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PRESS RELEASE

The Ghana Union of Traders' Associations (GUTA), umbrella body of about Sixty-Eight (68) traders associations nationwide, in conjunction with other relevant stakeholder groups in the private sector, namely:

The Food and Beverages Association of Ghana (FABAG), Importers and Exporters Association of Ghana, Pharmaceutical Importers and Wholesalers Association (PIWA), Ghana Institute of Freight Forwarders (GIFF), Customs Brokers Association of Ghana (CUBAG), Automobile Dealers Union of Ghana, Concerned Spare Parts Dealers Association etc. have met and unanimously resolved to vehemently kick against the reversal of the 50% and 30% benchmark value reduction policy presented to parliament by the Finance and Economic Planning Minister, Hon. Ken Ofori-Atta, in his 2022 budget statement and finance policy.

The policy of reducing the benchmark values did not come out of the blue. It was introduced in 2019 to save businesses in the country from total collapse, as a result of the very high import duties, other numerous taxes, high fees and charges on imports; ranging between 55% to 65%, draining our capital.

This unbearable situation led to outcry and serious agitations by members of the business community, especially, importers and call for drastic reduction of cost of doing business in the country;

The government told us it was constrained by the ECOWAS Common External Tarriffs and, as a result, could not reduce import duties easily, but decided to adopt this method as the best option to alleviate the suffering of Ghanaian businesses and restore peace in the country. This innovative policy worked excellently, calmed down tension, stopped the agitations, as well as helped customs to exceed its revenue target.

The conditions that necessitated the introduction of this benchmark value reduction policy is not only still prevalent but even now exacerbated by the outbreak of the corona virus (Covid-19) pandemic, which has caused global commodity prices to escalate to about 100%, while freight charges also catapulted to over 600% making survival of businesses very difficult.

Therefore, reversing this policy will not only be inimical to the growth of businesses, but will also spark intense protests that may result to unrest in the country, as the atmosphere is already full of tension due to the pronouncement by the Finance Minister.

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Ghana House Building, Behind General Post Office

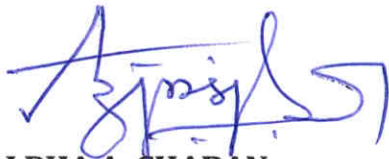
BANKERS: GCB BANK / REPUBLIC BANK

It is needless to mention the diabolical, insensitive and irrational lobbying of the government by the AGI to perpetrate obnoxious policy against their local competitors in the business arena.

Their bane lies in their lack of understanding of modern business and failure to acknowledge the real factors militating against their performance as an industry, coupled with their own inefficiencies and should not blame imports for their uncompetitiveness.

AGI should stop driving a wedge between local manufacturers and other key players in the private sector because their attitude has the potential of growing risk of unity among members of the private sector which will not help the developmental agenda of the government.

In view of all the aforesaid, we are stating without any equivocation that we shall not accept the reversal of the benchmark value reductions policy, which we hope the government will, with all due respect, listen to our voice and avert any rift and unrest in the country.



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