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2019 KPMG pre-budget survey report

September 2018

Foreword

The Ghanaian economy continues to remain resilient. Provisional first quarter GDP estimates released by the Ghana Statistical Service ("GSS") indicate that real GDP grew by 6.8% in the first quarter of 2018, compared to 6.7% over the same period last year.

This pre-Budget survey, however, comes at a time when confidence in the Economy is subdued, fuelled by a general anxiety over the likelihood of economic policy to further contain inflation and slow the depreciation of the domestic currency. Nevertheless, it is encouraging that interventions by government and infrastructural investments are expected to reap results over the medium to long term, setting the stage for sustained social and economic development.

In August and September 2018, we surveyed 40 business leaders from various sectors of the economy for their perceptions of the business environment and the fiscal regimes that affect their business.

The sectors included construction, financial services, hospitality, manufacturing, mining and petroleum, pharmaceuticals, retail, transport and logistics, technology and other businesses including multinationals, local companies and small to medium sized enterprises.

We hope the insights from the research will help Government with their deliberations and provide valuable feedback in the lead-up to the 2019 Budget.

Amanor Dodoo

Senior Partner

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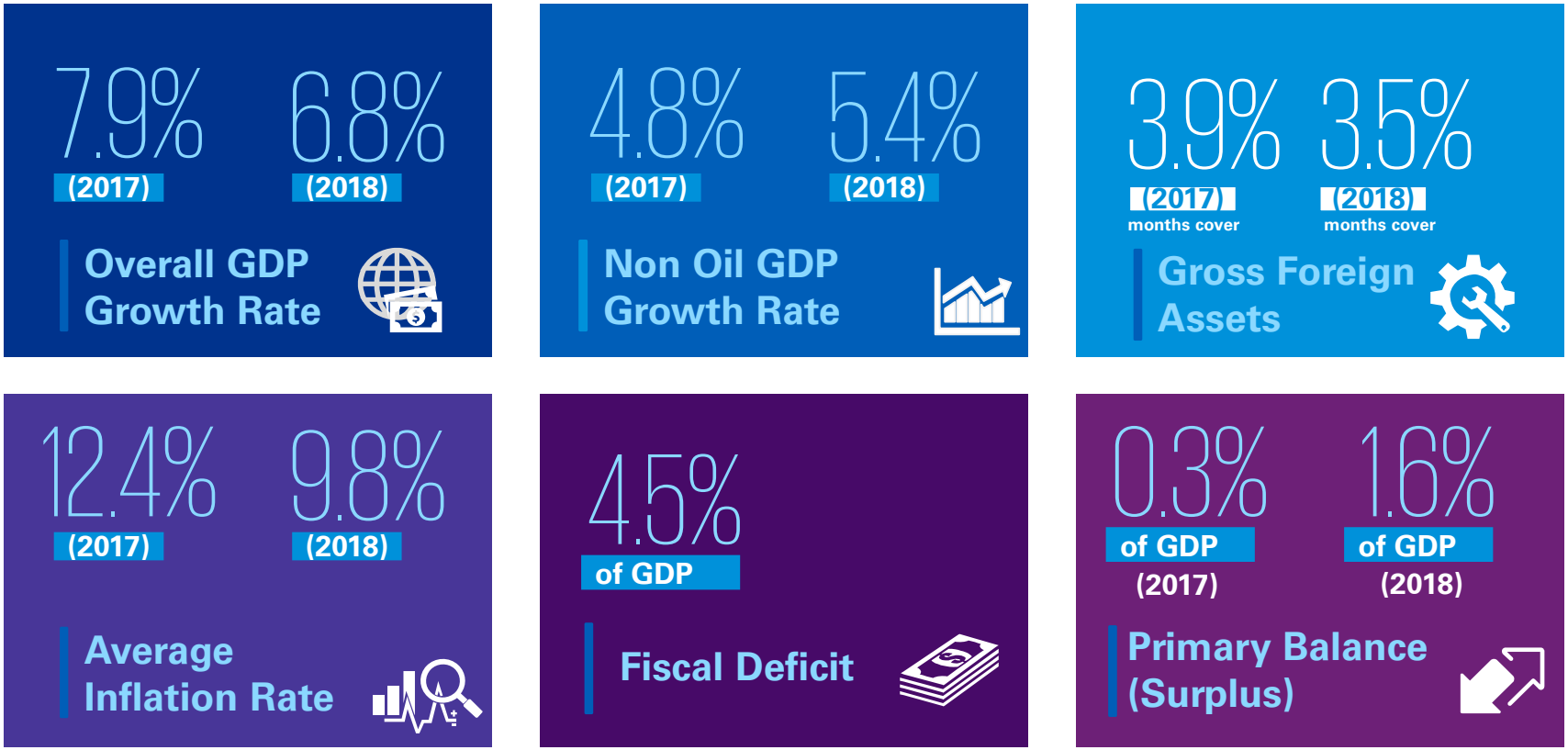
Economic Snapshot

Economic Snapshot

Macro Economic Performance



* Provisional data from January - September 2017 as used in the 2018 budget
Sources: BMI Research, 2018 Budget Statement

The Government plans to achieve GDP growth of 6.2% over the medium term (2018-2021). While the 6.2% growth target is not overly aggressive, it is dependent on the success of key policies adopted to drive growth, in particular, the various tax initiatives aimed at boosting the private sector.

In the long run, the broad sectors of the economy particularly the services sector, are expected to contribute significantly to sustained growth.

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Economic Snapshot

Key Initiatives & Opportunities

Various subsectors of the economy have in recent years exhibited strong potential for driving economic growth and development. A summary of opportunities across key sectors of the economy are highlighted below:

Financial Institution

❖ Insurance industry opportunities

- Growing oil & gas sector provides large opportunities for local insurance companies
- High percentage of population uninsured
- The launch of a pension scheme for cocoa farmers (scheduled to start in 2018).

❖ Banking Industry opportunities

- New Capital Requirement - has further augmented the need for additional and fresh capital injection
- Additional regulations by BoG – Technical support for banks in compliance with new requirement.

Mining

- Ghana has a **large depository of manganese, bauxite, and iron** which can be explored and mined.
- With the improvement in power generation and commodity prices, gold mining is once again attractive to international investors
- Gold refinery is equally an attractive sector given the minimum activity
- Diamond mining and processing
- **Discovery of lithium in commercial quantities**

Oil & Gas

- The resolution of maintenance challenges on oil production rigs will boost the oil and gas sector's growth
- Rising global prices and expansion in production capacity
- With the favourable outcome in the maritime border dispute, operators within the TEN fields are developing over 50 wells capped in 2013.
- Ongoing exploration at Jubilee, TEN and Sankofa fields increase crude oil reserves and natural gas estimates
- Improvement in generation through "gas to power" value chain and the construction of a natural gas processing plant expected to be completed in 2018 to receive gas from the TEN fields.

Power

- Improvement in financial and operational capacity in electricity distribution through private sector participation
- Modernisation of revenue collection system
- Privatisation of VRA's interest in the thermal plants

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Economic Snapshot

Performance Outlook

Macro economic forecast	2018	2019	2020	2021	2022	2023	2024	2025	2026
Nominal GDP, USDbn	57.1	65.3	71.8	79.1	87.8	97.6	108.5	121.2	136
Real GDP growth, % y-o-y	6.2	5.9	5.9	5.6	5.9	6.0	6.0	6.0	6.0
GDP per capita, USD	1,937	2,168	2,335	2,522	2,743	2,988	3,256	3,567	3,927
Population, mn	29.5	30.1	30.7	31.4	32.0	32.7	33.3	34.0	34.6
Consumer price inflation, % y-o-y, ave	11.5	10.3	6.0	6.5	7.0	7.0	7.0	7.5	8.0
Central bank policy rate, % eop	18.00	16.00	15.00	12.00	12.00	12.00	12.00	12.00	12.00
Exchange rate GHS/USD, ave	4.19	4.17	4.26	4.35	4.44	4.53	4.62	4.71	4.81
Exchange rate GHS/EUR, ave	4.61	4.17	4.26	4.35	4.44	4.53	4.62	4.71	4.81
Budget balance, USDbn	-3.7	-3.1	-4.8	-5.0	-5.1	-5.1	-5.0	-4.8	-4.4
Budget balance, % of GDP	-6.6	-4.8	-6.7	-6.3	-5.7	-5.2	-4.6	-3.9	-3.2
Current account balance, % of GDP	-1.5	-1.4	-2.3	-3.0	-2.8	-2.7	-2.6	-2.5	-2.4
Foreign reserves ex gold, USDbn	11.6	15.6	15.6	15.7	17.5	19.6	22.0	24.6	27.6
Import cover, months	5.1	5.7	5.1	4.8	4.8	4.8	4.9	4.9	4.9

Source: BMI Report
Notes: y-o-y – year on year, eop – end of period, ave - average

The overarching goal of macro-fiscal policy as set out in the 2018 Budget is to deepen macroeconomic stability, grow the productive sectors of the economy, create jobs and ultimately move the economy 'Beyond Aid'. Projections for selected macroeconomic indices suggest that Ghana has good economic prospects over the medium-term, subject to prudent fiscal management.

Prudent fiscal management would require further increases in real expenditures be directed towards productive investments that will lay the foundation for future economic growth. Going forward, this informed approach to expenditure is a necessary requisite for realising Ghana's economic potential.

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Survey Results & Findings

Survey Results & Findings

Demographics

This section analyses and presents the survey results and findings after conducting primary research. These findings are expressed in terms of quantitative data which was obtained through online surveys to 40 business leaders.

The questionnaire constituted various sections, each aiming to examine what companies are experiencing in the midst of an evolving macro economic environment and soliciting viewpoints about what can be done to create an enabling environment necessary for accelerating progress.

Highlighted below are charts summarising key demographics across respondents. This is to help establish an understanding of the background of respondents while putting the results into perspective.

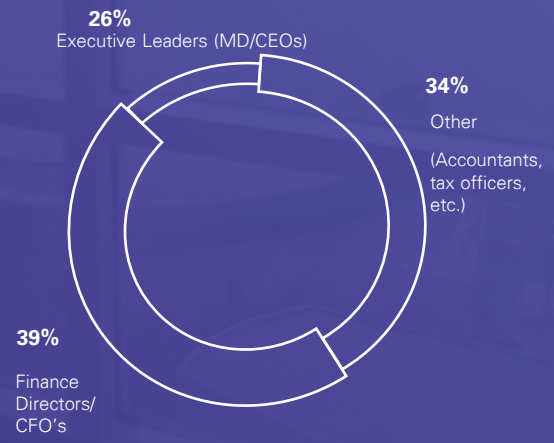
Sample Size: 40

84% Male **16%** Female

Sector Breakdown of Survey Participants

Agribusiness	5%	Healthcare	1%	Oil & Gas	5%	Telcoms	5%
Banking	16%	Industrial/ Manufacturing	8%	Other	19%	Tourism	3%
Construction	5%	Insurance	3%	Power	3%		
Education	8%	Media	3%	Retail	3%		
Food & Drink	1%	Mining	3%	Technology	5%		

Job Roles of Respondents



Survey Results & Findings

Data Collection Instrument

In conducting the survey, we administered questionnaires which asked respondents the following questions:

Q1a	Have the current tax incentives had a positive impact on your business	Q1b	Which fiscal measures have had the most impact on your business?	Q1c	In your opinion, what should be the income threshold for the 35% personal income tax bracket?
Q1d	Do you expect any relief to be provided to individual tax payers?	Q1e	In your opinion, which of these two fiscal measures should be prioritized as part of the 2019 National Budget	Q1f	Which issues are of critical concern to tax payers?
Q1g	In your opinion has the government taken adequate measures to provide certainty on tax liability	Q1h	In your opinion, how complex are the Ghanaian tax laws?	Q1i	How relevant are Ghanaian tax laws to the current business environment?
Q1j	Do you think the tax environment has improved over the last fiscal year?				

Q2 Which business parameters do you consider require priority attention from Government

Q3 To what extent do the following factors affect your business' growth and profitability?

- Cost of Funding
- Stability of the Cedi
- Infrastructure
- Availability of Forex

Q4 To what extent are the following technological factors relevant to your business' growth and profitability?

- eGovernance (Government Services Portal)
- High Speed Internet
- Payment Systems
- National Identification System
- Digital Address System

Q5 What are your top 3 "stay awake" issues?

Q6 What initiatives could Government introduce to help create a sustainable business environment

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Data Collection Instrument

There were three (3) sections to the questionnaires. The first consists of questions identifying the impact of recent fiscal measures to businesses.

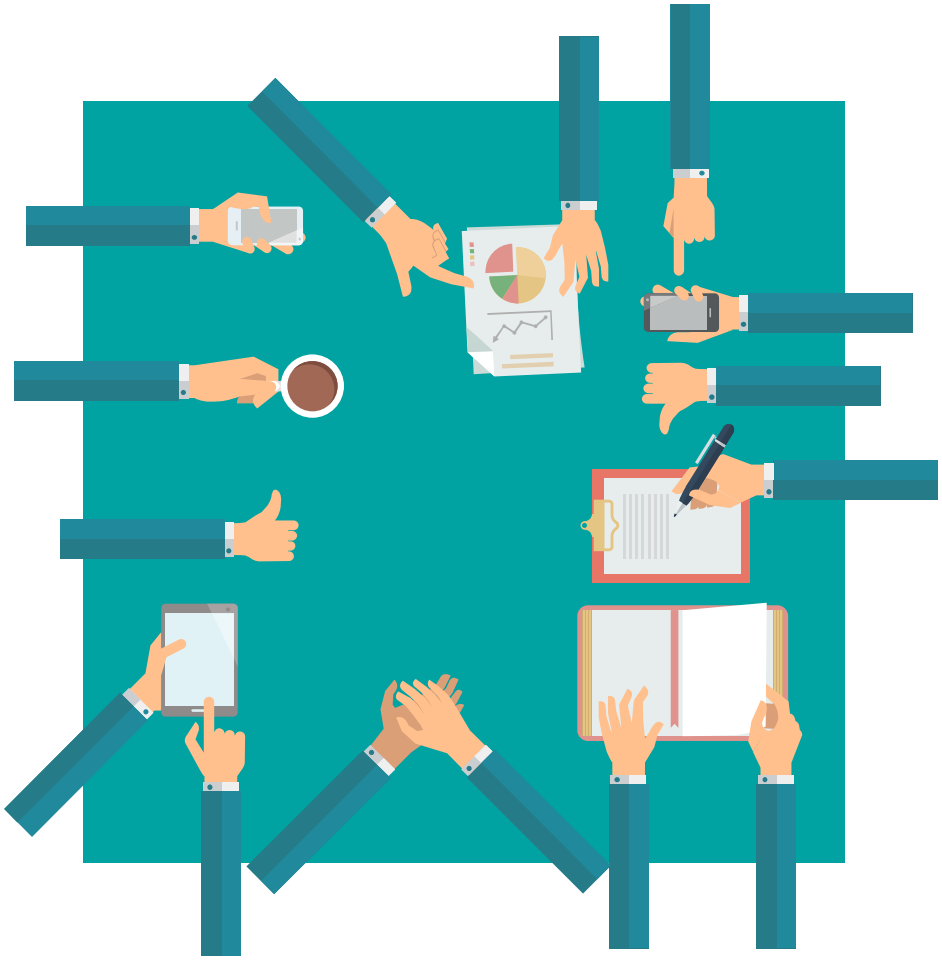
The second section consists of questions regarding respondents perception of the business environment and climate.

The third and final section aimed to solicit opinions from respondents on possible initiatives the Government could introduce in the 2019 budget to create a more sustainable business environment .

To understand/assess perceptions however, a five (5) item Likert scale was relied upon, with respondents asked to indicate how strongly they felt or were affected by fiscal changes. A scale ranging from 1 (strongly agree) to 5 (disagree) was adopted.

Data Analysis

Owing to the number of variables considered for this research model, data analysis was carried out using both the Statistical Package for the Social Sciences ("SPSS") software and the Power BI data analytics tool.



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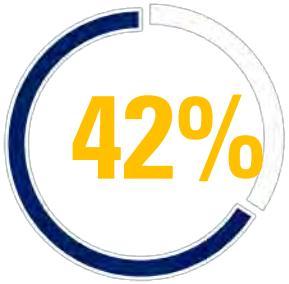
Q1 What impact have recent fiscal measures had on your business?

Survey Results & Findings

Have the current tax incentives had a positive impact on your business?



of respondents felt the 100% tax deduction on Research & Development cost in the year of occurrence had **no impact** at all on their business.

42%

of respondents felt the increase in the thin capitalisation ratio from 2:1 to 3:1 had a **moderately significant** impact to their business.

Respondents indicated the high cost of obtaining funds prohibited them from pursuing additional leverage.

14%

of these respondents were from the Banking Sector

58%

of respondents felt the 3 & 5 year carry forward of tax losses for businesses had a **significant positive impact** on their business

57%

Felt the income tax exemption for enterprises owned by persons under 35 years for the first 5 years and also the 5-year tax loss carry forward had **no significant impact** on their business.

