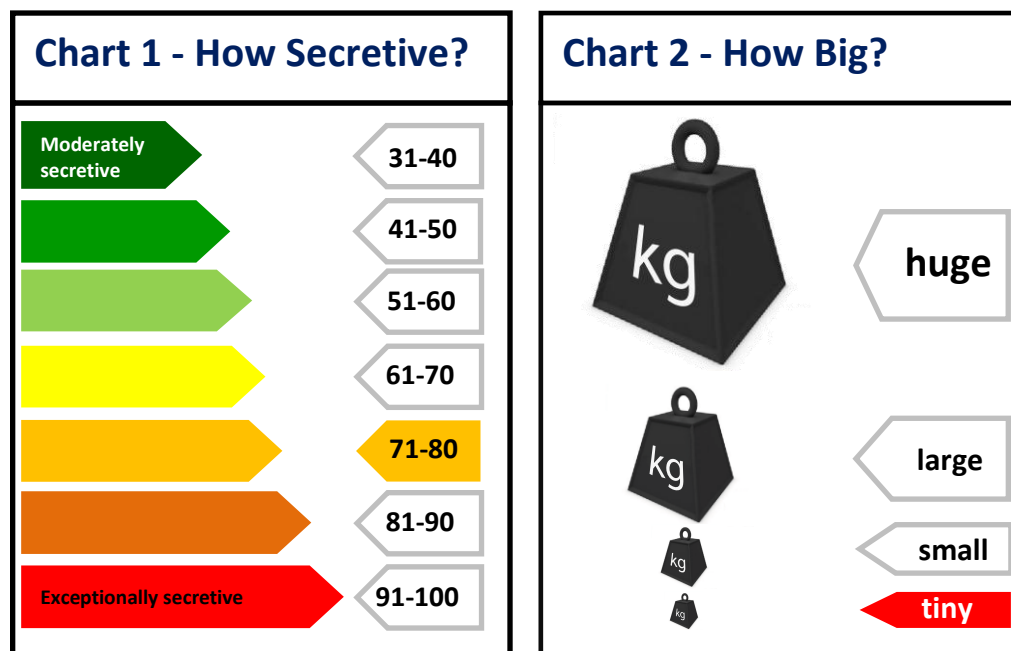


Report on Ghana

Ghana is ranked at 45th position on the 2011 Financial Secrecy Index. This ranking is based on a combination of its secrecy score and a scale weighting based on its share of the global market for offshore financial services.

Ghana has been assessed with 79 secrecy points out of a potential 100, which places it towards the top end of the secrecy scale (see chart 1 below).

Ghana accounts for under 1 per cent of the global market for offshore financial services, making it a tiny player compared with other secrecy jurisdictions (see chart 2 below).



Part 1: Telling the story

The proposal to establish Accra as an International Financial Services Centre (IFSC) was originally mooted in 2004, and by June 2005 the Government under President John Dufour had signed a Memorandum of Understanding with Barclays Bank of Ghana, to further investigate the potential for creating an IFSC.

The regulatory environment for offshore companies was drafted in 2007, but the entire project was put on hold by the Ghanaian parliament in 2008.

In a move to avoid blacklisting by the OECD, the new government under President John Atta Mills revoked Barclays Bank's offshore banking license with effect from June 2011, but the legal framework establishing the IFSC has not been revoked, making it easy to revive the project at a later stage.

Other challenges remain outstanding if Ghana is to improve on its weak secrecy score of 79. Notably, steps need to be taken to improve access to company ownership, to require disclosure of information about trusts, and to strengthen anti-money laundering processes.

Quotations and Links

"The last thing Africa needs is a tax haven in the centre of the African continent." - Jeffrey Owens, former director of OECD's Centre for Tax Administration

Christensen, J. (2009) Africa's Bane: Tax Havens, Capital Flight and the Corruption Interface (WP) John Christensen WP 1/2009 - 8/1/2009 – available at:

http://www.realinstitutoelcano.org/wps/portal/rielcano_eng/Content?WCM_GLOBAL_CON TEXT=/elcano/elcano_in/zonas_in/sub-saharan+africa/dt1-2009

<http://www.guardian.co.uk/business/2010/jan/19/ghana-oecd-tax-haven-warning>

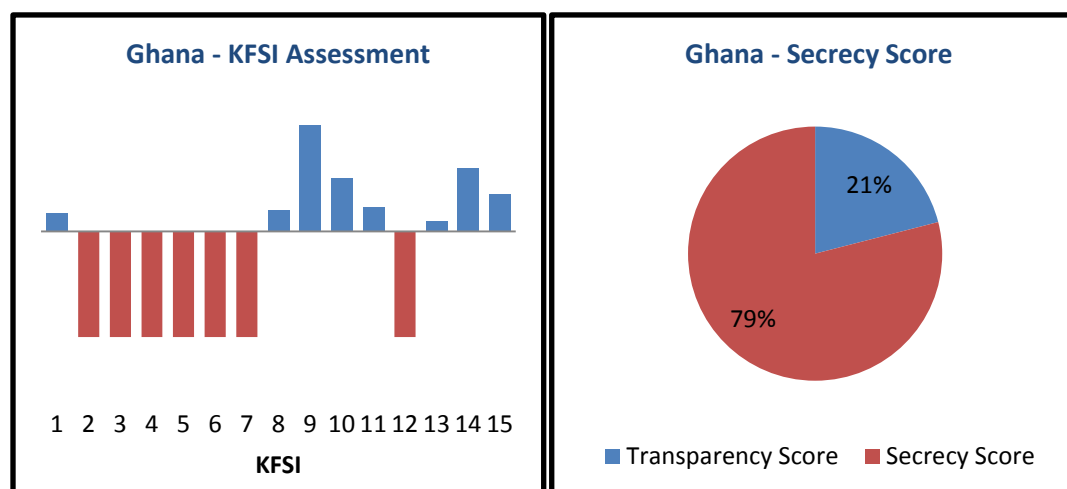
<http://news.peacefmonline.com/news/201003/39844.php>

