



DOING BUSINESS IN GHANA

Ghana – Japan SDG Seminar



Regulatory Framework

GIPC's Mandate



DOING
BUSINESS
IN GHANA

The Ghana Investment Promotion Centre (GIPC) is a government agency established under Act 865 to promote, coordinate, and facilitate investment in the Ghanaian economy.

Functions include:

- › Investment advisory services
- › Negotiation of bilateral investment treaties
- › Joint venture facilitation
- › Registration of technology transfer agreements
- › Identification of specific projects for investment promotion
- › Grant of investment incentives and provision of investor support services
- › Registration of technology transfer agreements

GIPC works in close collaboration with public and private sector stakeholders

GIPC's Mandate



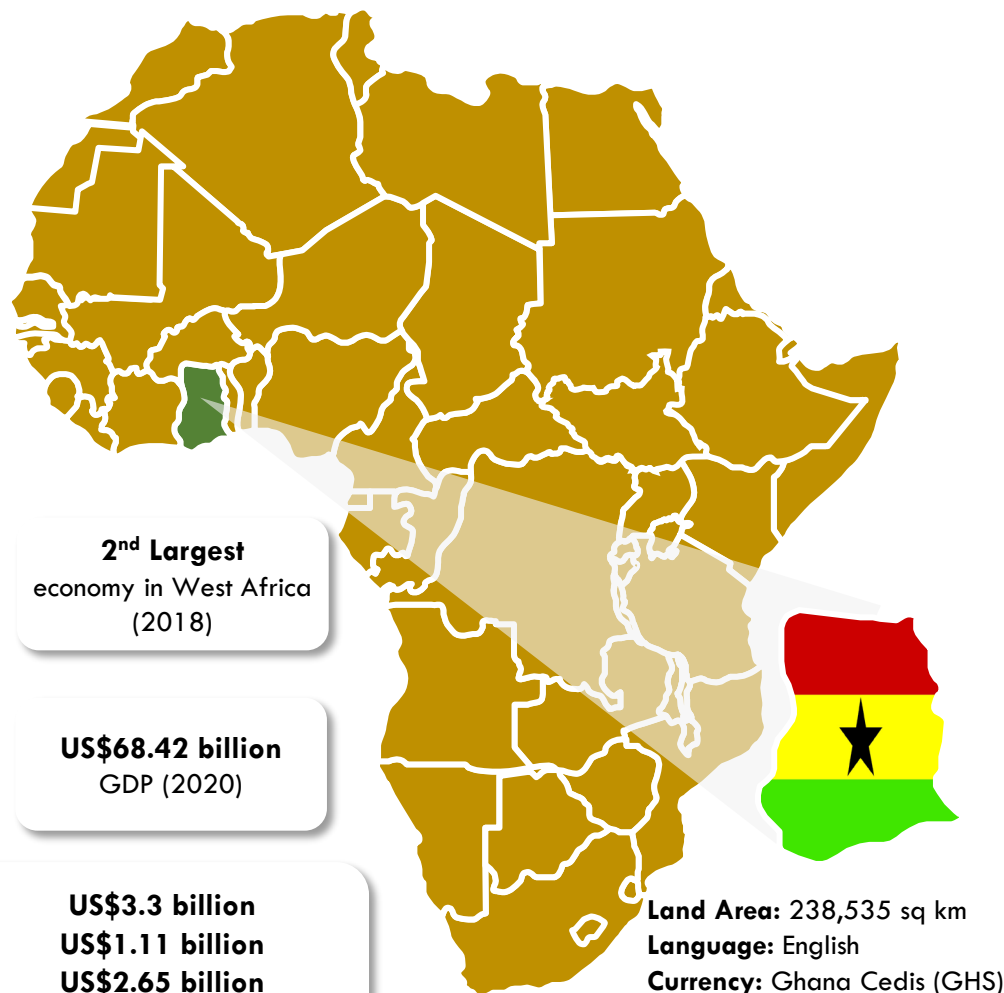
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Some of the public and private sector stakeholders GIPC works with include:

- ▶ Ghana Free Zones Board
- ▶ Minerals Commission
- ▶ Petroleum Commission
- ▶ Ghana Export Promotion Authority
- ▶ Environmental Protection Agency
- ▶ Ghana Revenue Authority
- ▶ Bank of Ghana
- ▶ Registrar Generals' Department
- ▶ Ghana Immigration Service
- ▶ Association of Ghana Industries
- ▶ Ghana Chamber of Commerce and Industry
- ▶ Ghana Chamber of Mines
- ▶ Ministry of Finance
- ▶ Ministry of Trade and Industry
- ▶ Ministry of Foreign Affairs and Regional Integration
- ▶ Private Enterprises Federation
- ▶ Others

Ghana

Overview – Economic Indicators



Population

31.6m

Growing young population with an emerging middle class

GDP

US\$ 68.42BN

Diverse and robust economy rich in resources including gold, cocoa and oil

GDP Growth

1.4% (2021)

