

QUARTERLY INVESTMENT REPORT



MESSAGE FROM THE CEO



According to UNCTAD's Global Investment Trends Monitor, Global foreign direct investment (FDI) collapsed in 2020, falling by 42% to an estimated \$859 billion, from \$1.5 trillion in 2019. The decline was concentrated in developed countries, where FDI flows fell by 69% to an estimated \$229 billion. Greenfield announcements fell by 46% (-63% in Africa, - 51% in Latin America and the Caribbean, -38% in Asia) and international project finance by 7% in (-40% Africa). Despite the grim economic outlook caused by COVID-19, overall FDI in developing countries appeared relatively resilient.

The year 2020 ended up very encouraging for Ghana with FDI inflows surpassing inflows of some African countries including South Africa and Morocco whose FDI inflows were US\$2.5 billion and US\$1.6 billion respectively. Total investment inflows of US\$2,796.49 million was recorded in 2020, with an FDI value of US\$2,650.97 million for Ghana.

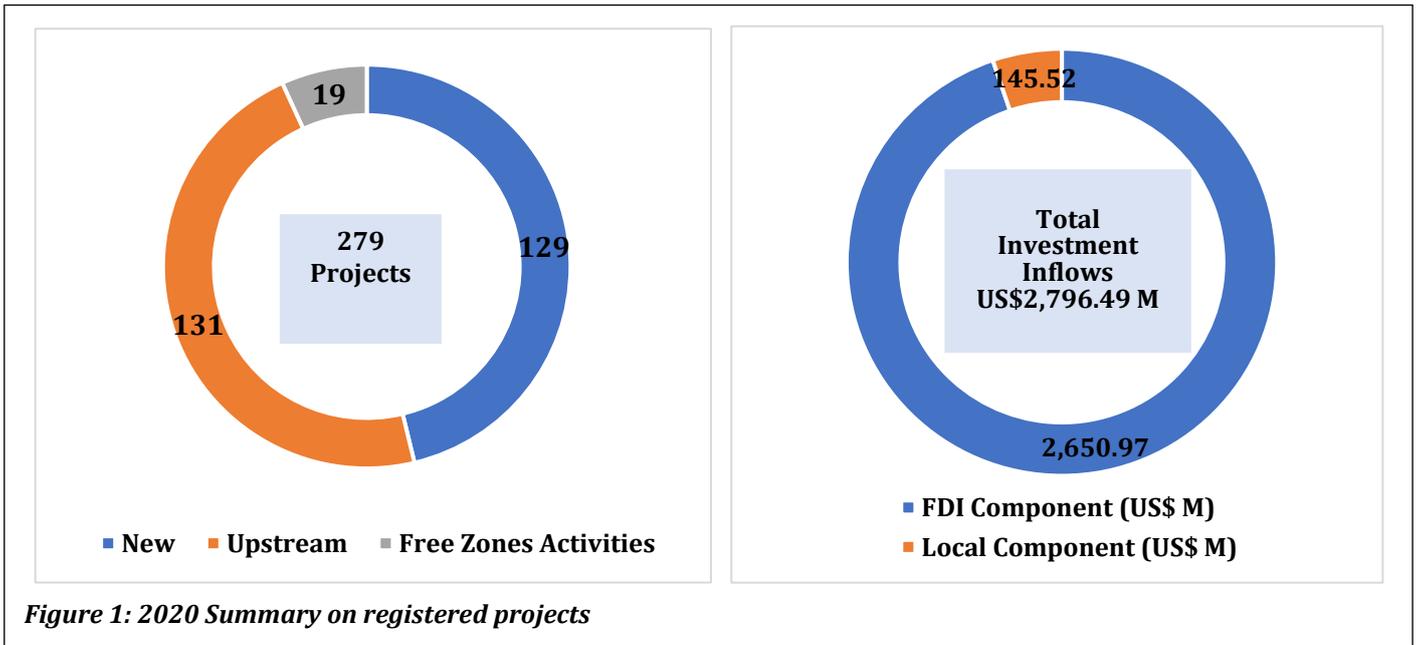
The FDI component and local components from these investments amounted to US\$2,650.97 million and US\$145.52 million respectively for 2020. The total initial capital transfers recorded for the period also amounted to US\$75.91 million. The FDI value of US\$2,650.97 million gives a significant increase of 139.06% over the FDI value of US\$1,108.93 million recorded in the year 2019. The investments recorded in 2020 have prospects of generating a minimum of 27,110 jobs with operations at full capacity. In the year under review Ghana recorded among others, significant projects by Toyota Tsusho (automobile), Sentuo Oil Refinery (refining crude oil), One Rand Group (manufacturing of real estate material) and African Underground Mining Services (mining support services). There was also a total of 52 wholly Ghanaian owned projects registered for the year with investment amount of US\$250.68 million (GHC1,438.91 million).

