

# THE AGI BUSINESS BAROMETER

## SUMMARY OF RESULTS QUARTER 1, 2023

Presenter  
**Seth Twum-Akwaboah, AGI CEO**



May 2023

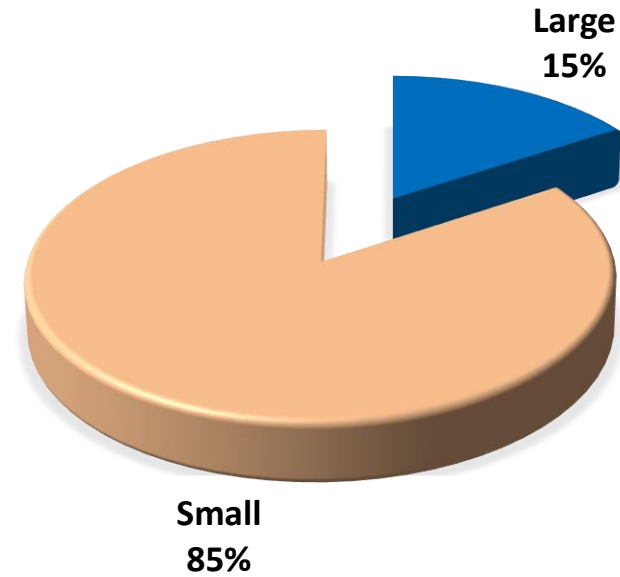
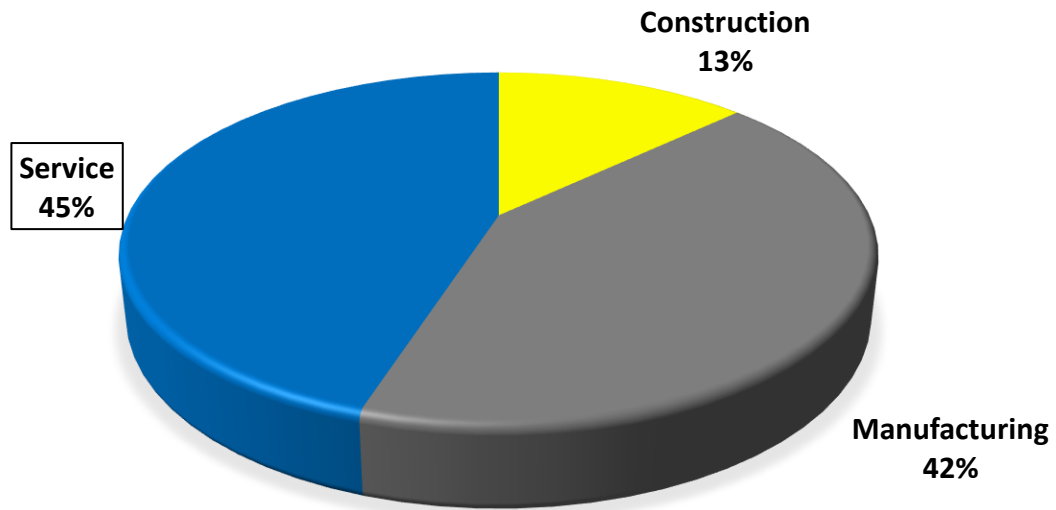
# Introduction

The Association of Ghana Industries (AGI) is the leading private sector organization in Ghana, representing a diversity of 22 sectors. Currently AGI's membership stands at over 1,500. Through its membership and executives, AGI is represented in major economic forums and public private dialogue within the country. The AGI Business Barometer (AGI BB) is a quarterly survey and an AGI proprietary tool that measures the level of confidence in the business quarterly and predicts short-term business trends. It also elicits valuable feedback from members across Ghana to guide future policies and strategies, particularly advocacy for an improved business environment.

