Monitoring Cross Border Capital Flows in Ghana

2009 Survey Report

Research Department

Bank of Ghana

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List of Acronyms

FL	Foreign Liabilities
FEL	Foreign Equity Liabilities
FAL	Foreign Assets and Liabilities
ISIC	International Standards for Industrial Classification
FDEI	Foreign Direct Equity Investment
FPEI	Foreign Portfolio Equity Investment
PSED	Private Sector External Debt
BOP	Balance of Payments
IIP	International Investment Position

Table of Contents

SECTION ONE
INTRODUCTION

1.1 Background

Foreign Direct Investment (FDI) constitutes a major source of financing and provides the much needed capital to expand economic opportunities in many developing countries. FDI inflows constitute a stable source of current account financing and enhances the growth potential of developing countries through the multiplier effects of technology transfer and increased competition.

Ghana continues to attract significant FDI flows within the sub-region, especially in project financing. This is based on the country's improved investment climate, political stability and increased investment opportunities. Although the impact of the global crisis was somewhat moderated on the country, economic performance in 2008 weakened under the influence of other domestic shocks. For instance, the 2008 general elections impacted on business sentiments with some investors choosing to withhold key investment decisions until after the elections. Prudent policy measures have since been implemented to steer the economy back to macroeconomic stability and regain investor confidence.

FDI flows declined following the 2008 global financial crisis, but not proportionate across regions. Annual global FDI flows was estimated at US$1,692 billion in 2008, about 10 per cent lower than 2007. However, FDI flows to Africa remained resilient in 2008, increasing by 16.8 per cent to US$61.9 billion. This 2008 survey of capital flows to Ghana suggests that FDI flows to Ghana increased significantly by more than 53 per cent, financed mainly by long term loans from related entities and shareholders. The flows were led by the Transport, Storage and Communication Sector, followed by Finance, Insurance and Real Estate and the Mining and Quarrying Sector. Going forward, however, the 2008 World Investment Report (WIR) projects that FDI from developed countries may decline further due to the dampening effects of the financial crisis combined with weaker economic growth in developing economies.

In the context of recently established codes and standards for the global financial architecture to improve the stability of foreign capital flows, one key element that has been identified was the need to monitor inflows and outflows of private capital for effective policy formulation. Hence, this 2009 Foreign Private Capital Flows (FPCF) Bank of Ghana survey which was the third to be conducted since 2000.

1.2 FPCF 2009 Survey Objectives

In consonance with the FPCF 2008, the objectives of the FPCF 2009 were (i) to monitor the scale and composition of private capital flows and (ii) improve coverage of the private sector's foreign investment in Ghana for the compilation of Balance of Payments (BOP) estimates and International Investment Position (IIP).

1.3 Survey Instrument

The survey instrument was designed to collect primary data on the specific objectives of the survey. The questionnaire covered four broad areas comprising:

- **General Information:** This section provides information on the nature and status of the entities, shareholding structure, entity turnover, actual employment, compensation of employees, actual investment, gain or loss on foreign exchange, sale of fixed assets and corporate social responsibility activities among others.

- **Foreign Equity Investments:** This section captured information on equity of the entities during 2007 and 2008. Information covered book value component, purchases and sales of shares, other equity transactions and valuation changes by source country.

- **Foreign Non-Equity Liabilities** provided details on external borrowing, payments and other transactions on a loan-by-loan basis covering creditor country, creditor institution, credit type, tenure of loan and currency of liability for stock levels and flows in 2007 and 2008. Provision was also made to capture other foreign claims for 2007 and 2008.

- **Foreign Assets** focused on asset holdings of equity, external debt assets of loan, trade credits, and debt securities and other claims other than equity and borrowings against non-resident entities. These covered the debt type, debtor country, tenure, repayments and disbursements and stock levels and flows for 2007 and 2008.

1.4 Organization of the Report

The next section discusses the quantitative information covering turnover, actual investments and employment trends, among others, on the entities surveyed. In Section 3, the core findings of foreign assets and liabilities for 2007 and 2008 are presented. The report ends with conclusions and some policy recommendations.

1.5 Annotations

Foreign Direct Equity Investment (FDEI) :	Refers to an investment in which a non-resident enterprise/individual has 10 per cent or more equity share in a resident entity
Foreign Portfolio Equity Investment (FPEI) :	Refers to an investment in which a non-resident enterprise/individual has less than 10 per cent equity share in a resident entity.
Foreign Assets (FA):	Comprises shares held in other countries, long-term and short-term lending and investments in securities abroad.
Foreign Liabilities (FL) :	Includes equity capital, reinvestment of earnings, other capital (constituting FDI), portfolio equity (Non- FDI), and other long–term capital, and short-term capital.
Private Sector External Debt (PSED)	Refers to external or foreign borrowings by the private sector.
Non-Resident:	Any entity/individual whose centre of predominant economic interest is not within Ghana and /or has not lived in Ghana for the past 12 months.

SECTION TWO

SURVEY FINDINGS ON FOREIGN ASSETS AND LIABILITIES

This section discusses the survey findings on Foreign Assets and Liabilities (FAL). Foreign Liabilities (FL) are presented first, consistent with the methodology and on account of their magnitude revealed by the survey results.

2.1 Foreign Liabilities (FL)

The survey findings on FL which includes equity, Private Sector External Debt (PSED) and other claims are analyzed in terms of stocks and flows. A total of 224 entities reported Foreign Liabilities in the 2008 survey. The survey results indicated that total foreign liability stock levels expressed in book value terms increased from GH¢ 4,029.75 million in 2007 to GH¢ 6,354.83million (57.7%) in 2008.

All components of FL covered in the survey recorded positive growth. The bulk of FL was in the form of foreign direct investments most of which were equity or long term loans from related entities/shareholders.

Table 1: Composition of Stock of Foreign Liabilities (Book Value)

	2007		2008		
	GH¢' m	% of Total	GH¢' m	% of Total	% Change
1. Foreign Direct Investment (FDI)	**3,574.81**	**88.71**	**5,495.59**	**86.48**	**53.73**
a) Equity	1,838.61	45.63	2,399.40	37.76	30.50
b) Short-Term loans from related entities/shareholders	231.80	5.75	310.32	4.88	33.87
c) Long-Term loans from related entities/shareholders	1,504.40	37.33	2,785.87	43.84	85.18
2. Non-FDI	**375.56**	**9.32**	**723.47**	**11.38**	**92.64**
a) Portfolio Equity	35.17	0.87	37.69	0.59	7.18
b) Short-Term loans from un-related entities/shareholders	63.12	1.57	102.37	1.61	62.18
c) Long-Term loans from un-related entities/shareholders	277.27	6.88	583.41	9.18	110.41
3. Other Claims	**79.38**	**1.97**	**135.76**	**2.14**	**71.03**
Grand Total [1+2+3]	**4,029.75**	**100.00**	**6,354.83**	**100.00**	**57.70**

In terms of components based on book value, FDI increased from GH¢ 3, 574.81 million in 2007 to GH¢ 5,495.59 million representing an increase of 53.7 per cent. Foreign direct equity investments and long-term loans from related entities accounted for 45.6 per cent and 37.3 per cent respectively. FDI in 2008 constituted 86.5 per cent of the total stock of foreign liabilities. Non-FDI increased by 92.6 per cent from GH¢375.56 million to GH¢ 723.47 million with long-term loans from related entities/shareholders forming the bulk of investments. Other Claims increased from GH¢ 79.38 million in 2007 to GH¢ 135.76 million largely on account of an increase in currency and deposits, custody accounts and management fees.

2.2 Distribution of Foreign Equity Liabilities (FEL)

Survey findings on foreign equity liabilities in terms of stocks for 2007 and 2008 and flows for 2008 are presented in this section. Equity liabilities are represented by Foreign Direct Equity Investment (FDEI) and Foreign Portfolio Equity Investment (FPEI).

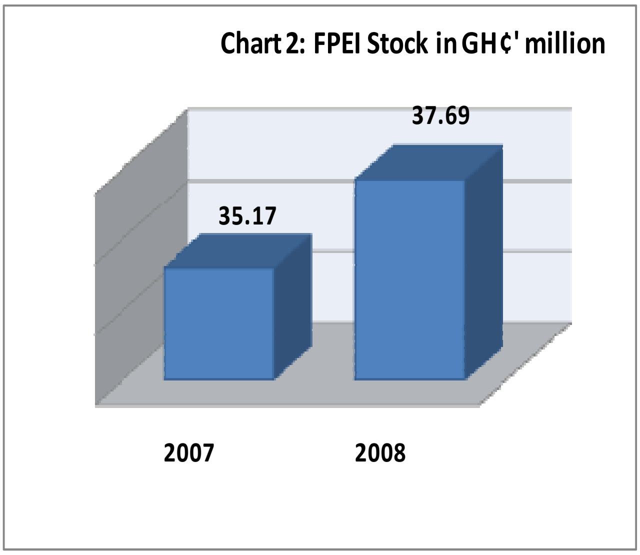
A total of 197 and 21 entities reported FDEI and FPEI respectively in 2008. It should be noted that 15 entities had both FDEI and FPEI. The negative book values recorded by some entities over the period 2007 and 2008 could be attributed to huge losses made over the years. This eroded the marginal gains achieved during either the preceding years or the subsequent period and the fact that some of the entities were in their early stages of operation.

2.2.1 Stocks and Flows of Foreign Equity Investment

Significant growth in equity was recorded during 2008 on account of increased new equity inflows, revaluations and other statutory or contingency reserves which was moderated by a decline in reinvested earnings. In book value terms, FDEI and FPEI rose by 30.5 and 7.2 per cent respectively.

Table 2: Foreign Equity Investment By Type (GH¢ M)

	Equity 10% or More			Equity Less Than 10%		
	2007	2008	Flow	2007	2008	Flow
Book Value of equity	1,838.61	2,399.40	560.80	35.17	37.69	2.52
O/w						
Paid-up Share Capital	1,069.57	1,548.64	479.07	6.87	8.82	1.95
Accumulated Retained earning	493.21	371.42	(121.79)	18.14	17.36	(0.78)
Revaluations	83.47	99.70	16.23	5.22	5.91	0.69
Others(Reserves etc.)	192.36	379.65	187.29	4.94	5.60	0.66



2.2.2 FDEI Stock by Sector

FDEI stocks analyzed in book value terms revealed that Mining and Quarrying accounted for a share of 34.5 per cent of the total FDEI stock for 2008. Transport, Storage and Communication and Finance sectors accounted for 22.5 per cent and 20.2 per cent respectively. During the period, there was a net inflow of GH¢ 252.26 million, GH¢ 160.30 million and GH¢ 146.09 million in the Transport, Storage and Communication; Finance and Business Services; and Mining and Quarrying sectors respectively..

These sectors continued to attract more equity investment on account of high returns coupled with the fact that banks and non-bank financial institutions were required by law to raise their initial/minimum capital. The Mining and Quarrying Sector recorded the highest amount of equity capital (paid up share capital) of GH¢ 708.52 million and GH¢ 894.64 million equivalent to 66.2 per cent and 57.8 per cent of the total equity capital for 2007 and 2008 respectively. The Finance sector had the second largest share amounting to GH¢ 112.19 million and GH¢200.99 million, representing 10.5 per cent and 13.0 percent of the total equity capital for 2007 and 2008. The Transport, Storage and Communication sector recorded the highest flows of GHC199.08 million during the period followed by Mining and Quarrying (GHC186.13 million). It is interesting to note that whilst the Finance Sector posted positive accumulated retained earnings, the Mining sector posted negative retained earnings. The Transport, Storage and Communications sector recorded the highest accumulated retained earnings of GH¢ 393.28 million and GH¢ 438.80 million in 2007 and 2008 respectively. Refer to Appendix 2 Tables 1and 2.

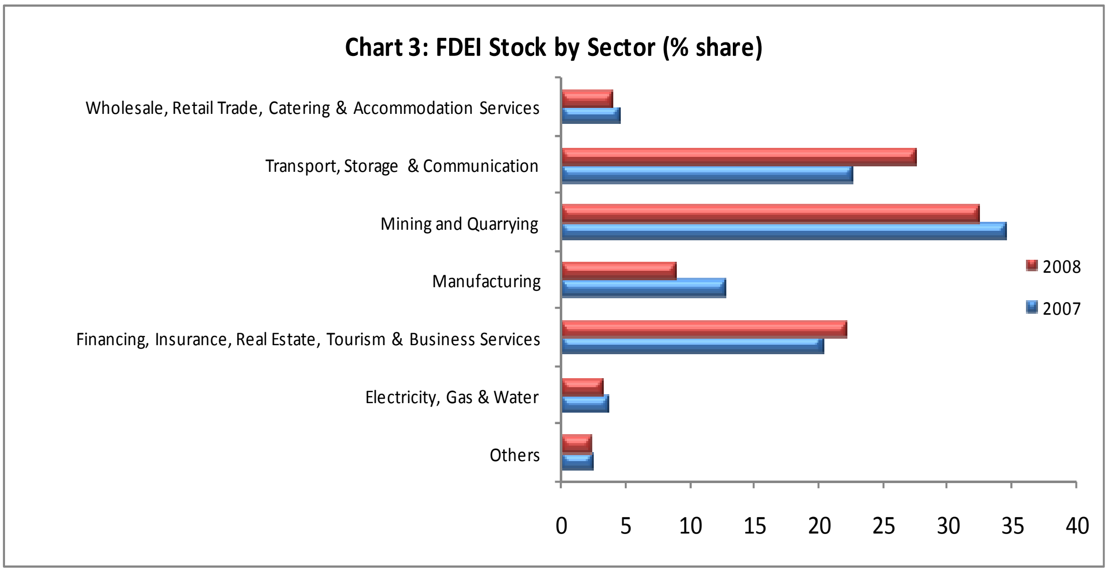
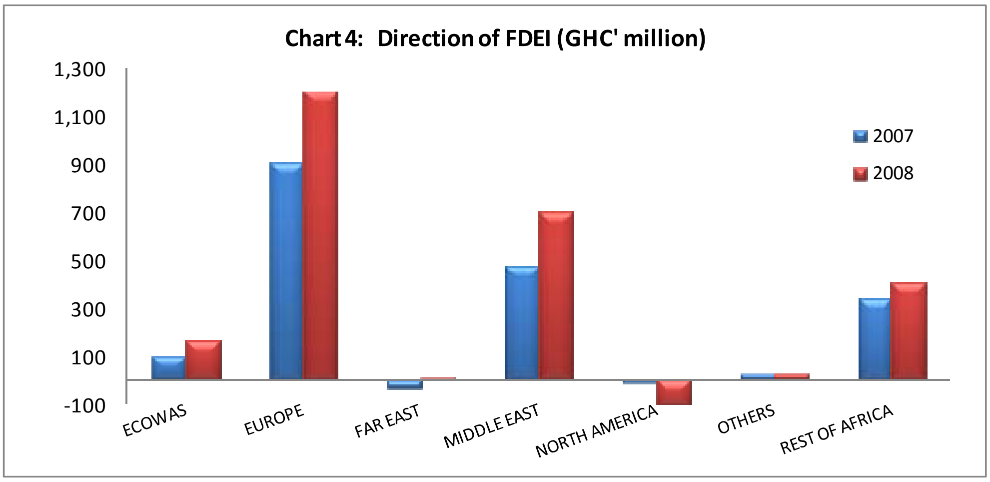


Table 3: Sectoral Distribution of Foreign Direct Investment - Stocks and Flows (GH¢ M)						
	2007		2008			
	Book Value	% share	Book Value	% share	Flows during 2008	% change
Foreign Direct Investments	1,838.61	100.0	2,399.40	100.0	560.79	30.5
Agriculture, Hunting, Forestry and Fishing	-0.45	0.0	8.81	0.4	9.26	(2,057.8)
Community, Social and Personal Services	-0.13	0.0	-0.31	(0.0)	-0.18	138.5
Construction	43.82	2.4	43.78	1.8	-0.04	(0.1)
Electricity, Gas & Water	66.83	3.6	74.02	3.1	7.19	10.8
Finance, Insurance, Real Estate, Tourism & Business Services	370.75	20.2	531.05	22.1	160.30	43.2
Manufacturing	235.09	12.8	209.04	8.7	-26.05	(11.1)
Mining and Quarrying	634.10	34.5	780.19	32.5	146.09	23.0
Transport, Storage & Communication	405.94	22.5	658.20	27.4	252.26	62.1
Wholesale, Retail Trade, Catering & Accommodation Services	82.66	4.5	94.62	3.9	11.96	14.5

2.2.3 Sources of FDEI by Region

Europe emerged as the leading source of FDEI in 2007 accounting for 51.56 per cent followed by the Middle East and the Rest of Africa with 25.79 per cent and 18.84 per cent respectively. In 2008, Europe accounted for a relative share of 50.78 per cent, Middle East (29.12%) and the Rest of Africa (16.83%). The Far East and North America recorded *negative book values* which reflect the long term nature of investments directed mainly at Mining and Quarrying emanating from these regions. Such investments involve huge capital outlays at the implementation stages but with high projected stream of income in the long term. As such huge losses recorded in the Income Statements are transferred into the Income

Surplus Account as retained earnings. The negative book value position for the Far East improved from GH¢33.28 million to a positive GH¢0.58 million.



