

# UK-Ghana Chamber of Commerce (UKGCC)

2024 Business Environment & Competitiveness Survey

December 2024

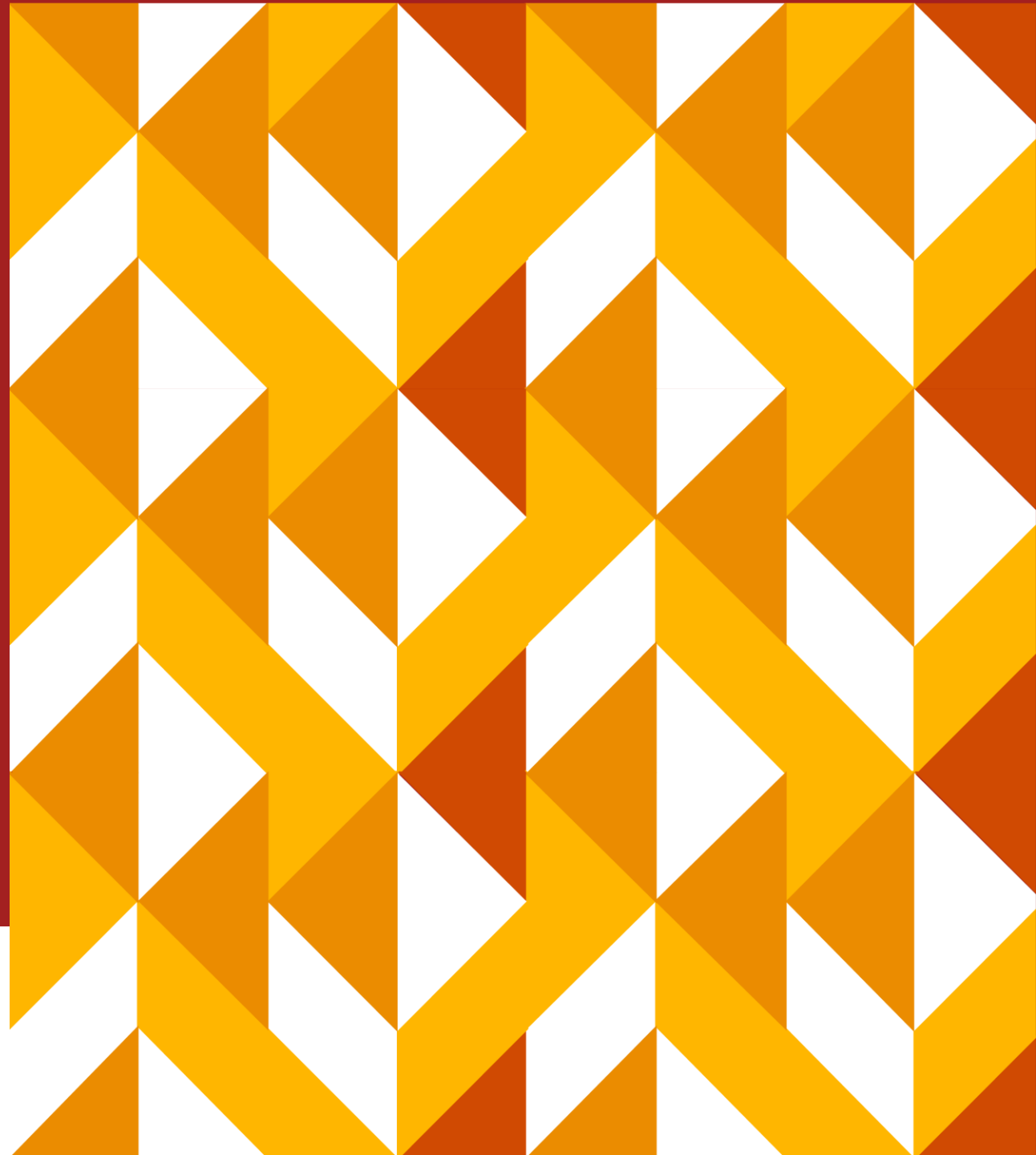


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Foreword



# Foreword

As we unveil the sixth edition of our annual Business Environment and Competitiveness Survey, we are keen to reflect on another year marked by significant progress and challenges for businesses operating in Ghana. This is particularly in the context of a new administration taking office in January 2025 providing the UK-Ghana Chamber of Commerce the chance to continue advocating for the creation of a more enabling business environment in Ghana. Since our first publication in 2019, this report has grown to become an indispensable tool for understanding the evolving landscape of Ghana's business environment. It serves as a critical resource for businesses, policymakers, and investors, offering data-driven insights and actionable recommendations to create a more enabling business environment in Ghana.

The 2024 edition builds on this tradition, providing a comprehensive analysis of the business environment but this time with a special focus on Ghana's manufacturing sector. This addition underscores the sector's vital role in driving economic growth and highlights its potential to attract global partnerships. Respondents are optimistic about the prospects of the sector. The biggest challenge is high production costs and access to finance/ capital. Availability of raw materials and growing domestic market demand are seen as top opportunities by respondents.

As has been our practice since 2019, this year's survey, included our member companies as well as other businesses operating in Ghana. We saw participation from 725 respondents. This marks a 4% increase from 2023 where 696 businesses participated in the survey.

The insights in this report therefore come from the collective voices of Ghana's business leaders and entrepreneurs. They reflect their aspirations, challenges, and contributions to the nation's economy. The feedback provides actionable recommendations that we hope will inform policies and strategies to create an even more enabling business environment in Ghana.

The UKGCC remains steadfast in its commitment to advocating for a conducive business environment and promoting sustainable economic growth in Ghana. We will continue collaborating closely with the government, private sector, and international partners to address challenges and unlock Ghana's full potential.

This report would not have been possible without the unwavering support of our partners. We extend our deepest gratitude to Palladium Group, through the UK government funded Jobs and Economic Transformation (JET) Programme, for sponsoring the data collection process, Maverick Research, who administered this year's survey, and PwC Ghana, without whose exceptional work on data analysis and report writing over the past four years our reports would not have published. Finally, to all the respondents and stakeholders who participated in this survey, thank you for your trust and engagement with the UK-Ghana Chamber of Commerce. Your contributions continue to drive our mission forward.

**Anthony Pile, MBE**



**Chairman  
UKGCC**

UK-Ghana Chamber of Commerce (UKGCC)  
PwC



**N. Adjoba Kyiamah**



**Executive Director  
UKGCC**

December 24

# PwC's remarks



The format adopted for the 2024 UKGCC Business Environment and Competitiveness Survey (2024 UKGCC BECS) affords readers, at a quick glance, a view of how businesses perceive the business environment as having evolved over the past four years, since the 2021 survey. We hasten to clarify that the surveys typically ask respondents to provide responses to questions about various components of the business environment based on their experiences during the previous year or the 12 months leading to when the survey is run. Thus, as an example, data reported in the 2024 survey reflects the perceptions of businesses influenced by their experiences in 2023. Similarly, data reported in the 2023 survey reflects businesses' experiences in 2022.

With the foregoing as context, the data compiled on businesses' perceptions about the quality of the country's business environment and its competitiveness and reported in the 2024 UKGCC BECS suggests that there have been some material shifts in the perceptions that businesses have of Ghana's business environment.

The gradual easing of inflationary pressures has brought some stability to the business operating environment. However, many businesses still face uncertainty due to high operating costs, particularly in the manufacturing sector, which continue to hinder growth. Access to affordable financing is still a significant obstacle for many, especially smaller businesses that form the backbone of our economy. However, the survey results highlight several positive trends. Businesses in the manufacturing sector have noted an improvement in the availability of critical raw materials, a promising signal for production capacity and supply chains. Additionally, the continued expansion of digital infrastructure and technology in Ghana is helping businesses modernise operations, opening new doors for innovation and efficiency.

Still, the data points to persistent hurdles. Access to capital remains tight, and many respondents have raised concerns about the regulatory environment, calling for clearer policies and more government support to unlock further growth potential. There's also a strong call from the business community to address the persistent issues of corruption and the need for a more predictable and business-friendly taxation regime. This year's survey also reveals that, while confidence is returning, the road to full recovery requires sustained collaboration between the private sector, government, and other key stakeholders. There is an urgency for pragmatic interventions that will reduce business challenges, create a stable regulatory environment, and enhance transparency.

We do not find the deterioration in perceptions about taxation policy particularly surprising. Under the IMF Programme, the Government has been on an intensified revenue mobilisation drive—and businesses feel like sitting ducks caught in the line of fire because of their visibility. A pro-business Government should review the approach for optimising its revenue mobilising potential and avoid further burdening the business community.

There are many more insights packed into this report, and we encourage you to read it. We are happy to engage with you to discuss your views as well.

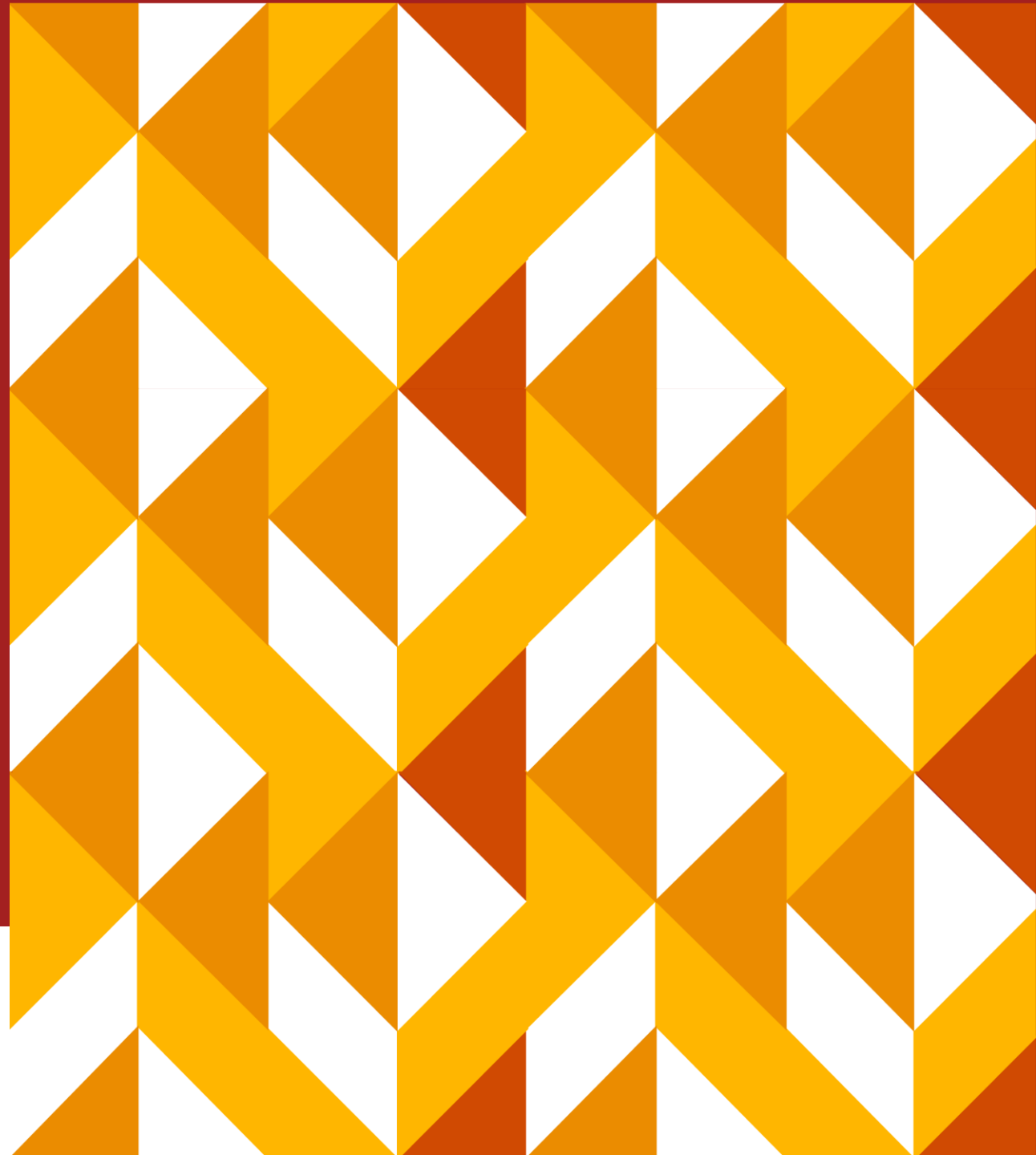
## **Vish Ashiagbor**

Country Senior Partner

PricewaterhouseCoopers (Ghana) LTD.

# 2

## Executive summary





## Executive summary (1/2)

The 2024 UK-Ghana Chamber of Commerce (UKGCC) Business Environment and Competitiveness Survey (BECS) offers insights into Ghana's business environment, drawing responses from various sectors. Despite persistent challenges, such as high costs of machinery and land, the survey reveals cautious optimism among businesses about future growth, particularly in technology adoption and market expansion. The insights indicate that several critical areas require immediate attention from stakeholders to enhance Ghana's business competitiveness and attractiveness to investors. Notably, 69% of respondents perceive Ghana's business environment as lagging regional and global peers, reflecting ongoing challenges.

A significant finding from the survey is the growing reliance on technology to drive business efficiency. Respondents are leveraging emerging or advanced technologies, with digitalisation helping to offset some operational inefficiencies. The adoption of new technologies is gaining ground in the agriculture and services sectors, highlighting the role of innovation in improving productivity. However, some businesses still operate with outdated systems, indicating room for further technological advancement. Businesses rated availability of telecommunications, power and labour as best components within Ghana's business environment. Businesses, especially in the manufacturing sector, are embracing digital tools to enhance productivity and reduce operational inefficiencies. However, the manufacturing sector, which forms a cornerstone of Ghana's economic activity, continues to face high production costs, including raw material costs and access to financing/ capital. While there have been improvements in the availability of raw materials, respondents emphasised that the high cost of machinery and energy remains a significant barrier to scaling operations.

The financial strain within this sector is worsened by tight access to affordable financing, which limits the ability of businesses to invest and expand. The financial costs associated with doing business in Ghana remain a critical concern for respondents. The survey found that cost of capital continues to be a major hurdle, particularly for small and medium-sized enterprises (SMEs), which account for a substantial portion of the private sector. Higher interest rates, combined with stringent lending conditions from banks, have made it difficult for businesses to secure funding. Many respondents called for government intervention to ease these financial pressures, suggesting the need for targeted tax incentives and flexible financing mechanisms to support business growth. Without improved access to affordable financing, many SMEs are at risk of stagnation, which could impede broader economic growth.

Moreover, the survey highlights the regulatory and governance challenges that continue to hamper business expansion in Ghana. While recent reforms aimed at simplifying business processes, such as registration and tax filing, have been welcomed, respondents expressed concerns about the persistence of corruption and bureaucratic delays. These governance issues continue to erode investor confidence and undermine the predictability of the business environment. Respondents strongly emphasised the need for greater transparency and consistency in the regulatory framework, which would create a more enabling environment for both local and foreign investors.

For the first time since 2021, water availability received the worst rating, with two-thirds of businesses rating it poorly. The regulatory framework also appeared on the list of poorly rated components, indicating burdensome laws and guidelines. Additionally, high telecom costs were noted as a disabling factor in the business environment. These findings underscore the need for government intervention to improve water availability, simplify regulations, and adopt supportive fiscal and monetary policies to help moderate inflationary pressures and reduce the general cost of operations.

## Executive summary (2/2)

Businesses have mixed feelings about their preparedness for the African Continental Free Trade Area (AfCFTA). While many respondents recognise the significant opportunities AfCFTA presents—such as access to a larger market and the potential for increased exports—concerns remain about the level of readiness, especially among small and medium-sized enterprises (SMEs). Factors that are influencing expansion decisions to take advantage of AfCFTA include lower operating cost, expanding market, lower taxes, low corruption and transparency and closeness to customers. To fully benefit from AfCFTA, businesses are calling for more government support in safety and security of investment, low corruption and transparency, tax cuts, effective regulatory reform and quick approvals and effective bureaucracy that facilitate seamless intra-African trade.

On the infrastructure front, the survey points to some progress, particularly in the availability of telecommunications and power supply, which respondents rated positively. However, gaps remain, in water availability, taxation policy, telecom costs, government bureaucracy, and the regulatory framework, which continue to be major impediments for businesses. Corruption emerged as the most declined business component in 2024 with 29% of businesses supporting this view. For the first time, power supply cost appeared on the list of the top 5 most declined business components in 2024. Manufacturing businesses that have a high use of power will likely be most affected by this.

### **Calls to action**

The 2024 survey also reveals a deepening call for government-business collaboration to address these challenges. Respondents are seeking proactive engagement from the government, particularly in addressing key bottlenecks such as high taxation, government corruption and bureaucracy, and financing hurdles. There is also a strong demand for policies that ensure the security of investments. Respondents indicated that by reducing the tax burden and tackling corruption, which would create a more transparent and stable regulatory environment, the government could significantly boost Ghana's attractiveness as a business destination.

Looking ahead, the survey outlines a clear path forward for Ghana's business environment. While challenges persist, the opportunities for growth—especially in sectors such as technology, manufacturing, and services—are immense. SMEs, in particular, represent a vital engine for growth, but they will require improved access to financing, technology, and favourable government policies to thrive. By fostering a more inclusive, transparent, and supportive business environment, Ghana can enhance its global competitiveness and drive sustainable economic growth.

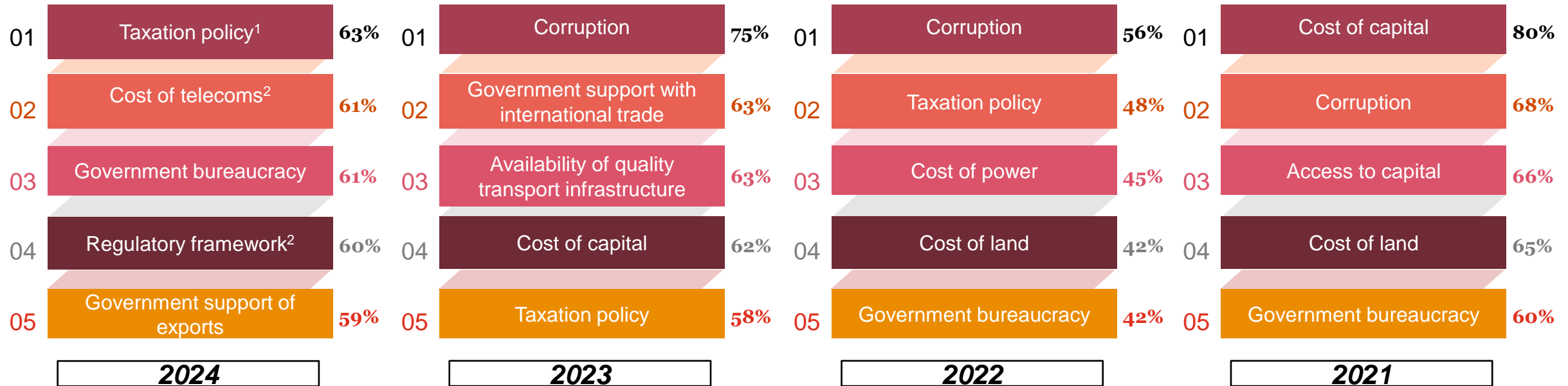
The insights presented here not only highlight the pressing concerns of the business community but also provide a roadmap for policy interventions that could significantly improve the business climate in Ghana. By addressing these challenges and capitalising on emerging opportunities, Ghana can unlock the full potential of its private sector and foster long-term economic resilience and prosperity.



# Executive summary

## Rating of business components (poor rating)

Unlike previous years' surveys, the difference between the topmost business component and the fifth business component that respondents were the most concerned about was not large—4% compared to 17% (2023) and 20% (2021). Taxation policy, cost of telecoms, government bureaucracy and regulatory framework received poor ratings - needing immediate attention to improve Ghana's business environment. **Of interest is the fact that, for the first time, cost of telecoms and regulatory framework appeared on the list of business components given a poor rating**



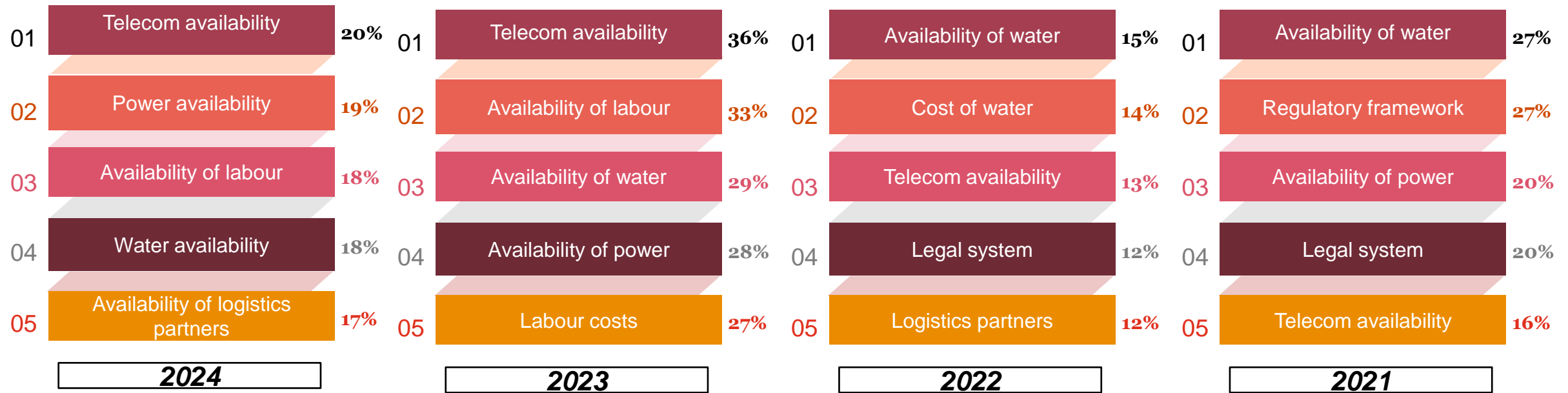
<sup>1</sup> After some improvement in the poor rating of taxation policy—dropped from #2 to #5—it is #1 on the list of top five worst business components in 2024, reflecting businesses' concerns about tax.

<sup>2</sup> Two other first entrants into the list of top five worsts over the last four years are cost of telecoms (#2) and regulatory framework.

# Executive summary

## Rating of business components (good rating)

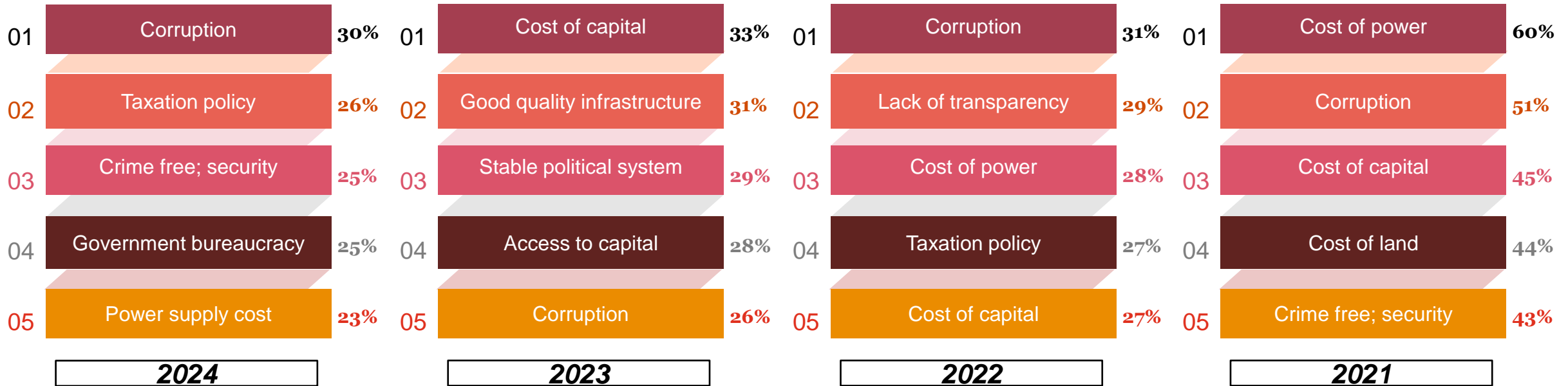
The availability of telecom facilities continues to be the best rated business component according to respondents although the percentage of respondents that allocated positive ratings reduced from 36% in 2023 to 20% in 2024. Power availability, availability of labour, water availability, and availability of logistics partners, were also included in businesses' perceptions of the best-rated business components



# Executive summary

## Business component changes over the last five years (most declined)

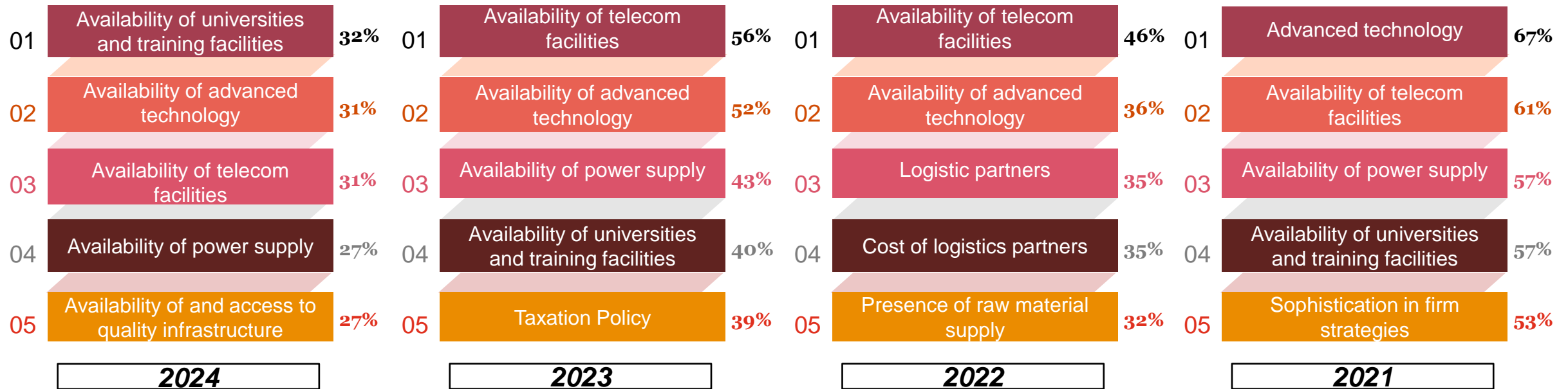
Corruption has been a permanent fixture in the list of top five most declined business components over the last four years. Despite the percentage of respondents with this view having reduced markedly over the four years, this must be something Government should keep a keen eye on for improvement. Additionally, costs of power have consistently posed as challenges to the business community, even when its availability is good or improves. Tax policy was also identified as one of the top five most declined. These are all areas that Government should engage with business on to find solutions



# Executive summary

## Business component changes over the last five years (most improved)

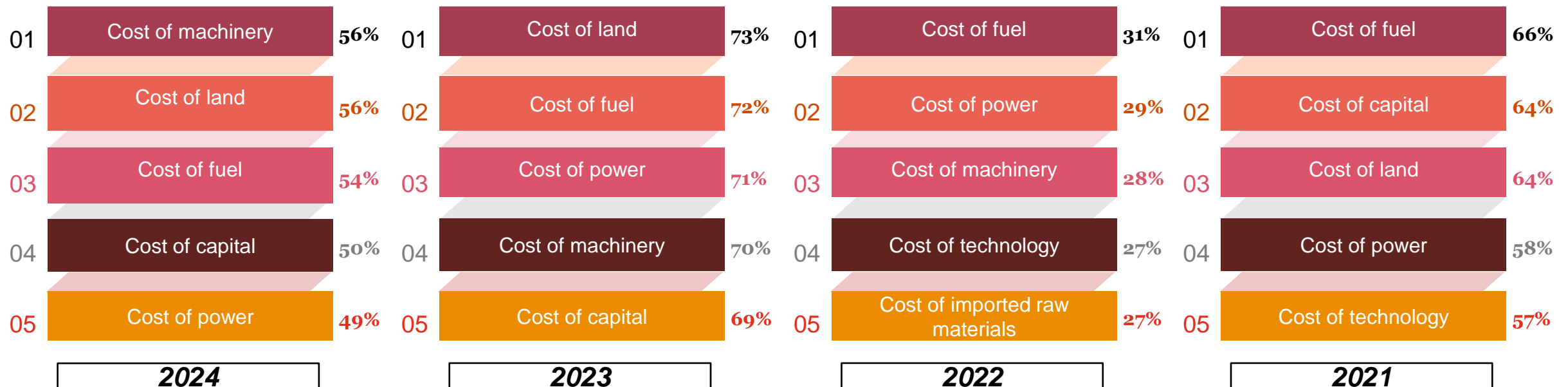
Four out of the four years since 2021, availability of advanced technology and telecom facilities/ services have made it to the top five most improved business components. Three out of four, availability of universities and training facilities, and of power supply have made it to this list. While the percentages of respondents sharing these views have reduced—perhaps reflecting a dilution/ redistribution of views with increasing respondent numbers—it is important that Government ensures that it maintains an environment that enables these improvements to continue. For the first time too, availability of and access to quality infrastructure has made it to this list, and we encourage Government to seek more details about this development



# Executive summary

## Costs of business (most expensive)

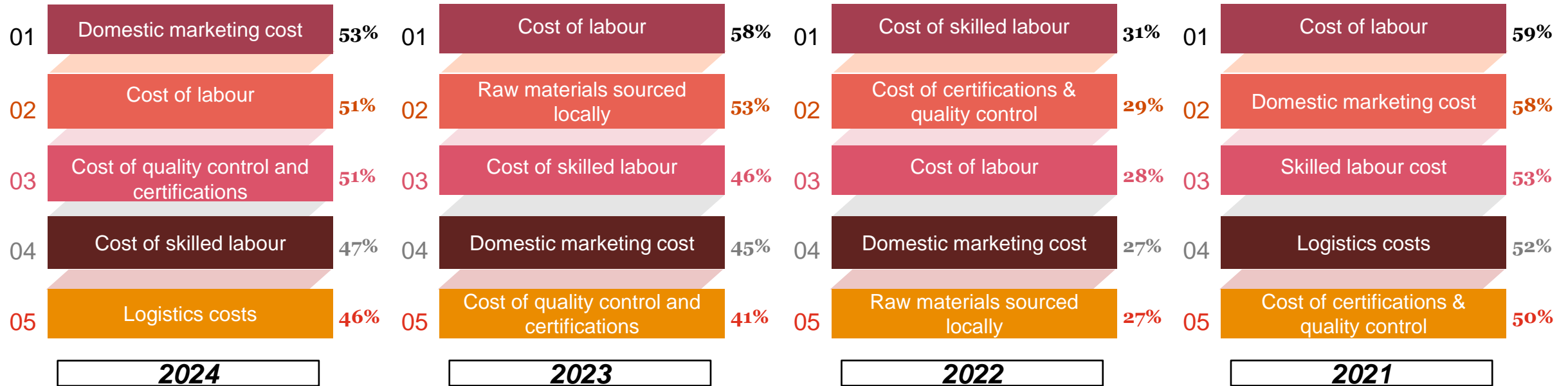
Over the four years from 2021, the most expensive business components have remained almost consistent, reflecting challenges posed to business by aspects of the country's tax policy, as well as a difficult macroeconomic environment. If this situation persists over the medium term, Government's goals related to growth via an industrialisation route might remain unmet. Government should seek to create an incentive for domestic manufacturing using tax policy. Also, weakness of the Ghana Cedi has been a major reason for various economic actors benchmarking the prices of domestic factors of production (including land) against the US Dollar, repricing them when there is a shift in the exchange rate



# Executive summary

## Costs of business (most affordable)

Generally, over the four-year period, the most affordable business components have remained almost unchanged—domestic marketing, certifications and quality control, and labour (including skilled labour). Apart from 2022, when the respondent percentages dropped, the proportions of respondents that agree on what constitute the most affordable business components have ranged between 40% and 60%. We notice that, in this year’s survey, cost of labour was marked as one of the business components with poor rating. This must have been the impact of elevated inflation on labour markets. With inflation forecast to decline over the coming years, we expect that these business components continue to remain affordable for businesses