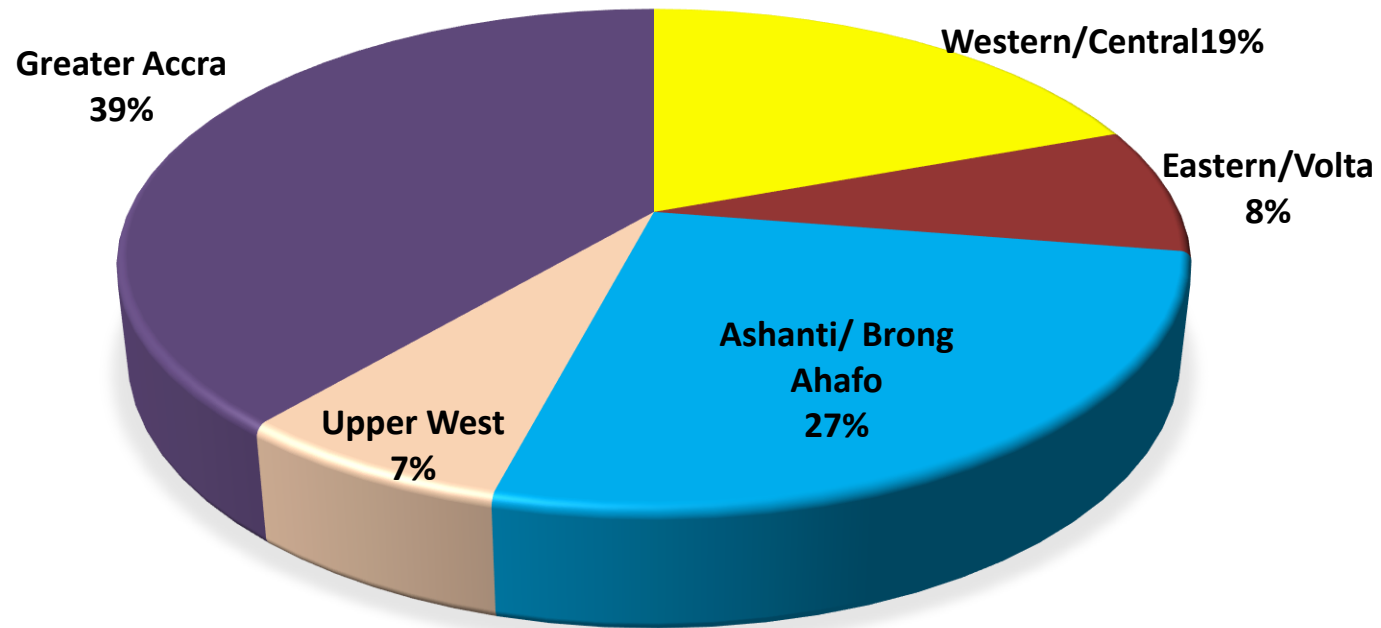
Being an integral part of AGI's evidence-based advocacy framework, the Barometer equips the Association with empirical data for dialogue and to wield more influence on Government decisions and policies.

This survey was conducted online and partly face-2-face.. Online questionnaire was scripted in Cognito forms and shared with AGI members through a link to self-administer. This survey captured a few non-members as well.

Data analysis combined responses from all respondents and therefore presents findings based on aggregate data for the period Q1, 2023.