As at first quarter of 2021

GDP Per Capita

US\$ 2,223

*As of 2020
US\$630 in 2001 to US\$2,223 in 2020
growing at an average annual rate of 7.47%.*

Inflation

7.5%

Headline inflation dropping for the last 4 consecutive quarters

Trade Balance

US\$ 2BN (2020)

*Improved Trade Balance Position
1st Trade Surplus after a decade of deficits*

FDI TRENDS IN THE FACE OF THE GLOBAL PANDEMIC

GHANA'S FDI 2020



- According to the UNCTAD Investment Trends Monitor, global foreign direct investment (FDI) collapsed in 2020, falling 42% from \$1.5 trillion in 2019 to an estimated \$859 billion. This confirms the projections made by the World Investment Report (2020) about the pandemic curtailing foreign investment in Africa in 2020 and by extension heighten the global downturn trend.
- The year 2020 ended up very encouraging for Ghana with Ghana's FDI value of US\$2.65 billion placing the country third in West Africa and with Egypt and Nigeria recording FDI inflows of US\$5.50 billion and US\$2.66 billion respectively. The Total FDI value of US\$2.65 billion resulted in a significant increase of close to 140% over the US\$1.11 billion recorded in 2019.
- Also, Provisional figures indicates that, a total FDI value of **US\$807.45 million** has been recorded in the first half of 2021 (*includes Q1 2021 figures from Petroleum Commission*)
- Ghana and by extension Africa remain optimistic and resilient in the face of this global pandemic. As trading under the AfCFTA commenced in January 2021, it is expected to enhance competitiveness at the industry and enterprise level through exploitation of opportunities for economies of scale and drive industrialization on the continent.





- **Strong resource pool**
 - Largest gold producer in Africa
 - 2nd global producer of cocoa
 - 2nd largest oil producing country in West Africa
 - Large deposits of Bauxite, Iron Ore, Manganese, Lithium, Oil and Gas, Diamonds, Timber
 - Pristine shoreline
 - 13 million acres of suitable land for agriculture (Only 57.6% of the arable land is currently cultivated)
- **Competitive and educated labor force**
 - Availability of skilled and trainable labor
 - Competitive minimum wage in the West African region – GHC 11.82
 - One of the highest literacy rates in the West African subregion 76.6% as a result of the recent introduction of Free Senior High School education and strong drive towards technical and vocational education.
- **Growing population and middle class and consumer market**
 - Growing population of 2% p.a. with increasing urbanization and growing middle class– composed of individuals with a daily income of at least \$8.44 – exceeds 1m people, (KPMG)
 - Ghana ranked number 1 in Africa and 3 (2019) in the world on the Global Retail Development Index with an estimated retail market of US\$24 billion, expected to grow to US\$35 billion



Key Sectors

- **Commercial Agriculture**
- **Light Manufacturing**
 - agro-processing and food import substitution specifically, in rice, poultry, cassava, sugar, and tomatoes
 - Pharmaceuticals
 - textiles & garments.
- **ICT/digital economy**
 - tech start-ups - fintech, health Tec and agrotech
 - Business Process Outsourcing (BPOs)
- **Tourism and Creative Arts (Film industry)**
- Promoting Ghana as a regional financial, manufacturing and ports & logistics hub by leveraging the African Continental Free Trade Area (AfCFTA)



Doing Business in Ghana

Setting up in Ghana



Investment procedure

1. Registration with Registrar General's Department

Obtain a Certificate of incorporation with TIN number Company Regulation Certificate to commence Business

2. Minimum Equity Contribution

3. Registration with GIPC



MINIMUM CAPITAL REQUIREMENT

Joint Ventures (JV) with Ghanaian partners are encouraged, 100% foreign participation is permissible

Equity:

- US\$200,000 for JV with Ghanaian partner (Min.10%)
- US\$500,000 for 100% foreign ownership
- US\$1,000,000 for trading activity (Min. 20 Skilled Ghanaians)

Exemptions:

- Portfolio investment
- Manufacturing and export trade enterprises
- Foreign spouse of a citizen of Ghana
- Dual nationals

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INVESTMENT OPPORTUNITIES

- **Seeking** rewarding investment partnerships and relationships for growth and mutual benefit
- **Opportunities** with great prospects for growth and attractive returns in a diversified and fast-growing economy





Welcome to a land of limitless possibilities

We invite you to **Grow in Ghana** and **Grow with Ghana**

THANK YOU

CONTACT US

Ghana Investment Promotion Centre
Al Rangoon Lane, Cantonments-Accra, Ghana
Tel: +233 302 665125-9 Email: info@gipc.gov.gh

www.gipc.gov.gh

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R. Yofi Grant, CEO, GIPC
yofi.grant@gipc.gov.gh