These results were supported by our programs and initiatives as a lead IPA and in collaboration with our sister agencies and key partners. These included our collaboration with the Oxford Business Group for the "Ghana COVID-19 Response Report" reporting how Ghana responded to the pandemic, also found <http://ow.ly/aC8H30rn50b>; and the COVID-19 survey conducted by the Centre to understand its impact on businesses, leading to some of the changes taking place within the GIPC to execute our mandate. There were also a number of webinars and conferences the Centre participated in to remain relevant, interact and maintain the momentum of promoting Ghana as the best place to invest and these included roundtable series with the World Economic Forum (WEF) on the World Trade Organisation (WTO) Investment Facilitation for Sustainable Development, the South Africa - Ghana Virtual Trade & Investment Mission, the World Economic Forum (WEF) Trade Multi Stakeholder Conversation 2020: Reimagining investments in a world impacted by COVID-19 and the China-Africa Digital Trade Week 2020.

The Ghanaian economy is witnessing continued improvement with the implementation of sound monetary and fiscal policies in the face of the COVID-19 pandemic. The economy has grown by 1.9% and inflation has been brought somewhat under control in spite of the global decline. Ghana's position as one of the safest and most stable countries on the continent has been deepened with government regaining the mandate of the Ghanaian people through successful elections in the last quarter of 2020. The Secretariat of the African Continental Free Trade Area (AfCFTA) has been commissioned in Accra amidst the pandemic, serving as a major landmark in the full implementation of the free trade agreement. These have boosted investor confidence in Ghana.

Additionally, with the recent vaccine developments globally, we are optimistic that the gains achieved so far will be improved upon and it will drive Ghana's economic transformation forward in line with H. E. The President's Consolidated Programme and the Ghana Beyond Aid vision as well as the CARES program, of which the Centre is actively supporting through our investment promotion activities. - **Yofi Grant, CEO - GIPC.**

1.0 Investments recorded: January to December 2020

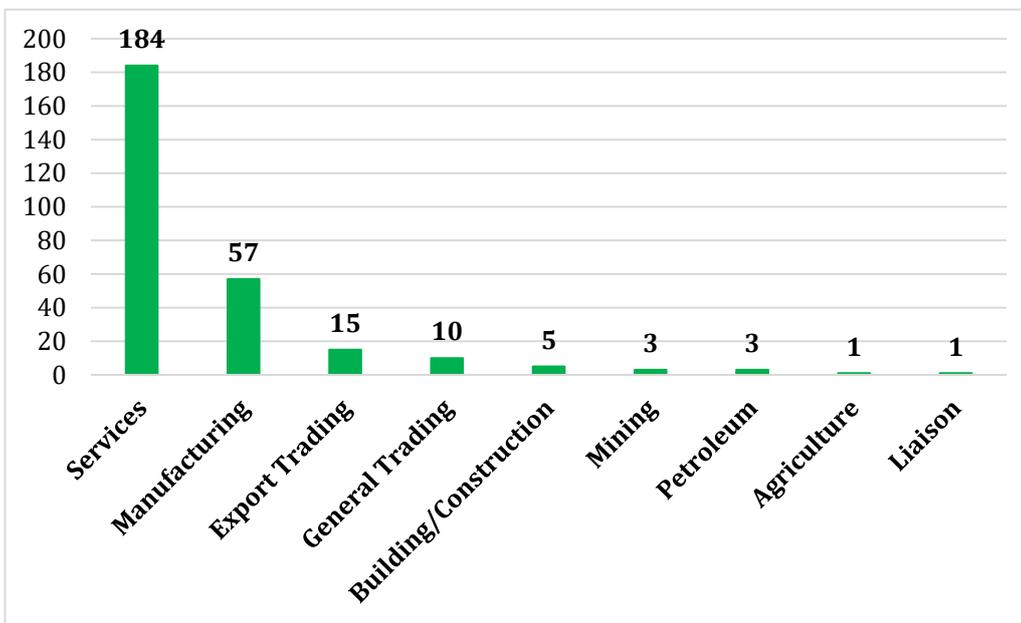


From January to December 2020, Ghana recorded 279 projects with total estimated investment of US\$2,796.49 million. The FDI component and the local components amounted to US\$2,650.97 million and US\$145.52 million respectively for 2020. The FDI value of US\$2,650.97 million gives a significant increase of 139.06% over the FDI value of US\$1,108.93 million recorded in the year 2019. The total initial capital transfers also amounted to US\$75.91 million for 2020.

Of the 279 projects registered, 129 were newly registered projects, 131 were upstream and 19 were in free zones activities. A summary is provided in figure 1 above.

