

GHANA INVESTMENT PROMOTION CENTRE**FIRST QUARTER 2009 INVESTMENT REPORT (1ST JANUARY TO 31ST MARCH 2009)****Foreword from the CEO**

The rainy season has started in Ghana and whilst this presents challenges to our growing infrastructure, it also provides welcoming opportunities for agriculture.

Each challenge comes with its unique opportunity. In the face of the global credit crunch, investors in Ghana have retained their confidence in the economy and maintained their re-investments while we have attracted new players albeit at a slower rate.

Following two years of unprecedented attraction of foreign direct investment, Ghana must now look towards harnessing domestic resources for a stronger local investor base while continuing to offer attractive opportunities to Foreign Investors.

Local businesses will be encouraged in the months ahead to start new enterprises, expand existing businesses or partner with international businesses to compete in the global marketplace with a view to creating wealth and sustainable jobs for Ghanaians and their partners. GIPC will provide detailed opportunities of the major projects that the Government of Ghana seeks to attract, local as well as Foreign Direct Investment (FDI) in.

The Management of GIPC invites all current and potential investors in Ghana to join us at the upcoming **Ghana Investment Forum 2009 (GIF 2009)** under the distinguished patronage of H.E. President J. E. Atta-Mills. **GIF 2009** promises to be the biggest platform for investors to engage with Ghanaian industry and investment facilitators, from **Wednesday 27th to Friday 29th May** at the **Accra International Conference Centre. The Ghana Club 100, Awards Gala**, the climax of the **GIF 2009** will be on **Friday 29th May** at the **Banquet Hall, State-House**.

See you there!
Chief Executive Officer.

1.1 Summary**New Investments**

The total new investments for the 1st quarter (1st January to 31st March 2009) amounted to **GH¢521.25 million (US\$372.32 million)** - comprising ***GH¢508.68 million (US\$363.34 million)** worth of re-investments (capital goods imported) and **GH¢12.57 million (US\$8.98 million)** equity transfers for new projects registered.

This is an increase of **45.05%** over the total new investments for the corresponding quarter in 2008 of which the total new investments amounted to **GH¢351.79 million (US\$256.68 million)** - comprising ***GH¢334.13 million (US\$238.66 million)** worth of re-investments (capital goods imported) and **GH¢17.66 million (US\$18.02 million)** equity transfers for new projects registered.

35 new projects were registered during the 1st quarter, a decrease of **62%** compared to 92 new projects registered for the corresponding quarter in 2008.

Estimated Value of Registered Projects

The total estimated value of this quarter's newly registered projects was **GH¢25.27 million (US\$18.05 million)**. **GH¢2.97 billion (US\$3.03 billion)** was recorded for the same period in 2008.

1.2 Structure of Companies

Of the 35 projects registered during the quarter, 26 (74.29%), were wholly-owned foreign enterprises and 9 (25.71%) were joint ventures between Ghanaians and their foreign partners. The joint venture projects were valued at **GH¢7.50 million (US\$5.36 million)**, whilst the 100% foreign-owned enterprises are valued at **GH¢17.77 million (US\$12.69 million)**.

For the corresponding quarter in 2008, 56 wholly-owned foreign enterprises and 36 joint ventures were registered and valued at **GH¢45.14 million (US\$46.06 million)** and **GH¢2.93 billion (US\$2.99 billion)** respectively.

1.3 Highlights

Projects attracted into Ghana during the quarter include: **CRAMONI GHANA LIMITED** – Assembling, construction and erection of telecommunication masts with an estimated project value of **GH¢1.05 million (US\$747,504)**.

FAW-JAC ENGINEERING CO. LTD – Automobile engineering and assembling plant with an estimated project value of **GH¢1.68 million (US\$1.20 million)**.

ELSEWEDY ELECTRIC (GHANA) LIMITED – Manufacture of fibreglass poles and installation of street light with an estimated project value of **GH¢3.65 million (US\$2.61 million)**.

P2W GHANA LIMITED – Waste management; recycling and regeneration of industrial waste water and materials with an estimated project value of **GH¢2.10 million (US\$1.50 million)**.

***Re-investment figure does not include Government, Diplomatic, Mining and Petroleum Capital Goods.
GH¢1.40 = USD 1.00**

UCMAS GHANA LIMITED – Education of children in mental arithmetic with an estimated project value of **GH¢76,893 (US\$54,924)**.

Sectoral Composition of New Projects

Sectors	New Registered Projects	Estimated Value (US\$)	% of Total Value
Agriculture	4	1.38	7.65
Building/Const	1	0.58	3.21
Export Trading	1	0.09	0.50
General Trading	12	7.19	39.83
Manufacturing	9	5.62	31.14
Service	7	3.05	16.90
Tourism	1	0.14	0.78
Total	35	18.05	100

1.4 Foreign Direct Investment

The FDI component of the estimated value of the projects registered during the quarter (1st January to 31st March 2009) was **GH¢23.14 million (US\$16.53 million)**, 91.57% of the total estimated value, and a local currency component of **GH¢2.13 million (US\$1.52 million)**, representing 8.43%. For the corresponding quarter of 2008, the FDI component of the estimated cost of the projects registered was **GH¢2.93 billion (US\$2.99 billion)**.