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Survey Results & Findings

Which fiscal measures had the most impact on your business? (1/2)

40%

of respondents felt they were **significantly impacted** by the reduction in VAT/NHIL Input rate from 17.5% to 12.5%.

Analysis of survey responses provided evidence for a largely negative view of the VAT/NHIL input rate reduction, with businesses indicating it added to their cost of production

50%

Cited **little to no significant impact** on their business from the Government's Tax Amnesty fiscal measure.

53%

Of respondents indicated the introduction of the 5% GET Fund and NHIL **significantly impacted** operations.

There was a general feeling tax payers were already overburdened and as such the added levy was regressive in nature.

53%

of respondents felt the VAT withholding tax had a significant impact on their business.

Largely, respondents emphasised that tax affected them negatively and they had difficulty obtaining withholding tax certificates.

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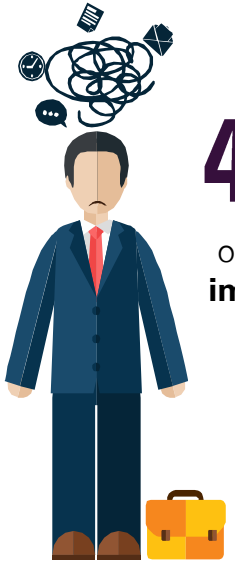
Which fiscal measures had the most impact on your business? (2/2)

64%

cited **little to no significant impact** from the Excise Stamp Tax policy

53%

cited **little to no significant impact** felt on their business operating costs after the removal of the Special Import Levy.



46%

of respondents indicated they felt **little to no impact** on their business from the 3% flat VAT rate.

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Survey Results & Findings

Feedback on impact of fiscal measures(1/2)

"As a multinational, the flat rate of VAT rather denies us the needed cash to operate. The measure appears to be more punitive than process reform."

"Withholding Tax brings extra work and cost in issuing certificates to customers."

"The removal of the Special Import Levy may reduce the cost of some imported items. It is good but its effect is yet to be felt."

"The 3% VAT flat rate means government takes upfront cash that would have been available for business to operate."

"Not being able to offset the total input VAT of 17.5% (only 12.5% allowed) against 17.5% output is badly affecting the profitability of our business. This is because we are in an industry where pricing is very transparent and competitive, hence it is near impossible to pass the extra "unclaimable" input to our customers."

"As a pensions service provider, the Excise Stamp may not have any significant impact on me. Other tax policies though will have impact, especially policies that encourage pensions funds preservation."

"The timeline to implement was too short. Some companies work with integrated ERP and making changes take a lot of time. We have been obliged to work manually for each certificate. We face a delay in delivery of VAT WHT certificates and increased risk of mistakes."

"The Excise Stamp Tax Policy is another pitfall this year which will cut deep pockets in our margins. Absolutely insane move as Government is not able to control smuggling and VAT avoiders but puts burden on honest manufacturing companies."

Survey Results & Findings

Feedback on impact of fiscal measures (2/2)

> The 3% VAT flat rate has directly increased our costs .All manufacturing companies should be exempted.

> A section of manufacturers have run simulations that suggest the compounding impact of the 5% straight levy cost through various value chains show a price inflation to consumer of 15% - 20%.

> WHT is beginning to affect our cash flow as our clients withhold the payment of VAT through the issuance of VAT Relief Purchase orders thus leading to the building up of VAT Credit on the supply of mining services

> Translates into a higher cost for the users of the goods & service although it widens the tax net.

> The little feedback we got so far suggest that many businesses have not taken advantage of the Tax Amnesty programme to fulfil their tax obligations. Education is needed on the part of the GRA on tax amnesty.

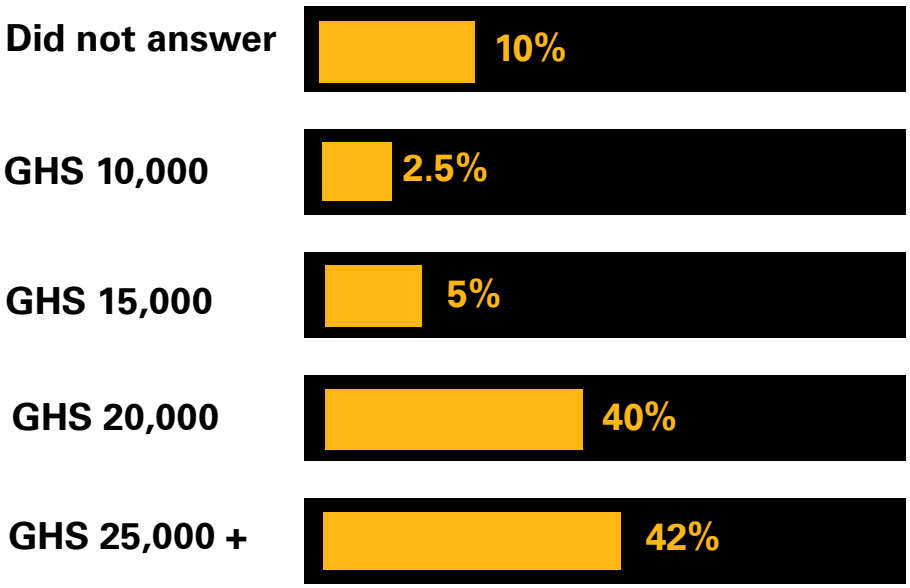
> The Tax Amnesty has helped regularize our tax status.

> The removal of the Special Import Levy will give us some breather.

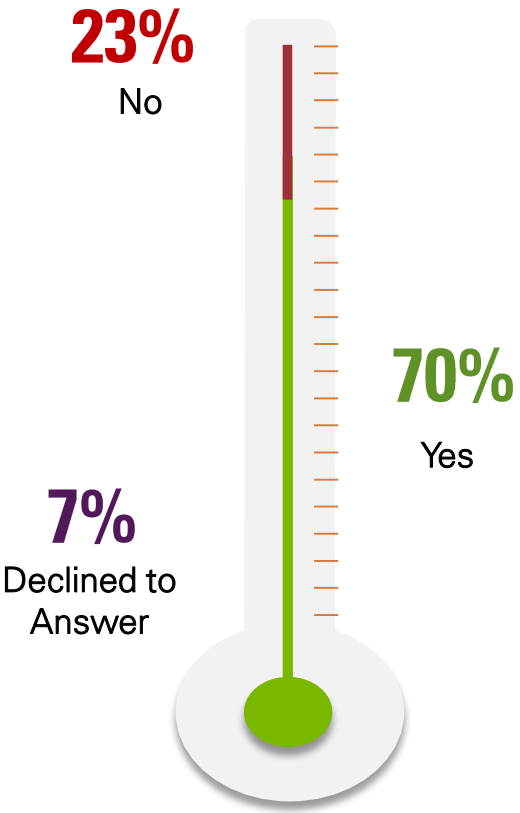
> The 3% flat rate has had an adverse impact on profitability. Our inability to pass on the input VAT of 17.5% has resulted in a 10% rise in our cost of sale. We have therefore resorted to looking for cheap foreign direct investment in order to meet the growing demand for our products and services without the possibility of an upward review of our prices. We simply are running into a loss at the current cost of borrowing in Ghana.

What are your some of your opinions on existing and upcoming personal tax?

What should be the income threshold for the 35% personal income tax bracket?



Do you expect any relief will be provided to individual tax payers?



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Survey Results & Findings

Feedback on personal tax regime(1/2)

> 35% on personal income tax is just too outrageous even for the rich.

> The existing tax payers are already overburdened and does not lead to widening of scope. Its a lazy way of mobilising tax revenue.

> Does not make sense when corporate tax rates are same. Government expenditure must be checked instead.

> The President must pay taxes as well and increase the 35% threshold to GHS 25,000.

> There are already multiple taxes imposed on goods and services like fuel and utilities, so imposing a 35% personal tax on the other brackets is a bit excessive.

> With GHS 10,000 per month you cannot meet even a middle class standard of living when you consider education of children and home rent with interest rates as high as 26% per annum.

> It is my humble opinion that this personal income tax is heavily discriminatory as it even above the corporate income tax rate of 25%.

> High cost of living makes GHS10,000 too low to attract a tax rate of 35%.

> The current threshold for the 35% income tax is more punitive than it is progressive.

> The 35% personal income bracket should be at the highest revenue stated i.e. above GHS25,000.

Survey Results & Findings

Feedback on personal tax regime(2/2)

> It is now discouraging to work hard and earn more.

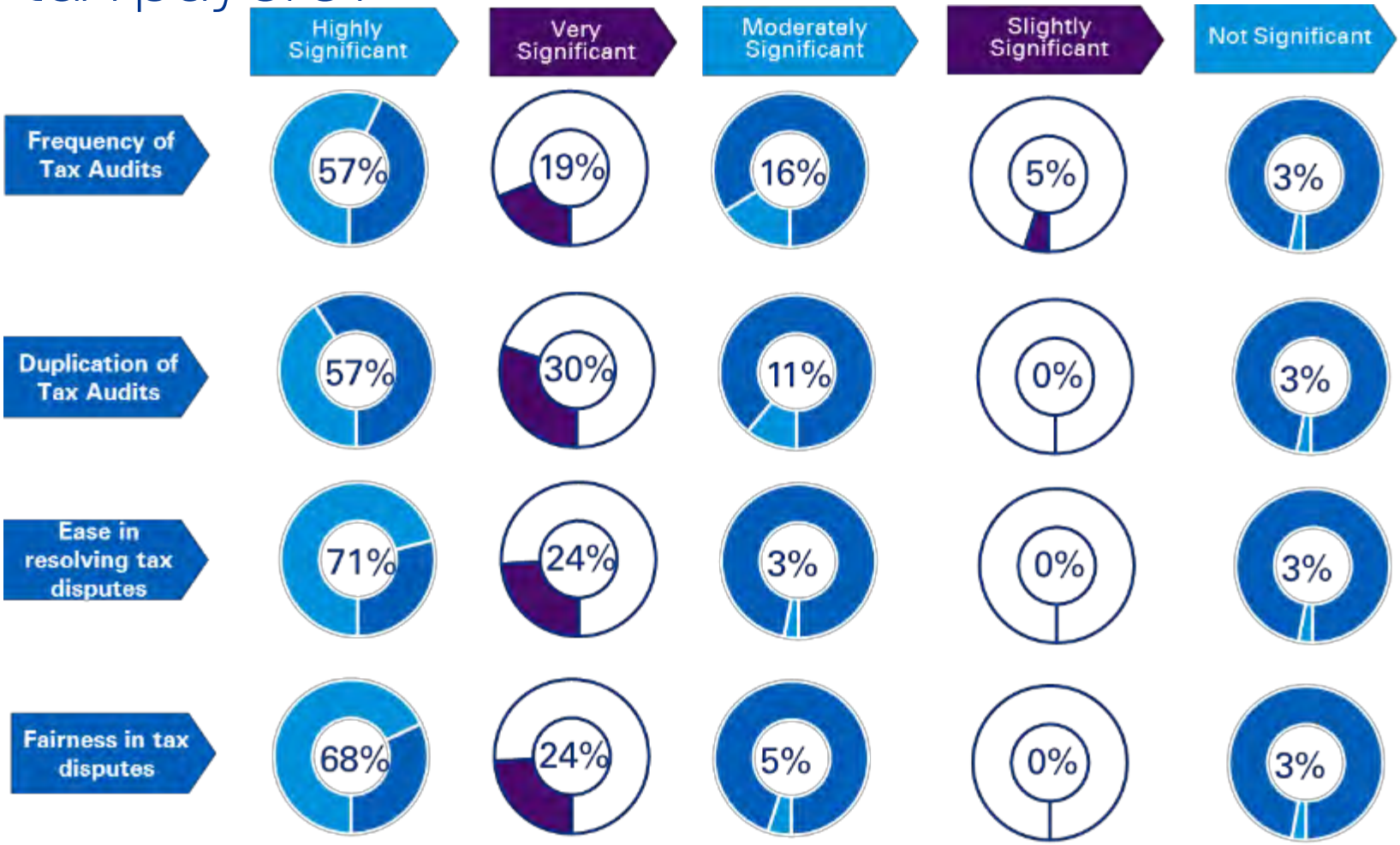
> The tax net should be expanded rather.

> The corporate sector is over burdened.

> Indexing GHS10,000 to the dollar is probably less than $2,500 which should not be considered a high income earner in a middle income country like Ghana. Besides, most people who fall within this bracket suffer from other issues such as demands for 2-3 years housing rent in advance, bad roads leading to high vehicle maintenance cost, corruption and higher school fees at the basic school levels.

> Income Tax threshold should be higher to stimulate the economy.

How are these issues of critical concern to tax payers?



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In your opinion has the Government taken adequate measures to provide certainty on tax liability?

11%

YES

89%

NO

YES responses were primarily from participants in the Banking and Insurance Sector.

> **"Tax Authorities themselves have no clear understanding of their own tax laws and apply them almost arbitrarily."**

> **"More education on tax law is needed. Information on tax law is sketchy and requires technical skill to interpret. This is then left in the hands of a few personnel in the tax authority who use this to exploit individuals and businesses alike."**

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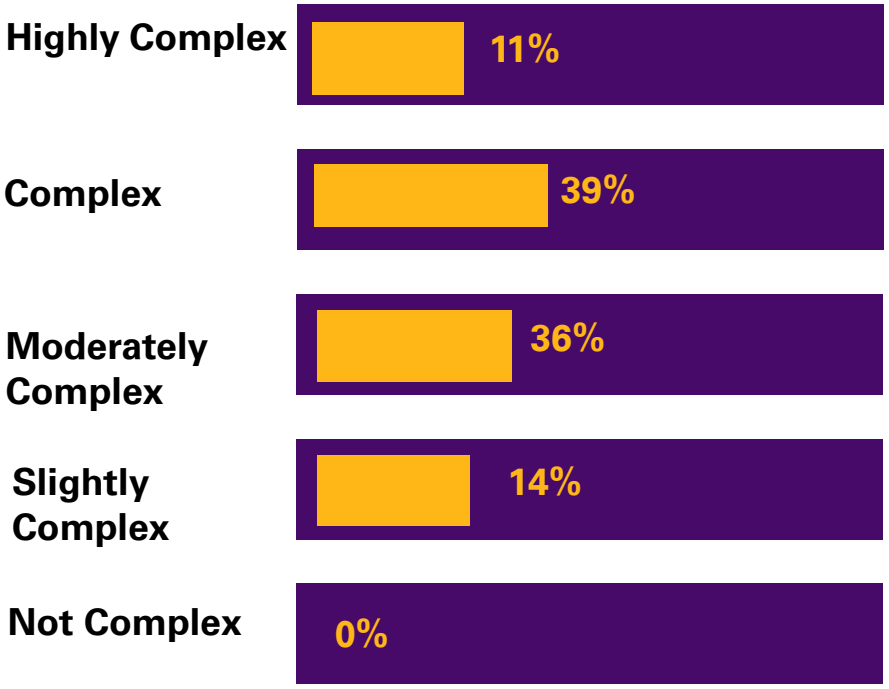
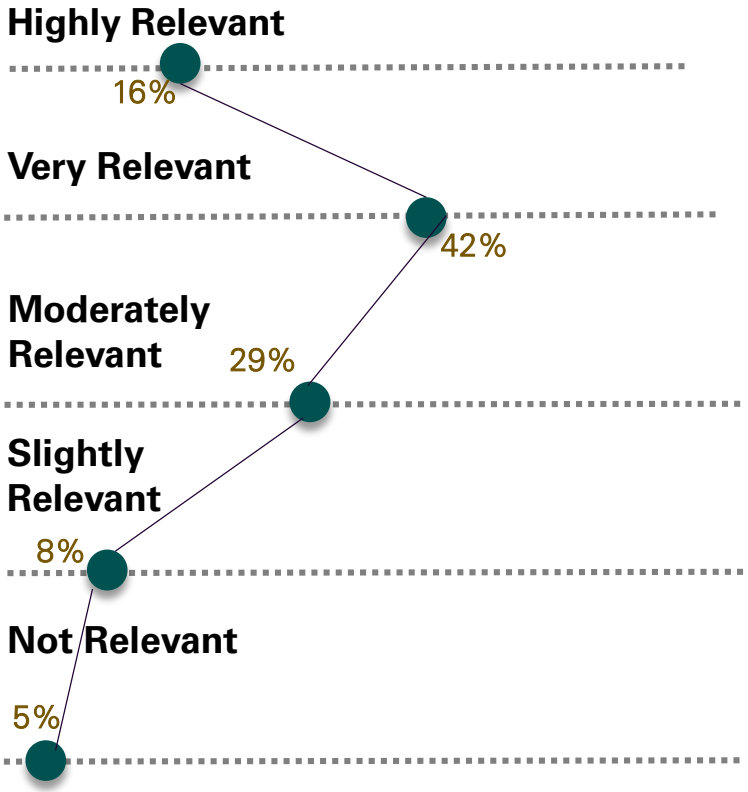
In your opinion, how complex and relevant are Ghanaian tax laws?

How complex are the Ghanaian tax laws?



How relevant are Ghanaian tax laws to the current business environment?