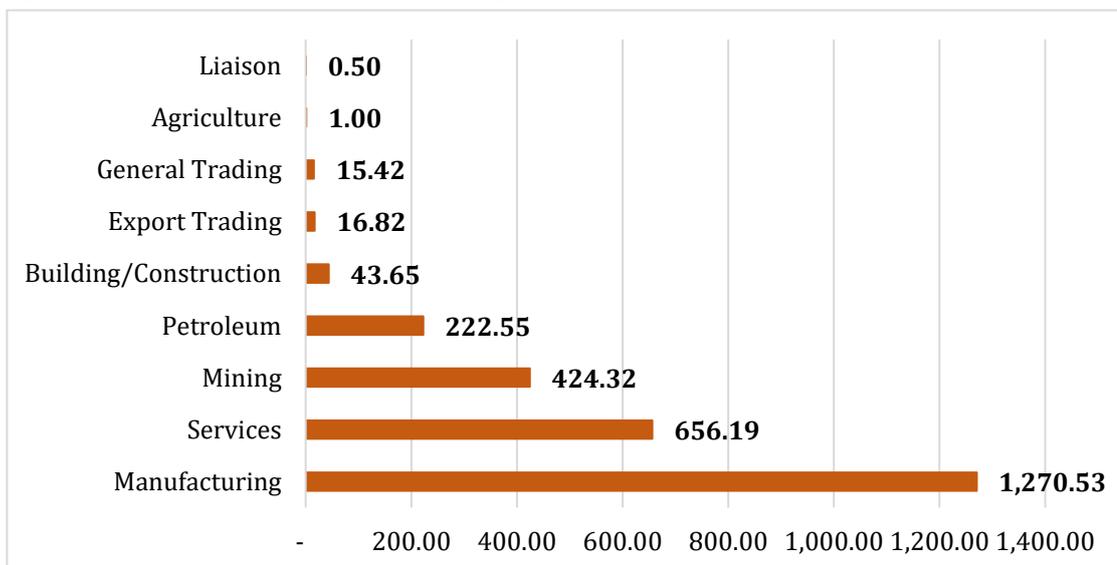
1.1 Sectoral distribution: January to December 2020

Figure 2a: Sector breakdown of projects registered by number: January - December 2020



NB: Services includes petroleum (upstream) services and free zone activities in services; Petroleum (upstream) refers to petroleum exploration and production; manufacturing includes free zone activities in manufacturing.

Figure 2b: Sector breakdown projects registered by FDI value (US\$ M): January – December 2020