2.2.4 *Sources of FDEI by Country*

United Kingdom remained the leading source of FDEI in 2008 with 31.94 per cent followed by Lebanon (27.0 per cent), South Africa (14.5 per cent) and France with 8.5 per cent. Most of these countries invested in Mining and Quarrying; Finance, Insurance, Real Estate, Tourism and Business Services; Manufacturing, and Transport, Storage and Communication sectors.

Table 4: Sources of FDEI by Country

Country	2007	
	GH¢ Million	% of Total Book Value
United Kingdom	568.18	30.90
Lebanon	414.84	22.56
South Africa	294.88	16.04
France	178.78	9.72
United Arab Emirates	64.67	3.52
Switzerland	60.79	3.31
Togo	59.22	3.22
Norway	45.56	2.48
Luxembourg	38.62	2.10
Canada	37.43	2.04
	GH¢ Million	2008
United Kingdom	800.19	31.94
Lebanon	648.35	27.02
South Africa	347.96	14.50
France	205.01	8.54
Canada	117.63	4.90
Nigeria	85.51	3.77
Togo	76.57	3.19
United Arab Emirates	70.49	2.94
Switzerland	67.63	2.82
Norway	62.51	2.61

2.2.5 FPEI Stock by Sector

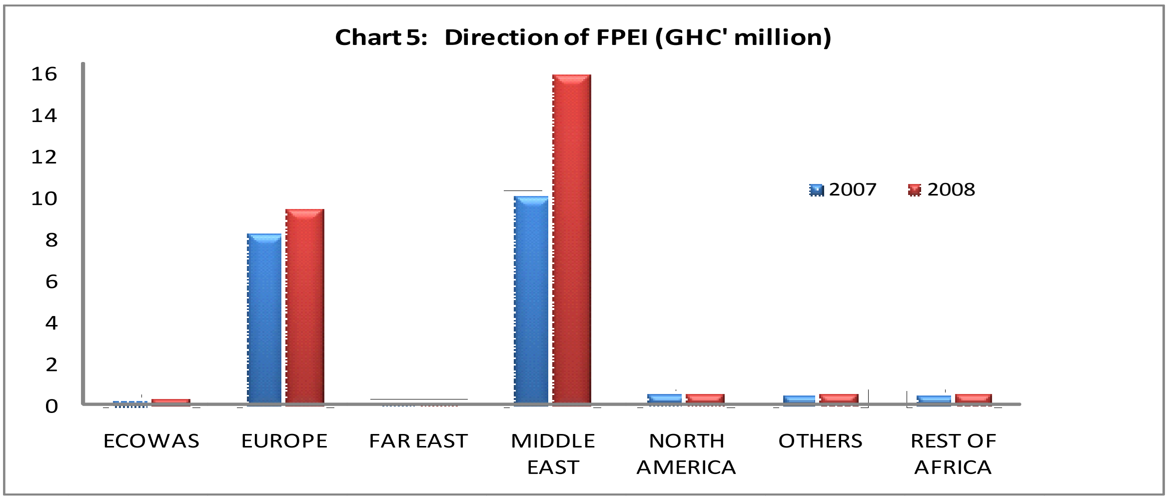
Few sectors attracted foreign portfolio investments. In book value terms, the finance and transport together accounted for 99.6 percent (Finance Sector 57.2 per cent and Transport, Storage and Communication Sector 42.4 per cent) of all portfolio equity flows in 2008, with the Wholesale; Manufacturing; and Agricultural Sectors registering 0.1 per cent each.

Table 5: Sectoral Distribution of Foreign Portfolio Equity Investment – Stocks and Flows (GH¢ m)

	2007		2008			
	Book Value	% share	Book Value	% share	Flows during 2008	% change
Foreign Portfolio Equity Investments	35.17	100	37.69	100	2.52	7.2
Agriculture, Hunting, Forestry and Fishing	0.04	0.1	0.05	0.1	0.01	25.0
Community, Social and Personal Services	0.00	-	0.00	-	0.00	-
Construction	0.00	-	0.00	-	0.00	-
Electricity, Gas & Water	0.00	-	0.00	-	0.00	-
Financing, Insurance, Real Estate, Tourism & Business Services	25.01	71.1	21.58	57.2	-3.43	-13.7
Manufacturing	0.00	-	0.05	0.1	0.05	-
Mining & Quarrying	0.00	-	0.00	-	0.00	-
Transport, Storage & Communication	10.14	28.8	15.97	42.4	5.83	57.5
Wholesale, Retail Trade, Catering & Accommodation Services	-0.01	-0.0	0.05	0.1	0.06	-600.0

2.2.6 Source of FPEI by Region

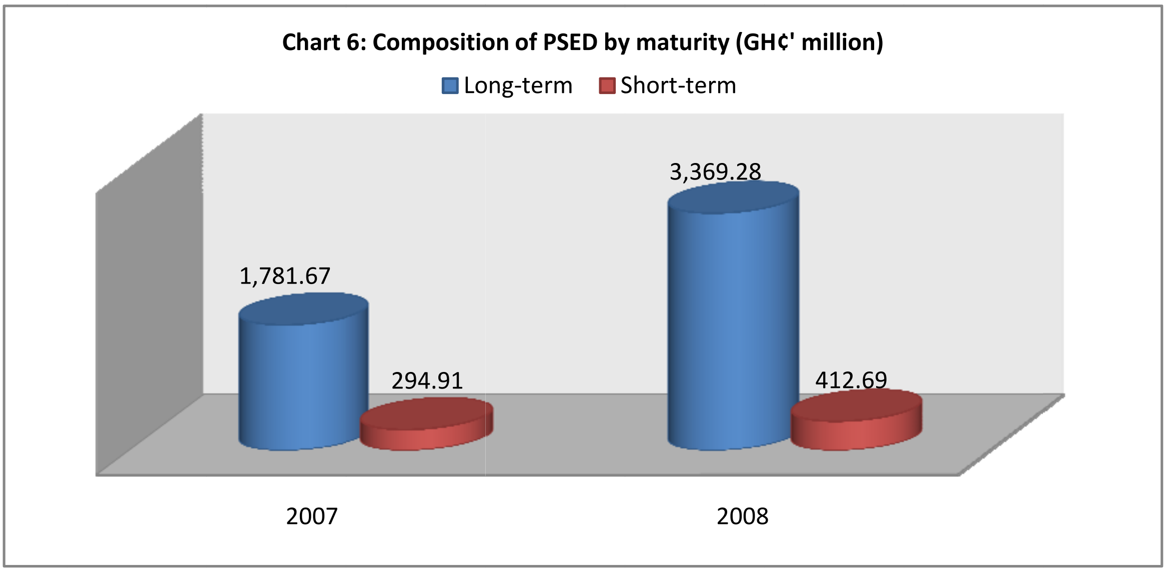
In 2008 the Middle East was still the leading source of FPEI followed by Europe and North America. Oman and Lebanon accounted for GH¢9.72 million and GH¢0.41 million in 2007 and GH¢15.32 million and GH¢0.65 million in 2008 respectively. These investments were channeled into the Transport, Storage and Communication sectors. The Middle East emerged as the leading source of FPEI in 2007 followed by Europe and North America. Countries from Europe, that is, United Kingdom and Cyprus contributed respective GH¢8.27 million and GH¢1.09 million in 2007 and GH¢9.31million and GH¢1.27million in 2008 which were channeled to the Finance, Insurance, Real Estate, Tourism and Business Services sector. The United States contributed GH¢13.79 million and GH¢8.81 million in 2007 and 2008 respectively directed mainly towards the Finance Sector.



2.3 Foreign Non-Equity Liability

2.3.1 Overview of PSED[1] Stocks

The stock of Private Sector External Debt (PSED) grew by 82.1 per cent from GH¢2,076.59 million (about US$2.1 billion) in 2007 to GH¢3,781.97 million (about US$3.1 billion) in 2008. The growth in stock was explained by net inflows of GH¢1,292.97 million (about US$1.0 billion) and other changes (largely as result of exchange rate changes) of GH¢412.42 million. The results revealed that 89.1 per cent of the total debt had long-term maturities, with short-term debt accounting for the remaining 10.9 per cent in 2008.



[1] PSED refers to external or foreign borrowings by the private sector

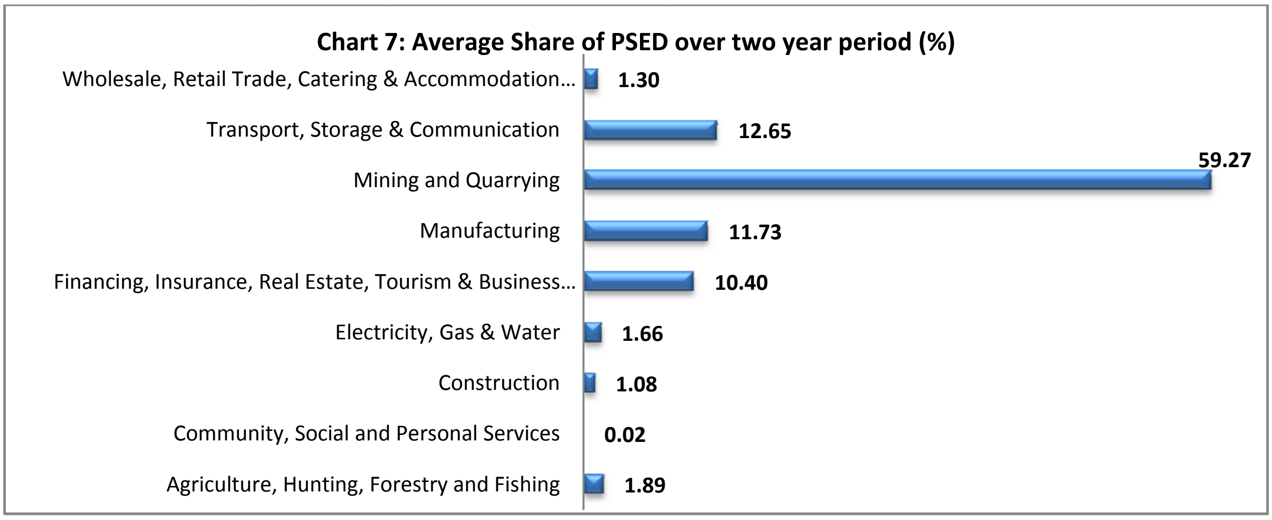
2.3.2 PSED Stocks by Sector

Entities in Mining and Quarrying sectors registered the highest portion of PSED outstanding balance of GH¢1,301.91 million (about US$1.34 billion) and GH¢2,111.91 million (about US$1.76 billion)in 2007 and 2008 respectively. The Manufacturing sector followed with GH¢262.51 million in 2007, increasing to GH¢409.25 million in 2008; and accounting for respective 55.8 per cent and 10.8 per cent of the total debt stock in 2008. The Transport, Storage and Communications sectors recorded an outstanding balance share averaging 12.7 per cent of total debt for the two consecutive periods. Financing, Insurance, Real Estate, Tourism and Business Services sectors had an average share of 10.4 per cent of the total debt for the two consecutive years. PSED stocks recorded for Community, Social and Personal Services sector was the lowest, averaging 0.02 per cent of the total debt for the two consecutive years.

Across the sectors, changes in PSED stock by respective net flows and other changes indicated that the Mining and Quarrying sector recorded the largest change of GH¢810.01 million, followed by Transport, Storage and Communication; Manufacturing; and Electricity, Gas and Water sectors with GH¢521.39 million, GH¢146.75 million and GH¢105.81 million respectively increasing their stock of debt during 2008. Entities in Construction, however, recorded a decline in debt by GH¢29.41 million as the sector repaid most of its debt during 2008.

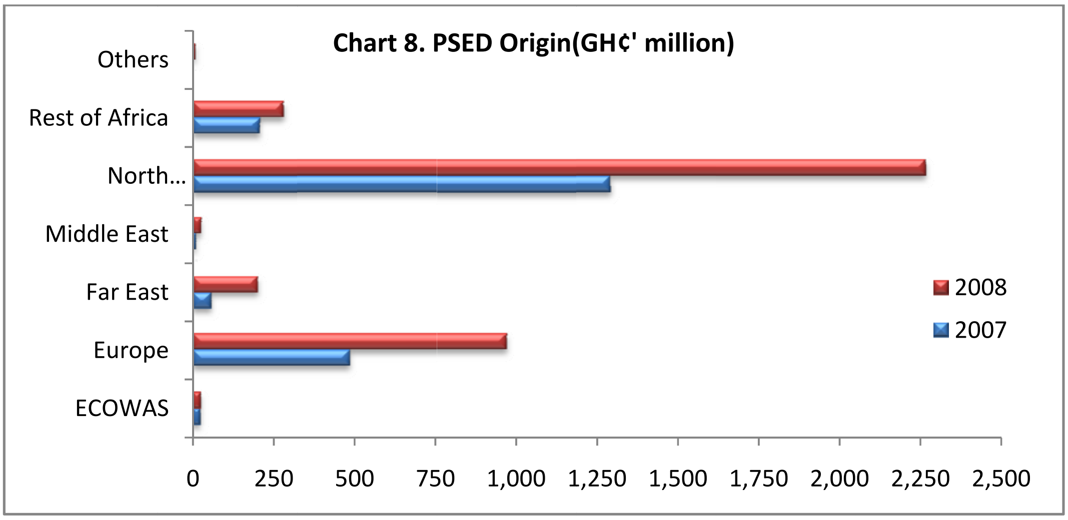
Table 6: PSED Stock by Sector

	2007		2008		Total Changes (GH¢' m)
	GH¢ million	% Share	GH¢ million	% Share	
Agriculture, Hunting, Forestry and Fishing	36.16	1.74	77.24	2.04	41.08
Community, Social and Personal Services	0.37	0.02	0.63	0.02	0.26
Construction	39.51	1.90	10.10	0.27	(29.41)
Electricity, Gas & Water	6.88	0.33	112.69	2.98	105.81
Financing, Insurance, Real Estate, Tourism & Business Services	244.92	11.79	340.81	9.01	95.89
Manufacturing	262.51	12.64	409.25	10.82	146.75
Mining and Quarrying	1,301.91	62.69	2,111.91	55.84	810.01
Transport, Storage & Communication	154.39	7.43	675.79	17.87	521.39
Wholesale, Retail Trade, Catering & Accommodation Services	29.93	1.44	43.56	1.15	13.63
Total	**2,076.58**	**100.00**	**3,781.97**	**100.00**	**1,705.39**



2.3.3 Composition of PSED Stock by Origin

PSED stock in terms of origin indicated that a significant portion of the total debt was owed to non-residents of North America and Europe, accounting for average shares of 61.1 per cent and 24.5 per cent shares for the two successive years. Over the years, relatively sizeable PSED was sought from the Rest of Africa (8.7%) and the Far East (4.1%), while the ECOWAS and Middle East regions recorded low PSED stock levels, averaging 0.9 per cent and 0.6 per cent of the total debt respectively for the two successive years.



