

Ghana moves up Ease of Doing Business Index

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Ghana has moved an impressive 13 places up on the Trading Across Borders in the latest World Bank Ease of Doing Business Report, an indication that the Ghana National Single Window (GNSW) programme initiated by the government is already paying off.

The Doing Business 2017 report, titled 'Equal Opportunity for All', released last week, showed that Ghana was placed at position 108 out of 190 countries surveyed in the Overall Ranking of Ease of Doing Business - an improvement from 111 in the previous report.

In the sub-Saharan Africa sub-region, Ghana ranked in the Top 10, coming 9th, out of the 47 countries ranked in the region. This is evidence that the Government of Ghana is pursuing active reforms to ensure the Ease of Doing Business in Ghana. The Top 10 countries in the region are Mauritius, Rwanda, South Africa, Botswana, Kenya, Seychelles, Zambia and Lesotho.

In the “Trading Across Borders” Indicator, one of the 10 indicators measured, Ghana improved by 13 places, coming in at 154 from a previous ranking of 167. This indicator showed that the country recorded the most improvement in the ease of doing business reforms, compared with the other nine indicators, with the next improvement achieved by the “Resolving Insolvency” Indicator; an improvement of three places.

The “Trading Across Borders” rankings measure the time and cost (excluding tariffs) associated with three sets of procedures: documentary compliance, border compliance and domestic transport; within the overall process of exporting or importing a shipment of goods – One of the Key Performance Indicators (KPI) adopted by the Ghana National Single Window Programme.

"Ghana made trading across borders easier by removing the mandatory pre-arrival assessment inspection at origin for imported products," the annual report stated.

According to the report, Ghana is among the economies that heavily invested in electronic systems to facilitate trade. In September 2015, it implemented the first phase of its national single window and ended the contract with Destination Inspection Companies for its Pre-Arrival Assessment programme.

Customs classification report

The certificate of valuation report, which previously was issued by Destination Inspection Companies after a documentary inspection, is no longer required to import goods into Ghana. Instead, the Customs Division of the Ghana Revenue Authority now processes the Customs Classification and Valuation Report (CCVR) through the Pre-Arrival Assessment Reporting System (PPARS), a component of the single window.

"Through the PPARS system, customs brokers and freight forwarders can submit an application form online, attaching scanned supporting documents, and upon assessment by a customs official, the CCVR is approved electronically. Because imported products are no longer subject to documentary inspection at origin, documentary compliance time for imports decreased by 206 hours in 2016," it reported.

The Chief Executive Officer of WestBlue Consulting, technical partners of the GNSW project, Madam Valentina Mintah, in an interview, stated that the improvements in the rankings were indeed evidence of true collaboration between all stakeholders, and the much-needed political and government support right from the top.

She further stated that looking at Ghana's previous performance in that area and the rankings of other countries who had embarked on this journey, it was evident that the successful implementation of Single Window was not just about IT systems, but rather a reform programme driven by people and only facilitated by technology.

"Ghana is indeed developing a credible case story and the key success factor of this programme is the political will and leadership, complemented by true dialogue and collaboration among stakeholders."

She also stated, that “Whereas we are pleased with this improvement in our first year of operation of decreasing documentary compliance time by 206 hours, among others, it only indicates that further hard work is required to move us to an improved ranking where Ghana truly belongs. The reward, as they say for hard work, is even more hard work”. She further went on to thank all the stakeholders, private and public, whose hard work and commitment had resulted in the improvements in the way Ghana was perceived on the global scene.

Index rankings

The Ease of Doing Business Index ranks economies from one to 190. For each economy, the ranking is calculated as the simple average of the percentile rankings on each of the 10 topics included in the index in Doing Business 2017.

The topics were: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency.

The World Bank Group’s annual ease of doing business report observed that sub-Saharan Africa economies carried out a record number of reforms in the past year to improve the business climate for local entrepreneurs.

The region’s economies reformed most in the areas of Resolving Insolvency with 18 reforms and Starting a Business. Nigeria, Rwanda and South Africa, for example, made starting a business easier by introducing or improving online portals.