

GHANA INVESTMENT PROMOTION CENTRE
THIRD QUARTER 2009 INVESTMENT REPORT (1ST JULY TO 30TH SEPTEMBER 2009)

MESSAGE FROM THE CEO



In the face of the global economic crunch and fierce competition for Foreign Direct Investment (FDI), Ghana has strived to excel in its quest to attract investments both local and foreign.

This strategy is evident from the current quarter's newly registered investments. The third quarter of 2009 has seen another significant increase in the level of foreign direct investment attracted as compared to the second (2nd) quarter of the same year.

In line with the Centre's vision of serving its customers efficiently, the GIPC has relocated its offices to its former premises within the Public Services Commission (PSC) Building, at the Ministries. In addition, the GIPC continues to demonstrate its commitment to present Ghana as "Africa's Golden Gateway" to a Safe and Stable Investment Destination".

With its new business process engineering techniques, improved services and support from professionals at the Centre, GIPC is ready to attract, grow and retain private domestic and foreign investments, and also to attain economic development for a better Ghana – Mr. George Aboagye.

1.0 SUMMARY

New Investments

In the third (3rd) quarter of 2009 (1st July to 30th September 2009), 81 new projects were registered, compared to 83 new projects registered in the second (2nd) quarter of 2009. However, this was a significant increase of **131.43%** compared to 35 projects registered in the first (1st) quarter of 2009.

Initial Transfers

The total initial capital transfers for the newly registered projects during the quarter amounted to **GH¢26.33 million (US\$18.81 million)**, to **GH¢92.65 million (US\$66.18 million)** total initial capital transfers in the second (2nd) quarter of 2009.

However, comparing the third (3rd) quarter of 2009 to the first (1st) quarter of 2009, there was an increase of **109.46%** in the total initial capital transfers.

Estimated Value of Registered Projects

The total estimated value of this quarter's newly registered projects was **GH¢374.15 million (US\$267.25 million)**, a significant increase of **139.32%** compared to **GH¢156.34 million (US\$111.67 million)** recorded for the second (2nd) quarter of 2009.

1.1 STRUCTURE OF COMPANIES

Of the 81 projects registered during the third (3rd) quarter, 50 (61.73%), were wholly-owned foreign enterprises valued at **GH¢134.96 million (US\$96.40 million)** which is **36.07%** of the total estimated value of projects registered.

The remaining 31 (38.27%) were joint ventures between Ghanaians and foreign partners valued at **GH¢239.19 million (US\$170.85 million)** which is **63.93%** of the total estimated value of projects registered.

For the second (2nd) quarter of 2009, 56 wholly-owned foreign enterprises and 27 joint ventures were registered and valued at **GH¢47.05 million (US\$33.61 million)** and **GH¢109.29 million (US\$78.06 million)** respectively.

SECTORAL COMPOSITION OF NEW PROJECTS

Sectors	Newly Registered Projects	Estimated Value (US\$)	% of Estimated Value
Agriculture	2	99.08	37.07
Building/Const	4	48.81	18.26
Liaison	1	0.12	0.04
Export Trade	2	1.10	0.41
General Trading	16	12.61	4.72
Manufacturing	16	3.95	1.48
Service	31	45.97	17.20
Tourism	9	55.61	20.81
Total	81	267.25	100

1.2 HIGHLIGHTS

Among the projects attracted into Ghana during the period under review are:

- a) **NATURAL AFRICAN DIESEL GHANA LTD** – Cultivation & processing of Jatropha and Moringa with an estimated project value of **GH¢138.60 million (US\$99 million)**.
- b) **GARVEYTOWN COMPANY LTD** – Real estate development with an estimated project value of **GH¢56.19 million (US\$40.14 million)**.
- c) **BLUE FINANCIAL SERVICES GHANA LTD** – Provision of microfinance business services with an estimated project value of **GH¢23.80 million (US\$17 million)**.
- d) **NEXTREGRA GHANA LIMITED** – Estate development construction with an estimated project value of **GH¢11.39 million (US\$8.14 million)**.
- e) **INTERCONTINENTAL WAPIC INSURANCE CO. LTD** – General insurance business with an estimated project value of **GH¢1.40 million (US\$1 million)**.

1.2 FOREIGN DIRECT INVESTMENT

The FDI component of the estimated value of the projects registered during the period under review (1st July to 30th September 2009) was **GH¢339.32 million (US\$242.37 million)**, **90.69%** of the total estimated value, and a local currency component of **GH¢34.83 million (US\$24.88 million)**, representing **9.31%**.

For the second (2nd) quarter of 2009 (April – June, 2009), the FDI component of the estimated value of the projects registered was **GH¢129.25 million (US\$92.32 million)** and the local currency component was **GH¢27.08 million (US\$17.32 million)** of the total estimated value of the projects.