During 2008, changes in PSED stock across regions indicated increases in net inflows and other changes from North America (GH¢962.41 million), the Europe (GH¢486.56 million), Far East (GH¢145.81 million) and the Rest of Africa (GH¢84.00 million); with the remaining net inflows originating from the), the Middle East (GH¢16.28 million), Other economic regions (GH¢8.20 million) and ECOWAS (GH¢2.15 million).

2.3.4 PSED Stocks by Source Country

The PSED stock by source country revealed that the United States, Canada, United Kingdom and South Africa were the major sources of external borrowings, with each recording relative average share of 45.0, 16.0, 13.5 and 4.6 per cent of the total debt respectively for the two year period. In terms of net inflows and other changes, GH¢822.10 million was contributed by the United States, GH¢409.64 million by United Kingdom, GH¢152.54 million by Canada; as well as GH¢113.17 million and GH¢55.04 million by China and South Africa respectively.

Table 7: Top Ten PSED by Source Country

Country	2007		Country	2008	
	GH¢ million	% of Total Debt		GH¢ million	% of Total Debt
United States	915.92	44.11	**United States**	1,738.03	45.96
Canada	375.85	18.10	**United Kingdom**	626.27	16.56
United Kingdom	216.64	10.43	**Canada**	528.39	13.97
South Africa	103.03	4.96	**South Africa**	158.07	4.18
France	86.23	4.15	**China**	118.58	3.14
Sudan	61.75	2.97	**France**	93.48	2.47
Switzerland	36.53	1.76	**Sudan**	87.31	2.31
Italy	35.32	1.70	**Switzerland**	56.85	1.50
Singapore	33.35	1.61	**Singapore**	50.01	1.32
Belgium	32.97	1.59	**Norway**	46.92	1.24

2.3.5 Composition of PSED Stock by Credit Type

PSED stock by credit type was analyzed to ascertain the extent to which entities borrow from related and un-related sources. The results from the survey showed that external borrowings from related and un-related sources increased by 78.3 per cent and 101.5 per cent to GH¢3,096.19 million and GH¢685.78 million respectively between 2007 and 2008. The growth in external borrowings from un-related non-resident entities was indicative of improved terms of borrowing obtained from un-related sources. Even though unrelated borrowing rose quickly, the bulk of the rest was from related parties.

On the average, external borrowings from related entities or fellows and un-related sources constituted respective shares of 82.7 per cent and 17.3 per cent of the total debt over the two year period and were largely long-term.

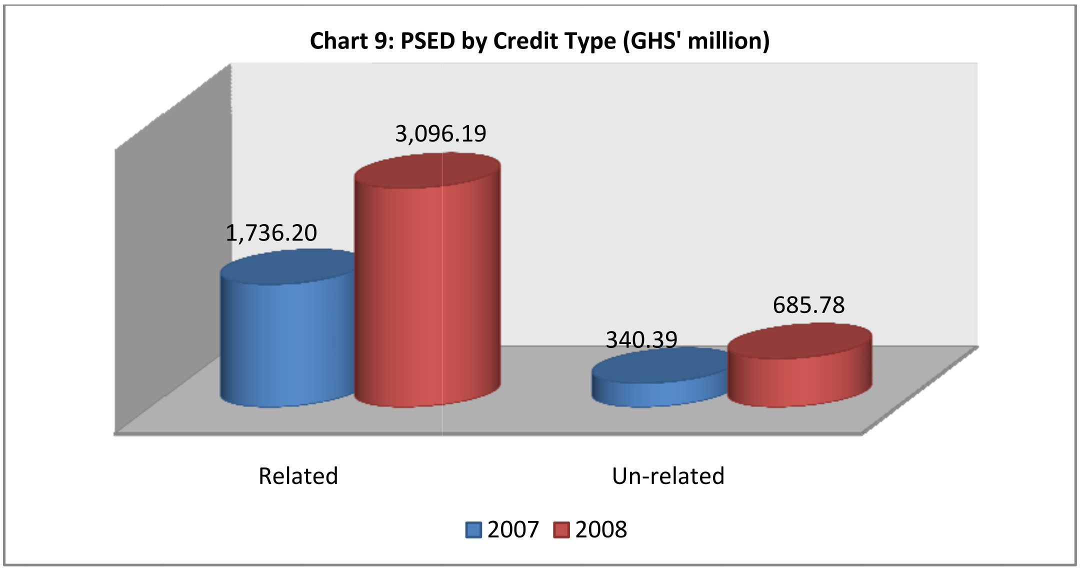


Table 8: PSED Stock by Credit Type

Credit Type	2007		2008		% Change
	GH¢ million	% Share	GH¢' million	% Share	
Related Sources - FDI	1,736.20	83.6	3,096.19	81.9	78.3
Long-term	1,504.40	72.4	2,785.87	73.7	85.2
Short-term	231.80	11.2	310.32	8.2	33.9
Unrelated Sources - non FDI	340.39	16.4	685.78	18.1	101.5
Long-term	277.27	13.4	583.41	15.4	110.4
Short-term	63.12	3.0	102.37	2.7	62.2
Grand Total	**2,076.58**	**100.0**	**3,781.97**	**100.0**	**82.12**

2.3.6 PSED Stock by Maturity and Currency Composition

The analysis of PSED of entities in terms of currency denomination and settlements were of importance for assessing currency risk associated with changes in the exchange rate resulting from transaction values, holding gains and losses; and for international liquidity and measurement of potential foreign exchange drains.

The survey results revealed that long-term external borrowings from non-resident entities were largely denominated in United States dollars, followed by the Euro, averaging 93.5 per cent and 4.8 per cent respectively of the total long-term debt. Short-term external borrowings, on the other hand, were partly denominated in United States dollars, the Euro, the Pound Sterling and other currencies, each with average share of 61.6, 23.5, 7.6, and 6.9 per cent of the total short-term debt respectively for the two consecutive years.

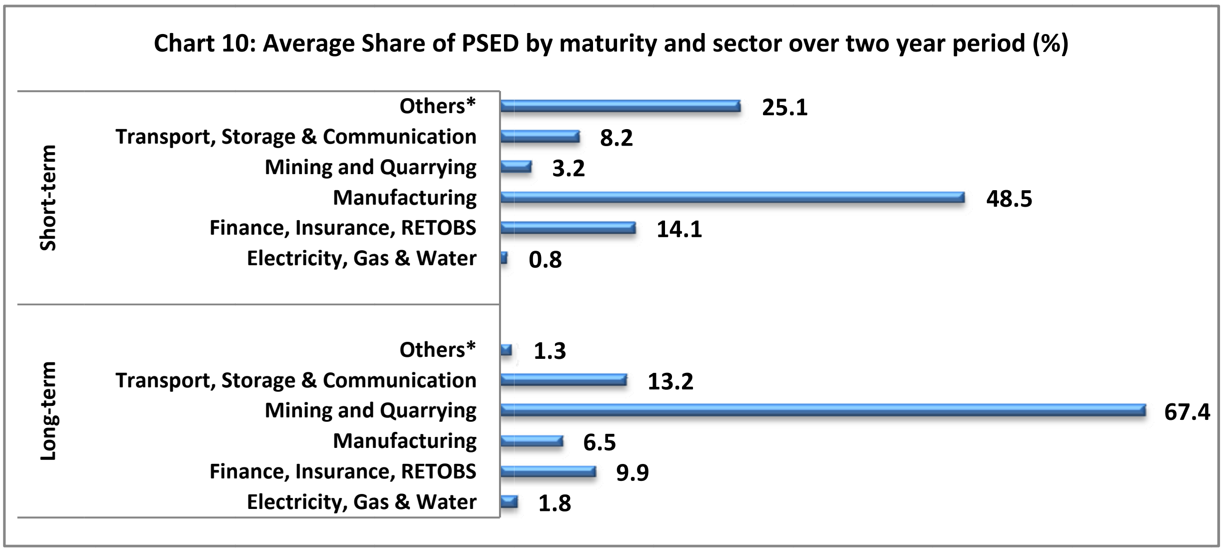
Table 9: PSED Stock by Currency Composition

Currency composition	2007	2008
	% Share	% Share
Long-term	**100.0**	**100.0**
CFA	0.00	0.05
Euro	5.58	4.02
Others	1.74	0.34
British Pound Sterling	0.83	0.50
US Dollar	91.83	95.10
Japanese Yen	0.01	0.00
Short-term	**100.0**	**100.0**
CFA	0.22	0.38
Euro	22.94	24.11
Others	5.22	8.53
British Pound Sterling	13.31	1.90
US Dollar	58.32	64.91
Sweden Kroner	0.00	0.17

2.3.7 PSED Stock by Maturity and Sector

Short-term borrowings were dominated by Manufacturing; with a share of 48.5 percent. Long-term external borrowings was dominated by entities in the Mining and Quarrying; and Transport, Storage and Communication; with shares of 67.4 percent and 13.2 percent respectively.

In addition to long-term borrowings from non-resident entities, the Manufacturing sector contracted more in the short-term; Only Agriculture, Hunting, Forestry and Fishing; Finance, Insurance, Real Estate and Business Services; borrowed substantially on a short term basis. Entities in the Construction sector, however, repaid almost all of the short-term debts at the end of 2008.



Note: Others* consists of entities in Agriculture, Hunting, Forestry and Fishing; Community, Social and Personal Services; Construction, and Whole sales, Retail Trade, Catering and Accommodation Services, Real Estates, Tourism and Business Services (RETOBS)

Table 10: PSED Stock by Maturity and Sector (GH¢ million)

	2007		2008		Total changes (GH¢' m)	% Change
Long-term Debt Stock	GH¢' m	% Share	GH¢' m	% Share		
Agriculture, Hunting, Forestry and Fishing	11.57	0.65	18.53	0.55	6.96	60.14
Community, Social and Personal Services	0.37	0.02	0.63	0.02	0.26	68.74
Construction	5.43	0.30	7.54	0.22	2.11	38.89
Electricity, Gas & Water	5.03	0.28	108.67	3.23	103.63	2,058.96
Finance, Insurance, Real Estate, Tourism & Business Services	203.22	11.41	282.87	8.40	93.51	46.01
Manufacturing	120.96	6.79	206.81	6.14	85.85	70.98
Mining and Quarrying	1,296.77	72.78	2,092.46	62.10	767.27	59.17
Transport, Storage & Communication	130.25	7.31	641.61	19.04	525.92	40.37
Wholesale, Retail Trade, Catering & Accommodation Services	8.07	0.45	10.17	0.30	2.10	26.03
Total	**1,781.67**	**100.00**	**3,369.28**	**100.00**	**1,587.61**	**89.11**
Short-Term Debt Stock						
Agriculture, Hunting, Forestry and Fishing	24.59	8.34	58.71	14.23	34.12	138.76
Construction	34.08	11.56	2.56	0.62	(31.53)	(92.50)
Electricity, Gas & Water	1.84	0.63	4.02	0.97	2.18	118.01
Finance, Insurance, Real Estate, Tourism & Business Services	41.70	14.14	57.93	14.04	16.23	38.92
Manufacturing	141.55	48.00	202.45	49.06	60.90	43.02
Mining and Quarrying	5.14	1.74	19.46	4.71	14.32	278.89
Transport, Storage & Communication	24.14	8.19	34.17	8.28	10.03	41.56
Wholesale, Retail Trade, Catering & Accommodation Services	21.87	7.42	33.40	8.09	11.53	52.73
Total	**294.91**	**100.00**	**412.69**	**100.00**	**117.78**	**39.49**
Grand Total	**2,076.58**		**3,781.97**		**1,705.39**	**82.12**

2.4 Other Claims by Non-Residents

This section presents the results and analysis of other non-equity liability by entities surveyed to non-residents. Respondents were required to provide data on claims other than equity shares and PSED from non-resident sources in 2007 and 2008. Other claims comprised claims by non-residents in the form of custody accounts, currency and deposits, management fees and others. Respondents were required to report on end-year outstanding balances, value of liabilities received, settled liabilities and other changes during 2008. A total of 48 entities provided data on other claims, representing 20.87 per cent.

2.4.1 Analysis of Other Claims by Sector and Credit Type

The data on other claims on entities other than equity shares and PSED was analyzed by credit type, sector and source country.

Other claims other than equity and debt owed to non -residents increased by 71.0 per cent from GH¢79.38 million in 2007 to GH¢135.76 million in 2008.

Table 11: Stock of Other Claims (GH¢ million)					
Type of Claims by Sectors	**2007**	**% Total**	**2008**	**% Total**	**% Change**
Custody account	**7.83**	**9.87**	**26.05**	**19.19**	**232.57**
Agriculture, Hunting, Forestry and Fishing	2.21	2.79	2.75	2.02	24.00
Financing, Insurance, Real Estate, Tourism & B/S	5.62	7.08	23.30	17.07	314.74
Currency & Deposit	**29.07**	**36.61**	**41.05**	**30.24**	**41.25**
Financing, Insurance, Real Estate, Tourism & B/S	29.07	36.61	41.05	30.24	41.25
Management Fees	**25.73**	**32.42**	**56.94**	**41.94**	**121.26**
Agriculture, Hunting, Forestry and Fishing	-	-	0.10	0.07	-
Community, Social and Personal Services	0.07	0.09	0.16	0.12	127.82
Financing, Insurance, Real Estate, Tourism & B/S	0.16	0.20	0.28	0.20	77.86
Manufacturing	6.79	8.55	13.55	9.98	99.63
Mining and Quarrying	13.05	16.44	16.68	12.29	27.86
Transport, Storage & Communication	1.73	2.18	21.20	15.61	1,128.42
Wholesale, Retail Trade, Catering & A/S	3.95	4.98	4.98	3.67	26.07
Others	**16.75**	**21.10**	**11.72**	**8.63**	**(30.05)**
Agriculture, Hunting, Forestry and Fishing	0.05	0.06	0.03	0.03	(25.69)
Electricity, Gas & Water	0.72	0.91	0.26	0.19	(64.01)
Financing, Insurance, Real Estate, Tourism & B/S	1 0.81	13.62	7.14	5.26	(33.95)
Manufacturing	2.31	2.91	2.05	1.51	(11.15)
Mining and Quarrying	0.32	0.41	-	-	(100.0)
Transport, Storage & Communication	2.46	3.10	2.22	1.64	(9.76)
Wholesale, Retail Trade, Catering & A/S	0.09	0.11	0.01	0.01	(85.37)
Total	**79.38**	**100.00**	**135.76**	**100.00**	**71.02**

In 2007, Currency and Deposit was the highest contributor to other liability claims with a value of GH¢29.07 million followed by Management Fees (GH¢25.73 million), Others (GH¢16.75 million) and Custody Accounts (GH¢7.83 million). In 2008, Management fees topped the list with GH¢56.94 million, followed by Currency and Deposits (GH¢41.05 million), Custody Accounts (GH¢26.05 million) and Others (GH¢11.72 million). The Finance sector with an average contribution of 33.4 per cent was solely responsible for the high liability claim under Currency and Deposit, while Transport, Storage and Communication; Mining and Quarrying and Manufacturing sectors dominated liability claims under Management Fees for the two years.

In 2007, the Finance sector recorded the highest liability claim with GH¢45.65 million, followed by Mining and Quarrying (GH¢13.37 million) and Manufacturing (GH¢9.09 million). In 2008 the Finance; Transport Storage and Communication; Mining and Quarrying and Manufacturing sectors recorded liability claims of GH¢71.77 million, GH¢23.42 million, GH¢16.68 million and GH¢15.60 million respectively.