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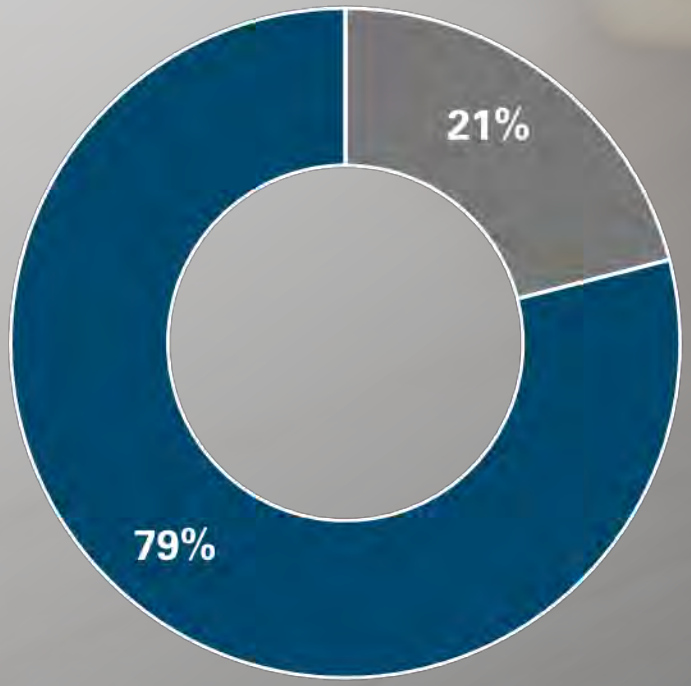
Survey Results & Findings

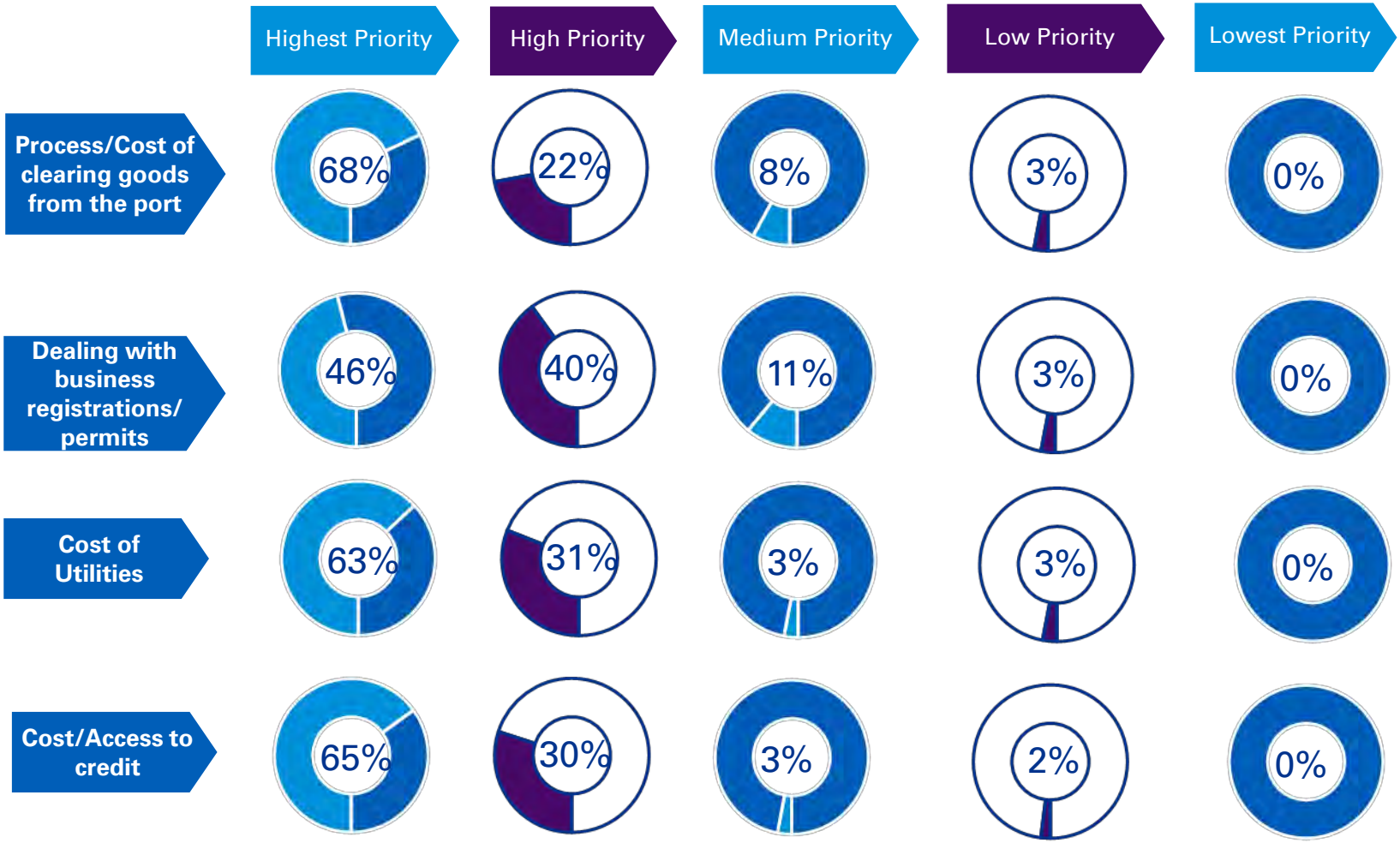
Do you think the tax environment has improved over the last fiscal year?



Q2 Which issues require priority attention from Government?

Survey Results & Findings

Which issues require priority attention from Government?



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Appendix

Sector view of business parameters which require priority attention from Government

Agribusiness

Survey participants in the Agribusiness sector felt the **Government's highest priorities** should be:

- Reducing the process/cost of clearing goods from the ports
- Making it easier to deal with obtaining business registrations/permits
- Improving access to finance for agribusiness firms.

Banking

- **100%** of respondents from the banking sector felt the Government needed to place immediate emphasis on improving access to credit for the private sector
- **83%** of respondents also indicated that reducing the cost of utilities should be a priority area for the Government.

Construction

Survey participants in the Construction sector felt the **Government's highest priorities** should be:

- Reducing the cost of utilities
- Improving the cost/access to credit facilities.

Education

Survey participants in the Education sector felt the **Government's highest priorities** should be:

- Ensuring national unions don't interfere with the smooth functioning of organisations
- Reducing delays and bureaucracy at government level regarding permits and clearing goods
- Reducing the cost of utilities.

Industrial/Manufacturing

Survey participants in the Industrial/ Manufacturing sector felt the **Government's highest priorities** should be:

- Reducing inflation and the cost of utilities
- Providing tax relief to participants in the manufacturing sector
- Creating a separate authority to resolve tax disputes between GRA and manufacturers, instead of the court system

Other

A summary of priority areas from other industries surveyed are included below:

- Education on tax laws and a reduction in tax burden
- Reduction in MPR and hence bank lending rates
- Reduction in bureaucracy when dealing with government entities
- Implementation of policies to reduce corruption.

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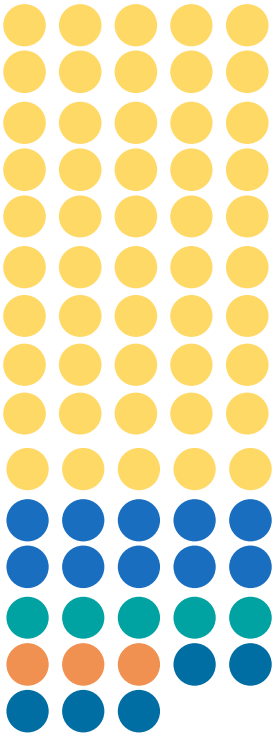
Q3 To what extent is your business' growth and profitability affected by relevant factors?

To what extent is your business's growth and profitability affected by relevant factors? (1/2)

Cost of Funding



69%
Agreed to a large extent that the cost of funding affected their business growth and profitability

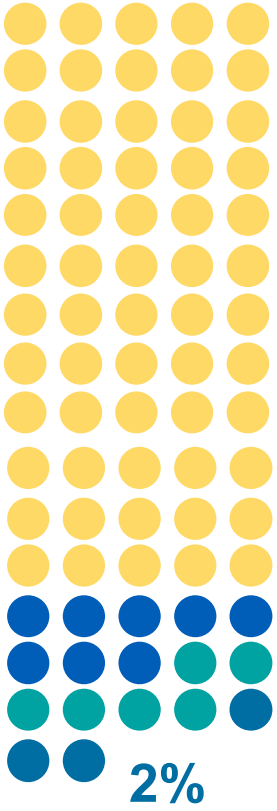
17%
Agreed to a moderate extent

6%
Agreed to some extent

2%
Agreed to a little extent

6%
Felt cost of funding did not affect their business at all

Stability of the Ghana Cedi



79%
Agreed to a large extent that the stability of the Cedi affected their overall growth and profitability

8%
Agreed to some extent

11%
Agreed to a moderate extent

2%
Were not affected at all by the stability of the cedi

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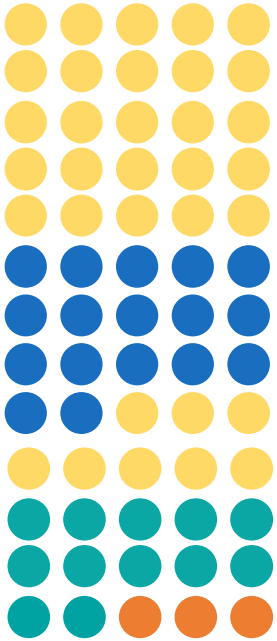
To what extent is your business's growth and profitability affected by relevant factors? (2/2)

Infrastructure



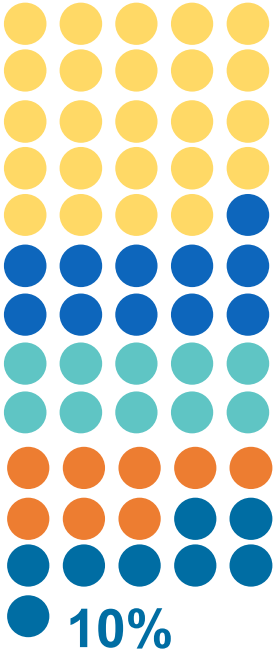
42%
Agreed to a large extent that the state of Infrastructure affected their business growth and profitability

31%
Agreed to a moderate extent

25%
Agreed to some extent

2%
Agreed to a little extent

Availability of Forex



41%
Agreed to a large extent that the availability of forex affected their overall growth and profitability

22%
Agreed to a moderate extent

16%
Agreed to some extent

11%
Agreed to a little extent

10%
Were not affected at all by the availability of Forex

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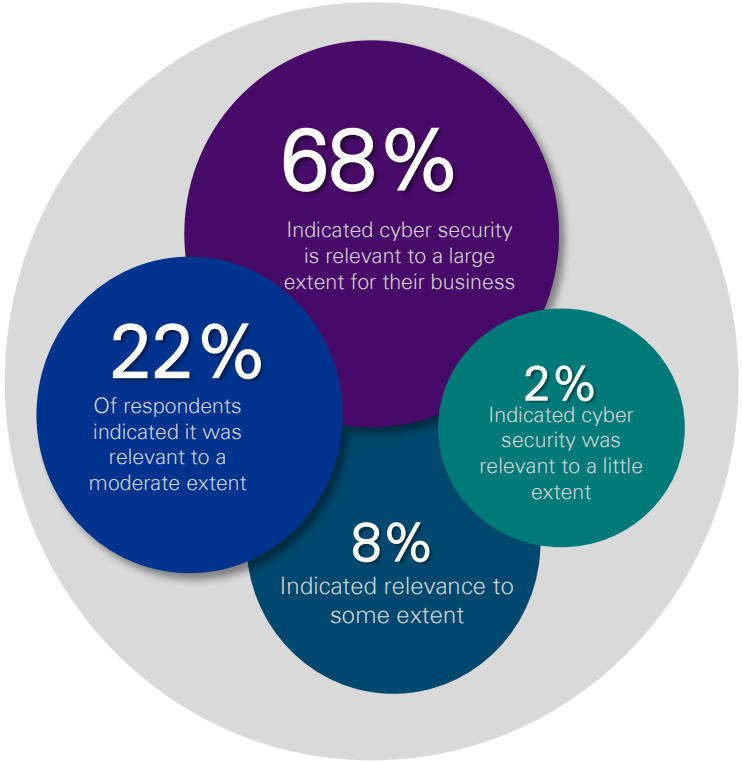
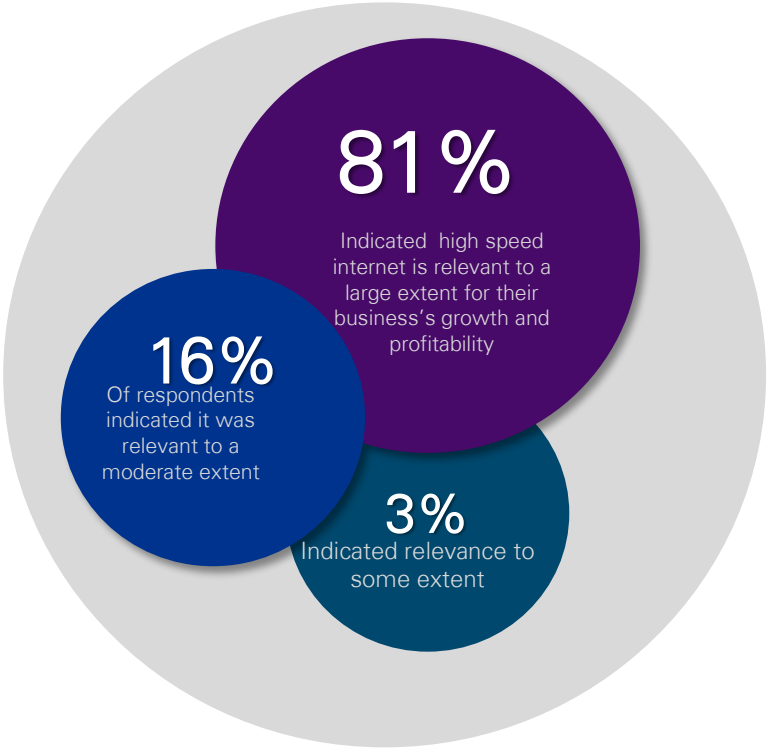
Q4 To what extent are technological factors relevant to your business?

To what extent are technological factors relevant to your business? (1/3)

Cyber Security



High Speed Internet



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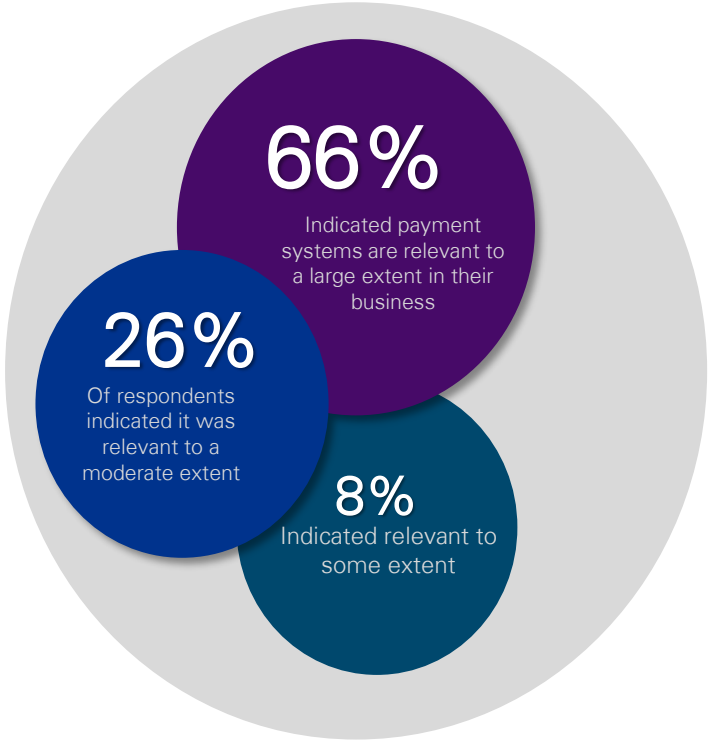
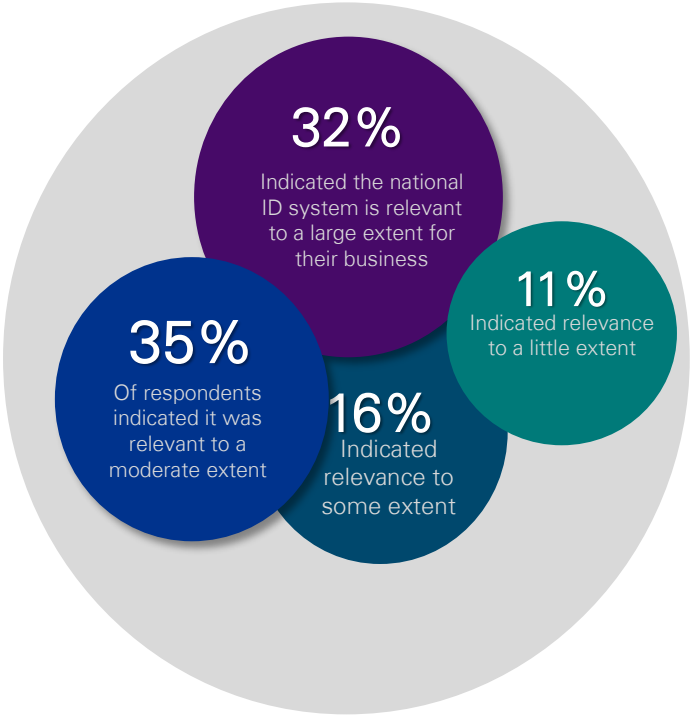
To what extent are technological factors relevant to your business? (2/3)

