

## INVESTMENT *Incentives*

### Custom duty exemptions for capital goods and equipment

Enterprises are free to implement their projects by importing the relevant plant, machinery and equipment. Zero-rated and concessionary duty items can be cleared automatically and directly through the Customs Division of the Ghana Revenue Authority (GRA).

### Automatic immigrant quotas depending on paid-up capital

All wholly Ghanaian-owned enterprises and enterprises with foreign participation seeking immigrant quota facilities in respect of expatriate personnel (experts) for their businesses should satisfy the relevant minimum capital requirements specified under Section 35 of Act 865. Immigrant quota request is by a letter to GIPC with the following documentation:

- > Cover letter addressed to the CEO (letter to indicate name of expatriate and position in the company)
- > Resume or curriculum vitae of the expatriate)
- > Copy of biodata page of passport
- > Copy of employment contract

#### Minimum Quota Threshold (US\$)

1 Person(s)	50,000 ≤ paid up capital < 250,000
2 Person(s)	250,000 ≤ paid up capital < 500,000
3 Person(s)	500,000 ≤ paid up capital < 700,000
4 Person(s)	700,000 < paid up capital

### Strategic investment incentives

Under Section 26 (4) of the GIPC Act 865, specific incentive packages may be negotiated for, in addition to the incentives and benefits available under various legislations e.g. customs and taxation laws.

### Some guarantees for enterprises

- > Bring in freely convertible currency through authorized dealer banks
- > Repatriation of dividends and profits after tax
- > Payments in respect of loan servicing for foreign loans
- > Fees for technology transfer
- > Remittance of proceeds in the sale or liquidation of investment
- > Guarantee against Expropriation

- References:**
- > Ministry of Finance 2018 Budget Statement and Economic Policy
  - > Ghana Statistical Service
  - > Bank of Ghana



## Invest in Ghana

Limitless possibilities in a steadily advancing and dynamic economy



Ghana  
On the go!



DOING  
BUSINESS  
IN

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Limitless possibilities...



# Ghana AT A GLANCE



<b>The Country:</b>	Republic of Ghana
<b>Capital City</b>	Accra
<b>Official Language</b>	English
<b>Currency</b>	Ghana Cedi (GH¢)
<b>Nominal GDP</b>	GHC 241,718.0 million (June, 2018)
<b>GDP Growth Rate</b>	6.8% (1st Qtr. 2018)
<b>Inflation</b>	9.6% (July 2018)
<b>Exchange Rate</b>	U.S\$ 1.00 to Gh¢ 4.69 (July 2018)
<b>Minimum Wage</b>	Gh¢ 10.65 (2018)
<b>Prime Rate</b>	17% (Jan 2018)
<b>FDI</b>	US\$ 4.91 billion (Year End 2017)
<b>Population</b>	28, 570, 523 (May 2017)
<b>Population Growth Rate</b>	2.5%
<b>Land Size</b>	238,533 km <sup>2</sup> (92,098 m <sup>2</sup> )
<b>Climate</b>	Tropical, General (21°C - 30°C)
<b>Type of Government</b>	Constitutional Democracy
<b>Executive</b>	President, Cabinet
<b>Legislature</b>	Unicameral, National Assembly



## WHY Ghana?

- ❖ A stable political environment within the West African sub region, with established democratic institutions and systems to ensure good governance in the country
- ❖ Abundant, adaptable and easily trainable labour force
- ❖ A competitive daily minimum wage rate of GHC9.68
- ❖ 100% foreign ownership of companies
- ❖ Duty-free access of classified exports to the USA (under AGOA) and European Union markets (Under the EPA)
- ❖ Excellent sea and air connections with Europe and USA
- ❖ Strategic and central location within West Africa provides access to the ECOWAS market with a population of approximately 350 million ( ECOWAS )

- ❖ Improving infrastructure i.e. internal road network, electricity and water supplies, internal and external communication as well as sea and airport facilities
- ❖ An existing industrial base in areas such as electronics, food, plastics, clothing and textiles, jewellery, metals and wood processing facilities
- ❖ Established stock exchange and a robust ecosystem of banks and non-bank financial institutions
- ❖ A dynamic private sector open to collaborate with foreign partners
- ❖ A committed and progressive government/private sector participation
- ❖ A high degree of personal safety
- ❖ A truly hospitable people