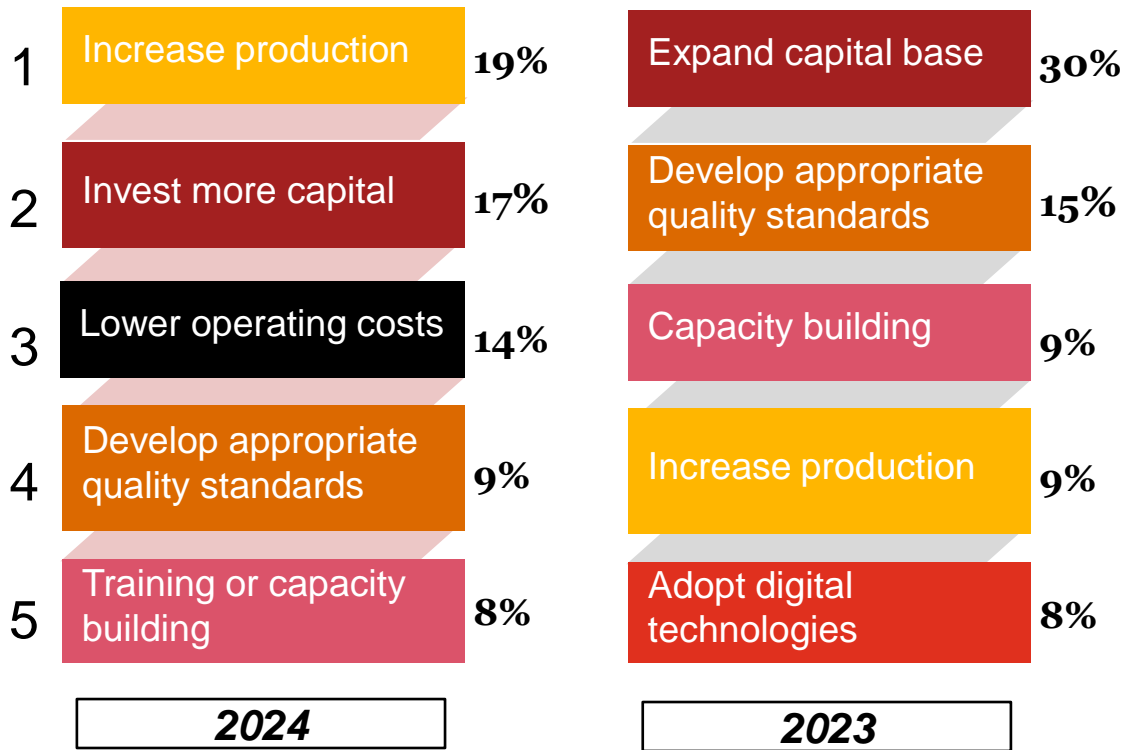




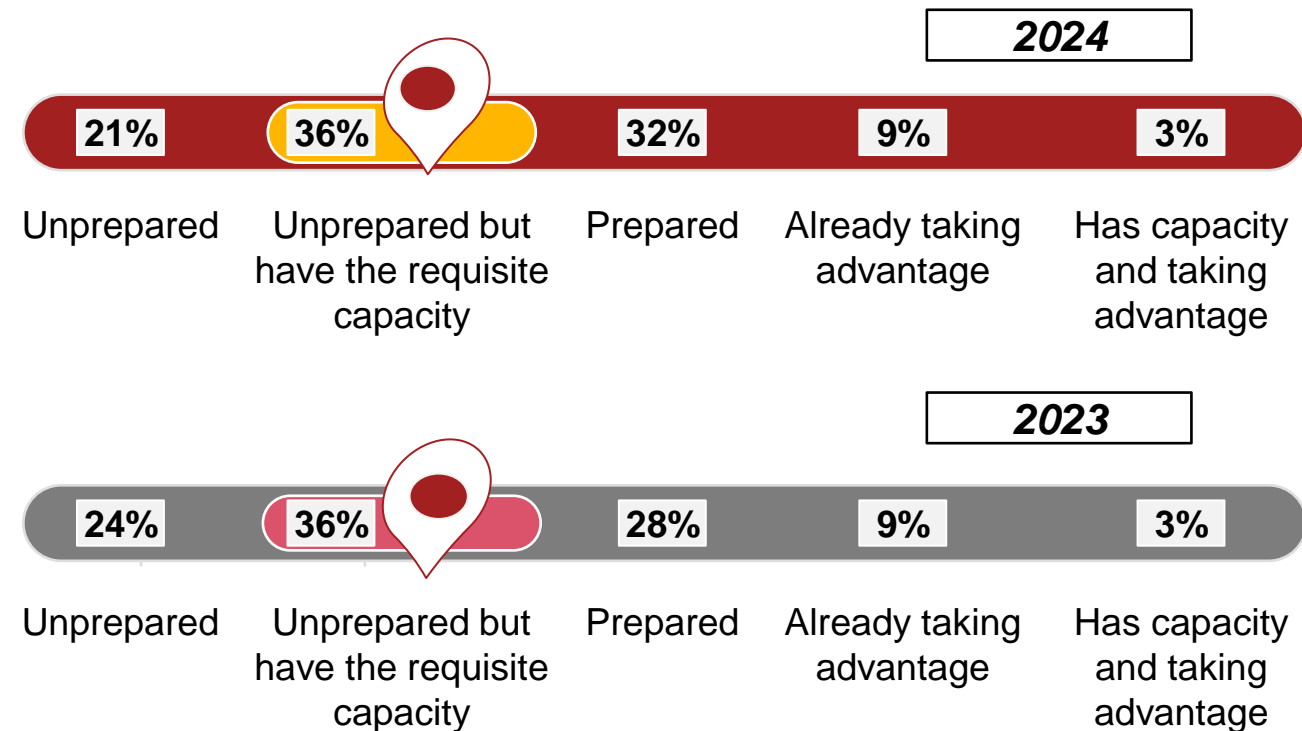
# Executive summary

Businesses have prioritised increasing production as top key factor to improve their competitive edge in 2024, moving from fourth in 2023. Investing more capital followed, signalling that businesses are seeking ways to secure necessary financial resources to grow despite economic challenges such as rising interest rates and limited access to affordable credit. Companies are aware of the benefits AfCFTA presents but have been unprepared to take them although they have the requisite capacity

## Top 5 actions to improve competitiveness



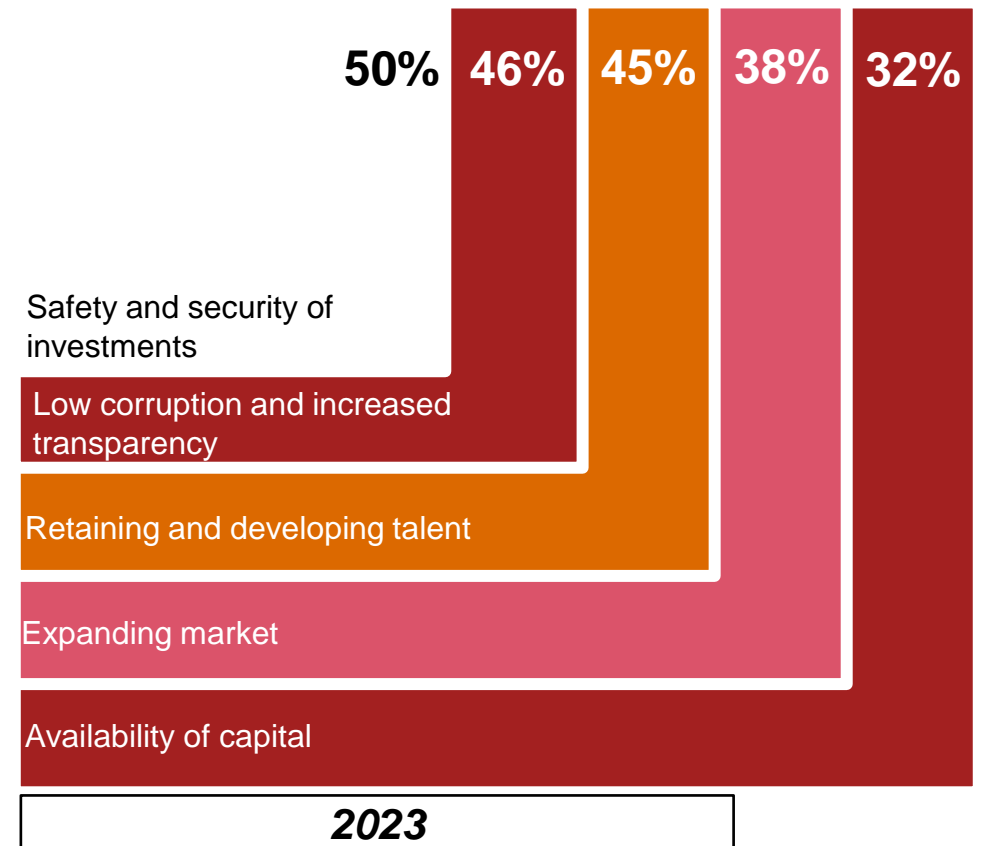
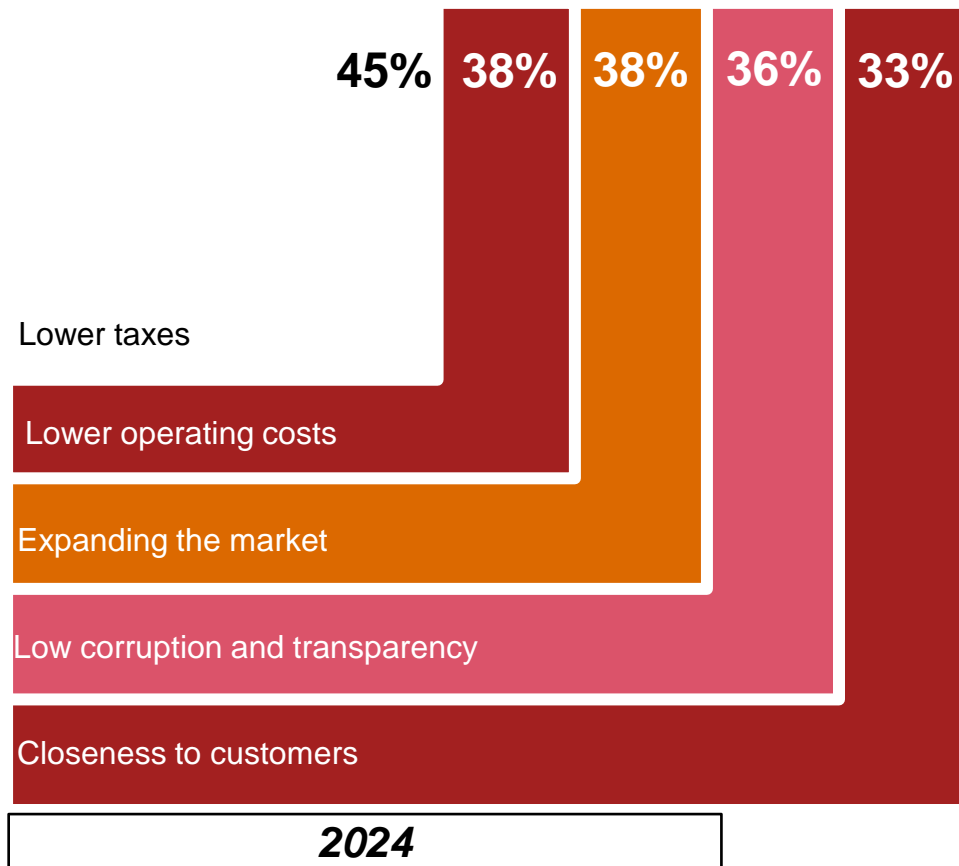
## Are businesses prepared for AfCFTA as an opportunity?



# Executive Summary

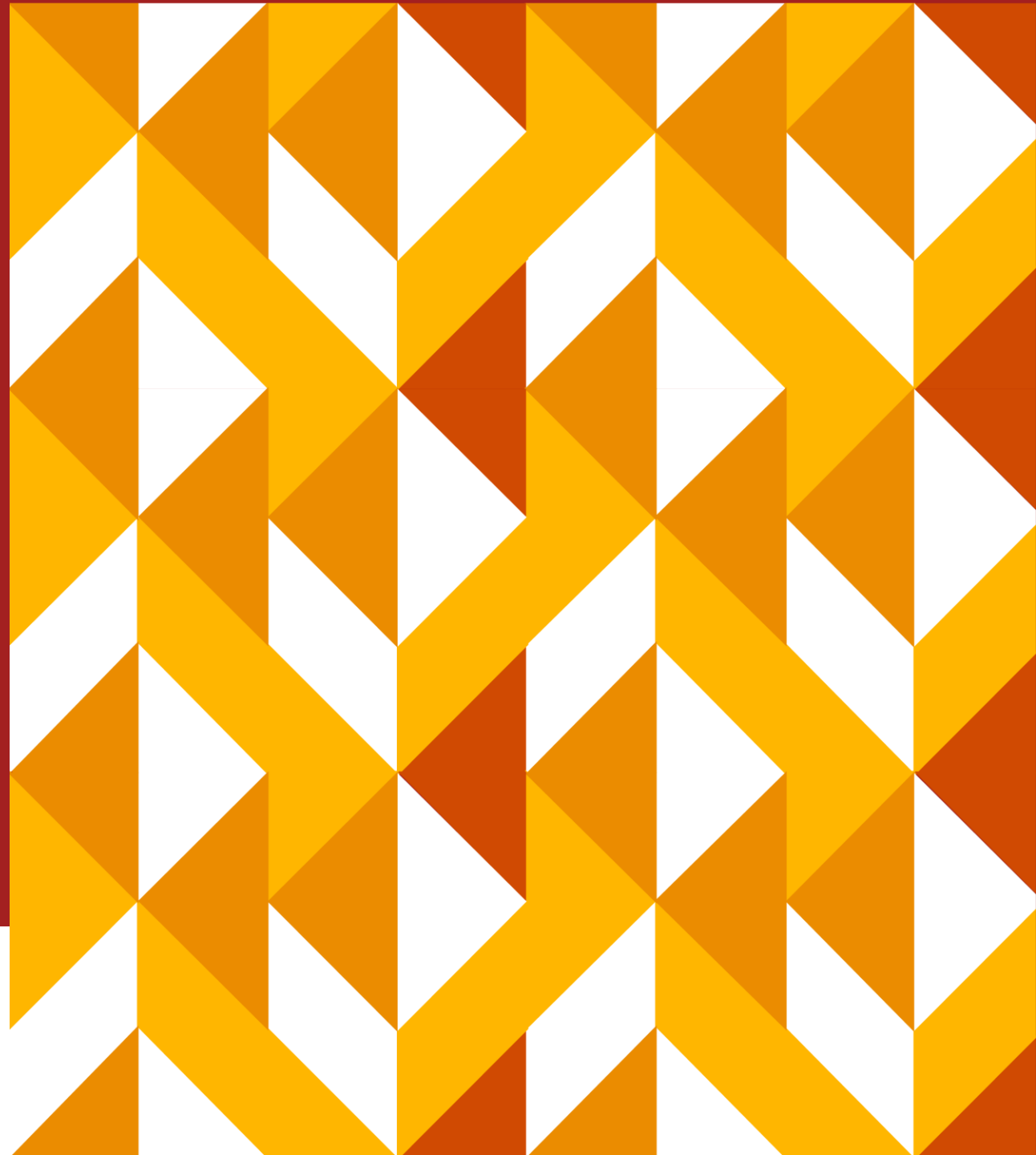
## Top 5 influencing business expansion decisions

Businesses are feeling the pressure from rising and new taxes, prompting calls for tax reductions to lower operational costs and boost profitability which they believe significantly impact their expansion decisions. As they prepare to expand into new markets, regulatory reforms and financing support are crucial to help them capitalise on growth opportunities. Additionally, reducing corruption and increasing transparency are vital for creating a supportive business environment



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About the  
survey

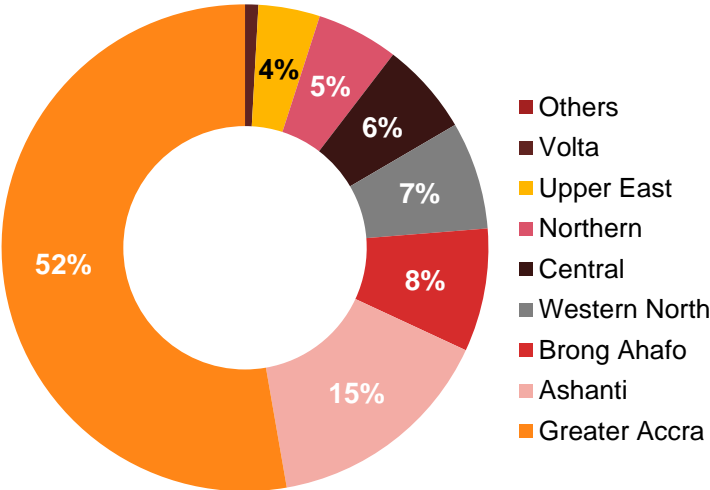


# About the survey

The survey, which involved member companies of the UK–Ghana Chamber of Commerce and other businesses, had 725 respondents, reflecting a 4% increase from the 696 participants in the 2023 survey. Most respondents reported turnovers up to \$0.499 million, with service-based businesses being the most common

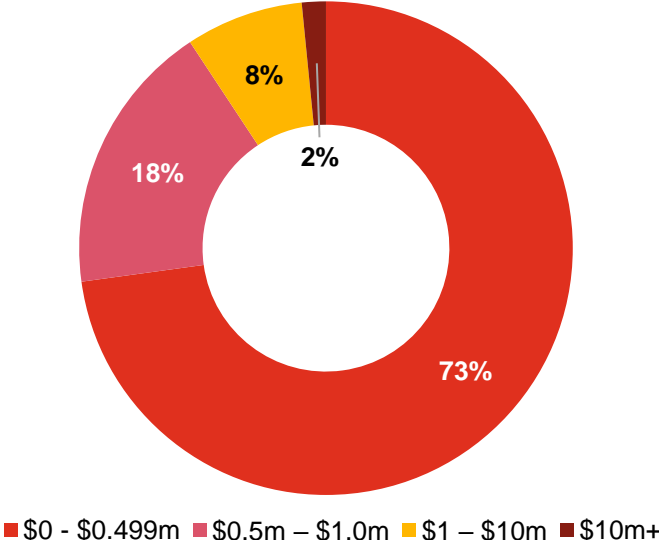
In 2024, businesses in the Greater Accra region accounted for 52% of the responses, a notable decrease from around 79% in 2023. The Ashanti region followed with a significantly smaller share of about 15%, which is an increase from 6% in 2023. Respondents to the survey were spread across all 16 regions of Ghana.

**Fig. 3.1: Company Location**



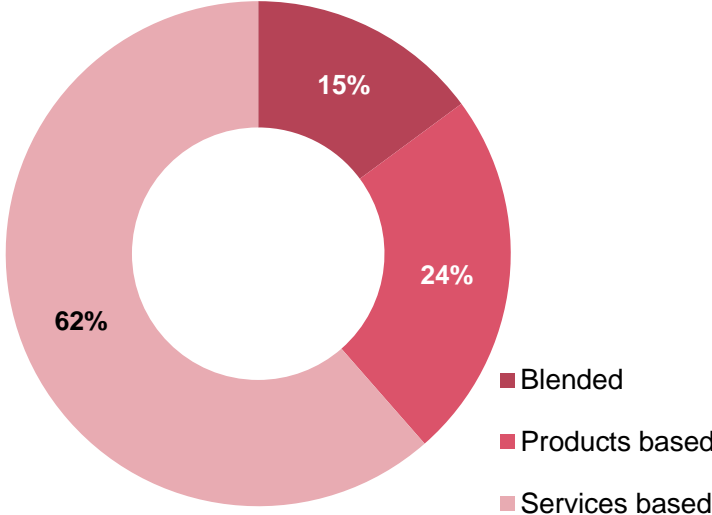
This year, the majority of respondents reported a turnover of less than \$0.5 million, while companies with revenues exceeding \$10 million were the least represented. This pattern mirrors the 2023 survey results, where most respondents also had turnovers below \$0.5 million, and the least had revenues over \$10 million.

**Fig. 3.2: Turnover in 2024**



Similar to previous surveys, most respondents this year were from companies providing services to their consumers. Product-based businesses were the next most common, while blended businesses were the least represented.

**Fig. 3.3: Type of business**



# About the survey

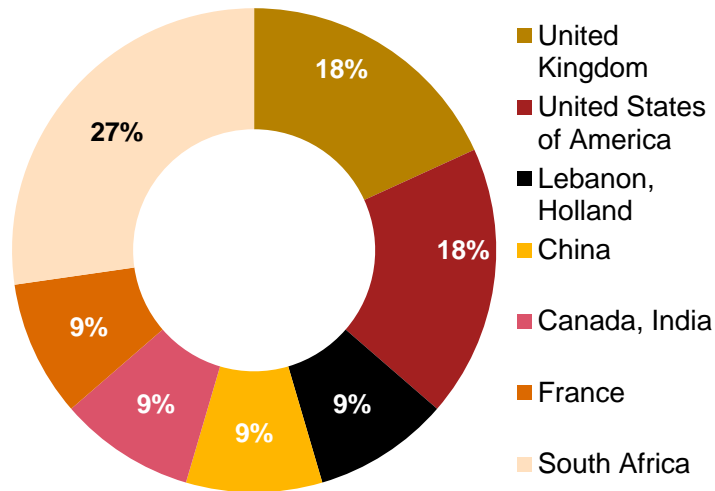
Of the responding businesses, 98% were fully locally owned. Investor countries represented via the 2% of business respondents included South Africa, the UK, the USA, China, and France. Lebanon, Holland, Canada, India, Switzerland, and Spain were also represented in the survey. Most responses came from small companies with fewer than 50 employees

This year, most respondents in the survey were from South Africa and the United Kingdom. In contrast, last year's survey saw the United Kingdom leading with 21%, followed by the USA with 11%.

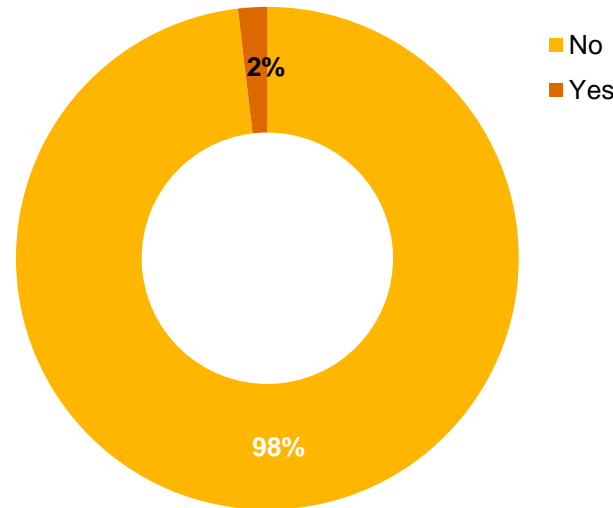
This year's survey had most respondents being fully locally owned with a small percentage having foreign shareholders. There is a slight upgrade from 2023 where ~92% had foreign ownership.

Most (~94%) of the respondents were small (and micro) companies – an increase from 2023 – where 89% were small and micro companies. Large companies made up ~1% of total respondents – a decrease from 2023 (~6%).

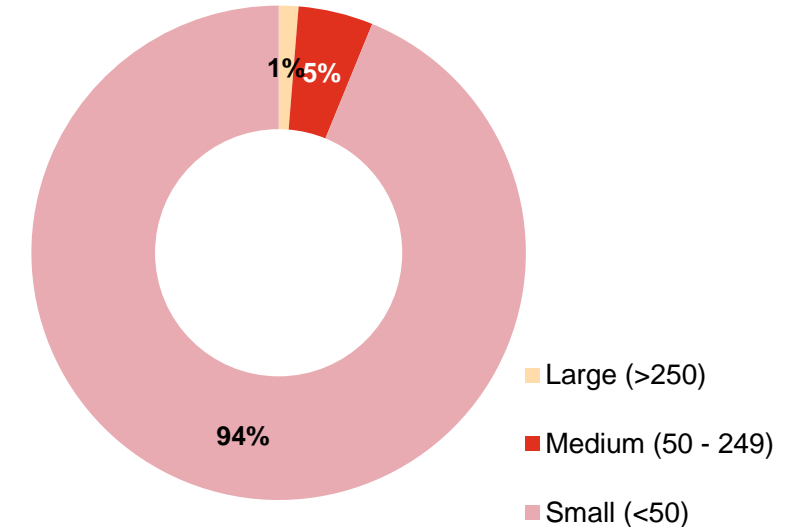
**Fig. 3.4: Shareholders' ultimate investing countries**



**Fig. 3.5: Foreign shareholding**



**Fig. 3.6: Company size (by no. of employees)**



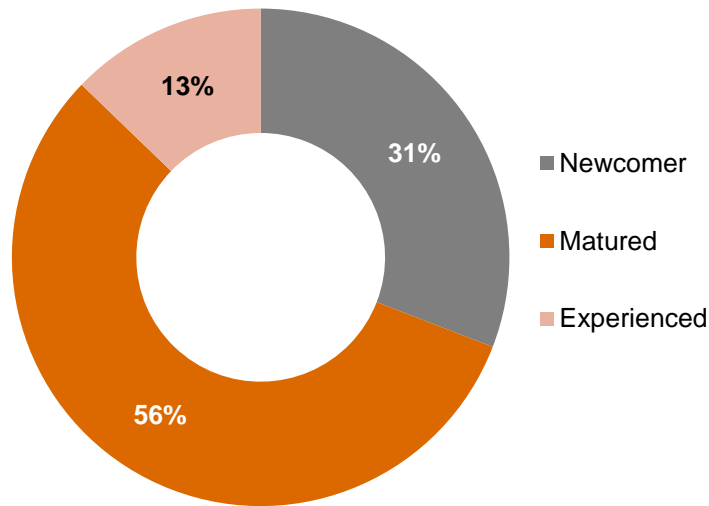
# About the survey

Mature companies continue to show an interest in this annual survey and form majority of the respondents. Mature and experienced companies, together, formed 69% of respondents in the 2024 survey, 3% more than 2023. Newcomer companies had a decreased representation in this year's surveys, dropping from 34% to 31%

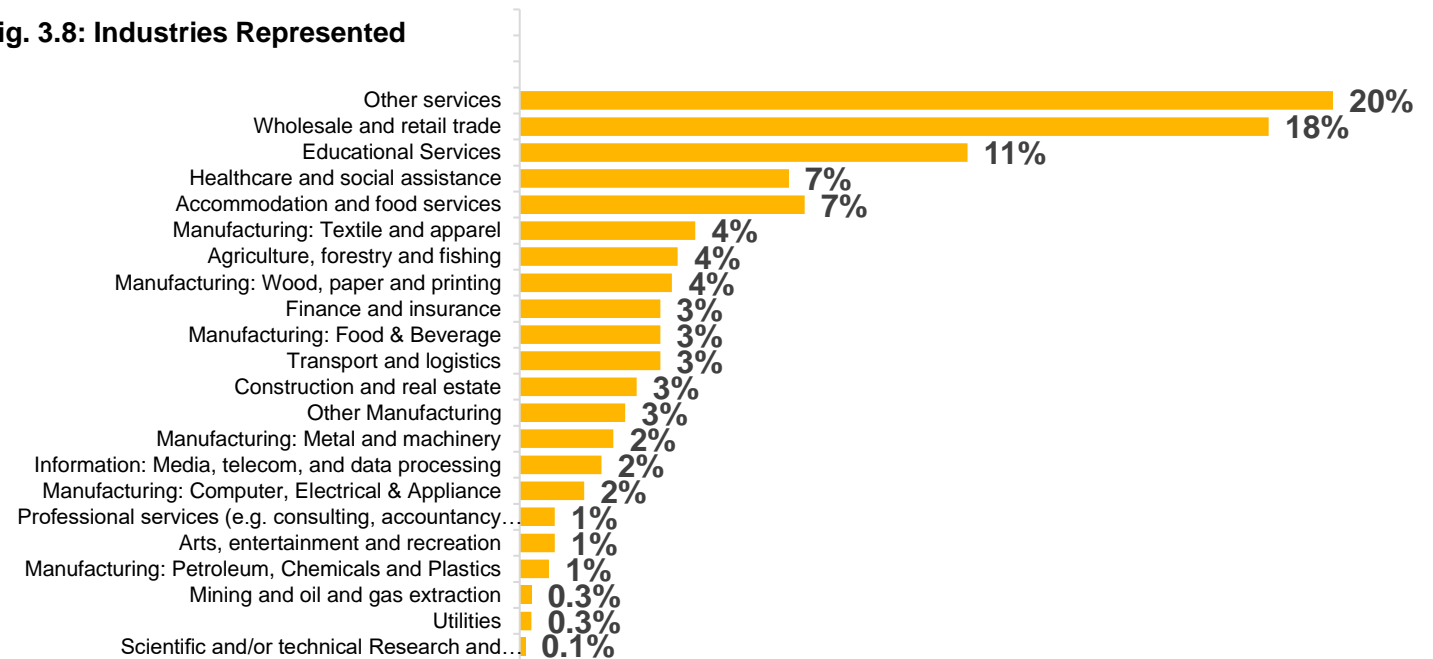
Much like the norm for the surveys, most respondents for this year's surveys were mature companies. These are companies that have been in operation for between five and 15 years. Companies which had been in operation for over 15 years were least represented in the survey.

The top industries in this year's survey were other services and wholesale & retail trade. Educational services also showed strong representation, accounting for 11% of respondents. The least represented industry was Scientific and/or Technical R&D, which had only 0.1% representation in both 2023 and 2024.

**Fig. 3.7: Company Age**



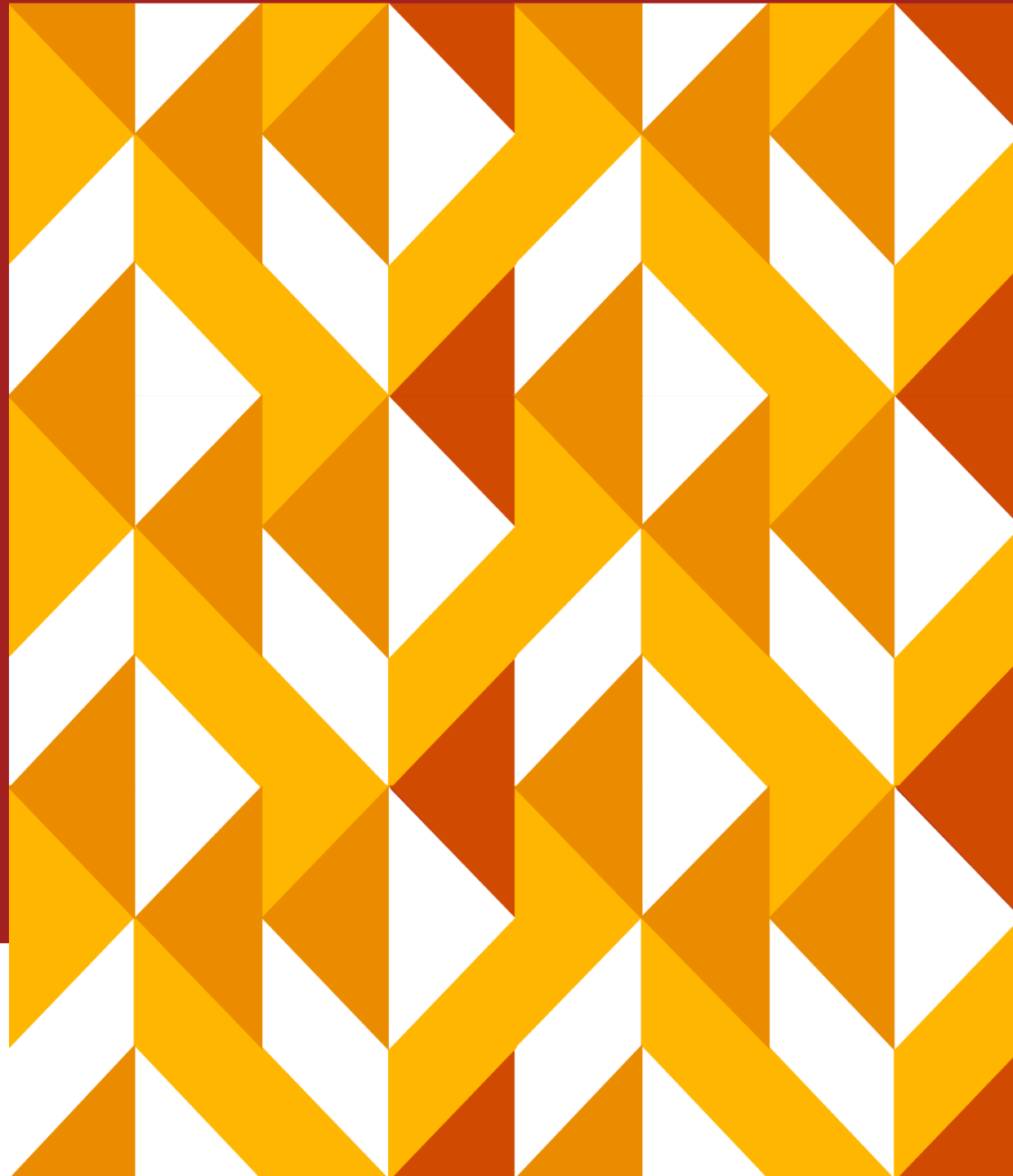
**Fig. 3.8: Industries Represented**





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## Macroeconomic overview



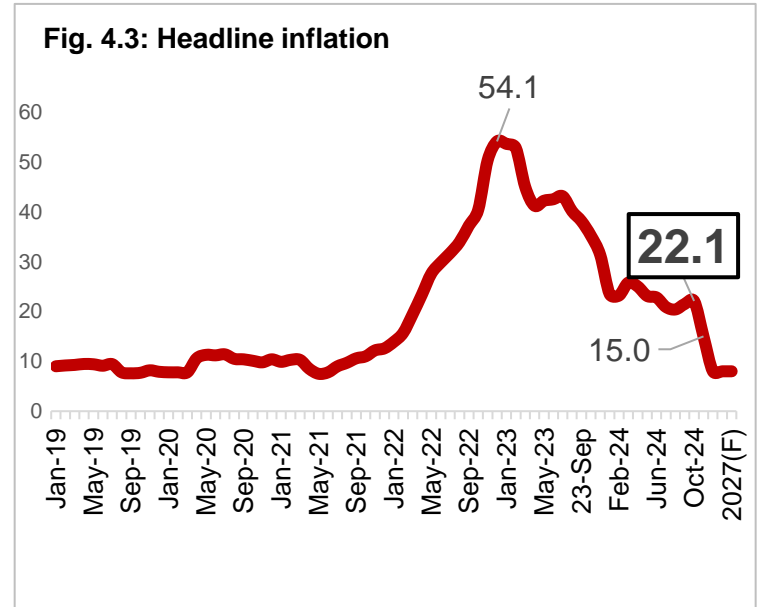
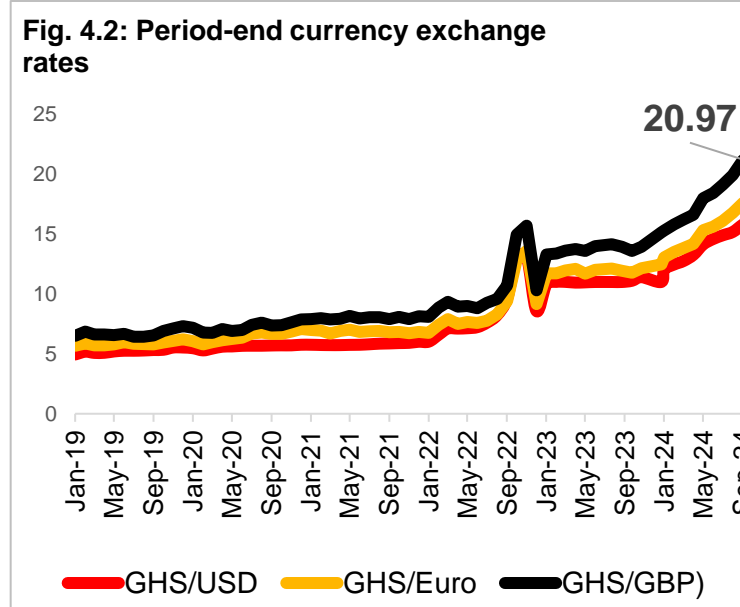
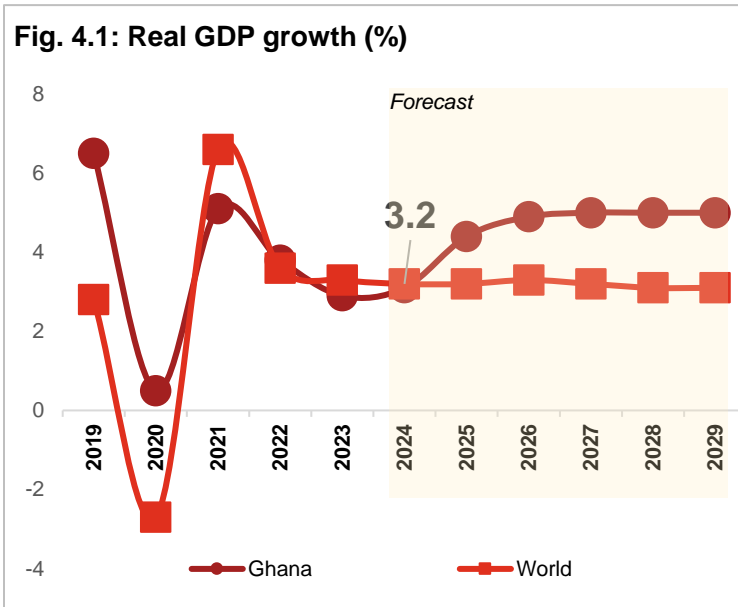
# Macroeconomic overview (1/2)

Ghana's economic outlook is on the upswing, with economic growth projected to increase in the coming years. The Government of Ghana reported a robust recovery, with GDP growth hitting 7.2% in quarter three of 2024. Although headline inflation has significantly decreased from its peak of 54.1% in December 2022, it has yet to reach the target of 15%. Recently, the Ghanaian Cedi experienced a brief rally before elections but its declining again after-elections

Historically, Ghana's economy has grown faster than the world economy. Economic growth declined in recent times due to pandemic and post-pandemic external shocks. Ghana's GDP growth is expected to rebound steadily afterwards, with growth rates projected to rise from 3.1% in 2024 to 5.0% in 2028 by IMF.