Table 12: Sectoral Distribution of Other Claims

Sector	2007	
	GH¢ Million	% of Total
Finance, Insurance, Real Estate, Tourism	45.65	57.50
Mining and Quarrying	13.37	16.84
Manufacturing	9.09	11.46
Transport, Storage & communication	4.19	5.27
Wholesale, Retail Trade, Catering & Acco.	4.04	5.08
Others	**3.05**	3.84
Total	**79.38**	**100.0**
	2008	
Finance, Insurance, Real Estate, Tourism	71.77	52.87
Transport, Storage & communication	23.42	17.25
Mining and Quarrying	16.68	12.29
Manufacturing	15.60	11.49
Wholesale, Retail Trade, Catering & Acco.	4.99	3.68
Others	**3.30**	**2.43**
Total	**135.76**	**100.0**

In 2007, the United Kingdom was the main creditor country with a share of 40.3 per cent of other liability claims followed France (19.8 %), South Africa (19.6%) and Denmark (7.1%). In 2008 the United Kingdom maintained its position with 50.4 per cent followed by Kuwait (17.2%), South Africa (13.9%) and France (8.5%).

Table13: Source of Other Claims		
Country	2007	
	GH¢ Million	% of Total
United Kingdom	32.00	40.31
France	15.75	19.83
South Africa	15.54	19.58
Denmark	5.62	7.08
Switzerland	3.82	4.81
Netherlands	2.44	3.07
	2008	
United Kingdom	68.42	50.40
Kuwait	23.30	17.17
South Africa	18.91	13.93
France	11.54	8.50
Switzerland	4.10	3.02

In 2008 United Kingdom, Kuwait and France were the main creditor countries with claims on the Finance sector; South Africa and the United States were the main creditor countries with claims on the Mining and Quarrying sectors and the United Kingdom was the main creditor country with claims on the Transport, Storage and Communication Sector.

2.5 Cross Border Capital Liabilities of the Private Sector

The survey estimates on private cross border liabilities in addition to data obtained from monetary and financial statistics on loans, currency and deposits, and other capital components, showed that in 2008, foreign direct investment (FDI) flows as a share of private capital flows was 65.56 per cent. This represents about 11.00 per cent of GDP. In comparative terms, FDI stock as a share of private capital end of year position increased from 45.00 percent in 2007 to 50.57 percent in 2008. By the end of 2008, Ghana had a total external liabilities of GH¢10,866.54 million (about US$9.0 billion). This reflects an accumulated inflow liability position of cross border capital of GH¢2,929.85 million during 2008 (about US$2.4 billion). The survey results showed that all the components of external liabilities covered registered positive growth.

These components, which form the basis of the standard components of the International Investment Position (IIP), comprise private investments made for business considerations (foreign direct investment); trade credits provided to finance imports; portfolio investment (equity and debt securities); and other investment category comprising loans and currency and deposits of non-residents held by domestic banks.

Table 14: Private Cross Border Liabilities (Stocks and Derived Flows) GH¢ million				
	IIP	**BOP**	**Valuation**	**IIP**
	Dec-07	**2008**	**Change**	**Dec-08**
Liabilities	**7,936.69**	**2,929.85**		**10,866.54**
Direct investment in Ghana	**3,574.80**	**1920.79**		**5,495.59**
Equity capital and reinvested earnings	1,838.61	560.80		2,399.40
Other capital	1,736.19	1,360.00		3,096.19
Liabilities to direct investors	1,736.19	671.41	688.59	3,096.19
Portfolio investment	**772.54**	**233.67**		**1,006.21**
Equity securities	**35.17**	**2.52**		**37.69**
Banks	23.15	-3.96		19.19
Other sectors	12.01	3.02	3.47	18.50
Debt Securities	**737.37**	**231.15**		**968.52**
Financial derivatives	**0.00**	**0.00**		**0.00**
Other investment	**3,589.35**	**775.39**		**4,364.74**
Trade credits	**336.53**	**-244.50**		**92.03**
Loans	**3,007.87**	**937.31**		**3,945.18**
Monetary authorities	***161.33***	***40.88***		***202.21***
General government	***2,588.17***	***593.53***		***3181.70***
Long-term	2,588.17	593.53		3181.70
Short-term	0.00	0.00		0.00
Banks	***146.77***	***60.06***		***206.83***
Long-term	146.61	60.04		206.65
Short-term	0.16	0.02		0.18
Other sectors	***111.61***	***242.84***		***354.45***
Long-term	105.23	238.92		344.15
Short-term	6.38	3.92		10.30
Currency and deposits	**161.81**	**29.96**		**191.77**
Banks	99.00	92.77		191.77
Monetary Authorities	62.81	-62.81		0.00
Other liabilities	**83.14**	**52.62**		**135.76**
Monetary authorities	***3.77***	***-3.77***		***0.00***
General government	***0.00***	***0.00***		***0.00***
Banks	***37.22***	***8.19***		***45.40***
Long-term	11.16	2.46		13.62
Short-term	26.06	5.73		31.78
Other sectors	***42.16***	***48.20***		***90.36***
Long-term	12.65	14.46		27.11
Short-term	29.51	33.74		63.25

Note: All estimates are from the survey with the exception of loans, currency and deposit liabilities of deposit money banks, and other equity estimates which are obtained from the consolidated balance sheet of deposit money banks for the monetary and financial statistics.

The stock of cross border liabilities in Ghana totaled GH¢10,866.54 million in 2008 compared with GH¢7,936.69 million recorded in 2007 and was dominated by direct investments. The stock of direct investment liability amounted to GH¢5,495.59 million in 2008 (50.50 percent) and GH¢3,574.80 million in 2007 (45.00 percent) reflecting an increase of GH¢1,920.79 million during 2008.

The survey results indicate that equity capital and reinvested earnings by corporate entities formed an important source of financing foreign direct investment during 2008. It accounted for about 43.66 per cent of total stock of foreign direct investment. Another component of direct investment in Ghana that contributed significantly to the stock of liability was 'other capital' (liabilities to direct investors). It increased from a stock level of GH¢1,736.19 million in 2007 to GH¢3,096.19 million in 2008, representing a significant inflow of GH¢1,360.00 million during 2008.

The survey results indicated that portfolio investment (equity stake less than 10 per cent) that covers financial instruments in the form of equity and debt securities that are usually traded in organized markets in Ghana were relatively lower. The stock of portfolio investments increased by GH¢233.67 million to about GH¢1,006.21 million in 2008 from a stock position of GH¢772.54 million in 2007.

The major remaining item of cross border capital liabilities is 'other investment' which is a residual category, covering all financial instruments other than direct investment, portfolio investment, and financial derivatives. This comprises trade credit, loans, currency and deposits. In this category, the stock of outstanding trade credit was GH¢92.03 million as at end 2008. During 2008, trade credit decreased by GH¢244.50 million from an estimated year end stock level of GH¢336.53 million. All trade credit was acquired by government institutions as well as non-bank financial institutions. Loans constituted the largest component of the stock of other investment, estimated at GH¢3,945.18 million. The bulk of the loans had long-term maturities estimated at GH¢3,732.50 million. The overall position shows that Ghana attracted substantial private cross border capital in 2008 to supplement domestic investment.

2.5.1 Selected Indicators of BOP and IIP

Private cross border liabilities and equity capital showed that in 2008, FDI flows as a share of private capital flows increased from 55.49 percent in 2007 to 65.56 percent and FDI flows as a share of GDP was stable at 11.00 percent. Comparatively, FDI stock as a share of private capital year-end stock increased from 45.00 percent in 2007 to 50.57 percent in 2008. FDI stock as a share of GDP also increased from 20.29 percent to 31.00 per cent in 2008.

Table 15: Selected BOP and IIP indicators			
Indicators (%)	**2007**	**2008**	
FDI flows as a share of private capital flows	55.49	65.56	
FDI flows as a share of GDP	11.01	11.00	
FDI stock as a share of private capital stock (year end)	45.00	50.57	
FDI stock as a share of GDP (year end)	20.29	31.00	
	IIP	**BOP**	**IIP**
	Dec-07	**2008**	**Dec-08**
Total Liabilities (GH¢ million)	7,936.69	2,929.85	10,866.54
Direct investment in Ghana (GH¢ million)	3,574.80	1,920.79	5,495.59

2.6 Foreign Assets (FA)

This section presents the findings and analysis of Foreign Assets (FA) in the form of equity and non-equity attributable to the enterprises that were surveyed. The survey requested respondents to provide information on their investments in foreign countries. FA comprises shares held in other countries, short-term and long-term lending and investments in securities abroad.

2.6.1 Destination of Equity Investments

The main destination of equity investments stocks abroad held by residents in Ghana (in book value terms) in 2007 was the United Kingdom which accounted for a share of 66.1 per cent. Other destinations were Cyprus (30.9 percent), United States (1.7 percent) and The Gambia (1.2 percent).

Table 16: Destination of Equity Investments Abroad		
Country	**2007**	
	GH¢ Million	**% of Total**
United Kingdom	29.514	66.1
Cyprus	13.828	30.9
Senegal	0.751	1.7
United States	0.552	1.2
Gambia	0.032	0.1
Benin	0.002	0.0
Total	44.679	100.0
	2008	
United Kingdom	30.300	65.7
Cyprus	13.828	30.0
Senegal	1.430	3.1
United States	0.497	1.1
Gambia	0.032	0.1
Benin	0.004	0.0
Total	44.091	100.0

United Kingdom remained the leading destination of equity investments in 2008 with 65.7 per cent followed by Cyprus (30.0 percent), United States (3.1 percent) and The Gambia (1.1 percent). The investment in United Kingdom was mainly by the Finance, Insurance, Real Estate, Tourism and Business Services sector with minimal investment by Transport, Storage and Communication sector.

2.6.2 Analysis of Other Assets by Sector and Credit Type

The data on other assets on entities was analyzed by credit type and sector and the results are presented in Table 24. Other assets other than equity owed to Ghanaians increased by 95.19 per cent from GH¢169.33million in 2007 to GH¢330.51million (about US$275 million) in 2008.

In 2007, Currency and Deposit was the highest contributor to other assets with a value of GH¢160.98 million followed by Management Fees (GH¢4.09million), and Franchise (GH¢3.99 million). In 2008, Currency and Deposit still topped the list with GH¢243.47million, followed by Franchise (GH¢81.50 million) and Management Fees (GH¢5.20 million).

Table 17: Stock of Other Assets in GH¢ Million					
Type of Claims by Sectors	**2007**	**% Total**	**2008**	**% Total**	**% Change**
Custody account	**0.26**	**0.00**	**0.26**	**0.08**	**0.00**
Financing, Insurance, Real Estate, Tourism & B/S	0.26	**0.00**	0.26	0.08	0.04
Currency & Deposit	**160.98**	**95.07**	**243.47**	**73.66**	**51.24**
Financing, Insurance, Real Estate, Tourism & B/S	158.72	93.73	242.75	73.45	52.94
Manufacturing	2.26	1.34	0.72	0.22	-68.12
Franchise	**3.99**	**2.35**	**81.50**	**24.66**	**1944.14**
Financing, Insurance, Real Estate, Tourism & B/S	3.82	2.26	81.36	24.62	2028.22
Wholesale, Retail Trade, Catering & A/S	0.16	0.10	0.14	0.04	-15.85
Management Fees	**4.09**	**2.42**	**5.20**	**1.57**	**27.05**
Agriculture, Hunting, Forestry and Fishing	-	0.00	0.02	0.00	-
Construction	0.00	0.00	0.15	0.05	-
Financing, Insurance, Real Estate, Tourism & B/S	0.08	0.05	0.08	0.02	0.00
Manufacturing	4.01	2.37	4.95	1.50	23.35
Others	**0.02**	**0.01**	**0.08**	**0.03**	**428.52**
Financing, Insurance, Real Estate, Tourism & B/S	0.02	0.01	0.08	0.03	428.52
Total	**169.33**	**100.00**	**330.51**	**100.00**	**95.19**

2.6.3 Cross Border Capital Assets of Resident Enterprises

Ghana's total stock cross–border capital assets of the private sector in 2008 was estimated at GH¢4,874.25 million (about US$4.0 billion), up by 7.12 per cent from GH¢ 4,550.35 million in 2007. Direct investment abroad in the form of equity capital, reinvested earnings and other capital amounted to GH¢582.86 million in 2008 an increase of GH¢428.43 million, adding to the stock of GH¢154.42 million estimated for 2007. Other capital in the form of claims on the affiliated enterprises accounted for 7.64 per cent of the total outflow of GH¢ 428.43 million; the difference of 92.36 per cent was contributed by equity capital and reinvested earnings. The stock of portfolio equity investment stood at GH¢13.57 million in 2008 an increase of GH¢2.39 million from the stock of GH¢11.18 million estimated for 2007.

The stock of other investment in the form of trade credits, currency and deposits and other assets was estimated at GH¢1,832.32 million in 2008, up by GH¢ 141.95 million (8.40%) from GH¢ 1,690.37 million in 2007. Trade credit extended to non-residents increased from the 2007 stock level of GH¢10.04 million to GH¢101.89 million in 2008. The total stock of currency and deposit fell by 7.35 per cent from GH¢ 1,511.00 million in 2007 to GH¢ 1,400.00 million in 2008. Stock position of currency and deposit held by the banks outside Ghana in 2007 amounted to GH¢ 792.00 million, fell by GH¢ 132.00 million to GH¢ 660.00 million in 2008. Currency and deposits held by Other sectors outside Ghana increased from GH¢ 719.00 million in 2007 to GH¢ 740.00 million in 2008. The stock of other assets was estimated at GH¢ 330.43 million in2008 up by GH¢ 161.10 million from GH¢169.33 million in 2007.

Table 18: Private Cross Border Assets (Stocks and Derived Flows) GH¢ Million

	IIP	BOP	Valuation	IIP
	Dec-07	2008	Change	Dec-08
Assets	**4,550.35**	**323.90**		**4,874.25**
Direct investment abroad	**154.42**	**428.43**		**582.86**
Equity capital and reinvested earnings	109.24	395.70		504.94
Other capital	45.18	32.73		77.92
Portfolio investment	**11.18**	**6.18**	**-3.79**	**13.57**
Equity securities	11.18	2.39		13.57
Financial derivatives	**0.00**	**0.00**		**0.00**
Other investment	**1,690.37**	**141.95**		**1,832.32**
Trade credits	**10.04**	**91.85**		**101.89**
Loans	0.00	0.00		0.00
Currency and deposits	**1,511.00**	**-111.00**		**1,400.00**
Banks	792.00	-132.00		660.00
Other sectors	719.00	21.00		740.00
Other assets	**169.33**	**161.10**		**330.43**
Banks	162.47	161.64		324.11
Other sectors	6.86	-0.54		6.32
Reserve assets	**2,694.37**	**-248.87**		**2,445.50**
Monetary gold	228.74	65.33		294.08
Special drawing rights	0.57	-0.04		0.52
Reserve position in the Fund	0.00	0.00		0.00
Foreign exchange	2,460.57	-321.07		2,139.50
Currency and deposits	2,455.49	-321.07		2,134.42
Securities	5.08	0.00		5.08
Equities	0.00	0.00		0.00
Other claims	4.49	6.91		11.4

Note: All estimates are from the survey with the exception of loans, currency and deposit liabilities of deposit money banks, and other equity estimates which are obtained from the consolidated balance sheet of deposit money banks for the monetary and financial statistics, and GIB Balance sheet respectively.

The total reserve assets comprising monetary gold, holdings of Special Drawing Rights (SDR), reserve position with the IMF, foreign exchange and other claims was estimated at GH¢2,445.50 million in 2008, a decrease of GH¢248.87 million. Foreign exchange earnings fell by GH¢321.07 million to GH¢2,139.50 million in 2008. Monetary gold, on the other hand, increased by GH¢ 65.33 million from GH¢228.74million in 2007 to GH¢294.08 million in 2008. Comparing the assets position to the liability position shows that on a net basis Ghana has been a recipient of financial flows.