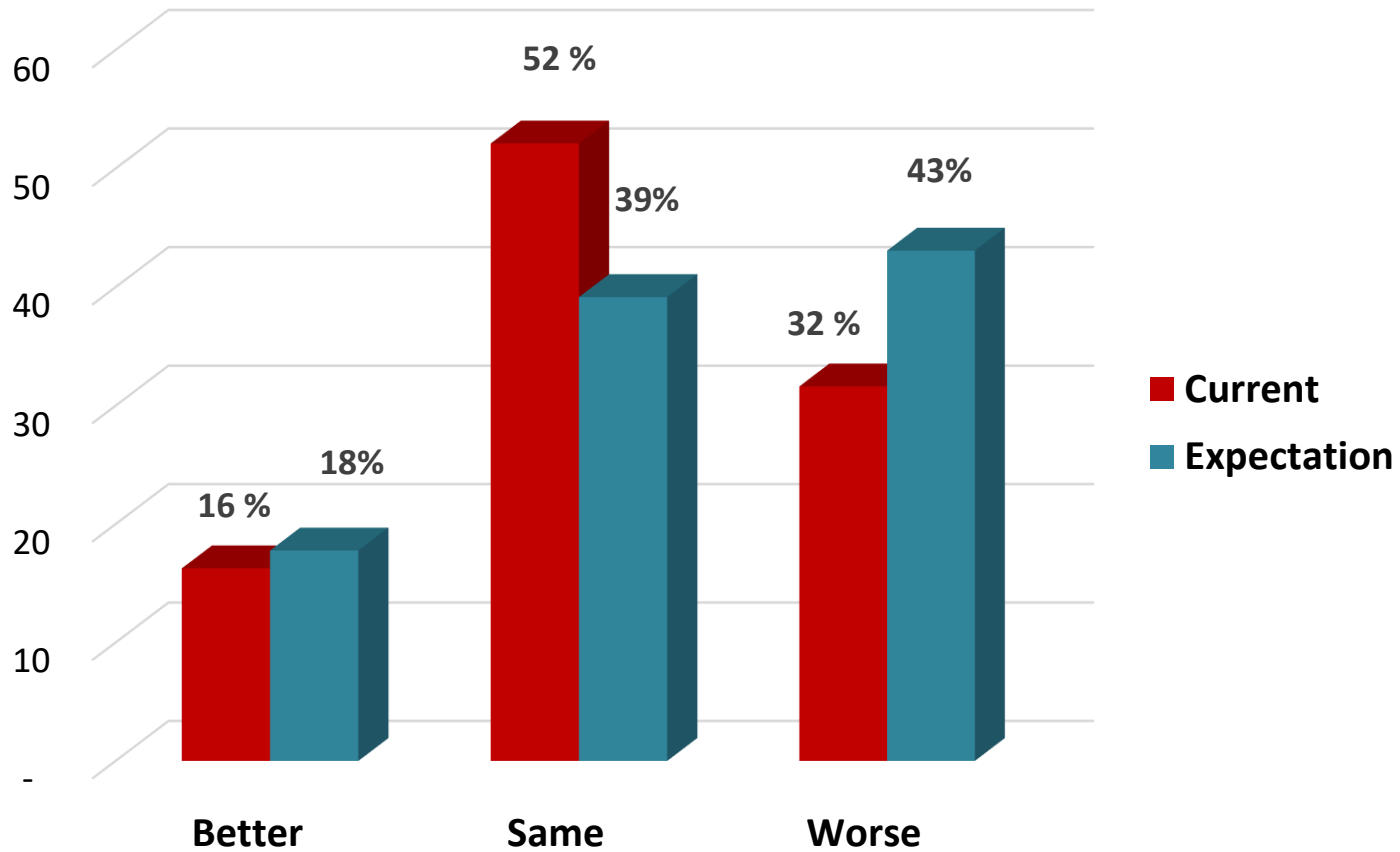


## Sample Distribution By Region

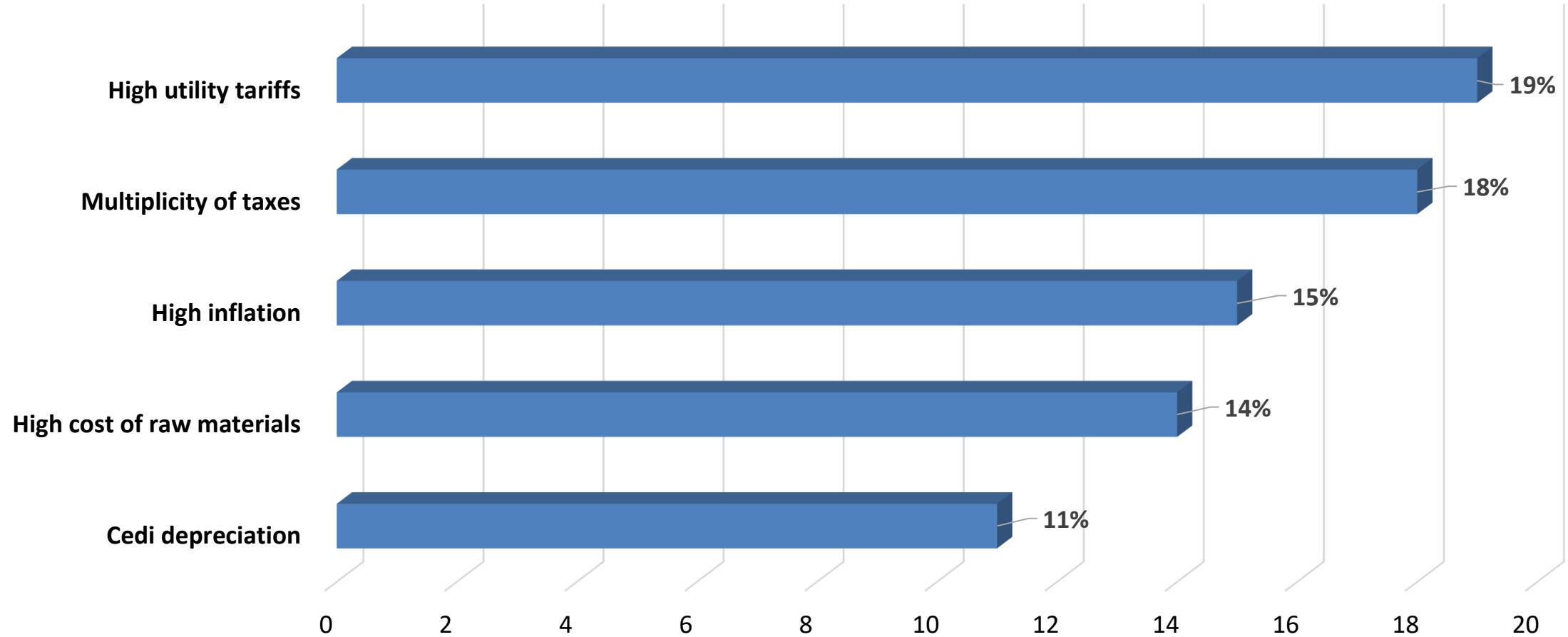




# Overall Perception of Business Performance (Jan. to March)

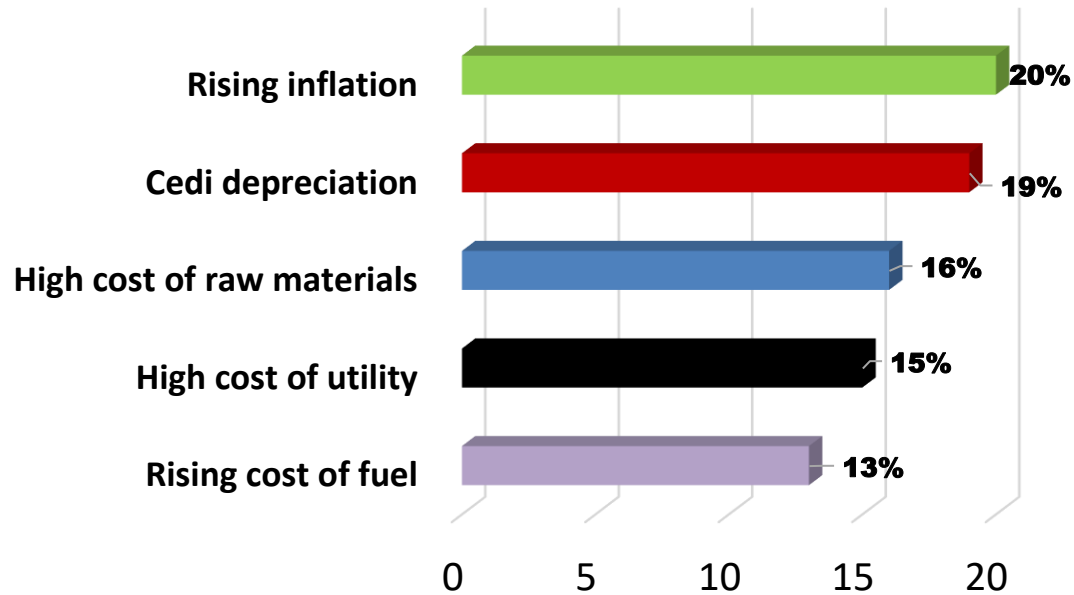


# Top 5 Major Challenges Q1, 2023

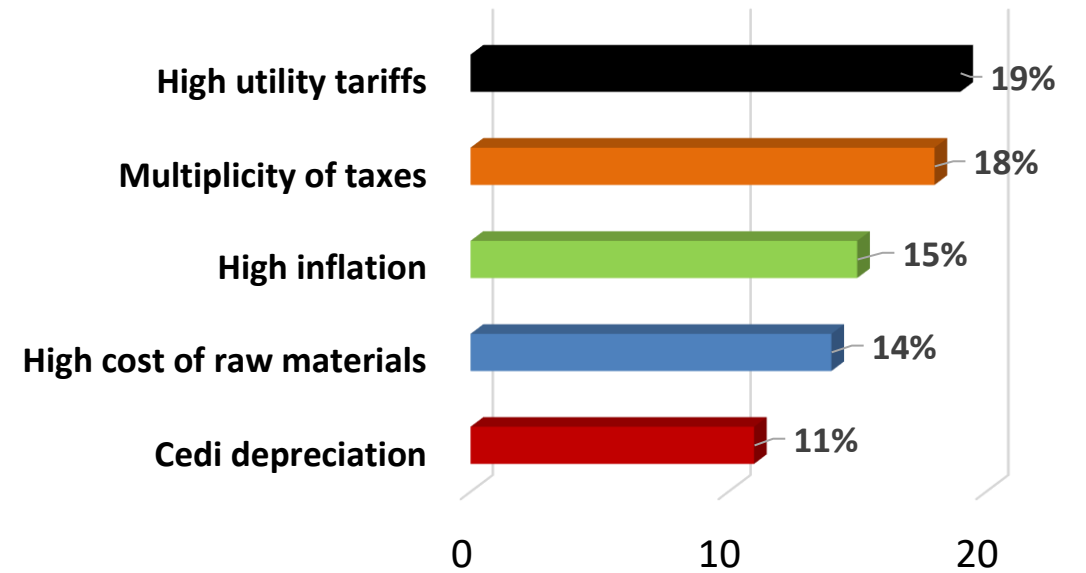