Payment Systems



National Identification System



5% of respondents indicated the National Identification System was not relevant at all to their growth and profitability

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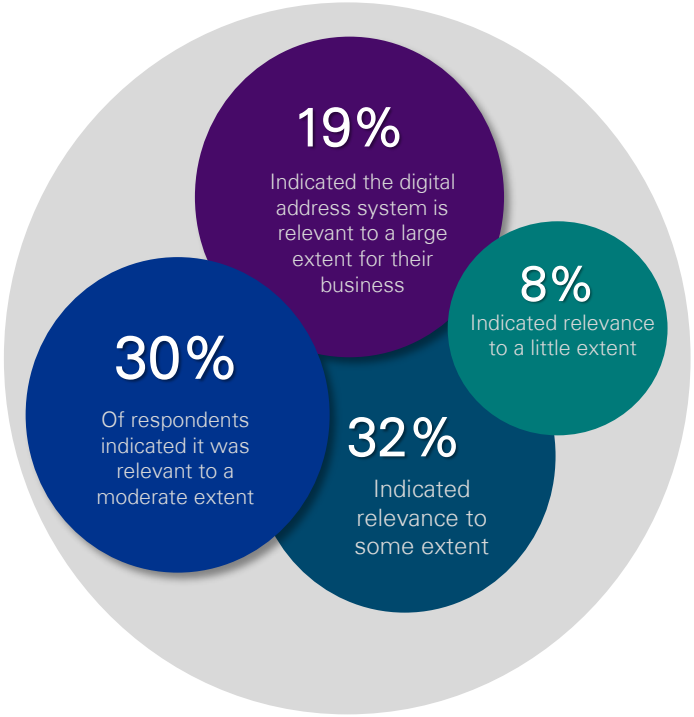
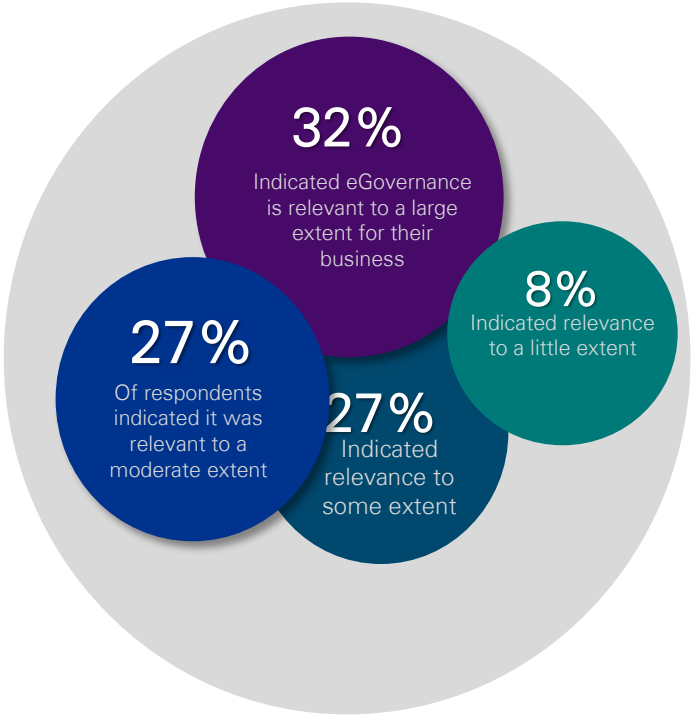
To what extent are technological factors relevant to your business? (3/3)

Digital Address Systems



11% of respondents indicated digital address systems were not relevant at all to their growth and profitability

eGovernance (Government Services Portal)



5% of respondents indicated e-Governance was not relevant at all to their growth and profitability

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Q5 What are your top three "stay awake" issues?

Common "stay awake" issues across respondents

Depreciation of the Cedi

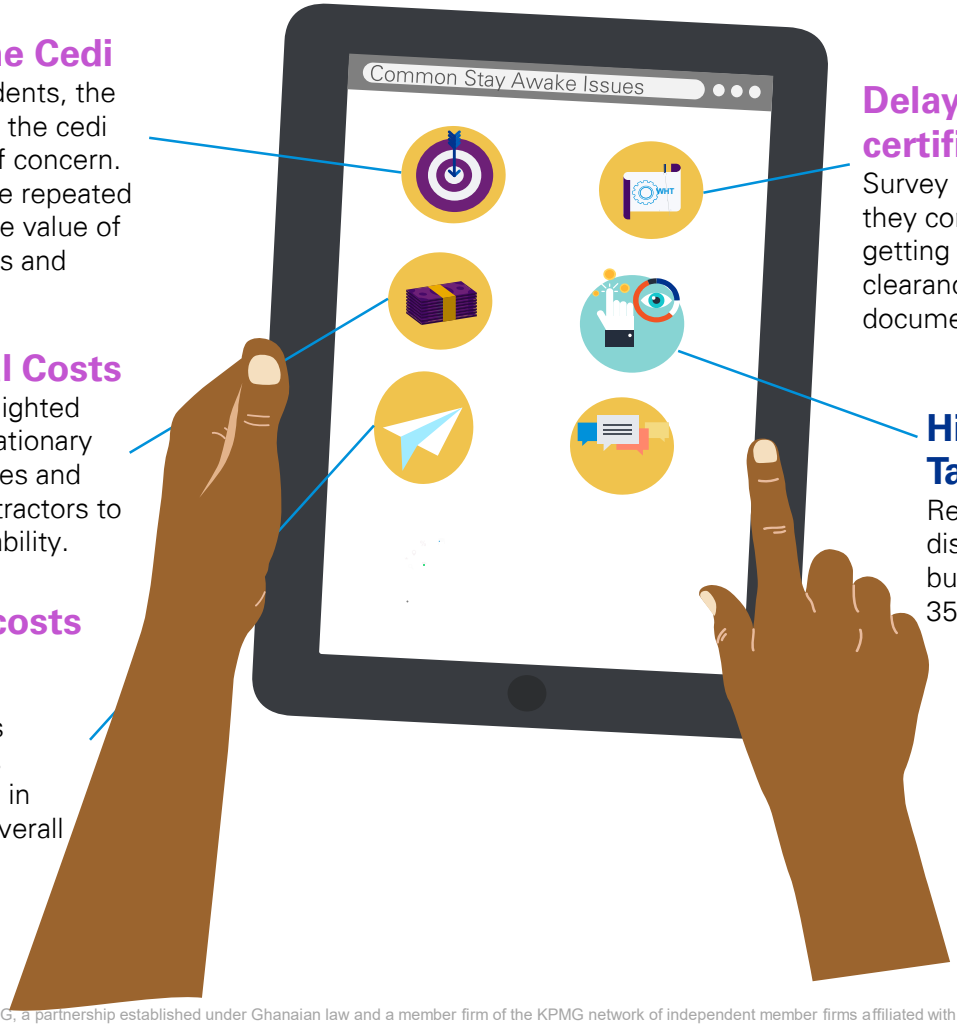
Across all survey respondents, the sustained depreciation of the cedi remained a strong area of concern. Survey respondents made repeated mention that the fall in the value of the cedi raised input costs and reduced margins.

High Operational Costs

Survey respondents highlighted that a combination of inflationary pressures, rising fuel prices and utilities are significant detractors to overall growth and profitability.

High borrowing costs

Rising interest rates were frequently touted as a stay awake issue from business respondents. Respondents reiterated that the increase in borrowing costs reduced overall availability of capital to fuel further growth.



Delays in Getting WHT certificates

Survey respondents generally felt they consistently faced delays with getting WHT certificates, tax clearances and other relevant tax documents from GRA.

High Personal Income Taxes

Respondents generally felt their disposable income was being burdened unnecessarily by the 35% tax at the GHS10,000 level.

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Appendix

Sector view of "stay awake" issues

Agribusiness

- High operational costs from sustained depreciation of the cedi and overall increase in utilities
- Increase in input & supplier prices due to the performance of the cedi
- Inability to secure long term funding.

Banking

- Growth in non performing loans
- Poor legal support when trying to recover loans
- System failures and lapses in IT security.

Construction

- Depreciation of the cedi
- High borrowing costs
- Infrastructure degradation particularly in relation to road networks.

Education

- Burden on the sector from Free SHS policy
- Personal income tax threshold
- Inflation and the Depreciation of the ced.i

Industrial/Manufacturing

- Further depreciation of the Cedi
- Inflation driving up the cost of raw materials
- Additional taxes placed on an already overburdened sector.

Other

- Corruption in the public sector
- Increasing economic hardship for individuals and firms
- Rising cost of fuel and other inputs
- High borrowing costs
- Poor performance of the Cedi
- Bureaucracy and delays when dealing with the public sector.

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Survey Results & Findings

Feedback on top three "stay awake" issues? (1/2)

"High Operational Cost and Instability of the local currency"

- Repayment of Credit Facilities
- Customer Deposits
- Cost of Funds

1. Cyber security,
2. Non performing loans
3. Systems failure

"Profitability, Liquidity and too many taxes"

"Poor identification systems, poor legal support in loan recovery and unstable forex rates."

"GHS depreciation , high cost of import duties & Poor Road networks"

1. Youth Unemployment
2. Corruption
3. Depreciation of the Cedi

- Exchange rate stability
- Low bank Credit Rates
- Rational Pricing of Utilities

- Unresolved issues arising from tax audits
- Tax implications of doing business with non-resident foreign entities
- Delays associated with getting tax clearance and exemptions from GRA

- Exchange rate depreciation,
- Inflation of good and services (specially with the new 5% levy),
- Additional taxes coming in the November budget.

"Tax liability certainty, increased tax base and enforcement of penal provisions."

1. Blanket tax policies and rates across all sectors which kill most businesses especially local ones in sectors that have greater risk or require large capital.
2. Stabilization of exchange rates and lowering of cost of borrowing which is a key catalyst to growth of the economy.
3. The need for continuous expansion of the supply of energy at lower cost comparable with leading growing economies in Africa and Asia is key.

Survey Results & Findings

Feedback on top three "stay awake" issues? (2/2)

"Forex, crude oil prices and frequent audits"

- Cedi/dollar exchange rate
- Availability of finance
- Low threshold of income tax (GHC10,000)

1. Stability of local currency (GHS) against USD
2. Government bureaucracy
3. Corruption

"Audits"

1. Corruption within Gov't Agencies
2. Instability of the Economy
3. Unfair bidding processes

1. Taxes
2. Commitment to fight corruption
3. Value for money in all Govt. Contracts

- Good infrastructures
- Maintenance of infrastructures
- Thriving Economy

"VAT Regime, Cost of Port Operations and Rising cost of Fuel."

1. Cost of funding,
2. High cost of utilities
3. Poor infrastructure

"Integrity within the tax environment, especially from GRA workers".

- Free SHS
- Size of the Government's investment in the 1-district-1 factory policy,
- The Personal income tax threshold.

- The financial sector crisis especially regarding the banks and micro-finance institutions and how to reduce the impact on the economy
- Corporate governance in terms of strengthening and improving capacity of board members to be effective.
- Increasing unemployment and economic hardship for families

- Security
- Interest Rates
- Price of raw materials

Q6 What initiatives could Government introduce to help create a sustainable business environment?

What initiatives could Government introduce to help create a sustainable business environment? (1/2)

- Intensify tax education
- Revert VAT to full 17.5% deductible input
- Scrap the stabilization levy
- Publish all tax incentives

"Tax religious institutions"

"Reform tax system to be business friendly and stabilise the currency"

- Eliminate Corruption
- Improve economic growth
- Reduce Energy Costs-Fuel and Electricity

- Widen the tax net then formalise the SME space
- Provide more incentives to businesses that support agriculture and cottage industries

"Reduce the Monetary Policy Rate (MPR) so there is overall fall in the cost of borrowing."

"Introduce fiscal policy targeted at churches and religious institutions. For example, introduce a 10% Social Development levy on Tithe collections from all faith-based organizations"

- Streamline customs import duties and levies in such a way that it is industry specific and supports local content
- Identity and support indigenous businesses that have strong growth potential in African trade
- Reward businesses that are well managed, properly audited and have shown consistent tax compliance especially in the SME sector with grants that will help lower their cost of borrowing

- Increase transparency and work to reduce corruption at the government levels.
- Strengthen ICT policy and investment more in this area.

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What initiatives could Government introduce to help create a sustainable business environment? (2/2)

- **All leading economies ensured citizens have access to their basic needs by modernizing agriculture, industrializing and expanding the services sector. Since the leading growth sector of the economy is the services sector, the Government should implement the policies outlined in their manifesto which were meant to stimulate the services sector and the Economy.**
- **Government should introduce policies which make corruption unattractive since corruption impacts negatively on all spheres of development.**
- **Our educational system should be re-looked at to make it relevant to the economy.**

"Widen the tax net by focusing on the National ID and TIN registration for all citizens"

"The Government needs to drive down interest rates then focus on eliminating bureaucracies and duplication of effort in the public sector"

"Move the 35% income tax bracket to incomes above GHS 25,000 per month"

"Anywhere there are queues, the potential for corruption is high. Government needs to remove unnecessary and redundant processes in the public sector, and allow private sector participation for services such as passport printing and issuance of drivers licenses"

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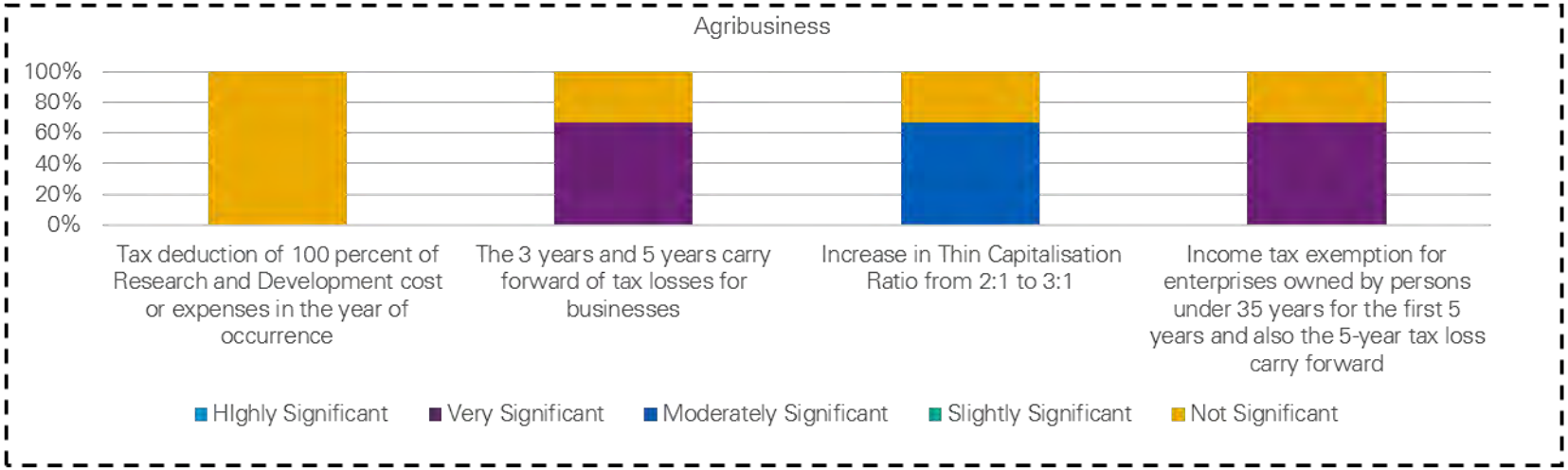
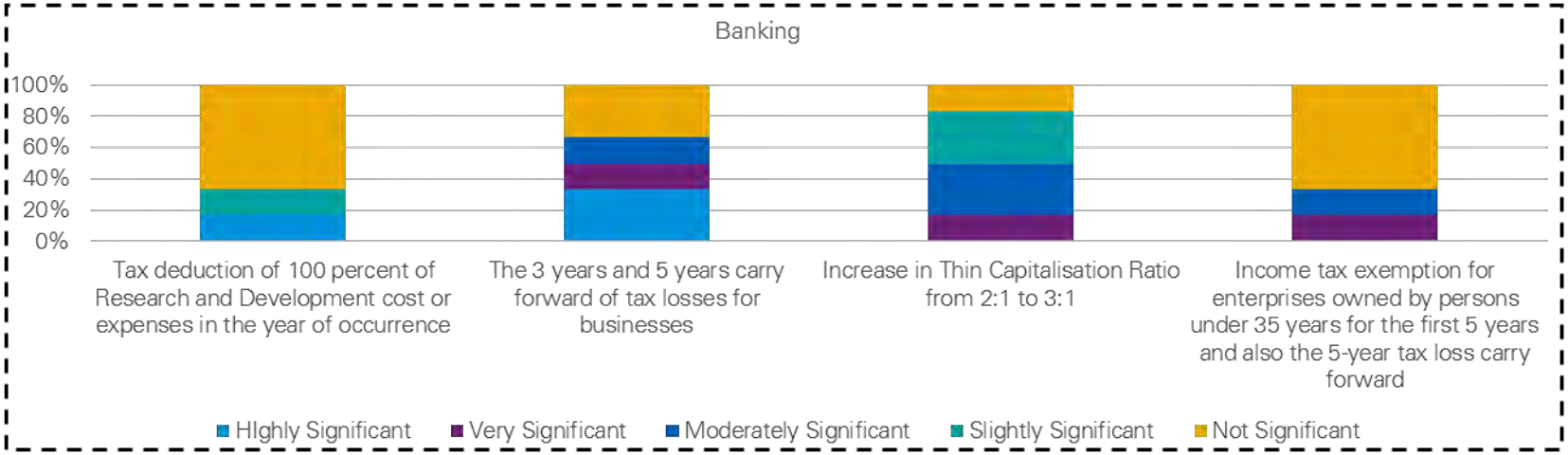
Appendix

