

**AGI NATIONAL COUNCIL STRATEGIC WORKSHOP HELD FROM
FEBRUARY 3 TO 4, 2017 AT PEDUASE
COMMUNIQUE**

The Association of Ghana Industries (AGI), at its Annual National Council Strategic Workshop held from February 3 to 4, 2017, at *Peduase*, on the theme "Ensuring Effective Implementation of Government Policies" considered the new era of Industrialization and how AGI should position itself strategically in ensuring an effective collaboration with the new Government for private sector growth. The workshop underscored the need for effective implementation of policies, coupled with stable macro-economic conditions to give impetus to sustainable economic growth and the development of the Ghanaian economy.

The AGI Council re-affirmed its commitment to support Government to chart a path that will ensure effective implementation of policies such as the one-district one-factory initiative, strategic anchor industries initiative and the industrial sub-contracting which will impact positively on the private sector growth. AGI believes the unmet macro-economic targets and the poor performance of the manufacturing sub-sector over the years are also a reflection of lack of policy credibility and commitment to effective policy implementation.

The National Council of AGI therefore took a critical look at a number of issues and recommends the following to Government;

1. High Cost of Electricity

AGI is calling for efficiency in power generation, transmission and distribution to drive down the high electricity tariffs. The current technical and commercial losses of over 23% of power generated is unacceptable. The PURC must enforce the performance benchmarks for the utility companies to ensure value for money.

Consistent with the new Government's agenda, AGI urges the new Government to review the tariff structure, not to disadvantage Industry.

The current tariff regime where Industry subsidizes residential power users continues to render Industry uncompetitive

2. Multiplicity of Taxes

Multiplicity of taxes remains a major challenge facing businesses, significantly adding up to the cost of doing business in the country and thereby making Ghanaian businesses uncompetitive. It is for this reason that AGI welcomes Government's intention to reduce a number of taxes that impact negatively on businesses. The Association would like to see the full implementation of such manifesto promises within the shortest possible time.

3. Export Market Development

The National Council recognizes the critical role of export development in shoring up the cedi, improve the country's balance of trade, as well as changing the structure of the economy.

The new Government must therefore expedite action on the operationalization of the Ghana EXIM bank to address the medium to long-term financing needs of businesses operating in the export sector.

4. Empowering local businesses

The AGI Council emphasized the need to empower local businesses through Government procurement and local content arrangements in all strategic sectors of the economy. Government's intention of to "pass legislation to require that at least 70% of all Government of Ghana, taxpayer-financed contracts and procurements be executed by local corporate entities" is laudable and will receive the full support of the Association.

AGI reiterates its endorsement of the creation of the new Ministry of Business Development and Investment and will work with this Ministry and the Ministry of Trade and Industry to help achieve the desired complementary roles in promoting growth in the manufacturing sub-sector as the seed bed of Industrialization in the country.

AGI further urges its members to position themselves to take advantage of the various industrial initiatives of the new administration to grow their businesses and remain committed to the course of the Association.

To this end, AGI regional Chairs, Sector Executives and their respective members should initiate programmes that are in line with Government's proposed initiatives for industrial development.

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AGI President

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