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IN THIS ISSUE

- A Vision for Cross-Continental African Development
- UK-Africa Investment Summit
- Business and Energy Updates
- Legislative Corner
- #ImpactInvesting
- Who's Who?

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# A Vision for Cross-Continental African Development

**2019** is in review and, without much debate, what stands out for Ghana's year end is the "Year of Return". On the off chance that this event was missed, it is important to state that Ghana's Government took steps to commemorate 400 years (1619 – 2019) after the first group of slaves left the country's coast to the Commonwealth of Virginia, now part of the United States of America (USA). In September 2018, the President of Ghana launched the "Year of Return 2019", in Washington D. C., USA, as a celebratory landmark to observe the combined strength and resilience of Africa's enslaved ancestors and people of African lineage. Since the launch of this Initiative, the President and his outfit, including the Ghana Tourism Board and the Ministry of Tourism, have unsparingly extended invitations to the Diaspora to visit the country.

The Ministry of Tourism reported that some GHS 6 million was invested into the Initiative. The Ghana Tourism Board recorded over 1 million visits within 2019 with an increase in the average tourist spending from US\$1,862 in 2017 to

US\$2,589 within the year. The average stay in the country also increased from 8 to 10 days, translating to a higher patronage of the hospitality, tourism and creative industries. To boot, the Diasporan Secretariat recorded a US\$1.9 million revenue from the Year of Return. Some deliberate policy alterations played a significant role in attracting the striking number of visits, such as visa on arrival, reduced visa fee from US\$150 to US\$75 and a reciprocal visa waiver agreement with Jamaica. By the end of the year, 126 Africans from the Diaspora were granted Ghanaian citizenship.

The economic impact of this event is yet to be fully analysed and the Ministry of Finance & Economic Planning has set up a unit to set this in motion. The extensive opportunity this Initiative offers Ghana and the Diaspora to strengthen their relations, particularly through trade, investments, skills and knowledge transfer and the premise it presents for the Diaspora to rediscover their roots cannot be over-emphasized.

Another important dimension to this discussion is that the African Union recognizes the African Diaspora as its sixth region as, "people of native African origin living outside the continent, irrespective of their citizenship and nationality, who are willing to contribute to the development of the continent and the building of the African Union". This recognition calls for new strategies to incorporate the Diaspora into the development path for Africa.

The Initiative prompted such a tremendous response that it has been followed up with 'Beyond the Year of Return': a decade-long campaign of opportunities in Ghana, to be made available to the Diaspora. The campaign will be built on seven pillars, including the recently launched African Sankofa Savings Account ("the Account").

The modalities of the Account are yet to be out doored, but its overriding purpose is to provide investment opportunities for the Diaspora in Ghana's development. Opportunities in tourism, infrastructure, agriculture value addition, real estate,

# Uk-Africa Investment Summit

music, culture, and retirement homes, have been targeted for this purpose .

Already, talks held at the UK-Africa Investment Summit in London last month, focused on a UK-Ghana partnership to further trade policy incentives between the two countries, and to promote President Akufo-Addo's vision of Africa 'Beyond Aid'.

In the face of facts and figures, the impact of the Year of Return far exceeds expectations and could be very instrumental in redefining Ghana's socio-economic future.



## Facts and Figures

<https://goldstreetbusiness.com/news/the-gains-of-ghanas-year-of-return/>  
<https://jis.gov.jm/visa-waiver-agreement-between-jamaica-and-ghana-to-be-implemented/>  
<https://edition.cnn.com/2019/11/29/africa/ghana-foreign-nationals-citizenship/index.html>  
<https://au.int/en/diaspora-division>  
<https://www.mofep.gov.gh/news-and-events/2020-01-04/minister-for-finance-announces-the-establishment-of-african-sankofa-savings-account>

- UK-Ghana Investment and Opportunities Summit was held as an offshoot.
- Bilateral trade between Ghana and UK currently worth £1.3billion.
- The London Stock Energy listed its first 'Cedi Bond'.
- Credit guarantees, including the Offshore Cape Three Points Project, expansion of the Kumasi Airport and upgrade of the Komfo Anokye Teaching Hospital.
- £80.3million signed for work on the Tema-Aflao Road Project.
- £60m contract to provide 250 new beds for a Koforidua general hospital.
- Aqua-Africa project to provide solar power filtration systems.
- Fund for a full-scale digital map of Ghana and digitise the land registry system.
- A total of GHS 2.35 billion of investments made to Ghana.
- Ghana to benefit from the £85million grant to the African Development Bank.

# Business Update



## Retailing on the Rise

Ghana has been ranked 1<sup>st</sup> in Africa and 4<sup>th</sup> in the world, according to the 2019 Global Retail Development Index. The retail sector now valued at \$24.4 billion is expected to reach \$33.16 billion by 2024.

## World Bank unveils investments in Transformation

Ghana and the World Bank have signed four agreements worth \$570million in relation to: Greater Accra Resilient and Integrated Development Project; Ghana Accountability for Learning Outcomes Project; Ghana

Economic Transformation Project; and Additional Financing for the Ghana Forest Investment Programme. These projects are aimed at reducing forest loss, boosting education and improving sanitation.

## Partnership in Corporate Governance

The International Finance Corporation (“IFC”), a member of the World Bank Group, and the Ghana Stock Exchange (“GSE”) have partnered to train local businesses, strengthen their corporate governance practices and prepare them to raise capital on the stock exchange.

# Energy Update



## Energy Boost for Ghana

- **Siemens** has signed a €250m Memorandum of Understanding with Ghana Grid Company Limited. Under the agreement, both parties will work collaboratively to upgrade and extend Ghana’s transmission infrastructure, improve the country’s grid capacity and expand stable power for export.
- The **400MW Bridge Power** project in Tema will deliver 142MW of power early this year. The second stage which is predicted to be complete by December 2020, will take the project’s capacity to 202MW. Project sponsors are Endeavor Energy, General Electric and Sage (together forming Early Power Limited).

# Legislative Corner



## Targeted Tax Relief for Workers and Families

The Income Tax Act 2015 (Act 896), has been amended by the Income Tax (Amendment) Act 2019 (Act 1007). The amendment has introduced tax reliefs for personal income earners including, workers, parents with 3 school going children and persons above 60 years.

## New law for Agriculture

A new law has been passed for the creation of a Tree Crops Development Authority which will be the regulatory body for

research and management of production, processing and marketing of tree crops including oil palm, cashew and shea.

## #ImpactInvesting



## What are impact investments?

“Impact Investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return”.<sup>6</sup>

## Notable examples

Leapfrog Investments and Maya Mountain

Cacao.

## Impact Investing Ghana (IIGH);

- Launched in June 2019. Identified goals include:
- An increase in impact investing to support growth of social enterprises in Ghana.
- Leveraging private capital to close SDG funding gap for a prosperous Ghana.
- Catalyst for investments in impact ventures in Ghana and beyond.

## Typical sectors for impact investments

Renewable Energy and Climate Change, Education, Community Development, Agriculture and Financial Inclusion.

<sup>6</sup> <https://thegiin.org/impact-investing/need-to-know/#what-is-impact-investing>

# WHO'S WHO?

## **Justice Kwasi Anin-Yeboah**

has been recently sworn in as the 14<sup>th</sup> Chief Justice of the Republic of Ghana. As the Chief Justice, he is the highest ranking judge of the Supreme Court of Ghana, and the 'fourth in command' of the country, after the President, the Vice President and the Speaker of Parliament.

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