The Ghana Cedi has experienced significant volatility, partly due to external shocks and imbalances in the country's trade and fiscal accounts. In 2024, the BoG's tight monetary policy has helped to stabilise the exchange rate, though the Cedi remains vulnerable to external pressures. MPR at 27% in 2024 reflects BOG's caution in loosening monetary conditions too quickly.

Ghana's inflation rate, which soared above 50% in 2022 due to global commodity price shocks, supply chain disruptions, and domestic fiscal challenges, has now moderated to below 22.1% in 2024. This decline is largely the result of the BoG's aggressive monetary tightening, which saw the policy rate increase by a cumulative 3,200bps since December 2022.



Sources: Fitch Solutions, World Economic Outlook (WEO) Database, BOG  
 UK-Ghana Chamber of Commerce (UKGCC)  
 PwC

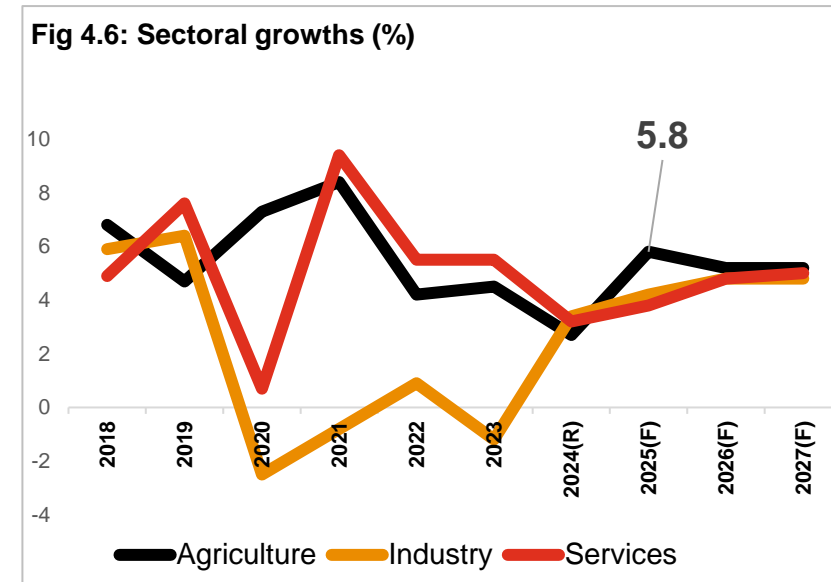
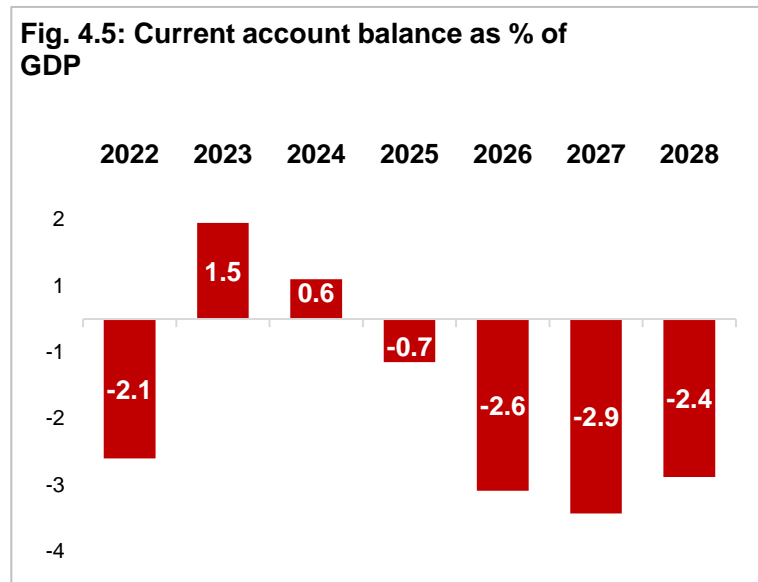
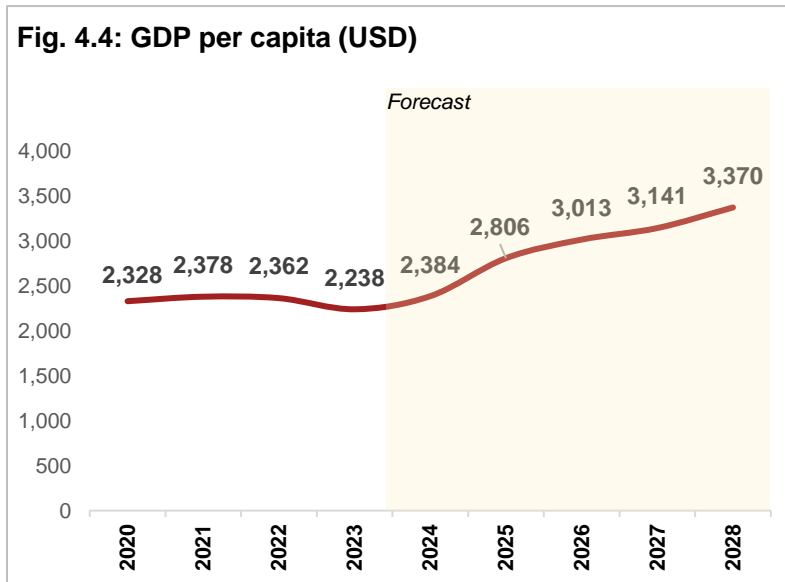
## Macroeconomic overview (2/2)

Ghana's economic outlook shows signs of positive transformation, with GDP per capita expected to rise steadily in the coming years, reflecting improvements in productivity and living standards. This growth underscores the country's ability to generate more income per citizen, enhancing economic opportunities and resilience. However, the current account balance is set to contract, indicating the need for sustained efforts to manage external trade and financing challenges. A balanced approach will be key as the country navigates the dual task of promoting economic growth while addressing external vulnerabilities

GDP per capita increased in 2024 in tandem with expected rises in economic growth and is forecast to continue to grow over the period 2024 - 2028.

The current account however is expected to fall back into deficit in 2025 as imports into the country are expected to rise. This could signal challenges since spending on more imports could lead to pressure on the cedi.

Historically, Services has been the main sectoral driver of growth. The outgoing Government aimed to change this narrative and planned to position Industry as the growth pole via manufacturing, expecting spinoff benefits for jobs and currency stability.



## Socio-demographic overview (1/2)

In 2024, the number of households in Ghana continues to rise, with projections indicating that this will continue till 2027. This growth could be due to the country's expanding population and urbanisation trends. However, the rate of growth in real household spending experienced a decline between 2020 and 2022, primarily due to reduced consumer confidence. High inflation will cause cautious spending by households due to slower wage growth. Disposable incomes, which fell by more than 13% from 2022 to 2023, are anticipated to rise significantly by over 55% between 2023 and 2027, reflecting a positive outlook

The number of households in Ghana has been steadily increasing, from 8.2 million in 2020 to an expected 10.3 million by 2027. This growth reflects the broader demographic trends of population increase and urbanisation. The consistent rise in household numbers underscores the need for enhanced infrastructure and services to accommodate the growing population.

Total household spending in Ghana experienced a real growth rate decline to 2.02% in 2022. Nevertheless, the outlook is positive, with growth rates expected to recover to 5.22% by 2027. This anticipated increase in household spending aligns with the projected rise in disposable incomes and economic growth, suggesting a robust recovery and a strengthening economy.

Disposable income per household in Ghana saw a decline from \$5,426 in 2021 to \$4,453 in 2023. However, a recovery is projected, with disposable incomes expected to rise to \$5,319 by 2027. This rebound is indicative of improving economic conditions and increased consumer confidence, which are essential for sustained economic growth and development.

Fig. 4.7: Number of households (millions)

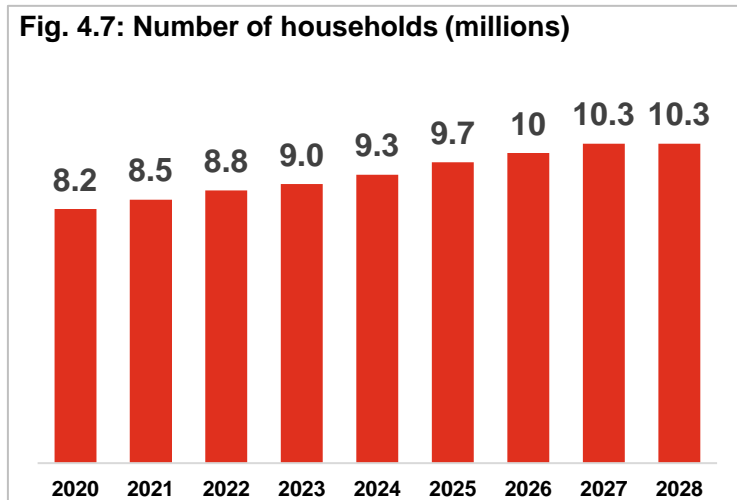


Fig 4.8: Total household spending

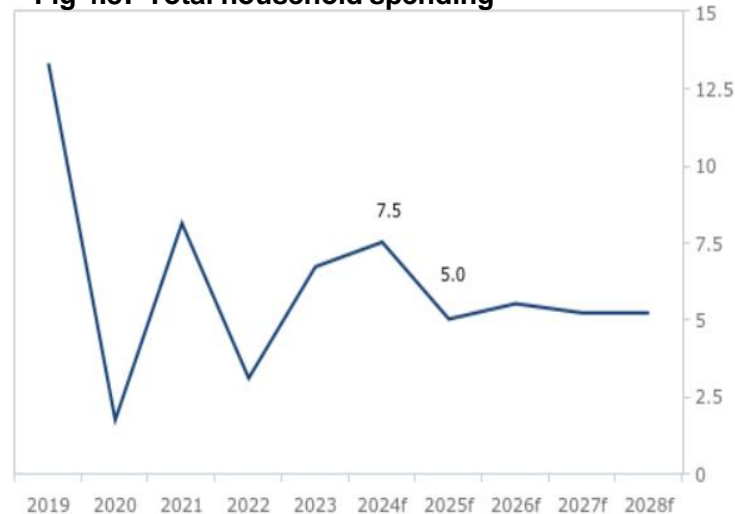
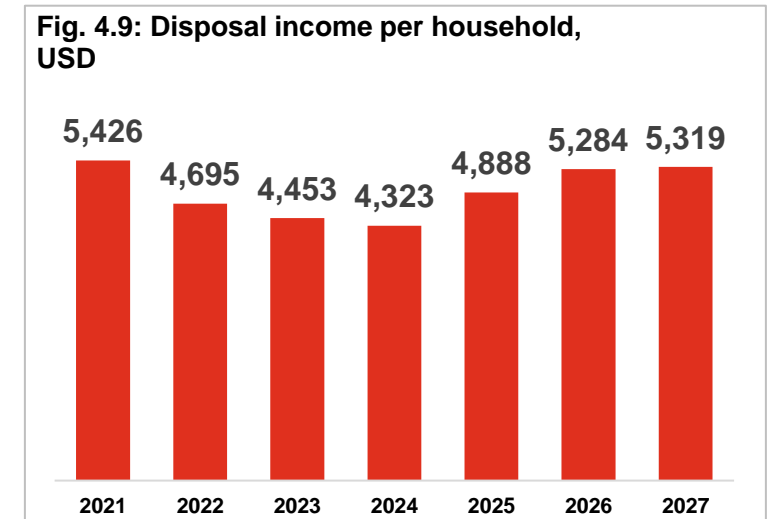


Fig. 4.9: Disposal income per household, USD



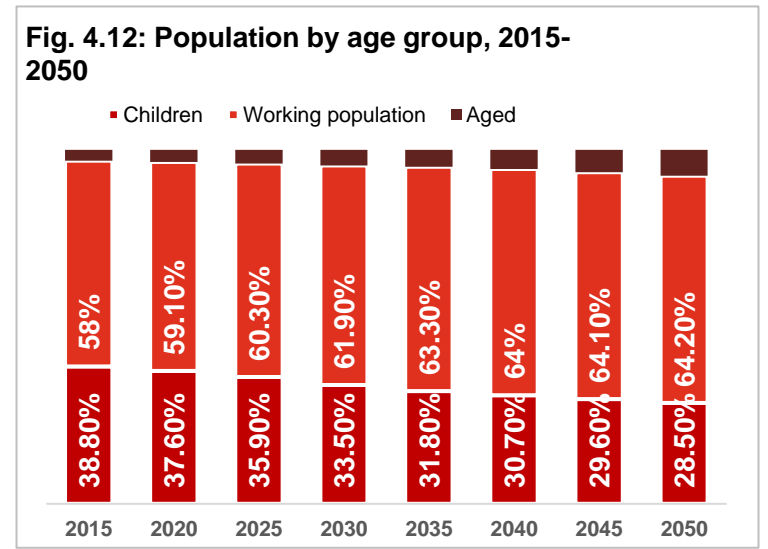
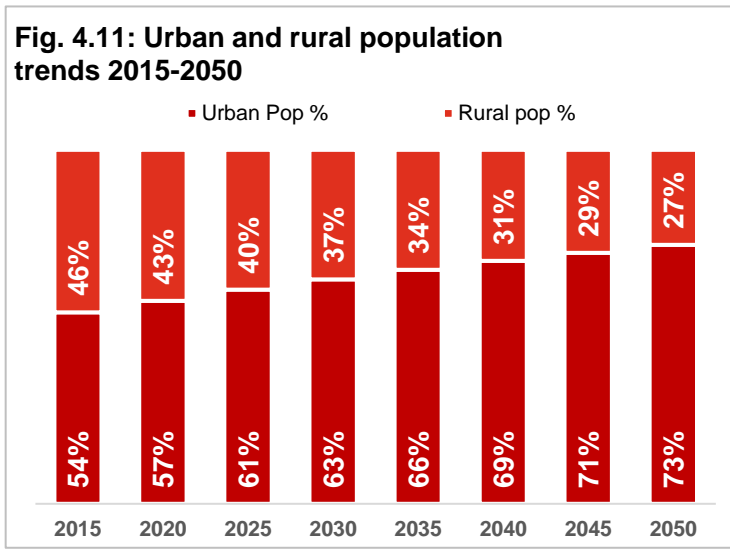
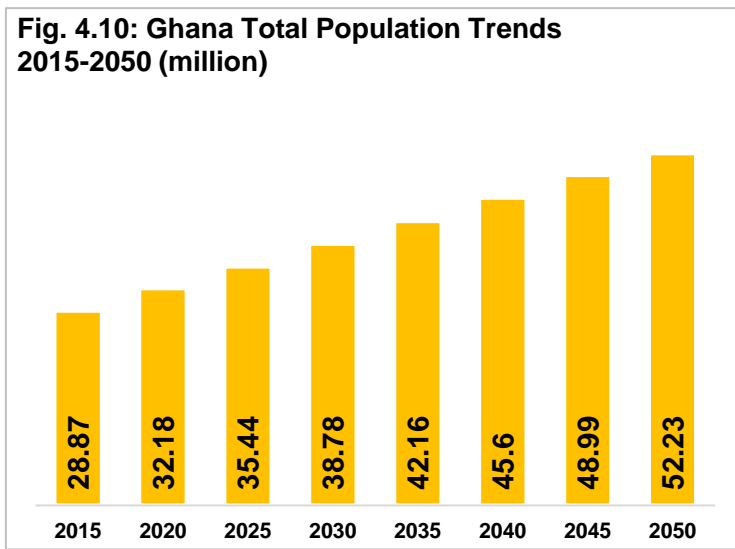
## Socio-demographic overview (2/2)

Ghana's population is on a steady rise, with current figures around 34.4 million. Long-term projections suggest that the population will surpass 50 million by 2050. This growth is accompanied by a significant shift towards urban living, with 73% of the population expected to reside in urban areas by 2025, up from 60%. The demographic structure is also changing, with an increasing proportion of the working-age and aged population, while the number of children is declining

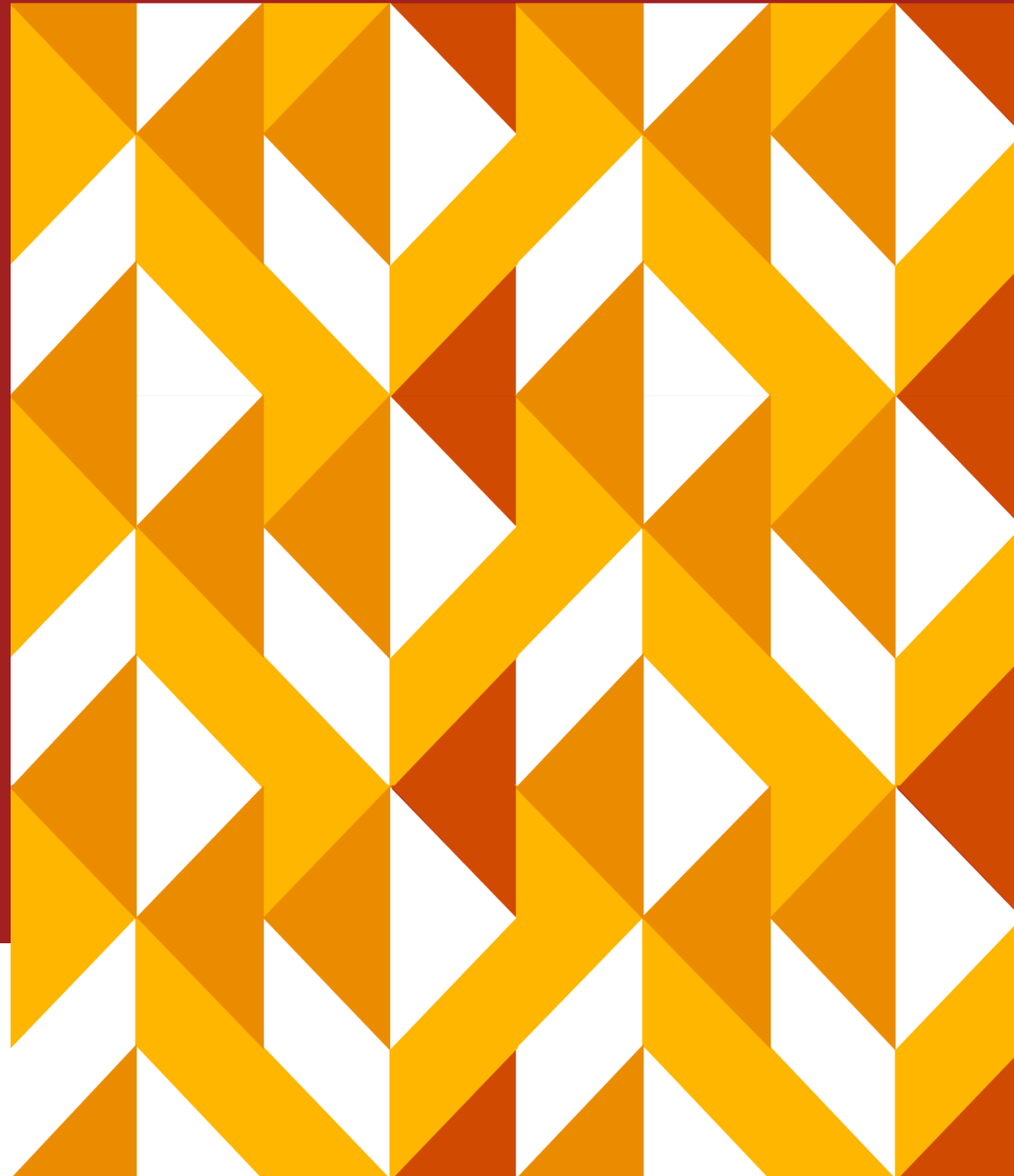
Ghana's total population is projected to grow significantly from 32.18 million in 2020 to over 52 million by 2050. This long-term growth trend highlights the need for strategic planning in areas such as urban development, healthcare, and education to ensure sustainable development and improved quality of life for the growing population.

Urbanisation in Ghana is accelerating, with the urban population expected to rise to 73% by 2050, while the rural population declines. This trend underscores the ongoing migration from rural to urban areas, driven by the search for better economic opportunities and living conditions.

The demographic structure of Ghana is shifting, with the working-age population increasing while the proportion of children is decreasing. By 2050, the aged population is expected to rise significantly, reflecting an ageing society. This demographic transition will require adjustments in social policies, particularly in healthcare and retirement planning, to cater to the needs of an older population.



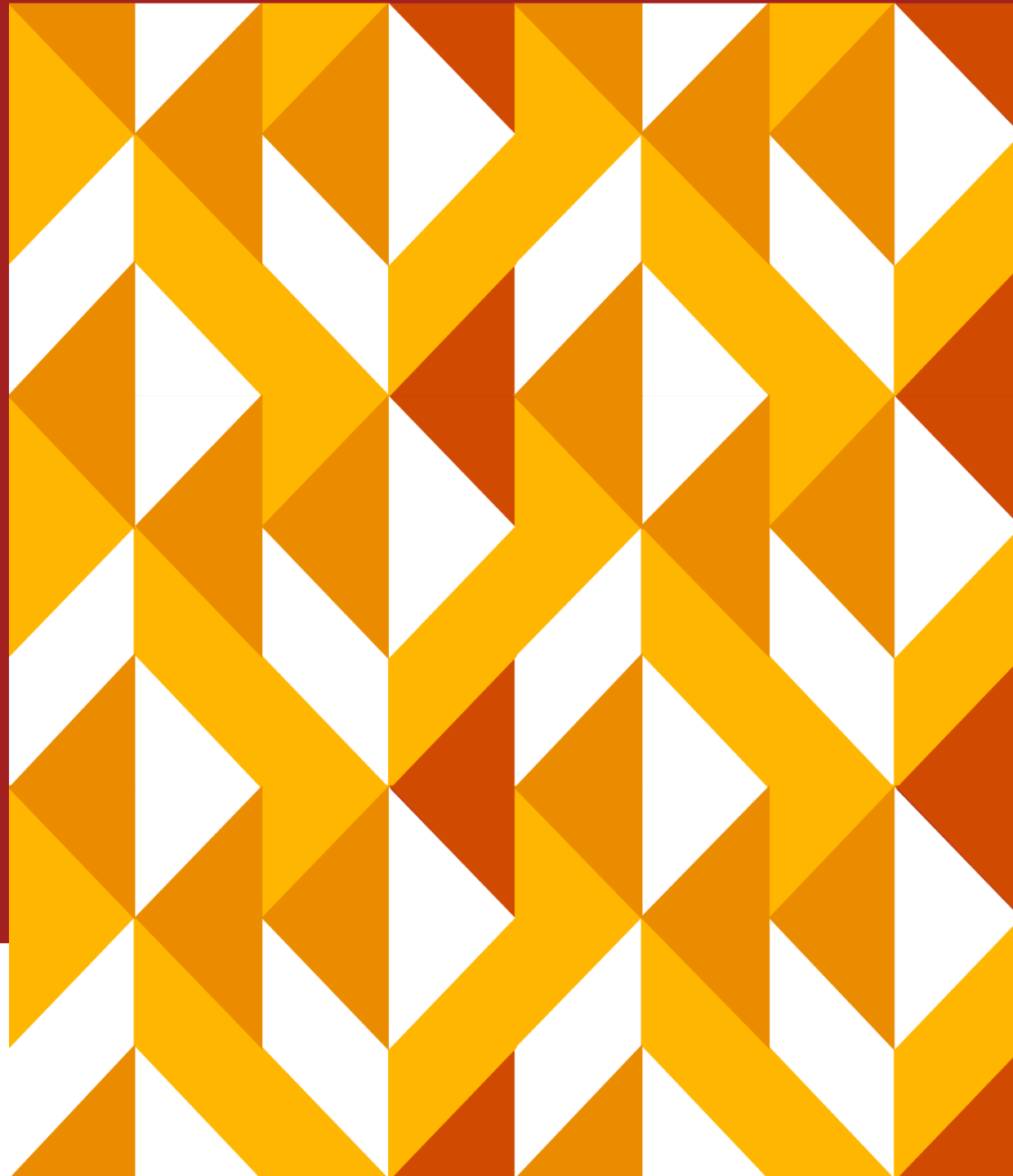
# Detailed survey analysis





5

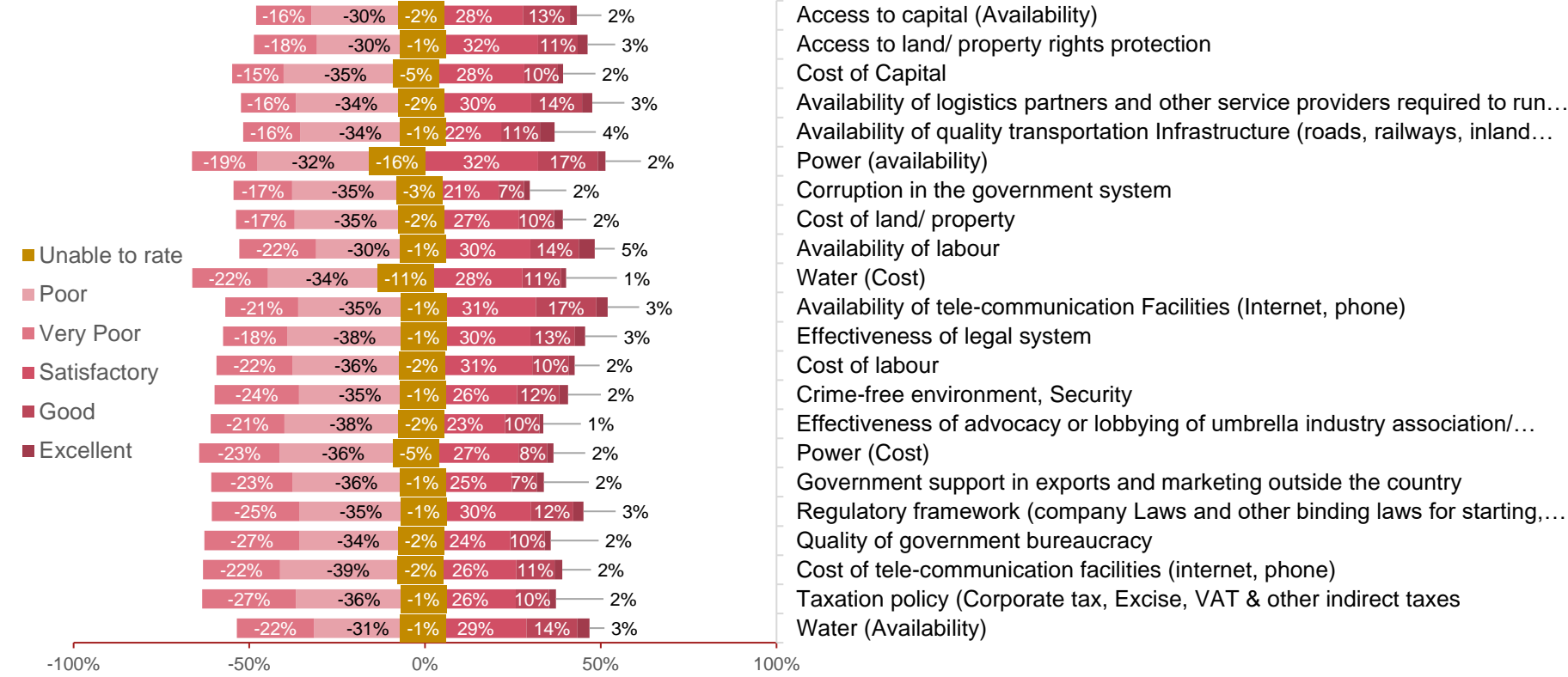
Rating the  
business  
environment



# Availability of telecommunication facilities still tops but water availability becomes the new concern

Telecommunications facilities continued to be regarded as the best in both 2023 and 2024. Power, labour, and water availability also maintained their positions as top-rated factors. Taxation policy received poor ratings, highlighting a critical area needing improvement to enhance the business environment. This indicates tax burdens on business which might result in lower business activity and decreased competitiveness, ultimately slowing economic growth

**Fig. 5.1: How do you rate the different components of the business environment in Ghana for your industry?**



### Best 5

1. Availability of telecommunication facilities
2. Power availability
3. Availability of labour
4. Water availability
5. Availability of logistics partners

### Worst 5

1. Taxation policy
2. Cost of telecoms
3. Government bureaucracy
4. Regulatory framework
5. Government support of exports

Number of respondents, n = 706

## Businesses are benefitting from improving access to capital and transport infrastructure...

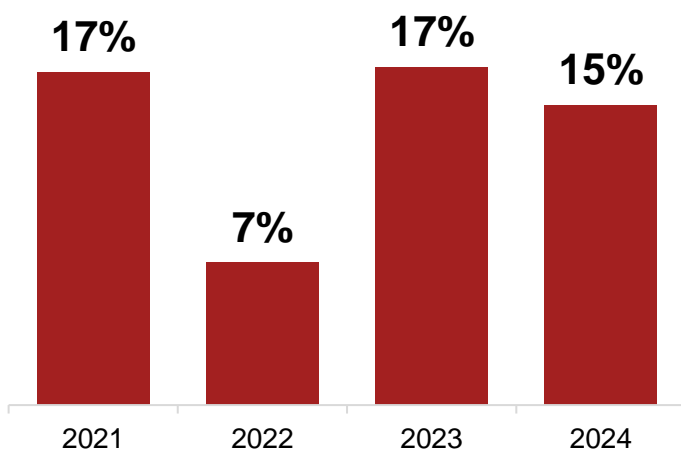
The availability of quality transportation infrastructure has constantly been improving, according to businesses in Ghana. The outgoing government completed various road infrastructure projects that has enabled access to remote areas for businesses. Despite a significant fall in the ability of businesses to raise capital in 2022, positive ratings for this business component have improved. This could be attributed to the improvement in the liquidity positions of the banking sector

The trend shows that respondents found it particularly difficult to gain access to finance in 2022. The occurrence of the Russia-Ukraine war in 2022 had a ripple effect on the local economy causing uncertainty, inflation and depreciation of the exchange rate. Between Q1 2022 and Q4 2022 BOG had increased the policy rate from 14% to 27% to manage inflationary pressures.

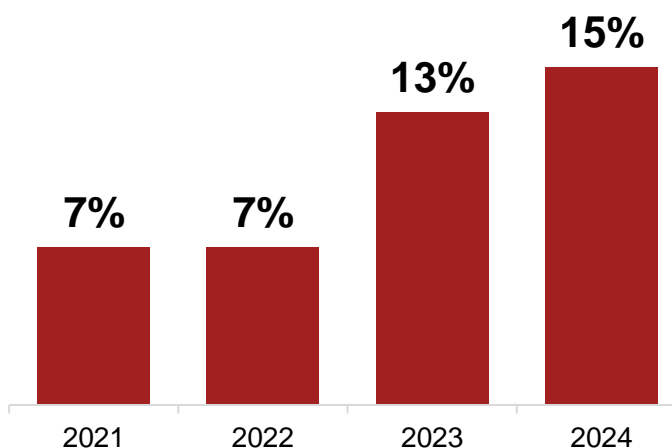
The trend shows that respondents believe that there has been an increasing improvement in the access to quality transport infrastructure. The improvement of the Eastern corridor road will improve the ease of access between the Tema port and northern parts of Ghana. This is one of many initiatives that the Government has undertaken to improve transport Infrastructure.

Although respondents' perceptions of the availability of quality telecom facilities rose sharply in 2023, there has been a decline in 2024. We expect these perceptions to improve in the year ahead as firms realise the benefits of the recent 5G rollout.