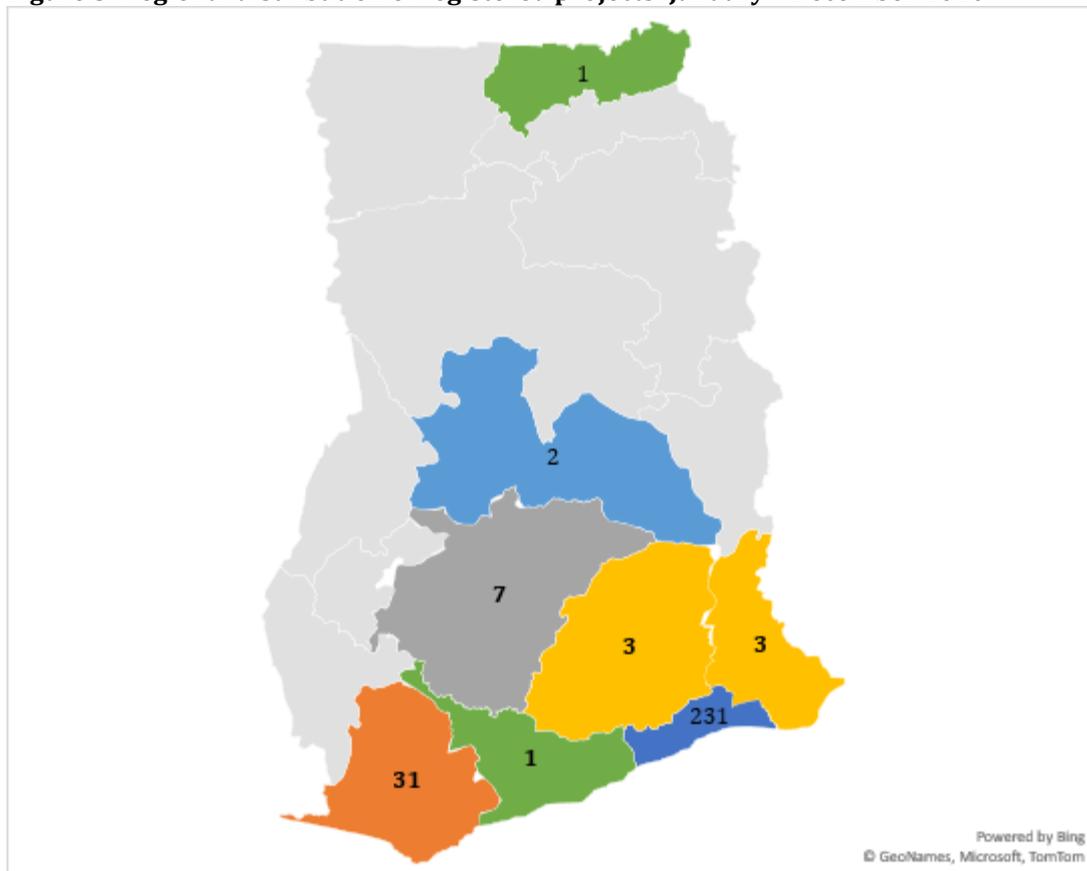


Out of the 279 projects registered, the services sector, with 184 projects, recorded the highest number of projects. It was followed by manufacturing with 57 projects. Export trading, General Trading and Building and Construction recorded 15, 10 and 5 projects respectively. The mining and petroleum sectors recorded 3 projects each and agriculture and liaison recorded a project each. In terms of the FDI values, the manufacturing sector recorded the largest value of US\$1,270.53 million. This was followed by the services, mining and petroleum sectors with FDI values of US\$656.19 million, US\$424.32 million and US\$222.55 million respectively. The details are provided in figures 2a and 2b above.

1.2 Regional distribution: January to December 2020

In terms of regional distribution of the projects registered, eight (8) regions directly benefited from the 279 projects. 231 projects, representing 82.80% of the projects registered are in the Greater Accra region. The other regions are the Western and Ashanti regions with 31 and 7 projects respectively, Volta and Eastern regions recorded three (3) projects each, Brong Ahafo recorded two (2) and Central and Upper East recorded one (1) project each. Details are provided in figure 3 below.

Figure 3: Regional distribution of registered projects: January – December 2020



1.3 Additional Equity brought in by existing companies: January to December 2020

From January to December 2020, 172 already existing companies brought in additional equity (cash and goods) totaling US\$69.28 million.

1.4 Employment to be generated: January to December 2020

A total of 27,110 jobs are expected to be generated from the 279 projects registered, with operations at full capacity. 22,382 (95.46%) of these jobs would be for Ghanaians whilst the remaining 1,064 (4.54%) are expected to be taken up by non-Ghanaians per GIPC records.

1.5 Some leading sources of Investments recorded: January to December 2020

- China brought in FDI of US\$751.01 million
- United Kingdom brought in FDI of US\$243.17 million
- South Africa brought in FDI of US\$242 million
- Australia brought in FDI of US\$239.17 million
- Netherlands brought in FDI of US\$238.02 million

1.6 Registered Wholly Ghanaian Owned Projects

A total of 52 wholly Ghanaian owned projects with total estimated investment amount of US\$250.68 million (GHC1,438.91 million) were registered the year 2020. These projects were registered for the agriculture, building & construction, export trading, general trading, manufacturing and services sectors. A breakdown of these projects is provided in table 1 below.

Table 1: Sectoral distribution of wholly Ghanaian owned registered projects: January to December 2020

Sector	No. of Projects	Estimated Cost (GHC M)
Agriculture	2	15.82
Building/Construction	2	1,301.10
Export Trading	1	0.07
General Trading	8	4.89
Manufacturing	21	83.98
Services	18	33.05
Total	52	1,438.91