2.7 International Investment Position

Table19: External Assets and Liabilities as at end 2008 (GH¢ million)

	IIP	BOP	Val.	IIP		IIP	BOP	Val.	IIP
	Dec-07	2008	Change	Dec-08		Dec-07	2008	Change	Dec-08
Assets	**4,550.35**	**323.90**		**4,874.25**	**Liabilities**	**7,936.69**	**2,929.85**		**10,866.54**
Direct Investment abroad	**154.40**	**428.43**		**582.86**	**Direct Investment in Ghana**	**3,574.80**	**1,920.79**		**5,495.59**
Equity cap. & reinv earnings	109.24	395.70		504.94	Equity cap. & reinv earnings	1,838.61	560.80		2,399.40
Other capital	45.18	32.73		77.92	Other capital	1,736.19	671.41	688.59	3,096.19
Portfolio investment	**11.18**	**6.18**	**-3.79**	**13.57**	**Portfolio investment**	**772.54**	**233.67**		**1,006.21**
Equity securities	11.18	2.39		13.57	Equity securities	772.54	227.68	3.47	965.05
Financial derivatives	**0.00**	**0.00**		**0.00**	**Financial derivatives**	**0.00**	**0.00**		**0.00**
Other investments	**1,690.37**	**141.95**		**1,832.32**	**Other investments**	**3,589.35**	**775.39**		**4,364.74**
Trade credits	10.04	91.85		101.89	Trade credits	336.53	-224.50		92.03
Loans	0.00	0.00		0.00	Loans	3,007.87	937.31		3,945.18
Monetary authorities	0.00	0.00		0.00	Monetary authorities	161.33	40.88		202.21
Long-term	*0.00*	*0.00*		*0.00*	*Long-term*	*161.33*	*40.88*		*202.21*
Short-term	*0.00*	*0.00*		*0.00*	*Short-term*	*0.00*	*0.00*		*0.00*
General government	0.00	0.00		0.00	General government	2,588.17	593.53		3,181.70
Long-term	*0.00*	*0.00*		*0.00*	*Long-term*	*2,588.17*	*593.53*		*3,181.70*
Short-term	*0.00*	*0.00*		*0.00*	*Short-term*	*0.00*	*0.00*		*0.00*
Banks	0.00	0.00		0.00	Banks	146.77	60.06		206.83
Long-term	*0.00*	*0.00*		*0.00*	*Long-term*	*146.61*	*60.04*		*206.65*
Short-term	*0.00*	*0.00*		*0.00*	*Short-term*	*0.16*	*0.02*		*0.18*
Other sectors	0.00	0.00		0.00	Other sectors	111.61	242.84		354.45
Long-term	*0.00*	*0.00*		*0.00*	*Long-term*	*105.23*	*238.92*		*344.15*
Short-term	*0.00*	*0.00*		*0.00*	*Short-term*	*6.38*	*3.92*		*10.30*
Currency and deposits	1,511.00	-111.00		1,400.00	Currency and deposits	161.81	29.96		191.77
Banks	792.00	-132.00		660.00	*Banks*	*99.00*	*92.77*		*191.77*
Other sectors	719.00	21.00		740.00	*Monetary authorities*	*62.81*	*-62.81*		*0.00*
Other assets	169.30	161.10		330.40	Other liabilities	83.14	52.62		135.76
Banks	162.50	161.60		324.10	*Monetary authorities*	3.77	-3.77		0.00
Others	6.80	-5.40		6.30	*Long-term*	*3.77*	*-3.77*		*0.00*
Reserve assets	**2,694.40**	**-248.80**		**2,445.50**	*Short-term*	*0.00*	*0.00*		*0.00*
Monetary gold	228.74	65.33		294.08	General government	0.00	0.00		0.00
SDR	0.57	-0.04		0.52	*Long-term*	*0.00*	*0.00*		*0.00*
Reserve position in the Fund	0.00	0.00		0.00	*Short-term*	*0.00*	*0.00*		*0.00*
Foreign exchange	2,460.57	-321.07		2,139.50	Banks	37.22	8.19		45.40
Currency and deposits	2,455.49	-321.07		2,134.42	*Long-term*	*11.16*	*2.46*		*13.62*
Securities	5.08	0.00		5.08	*Short-term*	*26.06*	*5.73*		*31.78*
Equities	5.08	0.00		5.08	Other sectors	42.16	48.20		90.36
Other claims	4.49	6.91		11.40	*Long-term*	*12.35*	*14.46*		*27.11*
					Short-term	*29.51*	*33.74*		*63.25*
IIP, net	**-3,386.43**			**-5,992.29**					

Results from the survey in addition to other data sources such as Bank for International Settlement (BIS) estimates of currency and deposits assets of other sectors, monetary and financial statistics, and balance sheet statement of GIB London showed net liability International Investment Position (IIP) of GH¢ 5,992.29 million in 2008 having increased from a net liability position of GH¢ 3,386.34 million. This comprised total asset stocks of GH¢4,550.35 million and GH¢4,874.25 million and total liabilities of GH¢7,936.69 and GH¢10,866.54 for 2007 and 2008 respectively. Development in the IIP showed that Ghana attracted and retained a considerable amount of cross border capital in 2008.

2.8 Comparison of survey based and current BOP estimates

A Balance of Payments statement was compiled incorporating the survey estimates for comparison purposes with the initial BOP statement for 2008. To allow for a comprehensive assessment of the survey results' effect on the BOP, supplementary data from other sources known to be reliable for BOP estimation were incorporated with the survey data. These sources included the monetary and financial statistics and the Bank for International Settlements (BIS). Table 27 shows the BOP with and without estimates results in both Ghana Cedis and US Dollars.

Comparing the BOP (in US dollars) with and without survey results, showed a deterioration of US$56.12 million in the current account arising from the increase in the deficit on the income account. The current account deteriorated from a deficit of US$3,543.11 million to a deficit of US$3,599.23 million. The increased deficit on the income account was due to the inclusion of estimates of US$181.93 million reinvested earnings debits provided by the survey and estimated interest payments on the stock of private debt of US$43.09 million, as well as US$90.70 million of payments in compensation to non-resident employees engaged in the private sector. These estimates worsened the services and income balance from a deficit of US$755.84 million to a deficit of US$811.96 million.

The capital and the financial account reflected the observed effects of using the survey results on the BOP estimates. Overall, the financial account improved when the survey estimates were incorporated from a surplus of US$3,126.88 million to a surplus of US$3,727.48 million in 2008. The increase in the surplus on the financial account was equivalent to an additional inflow to the BOP of US$600.60 million. The additional inflow was sufficient to more than offset the deterioration of US$56.12 million on the current account. Much of the additional inflows in the financial account were due to higher estimates of portfolio investments in Ghana in a form of debt securities and other investment liabilities in a form of loans and trade credits relative to initial estimates.

The comparison showed a higher overall BOP surplus of US$128.25 million compared to initial BOP deficit of US$416.23 million suggesting additional inflows of US$544.48 million. Net errors and omissions increased because of the increase in the net inflows to the BOP without corresponding increases in the use of funds.

Table 20: Comparison of Survey Based and Current BOP Estimates

	2008 without survey results GH¢ Million	2008 with survey results GH¢ Million	2008 without survey results US$ Million	2008 with survey results US$ Million
A.CURRENT ACOOUNT BALANCE (A1+A2+A3)	**-4,230.47**	**-4,297.48**	**-3,543.11**	**-3,599.23**
A1. Goods Account (Trade Balance)	-5,968.53	-5,968.53	-4,998.77	-4,998.77
a) Total Exports (fob)	6,292.06	6,292.06	5,269.73	5,269.73
b) Total Imports (fob)	12,260.59	12,260.59	10,268.50	10,268.50
A2. Services and Income	-902.47	-969.48	-755.84	-811.96
A3. Current Transfer (net)	2,640.53	2,640.53	2,211.50	2,211.50
B. CAPITAL AND FINANCIAL ACCOUNT				
BALANCE (B1+B2)	**3,733.49**	**4,450.61**	**3,126.88**	**3,727.48**
B1. Capital Account	**553.19**	**553.19**	**463.31**	**463.31**
a) Capital Transfers inflows (credit)	553.19	553.19	463.31	463.31
B2. Financial Account; excluding	**3,180.30**	**3,897.42**	**2,663.57**	**3,264.17**
financing items				
a) Direct Investment	**2,510.72**	**2,349.22**	**2,102.78**	**1,967.52**
i) Direct investment abroad	-10.53	428.43	-8.82	358.82
ii) Direct investment in Ghana	2,521.25	1,920.79	2,111.60	1,608.70
b) Portfolio investment	**-58.52**	**239.85**	**-49.01**	**200.88**
Assets	0.00	6.18	0.00	5.18
Liabilities	-58.52	233.67	-49.01	195.70
Equity Securities	0.00	2.52	0.00	2.11
Debt Securities	-58.52	231.15	-49.01	193.59
c) Financial Derivatives, net	**0.00**	**0.00**	**0.00**	**0.00**
d) Other Investment	**728.10**	**1,308.35**	**609.80**	**1,095.77**
Assets	826.25	253.46	692.00	212.28
Trade credits	0.00	91.85	0.00	76.93
Loans	826.25	0.00	692.00	0.00
Currency and deposits				
Other Assets	0.00	161.61	0.00	135.35
Liabilities	-98.15	1,054.89	-82.20	883.49
Trade credits	-47.51	35.00	-39.79	29.31
Loans	489.09	937.31	409.62	785.02
Currency and deposits	-156.28	29.96	-130.89	25.09
Other Liabilities	-383.44	52.62	-321.14	44.07
C.OVERALL BALANCE (A+B)	**-496.98**	**153.13**	**-416.23**	**128.25**
D. RESERVES AND RELATED ITEMS	**496.98**	**-153.13**	**416.23**	**-128.25**
a) Reserve assets	904.05	904.05	757.16	757.16
b) Use of fund credit and loans				
c) Exceptional financing				
d) Errors and Omissions	-407.07	-1,057.18	-340.93	-885.41
Average exchange rate (Ghana Cedis per US$)= 1.19				

SECTION THREE

GENERAL QUANTITATIVE INFORMATION ON ENTITIES

This section presents the background to the findings from the FPCF 2009 and the analysis of the results in line with the survey objectives on general entities' quantitative information.

3.1 Survey Questionnaire

Out of the 318 administered questionnaires, 6 entities refused to comply, 38 were not returned and 271 were completed and returned giving a response rate of 85.22 percent. Among the 271 entities that returned the questionnaires, 19 returned questionnaires fell outside the survey period (2007-2008) since they were newly registered entities. Hence, 252 entities were fully captured, with 227 having Foreign Assets and Liabilities.

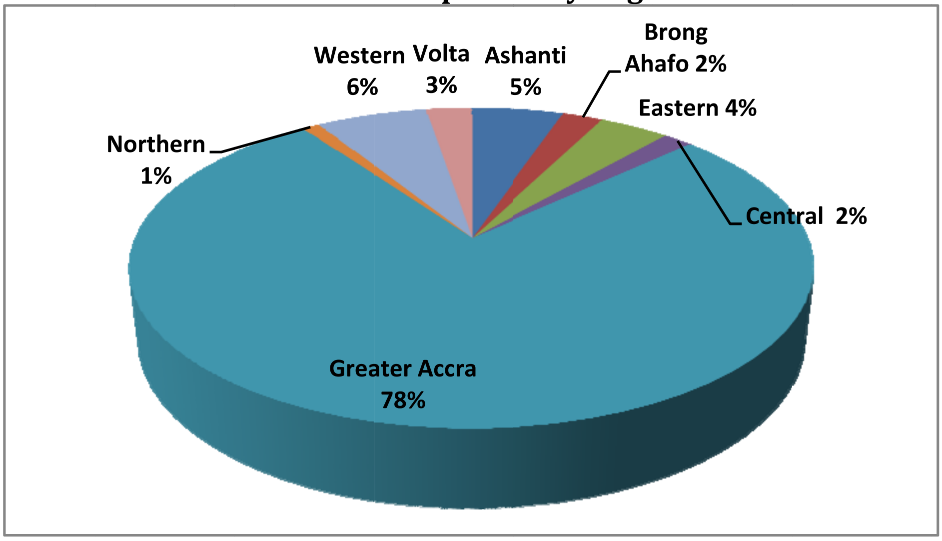
Table 21: Survey Questionnaire Administration

	Item	Number of Entities/Questionnaires	
1	**Targeted Entities (Sample size)**		**318**
2	Refusals	6	
3	Questionnaires Returned & Captured	252	
4	Questionnaires Returned with FAL	227	
5	Questionnaires Returned but had No FAL	25	
6	Questionnaires Returned but fell outside survey period	19	
7	Questionnaires Not Returned	38	
8	Total Questionnaires Returned(3+6)		**271**
	Response Rate (%)		**85.22**

3.1.1 Responses by Region

Survey responses indicated that 247 out of the administered questionnaires, representing 77.7 per cent, were received from enterprises located in the Greater Accra Region (See Chart 1). The dominance of Greater Accra was explained by the fact that the head offices of some of the entities in the regions were located in the region. The Western Region followed with 19 (6.21%) and Ashanti Region with 16 (5.23%).

Chart 11: Responses by Region



3.1.2 Returned Questionnaire by ISIC (With FAL)

In terms of sectoral distribution, 27.75 per cent of the responding entities were in the Manufacturing sector, followed by Finance, Insurance, Real Estate with 24.67 per cent; Wholesale, Retail Trade, Catering & Accommodation Services with 14.54per cent and Agriculture, Hunting, Forestry and Fishing sector with 11.01 percent.

Table 22: Returned Questionnaires by ISIC (With FAL)		
	Number of Entities	Percent of Total
Agriculture, Hunting, Forestry and Fishing	25	11.01
Community, Social and Personal Services	1	0.44
Construction	9	3.96
Electricity, Gas & Water	5	2.20
Finance, Insurance, Real Estate, Tourism & Business Services	56	24.67
Manufacturing	63	27.75
Mining and Quarrying	12	5.29
Transport, Storage & Communication	23	10.13
Wholesale, Retail Trade, Catering & Accommodation Services	33	14.54
Total	227	100

3.2 Entity Operations

This section presents the findings on the entities' operations namely; turnover, employment, actual investment, and other items.

3.2.1 Turnover in Book Value Terms

Analysis of data on entities' turnover indicated that, total turnover improved to GH¢8,466.67 million in 2008 from GH¢5,802.99 million in 2007, suggesting continued growth in the review period.

Within sectors, the highest proportion of total turnover of 25.41 per cent in 2008 and 24.62 percent in 2007 was registered by the Mining and Quarrying sector, as shown in Table 3. This was followed by Finance, Insurance, Real Estate, Tourism and Business Services with 19.32 per cent; Manufacturing (18.86 per cent), and Transport, Storage and Communication sector (17.46%).

Table 23: Turnover by Sector (GH¢ million)

	2007		2008		Growth
	Amount	Share (%)	Amount	Share (%)	Rate (%)
Agriculture, Hunting, Forestry and Fishing	128.11	2.21	264.96	3.13	106.82
Community, Social and Personal Services	0.69	0.01	1.39	0.02	101.45
Construction	108.76	1.87	126.50	1.49	16.31
Electricity, Gas & Water	282.75	4.87	317.73	3.75	12.37
Finance, Insurance, Real Estate, Tourism & Business Services	1,068.25	18.41	1,636.01	19.32	53.15
Manufacturing	1,062.80	18.31	1,596.51	18.86	50.22
Mining and Quarrying	1,428.53	24.62	2,151.23	25.41	50.59
Transport, Storage & Communication	1,070.58	18.45	1,478.68	17.46	38.12
Wholesale, Retail Trade, Catering & Accommodation Services	652.53	11.24	893.66	10.56	36.95
Total	**5,802.99**	**100.00**	**8,466.67**	**100.00**	**45.90**

The findings indicated that during the review period, entities in Agriculture, Hunting, Forestry and Fishing recorded the highest turnover growth of 106.82 per cent. It was followed by Community, Social and Personal Services with a growth rate of 101.45 per cent, Finance, Insurance, Real Estate, Tourism and Business Services (53.15%), Mining and Quarrying (50.59%), and Manufacturing (50.22%). On the whole, total turnover by all the sectors went up by 45.90 per in 2008.