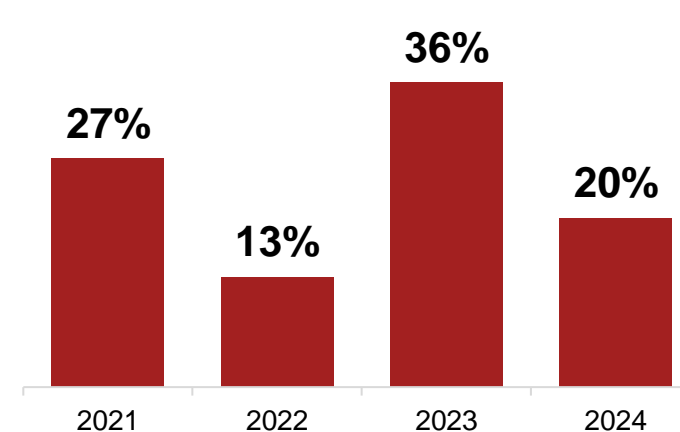
**Fig 5.2: Access to capital (Good + Excellent)**



**Fig 5.3: Availability of quality transportation infrastructure (Good + Excellent)**



**Fig 5.4: Availability of telecom facilities (Good + Excellent)**



# Ghana's security environment improved in 2024

A crime-free environment will heavily influence decisions about whether to invest in Ghana or not. Investors have indicated yearly that they prioritise the safety and security of their investment. Work must be done to improve the efficiency and effectiveness of the legal system

Similar to the trend in the availability of capital, the cost of capital also saw relative improvement from 2021 to 2023. Although there was a decline between 2023 and 2024, respondents' perceptions remained above the levels of 2021 and 2022. The implementation of the \$3 billion IMF programme have further restored investor confidence, improved the economic stability of Ghana and have reduced inflation.

Although there was a large improvement in ratings to 21% in 2023, the figure fell to 14% in 2024. Ghana has become a regional leader in cybersecurity, improving its defences against cyber threats. Initiatives by the police and the government have generally minimised the risks of crime. A crime free environment would also preserve the safety of business investments, and this is key to many respondents.

Businesses belief in the effectiveness of the legal system declined between 2021 and 2022. Public confidence in the legal system remains an issue. Some people feel that the system is biased or not accessible enough. Businesses find the legal process slow and expensive reducing their belief in the effectiveness of the system.

Fig 5.5: Cost of capital (good + excellent)

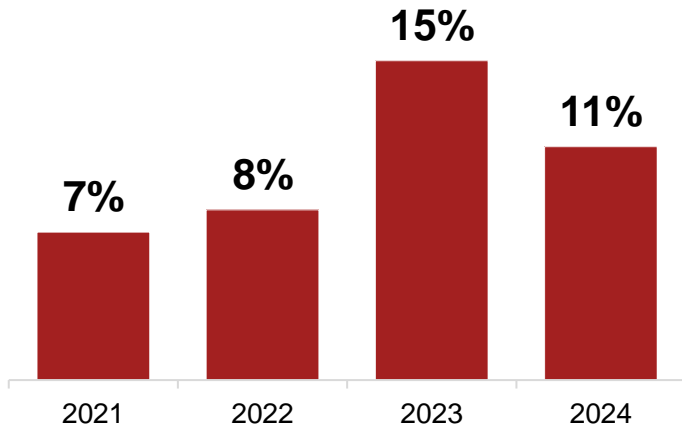


Fig 5.6: Crime free environment (good + excellent)

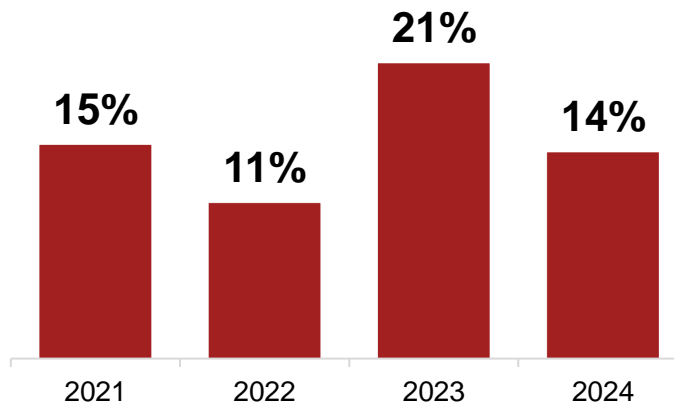
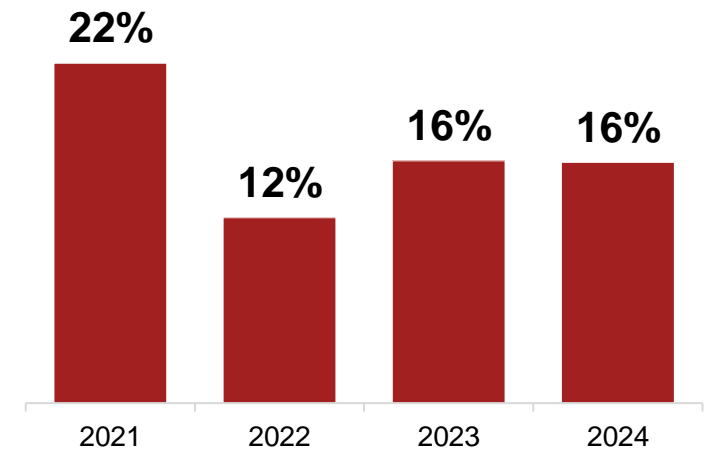


Fig 5.7: Effectiveness of legal system (good + excellent)



# Respondents believe the cost of power has increased considerably in 2024

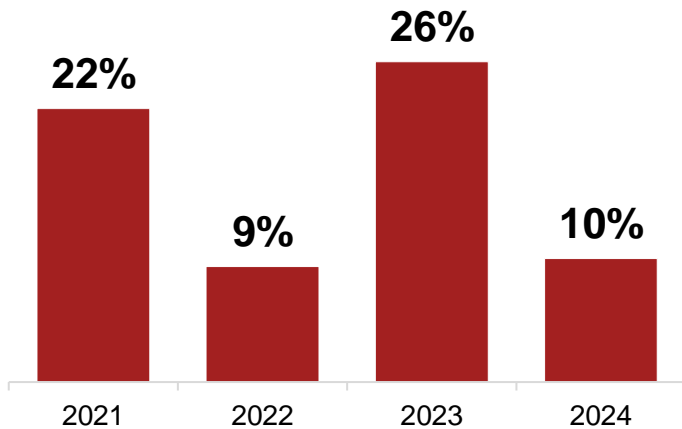
There has been improvement in Government bureaucracy over the last four years. Positive ratings for this business component were as high as 12% in 2022. Positive ratings for the cost of power declined significantly in 2024

Respondents' positive perceptions regarding the cost of power declined by 16% from 2023 to 2024, indicating that respondent perceptions surrounding the cost of power had deteriorated. Electricity tariffs increased in the first and second quarters of 2023 by 30% and 18% respectively compared to a reduction in electricity tariffs of 4.98% in the first quarter of 2024 and an increase of 5.84% in the second quarter of 2024.

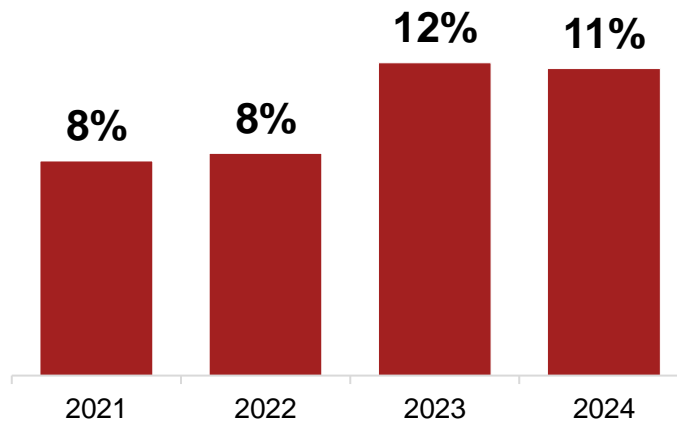
Respondents perceive government bureaucracy to have improved over the past few years. In 2023, positive ratings for bureaucracy increased by 4% from 2022. The incumbent government has prioritised digitising public services. An example of this is the E-Transform project. It has assisted public agencies such as the Registrar-General's Office which can now more efficiently and quickly register new business ventures. Despite this, respondents this year still believe it takes longer to register a new business compared to last year.

29% of respondents had positive opinions with regards to the effectiveness of the country's laws and regulations. However, this figure has declined and, as of this year, 15% of respondents had positive views surrounding the regulatory framework. Businesses have indicated that it takes longer to deal with the Government with regards to regulations. There was a decline in positive ratings from 18% in 2023 to 15% in 2024.

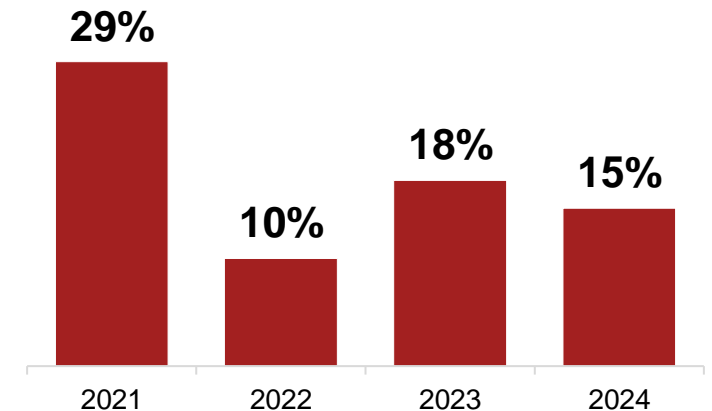
**Fig 5.8: Cost of power (good + excellent)**



**Fig 5.9: Government bureaucracy (good + excellent)**



**Fig 5.10: Regulatory framework (good + excellent)**



# Businesses are finding it increasingly difficult to acquire land in 2024

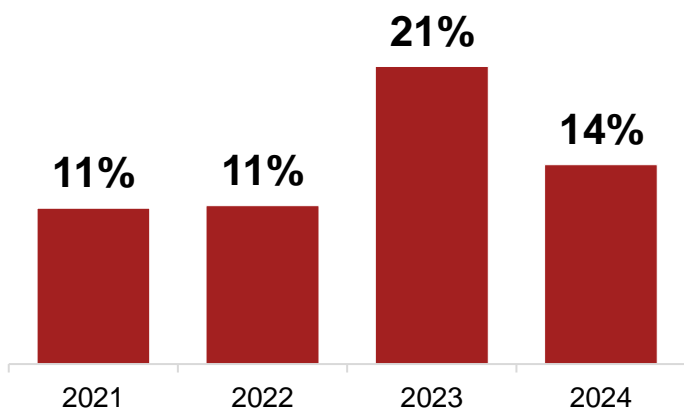
The process of acquiring land must be made simpler if Ghana is to attract investment into the business environment. Corruption in the government system remains a major area of concern for businesses in Ghana, demonstrated by the consistent low ratings over the last four years

Although perceptions surrounding access to land and property rights protection improved in 2023, the trend observed shows that it has been difficult for businesses to acquire access to land and property rights protection. It can often be difficult to secure land rights in Ghana due to the complexity of the process and issues with the country's land records. The Government has invested in electronic conveyancing that will speed up the process of transferring ownership rights to new owners.

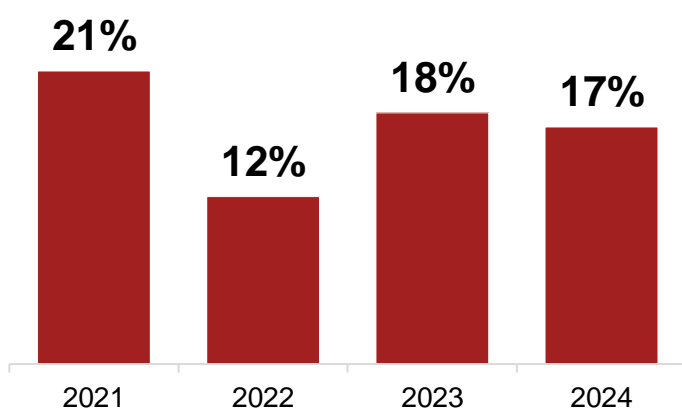
There was a significant fall in the availability of logistics partners in 2022. External shocks such as the Russia-Ukraine war had significant consequences for the local economy, including logistics. However, the economy began to recover gradually in 2023, and this can be shown by the improvement in the availability of logistics partners.

Respondent perceptions of corruption in the country have been relatively consistent with only 9% of respondents rating corruption as positive in three of the last four years. Corruption has been a constant criticism targeted at the government. Ghana placed 70th out of 180 countries on the Corruption Perception Index with a score of 43. Ghana has ranked around this spot for the fourth consecutive year indicating that there has been little progress in this area. The outgoing government had pledged to tackle corruption during their tenure with initiatives such as the amendment of the Criminal Offences Act to classify corruption as a criminal offence.

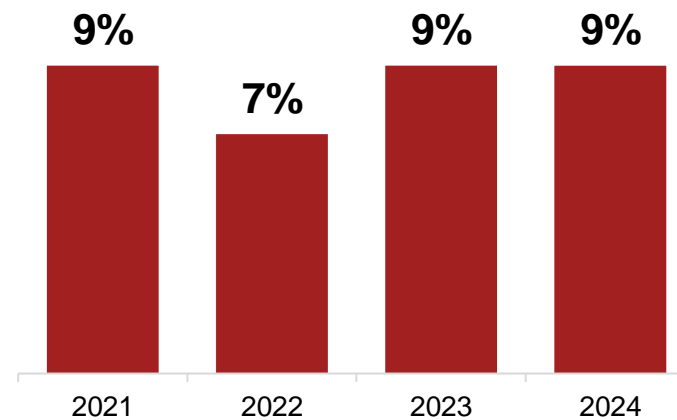
**Fig 5.11: Access to land/ property rights protection (good + excellent)**



**Fig 5.12: Availability of logistics partners (good + excellent)**



**Fig 5.13: Corruption in the Government System (good + excellent)**





# The availability of power worsened in 2024

Although there has been some improvement since 2021, positive ratings for the effectiveness of advocacy lobbying remain low. A large improvement in the cost of land in 2023 was not maintained as positive ratings declined by 10% in 2024

Perceptions about the cost of land improved considerably in 2023, according to respondents. Between 2022 and 2023, there was a 12% increase in respondents who agreed that the cost of land as a component of the business environment was good or excellent. This figure, however, fell by 10% in 2024, suggesting a material decline. This could be attributed to the tendency to price key production factors in US Dollars.

There has been a rise in the percentage of businesses that perceives chambers of commerce and other umbrella organisations as effective at advocacy or lobbying. Still, there is room for improvement as only 11% of respondents share this view. It is important that umbrella organisations (e.g. UKGCC) build relationships with the incoming government to air the grievances of member businesses and collaborate to create a business environment that attracts investment.

Although there was a significant increase in ratings given to availability of power from 2022 to 2023, ratings fell by 10% in 2024 indicating a decline in businesses' perceptions about the availability of power. Power is a key enabler for industries. Industries such as agriculture and manufacturing require reliable access to power to avoid disruptions to their business. It is important that the incoming government prioritises this. 20% of manufacturing firms provided positive ratings for the supply of power highlighting that there is still significant room for improvement.

Fig 5.14: Cost of land (Good + excellent)

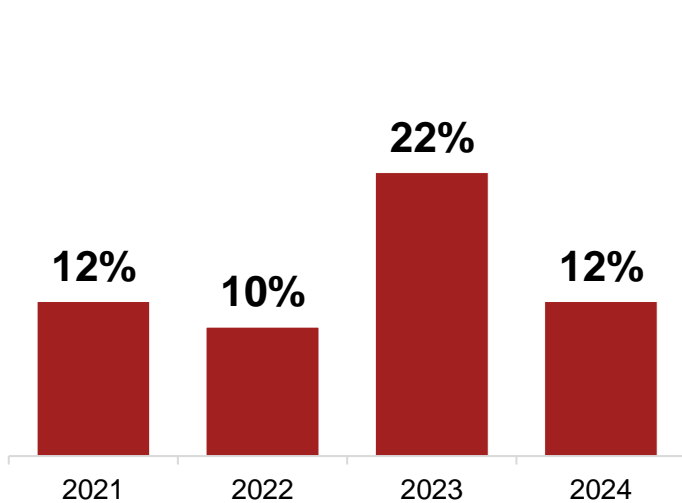


Fig 5.15: Effectiveness of advocacy lobbying (Good + excellent)

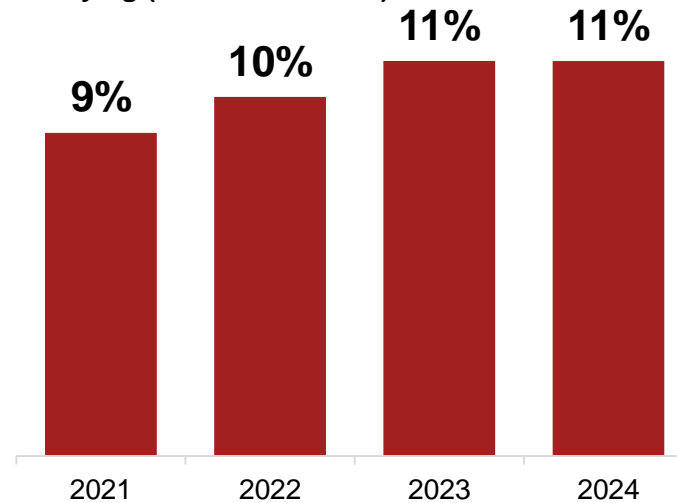
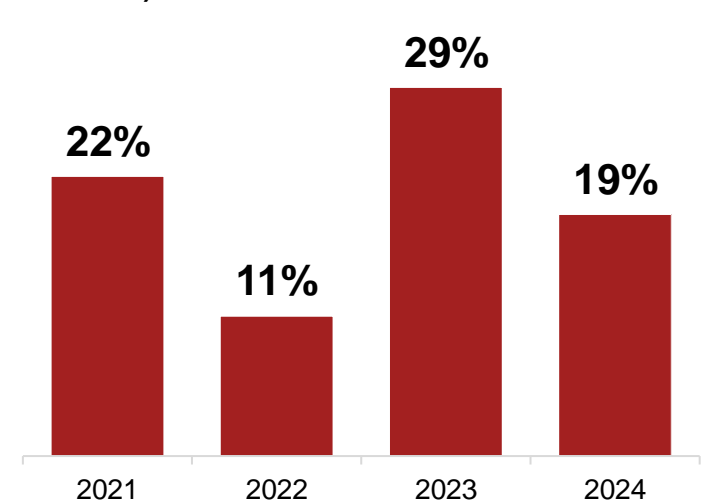


Fig 5.16: Power availability (Good + excellent)



# Perceptions around taxes, government support of exports and water availability reduced in 2024

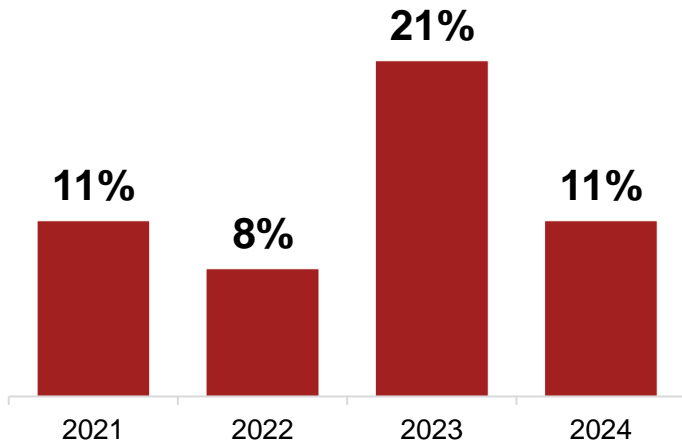
Perceptions surrounding government support of exports should improve in 2025 due to initiatives such as the creation of the Accelerated Export Development Authority and the launch of the Export Ghana policy. The availability of water has declined in 2024, indicating that firms who are heavily reliant on the availability of water to produce their output would be affected

Government's tax policy in 2024 has become more difficult to navigate compared to 2023. There was a 10% fall in positive perceptions of the government's tax policy. To benefit from the IMF loan, Government was required to meet some revenue targets. The imposition of the Growth and Sustainability Levy on companies operating in Ghana is one such method to increase revenue, which also increases the tax burden on companies. Still, there remains incentives to attract foreign investment into the country using free trade zones. Foreign investors operating under the Free Zones Act are entitled to a ten-year tax holiday.

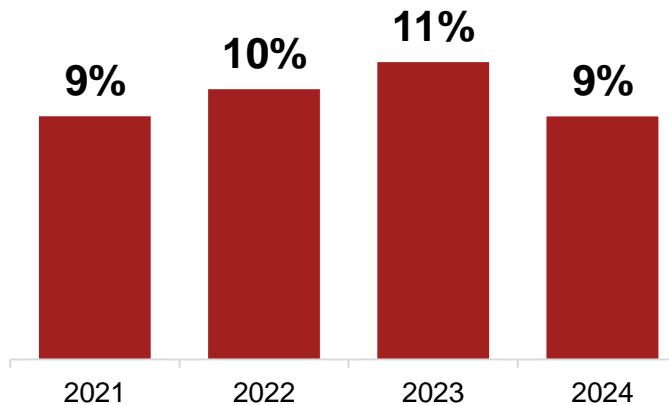
Businesses' perceptions with regards to Government's support for marketing exports have remained fairly constant over the last four years. There was a 2% fall in perceptions from 2023 to 2024. The incoming government has committed to transforming Ghana into an export-led economy through the "24-hour Economy Policy". Further, the incoming government plans to create an Accelerated Export Development Authority to promote exports in Ghana. These initiatives—if implemented well—may see businesses' perceptions of exports support improve.

Views around the availability of water have fluctuated over the last few years. The percentage of respondents who believed the availability of water was either good or excellent fell to 15% in 2022 from 27% in 2021. Although there was an increase in positive ratings in 2023, these positive perceptions were not maintained as ratings reduced to 18% in 2024. Results show that firms in the Upper East region were negatively affected by the availability of water. 30% of respondents within the agriculture sector were happy with the availability of water.

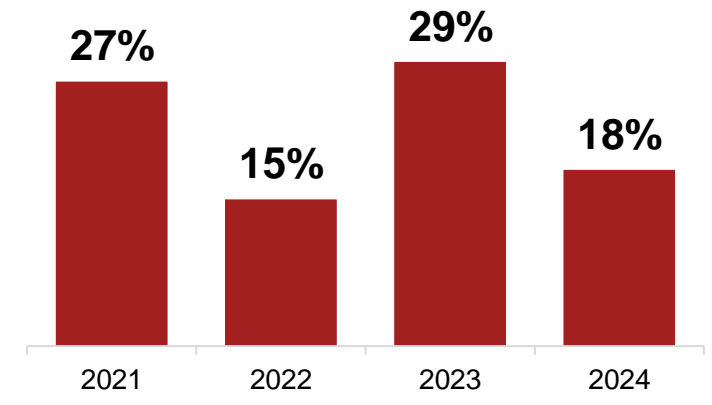
**Fig 5.17: Taxation Policy (Good + excellent)**



**Fig 5.18: Government support of exports and marketing outside of the country (Good + excellent)**



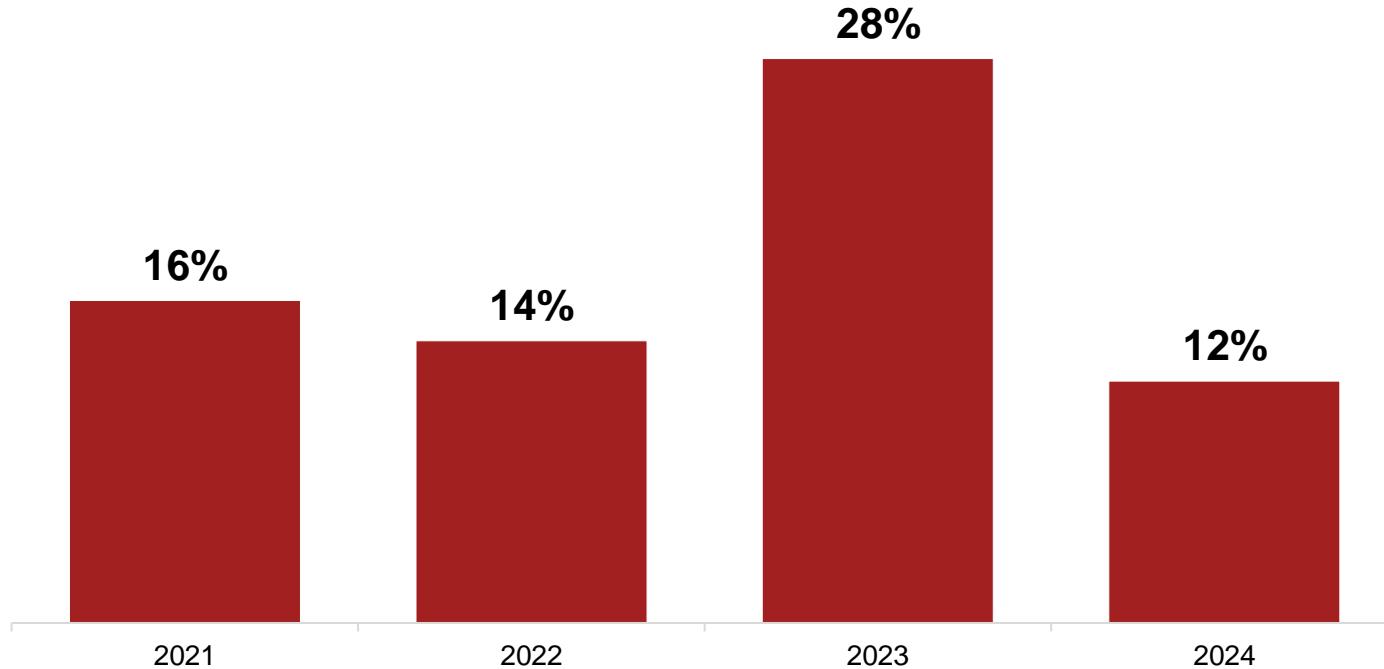
**Fig 5.19: Water availability (Good + excellent)**



## Water costs increased in 2024

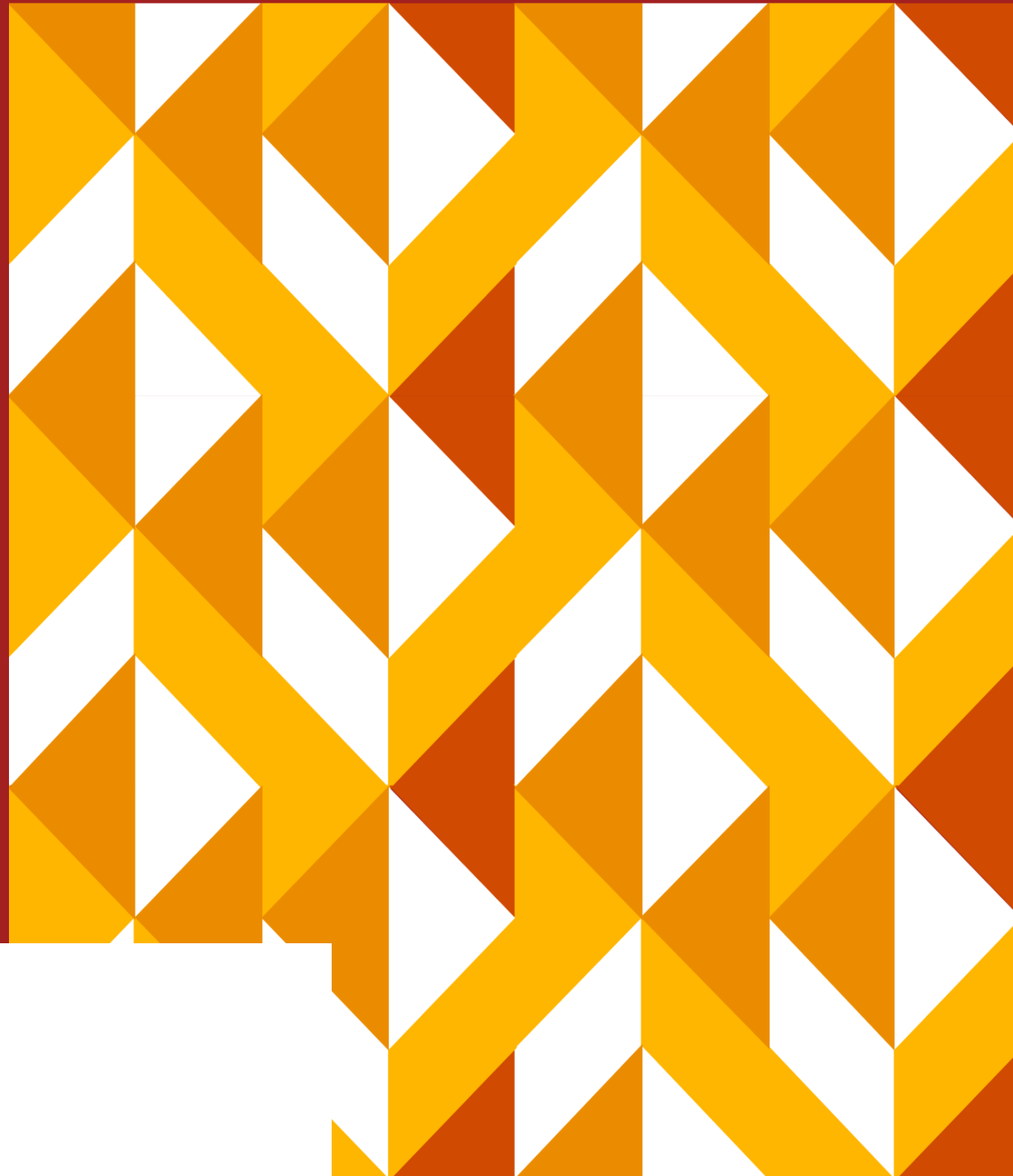
The trend of perceptions surrounding water cost was fairly stable between 2021 and 2022. There was a huge spike in businesses perceptions of the supply of water as 28% of respondents gave positive ratings for water costs indicating that it had become more affordable. In 2024, however, these perceptions fell by 16% indicating that, for a lot more businesses, the cost of water used in their operations might have risen faster than what they anticipated and might be beyond their budgets

Fig 5.20: Water cost (Good + excellent)



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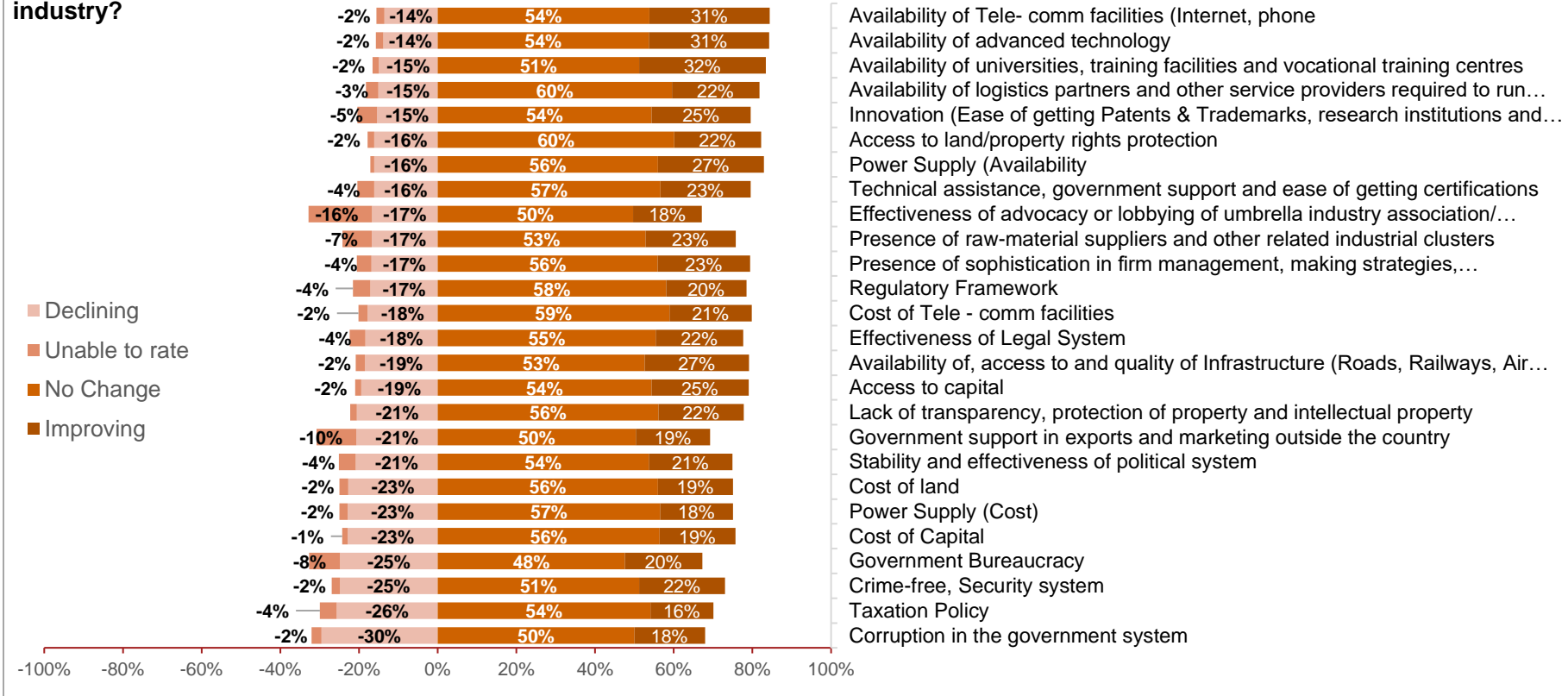
Sentiments on  
the business  
environment  
(declining)



# Educational facilities have seen improvement, yet corruption in government still lingers

Respondents view educational facilities to have improved in 2024, availability of telecommunication and advanced technology are still viewed in the top 3 most improved components just as they were in 2023. Corruption in government has been a challenge in fostering a good business environment for business as it moved from fifth worst in 2023 to the worst in 2024. Additionally, Taxation policy was deemed as fifth most improved in 2023 but is viewed as second most declined in 2024

**Fig. 6.1: What do you feel about the different components of the business environment in Ghana for your industry?**



- ### Most improved
1. Availability of universities, training facilities and vocational training centres
  2. Availability of advanced tech
  3. Availability of telecom facilities
  4. Power supply (availability)
  5. Availability of quality infrastructure

- ### Most declined
1. Corruption in the government system
  2. Taxation policy
  3. Crime-free, security system
  4. Government bureaucracy
  5. (Power supply cost)

## Declining ratings for cost of capital remain high despite an improvement in 2024

Businesses are experiencing increased access to capital and reduced costs of capital. Although land costs remain high, there has been significant improvement since 2021. Improved cost of capital is noted by 22% of respondents as a significant enhancement. Access to capital has also improved, with a reduction to 19% from 28% the previous year. Additionally, the cost of land has improved slightly, decreasing to 22% from last year's 23%

The trend shows that respondents' perceptions with regards to access to capital have improved over the last four editions of this report. It has become easier for respondents to acquire loans from financial institutions in Ghana. This will improve the ease of doing business in Ghana.

