

Economic News

'Lack of bond guarantee hampering ECG takeover—IES'

The Institute of Energy Security (IES) has stated that the delay in announcing the takeover of the Electricity Company of Ghana (ECG) by Power Distribution Services (PDS) is due to the latter's refusal to provide a bond guarantee. The Millennium Development Authority (MiDA) announced in January that PDS was scheduled to take over ECG on February 1, but the deal was postponed. Power Distribution Services whose major shareholder is Filipino company Meralco consortium was expected to take over the ECG on the 1st of February. The takeover was however postponed by MiDA. Speaking on the issue, the Executive Secretary of the IES, Paa Kewsi Anamuah Sakyi disclosed that the refusal of PDS to provide a bond guarantee was the cause of the delay. He maintained that PDS wants to first takeover the ECG before raising a bond with the assets of the ECG. [Source: Citifmonline.com](#)

'PIAC seeks info on physical infrastructural projects nationwide'

The Public Interest Accountability Committee (PIAC) Secretariat has called on the Ministry of Finance and Economic Planning (MoFEP) to provide it with information on all physical infrastructural projects it intends to fund with petroleum revenue in the country in 2019. This, according to the PIAC, an independent statutory body mandated to promote transparency and accountability in the management of the nation's petroleum revenue would enable it to track and monitor such projects to avoid misappropriation of petroleum revenue. Dr Steve Manteaw, a policy analyst and Chair of PIAC, said the Committee had adopted some measures to ensure that the Metropolitan, Municipal and District Assemblies in the country would utilise petroleum revenues for their intended purposes. He said PIAC has finalised the processes and very soon it would sign a Memorandum of Understanding (MoU) with the Economic and Organised Crime Office to be able to facilitate prosecution of assemblies that would misappropriate petroleum revenue. [Source: Citifmonline.com](#)

'Inflation seen rising to 11% due to weak cedi'

Despite a drop in last month's inflation, the Economist Intelligence Unit (EIU) is forecasting that the local currency's weak performance will undo the work done by the central bank to tame inflation. Average consumer prices, which dropped to a six-year low of 9% last month, are being projected by the EIU in its latest country report to rise to 11% this year – owing to massive pressure on the cedi. The Bank of Ghana last year depleted its reserves to shore-up the cedi; but the pressure on the cedi continues amid tightening of the US monetary policy combined with other domestic factors, making the dollar too strong for the local currency. "We forecast that inflation will remain elevated in 2019, edging up to 11%, as the weaker cedi—combined with modest growth in private consumption—continues to drive increases in consumer prices," the business advisory firm said. [Source: Bftonline.com](#)

'Only 2% in informal sector pay taxes'

The informal sector constitutes 70 % of the business arena – but just 2% of them pay their taxes. Mr. Richard Hakeem Quainoo – a Chief Revenue Officer of the Ghana Revenue Authority who announced this on Wednesday – also stated that only 1.5m of the expected six million taxpayers honoured their responsibilities, with 200,000 being from the informal sector. Mr. Quainoo was addressing a Sensitisation Programme in Accra for informal business groups on National Tax Policies and ways of Ensuring Compliance. SEND Ghana, a Non-Governmental Organisation, organised the programme.

[Source: Bftonline.com](#)

Corporate News

'Yara Ghana Opens new Fertiliser Terminal and blending facility'

As part of its commitment to the development of the agricultural sector in Ghana, Yara International ASA has invested over USD 15m into a new fertilizer terminal and blending facility in Tema. This terminal, with a storage capacity of over 50,000 tonnes and blending and bagging production rate of over 100 tonnes per hour, will facilitate the ready supply and availability of premium crop nutrition solutions to Ghanaian farmers, enabling them to enhance their productivity and livelihoods. The new Terminal will be formally opened on the 20th of February 2019 with an inauguration ceremony. With the increasing recognition of Ghana as a hub for trade and investment in the West Africa Sub-region and the African continent in general, the new terminal opens several opportunities to the country, Managing Director of Yara Ghana Mr Danquah Addo-Yobo believes. [Source: Bftonline.com](#)

Currency - Interbank	Rate 14 Feb	Rate 15 Feb	%Change
USD/GHS	5.0015	5.0017	0.00
GBP/GHS	6.3899	6.4127	-0.36
EUR/GHS	5.6453	5.6351	0.18
CHF/GHS	4.9663	4.9701	-0.08
CNY/GHS	0.7384	0.7390	-0.08
ZAR/GHS	0.3518	0.3541	-0.65

The cedi stabilised against the US dollar. However, it depreciated against the British pound and appreciated against the euro.