Compared to the second quarter, there was a **262% increase in the FDI component** of the estimated value of the projects registered.

The total foreign equity was **GH¢167.87 million (US\$119.90 million)** and the initial equity transfers was **GH¢26.33 million (US\$18.81 million)** for this quarter.

In the second (2nd) quarter of 2009, the initial equity transfers was **GH¢92.65 million (US\$66.18 million)**.

1.3 SOURCES OF FOREIGN DIRECT INVESTMENT (FDI)

China topped the list of countries with the highest number of projects registered. South Africa topped the list of countries with the largest value of investments registered during this quarter.

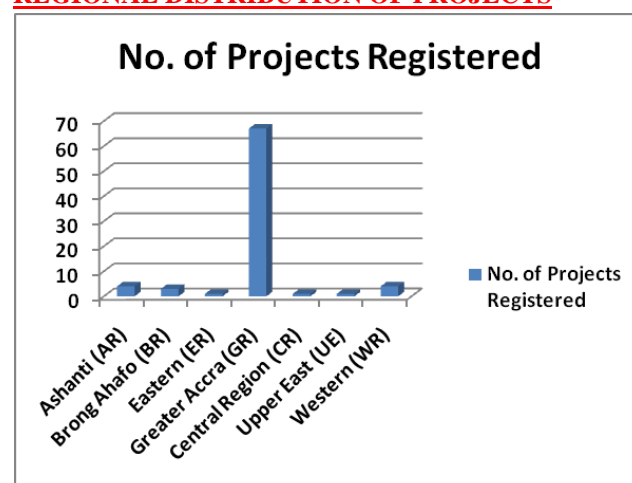
TOP TEN INVESTOR COUNTRIES (1ST JULY – 30TH SEPTEMBER 2009)

Country	Registered Projects	Country	Value Of Projects (US\$M)	
1	China	13	South Africa	116.62
2	Nigeria	11	British Virgin Island	52.92
3	India	10	Britain	44.94
4	South Africa	5	Nigeria	8.65
5	Britain	4	Portugal	8.14
6	Lebanon	4	Mauritius	5.81
7	British Virgin Island	3	China	5.59
8	Australia	2	India	4.89
9	Israel	2	Aturk & Caicos	3.75
10	Mauritius	2	Jersey/Nigeria	2.40

1.5 GEOGRAPHICAL DISTRIBUTION

Seven out of the ten regions directly benefited from the registered projects. The regions are Ashanti, Brong Ahafo, Central, Eastern, Greater Accra, Upper East and Western region. **82.72%** of all the projects registered are located in Greater Accra region.

REGIONAL DISTRIBUTION OF PROJECTS

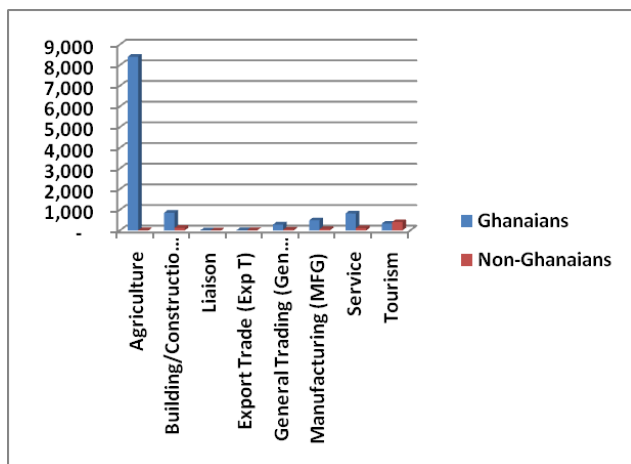


1.6 EMPLOYMENT GENERATION

From the number of new projects registered in this 3rd quarter, it is expected that **11,949** jobs will be created, a significant increase of **168.10%** compared to 4,457 jobs expected to be created in the second (2nd) quarter of 2009. **93.62% (11,187)** of the total jobs to be created in the third

(3rd) quarter will be for Ghanaians and the remaining 6.38% (762) for expatriates.

EMPLOYMENT GENERATED BY SECTORS (1ST JULY – 30TH SEPTEMBER 2009)



1.7 YEAR TO DATE

The total number of projects registered for the first three quarters of 2009 was **199** with a total estimated value of **GH¢555.76 million (US\$396.97 million)**.

The total initial capital transfers amounted to **GH¢131.55 million (US\$93.97 million)** for the period under review.

Of the 199 registered projects, **132** were wholly-owned foreign enterprises and **67** were joint ventures between Ghanaians and foreign partners.

The joint venture projects were valued at **GH¢355.98 million (US\$254.27 million)**, and the wholly-owned foreign enterprises were valued at **GH¢199.78 million (US\$142.70 million)**.

