

FR EN

We use cookies to make your connection secure and make statistics about the number of visits. In order to get more information about cookies and find out how to refuse them, [visit our cookie policy page](#).

[Cookies settings](#)

REQUIRED ONLY

ACCEPT
ALL

INVEST

FOREIGN DIRECT INVESTMENT

According to UNCTAD's [World Investment Report 2023](#), FDI inflows to Ghana declined by 39% year-on-year in 2022, amounting to USD 1.47 billion. The value of announced greenfield projects remained constant at USD 1.3 billion, while international project finance deals dropped from USD 1.8 billion the previous year to USD 358 million. The largest foreign investment project in Ghana in 2022 was the construction of a railway line in the western region, with a value of USD 3.2 billion. By the end of the same period, the stock of FDI stood at USD 42.49 billion, equivalent to approximately 58.3% of the country's GDP. Ghana ranks as the third-largest recipient of FDI in West Africa, accounting for roughly 20% of the region's stock, and the tenth recipient in Africa. Investments are primarily concentrated in oil and gas facilities, gold mining, agriculture (particularly cocoa), and export fruits. Ghana's top investing economies include South Africa, the Netherlands, France, Mauritius, and China, according to the IMF. In the first half of 2023, Ghana experienced a 16% decline in FDI projects, with 72 projects registered compared to 86 in the same period the previous year. However, the total estimated investment value increased by 35% to USD 274 million from USD 203 million, with the FDI component rising by 22% to USD 229 million.

Ghanaian authorities have been making efforts to simplify complex and lengthy procedures for foreign investors while offering tax incentives. Ghana boasts democratic governance, a large and cost-effective labor force, abundant natural resources, and stable institutions, making it one of the most open economies to foreign equity ownership in the region. Nonetheless, challenges such as bureaucracy, corruption, weak productivity, difficulty in obtaining financing services, underdeveloped transport infrastructure, ambiguous property laws, frequent power and water cuts, and an unskilled labor force hinder FDI. Major ongoing reforms include the dematerialization of tax, legal, and business registration processes. In 2022, Ghana was removed from the EU grey list of high-risk money laundering countries. While Ghana's major sectors are generally open to foreign capital, there are specific minimum capital requirements for foreign investments. Certain sectors are excluded from foreign investment, including petty trading, taxi and car rental services with fewer than 25 vehicles, lotteries (excluding soccer pools), beauty salons, printing of recharge scratch cards, production of exercise books and stationery, retail of pharmaceutical products, and production, supply, and retail of sealed pouch drinking water. Additionally, foreign investors have limited access in sectors such as telecommunications, banking, fishing, mining, petroleum, and real estate. Ghana ranks 99th among the 132 economies on the [Global Innovation Index 2023](#) and 104th out of 184 countries on the latest [Index of Economic Freedom](#).

Foreign Direct Investment	2020	2021	2022
FDI Inward Flow <i>(million USD)</i>	1,333	2,414	1,473
FDI Stock <i>(million USD)</i>	40,829	41,021	42,493
Number of Greenfield Investments*	34	29	39
Value of Greenfield Investments (million USD)	1,375	1,335	1,333

Source: UNCTAD - Latest available data.

*Note: * Greenfield Investments are a form of Foreign Direct Investment where a parent company starts a new venture in a foreign country by constructing new operational facilities from the ground up.*

Country Comparison For the Protection of Investors	Ghana	Sub-Saharan Africa	United States	Germany
Index of Transaction Transparency*	7.0	5.5	7.0	5.0
Index of Manager's Responsibility**	5.0	3.5	9.0	5.0
Index of Shareholders' Power***	7.0	5.5	9.0	5.0

Source: Doing Business - Latest available data.

*Note: *The Greater the Index, the More Transparent the Conditions of Transactions. **The Greater the Index, the More the Manager is Personally Responsible. *** The Greater the Index, the Easier it Will Be For Shareholders to Take Legal Action.*

WHAT TO CONSIDER IF YOU INVEST IN GHANA

Strong Points

Strong points of investing in Ghana include:

- more developed infrastructure compared to most West African countries
- political stability (ranks 1st for the Global Peace Index in West Africa - IEP, 2020) and steady growth
- skilled and trainable labour
- sizeable consumer base with an emerging middle class
- hub for opportunities in other West African countries and access to other ECOWAS countries
- 100% foreign ownership is permitted
- expanding stock market

Weak Points

Challenges for investors in Ghana include:

- heavy bureaucracy
- high risk of corruption (75th out of 180 on Transparency International's Corruption Perceptions Index 2020)
- inconsistent electricity supply
- underdeveloped capital market
- challenges in emerging markets weighing on the local economy (e.g. recent depreciation of cedi)
- despite improvements in per capita income, poverty persists in some rural areas
- regional instability, particularly in Burkina Faso, Nigeria and Mali.

Government Measures to Motivate or Restrict FDI

A reduced corporate tax rate of 8% is available for companies engaged in “non-traditional exports,” and a 20% rate applies to financial institutions on income from loans granted to farming enterprises and leasing companies. Free Trade Zone (FTZ) companies have a 10-year exemption period after which they pay corporate tax at 15% on export sales.

A rebate is granted to manufacturing companies located outside Accra and Tema. In regional capitals (other than Accra and Tema), the rebate is 75% of the standard corporate tax rate of 25%, and in all other places, it is 50% of the standard tax rate.

Tax holidays are granted, from the beginning of the operations, in the following cases:

- Agricultural enterprises, agro-processing and waste processing companies, rural banks and venture capital financing companies pay 1% corporate tax for periods ranging from five to 10 years.
- Real estate companies pay 1% corporate tax for five years on income from certified low-cost housing, with some limitations.
- Entrepreneurs aged 35 years and under are granted a five year corporate tax holiday if they are engaged in specific businesses. Businesses that qualify for the exemption include manufacturing, ICT, agro-processing, energy production, waste processing, tourism and creative arts, horticulture and medicinal plants. Such entrepreneurs also enjoy a rebate on corporate tax rates ranging from 5% to 15% for five years after the tax holiday.
- Privately-owned universities are exempted from corporate tax if they reinvest 100% of their profits into the operation of the university.
- Employers receive an additional tax deduction for employing new graduates as part of their workforce that ranges from 10% to 50% of the salaries or wages of such employees.

INVESTMENT OPPORTUNITIES

Tenders, Projects and Public Procurement

[Tenders info](#), [Tenders Worldwide](#)

[DgMarket](#), [Tenders Worldwide](#)

Finding Assistance For Further Information

Investment Aid Agency

[Ghana Investment Promotion Centre](#)

Other Useful Resources

[Ghana National Chamber of Commerce and Industry](#)

Doing Business Guides

[Doing Business Guide Ghana - World Bank](#)

[Doing business and investing in Ghana - PwC](#)

[Doing business in Ghana - UHY](#)

[Doing business in Ghana - KPMG](#)