2.0 Investments recorded by GIPC: fourth quarter 2020 (October – December 2020)

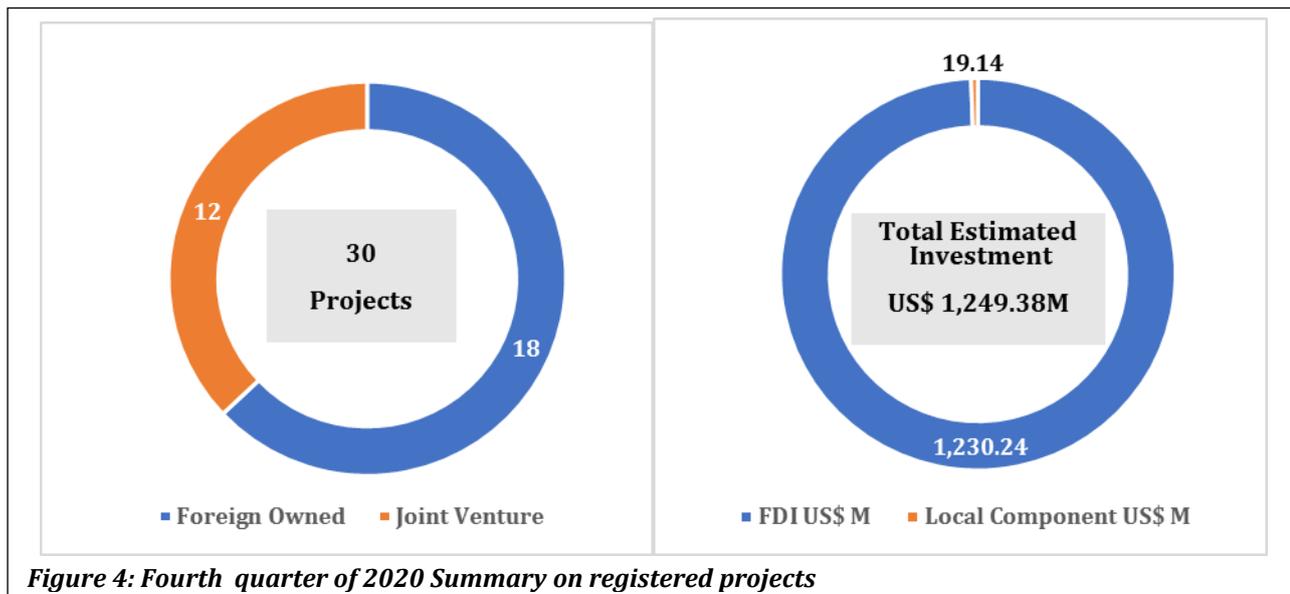


Figure 4: Fourth quarter of 2020 Summary on registered projects

In the fourth quarter of 2020, thirty (30) projects were registered by GIPC with total estimated value of US\$1,249.38 million. This comprised FDI component of US\$1,230.24 million and local component of US\$19.14 million. Total initial transfers amounted to US\$8.75 million. Of the 30 projects registered, 18 were wholly foreign owned, representing 60% of the number of projects and with a total estimated investment amount of US\$1,226.02 million. The Joint Venture projects

between Ghanaians and their foreign counterparts were 12, representing 40% of the number of projects and with a total estimated investment amount of US\$23.36 million. Details are provided in figure 4 above.

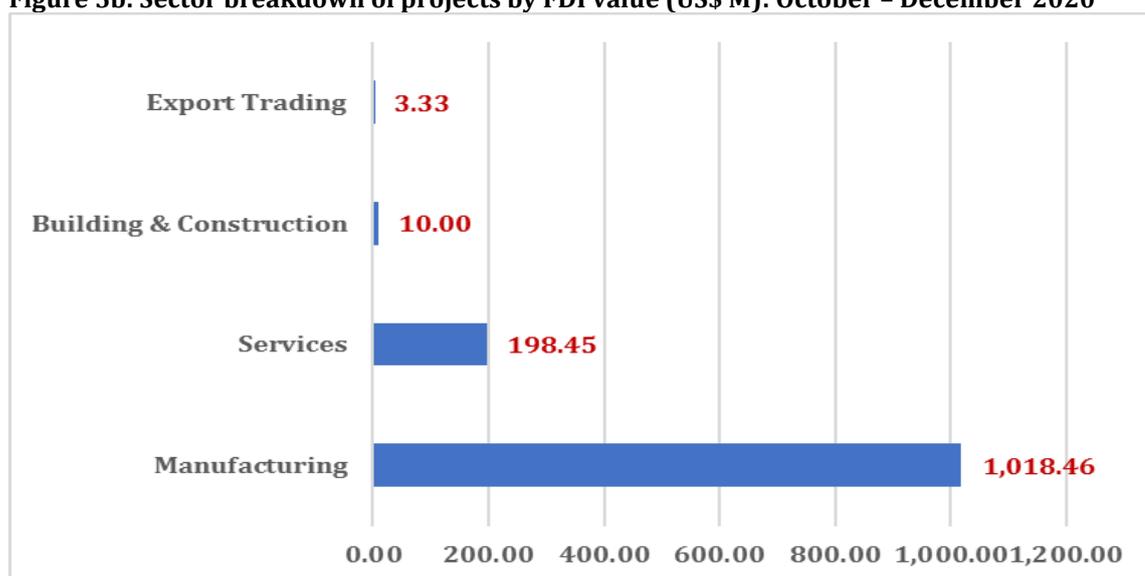
2.1 Sectoral distribution: October – December 2020

Out of the 30 projects registered in the fourth quarter of the year 2020, the manufacturing and services recorded 13 projects each, Export Trading sector followed with 3 projects and a project was recorded for Building & Construction sector. Details on this and FDI values recorded in each of the sectors are provided in figures 5a and 5b below.

