



USDA Foreign Agricultural Service

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Ghana

Trade Policy Monitoring

Removal of Import Duties

2008

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Report Highlights:

President John Agyekum Kufuor on Friday June 13, 2008 signed into law an amendment of the Custom and Excise (Duty and other Taxes) Act 2008, which removes import duties on rice, wheat, yellow corn and other products.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Lagos [N1]
[GH]

Executive Summary

President John Agyekum Kufuor on Friday June 13, 2008 signed into law an amendment of the Custom and Excise (Duty and other Taxes) Act 2008, to remove import duties on rice, wheat, yellow corn and "crude vegetable oils for soap and food manufacture." The latter phrase refers to crude vegetable oil imported for industrial uses and not for direct human consumption. The duty on these products had previously been 20 percent.

This move forms part of a number measures announced by President John Agyekum Kufuor on May 22, 2008 to cushion Ghanaians against the escalating food prices. As a large percentage of food consumed in Ghana is imported, skyrocketing global prices has had a severe impact on Ghanaian consumers. The aim of the bill is to stabilize prices of these commodities on the local market. It would constitute a criminal offence for anyone to attempt to re-export the items, now tax-exempt purposely for the benefit of the local market. A statement issued in Accra and signed by Mr. Andrew Awuni, Press Secretary and Presidential Spokesman stated "With this law now operational, it is expected that importers would benefit from the removal of duties and other taxes and subsequently pass on such benefits to the end consumers." No timeframe was given for how long the duties will be removed.

Ghana is a significant buyer of U.S. rice and wheat, and represents the largest market in West Africa for U.S. rice exports.