Further to the perceived improvements in access to capital, respondents have observed improvement in the cost of capital. 23% of respondent's indicated that cost of capital is a declining business enabler compared to 45% in 2021. Although the Bank of Ghana's policy rate in 2024 has increased from previous years, it has remained relatively stable compared to the large rates of growth in policy rates that occurred in 2022 and 2023.

In 2021, 41% of respondents were concerned by the cost of land and believe it is an area that requires urgent attention. There was a significant improvement in 2022 as the proportion of businesses that rated cost of land as a declining business enabler dropped to 26%. Subsequently, the percentage of respondents sharing the view that cost of land is deteriorating as a business enabler.

Fig 6.2: Access to capital (declining)

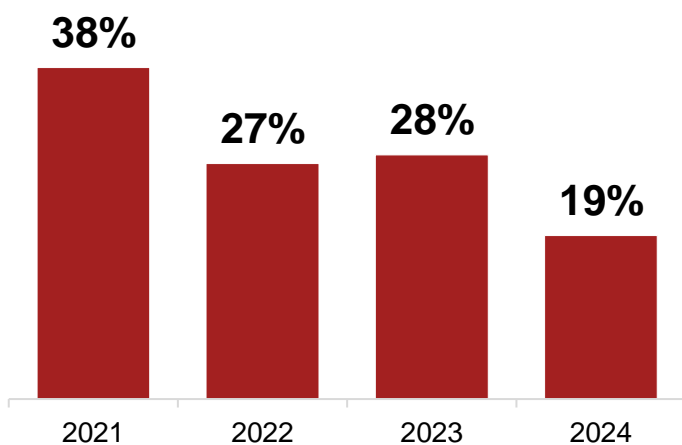


Fig 6.3: Cost of capital (declining)

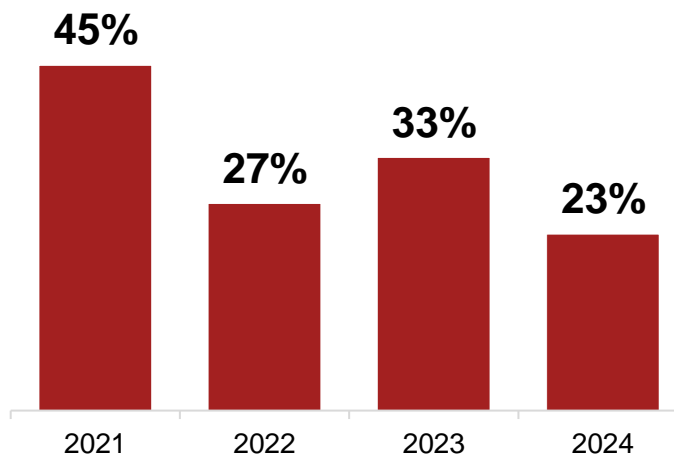
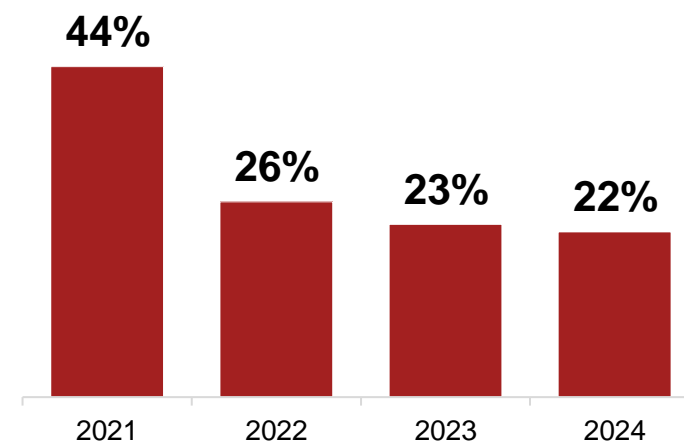


Fig 6.4: Cost of land (declining)



# Government bureaucracy has seen improvements due to the Government's digital agenda

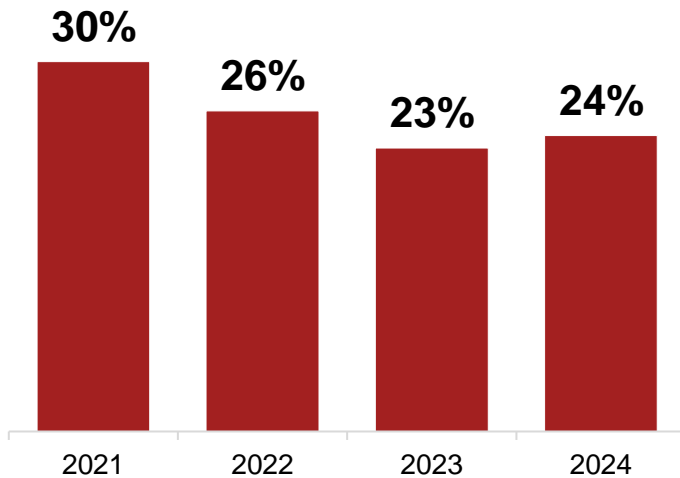
Perceptions about the presence of raw materials has improved in Ghana from 2023 to 2024. This was after there was a large decline in perceptions about the ease of raw material availability between 2021 and 2022. In contrast, perceptions about availability of power supply have generally deteriorated over the four years. In the case of government bureaucracy, there seems to have been a slight improvement in survey respondents' perceptions of it as a business environment enabler

The trend shows that there has been an improvement in perceptions about the delivery of government services. The percentage of declining ratings for government bureaucracy reduced by 6% from 2021 to 2024. Government's digitisation project is likely to have had a positive impact on the delivery of government services.

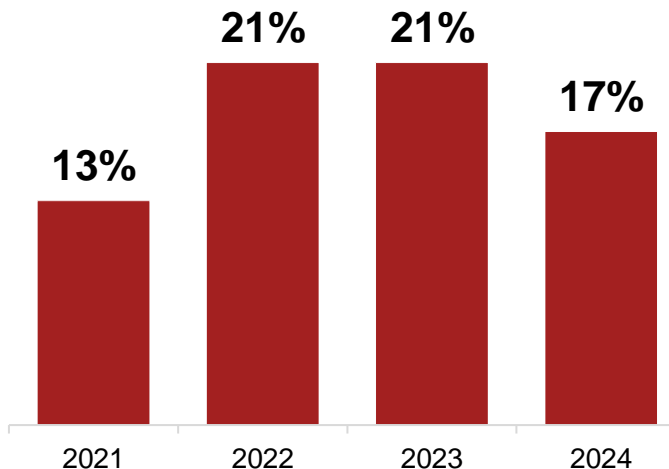
Over the period between 2022 and 2024, respondent perceptions about the presence/ availability of raw materials in Ghana have improved. The improvement could be attributed to better logistics and infrastructure, but companies still face obstacles due to bureaucratic delays and power shortages. The benefit of this for businesses is that they can acquire key materials locally more cheaply relative to imports.

There was a large decline in the percentage of respondents that believed power supply had deteriorated as a business enabler from 2022 to 2023 indicating that progress had been made. However, the percentage of respondents that believed the supply of power had declined in 2024 increased by 4%. The availability of a constant power supply is imperative to attract investors into Ghana's business environment.

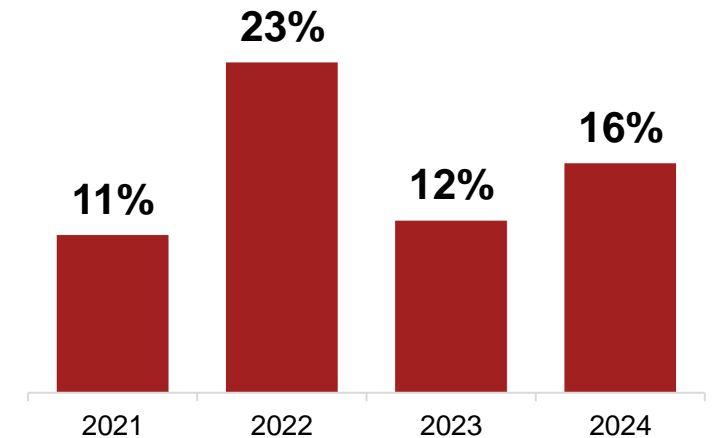
**Fig 6.5: Government bureaucracy (declining)**



**Fig 6.6: Presence of raw material supplies (declining)**



**Fig 6.7: Power supply availability (declining)**





# Despite significant improvements, respondents are still concerned about corruption

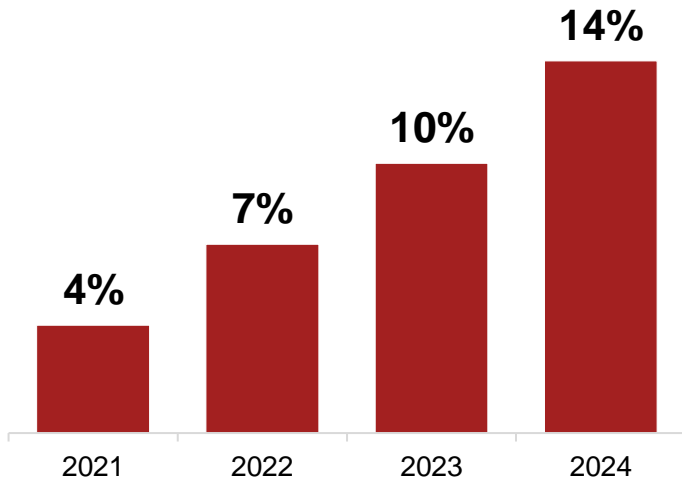
There have been improvements with regards to perceived corruption in Ghana's business environment. In 2021, 51% of respondents were concerned about corruption presenting as a debilitating factor in business environment enablement, compared to 29% in 2024. Despite the improvement, perception that corruption is an obstacle to business remains high

The percentage of respondents that perceive the availability of telecom facilities to be declining seems to be increasing at a constant rate. Despite availability of telecom facilities having been marked among the top five most improved business enablers over the last four years, it would seem there remains significant room for improvement.

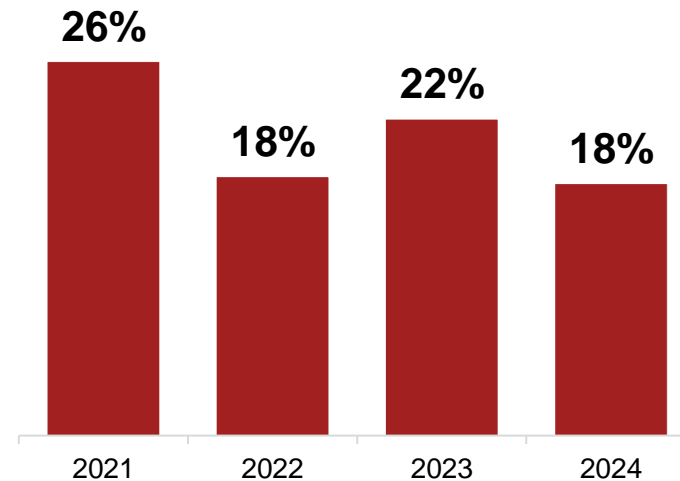
Perceptions about the cost of telecom facilities as a worsening challenge to business has improved in 2024 after a decline in 2023. The general trend shows an improvement in perceptions despite the annual fluctuations. Going forward, with inflation generally forecast to trend towards the targeted 8% +/-2% over the medium-term, business would expect this business enabler to continue to improve and influence perceptions.

Businesses indicated that their perceptions regarding corruption in Ghana had improved from 2021 to 2022. 31% of respondents believed corruption is a growing problem compared to 51% in 2021. In 2024, 29% of respondents still view corruption as a major issue. This indicates that there is still room for improvement. A reduced perception of corruption will increase investor confidence within the business environment.

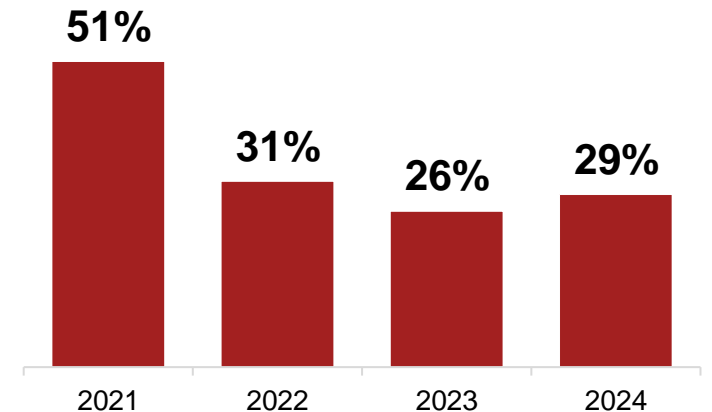
**Fig 6.8: Availability of telecom facilities (declining)**



**Fig 6.9: Cost of telecom facilities (declining)**



**Fig 6.10: Corruption (declining)**

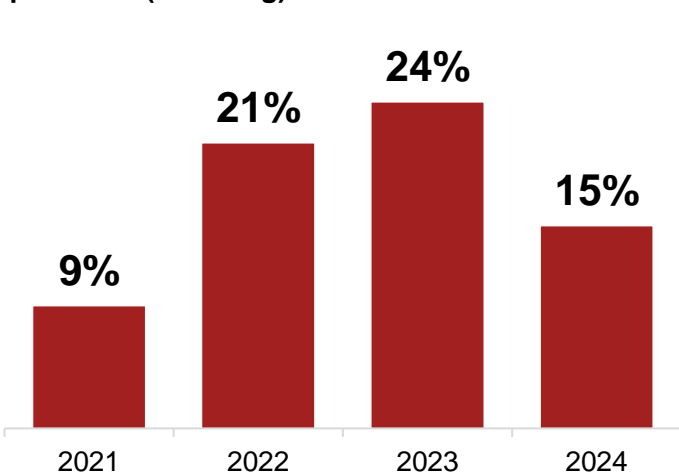


# Security systems improved greatly over the period

Businesses are less optimistic about the improving logistics networks, which are crucial for both manufacturing and distribution sectors. Crime-free environment ratings improved slightly from previous year, as Ghana’s security systems continue to bolster investor confidence. Reduced concerns remain around the legal system, as businesses believe judicial processes is getting better and effective

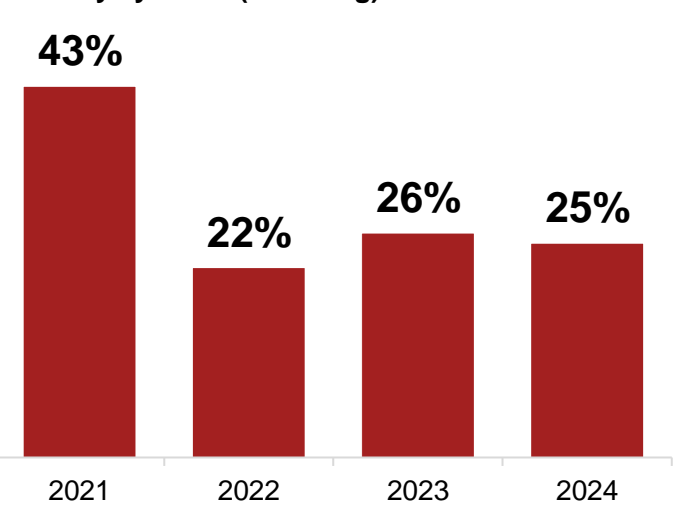
In 2022, survey respondents expressed their frustrations with the availability of logistics to support their businesses/ operations. There was a significant rise in the percentage representing perceptions that logistics availability was in decline. However, the 2024 survey records an improvement in this sentiment, sending the proportion of respondents from 24% (2023) to 15% in 2024. For manufacturing businesses participating in the survey, 23% still rate logistics availability as a business component that is in decline.

**Fig 6.11: Availability of logistics providers (declining)**



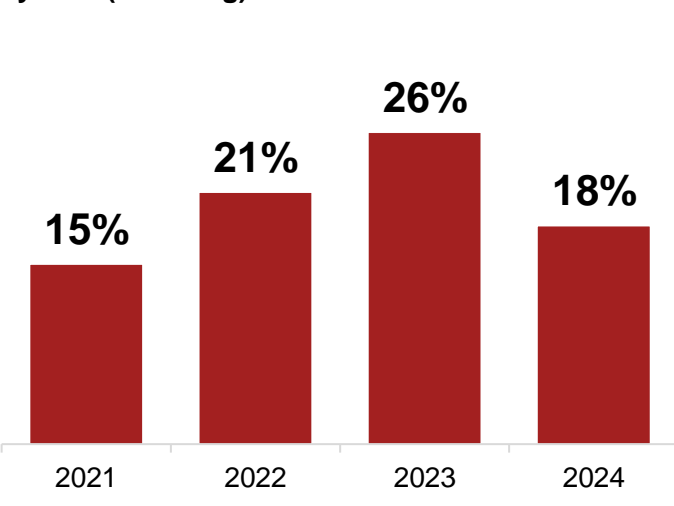
Between 2021 and 2024, Ghana has seen significant improvements in its security systems. Initiatives such as the Neighbourhood Watch and the Enhanced Visibility and Community Policing Strategy, conducted by the police and the government, have generally minimized the risks of crime. Despite these efforts, there is still considerable room for improvement, as 25% of respondents in 2024 believe that the security environment is declining.

**Fig 6.12: Crime-free environment, Security systems (declining)**



Respondents' belief in the effectiveness of the legal system improved between 2023 and 2024 as there was an 8% reduction in the percentage of businesses rating the effectiveness of the legal system as declining. Ghana’s legal system offers little protection with regards to copyrights, trademarks and intellectual property. Ghana placed 80th globally on Fitch Solutions' legal environment rankings in 2024.

**Fig 6.13: Effectiveness of the legal system (declining)**

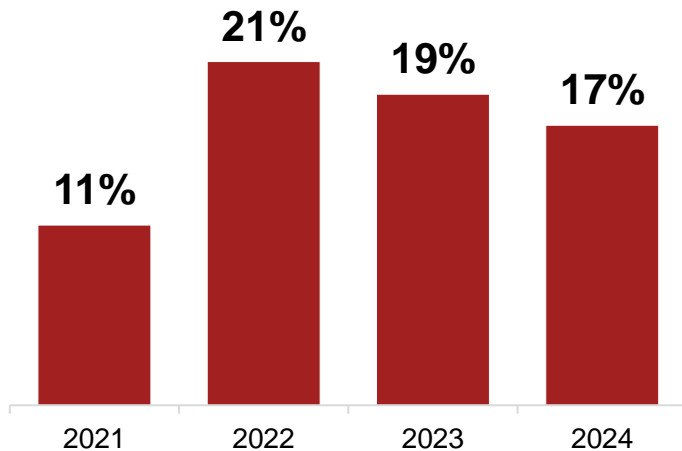


# Perceptions are that the cost of power has improved substantially since 2021

17% of respondents believe that it is becoming increasingly difficult to get patents and copyrights. It is important that the process of acquiring patents and copyrights is improved. Investors are likely to avoid business environments where they struggle to acquire patents and copyrights as they face greater risk of losses due to counterfeit and piracy

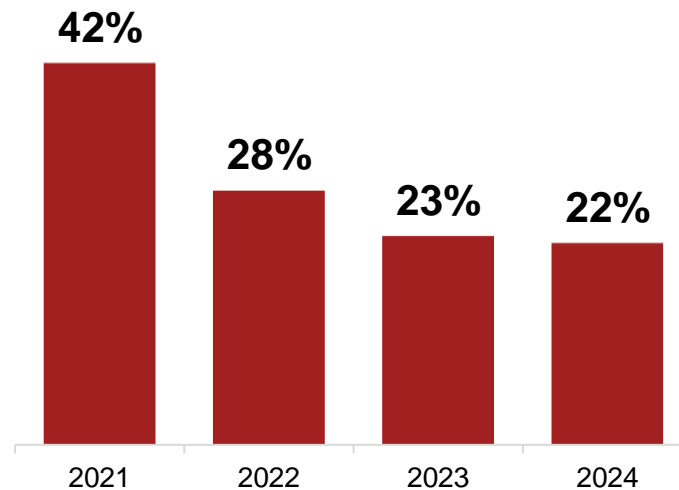
There was a significant increase in the difficulty of obtaining patents or copyrights in 2022 compared to 2021. 21% of respondents indicated it is becoming increasingly difficult to obtain copyrights compared to 11% in 2021. Although there has been some improvement in perceptions in 2023 and 2024, declining ratings remain materially above 2021 levels. To attract foreign investors into the business environment, it is key that improvement in this area takes place. The incoming NDC government, highlighted within their manifesto that they seek to improve the copyrights management system.

**Fig 6.14: Ease of getting patents and copyrights (declining)**



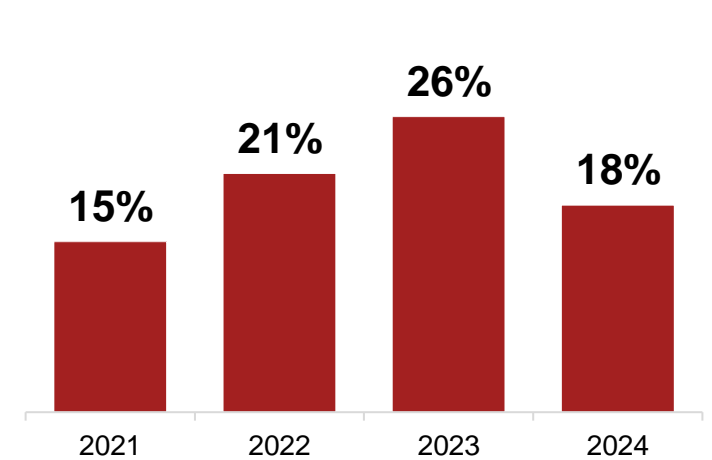
Power supply cost has been perceived to have improved over the last four years. The percentage of respondents marking power supply cost as a declining component of the business environment has decreased by 20% over the four-year period, highlighting the significant improvement in this business enablement factor. However, 22% of respondents indicating that the cost of power supply is high is still worrisome. This indicates that the cost of production for organisations with high use of electric power, such as manufacturing organisations, will be high.

**Fig 6.15: Power supply cost (declining)**



Sophistication in firm management and strategies has improved in 2024 relative to 2023—26% of businesses believed firm sophistication was declining in 2023 compared to 18% in 2024. Continuing improvements in this area would enable businesses to better anticipate, prepare for and manage the uncertainties they encounter in the business ecosystem, which includes developments in the domestic and global economies. Businesses will learn how to reinvent their business models enabling them to more profitably create, deliver, and capture value.

**Fig 6.16: Sophistication in firm management (declining)**



# Access to land, and availability of advanced tech. and training facilities are perceived as improving

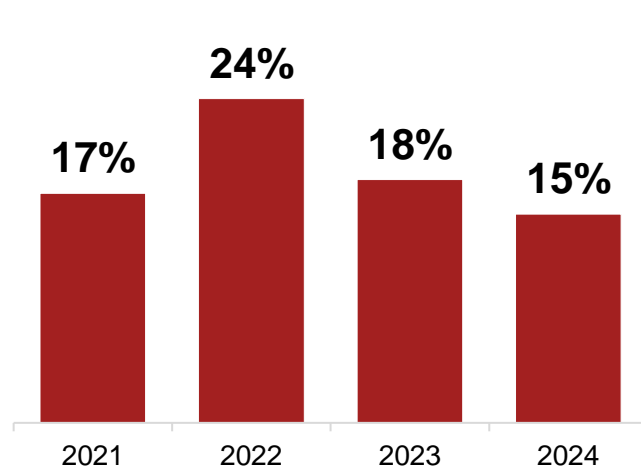
Survey respondents suggest that the availability of advanced technology and of universities and training facilities, as well as access to land as enablers of the business environment have all improved compared to their perceptions of these business components in 2022. These improvements could support business expansion as well as increased productivity

Ghana has often been viewed as a location where it is difficult to secure land rights due to the complexity of the process and issues with the country's land records. Respondents over the years have noticed some improvement in this area. 24% of respondents viewed access to land as a declining business component in 2022, compared to 18% (2023) and 15% (2024). This improvement may be due to the government investing in electronic conveyancing that is aimed to speed up the process of transferring ownership rights to new owners.

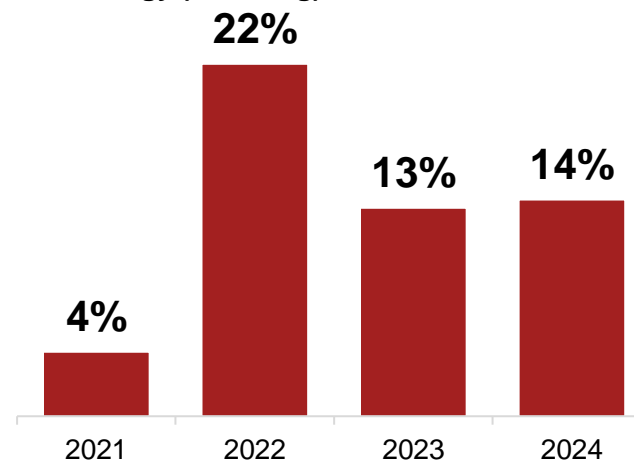
The availability of advanced technology declined between 2021 and 2022 substantially. 22% of respondents viewed the availability of advanced technology as declining compared to only 4% in 2021. Although there was a fall in the percentage of respondents who perceived technology to be declining as an effective business component in 2023 and 2024, this remained above 2021 levels. Availability of advanced technology increases the efficiency of businesses and could attract foreign investment into the business environment.

The survey data suggests that businesses perceive the availability of universities and training universities as a business environment enabler to have improved since 2022. Ghana's enrolment rate for tertiary education is 18.7%, which is the second highest in West Africa. according to Fitch Solutions. This will promote economic development by producing a skilled workforce, fostering innovation, and conducting research that can lead to new technologies and industries

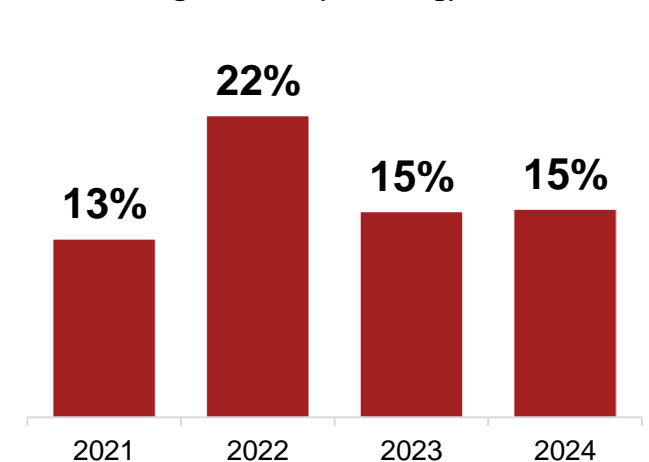
**Fig 6.17: Access to land (declining)**



**Fig 6.18: Availability of advanced technology (declining)**



**Fig 6.19: Availability of universities and training facilities (declining)**

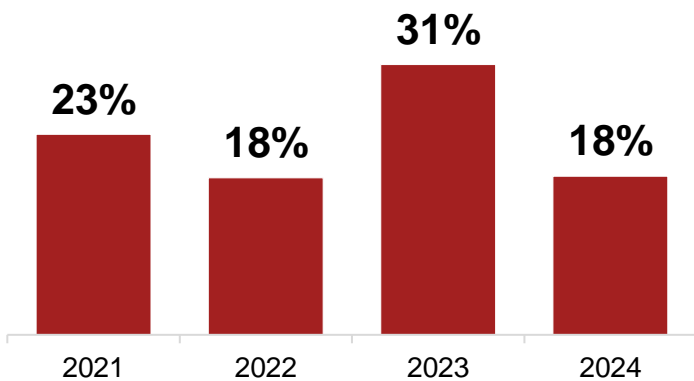


# There has been a significant improvement in views of the quality of transport infrastructure in 2024

Survey responses suggest that businesses consider the quality of transport infrastructure to have improved remarkably in 2024. Views of support by government for marketing of exports also seem to have improved a little in the year. Advocacy or lobby by umbrella organisations, however, appears not to be having much of an impact on respondents' views

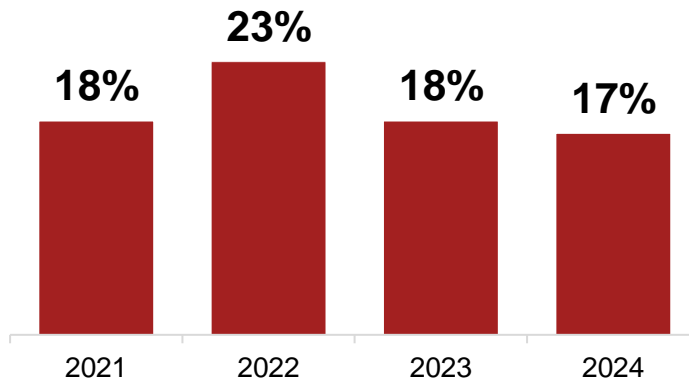
Respondent perceptions of the availability of quality transport infrastructure deteriorated from 2022 to 2023 as there was a 13% increase in respondents that viewed the quality of transport infrastructure as declining. However, the 2024 survey saw a full reversal of this prior year increment in respondents' views about quality declines. This would suggest that businesses had improved experiences with the quality of transport infrastructure as a business environment enabler.

**Fig 6.20: Quality transport infrastructure (declining)**



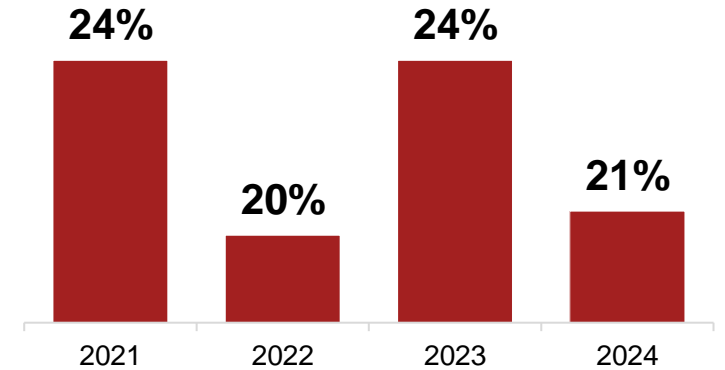
The trend shows that respondents' views on the effectiveness of advocacy or lobbying over the past few years have been relatively stable. In 2023, there was a sudden spike in the section of survey respondents that perceived this lobby as a business environment enabler to be declining. 2022 was a particularly challenging year for the country, as key macro indicators, e.g. inflation and depreciation, strayed way off target and Government tried to intervene by introducing austere measures. This could have contributed to respondents' sentiments for that year.

**Fig 6.21: Effectiveness of advocacy or lobbying of umbrella industries (declining)**



Businesses' perceptions about improvements in Government's support for exports have fluctuated over the last four surveys since 2021. It would be useful to understand the underlying factors for this trend to help develop a targeted lobby/ advocacy strategy or approach in UKGCC's engagement with the incoming government. The NDC Party has a manifesto promise to transform Ghana into an export-led economy through the '24-hour economy policy' and such a policy might benefit from what business considers to be real support for export marketing.

**Fig 6.22: Government support in exports and marketing outside the country (declining)**



# Perceptions on the protection of property, raw materials supplies, and quality control have improved

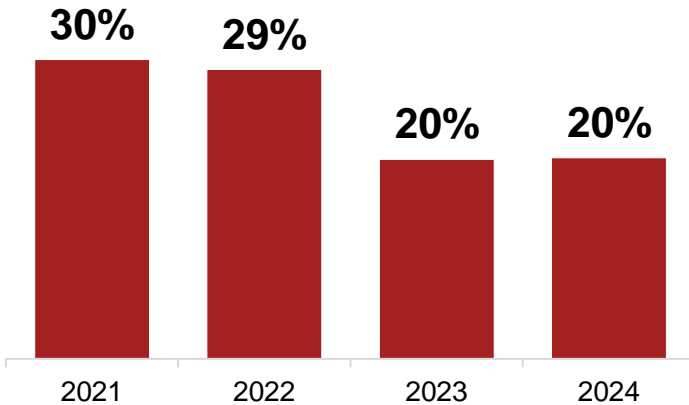
Perceptions about the availability/ presence of raw material supplies improved in 2024 but are yet to reach 2021 levels. This is an area that requires constant improvement to enable businesses to facilitate trade and benefit from the AfCFTA. Improvements in quality control measures will benefit the end consumer as product quality will improve

There has been a significant improvement in the transparency and protection of property rights. In 2021 30% of respondents believed that protection of property rights is declining compared to 20% in 2024.

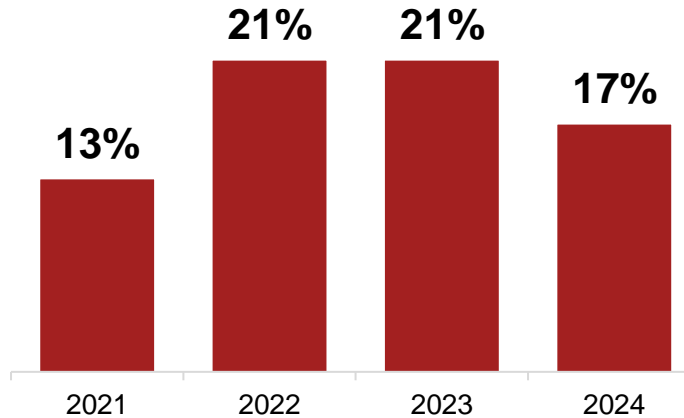
There seems to be a progressive in businesses' views about the presence/ availability of raw materials to support their operations, as the proportion that rates this business component as declining has dropped from 21% to 17% over a three-year period. However, the 2024 perception level of a declining business component is still markedly higher than the 2021 level and warrants further study to understand what businesses' expectations are missing. The UKGCC can then be better informed in their engagement with Government.

