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Ghana

Employer's insurance guide

4 chapters · every source listed



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Employer's insurance guide 2026: workmen's compensation & compulsory covers

For employers and business owners in Ghana: what a work injury costs under the Workmen's Compensation Act, and the public liability, professional indemnity, building and marine insurances the law requires.

This guide puts together 4 pages of Tulinde Ghana (tulinde.africa), word for word. Each chapter states the date it was last reviewed; the 4 sources are listed at the end. Compiled on 28 October 2026. Laws, prices and rules change: check the online version of each chapter (its address is under its title) before you rely on it.

Contents

1. **Business insurance in Ghana: the covers the law requires** — reviewed 31 October 2026
2. **Workmen's compensation in Ghana: what the employer owes after a work injury** — reviewed 31 October 2026
3. **Workmen's compensation calculator (Ghana)** — reviewed 31 October 2026
4. **Home and building insurance in Ghana: household cover and the compulsory commercial building insurance** — reviewed 31 October 2026
5. **Sources**

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Chapter 1

Business insurance in Ghana: the covers the law requires

Reviewed 31 October 2026 · online: https://tulinde.africa/gh/business-insurance/

Short answer Checked 31 October 2026

The **Insurance Act, 2021 (Act 1061)** makes four business insurances compulsory for the businesses its Second Schedule lists: **public liability** (office spaces, banks, shopping malls, factories, hospitals), **professional indemnity** (accountants, medical doctors, insurance practitioners, lawyers, financial and investment analysts), **commercial building** insurance, and **marine insurance** of imported goods with a Ghanaian insurer. Separately, the **Workmen's Compensation Act, 1987** makes employers liable to compensate work injuries, and the **National Health Insurance Act** requires employers to register staff with the NHIS.

Compulsory insurances under the Insurance Act

Insurance	Who must hold it	Section
Public liability	Office spaces, banks, shopping malls, factories, hospitals, others set by Regulations	214–215
Professional indemnity	Employers of accountants, medical doctors, insurance practitioners, lawyers, financial and investment analysts	216–217
Commercial building	Builders, owners and occupiers of office spaces, shopping malls, factories, hospitals	218–219
Marine (imports)	Anyone importing goods other than personal effects, with an insurer licensed in Ghana	222
Motor third-party	Persons covered by the Motor Vehicles (Third Party Insurance) Act, 1958	255(3), Second Schedule

From sections 214 to 222 and the Second Schedule of the Insurance Act, 2021. Each is an offence if missing (fine, imprisonment or both). Public liability cover must indemnify bodily injury or property damage to others arising from the business and the legal costs of defending a claim (section 215). A letter of credit for imports opened in Ghana must be on cost, insurance and freight terms, with the insurance taken from an insurer licensed in Ghana (section 222(3)).

Your staff: work injuries and NHIS

Under the Workmen's Compensation Act, 1987, an employer is liable to compensate an employee injured by an accident arising out of and in the course of employment, and pays the medical expenses (sections 2 and 4). Amounts: workmen's compensation and the calculator.

Under section 27(12) of the National Health Insurance Act, an employer must ensure each employee is registered with the NHIS, on pain of a fine of up to 200 penalty units per employee not registered.

Other covers businesses buy

The NIC lists commercial fire insurance (property damage, assets all risks, business interruption), engineering insurance (contractors' all risks, erection all risks, machinery breakdown, boiler and pressure plant, electronic equipment), general accident (personal and group accident) and liability insurance (public, product, employer-related, professional) (NIC insurance products).

Frequently asked questions

Is public liability insurance compulsory in Ghana?

Yes, for the places in the Second Schedule of the Insurance Act, 2021: office spaces, banks, shopping malls, factories, hospitals and others specified by Regulations (section 214).

Who needs professional indemnity insurance in Ghana?

Employers of accountants, medical doctors, insurance practitioners, lawyers and financial and investment analysts must insure them (section 216 and Second Schedule).

Must imported goods be insured in Ghana?

Yes. Section 222 requires anyone importing goods other than personal effects to insure them with an insurer licensed in Ghana.