Figure 5a: Sector breakdown of projects by number of projects: October – December 2020



Figure 5b: Sector breakdown of projects by FDI value (US\$ M): October – December 2020



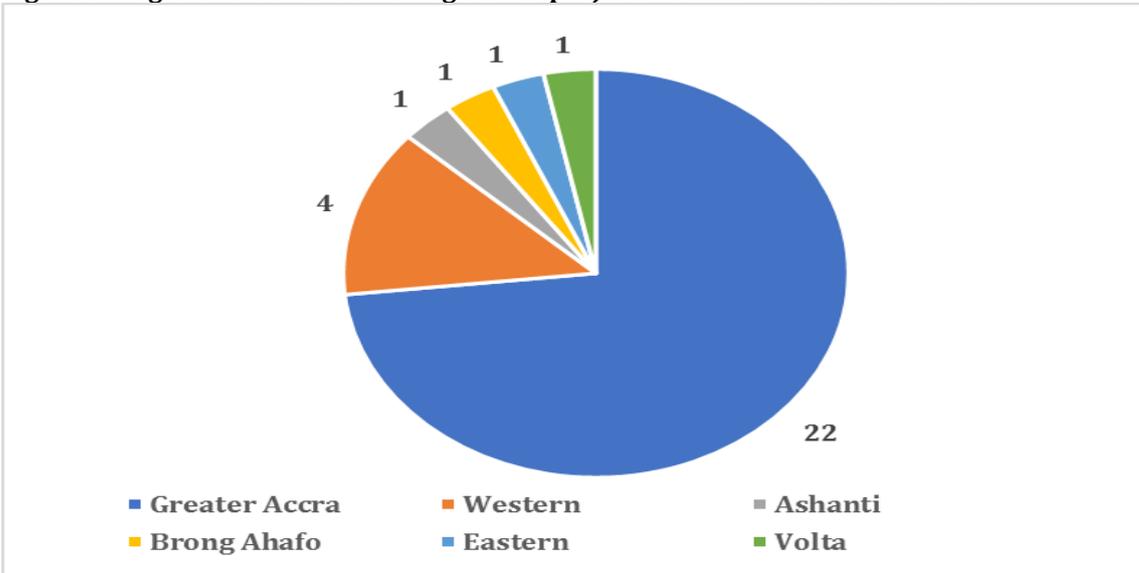
2.2 Employment to be generated: October to December 2020

A total 5,753 jobs are expected to be generated from the 30 projects registered in the fourth quarter of 2020, with operations at full capacity. 5,401, representing 93.83% of the total jobs will be for Ghanaians and the remaining 352, representing 6.11% will be for non-Ghanaians.

2.3 Regional distribution: October to December 2020

In terms of regional distribution of the projects registered, six (6) regions directly benefited from the 30 projects. 22 projects registered are in the Greater Accra region. The other regions are the Ashanti, Brong Ahafo, Eastern, Western and Volta regions. Details are provided in figure 6 below.

Figure 6: Regional distribution of registered projects: October - December 2020



2.4 Sources of Investments: October to December 2020

Figure 7a: Source of Investments by Number of Projects: October - December 2020

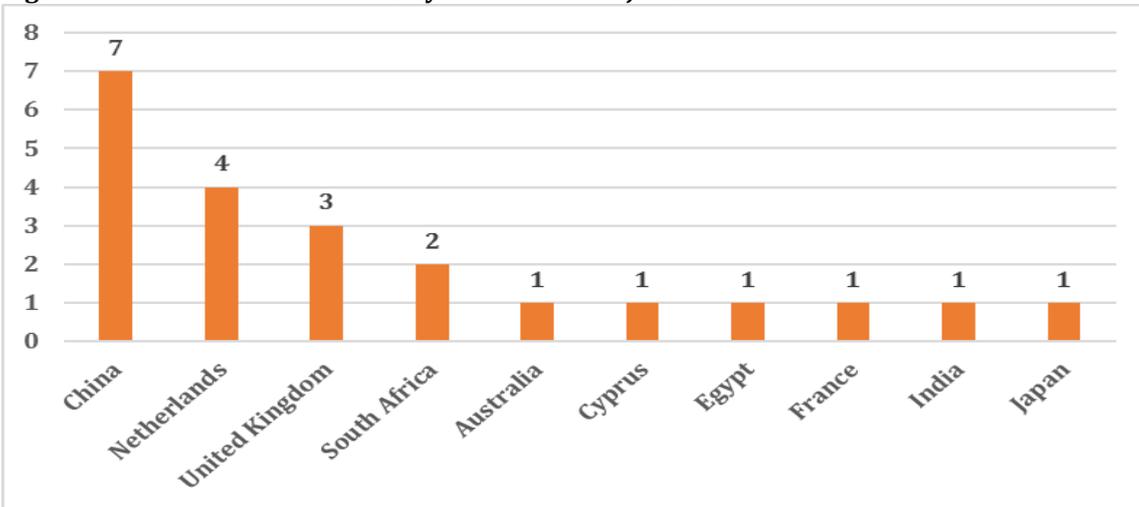
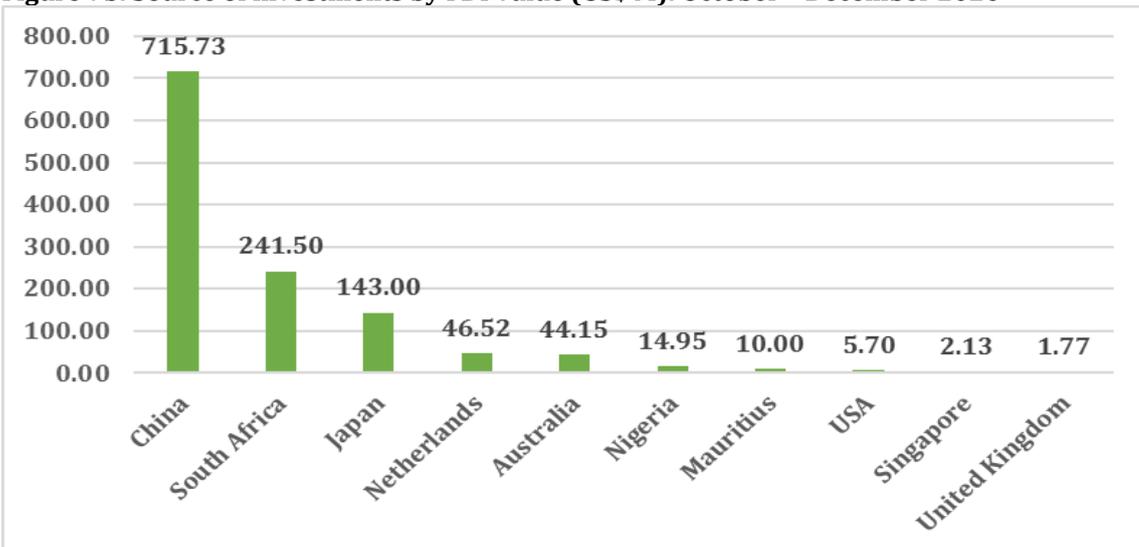