Businesses' perceptions about quality control seem to mimic the trends observed for raw material supplies— perceptions about the business component are improving but have not reached levels associated with an earlier period. The importance of quality control can't be over-emphasised for business, especially in manufacturing and agriculture. The data thus suggests need for work as even higher proportions of manufacturing businesses (20%) and agricultural firms (26%) recorded poorer perceptions about the presence of quality control measures.

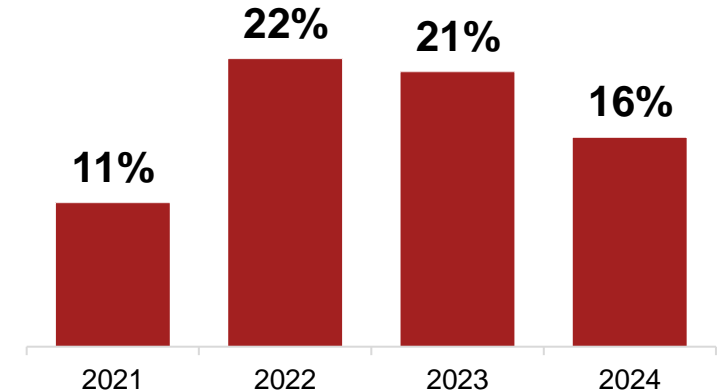
**Fig 6.23: Lack of transparency, protection of property rights (declining)**



**Fig 6.24: Presence of raw material supplies (declining)**



**Fig 6.25: Presence of quality control measures (declining)**

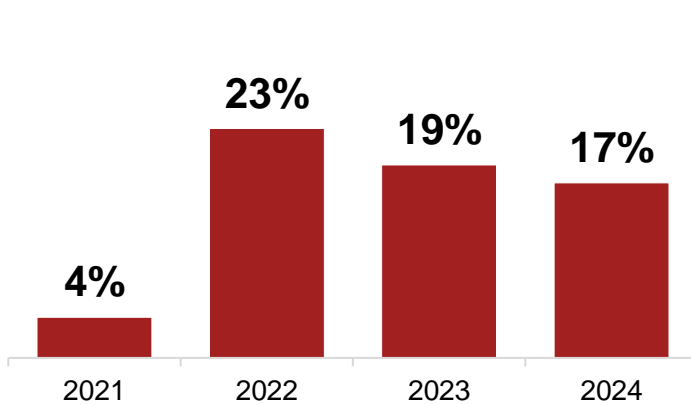


# The political system and regulatory framework are deemed to have improved, but not taxation policy

Between 2023 and 2024, respondents seemed to have observed improvements in the political system and regulatory framework. However, viewed over a four-year period, it would seem perceptions of these business environment enablers have deteriorated. The contrary is observed with taxation policy: a short-term/ annual decline, but medium-term improvement

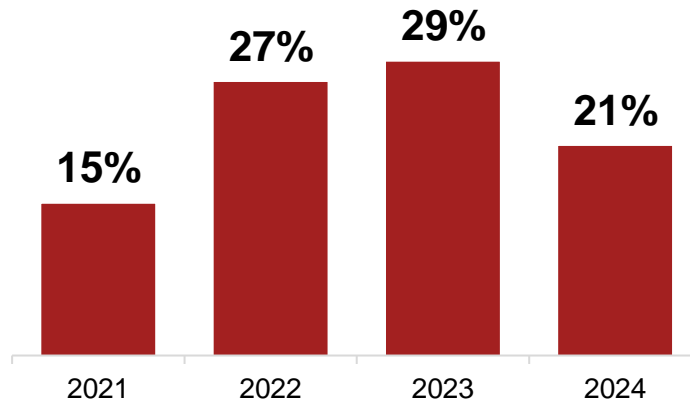
Over the four-year period from 2021, the increase (13%) in the proportion of survey respondents who perceive the regulatory framework as a component of the business environment to be in decline suggests that businesses generally find the regulatory landscape to be restrictive and/or costly to navigate or achieve compliance. Since 2022, perceptions have progressively improved—could be a result of businesses adjusting to a ‘new normal’ or readjustments being made to the regulatory framework to better accommodate businesses’ needs. This is for UKGCC to find out more to offer better advocacy support.

**Fig 6.26: Regulatory framework (declining)**



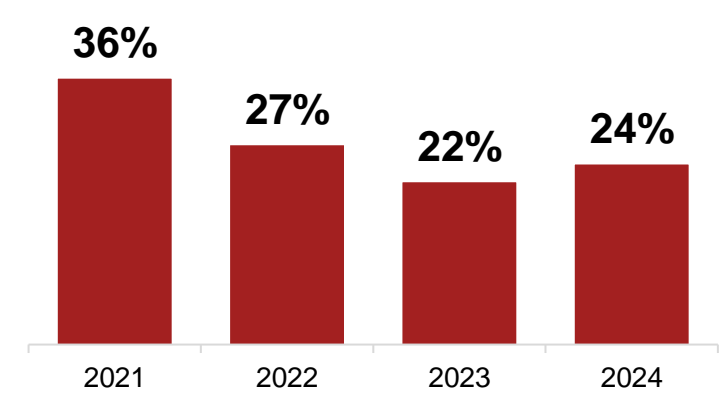
Similar to the regulatory framework, survey respondents’ perceptions about the stability and effectiveness of the political system as a business environment enabler seems to have deteriorated discernibly over the four-year period. Indeed, for three years (2021 – 2023), perceptions about the political system’s stability and effectiveness worsened considerably—and this could have been a result of the increasingly competitive and divisive course the country’s politics seems to be taking. In 2024, this perception of the business community seems to have improved.

**Fig 6.27: Stability and effectiveness of the political system (declining)**



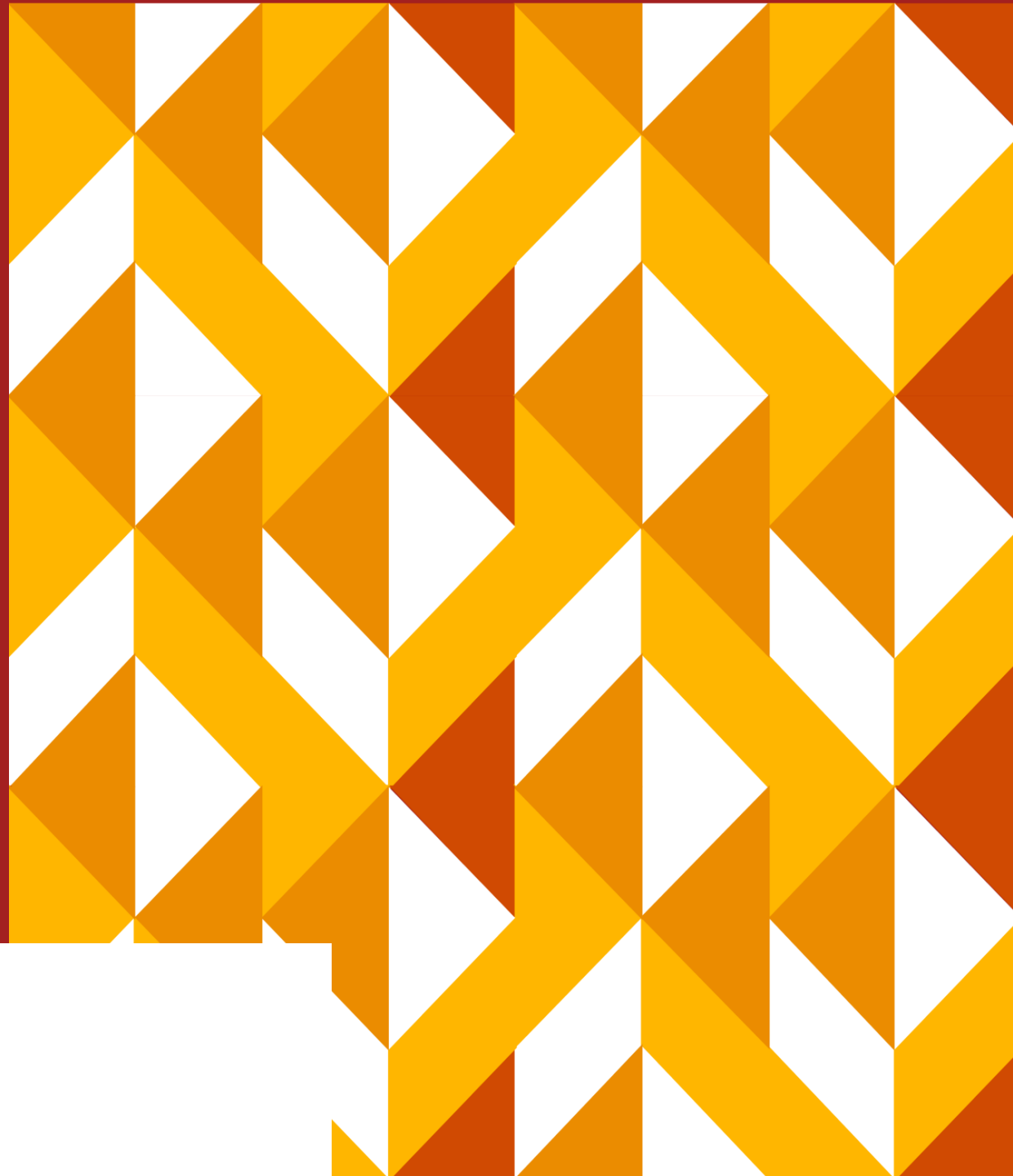
Perceptions about taxation policy have seen improvement over the four years from 2021 – 2024; survey respondents who viewed taxation policy as an enabler in the business environment to be in decline dropped from over a third of survey respondents to just under a quarter. The level in 2024 (i.e. 24%) suggests a reversal in a three-year trend and must be watched by the UKGCC and other umbrella organisations that advocate on behalf of the business community. It would be useful to understand the specific concerns of business for effective engagement with the incoming Government.

**Fig 6.28: Taxation policy (declining)**



7

Ratings on  
financial cost

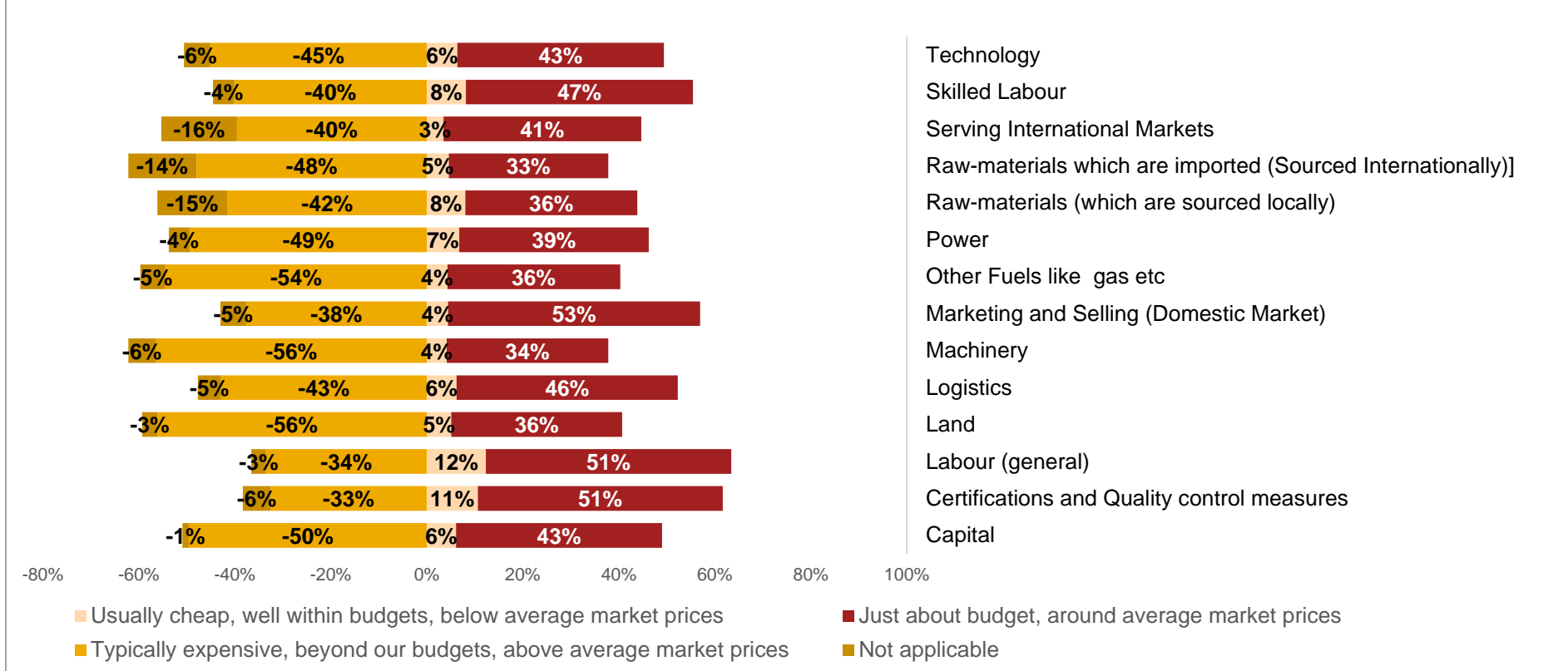




# Costs of machinery are above the budgets of businesses

Business costs appear to have improved slightly compared to 2023 as expensive ratings have reduced for many of the business components. Still, most respondents either find costs typically expensive or just about budget. Domestic marketing and selling is the least expensive business component this year, and the opportunity to gain access to more markets could attract investment. Capital remains one of the more expensive business resources in 2024, along with land, machinery, and fuels

Fig. 7.1: Rating of financial costs



## Least expensive

1. Marketing and selling domestically
2. Labour
3. Certifications and quality control measures
4. Skilled labour
5. Logistics

## Most expensive

1. Machinery
2. Land
3. Cost of fuel
4. Cost of capital
5. Power

# Both locally and internationally sourced raw materials are deemed to have become more expensive

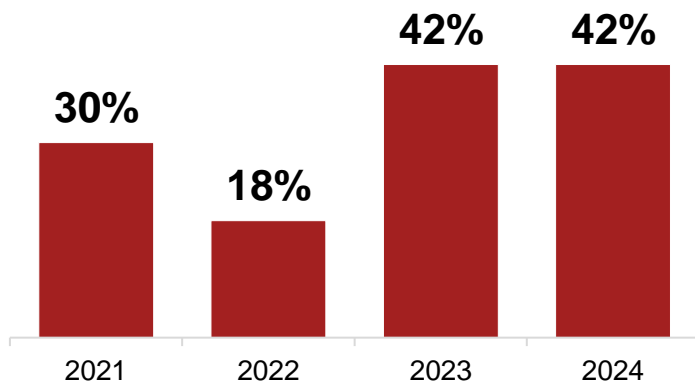
Since 2021, an increasing percentage of respondents note that both the costs of inputs sourced locally and internationally are beyond budgets or expensive. This increased sharply over the past year for international inputs and might be due to domestic inflation having fallen faster than depreciation. In contrast, a falling (yet still high) percentage of respondents report land as expensive or beyond budgets—perhaps over-compensating for sharper prior-year rises linked to the Cedi’s depreciation

Respondents report that the cost of raw materials sourced locally have increased since 2022. In 2022, the economy experienced a massive shock with inflation rising ~40% over a 12-month period. Coming out of a year in which the rise in inflation had been relatively gentler, it is not surprising that businesses had not adequately factored the hikes in input prices into their budgets, and found prices to be expensive. The decline being experienced now has begun to filter through respondents’ responses.

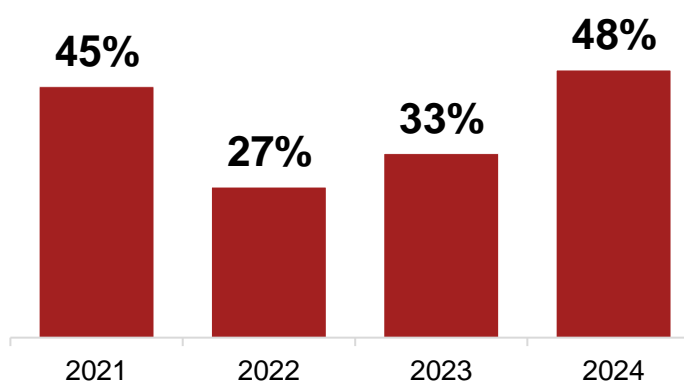
Similar to the cost of locally sourced raw materials, survey respondents note that the cost of imported raw materials has increased over the four years from 2021, with the increase in the proportion of businesses sharing this view being more significant from 2022 to 2024. The reason for this perception is not very dissimilar from that attributed to local inputs costs—economic shocks in 2022 sparked a sharp depreciation of the Ghana Cedi against major trading currencies impacting the price of imports.

A proportionately fewer number of survey respondents/businesses reported land prices to be expensive and beyond budgets in 2024 relative to 2023 and 2021. The jump in the proportion of respondents noting that land prices are expensive and beyond budgets was discernibly high from 2022 to 2023, and was the result of both inflation and depreciation impacting how landowners priced their resource or asset. It would seem the fall in respondents’ views in 2024 is reflecting stabilising economic conditions.

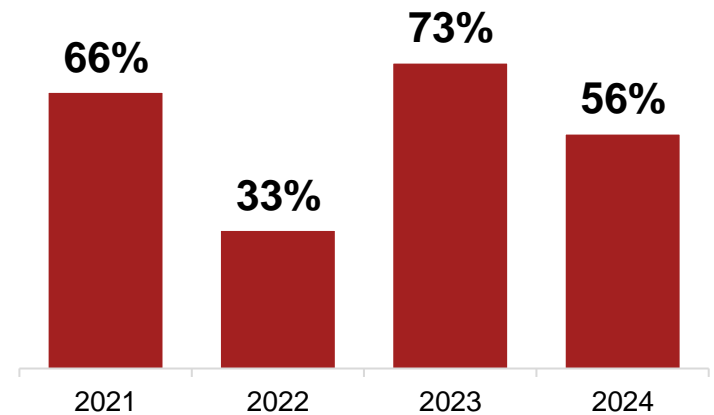
**Fig 7.2: Raw materials (local) (typically expensive)**



**Fig 7.3: Raw materials (International) (typically expensive)**



**Fig 7.4: Land (typically expensive)**



# Many businesses still perceive the cost of capital as high despite improvement in 2024

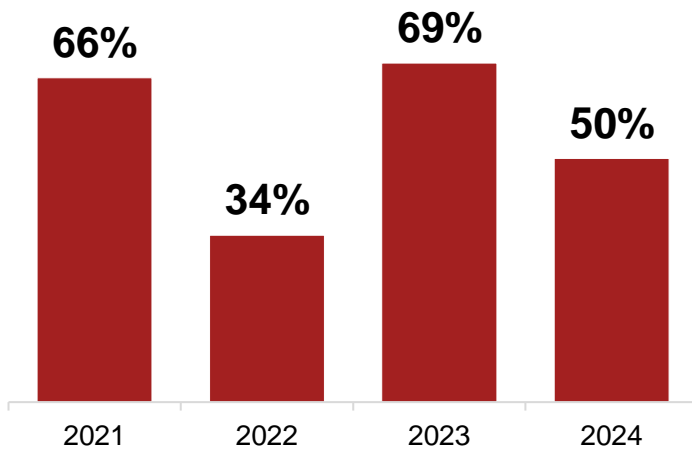
The proportion of survey respondents that finds the cost of capital expensive and beyond budget fell over the four-year period, and markedly from 2024 to 2023. Still, 50% of respondents view capital as expensive and beyond budget. In the case of labour and logistics, despite improved perceptions between 2023 and 2024, it would seem more businesses found costs expensive and/or beyond budgets over the four years from 2021

Respondents view about the cost of capital have fluctuated over the last few years. In 2023, ~70% of respondents believed the cost of capital was expensive or beyond budgets. BOG raised its policy rate to as high as 30% in 2023 in its fight to rein in inflation. This prompted banks to hike their commercial lending rates, which unarguably explains respondents' views about capital costs. As inflation trended down in 2024, BOG also dropped its policy rate by some 300bps. This is expected to bring commercial lending rates lower going forward.

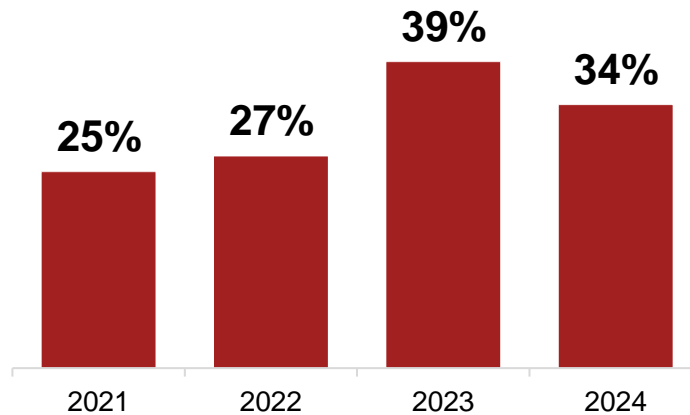
Survey respondents seem to suggest that, since 2021, cost of labour as a business component has increasingly risen—while 25% of businesses held the view that the cost of labour was relatively expensive and beyond budgets in 2021, this proportion had risen to 34% by 2024. Indeed, 2024 was an improvement over prior year, as ~40% of respondents held that view in 2023. This trend is likely attributed to the high inflation the country experienced/ has been experiencing. Still, respondents voted labour as one of the more affordable business components.

Like other business components, the proportion of survey respondents who consider cost of logistics to be expensive and/or beyond budgets have risen over the four years. Indeed, the proportion of respondents with this view peaked sharply at 59% in 2023—arguably reflecting the high inflation rates that featured in the business landscape in 2023. Like for labour, despite 43% of respondents describing logistics as still expensive and beyond budgets, 46% of respondents still report logistics among their more affordable business components in 2024.

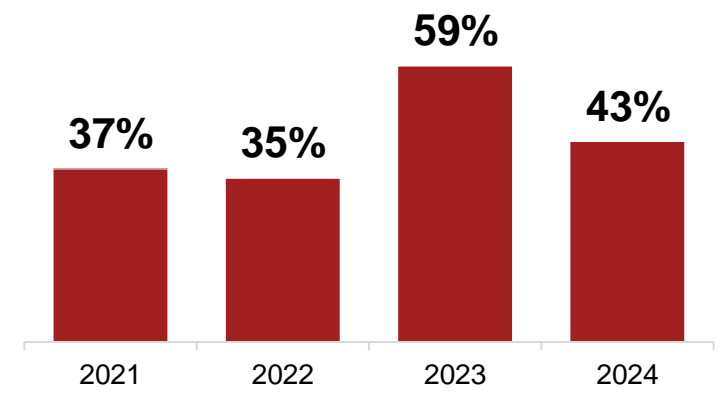
**Fig 7.5: Capital (typically expensive)**



**Fig 7.6: General labour (typically expensive)**



**Fig 7.7: Logistics (typically expensive)**

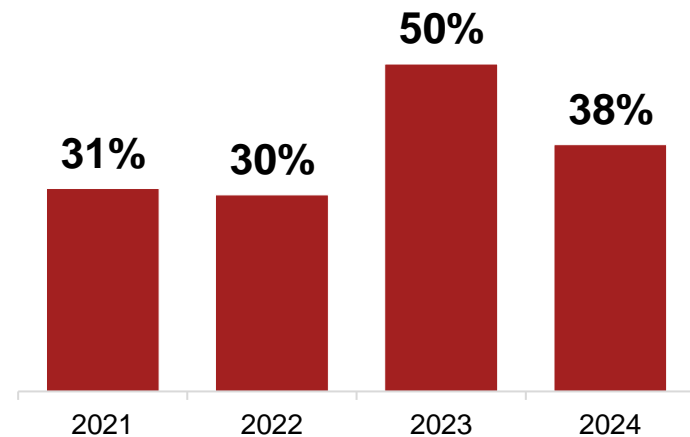


# Businesses have consistently found the costs of fuel and power to be expensive and beyond budgets

Businesses have regularly classified power and fuels among their more expensive operational inputs. Still, these two resources are among business inputs that had relatively fewer survey respondents reporting them as typically expensive and beyond budgets from 2021 to 2024. Others are cost of capital, land, skilled labour, and advanced technology. Despite the seeming improvement in the view of respondents, ~50% of them still considered these resources as expensive inputs in 2024

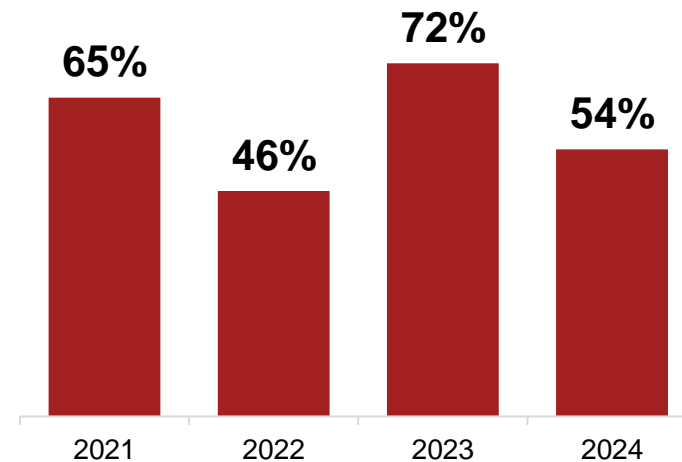
Consistent with observations for the costs of several other business inputs, an increased percentage of survey respondents noted that the costs associated with domestic marketing and sales was high and beyond budgets over the four-year period from 2021 to 2024. The percentage of respondents that reported domestic marketing costs to be high and beyond budgets peaked in the 2023 survey, reflecting the impact of the high inflation in 2022. Since then, this percentage has dropped considerably.

**Fig 7.8 : Marketing and selling domestically (typically expensive)**

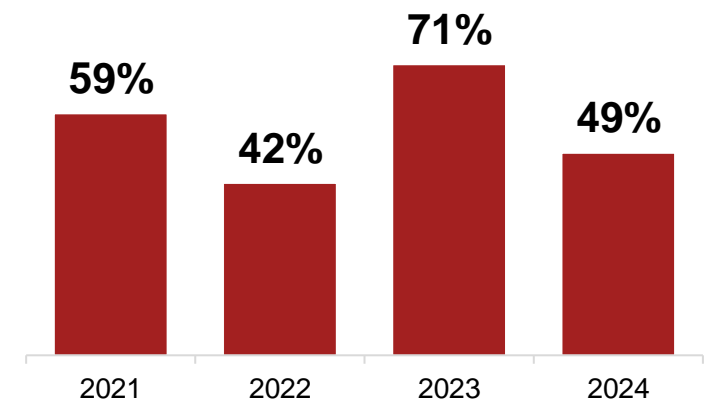


Between 2021 and 2024, there has been a general improvement in the perspectives of survey respondents regarding the costs posed to their businesses by these two critical business/ operational inputs—about 10% less survey respondents consider these two crucial resources to be expensive and/or beyond budgets. Like other resources, such as capital, land, skilled labour, and advanced technology, this improvement in respondent views had not been progressive throughout the four-year period. It had been interrupted in the 2023 survey, when many survey respondents had factored the shock of high-to-hyper inflation and steep depreciation into their survey responses. Again, despite the general improvement in respondent views, a significant proportion of businesses still reported these two business inputs as remaining expensive and beyond their budgets in 2024. In the case of power, despite its supply being classified among the top five most improved business components in 2024, its associated costs was reported among the top five most declined business components.

**Fig 7.9: Fuel (typically expensive)**



**Fig 7.10: Power (typically expensive)**



# More businesses regard the costs of marketing internationally to be expensive over the period

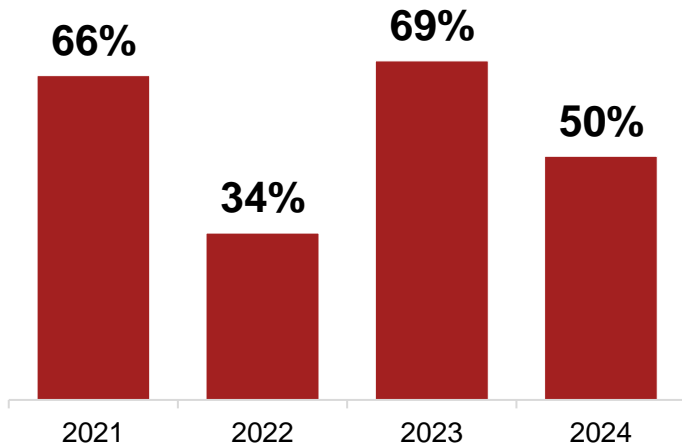
From 2021 to 2024, relatively fewer survey respondents considered skilled labour to be expensive and difficult to afford within their budgets, the percentage of respondents viewing costs to be expensive and beyond budgets increased for international marketing but remained constant for the cost of certifications and quality control. For each of these business costs, relatively higher percentages of respondents found them to be expensive in 2023, reflecting the impact of inflation and depreciation

Over the four years from 2021 to 2024, skilled labour was most affordable in 2022—34% of survey respondents indicated that this business resource was expensive and beyond budgets. For the remaining three years in the period, 50% or more respondents highlighted skilled labour as being expensive and/or beyond budgets. The spike in the 2023 survey results, perhaps, reflected the pressure from inflation and increased emigration. The 2024 survey result also suggests an improvement in the skilled labour market as relatively more respondents (55% vs. 46%) find it affordable.

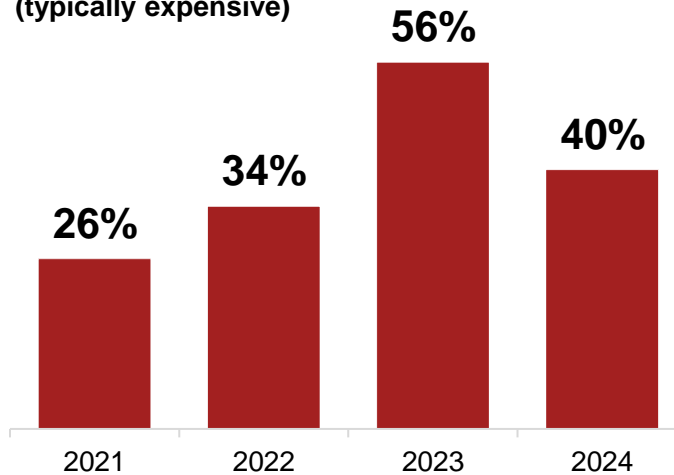
The trend observed for international marketing is like that for domestic marketing—an increased percentage of survey respondents noted that the associated costs was high and beyond budgets over the four-year period from 2021 to 2024. The increase in respondents was double (14%) for international marketing compared to domestic marketing (7%) and might be the result of the former being affected by depreciation as well. Though still high at 40%, there has been a notable fall from 2023 in the percentage of respondents who view this cost as beyond budgets.

Overall, over the four-year period, there has not been much of a material change in the proportion of survey respondents/ businesses that considers this business component/ activity as expensive or beyond budgets. In 2023, this was a significant deviation from the trend—more than half of respondents compared to a third found the cost of this business component/ activity to be beyond their budgets. As has been attributed to the 2023 spikes noted for other business components, the likely causes of this jump in 2023 might be inflation and depreciation.

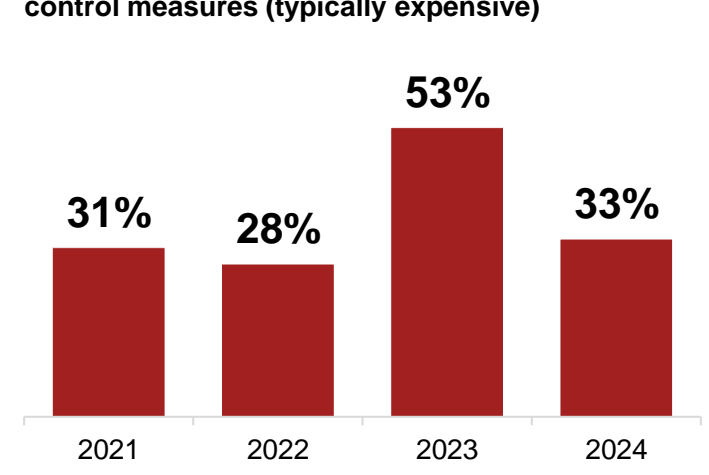
**Fig 7.11: Skilled labour (typically expensive)**



**Fig 7.12: Marketing international markets (typically expensive)**



**Fig 7.13: Certifications and quality control measures (typically expensive)**



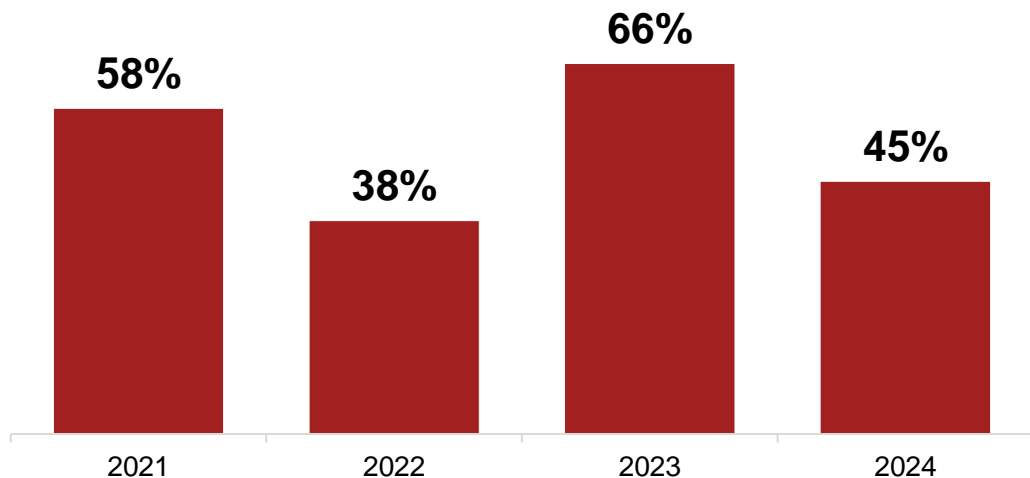
# Costs of advanced technology and machinery improved in 2024 in the eyes of many businesses

From 2021 to 2024, there seems to have been an improvement in the costs associated with advanced technology, as there has been a considerable drop in the proportion of survey respondents that considers that beyond their budgets. In the case of machinery, respondents suggest there has not been much of a change over the same period. Still, for both components, respondents report significant improvements from 2023 to 2024, a sign of general improvement in the business environment

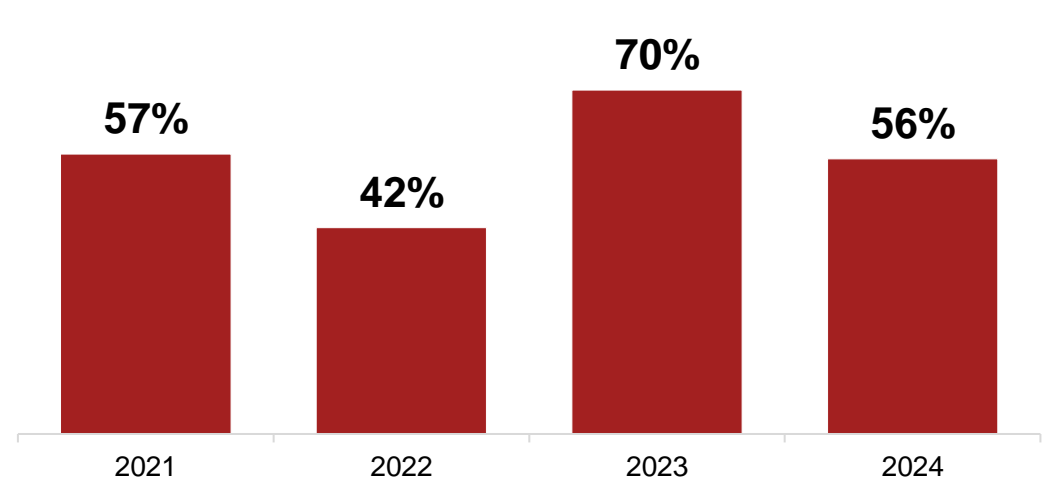
Over the four-year period, businesses report a substantial improvement in the cost of advanced technology as a key component of the business-enabling environment—the proportion of respondents that reported this business component as expensive and beyond their budgets fell by 13%. Between 2023 and 2024, the proportion of businesses having this opinion about the business component fell by a significant 19%. Being able to afford advanced technology will improve the operational efficiency of businesses and ultimately benefit the economy. Hence it would be helpful if Government could be lobbied into offering incentives/ benefits for the owners, producers, and/or suppliers of advance technologies required by businesses operating in the domestic economy.

