

GUIDE TO COMPANY REGISTRATION IN GHANA



EMBASSY OF DENMARK
Accra

HOW TO ESTABLISH A SUBSIDIARY IN GHANA THROUGH THE REGISTRATION OF A NEW COMPANY

STEP 1: COMPANY NAME SEARCH AT REGISTRAR GENERAL'S DEPARTMENT (RGD) AND OBTAIN INCORPORATION FORMS

- Conduct your company name search at the RGD in Ghana to ensure the availability of the proposed business name for the company. Company promoters may after the name search apply to have their business name reserved for a period of 30 days.

The business name must be meaningful, relevant and distinctive. Business names that are too similar to existing names are likely to be rejected by the Registrar General's Department. Moreover, the business name must not be offensive and undesirable or violate existing trademarks.

- Fill in relevant application forms (Forms 3 & 4)
 - According to the Companies Act 179, all companies are required to have at least two initial directors and a secretary during the company registration process. At least one of the company directors or secretary must be resident in Ghana.
- Fill in Taxpayer Identification Number (TIN) registration for all company directors, secretary and shareholders
 - All company directors, secretary and shareholders are required to register and obtain a TIN for the purposes of business registration.
- Add Company Regulations
 - Company Regulations may be drawn up by the party proposing to incorporate the company or the standard format which comes with the incorporation forms may be adopted.

STEP 2: APPLY TO THE REGISTRAR-GENERAL'S DEPARTMENT TO OBTAIN INCORPORATION CERTIFICATE

- Submit all required documents to the RGD
 - After forms are duly completed, the directors, secretary and shareholders have to append their signatures on relevant pages before submission to the RGD
 - Form 4 must be authenticated by a Commissioner of Oaths before submission
- Pay stamp duty and business incorporation & filing fees

There are two main statutory fees to be paid at the Registrar General's Department during company registration; these are Stamp duty; Incorporation and filing fees.

 - Stamp duty is 0.5% of the stated capital. For example a stated capital of 100,000 Cedis is equivalent to a stamp duty of $0.5\% \times 100,000 \text{ Cedis} = 500 \text{ Ghana Cedis}$. The minimum amount of stated capital for all 100% Ghanaian owned limited liability companies is 500 Cedis.
 - However, companies with joint foreign ownership or 100% foreign ownership have different stated capital requirements. They are required to comply with the GIPC Act 865

regarding minimum equity requirements. The stated capital requirements for companies in these categories are;

- Joint venture between foreigner and Ghanaian – US \$ 200,000
- 100% foreign ownership – US \$ 500,000
- Trading enterprise (whether jointly owned or 100% foreign owned) – US \$1,000,000

N.B: Stated capital can either be in the form of cash or kind.

- Incorporation and filing fees are also required to be paid upon submission of completed business registration forms.

STEP 3: COLLECT BUSINESS REGISTRATION CERTIFICATES

- Upon submission of forms, one should expect to have the process completed in 2 weeks, after which the following documents will be issued;
 - Certificate of incorporation
 - Certificate of commencement
 - Form 3 & 4
 - Company regulations

These are the legal documents of proof of company's existence in Ghana. The documents will indicate clearly the business name, activities, business address, directors' details, company TIN as well as shareholders information among others. The business certificates can be used for any business transaction or open a corporate bank account with any of the commercial banks in Ghana.

STEP 4: REGISTER WITH THE GHANA INVESTMENT PROMOTION CENTRE (GIPC)

All investors are required to complete Investor Registration Forms and pay the applicable fees

Below are the relevant fees and costs applicable at GIPC:

CATEGORY	*GH ¢
1. REGISTRATION	
a) Wholly Ghanaian Owned Business (Trading)	5,000.00
b) Wholly Ghanaian Owned Business (Others)	500.00
c) Joint-venture (i.e. \$200,000 minimum foreign equity)	3,000.00
d) Wholly Foreign (i.e. \$500,000 minimum foreign equity)	6,800.00
e) General Trading (i.e. \$1,000,000 minimum foreign equity)	13,500.00
f) Renewal (Every 2 years) – Joint Venture & Foreign Owned	1,500.00
g) Renewal (Every 2 years) – Wholly Ghanaian Owned	300.00
h) Liaison Office	20,300.00
i) Certificate Replacement	300.00
j) Certified True Copy (Certificate, Letters, etc.)	200.00
2. STRATEGIC PROJECTS	
a) Processing Fee for Strategic Projects	5,400.00
a) All Strategic Investment Approvals	54,000.00
3. EXEMPTIONS	
a) Invoice Value up to \$100,000	1,500.00
b) Invoice Value up to \$250,000	2,700.00
c) Invoice Value up to \$500,000	4,000.00
d) Invoice Value up to \$750,000	6,800.00
e) Invoice Value up to \$1,000,000	8,100.00
f) Invoice Value up to \$1,500,000	9,500.00
g) Invoice Value up to \$2,000,000	13,500.00
h) Invoice Value greater than \$2,000,000	20,300.00
4. TECHNOLOGY TRANSFERS	
Initial application (Max. 10 years)	
Renewals (Max. 5 years)	
a) Processing Fee	2,700.00 p.a
b) Transfer Value up to \$500,000 per annum	6,800.00 p.a
c) Transfer Value up to \$750,000 per annum	13,500.00 p.a
d) Transfer Value up to \$1,000,000 per annum	20,300.00 p.a
e) Transfer Value up to \$1,500,000 per annum	27,000.00 p.a
f) Transfer Value up to \$2,000,000 per annum	40,500.00 p.a
g) Transfer Value greater than \$2,000,000 per annum	54,000.00 p.a
5. QUOTA/WORK PERMITS	
a) Automatic Quota	1,500.00
b) Replacement of Automatic Quota	1,500.00
c) Substitution of Quota Letters (Automatic & Short-term Permit)	500.00
d) Short-term work permit: 1 year & below	6,800.00
e) Short-term work permit: 2-3 years	9,500.00
f) Short-term work permit: 4-5 years	13,500.00

STEP 5: REGISTRATION WITH GHANA REVENUE AUTHORITY (GRA)

- All enterprises must register for purposes of statutory tax e.g. taxes, rebates and exemptions.

STEP 6: APPLY FOR BUSINESS LICENSES AT THE METROPOLITAN AUTHORITY

- The registration fee depends on the type of business and the category in which it falls based on their turnover. Documents to be submitted also depend entirely on the type of enterprise. Restaurants for example, must have permits from the Fire department, Town & Country Planning Authority, inspection certificate from the Ghana Tourist Board, etc.

STEP 7: APPLY FOR SOCIAL SECURITY

- To register, attach the list of employees, salaries, their Social Security Numbers and the company's Certificate of Incorporation and Certificate to Commence Business.

STEP 8: ENVIRONMENTAL IMPACT ASSESSMENT CERTIFICATE

- Apply and obtain Environmental Permit (EP) with the Environmental Protection Agency (EPA).

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