# Top 5 Major Challenges, Q4- 2022 vs Q1- 2023

## Q4, 2022



## Q1, 2023



## Top 3 major challenges by Sector/Size

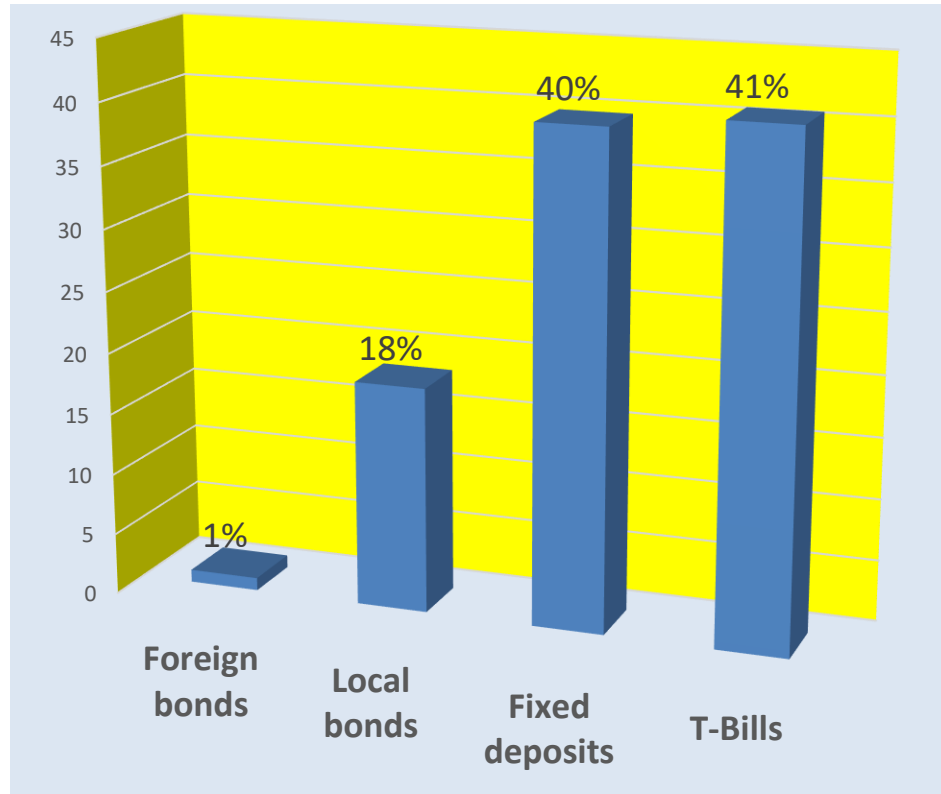
| Sector               | 1st                        | 2nd                   | 3rd                        |
|----------------------|----------------------------|-----------------------|----------------------------|
| <b>Manufacturing</b> | High utility tariffs       | Multiplicity of taxes | High cost of raw materials |
| <b>Service</b>       | High utility tariffs       | Multiplicity of taxes | High inflation             |
| <b>Construction</b>  | High cost of raw materials | Multiplicity of taxes | High inflation             |