Chapter 2

Workmen's compensation in Ghana: what the employer owes after a work injury

Reviewed 31 October 2026 · online: https://tulinde.africa/gh/workmens-compensation/

Short answer Checked 31 October 2026

Under Ghana's **Workmen's Compensation Act, 1987 (P.N.D.C.L. 187)**, an employer must compensate an employee injured by an accident **arising out of and in the course of employment**. If the employee dies leaving dependants, compensation is **60 months' earnings**; for **permanent total incapacity**, **96 months' earnings**; for permanent partial incapacity, a **percentage of the 96 months** set by the Third Schedule (e.g. 40% for the loss of a foot). The employer also pays **medical expenses**. Notice of the accident must be given within **six months**.

What the employer pays

Outcome	Compensation	Section
Death, employee leaves dependants	60 months' earnings (less compensation already paid under ss. 5–7) + medical expenses + burial expenses	3
Death, no dependants	Medical expenses + burial expenses as required by custom	3(1)(b)–(c)
Permanent total incapacity	96 months' earnings	5
Permanent partial incapacity	The Third Schedule percentage of 96 months' earnings (or a percentage proportionate to the loss of earning capacity)	6
Temporary incapacity	The difference between earnings before and after the accident, for at most 24 months (6 more if the chief labour officer directs)	7
Any injury	Medical expenses; no reduction of earnings during treatment	2(2), 4

Text: Workmen's Compensation Act, 1987, revised edition. Monthly earnings are worked out from the previous twelve months with the same employer (section 9). Work it out with the workmen's compensation calculator.

The schedule of injuries (extract)

Injury (Third Schedule, extract)	Percentage of incapacity
Loss of two limbs, of both hands, of both feet; total loss of sight; total paralysis; permanently bed-ridden	100%
Loss of arm at shoulder	100%
Loss of arm between elbow and shoulder	80%
Loss of arm at elbow, or between wrist and elbow	70%
Loss of four fingers and thumb of one hand	70%
Loss of four fingers of one hand	50%
Loss of thumb, both phalanges	35%
Loss of leg at or above knee	75%
Loss of leg below knee	60%
Loss of foot	40%
Loss of sight of one eye	40%
Loss of toes, all on one foot	20%
Loss of hearing of one ear	15%
Fracture of upper or lower jaw	25%

Third Schedule of the Act. Total permanent loss of the use of a member counts as loss of the member; permanent partial loss of use is rated at 50% of the percentage for total loss. For a right-handed employee an injury to the left arm or hand (and the reverse for a left-handed employee) is rated at 90% of the percentage.

Deadlines and exclusions

- **Notice of the accident**: within six months of the injury and before the employee voluntarily leaves the job; **application for compensation**: within six months (on a death, six months from the death) — section 12. A late or defective notice is not fatal if the employer knew of the accident or the delay had a reasonable cause.
- **Death of an employee**: the employer notifies the nearest labour officer within three months (section 13).
- **Payment**: within three months of the employer receiving the labour officer's notification of the amount (section 35).
- **Not compensated**: injury attributable to drink or drugs, deliberate self-injury, or an injury the employee knowingly concealed (section 2).
- **No contracting out**: an agreement by which an employee gives up the right to compensation is void (section 26).

Insuring the liability

The Act makes the employer liable; it does not itself oblige the employer to insure, and workmen's compensation is not among the compulsory insurances listed in the Second Schedule of the Insurance Act, 2021. Employers who insure do so through employer-related liability cover, which the NIC lists among liability insurances (NIC insurance products). If an insured company is wound up, its rights against the insurer pass to the injured employee (section 25 of the Workmen's Compensation Act).

Frequently asked questions

How much is workmen's compensation for death in Ghana?

60 months' earnings if the employee leaves dependants, plus medical and burial expenses (section 3 of the Workmen's Compensation Act, 1987).

How much for permanent total incapacity?

96 months' earnings (section 5).

What is the deadline to claim workmen's compensation?

Notice of the accident within six months of the injury, and the application within six months (six months from death in a fatal case), section 12.

Is workmen's compensation insurance compulsory in Ghana?

The Act makes the employer liable to pay; it does not require insurance, and it is not in the Insurance Act's list of compulsory insurances. Many employers insure the liability.

