lever to build trust, drive efficiency, and strengthen governance to advance long-term health financing objectives.”

François Note, Chief Financial Officer of Gavi :

“Building country systems remains a key strategic objective of Gavi. Our investment in such a capacity-building initiative goes a long way in demonstrating our commitment to strengthening and effectively using country systems to reduce fiduciary and financial management risk. This while meeting our core objective of leaving no child behind.”

Source: <https://www.ifac.org/knowledge-gateway/discussion/achieving-three-capacity-building-goals-ghana>

MOTIVATIONAL QUOTES

**“Be happy for what you have, while working for what you want.”
— Helen Keller**

**“Happiness is when what you think, what you say, and what you do are in harmony.”
— Mahatma Gandhi**

**When you love, everything will come right. Love has its own action. Love, and you will know the blessings of it.
- Krishnamurti**

**“Being deeply loved by someone gives you strength, while loving someone deeply gives you courage.”
— Lao Tzu**



Accountancy House, off Trinity Avenue, Okponglo East Legon, Accra

054 433 6701 /2 | 027 78014 22/3/4

P.O.Box GP 4268 Accra, Ghana

Digital Address: GA - 416 - 9906

www.icagh.org

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