The total foreign equity transfers was **GH¢18.82 million (US\$13.44 million)** for this quarter. For the corresponding quarter of 2008, the total foreign equity transfers was **GH¢632.22 million (US\$451.58 million)**.

1.5 Sources of Foreign Direct Investment (FDI)

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

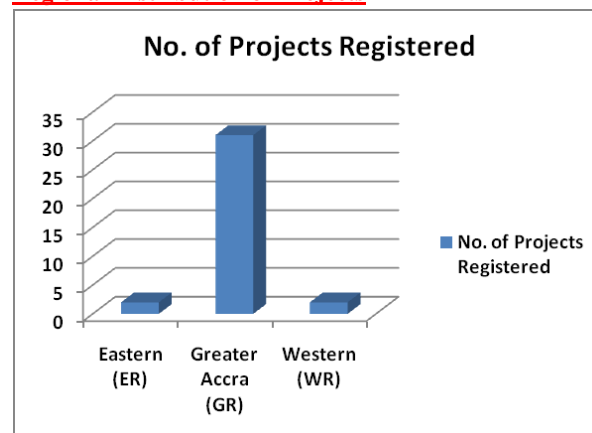
Top Ten Investor Countries (Jan – March 2009)

COUNTRY	REGISTERED PROJECTS	COUNTRY	VALUE OF PROJECTS (US\$M)	
1	China	7	China	3.20
2	India	6	Egypt	2.61
3	Lebanon	5	U.S.A	2.44
4	U.S.A	2	Cyprus	2.25
5	Cyprus	2	Lebanon	1.85
6	Korea	2	India	1.57
7	Italy	2	Korea	0.92
8	Egypt	1	Switzerland	0.77
9	Switzerland	1	Italy	0.69
10	Taiwan	1	Taiwan	0.31

1.6 Geographical Distribution

Three out of the ten regions directly benefited from the registered projects. 88.57% of all the projects registered are located in Greater Accra.

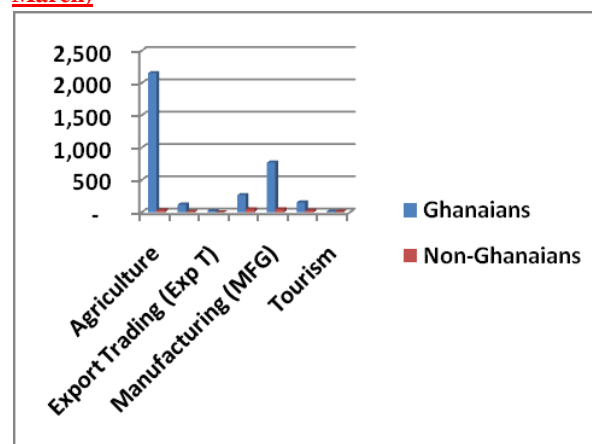
Regional Distribution of Projects



1.7 Employment Generation

From the number of new projects registered in this 1st quarter alone, it is expected that **3,668** jobs will be created. 95.23% (**3,493**) of the total jobs to be created will be for Ghanaians and the remaining 4.77% (**175**) for expatriates.

Employment Generated by Sectors (1st Jan – 31st March)



1.8 Conferences, Seminars and Missions

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

Highlights include:

- ❖ **Launch of 2009 Ghana Club 100 Awards, Investment House** on 20th February 2009
- ❖ **Western Region Investment Outreach** on 19th March 2009 and

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- ❖ **Participation in CII-Exim Bank 5th Conclave on India-Africa Project Partnership, New Delhi**, from 22nd – 24th March 2009.

Upcoming Events

- ❖ **The Ghana Investment Forum 2009 (GIF 2009)**, the biggest platform for investors to engage with Ghanaian industry and investment facilitators comes off from **Wednesday 27th to Friday 29th May 2009** at the **Accra International Conference Centre**.
- ❖ **The Ghana Club 100, Awards Gala** under the distinguished patronage of H. E. President J. E. Atta Mills comes off on the **Friday 29th May** at the **Banquet Hall, State-House**.
- ❖ **2009 Touchroad China-Africa Invest Forum** to be held in Shanghai and Hangzhou, China from **7th to 9th June**.
- ❖ **Upper West Investment Outreach** to be held in **Wa** on **19th May 2009**.
- ❖ **Upper East Investment Outreach** to be held in **Bolgatanga** on **22nd May 2009**
- ❖ Northern Region Investment Outreach to be held in **Tamale** on **26th May 2009**.

1.9 Investor Profiles



Cramoni Ghana Limited

Cramoni Ghana Limited (CGL) is a foreign-owned company and a member of the Cramoni Group of companies headquartered in Cyprus. Its main activity is the assembling, construction and erection of telecommunication tower masts with a total estimated value of **US\$ 747,504**.