Chapter 3

Workmen's compensation calculator (Ghana)

Reviewed 31 October 2026 · online: https://tulinde.africa/gh/workmens-compensation-calculator/

Short answer Checked 31 October 2026

Under the **Workmen's Compensation Act, 1987 (P.N.D.C.L. 187)**, compensation is a multiple of the employee's **monthly earnings**: **60 months** when the employee dies leaving dependants (section 3), **96 months** for permanent total incapacity (section 5), and for permanent partial incapacity the **percentage in the Third Schedule** of the 96 months (section 6) — for example 40% for the loss of a foot, so 38.4 months' earnings. Medical expenses are paid on top (section 4).

The rules the calculator uses

Section	Rule
3(1)(a)	Death, employee leaves dependants: 60 months' earnings, less compensation already paid for the same accident under sections 5 to 7
5	Permanent total incapacity: 96 months' earnings
6	Permanent partial incapacity: the Third Schedule percentage (or a percentage proportionate to the loss of earning capacity) of the 96 months; several injuries are added up but capped at 96 months
Third Schedule	Partial loss of use of a member: 50% of the percentage for its total loss. Injury to the non-dominant arm or hand: 90% of the percentage
9	Monthly earnings: the rate of pay over the previous twelve months with the same employer
4	The employer also pays the medical expenses

Text: Workmen's Compensation Act, 1987, revised edition. Temporary incapacity (section 7) is not computed here: it is the loss of monthly earnings during the incapacity, for at most 24 months.

Frequently asked questions

How is workmen's compensation calculated in Ghana?

As a number of months of the employee's monthly earnings: 60 on a death with dependants, 96 for permanent total incapacity, and the Third Schedule percentage of 96 for partial incapacity.

What earnings are used?

The monthly rate of pay over the previous twelve months with the same employer, or a shorter period if the employee was employed for less (section 9).

Chapter 4

Home and building insurance in Ghana: household cover and the compulsory commercial building insurance

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Short answer Checked 31 October 2026

Insuring a **private home** is voluntary in Ghana: household insurance covers the building, the contents, liability for accidents on the property and temporary housing costs (NIC). **Commercial buildings are different**: under sections 218 and 219 of the **Insurance Act, 2021 (Act 1061)**, the owner or occupier of an office space, shopping mall, factory or hospital must insure it with a licensed insurer against **collapse, fire, earthquake, storm and flood**, and against liability to people using the premises. A person who builds such a building must also insure the construction.

Household insurance

Part of the cover	What it protects (NIC)
Building	The structure
Contents	Personal belongings
Liability	Injury or damage claims from accidents on the property
Loss of use	Temporary housing costs

From the NIC's insurance products page, which classes household insurance with fire insurance. Part of every fire insurance premium goes to the Fire Control Fund, which the NIC uses to support the Ghana National Fire Service (Act 1061, section 223).

Commercial buildings: insurance required by law

Rule	Insurance Act, 2021
Buildings concerned (Second Schedule)	Office spaces, shopping malls, factories, hospitals, and any other commercial building specified by Regulations
Who must insure	The person who constructs it; and the owner or occupier (s. 218(1)–(2))
Building under construction	Liability for loss or damage to a person caused by negligence of the owner, contractor or their staff, with legal and settlement costs (s. 219(1)(a))
Any commercial building	Cover against collapse, fire, earthquake, storm and flood, and the owner's or occupier's liability to people using the premises (s. 219(1)(b))
Length	Twelve months, except in exceptional cases (s. 220(1))
Not insuring	An offence: fine, imprisonment or both, as set in the First Schedule (s. 218(3))

Text: Insurance Act, 2021 (Act 1061). The same Act makes **public liability insurance** compulsory for office spaces, banks, shopping malls, factories and hospitals (section 214 and Second Schedule): see business insurance.

Frequently asked questions

Is home insurance compulsory in Ghana?

Not for a private home. It is compulsory for commercial buildings such as office spaces, shopping malls, factories and hospitals (Insurance Act, 2021, section 218 and Second Schedule).

What must commercial building insurance cover?

Collapse, fire, earthquake, storm and flood, and the owner's or occupier's liability for loss or damage to people using the premises; during construction, liability caused by the negligence of the owner or contractor (section 219).

What does household insurance cover?

Usually the building, the contents, liability for accidents on the property and temporary housing costs (NIC). Check the policy's list of perils and exclusions.

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Chapter 3: Workmen's compensation calculator (Ghana)

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Chapter 4: Home and building insurance in Ghana: household cover and the compulsory commercial building insurance

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