- **Questionnaire Results by Sector**

Appendix

Have the current tax incentives had a positive impact on your business? (1/3)





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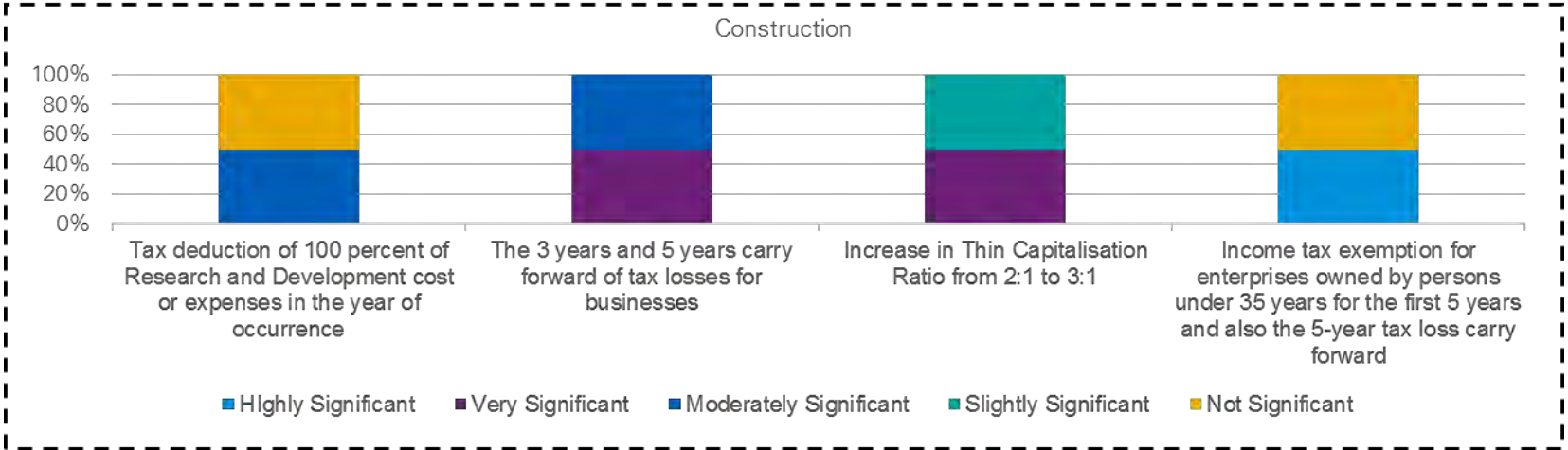
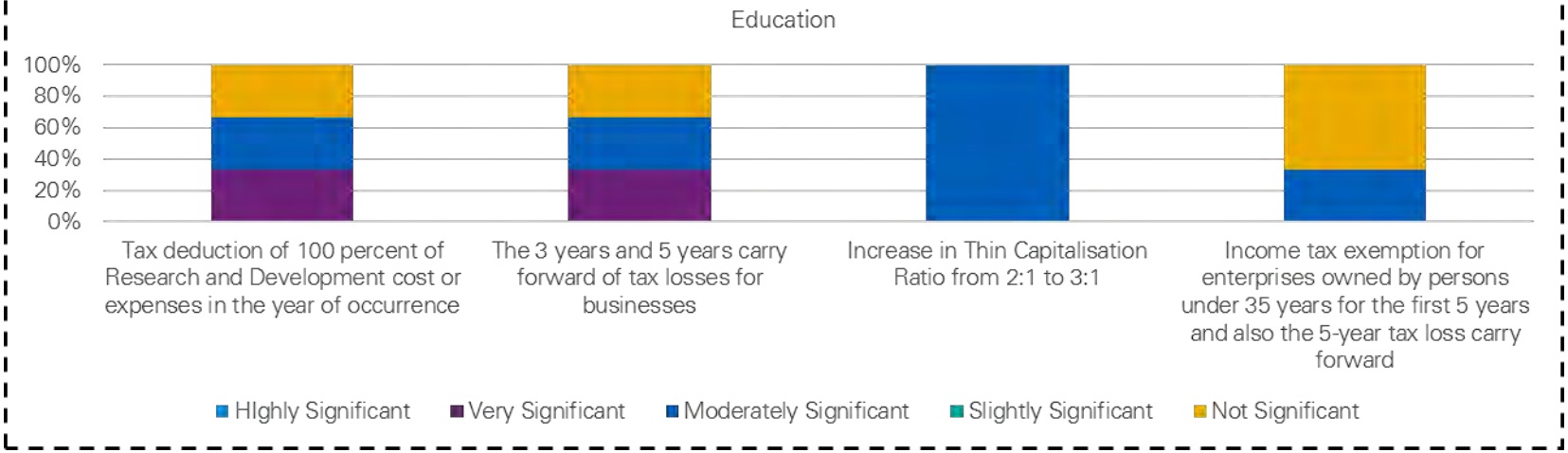
Appendix

Have the current tax incentives had a positive impact on your business? (2/3)





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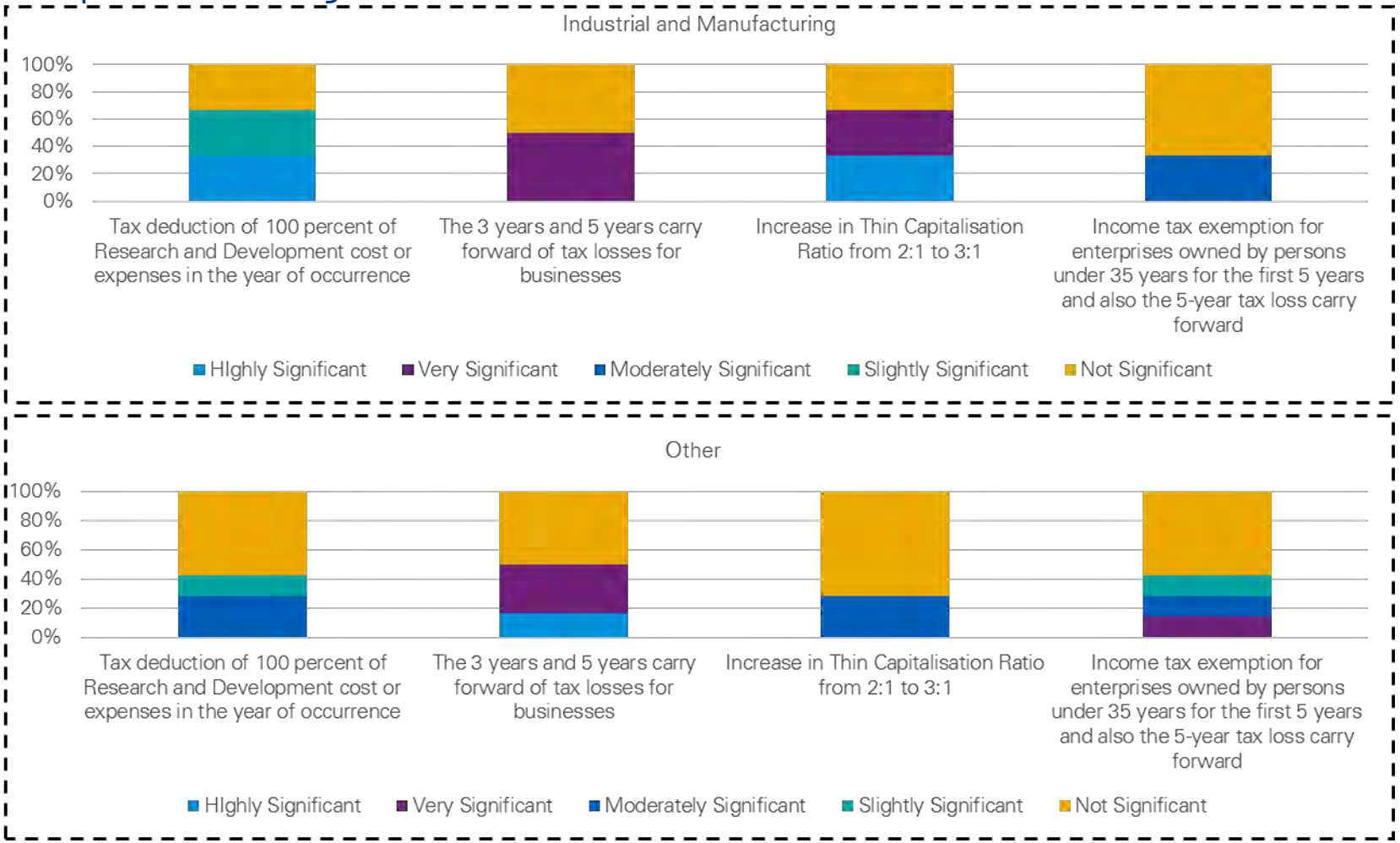
Appendix

Have the current tax incentives had a positive impact on your business? (3/3)



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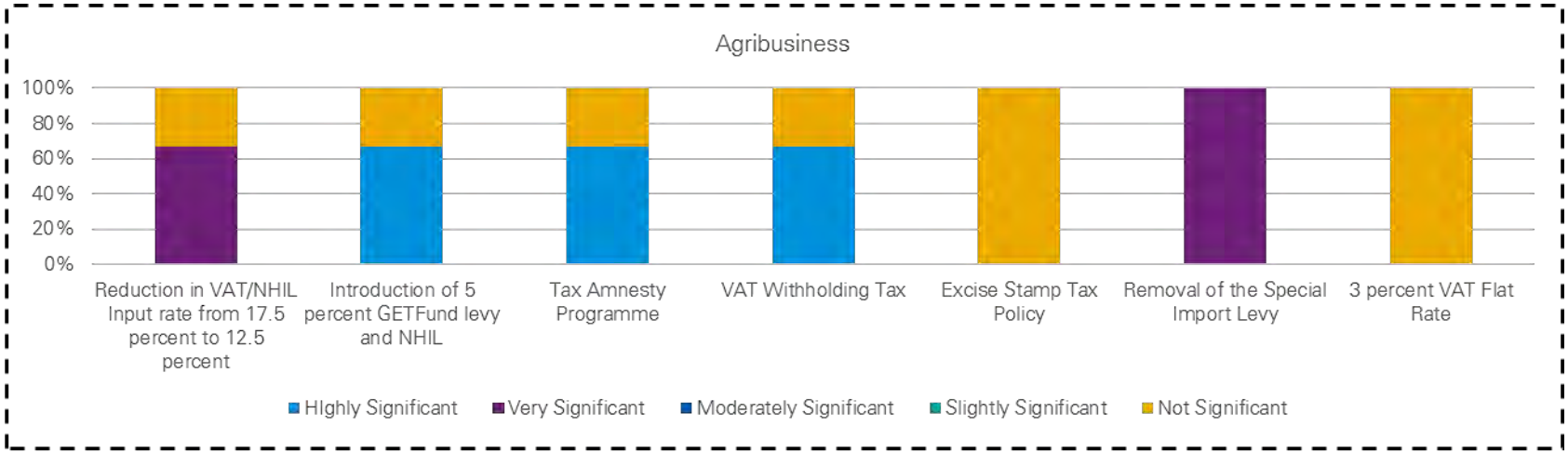
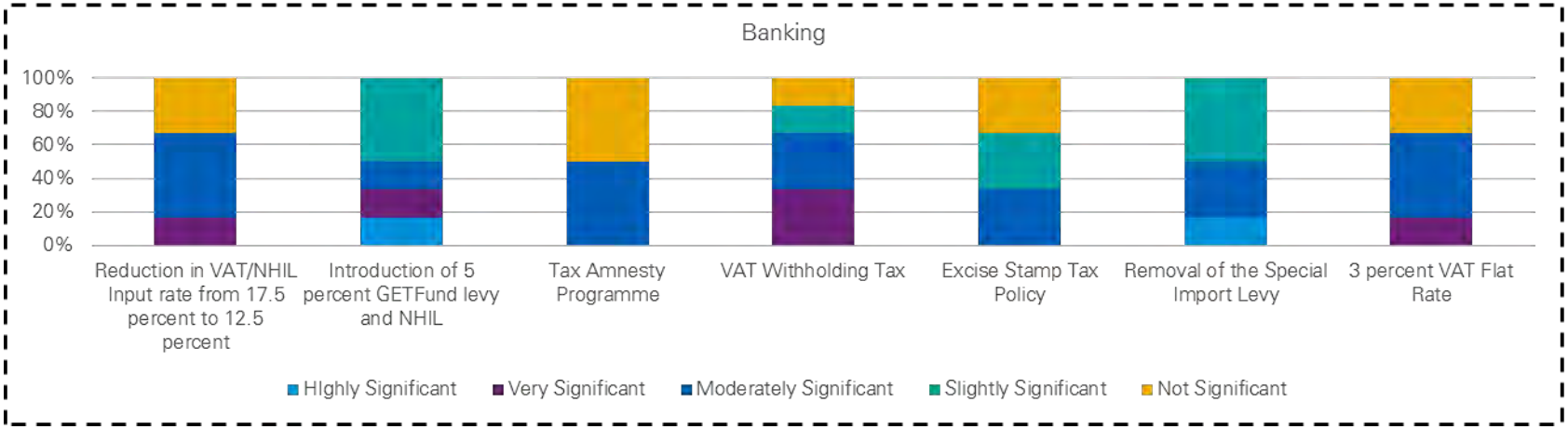
Which fiscal measures had the most impact on your business? (1/3)





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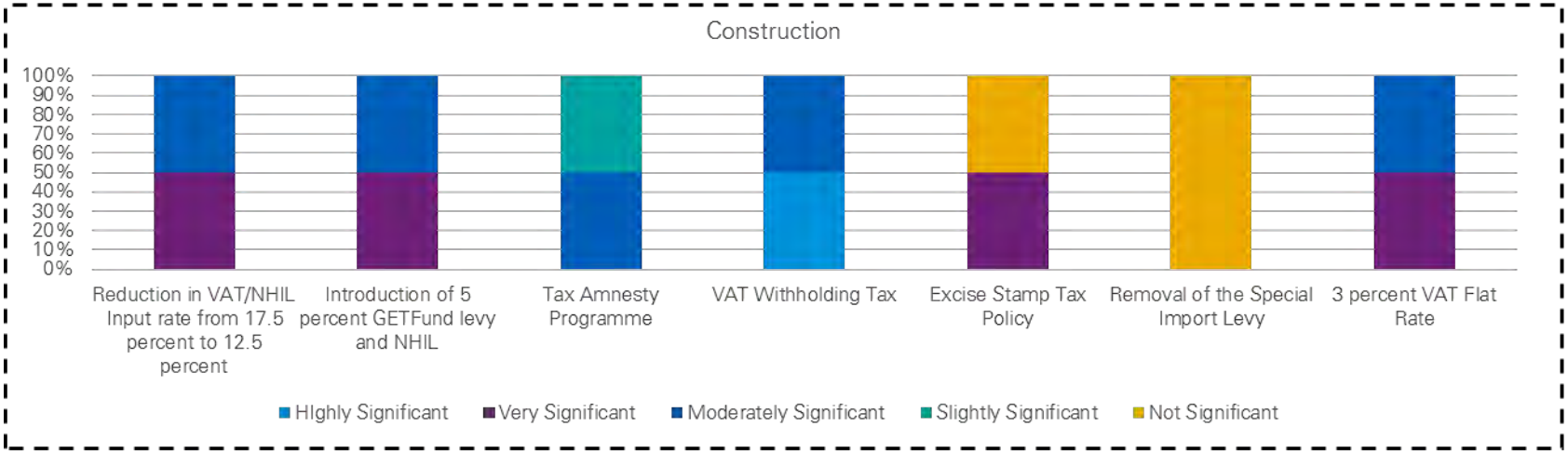
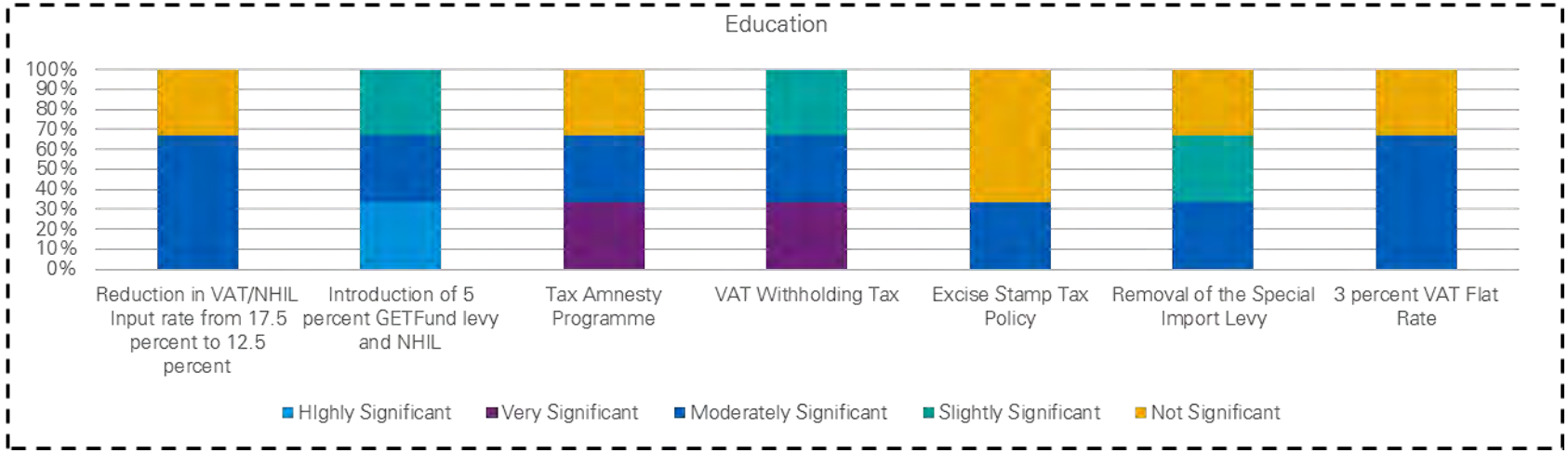
Appendix