Figure 7b: Source of investments by FDI Value (US\$ M): October - December 2020



China, with 7 projects, was the leading source of investments registered by number and by FDI value with US\$715.73 million in the fourth quarter of 2020. Figures 8a and 8b above, provide details on the top 10 sources of investments by number of projects and FDI value.

2.5 Additional Equity brought in by existing companies: October – December 2020

From October to December 2020, eleven (11) existing companies brought in additional equity totaling US\$10.09 million.

2.6 Registered Wholly Ghanaian Owned Projects: October – December 2020

Fifteen (15) wholly Ghanaian owned projects with total project value of GHC66.66 million were registered during the fourth quarter of 2020. These projects were registered for the building and construction, general trading, manufacturing and services sectors. A breakdown of these projects is provided in table 2 below.

Table 2: Sectoral distribution of wholly Ghanaian owned registered projects (October to December 2020)

Sector	No. of Projects	Estimated Cost (GHC M)
Building and Construction	1	1.10
General Trading	5	3.19
Manufacturing	5	47.61
Services	4	14.76
Total	15	66.66

3.0 Renewal of GIPC Registration: October – December 2020

In the fourth quarter 2020, 175 companies renewed their registration with the Centre. Under the GIPC Act, companies are required to renew their certificates after every two years. Out of the 175 companies that renewed their registrations, 134 were wholly foreign companies, 29 were Joint Venture companies involving Ghanaians and 12 were wholly Ghanaian companies.

4.0 Some Notable Projects registered: October to December 2020

- ***Sentuo Oil Refinery Limited:*** This is a Chinese manufacturing company with total estimated cost of US\$700 million. Their activities involve refining crude oil.
- ***One Rand Group Ltd:*** A South- African manufacturing firm with an estimated project value of US\$ 240 million involved in the manufacturing of real estate material.
- ***Cardinal Resources Ghana Limited:*** This is a wholly owned Australian gold mining company with estimated cost of project at US\$24.8 million.
- ***Visionfund Ghana Micro Credit Limited:*** An American project involved in the service of lending money. Its estimated cost of project is US\$9.1 million.
- ***Tiast West Africa Company Limited:*** This is a wholly owned Chinese company involved in agro- processing and manufacturing of food. Its total estimated cost is US\$5.4 million.
- ***Bonza Fields Ghana Limited:*** The project activity entails mining and civil engineering services. It is a wholly owned Chinese project with estimated cost of US\$6.65 million.
- ***Maficom Ghana Limited:*** The project involves general trading of commodities, processing and manufacturing of dairy products. The total estimated cost is US\$3.8 million.

5.0 Highlights of Programmes and Activities: October to December 2020

The Centre organized and participated in various investment promotion related events during the fourth quarter of 2020, under COVID-19 protocols. Table 3 below provides details on some of these events.