3.2.2 Actual Investments

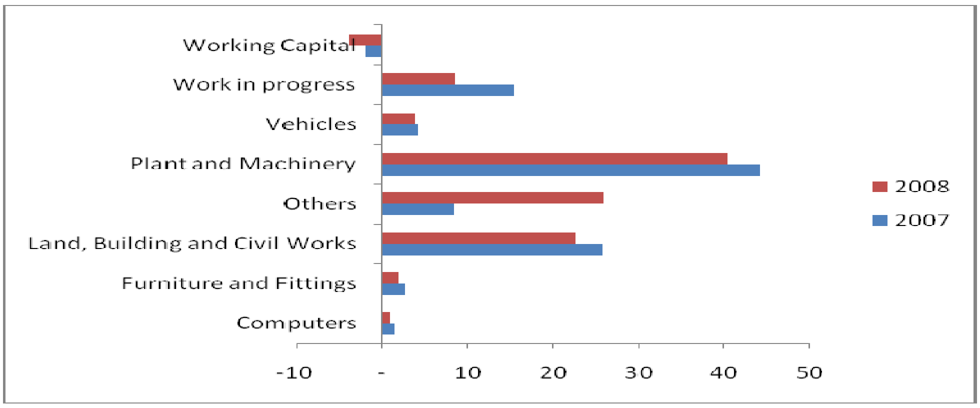
During the review period, actual investments by the surveyed entities grew by 51.92 per cent to GH¢5,513.68 million from GH¢3,629.40 million, which is consistent with the 45.90 per cent growth in total turnover by all the sectors in 2008. The highest investments were recorded in the Mining and Quarrying; Transport, Storage and Communication and Manufacturing sectors with relative shares of

57.25, 19.58 and 9.89 percent in 2008 compared with 50.74, 20.89 and 12.32 percent in 2007 respectively.

Table 24: Investments by Sector (GH¢ million)	2007	% Share	2008	% Share	Growth Rate
Agriculture, Hunting, Forestry and Fishing	45.95	1.27	93.22	1.69	102.89
Community, Social and Personal Services	0.84	0.02	1.71	0.03	103.57
Construction	92.22	2.54	99.94	1.81	8.37
Electricity, Gas & Water	75.21	2.07	31.89	0.58	(57.60)
Finance, Insurance, Real Estate, Tourism & Business Services	254.47	7.01	400.07	7.26	57.22
Manufacturing	446.99	12.32	545.53	9.89	22.05
Mining and Quarrying	1,841.66	50.74	3,156.60	57.25	71.40
Transport, Storage & Communication	758.34	20.89	1,079.41	19.58	42.34
Wholesale, Retail Trade, Catering & Accommodation Services	113.72	3.13	105.31	1.91	(7.40)
Grand Total	**3,629.39**	**100.00**	**5,513.68**	**100.00**	**51.92**

According to the findings, investments in Community, Social and Personal Services went up by 103.57 per cent in 2008, followed by Agriculture, Hunting, Forestry and Fishing Services (102.89%), Mining and Quarrying (71.40%); Financing, Insurance, Real Estate, Tourism and Business (57.22%), and Transport Storage and Communication (42.34%). However, investments in Electricity, Gas and Water declined by 57.6 per cent. Increased investments in Land and Building, and Plant and Machinery as well as Work-in-Progress were significant and consistent with increases in turnover.

Chart 12: Investments by Category (%)



3.2.3 Employment Trends

Table 5 analyses employment levels in entities surveyed. The results indicated that during the review period, employment levels increased by 7.43 per cent to 63,874 in 2008. The number of persons employed was dominated by male employees although the share fell slightly from 82.1 per cent in 2007 to 81.8 per cent in 2008. The proportion of female employees in the total employment level increased to 18.1 percent in 2008 from 17.9 percent in 2007.

Table 25: Employment by Category

	2007					2008				
	Local		Foreign		Total	Local		Foreign		Total
	Male	Female	Male	Female		Male	Female	Male	Female	
Casual staff	5,986	1,825	16	-	7,827	6,531	1,707	6	0	8,244
Unskilled/support staff	17,825	3,584	24	-	21,433	18,012	3,533	26	-	21,571
Skilled/technical staff	23,687	6,149	338	22	30,196	26,246	7,352	429	32	34,059
Total	**47,498**	**11,558**	**378**	**22**	**59,456**	**50,789**	**12,592**	**461**	**32**	**63,874**

Job disaggregation into skilled, unskilled and casual categories showed a general increase of 7.3 per cent in jobs occupied by Ghanaians. While there was a marked increase of 12.6 per cent in level of employment for the skilled local employees, there was a marginal increase in jobs for the local unskilled (0.64 percent) whilst the local casual labour force increased by 5.47 per cent.

Table 26: Employment by Sector

	2007	% Share	2008	% Share	% Change
Agriculture, Hunting, Forestry and Fishing	7,573	12.74	8,327	13.04	9.96
Community, Social and Personal Services	19	0.03	35	0.05	84.21
Construction	2,763	4.65	2,579	4.04	- 6.66
Electricity, Gas & Water	156	0.26	194	0.30	24.36
Financing, Insurance, Real Estate, Tourism & Business Services	13,203	22.21	15,554	24.35	17.81
Manufacturing	19,355	32.55	19,054	29.83	- 1.56
Mining and Quarrying	11,973	20.14	12,906	20.21	7.79
Transport, Storage & Communication	3,532	5.94	4,065	6.36	15.09
Wholesale, Retail Trade, Catering & Accommodation Services	882	1.48	1,160	1.82	31.52
Total	**59,456**	**100.00**	**63,874**	**100.00**	**7.43**

The findings also showed that 29.85 per cent of jobs were found in the manufacturing sector, followed by financing (24.35%), mining (20.21.0%) and agriculture (13.04%). The growth is consistent with the technological advances made in manufacturing, mining and agricultural sectors in 2007-2008 due to increased investments in plant and machinery which required operation by skilled personnel. The increased use of computers in the financial sector as well as expanding branch networks further stimulated absorption of employees with the requisite skills.

3.2.4 Gain/Loss on the Sale of Fixed Assets

Table 7 provides information on gain/loss made on the sale of fixed assets by entities. During the review period, gains on sale of fixed assets increased from GH¢7.45 million in 2007 to GH¢20.82 million in 2008. The analysis indicated that moderate gains were achieved by Construction, Electricity, Gas and Water sectors in the sale of fixed assets.

Table 27: Gain/Loss on Sale of Fixed Assets and Gain/Loss in Foreign Exchange (GH¢ Million)

	Gain/Loss on sale of Fixed Assets		Gain/Loss in Foreign Exchange	
	2007	2008	2007	2008
Agriculture, Hunting, Forestry and Fishing Agriculture	0.13	-0.01	-5.19	-15.19
Construction	2.35	13.79	-5.59	-0.85
Electricity, Gas & Water	0.61	4.61	3.34	16.52
Manufacturing	1.00	-0.22	-2.14	-13.33
Mining and Quarrying	1.81	1.10	-6.21	7.51
Transport, Storage & Communication	0.25	-0.20	-9.96	-34.03
Wholesale, Retail Trade, Catering and Accommodation Serv.	1.57	1.03	1.19	13.37
Financing, Insurance, Real Estate, Tourism and Business Services	1.73	0.73	44.75	135.44
o/w Banking	1.38	0.52	45.35	134.69
Total	**9.45**	**20.82**	**20.19**	**109.45**

3.2.5 Gain/Loss in Foreign Exchange

Over the period, total net gain in foreign exchange transactions of GH¢20.19 million and GH¢109.45 million, were recorded in 2007 and 2008 respectively. Significant portions of foreign exchange gains were registered in Financing, Insurance, Real Estate, Tourism and Business.

3.3 Socio-Economic Contribution of Foreign Direct Investment

The survey findings indicated that all the enterprises contributed significantly as part of their Corporate Social Responsibilities (CSRs). The overall contributions increased markedly to reach GH¢66.06 million in 2008 from GH¢34.28 million in 2007, indicating a 92.70 per cent growth. Broadly, the CSRs were directed at Health and Welfare, Others (Sundries), Environment, Security and General Social improvements and Sports development during 2008. In particular, the key selected areas of focus for CSRs by the surveyed entities were Security and General Social Upliftment, Environment, and Education.

Table 28: Corporate Social Responsibility Expenditures by FDI Enterprises (GH¢ Million)					
	2007	**% Share**	**2008**	**% Share**	**% Change**
Culture and Religion	0.50	1.47	0.58	0.88	15.08
Education	2.41	7.04	4.26	6.44	76.49
Environment	5.32	15.53	13.23	20.03	148.62
Health and Welfare	12.16	35.46	18.39	27.84	51.31
Others (Sundries)	9.67	28.21	18.50	28.00	91.30
Security and General Social Upliftment	0.93	2.70	5.80	8.77	525.81
Sports Development	3.29	9.60	5.30	8.02	61.09
Grand Total	34.28	100.00	66.06	100.00	92.70

SECTION FOUR
CONCLUSIONS AND POLICY RECOMMENDATIONS

4.1 Conclusions

The survey findings established that:

1. Majority of the entities with Foreign Assets and Liabilities (FAL) – 177 out of 227 - were located in the Accra – Tema Metropolis. In addition, 93.39 per cent of respondents operated mainly in the Manufacturing; Finance, Insurance, Real Estate, Tourism & Business Services; Transport, Storage and Communication; Wholesale, Retail Trade, Catering & Accommodation Services and Agriculture, Hunting, Forestry and Fishing Sectors (six out of the nine sectors).

2. Foreign Liabilities increased by 57.70 per cent in 2008 to GH¢6,354.83 million. Significant portions, that is, 88.71 per cent and 86.48 per cent of the total FL in 2007 and 2008 respectively were in the form of FDI inflows with equity and long-term loans from related entities/shareholders constituting a greater portion.

3. Significant growth in equity (FDEI) was recorded as a result of new equity inflows and increased retained earnings. Retained earnings continue to be a major source of entity financing. FDEI was mainly concentrated in the Mining and Quarrying; Transport, Storage and Communication; and Finance, Insurance, Real Estate, Tourism and Business Services sectors. Together, these accounted for 99.62 percent of all FDEI flows in 2008. The main origins of FDEI flows were United Kingdom, Lebanon, South Africa, France, Canada and Nigeria.

4. The Transport, Storage and Communication; and Mining and Quarrying sectors recorded significant FDEI flows of GH¢199.08 million and GH¢186.13 million during the period.

5. Portfolio investments were recorded in the Finance, Insurance, Real Estate, Tourism and Business Services and Transport, Storage and Communication sectors. Investors were from the United Kingdom, Cyprus, United States, Oman and Lebanon.

6. The stock of Private Sector External Debt (PSED) in 2008 was GH¢3,781.97 million, indicating an annual growth of 82.1 per cent. Of the total PSED stock, the Mining and Quarrying sector accounted for GH¢2,111.91 million, most of which were long-term. A significant portion of the PSED stock was owed to residents of North America (United States and Canada) and Europe

(United Kingdom). The survey revealed that most of these external borrowings were from related sources or fellows.

7. Cross border capital assets of the private sector was estimated at GH¢4,874.25 million, up by 7.12 per cent. The bulk of assets were in the form of other investments (currency and deposits) and reserve assets. The survey revealed that very few Ghanaian residents or entities have investments or hold shares in foreign entities.

8. The stock of cross border liabilities in Ghana totaled GH¢10,866.54 million in 2008 compared with GH¢7,936.69 million recorded in 2007 and was dominated by direct investments. This reflects an accumulated inflow liability position of cross border capital of GH¢2,929.85 million during 2008. The survey results showed that all the components of external liabilities covered registered positive growth.

9. Based on data from the survey and estimates from other sources, the overall IIP showed net liability International Investment Position (IIP) of GH¢ 5,992.29 million in 2008 having increased from a net liability position of GH¢ 3,386.34 million. Developments in the IIP indicated that Ghana attracted and retained a significant amount of cross border capital in 2008.

4.2 Policy Recommendations

In order to attain equal development and reduce rural-urban migration, there may be the need for Government to not only maximize the benefits of FDI flows but also minimize the potential adverse effects of its concentration in particular regions and sectors. In doing so, appropriate policies must be instituted to further improve the investment climate with the provision of good infrastructure (roads, electricity and water) across the country to spread foreign direct investments.

There is also the need to deepen reforms to sustain macroeconomic stability and avoid policy reversals since these are critical factors that build investor confidence, and also preserve the stability and predictability of investment flows. Finally, the continuous monitoring of private capital flows in conformity with international best practices and standards must be encouraged for effective policy formulation.

4.3 Achievements

1. Software development: The software used to capture data for the survey database was developed in-house by our local IT staff. This included designing user friendly data capture screens with drop down tabs to enable easy data entry for many of the responses and provision of adequate security measures with different user rights for administrators and other users.

2. Response rate: the high response rate achieved was as a result of staff commitment and dedication.

4.4 Challenges and the Way Forward

Whilst this year's edition of the survey has seen a lot of improvement over the previous editions, some identifiable challenges are worth mentioning. These include continued non-compliance by some entities, inappropriate contact addresses and lack of awareness among some key stakeholders.

Going forward, efforts must be made in tackling the above challenges in order to increase the response rate of future surveys. The following suggestions are also recommended for further action:

1. Sensitization of the general public is a very important tool and should not be taken for granted. When adequate awareness and sensitization is created, enterprises would be willing to comply. Advertisements in both the print and electronic media would be helpful just before the survey starts. A posting on the local intranet as well as a seminar for heads of department will do for staff of the Bank.

2. The bank should henceforth write officially to the companies informing them in advance, stressing the confidentiality aspect and that the information used will be for statistical purposes only, before embarking on the survey.

3. There is the need to collaborate with Ghana Investment Promotion Centre (GIPC) being the main government agency mandated to register investors to operate in the country, to update their registered companies' register on a regular basis.

APPENDIX 1

Sampling Technique

The list of enterprises was obtained from the Ghana Investment Promotion Centre (GIPC), Registrar General's Department, Ghana Free Zones Board and Internal Revenue Service (list of top 100 large tax payers). Out of the 1,300 entities compiled, 22.0 percent had been covered in the 2008 survey, but 35.4 percent could not be reached by their contact information and 19.5 percent had either folded up or were non-existent. Subsequently, questionnaires were administered to 300 enterprises representing 23.1 percent of total entities identified.

A response rate of 90.67 percent was recorded (272 companies). An analysis of the questionnaires after the exploratory survey revealed that 200 enterprises had FAL. These were added to the list of 118 entities obtained from the earlier survey (FPCF 2008).

Based on the above information, questionnaires were administered to 318 enterprises dotted across the regions with the exception of the Upper East and Upper West Regions which did not have any enterprises with FAL.

Survey Methodology

To achieve good coverage of cross-border activity, it was necessary to develop and maintain a register of enterprises that will be included in all major surveys. In view of this, the Bank embarked on an exploratory survey to identify other companies with Foreign Assets and Liabilities (FAL), in addition to those enterprises that were covered in the 2008 FPCF survey.

The list of enterprises included in the exploratory survey was obtained from the Ghana Investment Promotion Centre (GIPC), Registrar General's Department, Ghana Free Zones Board and the Internal Revenue Service (list of top 100 large tax payers). Out of the 1,300 identified entities, 22.0 per cent had been covered in the 2008 survey, 35.4 per cent could not be reached by their contact information and 19.5 per cent had either folded up or were non-existent. Subsequently, questionnaires were administered to about 320 enterprises representing 24.6 percent of total entities identified.

A response rate of 90.67 per cent was recorded (272 companies). An analysis of the questionnaires after the exploratory survey revealed that 200 enterprises had FAL. These were added to the list of 118 entities with FAL obtained from the earlier survey (FPCF 2008).

Coverage

Based on the above information, questionnaires were administered to 318 enterprises all over the country with the exception of the Upper East and Upper West Regions which did not have enterprises with FAL. Of the distributed questionnaires, 274 were duly completed and returned, indicating a high response rate of 86.16 per cent.