Which fiscal measures had the most impact on your business? (2/3)





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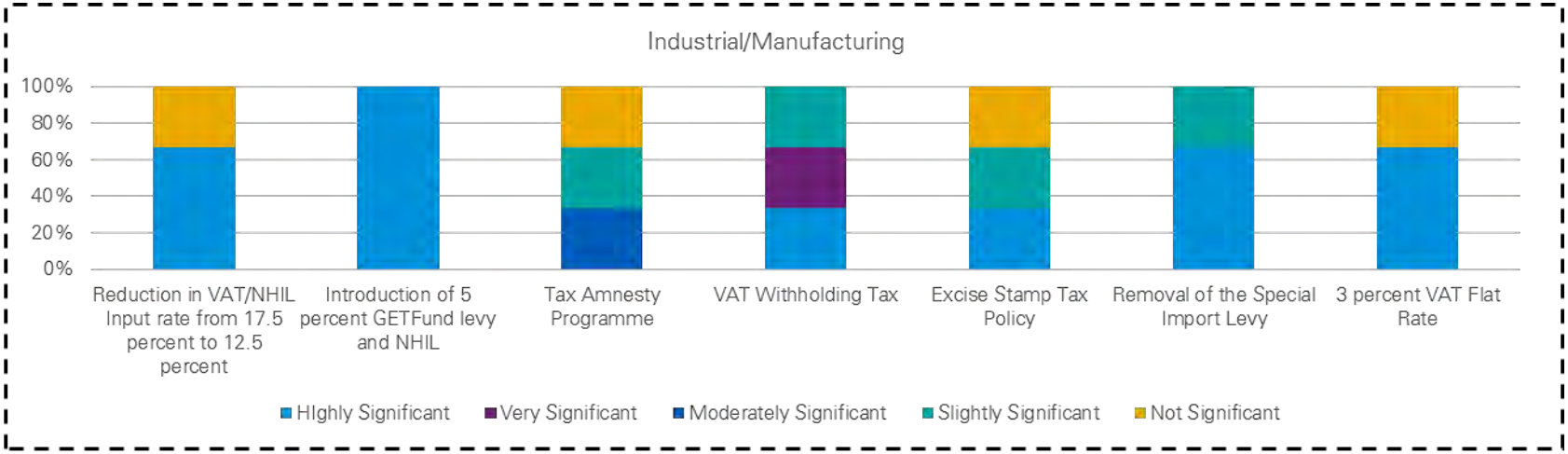
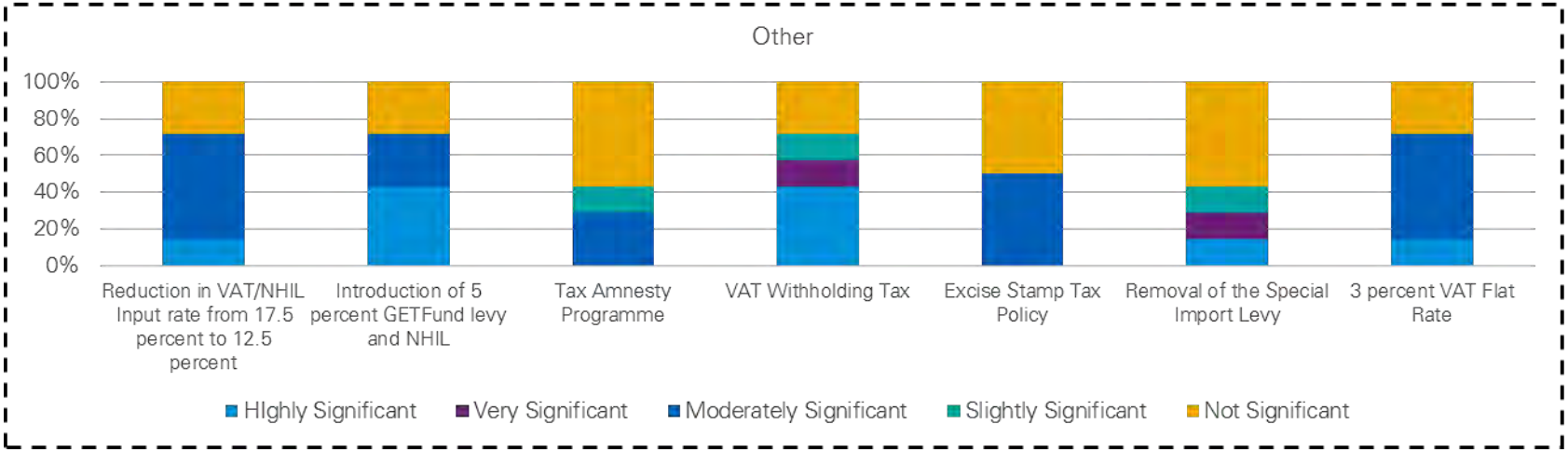
Which fiscal measures had the most impact on your business? (3/3)





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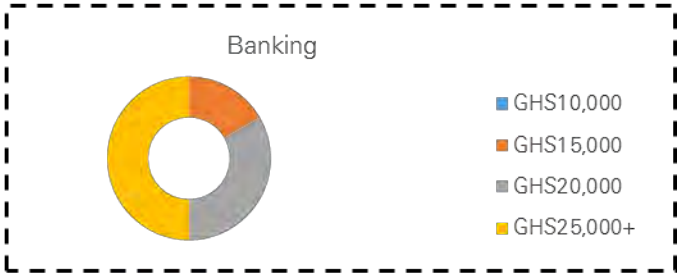
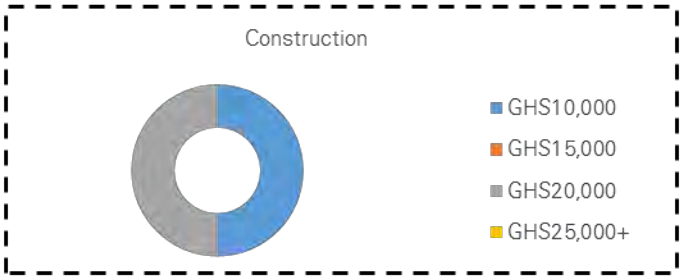
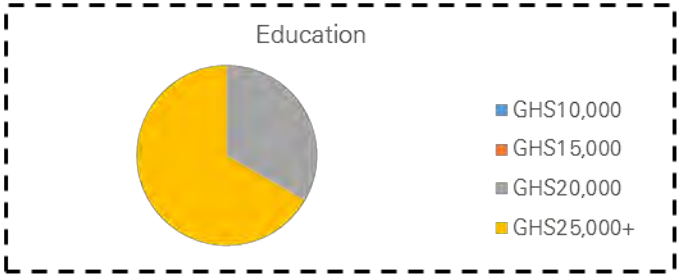
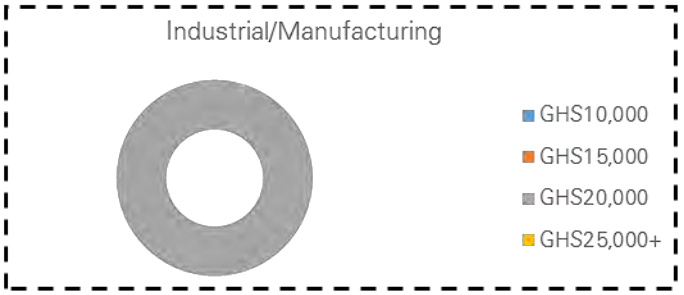
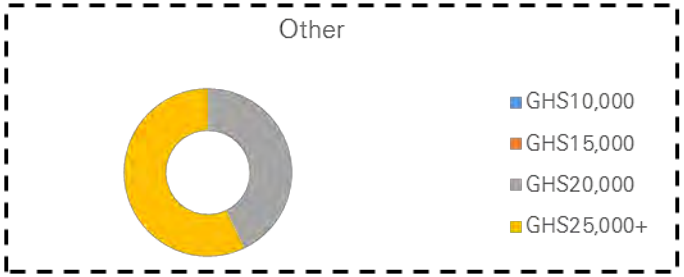
What should be the income threshold for the 35% personal income tax bracket?











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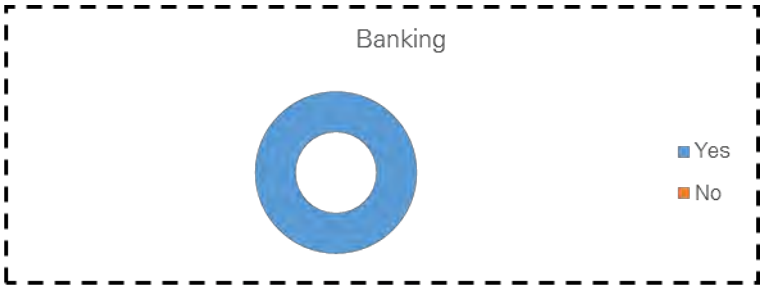
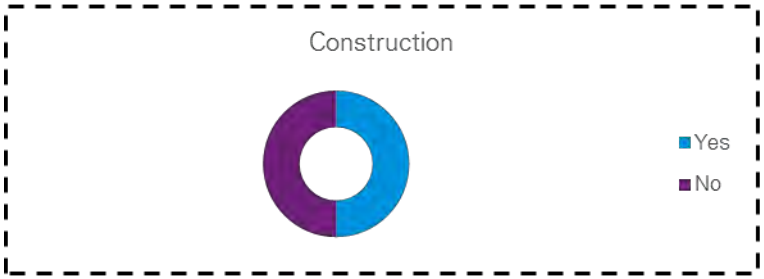
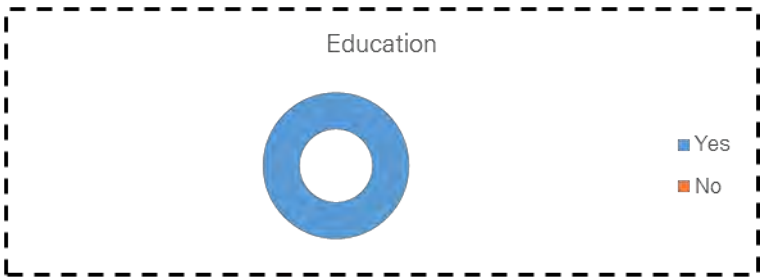
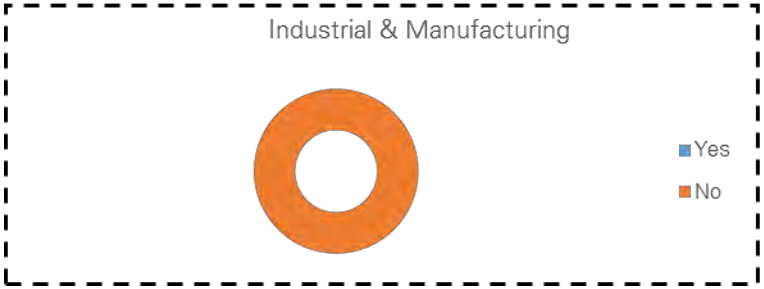
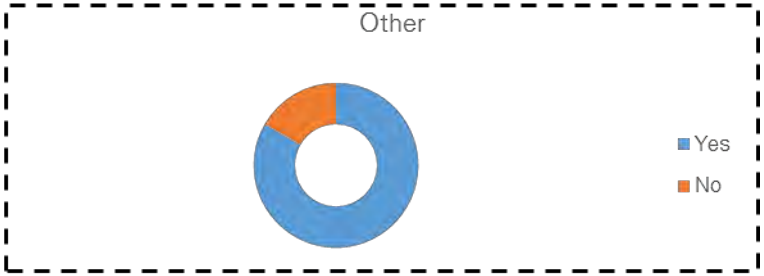
Do you expect any relief will be provided to individual tax payers?











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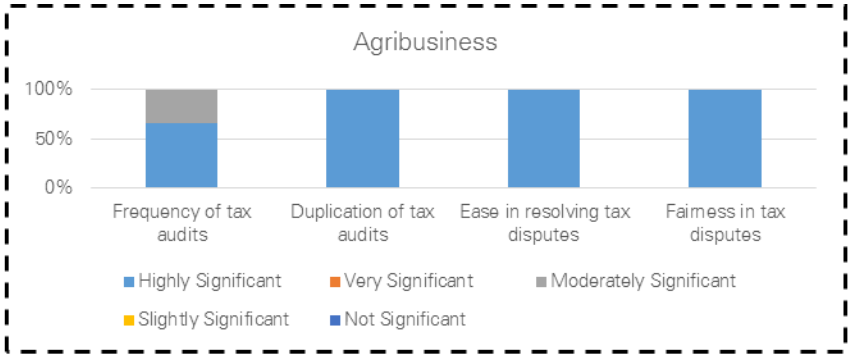
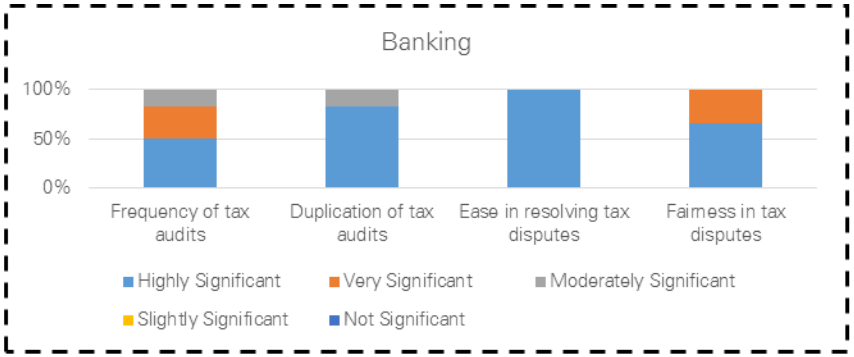
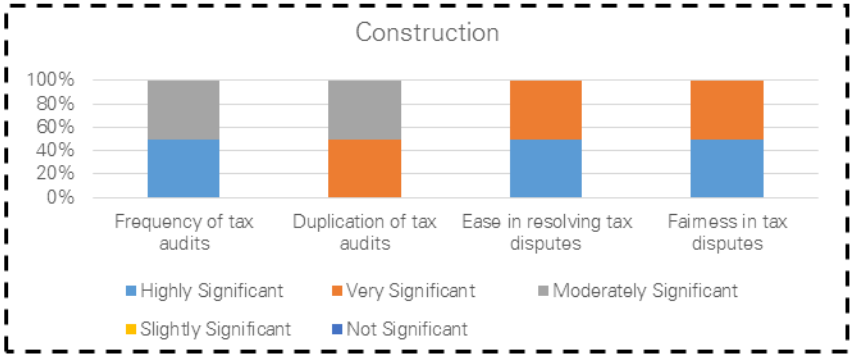
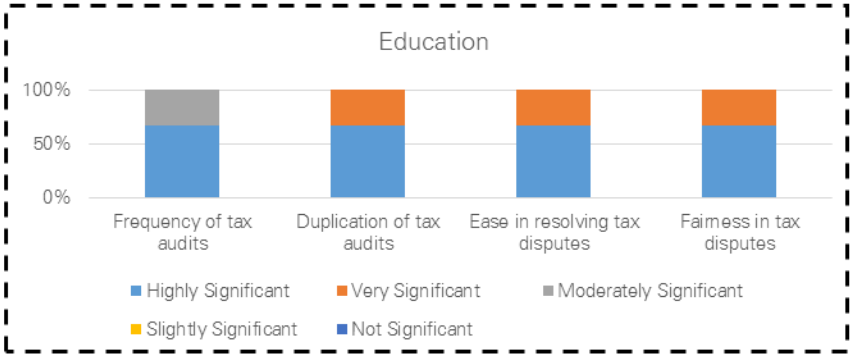
Appendix