Next steps for Ghana

Ghana's 79 per cent secrecy score shows that it must still make major progress in offering satisfactory financial transparency¹. If it wishes to play a full part in the modern financial community and to impede and deter illicit financial flows, including flows originating from tax evasion, aggressive tax avoidance practices, corrupt practices and criminal activities, it should take action on the points noted where it falls short of acceptable international standards. See part 2 below for details of Ghana's shortcomings on transparency. See this link <http://www.secrecyjurisdictions.com/kfsi> for an overview of how each of these shortcomings can be fixed.

Part 2: Secrecy Scores

The secrecy score of 79 per cent for Ghana has been computed by assessing the jurisdiction's performance on the 15 Key Financial Secrecy Indicators, listed below.



The numbers on the horizontal axis of the bar chart on the left refer to the Key Financial Secrecy Indicators (KFSI). The presence of a **blue** bar indicates a positive answer, as does **blue** text in the KFSI list below. The presence of a **red** bar indicates a negative answer as does **red** text in the KFSI list. Where the jurisdiction's performance partly, but not fully complies with a Key Financial Secrecy Indicator, the text is coloured **violet** in the list below (combination of red and blue).

This paper draws on key data collected on Ghana. Our data sources include regulatory reports, legislation, regulation and news available at 31.12.2010². The full data set is available [here](#)³. Our assessment is based on the 15 Key Financial Secrecy Indicators (KFSIs, below), reflecting the legal and financial arrangements of Ghana. Details of these indicators are noted in the following table and all background data can be found on the [Mapping Financial Secrecy web site](#)⁴. This data is the basis on which the [Financial Secrecy Index](#)⁵ is compiled.

The Key Financial Secrecy Indicators and the performance of Ghana are:

TRANSPARENCY OF BENEFICIAL OWNERSHIP – Ghana	
1.	Banking secrecy: Does the jurisdiction have banking secrecy? Ghana does not adequately curtail banking secrecy
2.	Trust and Foundations Register: Is there a public register of Trusts and Foundations? Ghana does not put details of trusts on public record
3.	Recorded Company Ownership: Does the relevant authority obtain and keep updated details of the beneficial ownership of companies? Ghana does not maintain company ownership details in official records
KEY ASPECTS OF CORPORATE TRANSPARENCY REGULATION – Ghana	
4.	Public Company Ownership: Does the relevant authority make details of ownership of companies available on public record online for less than US\$10? Ghana does not require that ownership of companies is put on public record
5.	Public Company Accounts: Does the relevant authority require that company accounts are made available for inspection by anyone for a fee of less than US\$10? Ghana does not require that company accounts be available on public record
6.	Country-by-Country Reporting: Are companies listed on a national stock exchange required to comply with country-by-country financial reporting?

	Ghana does not require country-by-country financial reporting by companies
EFFICIENCY OF TAX AND FINANCIAL REGULATION – Ghana	
7.	Fit for Information Exchange: Are resident paying agents required to report to the domestic tax administration information on payments to non-residents? Ghana does not require resident paying agents to tell the domestic tax authorities about payments to non-residents
8.	Efficiency of Tax Administration: Does the tax administration use taxpayer identifiers for analysing information effectively, and is there a large taxpayer unit? Ghana partly uses appropriate tools for effectively analysing tax related information
9.	Avoids Promoting Tax Evasion: Does the jurisdiction grant unilateral tax credits for foreign tax payments? Ghana avoids promoting tax evasion via a tax credit system
10.	Harmful Legal Vehicles: Does the jurisdiction allow cell companies and trusts with flee clauses? Ghana partly allows harmful legal vehicles
INTERNATIONAL STANDARDS AND COOPERATION – Ghana	
11.	Anti-Money Laundering: Does the jurisdiction comply with the FATF recommendations? Ghana partly complies with international anti-money laundering standards
12.	Automatic Information Exchange: Does the jurisdiction participate fully in Automatic Information Exchange such as the European Savings Tax Directive? Ghana does not participate fully in Automatic Information Exchange
13.	Bilateral Treaties: Does the jurisdiction have at least 60 bilateral treaties providing for broad information exchange, covering all tax matters, or is it part of the European Council/OECD convention? Ghana has few tax information agreements complying with basic OECD requirements
14.	International Transparency Commitments: Has the jurisdiction ratified the five most relevant international treaties relating to financial transparency? Ghana has partly ratified relevant international treaties relating to financial transparency

15.	<p>International Judicial Cooperation: Does the jurisdiction cooperate with other states on money laundering and other criminal issues?</p> <p>Ghana partly cooperates with other states on money laundering and other criminal issues</p>
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¹ Our definition of financial transparency can be found here:

<http://www.secrecyjurisdictions.com/PDF/FinancialTransparency.pdf>.

² With the exception of KFSI 13 for which the cut-off date is 30.6.2010. For more details, look at the endnote number 2 in the corresponding KFSI-paper here:

<http://www.secrecyjurisdictions.com/PDF/13-Bilateral-Treaties.pdf>.

³ That data is available here: http://www.secrecyjurisdictions.com/sj_database/menu.xml.

⁴ <http://www.secrecyjurisdictions.com>.

⁵ <http://www.financialsecrecyindex.com/>.