The FDI component of the estimated value of the projects registered during the first three quarters of the year amounted to **GH¢491.71 million (US\$351.22 million)** and the local currency component amounted to **GH¢64.04 million (US\$45.75 million)**.

A total of **20,074** jobs are expected to be created from the registered projects in the first three quarters of the year. **18,787** of the total jobs to be created will be for Ghanaians and the remaining **1,287** will be for expatriates.

China, with 34 projects, topped the list of countries with the highest number of projects registered in the first three quarters of the year. South Africa, with **US\$116.92**

million investments, topped the list of countries with the largest value of investments registered in the same period.

TOP TEN INVESTOR COUNTRIES (1ST JANUARY – 30TH SEPTEMBER 2009)

Country	Registered Projects	Country	Value Of Projects (US\$M)	
1	China	34	South Africa	116.92
2	India	26	Nigeria	79.27
3	Lebanon	19	British Virgin Island	53.32
4	Nigeria	18	Britain	48.05
5	Britain	8	China	13.78
6	USA	8	India	8.45
7	Italy	6	Portugal	8.14
8	South Africa	6	Lebanon	6.42
9	Germany	5	USA	6.34
10	Australia	4	Mauritius	5.81

1.8 CONFERENCES, SEMINARS AND MISSIONS

During the quarter under review, GIPC continued its engagement with prospective investors and key stakeholders. Highlights include:

- ❖ **13th China International Fair for Investment & Trade**, Xiamen, China from 8th to 11th September 2009.
 - ❖ **7th Biennial US-Africa Business Summit**, Washington DC, USA, from 29th September to 1st October 2009.
 - ❖ **China Africa Business Summit**, Cape Town, South Africa from 22nd to 23rd October 2009.
- Upcoming Events**
- ❖ **Africa Investment Forum**, Accra, Ghana from 8th to 10th February 2010.

1.9 UPDATES

The Ghana Investment Promotion Centre, GIPC has moved to its former offices within the Public Services Commission (PSC) Building at the Ministries, Accra.

Ghana Investment Promotion Centre
Public Services Commission Building
P. O. Box M193
Ministries, Accra
Tel: +233 21 665 125-9
Fax: +233 21 663 801/663 655

GIPC New Offices



2.0 INVESTOR PROFILES



a) NEXTREGRA GHANA LIMITED

Nextregra Ghana Limited is a foreign-owned company by Nextregra Lda, Portugal. Established in 2008, Nextregra Lda comprises a group of investors coming from various professional fields whose experience and expertise over



the years have fostered recognition both national and international.

Nextregra Housing Project - Nextregra Outside

Nextregra Ghana Limited’s main activity as a project in the building and construction sector is real estate development and construction of special purpose building. This includes the construction of eco-sustainable condominium housing, an urban project with a unique landscaping and an elegant architecture. The Ghana project will be located in the Greater Accra region with an estimated project value of **US\$8.14million.**



Nextregra Room

Nextregra Ghana Limited estimates to construct 20 apartments per annum. Its raw materials will be sourced locally and these include cement, tiles and iron rods.

According to Mr. Carlos Sousa, Nextregra chose Ghana for its first investment in sub-Saharan Africa because they believe the country has all the conditions to be the main driver of development in this part of Africa. And he also

says, "I believe that with a knowledge-sharing with Ghanaian collaborators, we can mutually grow up."

b) INTERCONTINENTAL WAPIC INSURANCE COMPANY LIMITED

Intercontinental Wapic Insurance Company Limited, a subsidiary of one of the foremost financial giants, Intercontinental Bank Group, is an offshoot of Intercontinental Wapic Insurance Plc, Nigeria. It is a



strong brand and vastly experienced insurance company incorporated in 1958 in

Nigeria. The total estimated value of the Ghana project was **US\$1million.**

It has been licensed by the National Insurance Commission to transact all classes of Non-Life insurance business and it is located in the Greater Accra region at **35 Aviation Road, Airport residential Area.**

Some of the classes of general and special risk businesses it is licensed to transact are Fire and Special Perils, Burglary and house – breaking, Engineering, Goods –in- Transit, Marine, Automobile insurance, Workmen Compensation, Group Personal Accident, All- Risk, Fidelity Insurance, Oil and Gas, Bonds (Excluding Credit Bond) and Aviation.

Intercontinental Wapic Insurance Company Limited ‘s reinsurance arrangement to underwrite much higher risks beyond its capacity is led by first class international reinsurance companies - African Reinsurance Company and Ghana Reinsurance Company and Munich Reinsurance. Its vision is to be a world-class Insurance Service Company.

Intercontinental Wapic Insurance is committed to creating an insurance company of first choice by providing reliable and efficient services through highly skilled, motivated and experienced professionals while remaining socially responsible corporate citizens that create shareholders’ values.

It is expected that with operations at full capacity, Intercontinental Wapic Insurance will create over 250 job opportunities for Ghanaians.