| Size of Biz                  | 1st                        | 2nd                   | 3rd                   |
|------------------------------|----------------------------|-----------------------|-----------------------|
| <b>Small</b>                 | High utility tariffs       | Multiplicity of taxes | High inflation        |
| <b>Medium</b>                | High cost of raw materials | High utility tariffs  | Multiplicity of taxes |
| <b>Large/ African Giants</b> | Multiplicity of taxes      | High utility tariffs  | High inflation        |

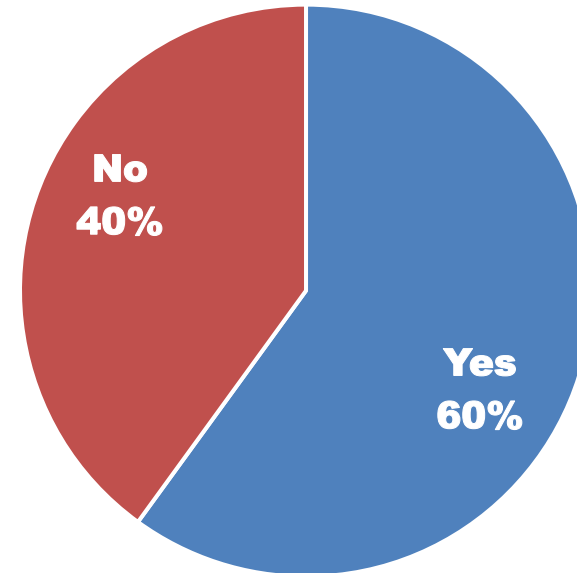


# Investments

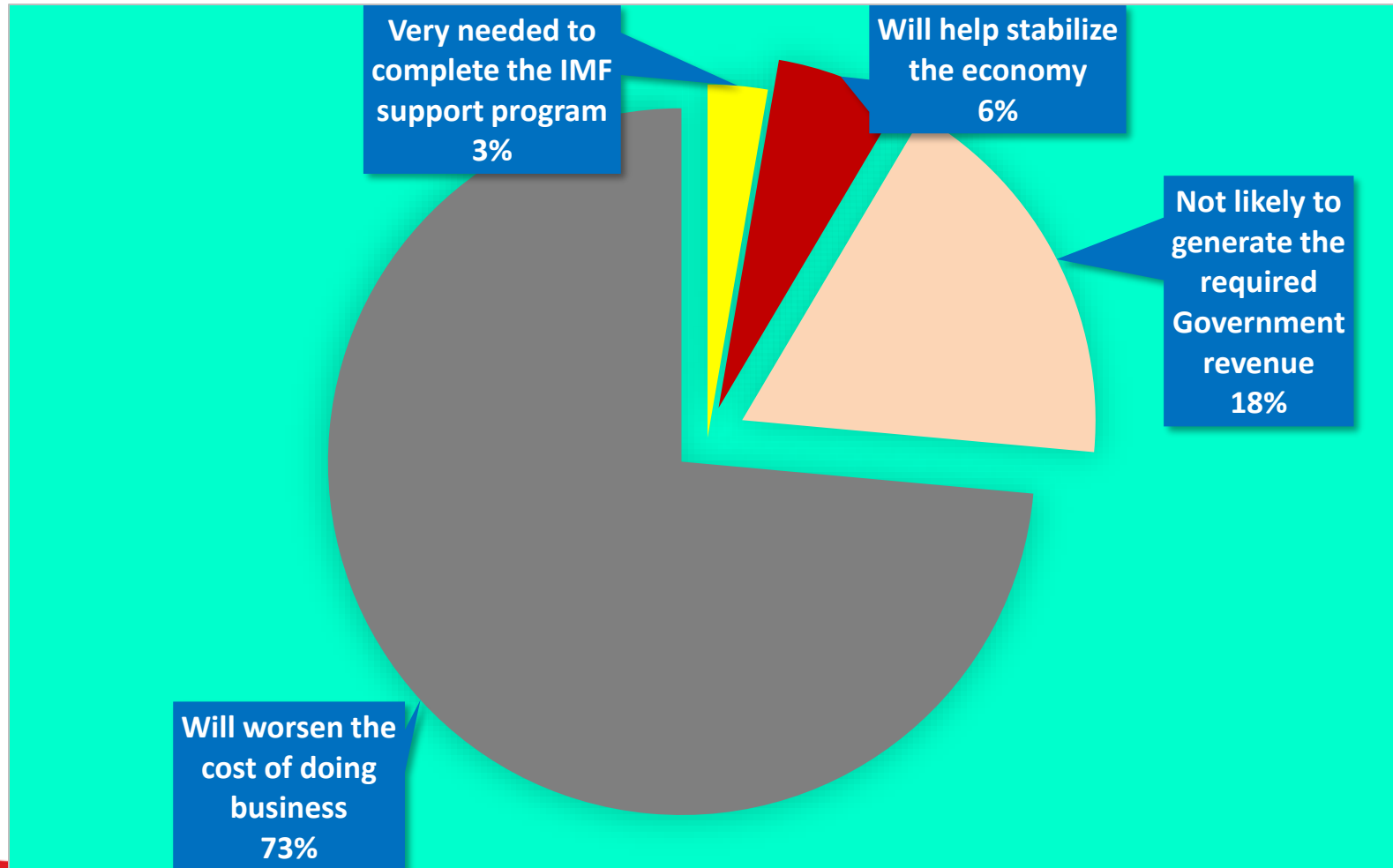
## Investment type before DDEP



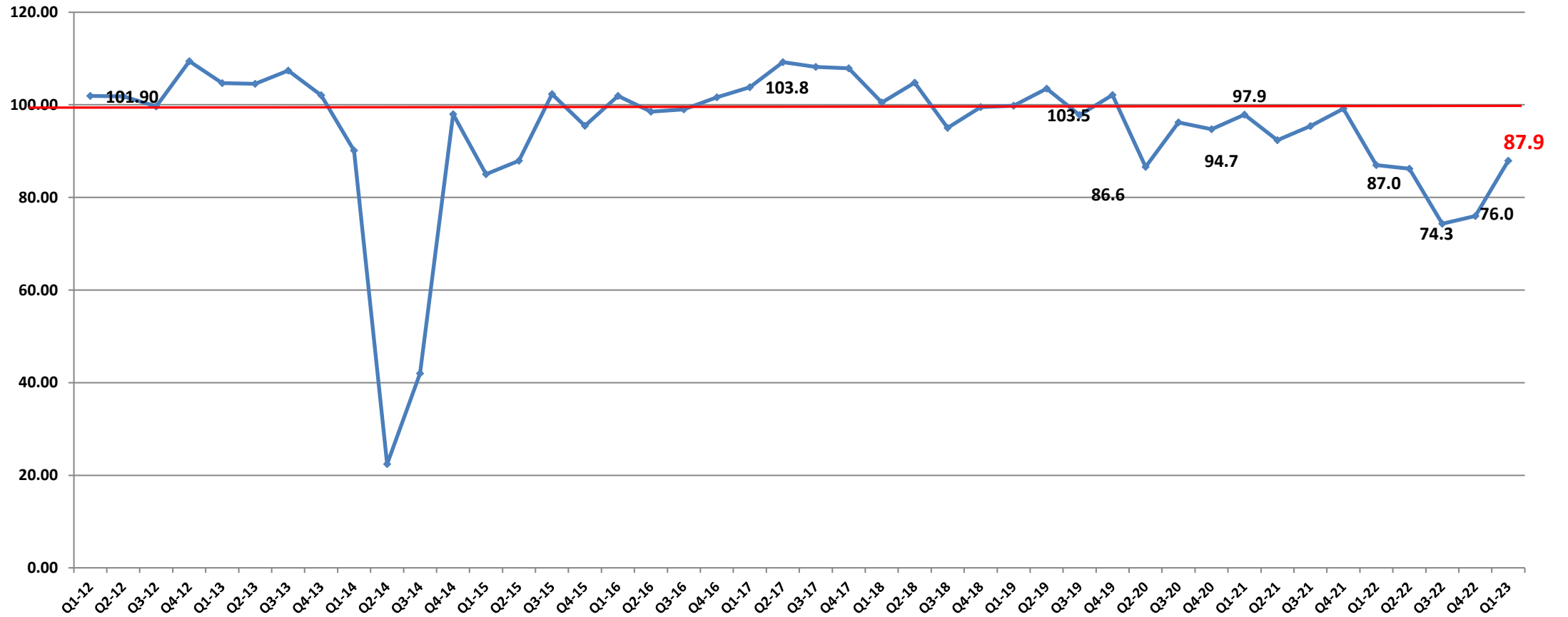
## Was investment affected by DDEP ?