Similar to the cost of certifications and quality control, survey respondents seem to have the view that the cost of machinery as a business component has remained fairly constant over the four years from 2021 to 2024. The difference between these two business components, however, is that the proportion of survey respondents of this view is considerably higher, 57% (2021) and 56% (2024). In 2023, the twin shocks of inflation and depreciation on input costs prior year influenced the responses of survey participants, resulting in a spike to 70% of respondents indicating that the cost of machinery is expensive and/or beyond budgets. The 14% fall in respondents considering this component to be expensive from 2023 to 2024 suggests an improvement in the environment.

**Fig 7.14: Advanced technology (typically expensive)**

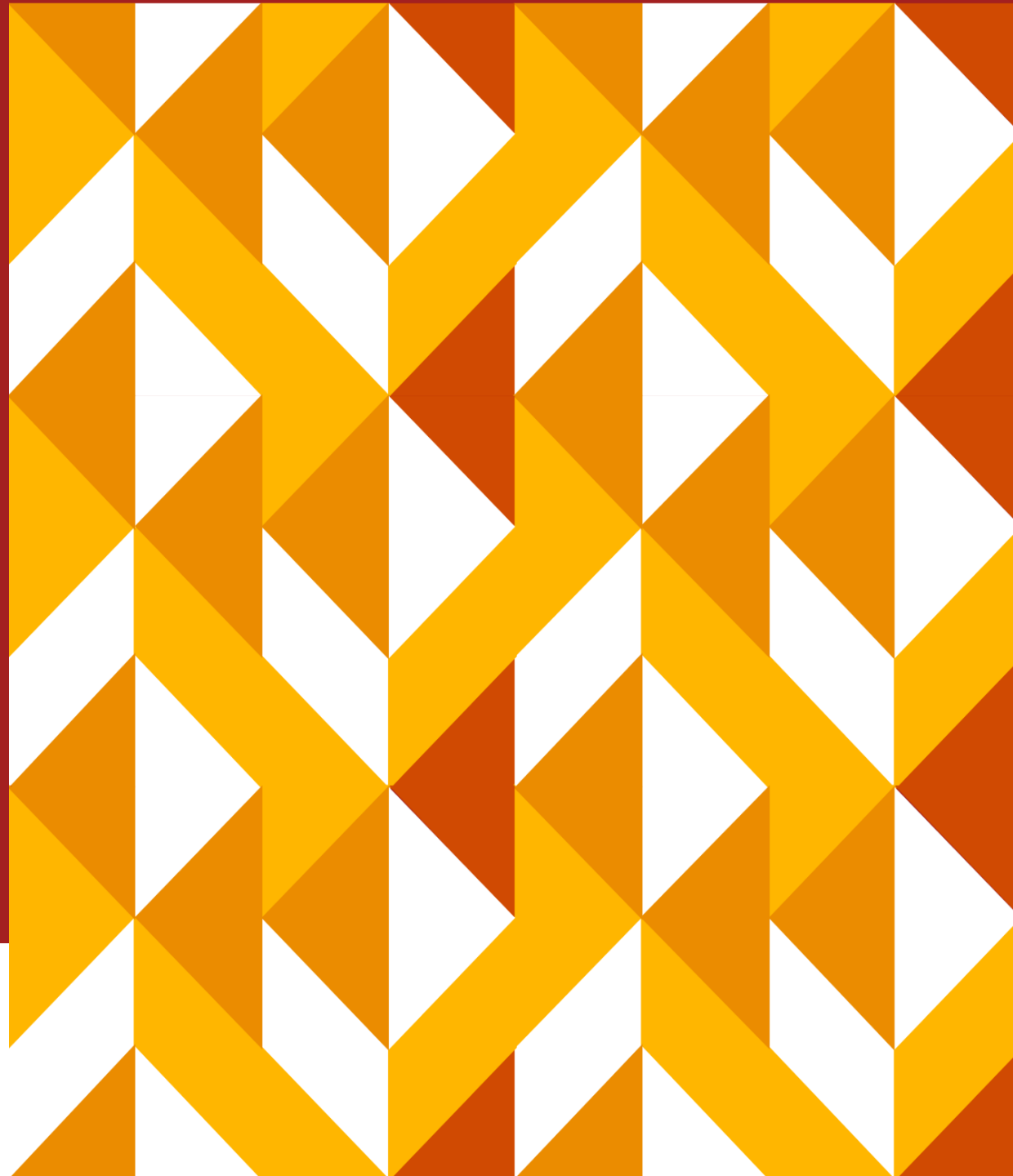


**Fig 7.15: Machinery (typically expensive)**





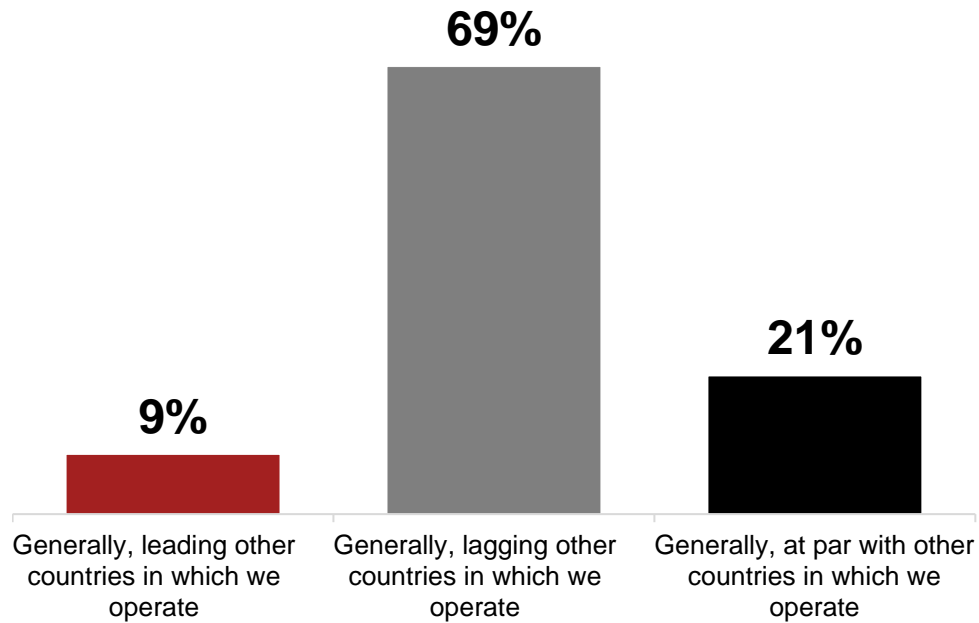
Other  
summary  
results



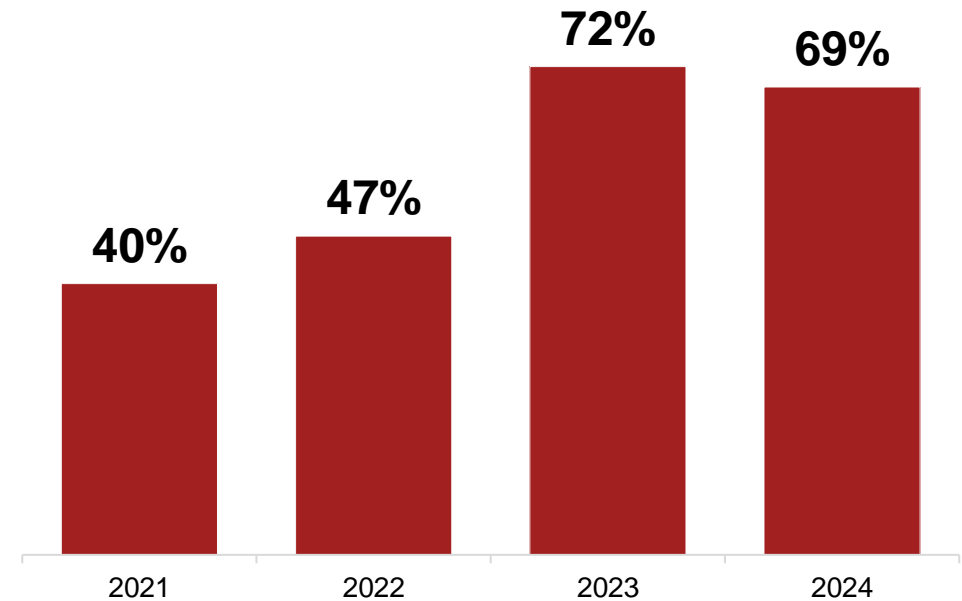
# Survey respondents perceive the business environment in Ghana as lagging other countries

Survey respondents have had an increasingly negative perception about Ghana's business environment since 2021. In this year's survey, almost 70% of respondents described Ghana's business environment as lagging competitor FDI destinations. This sentiment became particularly strong among survey participants after the challenged macroeconomic environment in 2022. The gain since 2023 has only been slight and calls for intensified engagement between business and government

**Fig 8.1: How the Ghanaian business environment compares to other countries (Generally lagging)**



**Fig 8.2: Trend of Ghanaian business environment compared to other countries (Generally lagging)**

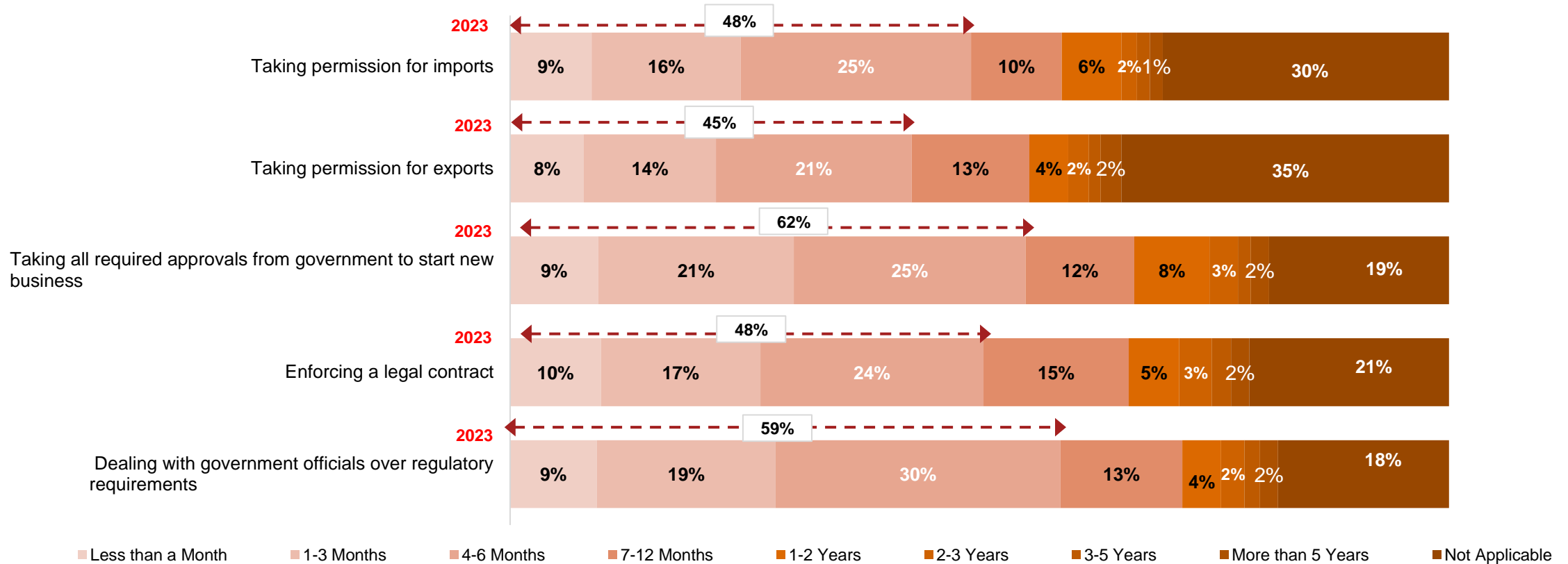




# The time respondents spend on crucial regulatory-related business requirements has worsened

Results for time spent taking permission for exports highlight a major area of concern and has declined slightly since 2023; 22% of businesses were able to obtain permission for exports within 3 months in 2024 compared to 28% in 2023. It has also become increasingly difficult to obtain necessary approvals to commence business in Ghana. 30% of respondents were able to obtain approvals for exports within 2024, down 10% from last year. Increasing difficulty to commence business will deter investment

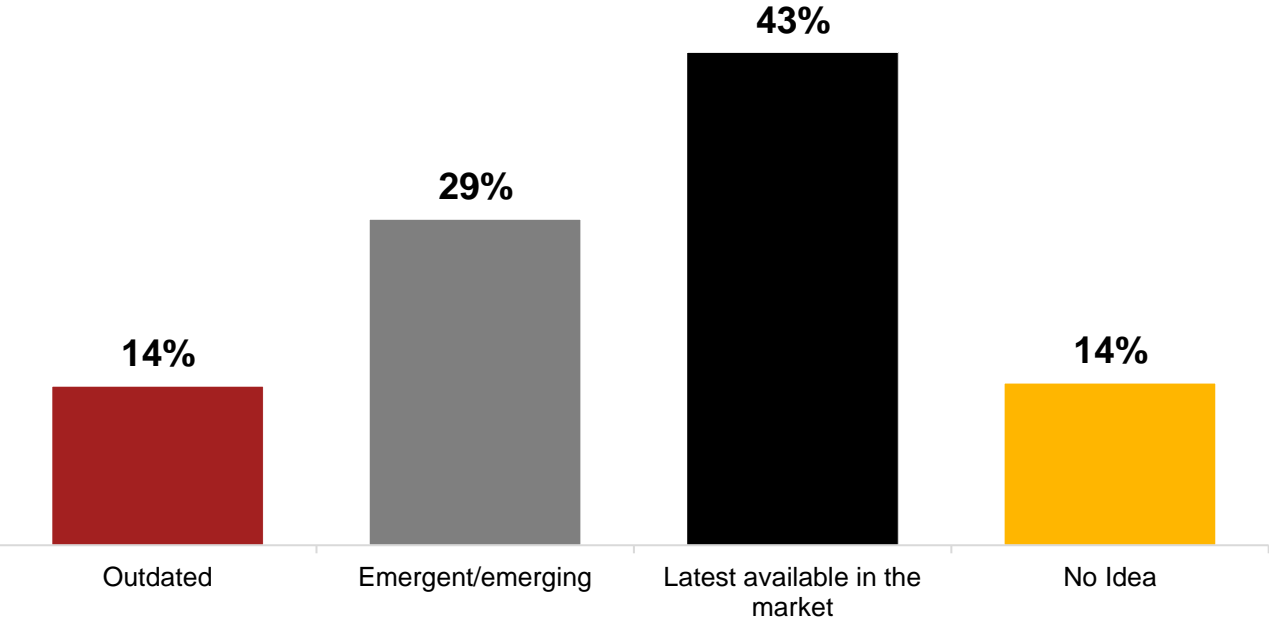
Fig. 8.3: How much time is spent in dealing with the following requirements



# Businesses largely believe they use the advanced technologies available in the market

72% of businesses report that they are either equipped with the latest technologies available or use emergent/ emerging technologies. The comparative figure from the 2023 survey was 62% and, potentially, signals an improvement in the business environment that enables companies or enterprises to import, register and operate technologies developed elsewhere. Sustaining or continuously improving such a business environment should help to contribute to operational productivity

Fig 8.5: How do you rate the technology your firm is using currently?



- 14% of businesses indicated they are using outdated data this year compared to 24% last year. Approximately 43% of businesses are using the latest available technology 1% down from 2023. 29% of businesses are using emerging technologies in 2024 in comparison to 18% last year. There seems to be a clear shift from some businesses graduating from the use of outdated technology to the latest available data on the market. In addition, there has been a shift from some businesses using the latest available data to using emerging data.
- 25% of finance and insurance firms indicated that they are currently using outdated technology. This is especially concerning as the financial sector is a fast-paced industry, and firms unable to compete will struggle to be agile and compete. Furthermore, financial services firms without the latest available technology will be more susceptible to cybersecurity attacks.
- 50% of agriculture businesses report that they are using the latest available technology while 27% are using emerging.
- Only 8% of responses in Greater Accra highlighted that they are using outdated technology. 72% of large companies are using the latest available technology or emerging technologies.

# There has been a very slight boost to businesses' confidence in their global competitiveness

Results from the survey suggest that 70% of respondents expect to be competitive in global markets at the very least. This represents a rise from 62% in last year's survey. Viewed from a 'thriving, leading, taking market share' angle, the rise seems commendable, i.e. 9% increase. Over the four years, the 2023 survey recorded a significant dip in businesses' confidence. This is attributed to the 2022 macroeconomic environment, which presented businesses with a myriad of challenges

Fig 8.6: Competition in the global marketplace

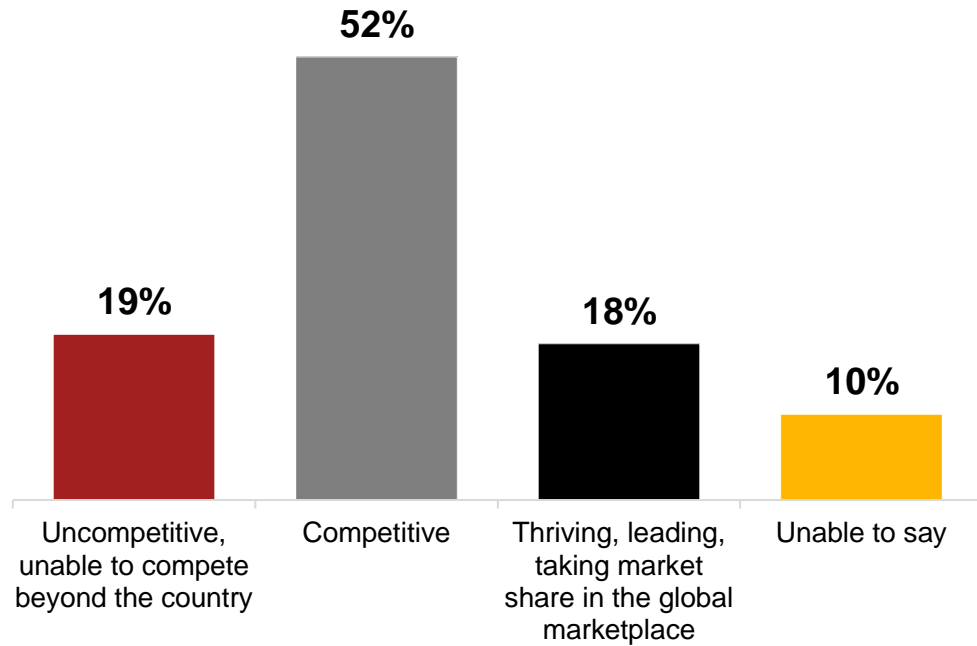
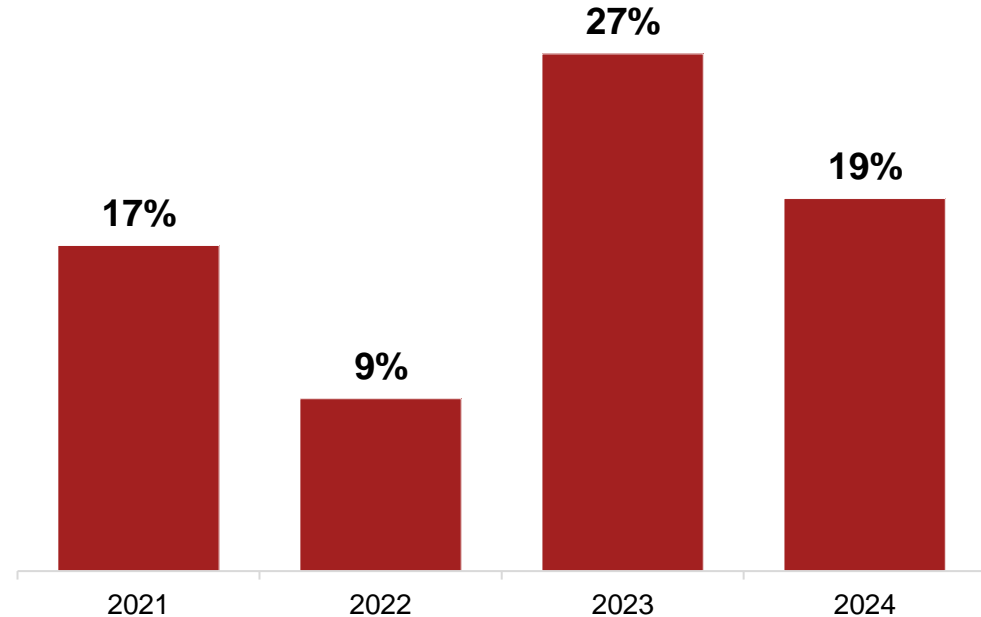


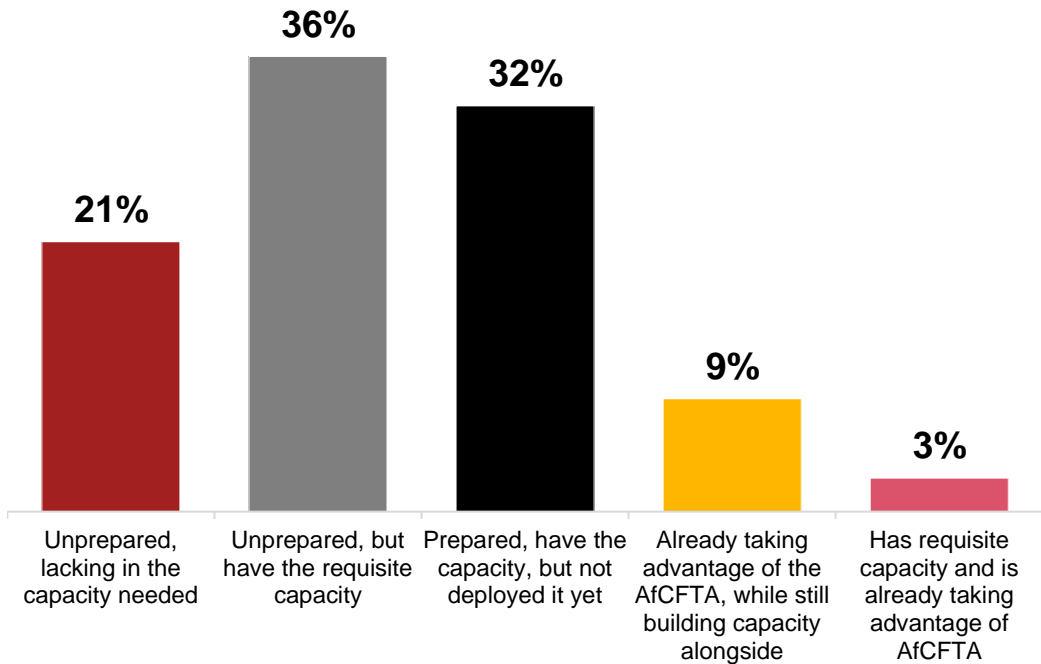
Fig 8.7: Competition in the global marketplace (Uncompetitive, unable to compete beyond the country)



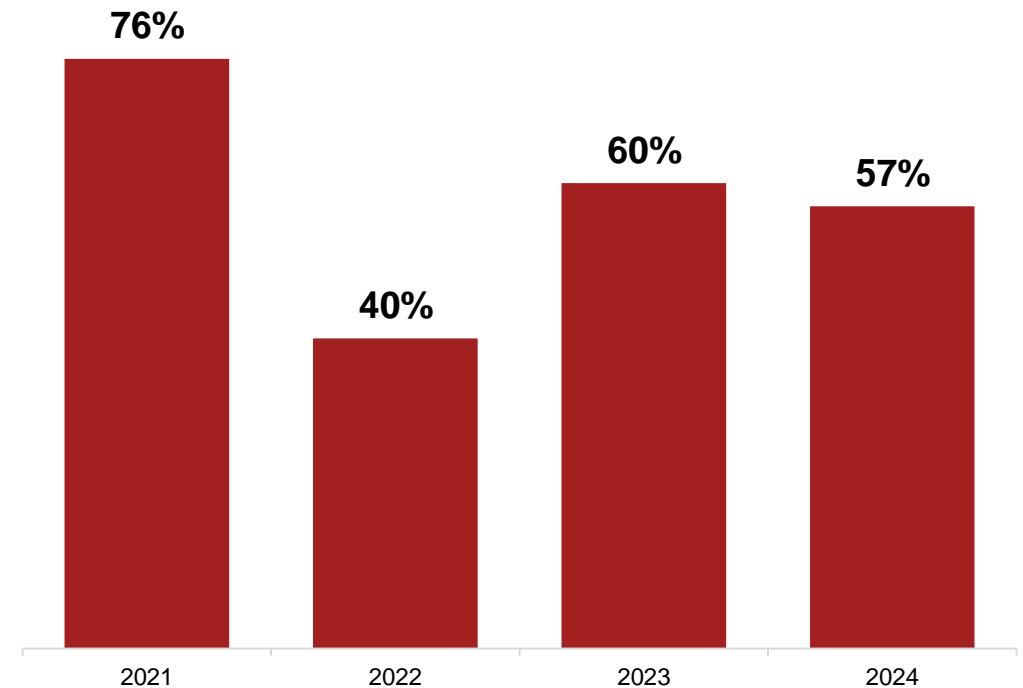
# Progress towards businesses taking advantage of AfCFTA remains very slow

Trading under AfCFTA started in January 2021. However, from successive surveys, the proportion of respondents confirming they already leverage AfCFTA opportunities has remained virtually unchanged, while the percentage of businesses that have acquired AfCFTA-supportive capacity but are yet to deploy it have risen only marginally. Alongside, data on businesses' actual experience of AfCFTA, which is reported in the 2022 survey, portrays a dimming of confidence in their preparedness

**Fig 6.8: Are businesses prepared for AfCFTA as an opportunity?**



**Fig 6.9: Are businesses prepared for AfCFTA as an opportunity? (Unprepared)**



# More businesses confirm that adopting modern operations & systems is still the best bet to AfCFTA

There have been some interesting shifts in the priorities businesses are giving to the approaches to use to exploit the opportunities offered by AfCFTA. It would seem that info gathering has been de-prioritised, suggesting businesses believe they have enough knowledge to enable action. In contrast, leveraging on government initiatives and support to increase production features more in businesses' approaches, underscoring the importance of the role of Government

**Fig. 8.10: How businesses are positioning themselves to take advantage of AfCFTA**

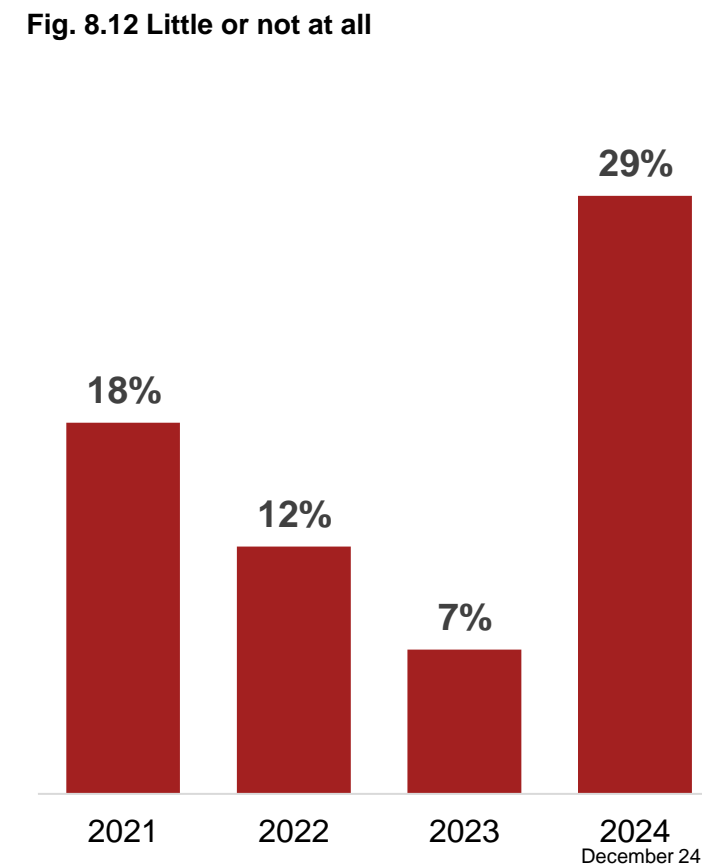
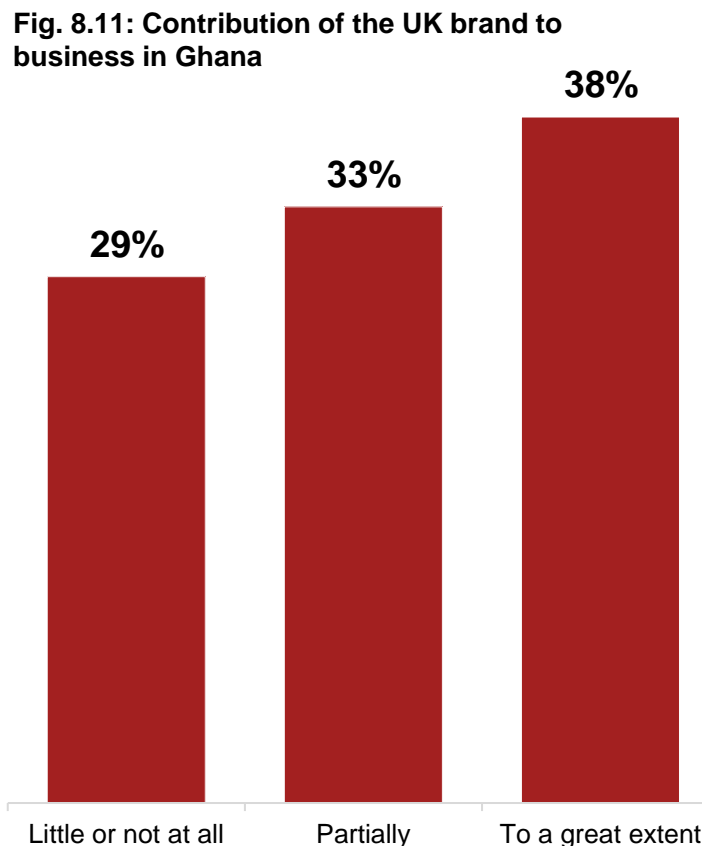


- Higher value addition and increased capital investment remain in businesses' top five priorities for the 2023 and 2024 surveys. Indeed, these two approaches are prioritised more in the 2024 survey compared to the 2023 survey.
- Similarly to last year's results, adopting modern operations, strategies and systems to ensure competitiveness represents businesses highest priority for taking advantage of AfCFTA. However, in this year's survey, almost a quarter of respondents hold this view compared to under a fifth (17%) in the 2023 survey.
- 10% of respondents believe that leveraging government initiatives and support to increase production will position businesses to take advantage of AfCFTA. Last year, only 5% of respondents held this view. This affirms businesses' recognition of the importance of the role of Government in creating an enabling business environment that encourages scale.

# Respondents perceive the impact of the UK brand on business success in Ghana to be in decline<sup>1</sup>

The impact of the UK brand on the success of businesses in Ghana continues to decline. There has been a 16% decline in the proportion of businesses that believe the UK brand greatly impacts their success. The UK has a strong presence in Ghana's services sector, particularly in finance, education, and professional services, supported by the UK-Ghana Business Council. In mining, the UK maintains historical ties with British companies involved in gold mining through the UK-Ghana Gold Mining Programme, which promotes sustainable practices. Additionally, the UK supports agricultural development via initiatives like the Planting for Food and Jobs (PFJ) programme to boost productivity and sustainability

- There seems to be a declining trend of the contribution of the UK brand to the successes of business. 38% of respondents in 2024 believe the UK brand contributes to their success by a great extent, compared to 47% in 2023 and 54% in 2022. Other factors may affect consumer purchasing decisions such as pricing and product quality.
- Businesses in the food and beverage and petroleum manufacturing sectors now believe the UK brand contributes little to their success. This is notable because these sectors previously valued the UK brand highly. The shift may be due to increased competition from countries like China and changing market dynamics in Ghana-UK trade relations.
- Businesses within mining and gas extraction and real estate believe the UK brand contributes to their success by a great extent. Businesses operating within both the financial and healthcare industries believe the UK brand only partially contributes to success.