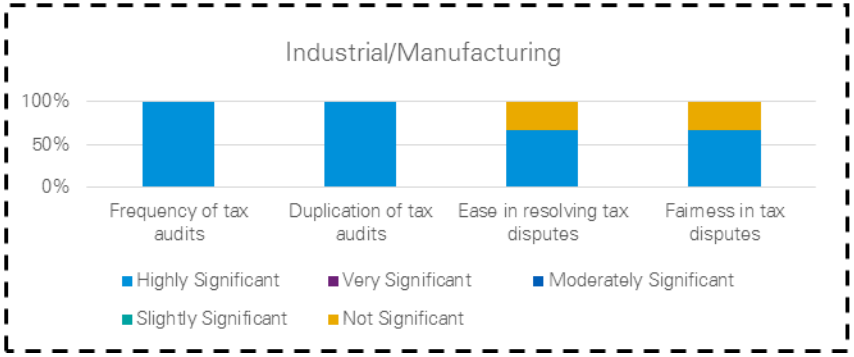
Issues of Critical Concern to Taxpayers

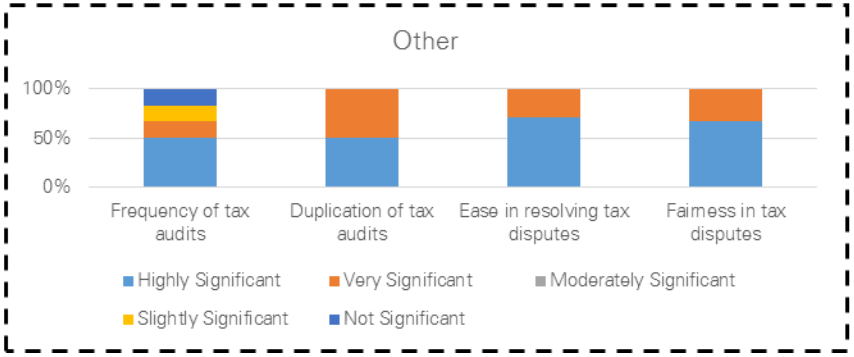












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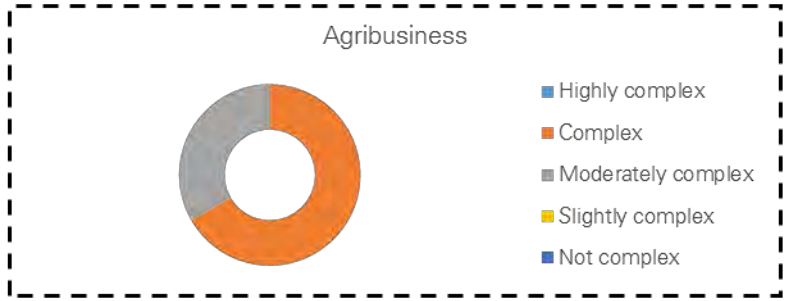
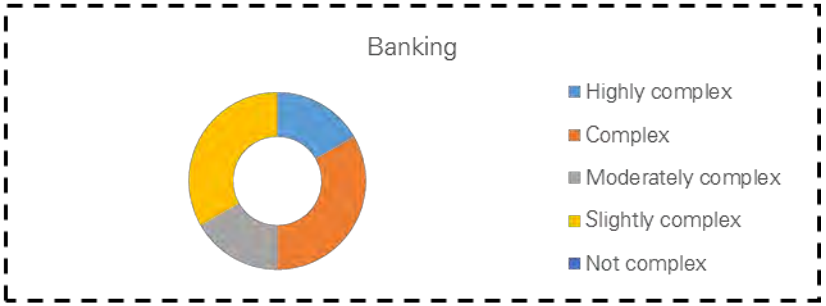
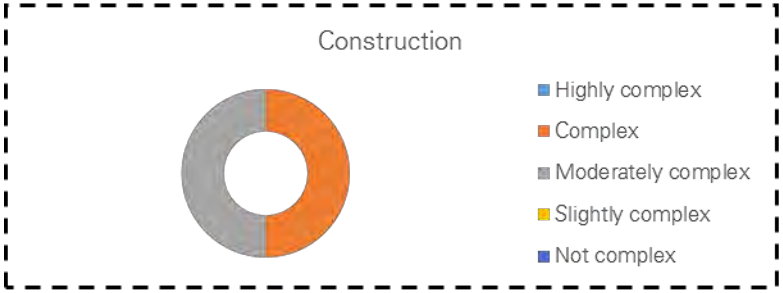
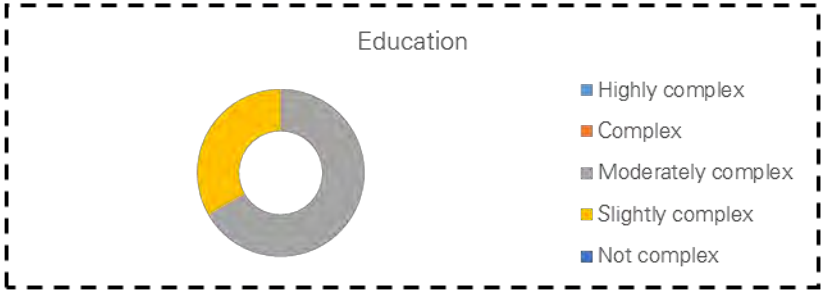
Appendix

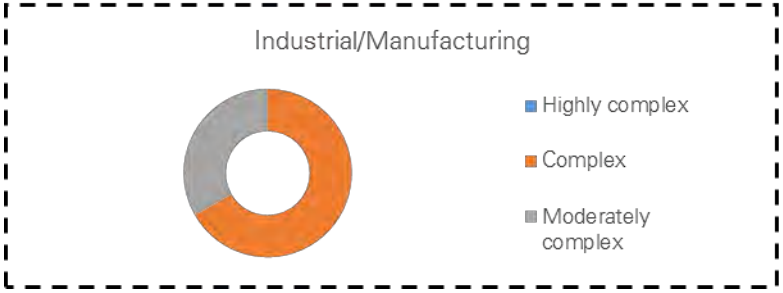
In your opinion how complex are Ghanaian tax laws?

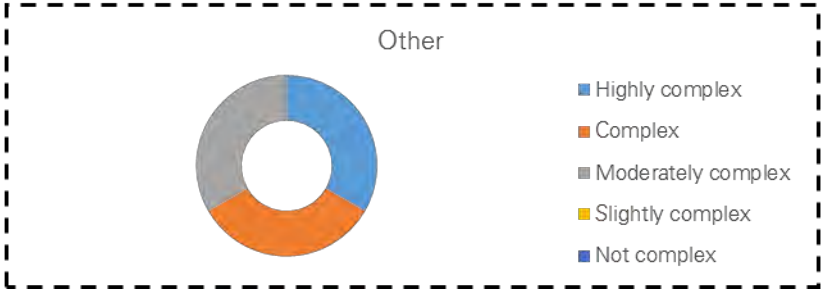












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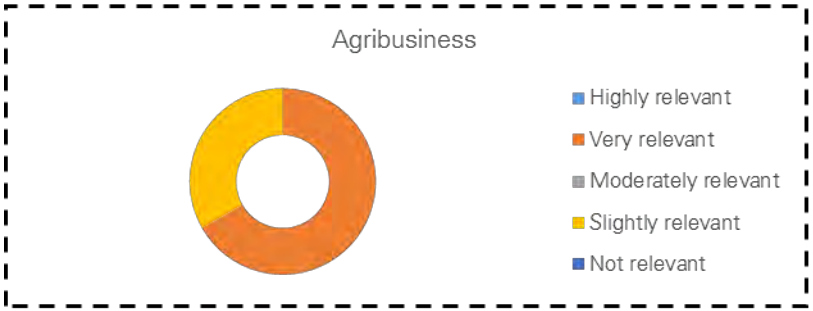
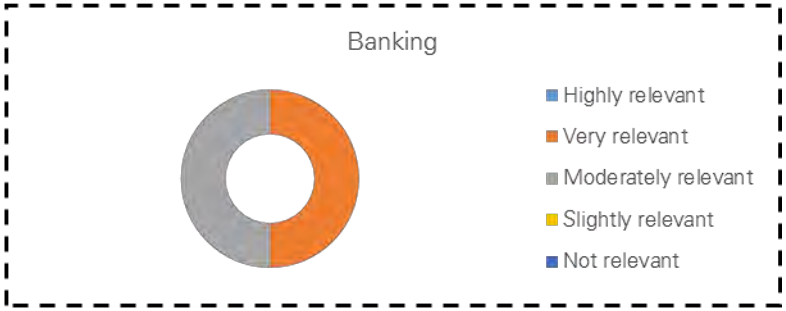
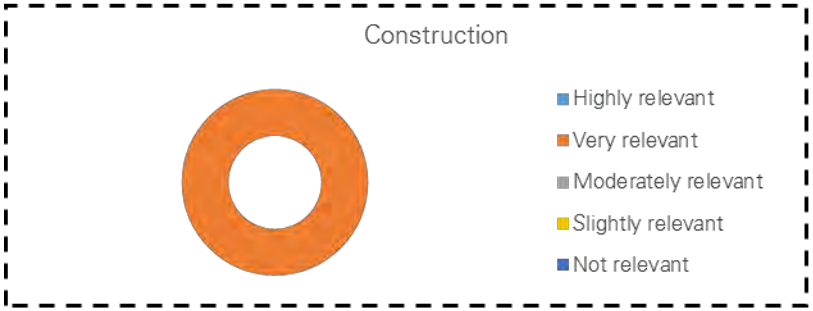
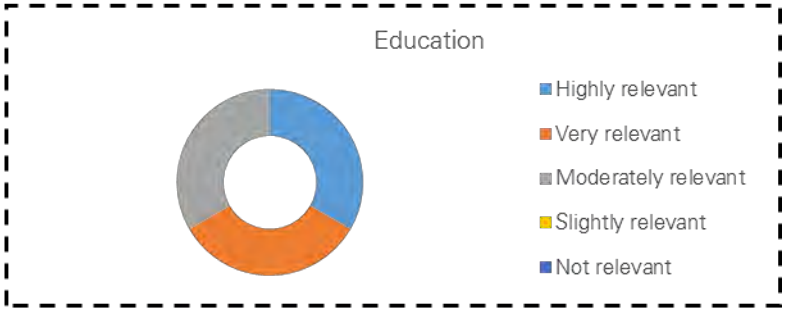
Appendix

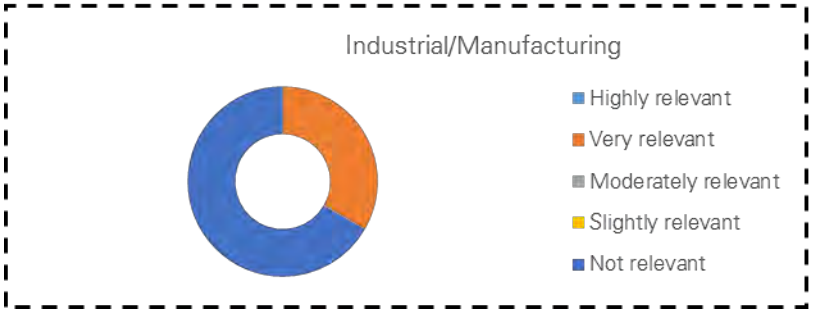
How relevant are Ghanaian tax laws?

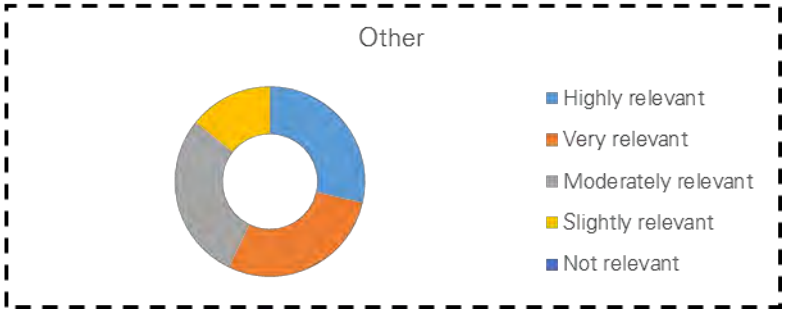












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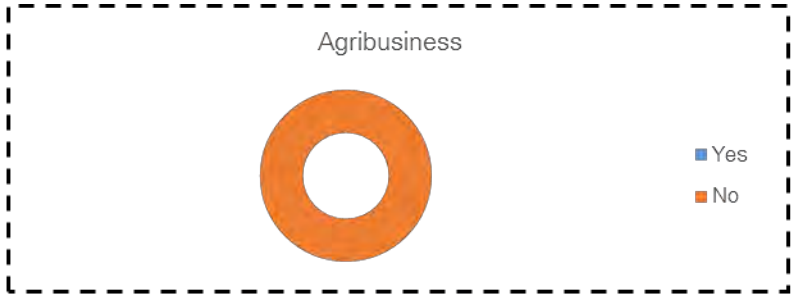
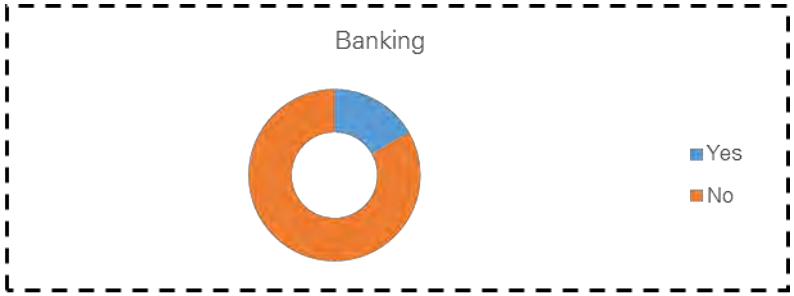
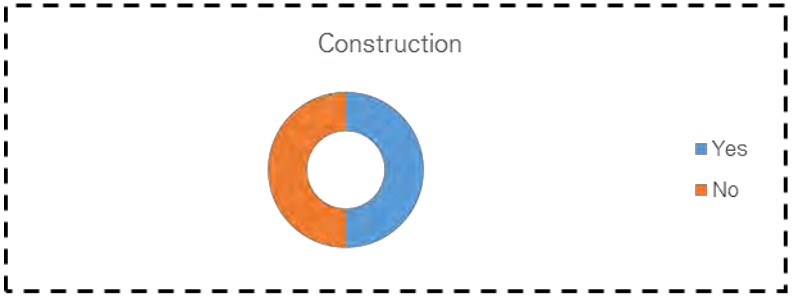
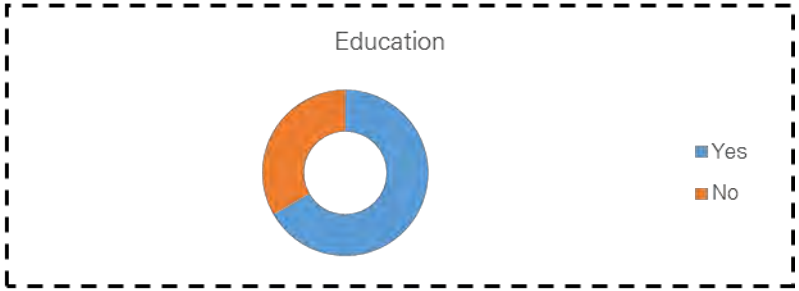
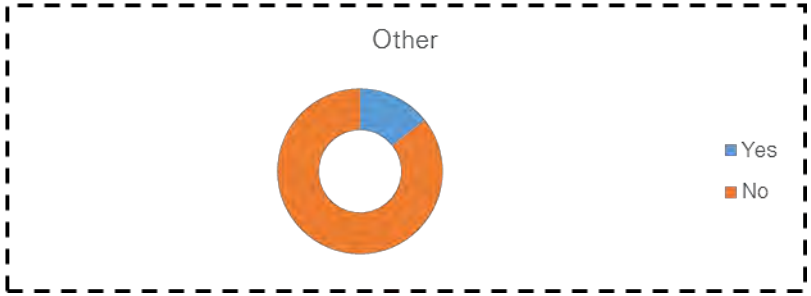
Do you think the tax environment has improved over the last fiscal year?