The enterprises in the survey covered various sectors of the economy including Agriculture, Hunting, Forestry and Fishing; Community, Social and Personal Services; Construction; Electricity, Gas and Water; Finance, Insurance, Real Estate, Tourism and Business Services; Manufacturing; Mining and Quarrying; Transport, Storage and Communication; and Wholesale, Retail Trade, Catering and Accommodation Services.

Data Processing Software

The software which is a concept-based and multi-user database system was developed in Microsoft Access. Since its usage in the previous survey, the data capture, analysis and reporting modules have been significantly enhanced to facilitate data entry, processing and reporting of survey data. The newly improved version of the software was completed on schedule with training of data entry staff carried out to ensure accuracy in its usage.

Data Entry and Validation

The Balance of Payments and Statistics Offices at the Bank of Ghana's Research Department conducted an extensive editing of the captured survey results. Data was captured using in-house developed software with in-built mechanisms for validation and consistency to improve its quality.

Interviewers Manual

Interviewers conducting the Foreign Private Capital Flows Survey (FPCFS) 2009 used an 'Interviewers Manual' as accompaniment to fieldwork activities such as questionnaire administration, information retrieval and on-site editing. The manual detailed requisite tools and procedures intended to help with overall planning, co-ordination, and progress assessments of the survey.

Data Entry and Validation

The Balance of Payments and Statistics Offices at the Research Department of the Bank of Ghana conducted an extensive editing of the captured survey results. Data was capture using in-house developed software with mechanisms for validation and consistency to improve quality.

APPENDIX 2

Table 1: Foreign Direct Equity Investment-Paid-up Share Capital (GH¢ m)						
	2007		2008			
Sectors	Paid up share capital	% share	Paid up share capital	% share	Flows during 2008	% Change
Agriculture, Hunting, Forestry and Fishing	7.22	0.7	10.21	0.7	2.99	41.4
Community, Social and Personal Services	0.02	0.0	0.02	0.0	0.00	-
Construction	38.28	3.6	34.66	2.2	-3.62	(9.5)
Electricity, Gas & Water	64.43	6.0	61.49	4.60	-2.94	(4.6)
Financing, Insurance, Real Estate, Tourism & Business Services	112.19	10.5	200.99	13.0	88.80	79.1
Manufacturing	82.38	7.7	89.43	5.8	7.05	8.6
Mining and Quarrying	708.52	66.2	894.65	57.8	186.13	26.3
Transport, Storage & Communication	9.89	0.9	208.98	13.5	199.08	2,012.6
Wholesale, Retail Trade, Catering & Accommodation Services	46.65	4.4	48.22	3.1	1.57	3.4
Total paid-up share capital	**1,069.58**	**100.0**	**1,548.64**	**100.0**	**479.06**	**44.8**

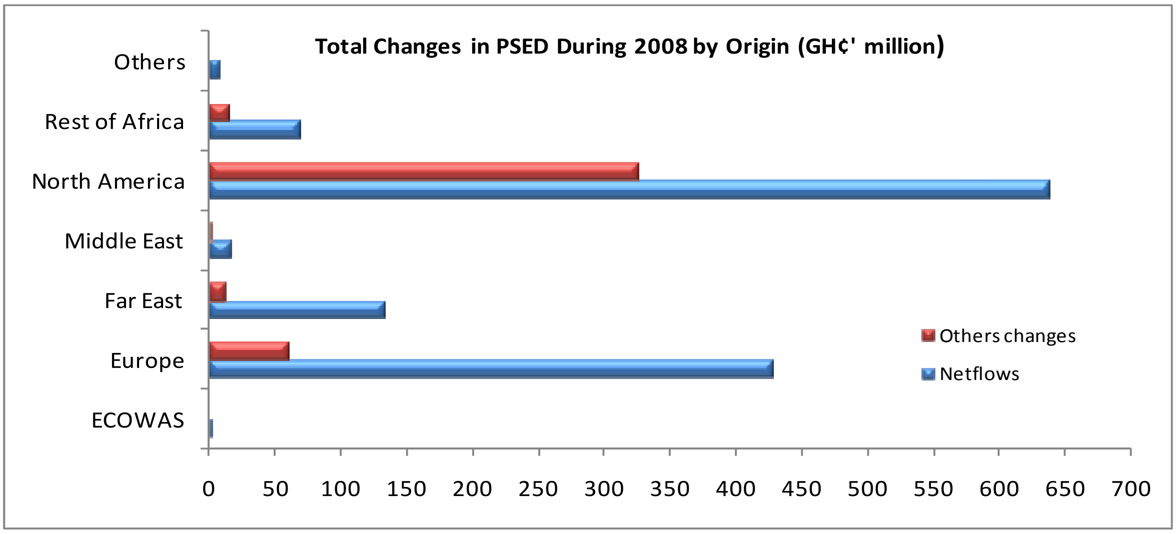
Table 2: Foreign Direct Equity Investment-Accumulated Retained Earnings (GH¢ m)						
	2007		2008			
Sectors	Accumulated Retained Earnings	% share	Accumulated Retained Earnings	% share	Flows during 2008	% Change
Agriculture, Hunting, Forestry and Fishing	-16.25	(3.3)	-11.86	(3.2)	4.39	(27.0)
Community, Social and Personal Services	-0.14	(0.0)	-0.33	(0.1)	-0.19	135.7
Construction	3.42	0.7	6.97	1.9	3.55	103.8
Electricity, Gas & Water	2.39	0.5	12.51	3.4	10.12	423.4
Financing, Insurance, Real Estate, Tourism & Business Services	103.63	21.0	114.24	30.8	10.60	10.23
Manufacturing	108.18	21.9	69.88	18.8	-38.30	(35.4)
Mining and Quarrying	-136.41	(27.7)	-301.81	(81.3)	-165.40	121.3
Transport, Storage & Communication	393.28	79.7	438.80	118.2	45.52	11.6
Wholesale, Retail Trade, Catering & Accommodation Services	35.11	7.1	43.01	11.6	7.90	22.5
Total Accumulated Retained Earning	**493.22**	**100.0**	**371.41**	**100.0**	**-121.81**	**(24.7)**

Table 3: Sectoral Distribution of Foreign Direct Equity Investment - Stocks and Flows (GH¢ M)	2007		2008			
	Book Value	% share	Book Value	% share	Flows during 2008	% change
Foreign Direct Investments	1,838.61	100.0	2,399.40	100.0	560.79	30.5
Agriculture, Hunting, Forestry and Fishing	-0.45	0.0	8.81	0.4	9.26	(2,057.8)
Community, Social and Personal Services	-0.13	0.0	-0.31	(0.0)	-0.18	138.5
Construction	43.82	2.4	43.78	1.8	-0.04	(0.1)
Electricity, Gas & Water	66.83	3.6	74.02	3.1	7.19	10.8
Financing, Insurance, Real Estate, Tourism & Business Services	370.75	20.2	531.05	22.1	160.30	43.2
Manufacturing	235.09	12.8	209.04	8.7	-26.05	(11.1)
Mining and Quarrying	634.10	34.5	780.19	32.5	146.09	23.0
Transport, Storage & Communication	405.94	22.1	658.20	27.4	252.26	62.1
Wholesale, Retail Trade, Catering & Accommodation Services	82.66	4.5	94.62	3.9	11.96	14.5

Table 4: Long-Term Foreign Private Sector External Debt	2007		2008			
	GH¢ million	% Share	GH¢ million	% Share	Net flows (GH¢ million)	% Change
Agriculture, Hunting, Forestry and Fishing	11.57	0.65	18.53	0.55	6.96	60.14
Community, Social and Personal Services	0.37	0.02	0.63	0.02	0.26	68.74
Construction	5.43	0.30	7.54	0.22	2.11	38.89
Electricity, Gas & Water	5.03	0.28	108.67	3.23	103.63	2,058.96
Financing, Insurance, Real Estate, Tourism & Business Services	203.22	11.41	282.87	8.40	93.51	46.01
Manufacturing	120.96	6.79	206.81	6.14	85.85	70.98
Mining and Quarrying	1,296.77	72.78	2,092.46	62.10	767.27	59.17
Transport, Storage & Communication	130.25	7.31	641.61	19.04	525.92	40.37
Wholesale, Retail Trade, Catering & Accommodation Services	8.07	0.45	10.17	0.30	2.10	26.03
Total	**1,781.67**	**100.00**	**3,369.28**	**100.00**	**1,587.61**	**89.11**

Table 5: Short-Term Foreign Private Sector External Debt	2007		2008			
Short-Term Debt Stock	GH¢ million	% Share	GH¢ million	% Share	Net flows (GH¢ million)	% Change
Agriculture, Hunting, Forestry and Fishing	24.59	8.34	58.71	14.23	34.12	138.76
Construction	34.08	11.56	2.56	0.62	(31.53)	(92.50)
Electricity, Gas & Water	1.84	0.63	4.02	0.97	2.18	118.01
Financing, Insurance, Real Estate, Tourism & Business Services	41.70	14.14	57.93	14.04	16.23	38.92
Manufacturing	141.55	48.00	202.45	49.06	60.90	43.02
Mining and Quarrying	5.14	1.74	19.46	4.71	14.32	278.89
Transport, Storage & Communication	24.14	8.19	34.17	8.28	10.03	41.56
Wholesale, Retail Trade, Catering & Accommodation Services	21.87	7.42	33.40	8.09	11.53	52.73
Total	**294.91**	**100.00**	**412.69**	**100.00**	**117.78**	**39.49**

Table 6: Sectoral Distribution of Foreign Portfolio Equity Investment - Stocks and Flows (GH¢ M)	2007		2008			
	Book Value	% share	Book Value	% share	Flows during 2008	% change
Foreign Direct Investments	35.17	100.0	37.69	100.0	2.52	7.2
Agriculture, Hunting, Forestry and Fishing	0.04	0.1	0.05	0.1	0.01	25.0
Community, Social and Personal Services	0.00	-	0.00	-	0.00	-
Construction	0.00	-	0.00	-	0.00	-
Electricity, Gas & Water	0.00	-	0.00	-	0.00	-
Financing, Insurance, Real Estate, Tourism & Business Services	25.01	71.1	21.58	57.2	-3.43	(13.70)
Manufacturing	0.00	-	0.05	0.1	0.05	-
Mining and Quarrying	0.00	-	0.00	-	0.00	-
Transport, Storage & Communication	10.14	28.8	15.97	42.4	5.84	57.5
Wholesale, Retail Trade, Catering & Accommodation Services	-0.01	(0.0)	0.05	0.1	0.06	(600)



APPENDIX 3

FPCF QUESTIONNAIRE (PRIVATE ENTERPRISES)

QUESTIONNAIRE FOR THE FOREIGN PRIVATE CAPITAL FLOWS (FPCF) SURVEY 2009

Issued under authority of the Foreign Exchange Act (2007) (Act 723) and the Ghana Investment Promotion (Act 1994) (Act478)

PART 1

General Information

(All respondents should complete Part 1, while for Parts 2, 3 and 4; the filtering questions on Table 1.10 will guide you on which parts to fill)

1.1. Name, Contacts and other information

1.1a Name of Entity: ____

1.1b Contact Person and Position:____

1.1c Alternative Contact Person and Position: ________________________________

1.1d Physical Address: ____________________________________

Postal Address: ____________________________________

Tel: _ Fax:__ E-mail: _____

Website: ____________________________________

1.1e Date of Commencement of Operation: ____________________________________

1.1f Investment License Number: ____________________________________

1.2 Shareholding Structure of your Entity as at 31st December 2008 and 31st December 2007.

Table 1.2: Shareholding Structure as at 31st December 2008 and 31st December 2007

Name of Share holder	Nationality	Country of Residence	Ownership Stake (% Shareholding)	
			31-12-2008	31-12-2007

1.3. Entity Turnover for 2008 and 2007 in GH¢

Please enter the total turnover of your Entity for the years 2008 and 2007 in GH¢.

Table 1.3: Total Turnover for the years 2008 and 2007 in GH¢

	31st December 2008	31st December 2007
Total Turnover *including* Other Income		

1.4 Industrial Classification

Please tick in the box to indicate the Industrial Classification, and also enter the percentage contribution of the Industrial Classification on the turnover

Table 1.4: Industrial Classification (Sector)

Industrial Classification	Tick sector	% share contribution to entity's turnover
1. Agriculture, hunting, forestry and fishing		
1.1 Agriculture		
1.1a Floriculture		
1.1b Fruits and Vegetables		
1.1c Dairy and Dairy products		
1.1d Livestock		
1.1e Other Agriculture		
1.2 Hunting		
1.3 Forestry		
1.4 Fishing and Fish farming		
2. Mining and quarrying		
2.1 Mining		
2.2 Exploration		
2.3 Quarrying		
3. Manufacturing		
3.1. Agro-industry		
3.1a Edible oil		
3.1b Grain milling products		
3.1c Tobacco and tobacco products		
3.1d Cotton and Textiles		
3.1e Other Agro industry		
3.2 Food and beverages		
3.2a Beverages		
3.2b Other Food Products		
3.3. Machinery, motors & equipment		
3.3a Metal and metal products		
3.3b Electronics		
3.3c Other machinery		
3.4 Chemicals and petroleum		
3.4a Pharmaceuticals		
3.4b Manufacture of paints		
3.4c Manufacture of Soap		
3.4d Other Chemical Products		
3.5. Other manufacturing		
3.5a Leather and Footwear		
3.5b Paper and paper products		
3.5c Rubber and Plastic products		
3.5d Furniture and Fittings		
3.5e Other (specify)		
4. Electricity, gas and water		
4.1 Electricity		
4.2 Gas		
4.3 Water		
5. Construction		
5.1 Bricks and Tiles		
5.2 Cement, Lime and Plaster		
5.3 Building and Construction		
6. Wholesale & retail trade, & catering & accommodation services		
6.1 Wholesale		
6.2 Retail Trade		
6.3 Catering		
6.4 Accommodation Services		
7. Transport, storage & communication		
7.1 Transport		
7.2 Storage		
7.3 Posts and Tele-communication		
7.4 Computer and related activities		
8. Financing, insurance, real estate, Tourism & business services		
8.1 Banking		
8.2 Micro finance		
8.3 Insurance		
8.4 Real estate / property services		
8.5 Tourism		

8.6 Business services		
9. Community, social and personal services		
9.1 Health Care Services		
9.2 Education Services		
9.3 Security Services		
9.4 Other (specify)		
10. Activities not covered above (please specify)		

1.5. Actual employment as at 31st December 2008 and 31st December 2007 (enter exact numbers)

Please enter the exact number of employees for each nature of employment or category.

Table 1.5: Actual employment as at 31st December, 2008 and 31st December, 2007

Nature of Employment	2008				2007			
	Resident		Non-Resident		Resident		Non-Resident	
	Male	Female	Male	Female	Male	Female	Male	Female
Permanent skilled/technical staff								
Permanent unskilled /support staff								
Temporary/casual staff								
Total								

1.6. Compensation of Employees for the years 2008 and 2007 in GH¢

Please enter the values (in GH¢) of compensation of employees for the years 2008 and 2007.

Table 1.6: Compensation of Employees for the years 2008 and 2007 in GH¢

	2008		2007	
Type of Compensation	Resident	Non-Resident	Resident	Non-Resident
Salaries and Wages				
In-kind payments				
SSNIT/Pension				
Directors Fees				
Other (specify)				
Total				

1.7. Actual Investment as at 31st December 2008 and at 31st December 2007 in GH¢

Please enter the values (in GH¢) of actual investment under each type of investment.

Table 1.7: Actual investment as at 31st December, 2008 and 31st December, 2007 in GH¢

Type of investment	31st December 2008	31st December 2007
Land, building and Civil Works		
Plant and Machinery		
Vehicles		
Furniture and Fittings		
Computers		
Working Capital		
Work in progress		
Other (specify)		
Total		

1.8. Gains/Loss from Foreign Exchange and sales of Fixed Assets during 2008 and 2007.

Please enter the gains or losses from foreign exchange translation operations in GH¢

Table 1.8: Gains/Loss from Foreign Exchange and sales of Fixed Assets during the years 2008 and 2007 in GH¢.