## INTERNATIONAL Rankings

INDEX/REPORT	RANK
Ease of Doing Business Rank 2018 (World Bank)	<b>1st</b> in West Africa <b>11th</b> Sub Saharan Africa
World Investment Report (WIR) 2018	<b>2nd Highest</b> recipient of FDI in West Africa for 2017
Democracy index 2017(EIU)	<b>2nd</b> in West Africa <b>5th</b> in Africa
International Monetary Fund World Economic Outlook Apr 2018 Projected by GDP	<b>3rd</b> in West Africa <b>4th</b> in Sub Saharan Africa
Global Information Technology 2016(World Economic Forum)	<b>2nd</b> in West Africa
Global Competitiveness Index 2017-2018	<b>2nd</b> in West Africa <b>10th</b> in Sub Saharan Africa (2017-2018)
Mo Ibrahim Index of African Governance (IIAG) 2017	<b>8th</b> out of 54 countries in Africa overall, <b>5th</b> out of 54 countries in Participation & Human Rights <b>6th</b> out of 54 countries for Safety and Rule of Law <b>12th</b> out of 54 countries for Human Development
RMB Global Market Research 2017/2018	<b>1st</b> in West Africa <b>5th</b> Best Place to invest in Africa
African Attractiveness Index (AAI) 2017 by Ernst & Young	<b>No.1</b> Most resilient economy in W/Africa <b>4th</b> in Africa

## SETTING Up

The Ghana Investment Promotion Centre is a government agency mandated by the GIPC Act 2013 [Act 865] to encourage, promote and facilitate investment in all sectors of the Ghanaian economy.

### PROCEDURE

#### STEP 1 Registration with Registrar General's Department

Incorporate a company at the Registrar General's Department (RGD) and obtain the following:

- ❖ Certificate of incorporation with TIN number
- ❖ Company Regulation
- ❖ Certificate to commence Business



#### STEP 2 Minimum Equity Contribution

Foreign investors are required to comply with the GIPC Act 2013 (Act 865) regarding minimum equity requirements either in cash or in capital goods relevant to the investment, or a combination of both. By way of equity participation, the breakdown is as follows:

- EQUITY**
- US\$200,000 for JV with Ghanaian partner having not less than 10% equity participation.
  - US\$500,000 for 100% foreign ownership
  - US\$1,000,000 for Trading Activity with a minimum of 20 skilled Ghanaians employed by such an Enterprise.

\* There is no minimum equity requirement for foreigners interested in the following sectors; manufacturing, export trading and portfolio investment.

- i Bank Account:** Open 2 corporate accounts (foreign and local) with a local bank of your choice.
- ii By Bank Transfer** – Effect a bank to bank transfer of minimum foreign equity requirement, which will be converted into local currency (Ghana Cedis). This transaction should be confirmed to the Bank of Ghana by the investor's local authorized dealer bank. Bank of Ghana in turn confirms this transaction to GIPC for the company's registration purposes.
- iii Equity in kind (Capital Goods)** – In the case of equity in kind, in the form of imported machinery, equipment and goods, all documents covering such imports should be in the name of the registered company and evidenced by the following, which should be submitted to the GIPC for registration purposes:

- a. Bill of Lading / Airway Bill (original document)
- b. Destination (Ghana) Inspection Certificate
- c. Custom Bill of Entry (original document)
- d. Import Declaration Form (IDF)
- e. Certified/Final Invoices
- f. Evidence of Capitalization – Form 6 from the Registrar Generals Department



#### STEP 3 Registration with GIPC

The investor then registers with the GIPC (after paying the relevant fees) for the process to be completed. This procedure takes five (5) working days to complete, provided the registration forms and all supporting documents are in order.

\*Requirement for Renewal: Section 24(3) of the GIPC Act, 2013(Act 865) permits renewal with the Centre every two (2) years.

Wholly Ghanaian-owned enterprises are also encouraged to register with GIPC to benefit from the incentives provided for in the GIPC Act, 2013 (Act 865).

#### STEP 4 Registration with Ghana Revenue Authority (GRA)

All enterprises must register directly with the Ghana Revenue Authority (GRA) for purposes of statutory tax e.g. taxes, rebates and exemptions.

#### STEP 5 Environmental Impact Assessment Certificate

Applicable enterprises must register and obtain an environmental permit from the Environmental Protection Agency (EPA).

\* **Please note:**  
Registration with other relevant Agencies – companies are to comply with regulatory requirements within their various sectors of operations.