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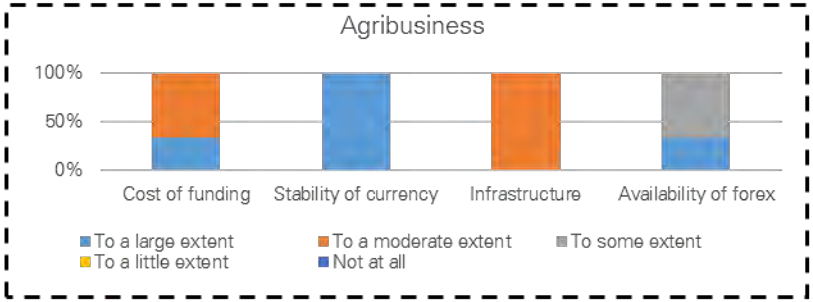
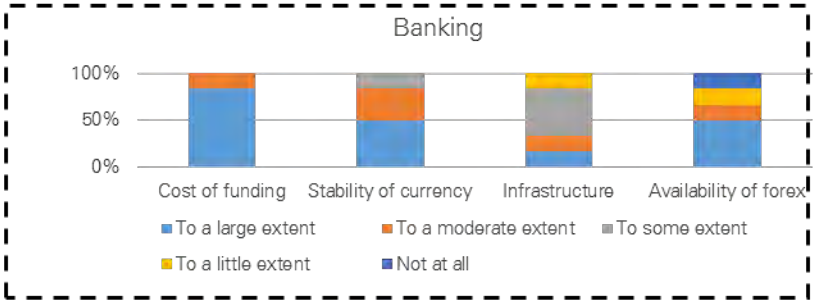
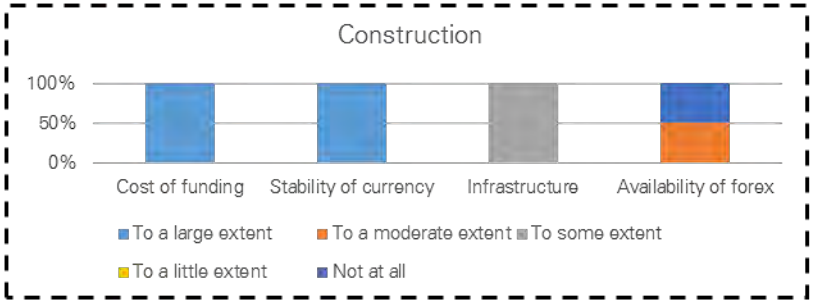
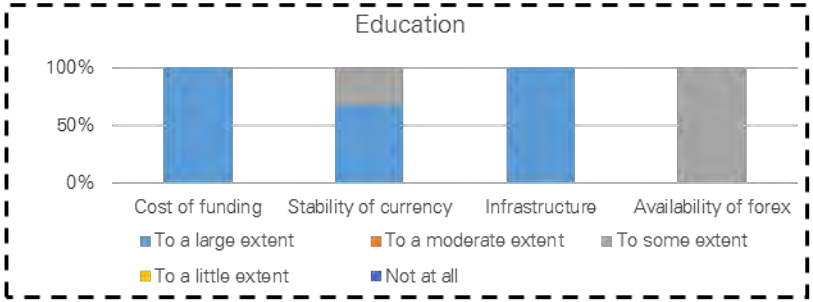
Appendix

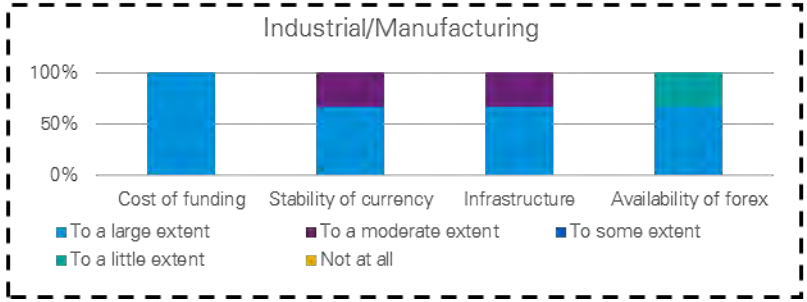
To what extent do the following factors affect your business's growth and profitability?

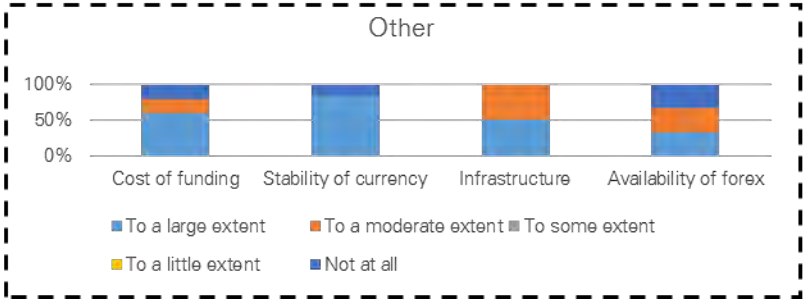












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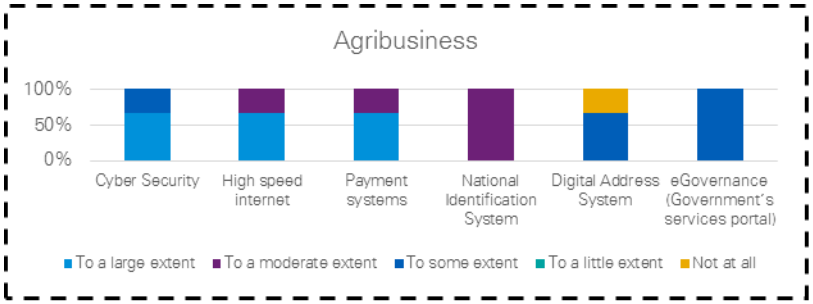
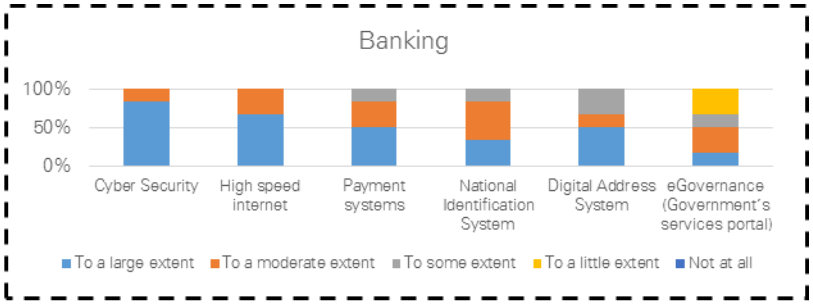
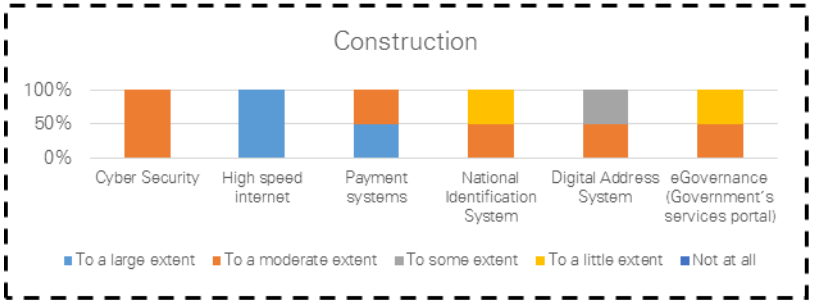
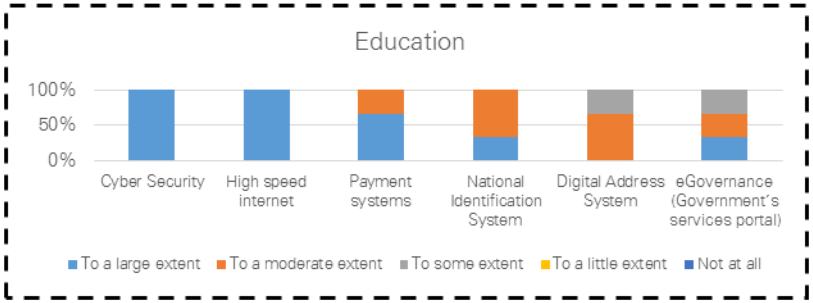
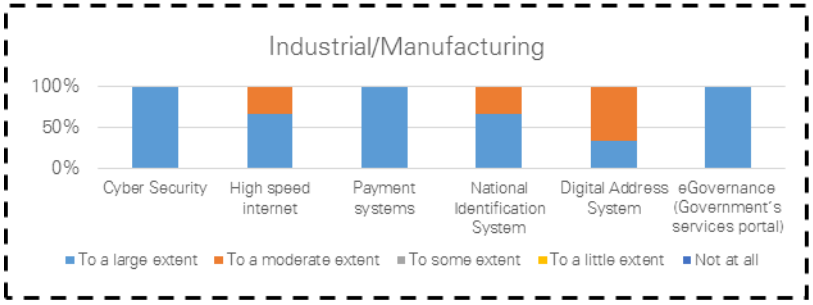
To what extent are the following technological factors relevant to your business?

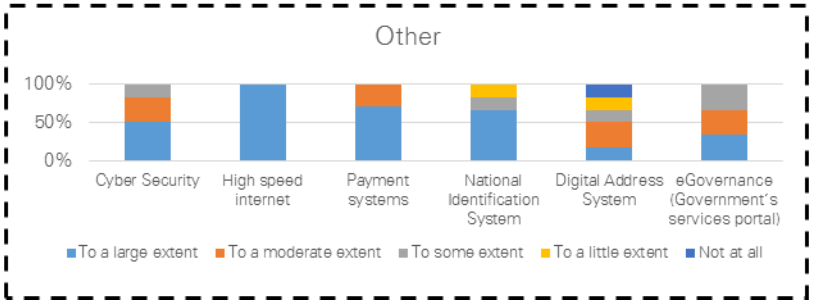












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Our Profile

Our profile

Introducing KPMG Africa

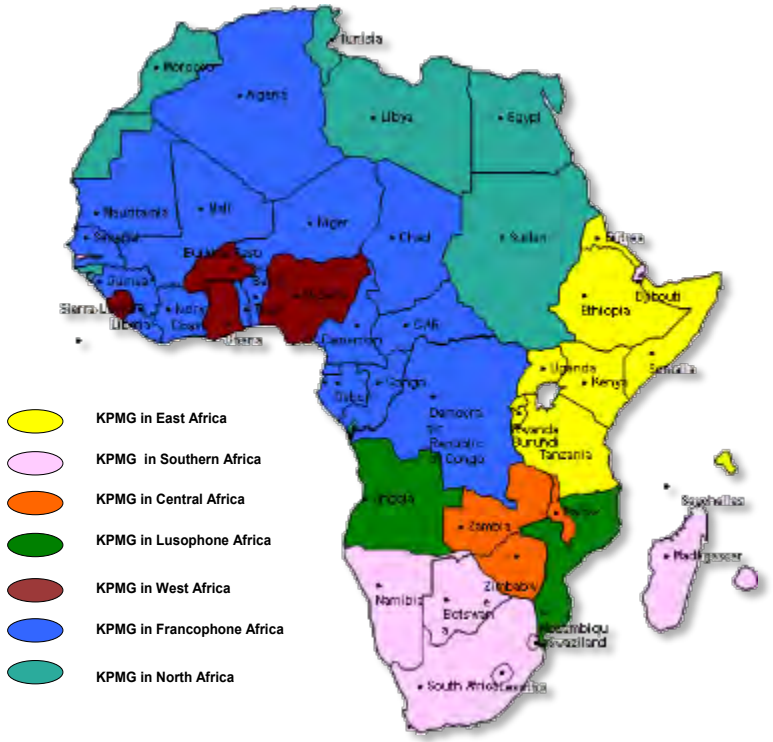
KPMG is well represented across the African continent. Our objectives are to provide consistent, high-quality services to multi-national, regional and local clients and to enhance our product offering in certain previously under-serviced markets.

Our extensive network of practices enables KPMG to ensure that our clients have access to a blend of professionals who are well versed with local conditions, giving them access to skilled resources, no matter where they are in Africa.

KPMG's representation in Africa stretches across the following countries:

Angola	Gabon	Niger
Benin	Guinea	Nigeria
Botswana	Guinea Bissau	Reunion
Burkina Faso	**Ghana**	Rwanda
Burundi	Ivory Coast	Sao Tome
Cameroon	Kenya	Seychelles
Cape Verde	Lesotho	Senegal
Central African Republic	Liberia	Sierra Leone
Chad	Libya	Somalia
Comoros Islands	Madagascar	South Africa
Congo	Malawi	Sudan
DRC	Mali	Swaziland
Djibouti	Mauritania	Tanzania
Egypt	Mauritius	The Gambia
Equatorial Guinea	Morocco	Togo
Eritrea	Mozambique	Tunisia
Uganda	Namibia	Zambia
		Zimbabwe

Our 'African Footprint' enables all African offices to work effectively and efficiently across the continent. Through a compelling vision, outstanding teamwork and sustained relevant investment over several years, KPMG is bringing together our African practices for the benefit of our clients and growth of our people.



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Our profile

KPMG in Ghana

KPMG is the oldest established international accounting and advisory firm in Ghana. Set up in the 1920s by Edward Cassleton Elliott, it later became known as Peat Marwick Cassleton Elliott and Co. It operated under the name Peat Marwick Okoh & Co. until 1 January 1996, when it changed its name to KPMG in line with a decision of the international council of KPMG to have all affiliate firms adopt that name.

KPMG's professionals are deployed in the firm's three principal practice disciplines (Audit, Tax and Advisory Services) and are fully committed professionals who undergo a program of continuous development. Our professionals have diversified backgrounds, a number with prior experience in information, communications, entertainment, finance, government and infrastructure, energy, natural resources and industrial markets. This underpins our broad philosophy of providing high quality service based on suitable experience and detailed understanding of our clients' business.

In Ghana, KPMG has worked for clients in the public and private sector in several countries, helping to transform business performance and operations through acting as auditors on financial and project audits; advising on tax and regulatory services; payroll; management systems services; institutional development restructuring; strategy and organisation design; systems design and integration; business process improvement and reengineering; job evaluation; manpower assessment; pensions; recruitment and compensation surveys.

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Why choose KPMG?

KPMG's commitment to innovation and industry leadership is demonstrated through our continued investment in the way we work. We believe that providing highest quality service, timely information and insightful perspective are vital parts of serving our clients.

KPMG is constantly seeking new ways to improve. Through this approach of challenge and thought leadership, we can deliver service excellence at all times and help businesses succeed.

Clients

"We are passionate about working with clients to deliver value beyond their expectations in order to develop lasting relationships based on mutual trust and respect".

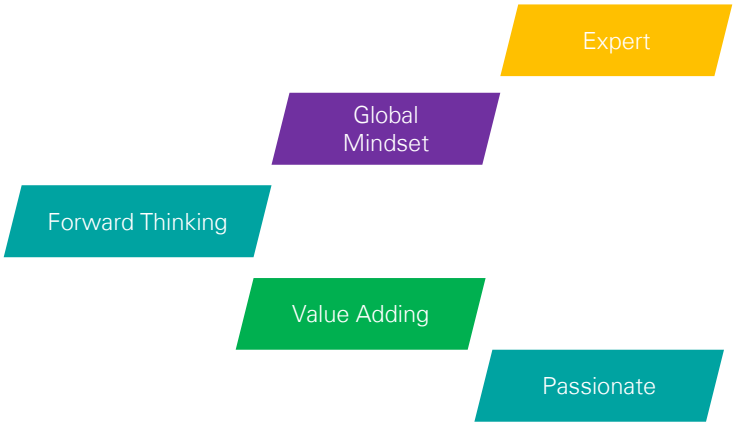
People

"We will flourish in an environment where teamwork allows self-fulfilment through an atmosphere of respect, support, openness and trust, and where we can provide challenging and rewarding work and career development opportunities".

Knowledge

"We will continuously extend the frontiers of our shared knowledge by treating knowledge as a highly valued asset which everyone in the firm has a right and obligation to use and a responsibility to contribute towards".

Employee engagement is one of the building blocks of our company. We at KPMG can be defined by the following **Global Attributes:**



- **Our Values**
- We lead by example
- We work together
- We respect the individual
- We seek the facts and provide insight
- We are open and honest in our communication
- Above all, we act with integrity

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Our services to the public sector

Building good policies and regulations, developing capacity for equitable access to public services and reinforcing ways to examine performance are among the key factors influencing the public service.

We help governments and public institutions to develop a clear picture of existing service delivery capacity against appropriate benchmarks. We help understand the implications of policy options and offer practical solutions to deliver planned results within available budgets. We design training programmes that fit current and future human resource requirements. Our leading professionals in public human resource management and our knowledge of sector specific systems helps build a transparent and effective government structures.

At KPMG we believe that it is not good enough to offer governments and public institutions generic answers. We tailor and design strategies that work specifically for the challenges faced in public service delivery. We work with Government towards common goals, strategic thinking, stimulating public and private sector collaboration and operational service delivery and performance enhancement.

By adopting a two-tiered approach, KPMG can assist the integration of planning with day to day operational functionality and work towards eliminating a silo based focus. Our approach enables clients to take ownership and responsibility for their projects and is based on our understanding of the challenges faced by public sector managers.

At the heart of service delivery and performance in the public service lies the challenge of balancing delivery with cost containment.

Among other issues, we understand that public service managers are constantly challenged to:

- Continuously improve on service delivery
- Promote and maintain good governance
- Develop accountability and responsibility through good performance management
- Comply with new legislation
- Build capacity and skills
- Manage risks and improve controls
- Have responsive and flexible operating structures

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