CGL entered the Ghanaian telecom market in March 2008, having secured a contract with Scancom/MTN Ghana for turn-key implementation of cellular sites. The company was enticed to set up in Ghana by the relatively stable political and economic environment in Ghana deduced from a market survey. The survey revealed the steady penetration of the telecommunication industry particularly into Ghana and the avenue for growth in the future. It also revealed the presence of giant international telecommunication operators such as MTN and Zain which were a source of inspiration for Cramoni.

The huge capital to set up could have barred Cramoni's entry but the apparent conducive investment environment urged us on, says Marianna Gavriel, Chief Executive Officer. For at least a decade, Cramoni Group has been supplying advanced network solutions, providing professional services and delivering turn-key projects to

large telecom organisations. It expanded to West Africa in 2007 with the establishment of Cramoni Ghana Limited and Cramoni Guinea Sarl. As a group member, Cramoni Ghana is benefiting from long term experience on project implementations, significant range of expert human and financial resources which ensure that the company delivers integrated and fully deployed telecom services to its clients.



With the assistance of our experienced local management team and skilled telecom staff, CGL offers design, implementation plan, logistics management, procurement and transportation of all products and materials relative to the network and the site infrastructure. Other services include civil works, supply and installation of fibre optic cables, towers, shelters, generators, air conditioners and security systems, configuration & commissioning of network & sites.

With a total of 40 jobs to be created for Ghanaians out of a total of 44 jobs expected to be created, Marianna believes Cramoni's presence in Ghana has created employment opportunities for many Ghanaians as Ghanaians constitute about ninety percent of the workforce both on the field and in administration.

Marianna also stated that with the co-operation and support of the skilled personnel at GIPC, Cramoni was able to register smoothly and timely.

Adwoa Town Beach Resort

Adwoa Town Beach Resort, a joint venture in the tourism sector provides hotel and hospitality services in the Western Region. The Resort covering an area of 9.50 acres will be 3 km away from the main Takoradi-Tarkwa highway and a five minute walk from Adwoa Town. The project will consist of a main hotel block with ten (10) rooms, restaurant, conference room and a gift shop when completed. There will also be 24 chalets with a total of 47 rooms bringing the total number of hotel rooms to 57.

The objective of Adwoa Town Beach Resort is to operate a resort facility that will provide quality services to the hospitality industry and significantly improve tourism in the Western Region. The resort will serve as a place for relaxation for individuals and families, tour groups and conference participants.

The total estimated value of this project is **US\$ 141,633**.

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Land Site of Adwoa Town Beach Resort

Mr. Edward Penso is the Chief Executive Officer of Adwoa Town Beach Resort. He has extensive experience as a manager and overseer of public buildings. When he travelled to Ghana in 2004, he saw the opportunity to bring positive change to the community of Adwoa. He was greatly moved by the warmth of the local people.

Mr. Penso says 'we chose the hospitality and tourism industry because there is great opportunity to provide an excellent resort with beautiful ocean views on the Adwoa Town Beach Resort property'.

It is expected that with operations at full capacity, this project will create 10 job opportunities for Ghanaians.

UCMAS GHANA LIMITED



Ghanaian Children in International Competition, Malaysia

UCMAS Ghana Ltd is a wholly foreign-owned company headed by a team of directors who are dedicated to the cause of offering society a ground-breaking method of education through the Universal Concept of Mental Arithmetic (UCMAS) System. It was established in September 2007.

Its total estimated value is **US\$ 54,924**. The UCMAS programme provides a well-rounded education to develop children's concentration, creative thinking, memory power, logical reasoning abilities and boosting children's confidence to face challenges.

The UCMAS programme is highly commended by parents. In Ghana, the UCMAS is being run on club basis

in 5 centres in Accra and 1 in Kumasi. Over 30 schools have joined the programme.

The UCMAS programme has successfully opened more than 2000 learning centres worldwide in over 40 countries including the USA, UK, Canada, New Zealand, Malaysia, Japan, France, India and it has trained over 1,000,000 children.

The type of education Ghana inherited from her colonial masters was based generally on the development of the left brain - reading, writing, recall and follows procedures, says Mrs. Kirti Gurbani, Director in charge of training and implementation. The training of the right brain was not given adequate attention and not much has been done to vigorously develop it.

The Director also stated that, vis-à-vis her contemporaries such as Malaysia and India, the Ghanaian economy has not seen much growth because of over emphasis on the training of the left brain to the neglect of the right brain. Ghanaians must avail themselves of the opportunity. UCMAS programme presents to embark on a vigorous training of the future generation for a creative human resource base that can create wealth, comfort, development and growth for the society.

GIPC was very helpful in establishing UCMAS Ghana Limited. The high level of professionalism exhibited by the staff cannot be over emphasized.

The prevailing economic atmosphere in Ghana and the peaceful democratic dispensation is very congenial for foreigners to invest in Ghana, says Mrs. Kirti Gurbani.

Having worked with UCMAS India over 3 years, Mrs. Kirti Gurbani, has enormous hands-on experience in her area of specialization. She was motivated to introduce the UCMAS programme to Ghana because of the potentials she discovered in Ghanaian children.

It is expected that, with operations at full capacity, this project will create 50 job opportunities for Ghanaians.

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