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Kumasi, Ghana: OPPORTUNITIES FOR INVESTORS

Millennium Cities Initiative
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K.M.A



About Kumasi

A growing city of over two million people, Kumasi is a major transportation and commercial hub in West Africa. As the capital of the Ashanti region, Ghana's most populous region, Kumasi provides an impressive workforce and access to a wealth of natural resources. In addition, the city offers an extensive commercial market, including an Ashanti regional market of over 5 million people, a Ghanaian market of 24 million, and a Sahelian market of over 48 million. All of this, combined with Ghana's pro-business culture, makes Kumasi one of the most attractive places for new investment in sub-Saharan Africa.

Recognizing the city's potential, a number of global businesses have already chosen to invest in Kumasi. Agro-processing firm Archer Daniels Midland (ADM) has been operating a cocoa processing facility in Kumasi since July 2009. Coca-Cola and Guinness both have bottling plants in the city. Other major players include Barclays, Standard Chartered and Maersk.

"Our new Kumasi processing plant puts ADM in a stronger position to become the preferred global supplier of cocoa and chocolate solutions."

—John Rice, Executive Vice President of Commercial and Production, ADM



About the Kumasi City Investment Promotion Unit (KCIPU)

The Kumasi City Investment Promotion Unit (KCIPU) provides advisory and support services to both new and existing businesses. Among other things, the unit

- Identifies commercially viable investment opportunities.
- Provides information to potential investors and facilitates site visits.
- Assists investors in obtaining the necessary certificates, approvals, authorizations or permits.
- Connects local businesses with suitable external partners and assists in joint-venture searches.

KCIPU is an outgrowth of the cooperation between the Kumasi Metropolitan Authority and the Regional Partnership to Promote Trade and Investment in sub-Saharan Africa, funded by the Government of Finland and implemented by the Millennium Cities Initiative (MCI). All services are provided free of charge.

Contact KCIPU for more detailed information on investing in Kumasi or to set up a site visit.

The Officer-In-Charge (KCIPU) Kumasi Metropolitan Assembly

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Investment Opportunities

For detailed investment profiles for each sector, visit www.investinkumasi.com or contact KCIPU.

At this time Kumasi offers concrete opportunities in agriculture and agro-processing, real estate, and tourism. In brief:

- Agro Processing: fruit and vegetable processing, cassava and plantain processing and cocoa processing
- Property Development and Real Estate: Affordable housing, parking facilities, and on campus staff and student housing facilities for Kwame Nkrumah University of Science and Technology
- Tourism: Hotels, tour operators, car leasing, and other hospitality services.

Other investment opportunities include retail space, light manufacturing, product packaging and infrastructure, upgrading of historic and cultural assets as tourist attractions. Emerging companies such as MASIG Natural Fruits Limited and Bamboo Bikes Limited currently seek partners.

“Kumasi has much to offer foreign investors. The people are genuinely friendly, the climate is pleasant and opportunities abound in many sectors: hospitality, retail trade, construction and health care, to name a few.”

—Adonis Halaby, Managing Director, Northern Industries, Ltd.



Business Climate

In addition to Kumasi's particular strengths—a well-educated workforce, good infrastructure, and an extensive and growing export market—the Ghanaian Government works continuously to facilitate business development and improve the investment climate. In 2013, Ghana ranked number 5 on the World Bank's Ease of Doing Business in sub-Saharan Africa. A new business can be set up in Kumasi in 10 days.

Availability of Skilled and Semi-Skilled Labour

- Kumasi offers an abundant and inexpensive English-speaking workforce.
- A number of educational institutions contribute to the labour pool, including a leading science and technology university in West Africa, Kwame Nkrumah University of Science and Technology (KNUST), which has a student body of over 31,000.
- Labour costs in Kumasi are relatively lower than in Accra.

Sound Infrastructure

- Kumasi has a good road network and healthy telecommunication industry.
- Ghana's second largest airport is located in Kumasi. Several airlines run daily flights between Kumasi and Accra, with a flight time of about 45 minutes.
- Numerous healthcare facilities are located in the city, including the highly regarded Komfo Anokye Teaching Hospital.

Thriving Market for Goods and Services

- The market for Kumasi's goods and services extends well beyond the city: In addition to the Ashanti Region, with its nearly 5 million people, Kumasi serves as the commercial hub for many of the neighbouring regions, encompassing approximately 12 million people.
- Due to its location on major trading routes from the coast to the interior of West Africa, the city potentially serves an even larger Sahelian market of 48 million people.
- Ghana's membership in the Economic Community of West African States (ECOWAS), with its 250 million people, affords ample opportunities for that market to expand further.

Generous Incentives

- Customs duties exemptions for plant, machinery, equipment and parts.
- Graduated and reasonable corporate tax rates, ranging from 8–25%, and liberal tax holidays.
- Capital allowances on depreciable assets used in the production of income.

For a complete list of incentives as well as investment guarantees, see www.investinkumasi.com.