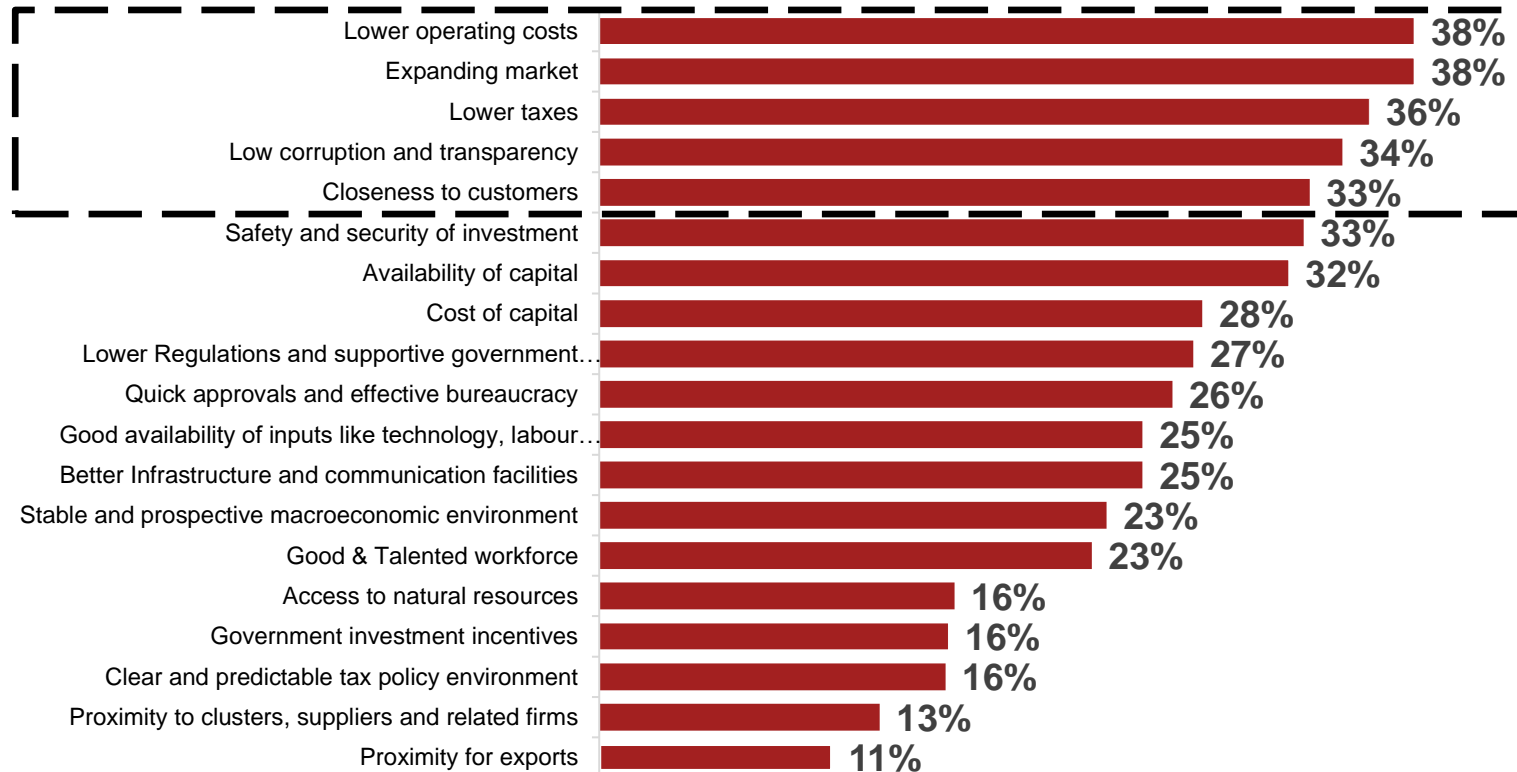


<sup>1</sup> Some respondents are non-UKGCC members

# Operating costs, markets, taxes and corruption weigh heavily on business expansion decisions

The top five factors survey respondents report as most influential in their considerations of business expansion appear to suggest that AfCFTA is indeed what businesses with an appetite for expansion need. It is therefore intriguing that only a small proportion of eligible businesses are exploiting the AfCFTA opportunity. That noted, the role Government must play in removing barriers to expansion is clear: help lower operating costs, reduce the tax burden, and address corruption

**Fig. 8.13: Top factors influencing expansion decisions**

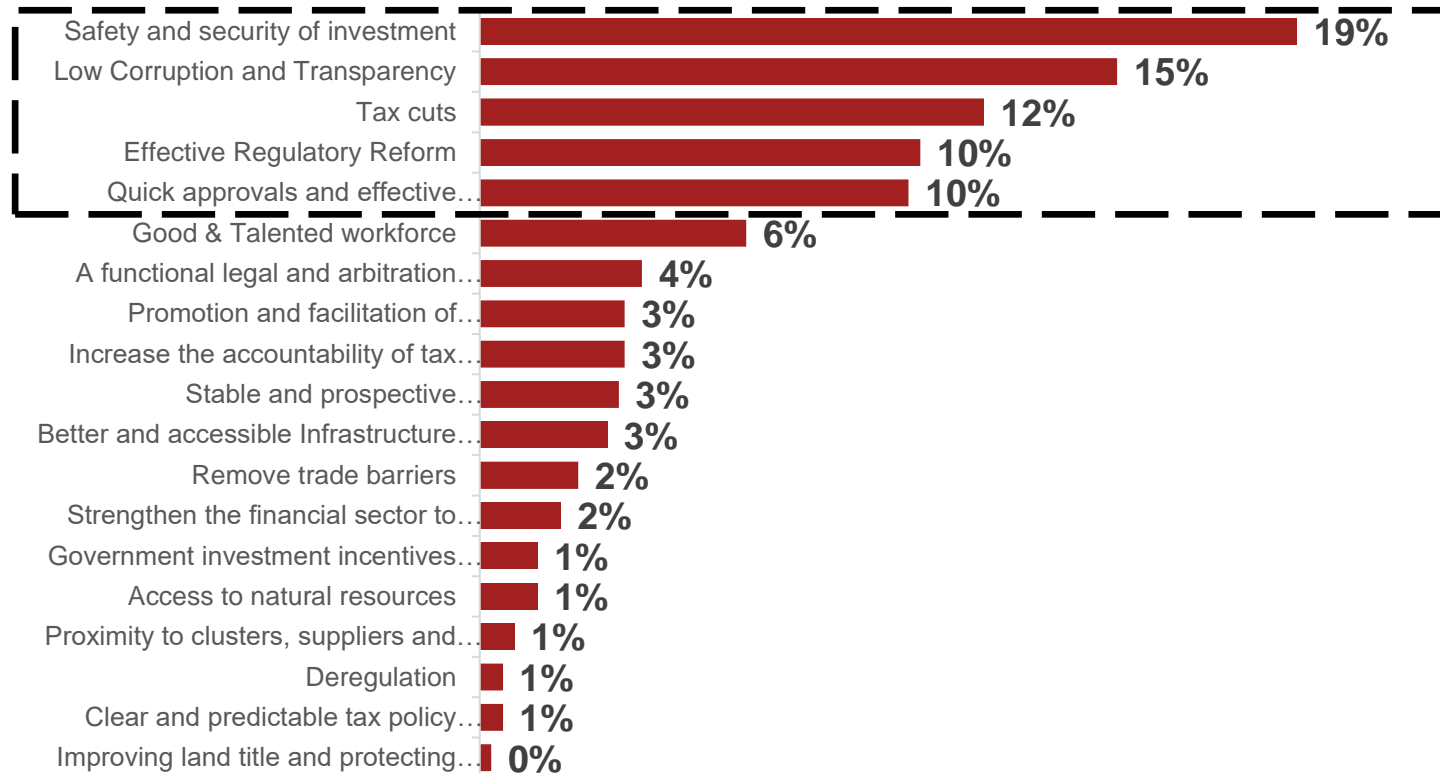


- Lower operating costs and expansion of the market are the main factors influencing expansion decisions of businesses. By expanding, businesses can achieve lower operating costs through being able to buy raw materials/supplies in bulk at a discount and therefore reducing average costs. Furthermore, businesses can reduce their cost per unit of output by spreading fixed costs over a greater quantity of output. An expanded market provides businesses with the opportunity to generate higher revenues and profits.
- Low corruption and safety and security of investment remain of high importance to businesses as they have constantly indicated. Despite this, corruption remains a large problem within the business environment and will likely reduce the attractiveness to potential investors.
- 27% of respondents believe lower regulations and a supportive government would lead them to consider expanding. Businesses have indicated that it has become increasingly difficult to deal with the government this year over regulatory issues. This should be another focus area for government.

# Businesses expect investment security, low corruption and tax cuts from the government

The topmost expectation respondents have of the Government is the safety and security of their investments, low corruption and tax reductions. These top concerns reflect the ongoing challenges businesses face and would expect the government to intervene to ensure they are able operate at their maximum potential. Respondents' concerns in these areas underscore the growing need for structural reforms to restore investor confidence and promote sustainable growth for businesses in Ghana

**Fig. 8.14: One specific change respondents expect from the government**



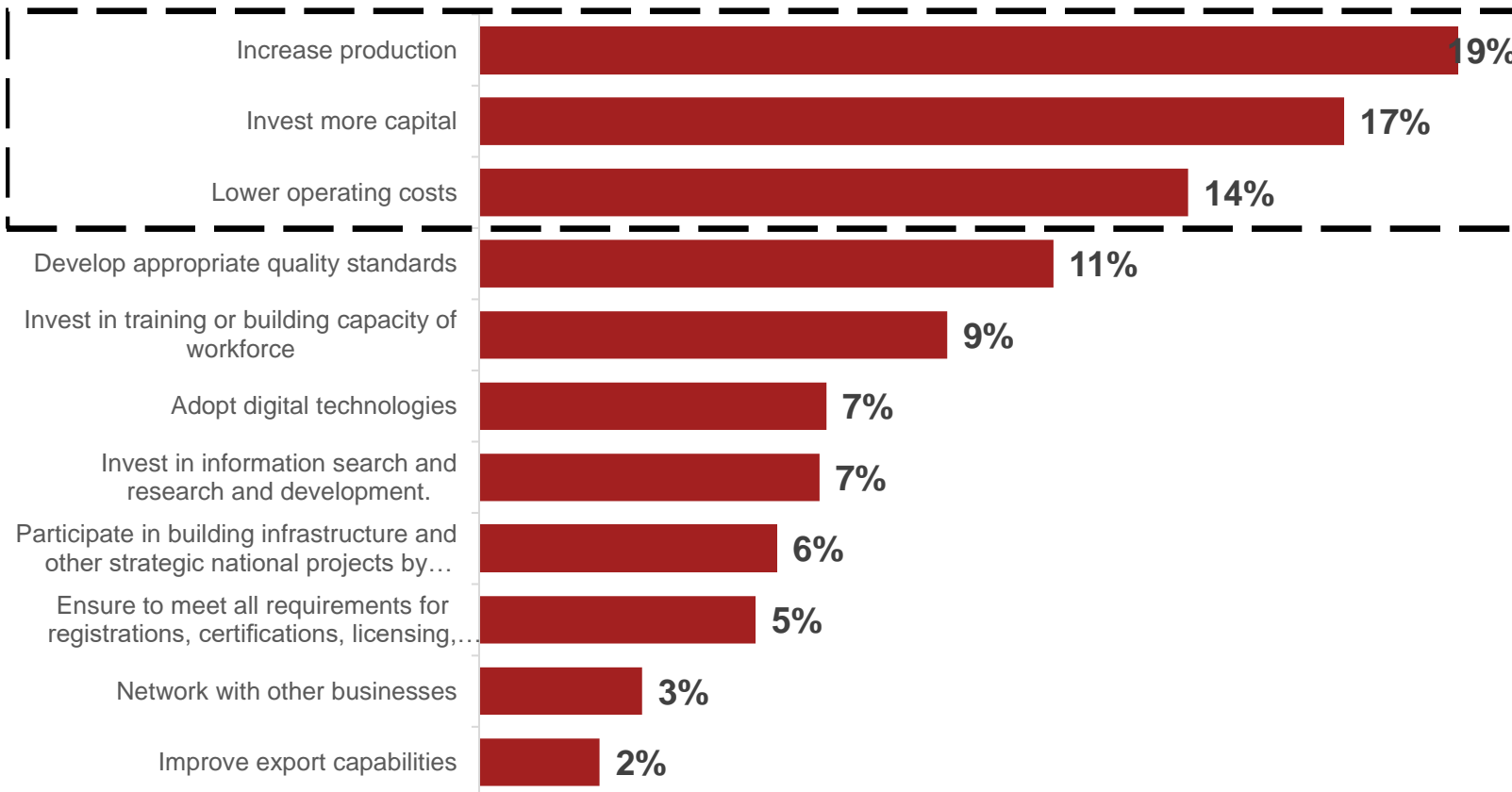
- Ghana's economy has been impacted by the Domestic Debt Exchange Programme (DDEP), inflation, and a depreciating currency in recent times which might have shaken investor confidence. 19% of responses want the government to ensure the safety and security of their investment. Businesses seek assurances from the government to safeguard investments, fearing potential capital flight if conditions worsen. News of economic restructuring and support from international organisations, such as the IMF, has provided some optimism, but the real impact remains to be seen.
- Businesses view corruption as a barrier to fair competition and economic growth. Ongoing efforts to tackle corruption, such as the establishment of new anti-corruption bodies and judicial reforms, are steps in the right direction.
- As Ghana grapples with inflation and rising costs, businesses are increasingly feeling the pressure from high taxes. The recent VAT adjustments to enhance domestic revenue generation will affect consumer pricing contributing to rising cost for business. Many businesses are calling for tax relief to reduce operational costs and improve their bottom lines



# To improve the business environment, businesses should increase their production

While businesses are keen to increase their production in this year's survey, they also express concerns about capital accessibility and operational costs. As businesses look for ways to lower costs and remain competitive, many also recognise the importance of quality standards and workforce training, with some identifying these as other key areas for improvement

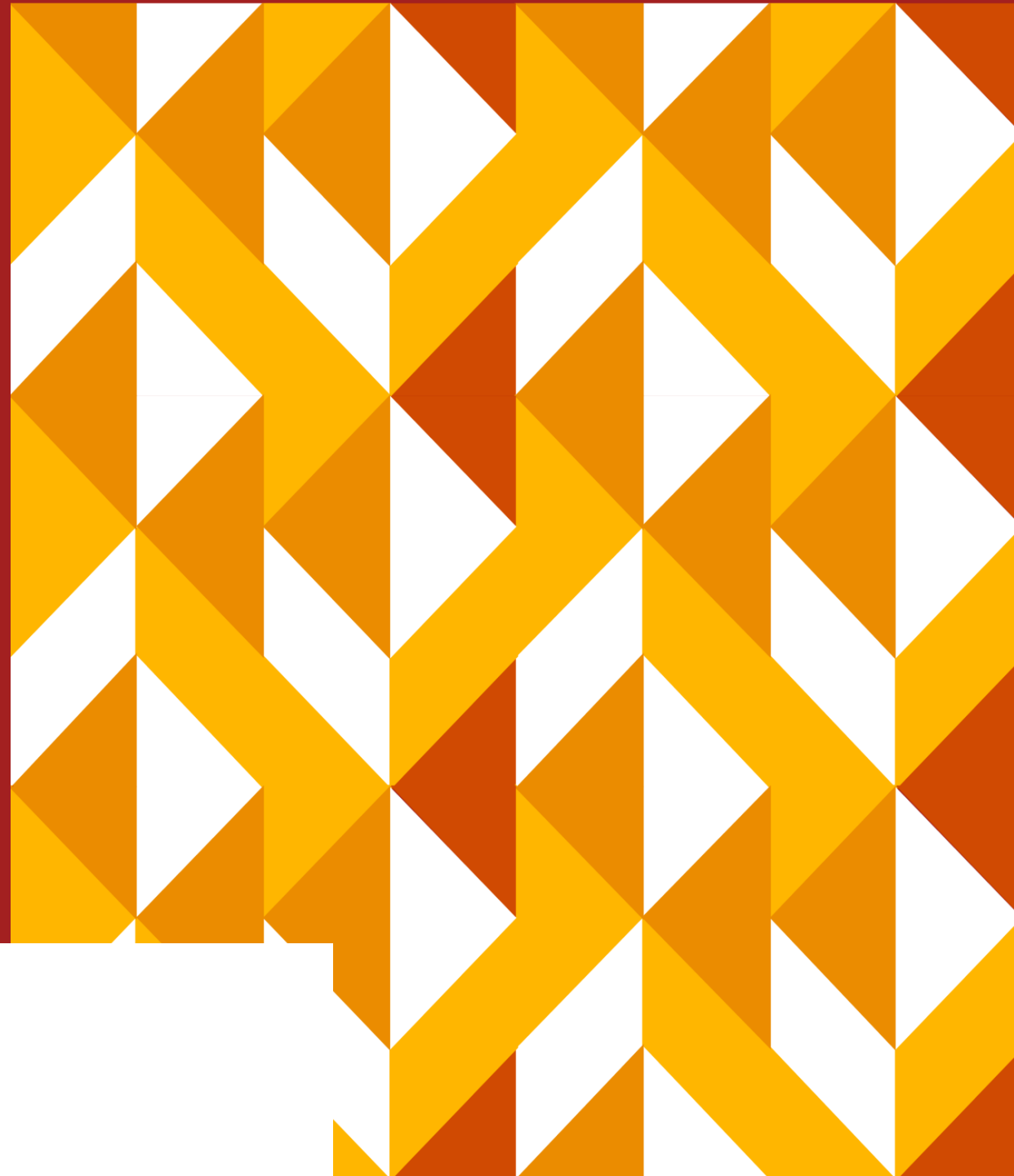
**Fig. 8.15: Actions to improve the business environment in Ghana**



- Many businesses believe that expanding their production capacity will significantly enhance the business environment. By increasing output, companies can meet higher demand, improve economies of scale, and become more competitive in both local and international markets.
- Businesses believe that investing more capital is a key action to improve the business environment in Ghana. Businesses view this as essential to expanding operations, improving competitiveness, and achieving long-term growth. However, challenges difficulties accessing affordable credit make it a complex decision. With the current economic situation, businesses are cautious about increasing capital investments unless they are assured of returns.
- Businesses also see the reduction of operating costs as a key factor in improving the business environment. By optimising operations and cutting down unnecessary expenses, companies can maintain profitability and competitiveness even amidst economic challenges like inflation and a depreciating currency.

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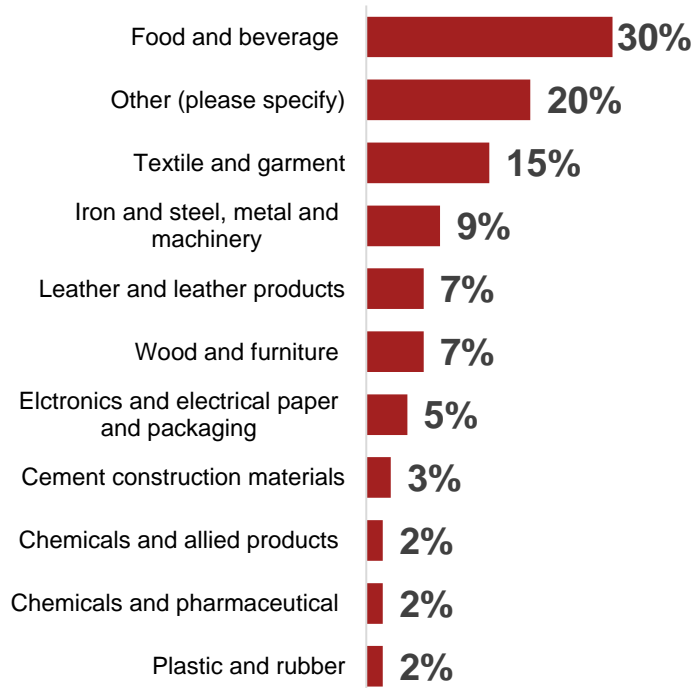
Sentiments of  
the  
manufacturing  
sector



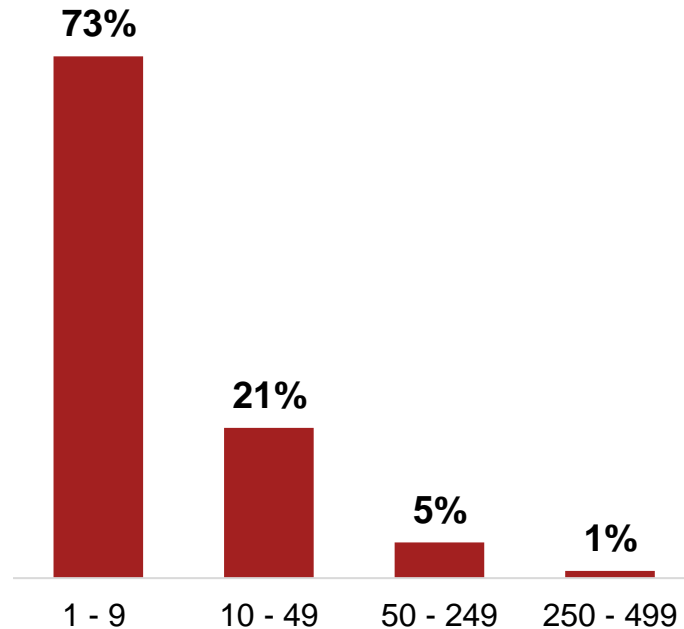
# About the manufacturing sector survey

The food and beverage sub-sector dominates, making up 30% of the respondents from the sector. There is heavy involvement in the production of basic consumer goods and essential materials such as food, drinks, clothing or accessories, with limited focus on high-tech or specialised industries. A significant 82% of respondents are owners or managers of manufacturing companies. 12% of respondents are employees in the sector, while 6% are investors interested in the sector

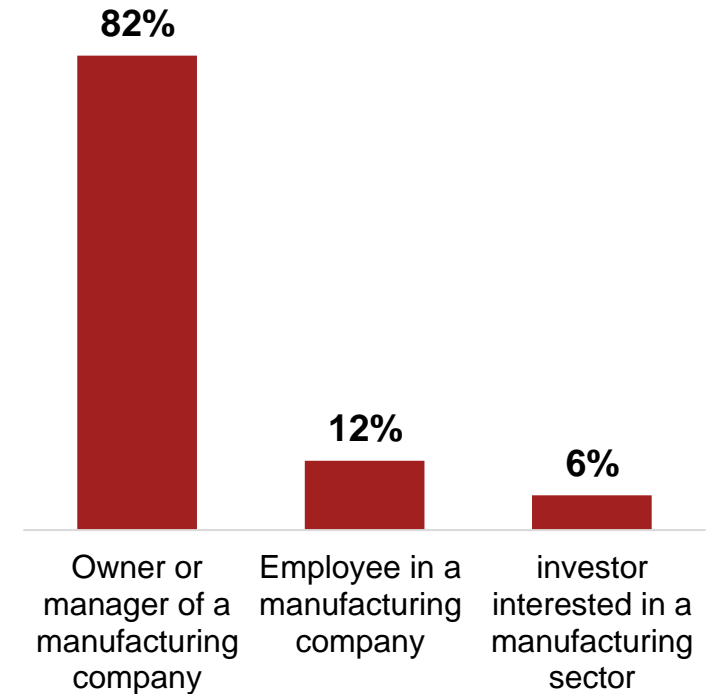
**Fig 9.1: Manufacturing sub sector**



**Fig 9.2: Number of employees**



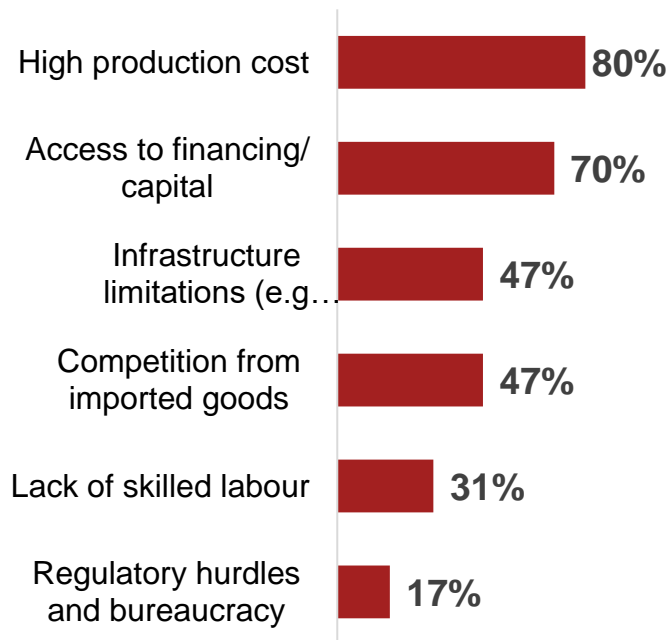
**Fig 9.3: Involvement (role) in the manufacturing sector**



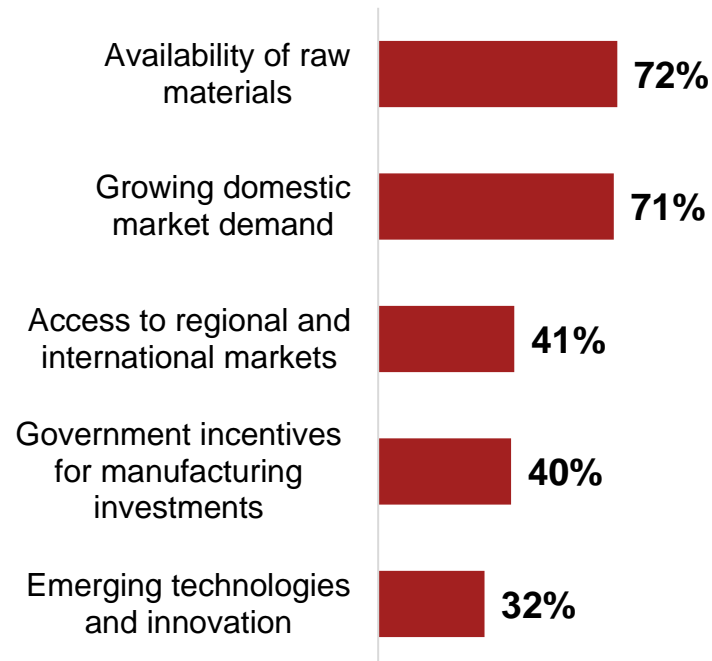
# Highlights

Survey respondents are optimistic about the prospects of the sector, despite facing high production costs and limited access to finance and capital. This optimism can be attributed to the positive outlook for Ghana's economic rebound, which includes falling inflation, as well as the opportunities they associate with the availability of raw materials and a growing domestic market. This sector could very well anchor/drive a sustainable growth path for the economy and must receive enough support

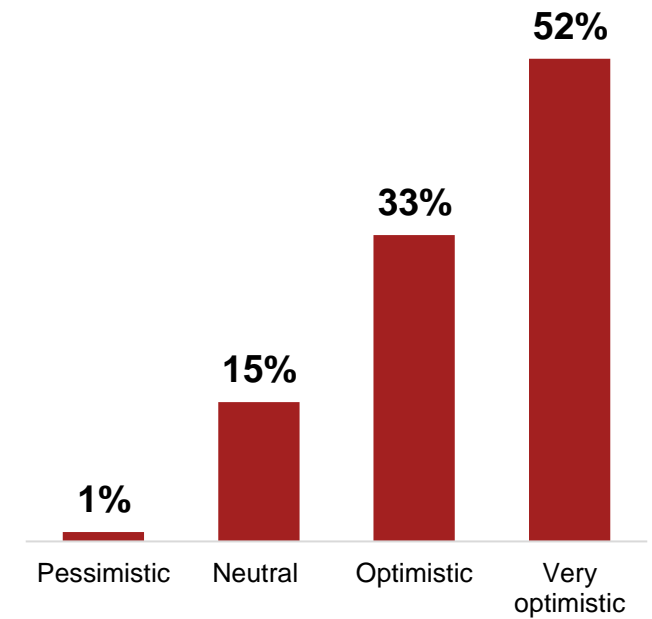
**Fig 9.4: Primary challenges in manufacturing sector**



**Fig 9.5: Opportunities in manufacturing sector**



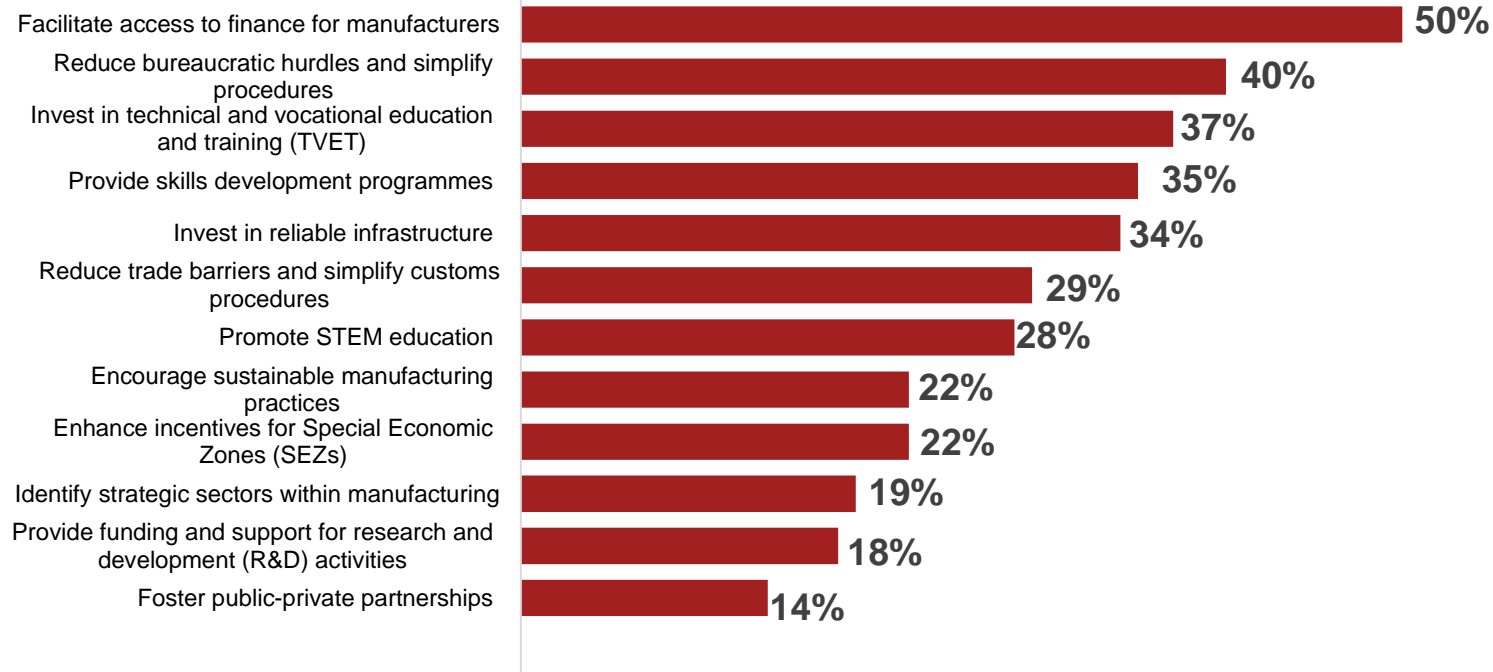
**Fig 9.6: Optimism for the prospects in manufacturing.**



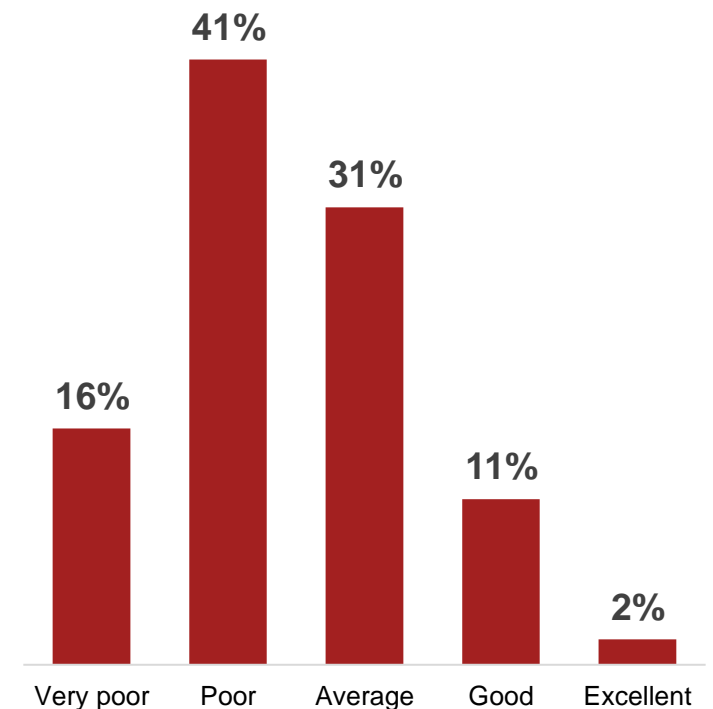
# Highlights

More than half (57%) of respondents in the manufacturing sector describe the level of support received from Government as poor. What players in this sector indicate as needing the most from Government include facilitation of access to finance, reduced red tape, investment in technical and vocational education, and other business-relevant skills development, as well as investment in manufacturing-supportive infrastructure, e.g. stable power, availability of industrial grade water, and roads

**Fig 9.7: Government interventions or policies to support the growth and development of the manufacturing sector**



**Fig 9.8: Level of government support for manufacturing sector**



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