Sowing the seeds for Growth and Jobs

KEY POLICY INITIATIVES

MARCH 2017
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Our Tax Reliefs

- The 1% Special Import Levy **ABOLISHED**
- "KAYAYEI" MARKET TOLLS **ABOLISHED**
- 17.5% VAT/NHIL on Financial Services **ABOLISHED**
- 17.5% VAT/NHIL on selected imported medicines, that are not produced locally **ABOLISHED**
- 17.5% VAT/NHIL on domestic airline tickets **ABOLISHED**
- 5% VAT/NHIL on Real Estate Sales **ABOLISHED**
- REPLACE 17.5% VAT/NHIL with 3% flat Rate for traders
- TAX CREDITS and other incentives for businesses that hire young graduates from tertiary institutions
- TAX INCENTIVES for young entrepreneurs
- Duty on imported spare parts **ABOLISHED**
Our Banking Sector Initiatives

- ESLA to accommodate all the existing legacy debts owed by SOEs in the energy sector.
- Ensure revenue streams from ESLA are appropriately used to guarantee steady cash flow for the payments of all corresponding debts.
- Increase the banking industry’s minimum capital requirements and strengthen the licensing and regulatory framework.
- Introduce risk capital requirements in addition to the minimum capital requirements.
- Enhance enforcement of single obligor limit for commercial banks to minimise systemic risk.
- Support mobile money and mobile banking businesses to enhance and expand financial inclusion.
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Our Capital Market Initiatives

- Realisation of gains on investments in securities listed on the GSE Exempted For 2 Years
- 2 YEARS STAMP DUTY EXEMPTION for Financial Services Industry to enable recapitalisation
- ENCOURAGE companies to list a predetermined percentage of their shares on the GSE as part of the local content policy
- Divest some GOVERNMENT SHARES in selected SOEs to ensure efficient use of public assets
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Our Special Initiatives

- Rollout **NATIONAL IDENTIFICATION SCHEME**
- Provide **STIMULUS PACKAGE** for existing distressed companies as part of the National Industrial Revitalization Programme
- Provide **National Digital Addressing System** for lands and properties to improve ownership data for efficient delivery of services.
- Expand Nationwide Coverage of the **E-SERVICE PORTAL** to ensure efficient service delivery.

- **LOCAL CONTENT POLICY**
- **National Entrepreneurship and Innovation Programme**
- **$1million 1 Constituency**
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Our Revenue Enhancing Initiatives

- GRA to deploy **Electronic Point of Sale Devices** by 3rd Quarter of 2017
- Implement **TAX STAMP** on excisable products such as Tobacco, Cigarettes, alcoholic beverages and other tobacco products
- Enhance **TAX AUDITING** to improve Transfer Pricing Audits.
- **ABOLISH** all forms of **SPECIAL PERMITS**
- **NO TAX EXEMPTIONS** for National Health Insurance Levy on commercial loans
- **All MDAs** to budget and pay for import duties and taxes
Our Debt Management Initiatives

- Introduction of **Innovative** Long Term Bonds
- **LIABILITY MANAGEMENT** to reduce interest cost and other risks in debt portfolio
- Enhance Credit Risk Assessment for SOEs
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Key Government Interventions Towards Growth and Job Creation

- One District One Factory
- One Village One Dam
- Planting for Food and Jobs
- Water for all Projects
- $1 million 1 Constituency
- Zongo Development Fund
- Free Public Senior High School
- Re-institution of Allowances (nurses and teachers)
- Sanitation Projects
- National Entrepreneurship and Innovation Programme
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Free SHS

- Starts **SEPTEMBER 2017**

- Budgeted Amount **GH₵400 million** (Additional Allocation)
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One District One Factory

- To Start 2017
- Over 350,000 direct and indirect JOBS to be created
- Budgeted Amount GH¢456.3million
- To Provide 216 medium to large Scale FACTORIES in each district
- To be driven by PRIVATE SECTOR
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One Village One Dam

- To Start 2017 to ensure all year round **FARMING AND FOOD** Security

- Budgeted Amount **GH₵94.5 million**

- Small to Medium Scale irrigation Schemes to be identified and rehabilitated e.g. Torgorme Irrigation Scheme

- IWAD to increase irrigated acreage at Yagaba by **413 Ha**

- Complete Phase Two of Akumadan Irrigation Project in 2017
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Planting for Food and Jobs Campaign

- **To Start** 2017
- All Citizens encouraged to **FARM**
- Government to make available *Seeds/Seedlings, Fertilizer, Extension Services, Marketing*
- Expected to create **750,000** in both direct and indirect **EMPLOYMENT**
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Re-Institution of Allowances (Nurses and Teachers)

- Teacher and Nursing Trainee Allowances to be restored in **SEPTEMBER 2017**
- **49,032** Teachers across **43** Public Colleges of Education to benefit
- **69,707** Trainee Nurses
- Budgeted Amount **GH¢252.2 million**
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Energy/Power Sector Reliefs

- Excise duty on petroleum **ABOLISHED**
- Special petroleum Tax rates **REDUCED** from 17.5% to 15%
- National Electrification Levy **REDUCED** from 5% to 3%
- Public Lighting Levy **REDUCED** from 5% to 2%
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Macro Economic Stability for Growth and Jobs

- 3.6% GDP GROWTH to 6.3%
- 15.4% INFLATION RATE to 11.2%
- 8.7% FISCAL DEFICIT to 6.5%
- 6.6% Current Account Deficit to 5.9%
- Foreign Reserves: 3.5 months of Import Cover to 3.6 months
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Local Job Creation

- **EMPLOY 30,764 in 154** rural communities in climate change intervention
- **40,000 YOUTH** to be trained in Cocoa farming
- **50,000 YOUTH** to be employed in rehabilitation, replanting, mass spraying and fertiliser application
- **750 JOBS** to be created from the fisheries nucleus outgrowers scheme
- COCOBOD Pollination project to employ **30,000 YOUTH**
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**Industry**

- **GH₵100million** for venture capital trust fund through Ghana local banks

- **GH₵200million** to finance agriculture and agri business