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Voluntary - Public

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Restoration of Import Duties

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On Wednesday November 17, 2009 in the Government of Ghana (GOG) 2010 budget statement, the Minister of Finance and Economic Planning, Dr. Kwabena Duffour, announced the GOG's intention to restore custom duties on imported rice, wheat, yellow corn and vegetable oil that was removed in May 2008.

General Information:

On Wednesday November 17, 2009 the Government of Ghana (GOG) 2010 budget statement, the Minister of Finance and Economic Planning, Dr. Kwabena Duffour, announced the GOG's intention to restore duties on imported rice, wheat, yellow corn and vegetable oil. In the face of very high global food prices, in May 2008, the GOG had amended the Custom and Excise (Duty and other Taxes) Act 2008 to remove the duties on these items in order to cushion Ghanaians against the impact of escalating food prices. Dr. Duffour has now urged Parliament to quickly pass an amendment re-imposing the duties by January 2010. According to the GOG, the removal of the duties has led to loss of revenue to government and has boosted "dumping" of imported food items. These duties had previously been 20 percent.

In addition to the resumption of these duties, the GOG has also stated its intention to levy additional duties (not specified yet) on rice, poultry and fish imports in order to reduce imports and support local production. The Minister of Finance has stated that these duties are part of a larger framework to modernize the agricultural sector in order to speed Ghana's development. For Rice the GOG has stated its intention to put in measures to reduce importation of rice into the country by 20 percent in 2010 and a further reduction of 35 percent by 2012. It is not yet clear if these additional duties would still be consistent with Ghana's regional and international commitments.