Table 3: Events participated in by the Centre (October to December 2020)

DATE	EVENT/SUMMARY
29 th June- 5 th October	China-Africa Digital Trade Week 2020 The China-Africa Digital Trade Week provided the platform for exporters, as well as the business community to come together and network with global companies and fellow professionals to discuss the latest market trends.
7 th October 2020	Webinar Engaging with Mining Companies During COVID-19 and Beyond.
8 th October 2020	World Economic Forum (WEF) Trade Multi Stakeholder Conversation 2020 Reimagining investments in a world impacted by COVID-19
9 th October 2020	Kick-Off Workshop on Migration Governance Migration and Governance webinar by GIZ

14th October 2020	Coffee with CEO A webinar dubbed coffee with the CEO partnered with DMG Events to assess how Ghana's rail sector has been affected by COVID-19 and strategies for the remaining of the year 2020. Also, investment opportunities in Ghana and policies put in place by government to help businesses cope with COVID-19 in making Ghana the preferred destination was presented.
18th – 19th August 2020	South Africa - Ghana Virtual Trade & Investment Mission Virtual mission on investment opportunities and the business environment in Ghana organized by the Department of Trade, Industry and Competition (DTIC) of South Africa in collaboration with the South African High Commission in Ghana targeted at developing solutions and forging partnerships in responding to COVID-19
15th – 17th December 2020	3 rd Accra SDGs Investment Fair Virtual event providing a platform in exploring new opportunities within the new normal, identify innovative ways of access to finance during the COVID-19 pandemic, recovery share experiences relating to individual and corporate adaptability in the wake of COVID-19 and rebuilding a momentum for the implementation of the SDGs
22nd – 24th December 2020	15th CII Exim Bank Digital Conclave on India - Africa Project Partnership The digital edition covered India-Africa collaboration revolving around Energy, Agriculture, Healthcare solutions, infrastructure development, project financing, post COVID economic resurgence, AfCFTA and enhancing India's Trade and Investment with Africa.

6.0 The Ghana Investment Promotion Centre (GIPC) Profile

Mandate

The **Ghana Investment Promotion Centre (GIPC)** is mandated under GIPC Act, 2013 (Act 865) to attract foreign direct investments into the country as well as promote domestic investments that will transform Ghana into an industrial and export – led economy by adopting efficient promotional strategies.

The Centre's strategic re-positioning is built on the following pillars:

- **Image:** Projecting the right image and reputation of Ghana as an investment destination.
- **Experience:** Ensuring that every investor and anyone else who influences decision has only positive experience where execution of commercial opportunities in Ghana are concerned.

GIPC's strategy for 2020: focused on 3 areas – operational *efficiency*, *higher level service* and *phase II of "Ghana on the go – Invest in Ghana, Grow in Ghana"*.

Direct Investment into Tangible Results: Translating direct investments (both foreign and domestic) into jobs, infrastructure, high impact interventions, on critical economic indicators and key factors driving investment decisions.

- Well-structured financial services sector
- Access to Power and other utilities
- Land Access
- Skilled workforce availability
- Robust incentives that benefit investors
- Sound regulatory practices that are reputationally respected.

The object of the Centre is to:

- Create an enhanced, transparent, and responsive environment for investment and the development of the Ghana economy through investment; and
- Encourage, promote, and facilitate investment in the country.

Vision

To make Ghana "the first destination of choice for investing in Africa".

Mission

To be the official and most accurate information hub for investors in Ghana by providing seamless "one stop shop – high value - added services."

Functions

For the purposes of attaining its objects, the Centre shall, actively encourage. Promote and facilitate investments into and within Ghana and shall: -

- Formulating investment promotion policies & plans, promotional incentives and marketing strategies to attract foreign & local investments in advanced technology industries and skill-intensive services which enjoy good export market prospects.

- Initiating and supporting measures that will enhance the investment climate in Ghana for both Ghanaian and non-Ghanaian enterprises.
- Initiating, organising & participating in promotional activities such as exhibitions, conferences, and seminars for the stimulation of investments, *to present Ghana as an ideal investment destination.*
- Collecting, collating, analysing & disseminating information about investment opportunities and sources of investment capital, *incentives available to investors, the investment climate* and advising upon request, on the availability, choice or suitability of partners in joint venture projects.
- Registering, *monitoring* and keeping records of all enterprises in Ghana.
- Registering and keeping records of all technology transfer agreements.
- Maintaining a liaison between investors and ministries, government departments and agencies, institutional lenders and other authorities concerned with investments.
- Identifying specific projects *and preparing project profiles on investments and joint venture opportunities in Ghana* and attracting interested investors for participation in such projects.
- Bringing about harmonisation in investment policy formulation through coordination of the activities of all other institutions and agencies relevant to investment promotion.
- Evaluating the impact of the Centre on investments in the country and recommending appropriate changes where necessary.
- Focusing on established investors in the country through continued communication to help existing businesses to expand.
- Promoting forward and backward linkages between foreign affiliates and local SMEs.

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Grow In
Grow with **Ghana**

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