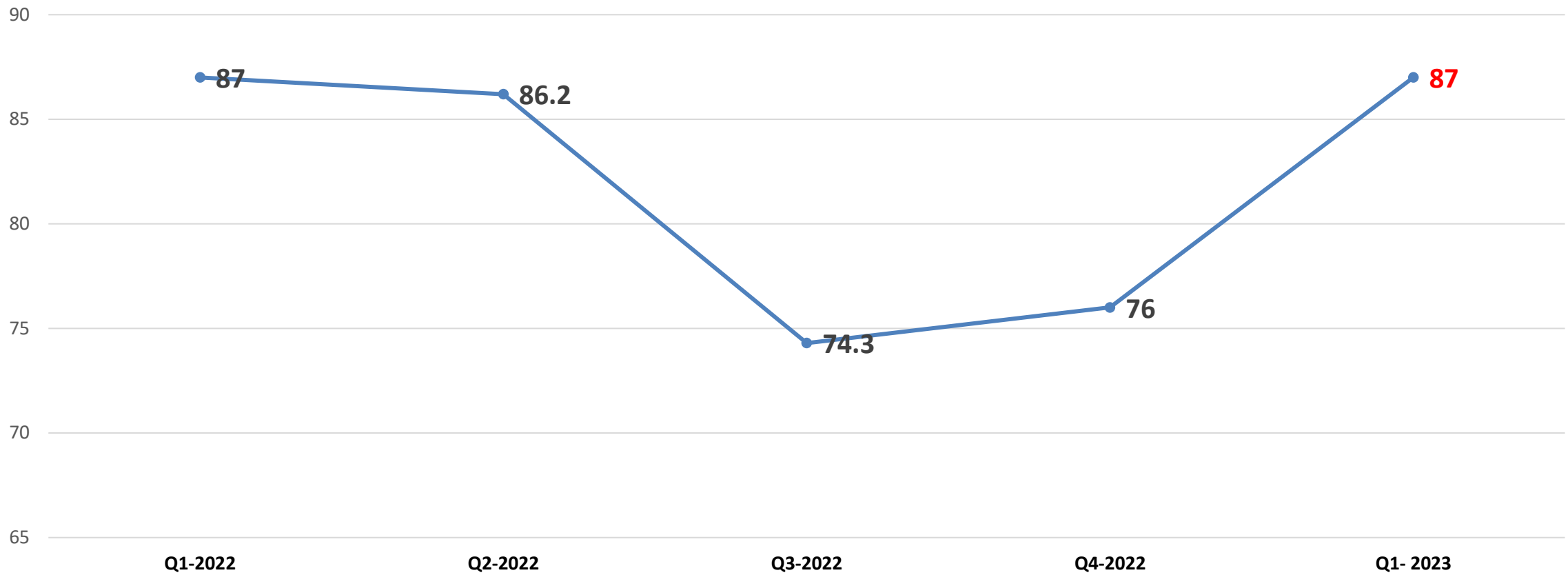
## Views about Excise Duty levy, Growth & Sustainability levy, Income Tax Amendment Bills



# Business Confidence Index Q1, 2023



### Q1, 2022 to Q1, 2023



# Conclusions

- Responses reflect changes in macro-economic environment
- Signs of recovery began to show and business confidence rebounds.
- Cedi gained strength, yielding some stability and rising cost of fuel disappears among top five challenges. Steady decline in headline inflation, but still high (Q1 average of 49%), far from  $8\pm 2$  percent medium term target.
- However, multiplicity of taxes emerged among top five challenges first time in twelve months
- New revenue measures and high utility tariffs could stifle investments, growth in real sector and employment prospects, going forward.

# THANK YOU !

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