Item	2008	2007
Gain/(Loss) in Foreign Exchange		
Gain/(Loss) on the sale of Fixed Assets		

1.9. Net profit/Loss, Dividends and Retained Earnings during 2008 and 2007

Please enter the values (in GH¢) of the net profit/dividends/retained earnings.

Table 1.9: Net Profits/Loss, Dividends and Retained Earnings during 2008 and 2007 in GH¢

No.	Item	2008		2007	
		Residents	Non-residents	Residents	Non-residents
1.	Net profit/loss (after tax) for the year				
2.	Total dividends declared for the year				
3.	Total dividends paid / profits remitted during the year				
4.	Total retained earnings for the year				

1.10. Corporate Social Responsibility during 2008 and 2007 in GH¢

Table 1.10: Please enter the value of the activities performed by your entity (where applicable)

No.	Item	Amount Spent (GH¢)	
		2008	2007
1	Education		
2	Health and welfare		
3	Security and Gen Social upliftment		
4	Culture and Religion		
5	Sports Development		
6	Environment		
10	Others (Sundries)		
	Total		

1.11. Which parts (2-4) of this questionnaire are relevant to you?

The table below provides filtering questions that will help you decide the parts to answer, please tick in the appropriate box.

Table 1.11: Filtering Questions (FQ)

	Filtering Questions (FQ)	Yes	No
FQ1	Do non-resident entities, governments or individuals hold shares or equity (10% or more) in your entity? If yes, please complete Table 2.1.		
FQ2	Do non-resident entities, governments or individuals hold shares or equity (less than 10%) in your entity? If yes, please complete Table 2.2.		
FQ3	Does your entity have debt liabilities (long-term/short term loans, trade credits, debt securities) acquired from non-resident entities/individuals? If yes, please complete Table 3. 1		
FQ4	Does your entity have any other liabilities other than equity, loans, trade credits and debt securities acquired from non-resident entities/individuals such as management fees, custody/administered funds, franchise costs payable, currency and deposits, insurance and re-insurance premiums and claims payable etc.? If yes please complete Table 3.3.		
FQ5	Does your entity own shares (equity) in non-resident entities? If yes, please complete Table 4.1.		
FQ6	Does your entity have debt assets (long-term/short term loans, trade credits, debt securities) acquired from non-resident entities/individuals? If yes, please complete Table 4.2		
FQ7	Does your entity have any other assets other than equity, loans, trade credits and debt securities acquired from non-resident entities/individuals such as outstanding management fees, custody/administered funds, franchise costs payable, currency and deposits, insurance and re-insurance premiums and claims payable etc.? If yes, please complete Table 4.3.		

PART 2
Foreign Equity Investment (shares) in This Entity
(Liabilities)

Methods of Estimating Market Value

Please indicate (by ticking) **the method(s) used in estimating the market value of equity**. Indicate also **the person carrying out the estimation** of the market value of equity.

Table 2.0 (a): Methods of Estimating Market Value

No.	Method	Tick (✓)
1.	Valuation Approach	
2.	Income	
3.	Stock exchange/securities	
4.	Net Asset Value	
5.	Other Valuation approach *(specify)*	

Table 2.0 (b): Estimation carried out by

No.	Title	Tick (✓)
1.	CEO	
2.	Director	
3.	Accountant	
4.	Finance Manager	
5.	Auditor	

Please complete this PART *if your Entity in Ghana had non-resident shareholders during 2008 and 2007.*
Report all values in units and in GH¢.

2.1 Equity (of 10% or more) held by each non-resident in your entity as at end-2008 and end-2007 and associated transactions during 2008 and 2007.

Please complete this section if non-resident entities hold 10% or more shares in your Entity: Please enter aggregate data by country, for all non-resident entities each owning 10% or more of the equity or equivalent voting rights in your entity (Foreign Direct Equity Investment).
To ensure we do not have to get back to you for clarification, enter N/A where the question is not applicable.

Table 2.1 Equity (of 10% or more) held by each non-resident in your entity as at end-2008 and end-2007 and associated transactions during 2008 and 2007.

No.	Item			
1.	Country of residence/ International organisation			
2.		**Book value of equity as at 31st December 2007:**		
	O/w:	*Paid-up share capital (Stated capital):*		
		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify** …………….) :*		
3.	Estimated market value of equity as at 31st December 2007			
4.	Purchases of shares in your entity by non-residents during 2008			
5.	Sales of shares in your entity by non-residents during 2008			
6.	Other equity transaction during 2008 (change in accumulated retained earnings, reserves etc.)♣			
7.	Valuation changes and other changes in volume (on account of exchange rate, revaluations , reclassification etc)			
8.		**Book value of equity as at 31st December 2008:**		
	O/w:	*Paid-up share capital (Stated capital):*		
		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify** …………….) :*		
9.	Estimated market value of equity as at 31st December 2008			

♣ *These should include any transactions related to: new equity issues -, rights issue of shares, net value from mergers and acquisitions and additional capital contribution by shareholders.*
** Others - any other equity component e.g. un-remitted dividends, equity swaps, statutory reserves, contingency funds etc*
***NB:** In case you have more than three countries investing in your entity, please provide extra data on separate page(s) or sheet(s)*

2.2 Equity (of less than 10%) held by each non-resident in your entity as at end-2008 and end-2007 and associated transactions during 2008 and 2007.

Please complete this section if non-resident entities or individuals hold less than 10% equity in your entity:

- In *the* ***Table 2.2***, please enter aggregate data by country, for all non-resident entities each owning less than 10% of the shares or equivalent voting rights in your bank (Foreign Portfolio Equity Investment).

To ensure we do not have to get back to you for clarification, enter N/A where the question is not applicable.

Table 2.2 Equity (of less than 10%) held by each non-resident in your entity as at end-2008 and end-2007 and associated transactions during 2008 and 2007.

No.	Item			
1.	Country of residence/ International organisation			
2.		**Book value of equity as at 31st December 2007:**		
	O/w:	*Paid-up share capital (Stated capital):*		
		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify ……………)** :*		
3.	Estimated market value of equity as at 31st December 2007			
4.	Purchases of shares in your entity by non-residents during 2008			
5.	Sales of shares in your entity by non-residents during 2008			
6.	Other equity transaction during 2008 (change in accumulated retained earnings, reserves etc.)♣			
7.	Valuation changes and other changes in volume (on account of exchange rate, revaluations , reclassification etc)			
8.		**Book value of equity as at 31st December 2008:**		
	O/w:	*Paid-up share capital (Stated capital):*		
		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify ……………)** :*		
9.	Estimated market value of equity as at 31st December 2008			

♣ These should include any transactions related to: new equity issues), rights issue of shares, and additional capital contribution by shareholders.
** Others - any other equity component e.g. un-remitted dividends, equity swaps, statutory reserves, contingency funds etc*
***NB**: In case you have more than three countries investing in your entity please provide the extra data on separate page or sheet*

PART 3

Debt liabilities from non-residents
(Refer to table 3.2 for additional explanation)

3.0 Debt liabilities acquired from non-resident by your entity

*Please complete **Tables 3.1 and 3.3** for external liabilities other than shares (including any arrears) respectively.*

- ***Exclude all domestic (i.e. resident-to-resident) debt in both foreign and local currencies.***
- To ensure we do not trouble you for clarification, enter N/A where not applicable.

3.1 External liabilities of loans, trade credits, and debt security (bonds, notes, bills etc)

Long-term debt liabilities constitutes loans, trade credits, and debt securities with original maturity of 12 months or more while short-term debt has original maturity of less than 12 months. Please supply ***total outstanding balances*** for the years as at end-December 2008 and 2007 and ***transactions*** during 2008 for each individual debt **in the domestic currency. Average exchange rates for conversion of transactions and end of period exchange rates for conversion of balances are attached.**

Table 3.1: External debt liabilities of loans, trade credits, and debt securities (bonds, notes, bills etc)

No	Particulars				
1.	Creditor institution group*(Ref. to table 3.2 for descriptions)				
2.	**Credit type**(Ref. to table 3.2 for descriptions)				
3.	Tenure [(ST – short term or LT – long term]				
4.	**Creditor country/International organization**				
5.	**Currency of liability**				
6.	Total debt amount				
7.	Interest rate				
8.	**Outstanding balance as at 31st Dec 2007♠**				
9..	Debt received from non-residents during 2008 (Disbursements)				
10.	Debt repaid to non-residents during 2008 (Principal repayments)				
11.	Interest paid during 2008				
12.	Other changes during 2008 (debt forgiveness, re-scheduling, write-off, debt/equity swaps etc) Please specify…				
13.	Fees and commission paid in 2008:				
14.	**Outstanding balance as at 31st Dec 2008**				

&** See table 3.2

[1]All bold fields are mandatory
[2]In case the terms of the loan change during the period under review please provide data on separate page or sheet
[3]Disbursements received from the creditor.
Repayments to the creditor

Table 3.2 Explanatory notes for parts with asterix in tables 3.1 and 4.2 on other liabilities and assets excluding equity, loans, trade credits, and debt securities

*	CREDITOR INSTITUTION GROUP	**	CREDIT TYPE
	a) Parent company		a) Trade credit
	b) Subsidiary		b) Loan
	c) Other related party (fellows, directors etc)		c) Debt security (e.g. bonds, notes, bills etc)
	d) Unrelated party		

3.3 Other liabilities acquired from non-residents other than equity and borrowings

Other liabilities acquired from non-residents may include namely; management fees payable, financial derivatives, custody accounts, administered funds, franchise costs outstanding, currency and deposits, outstanding insurance and reinsurance premiums and claims etc. Please supply ***total outstanding balances*** for the years as at end-December 2008 and 2007 and ***transactions*** during 2008 for each

♠ *Not applicable if loan was contracted in 2008* individual liability **in the domestic currency. Average exchange rates for conversion of transactions and end of period exchange rates for conversion of balances are attached.**

Please complete this question if your entity acquired liabilities (excluding sales of shares, loans, trade credits and debt securities) from non-resident entities or individuals

Table 3.3: Other liabilities acquired from non-residents other than shares, loans, trade credits and debt securities

	Item			
	Type of claim (namely; management fees, financial derivatives, custody a/c, administered funds, franchise costs outstanding, currency and deposits, outstanding insurance and reinsurance premiums and claims etc.)			
	Currency (e.g. GH¢, US$, Euro (€), GBP(£) etc.)*			
	Creditor country / International Organization of counterpart			
	Outstanding balance as at 31st December 2007			
	Value of liability received from non-residents during 2008			
	Settled liabilities during 2008			
	Other changes (e.g. exchange rate changes)			
	Outstanding balance as at 31 December 2008			

PART 4

Investment (Assets) Abroad by this Entity

4.0. Methods of Estimating Market Value

Please indicate (by ticking) **the method(s) used in estimating the market value of equity**. Indicate also **the person carrying out the estimation** of the market value of equity.

Table 4.0 (a): Methods of Estimating Market Value

No.	Method	Tick (✓)
1.	Valuation Approach	
2.	Income	
3.	Stock/ Securities market	
4.	Net Asset Value	
5.	Other *(specify)*	

Table 4.0 (b): Estimation carried out by

No.	Title	Tick (✓)
1.	CEO	
2.	Director	
3.	Accountant	
4.	Finance Manager	
5.	Auditor	

4.1. Holdings of shares by your entity in non-resident entities

Please complete Table 4.1 as follows:

In ***Column A***, please enter aggregate data for your holdings of shares in non-resident entities that are each 10% or more. In ***Column B***, please enter aggregate data for your holdings of shares in non-resident entities that are each less than 10%.To ensure we do not have to get back to you for clarification, enter *N/A* where not applicable.

Table 4.1: Holdings of equity by your Entity in non-resident entities equivalent in GH¢.

No.	Item		Equity held by your Entity	
			A. Holdings (each 10% or more)	B. Holdings (each less than 10%)
1.	Country of investment *			
2.	**Book value of equity as at 31st December 2007**			
	O/w:	*Paid-up share capital (Stated capital):*		

		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify ……………**) :*		
3.	Estimated market value of shares as at 31 December 2007			
4.	Purchases of shares in non-resident entities by your entity during 2008			
5.	Sales of shares in non-resident entities during 2008			
6.	Other equity transactions during 2008 (change in accumulated retained earnings, reserves etc)			
7.	Valuation changes and other changes in volume (on account of exchange rate, revaluations , reclassification etc)			
8.	**Book value of equity as at 31st December 2008**			
	O/w:	*Paid-up share capital (Stated capital):*		
		Share premium:		
		Accumulated retained earnings (Income surplus a/c):		
		Revaluations (Capital surplus a/c):		
		** Others (**Specify ……………**) :*		
9.	Estimated market value of shares as at 31 December 2008			

**In case you hold equity in more than one country please provide data on separate page or sheet to be provided by the interviewer.*

4.2. External debt assets of loans, trade credits, and debt securities (bonds, notes, bills etc)

Long-term debt assets constitutes loans, trade credits, and debt securities with original maturity of 12 months or more while short-term have original maturity of less than 12 months. Please supply ***total outstanding balances*** for the years as at end-December 2008 and 2007 and ***transactions*** during 2008 for each individual loan **in the domestic currency. Average exchange rates for conversion of transactions and end of period exchange rates for conversion of balances are attached.**

Please complete the table below if you had asset claims on non-residents in form of trade credits, loans, debt securities in 2007 and 2008.

Table 4.2 External assets of loans, trade credits, and debt securities (bonds, notes, bills etc)

No	Particulars				
1.	Debtor institution group*(Ref. to table 3.2 for descriptions)				
2.	**Debt type**(** Ref. to table 3.2 for descriptions)				
3.	Tenure [(ST – short term or LT – long term]				
4.	**Debtor country/International Organization**				
5.	**Debt currency**				
6.	Total debt amount				
7.	Interest rate				
8.	**Outstanding balance as at 31st Dec 2007♠**				
9.	Debt extended to non-residents during 2008 (Disbursements)				
10.	Debt repaid by non-residents during 2008 (Principal repayments)				
11.	Interest due and paid during 2008				
12.	Other changes during 2008 (debt forgiveness, re-scheduling, write-off, debt/equity swaps etc) Please specify…				
13.	Fees and commissions received in 2008:				
14.	**Outstanding balance as at 31st Dec 2008**				

a) *In case your entity lent to non-residents in more than one country please provide data on separate page or sheet*
b) *Short term in case the maturity period of the asset is less than 12 months otherwise it should be considered long-term.*

♠ *Not applicable if loan was contracted in 2008*

4.3 Other assets acquired from non-residents other than equity and borrowings

Other assets acquired from non-residents may include; management fees payable, financial derivatives, custody accounts, administered fund, franchise costs, currency and deposits, outstanding insurance and reinsurance premiums and claims etc. Please supply ***total outstanding balances*** for the years as at end-December 2008 and 2007 and ***transactions*** during 2008 for each individual asset **in the domestic currency. Average exchange rates for conversion of transactions and end of period exchange rates for conversion of balances are attached.**

Please complete this question if your entity acquired assets (excluding sales of shares, loans, trade credits and debt securities) from non-resident entities or individuals.

Table 4.3: Other assets acquired from non-residents other than shares, loans, trade credits and debt securities

	Item			
1.	Type of asset (namely; management fees, financial derivatives, custody a/cs, administered funds, franchise costs, currency and deposits, outstanding insurance and reinsurance premiums and claims etc.)			
2.	Currency (e.g. GH¢, US$, Euro (€), GBP(£) etc.)*			
3.	Creditor Country / International Organization of counterpart			
4.	**Outstanding balance as at 31 December 2007**			
5.	Value of asset acquired from non-residents during 2008			
6.	Settlement s (repayments) during 2008			
7.	Other changes (e.g. exchange rate changes)			
8.	**Outstanding balance as at 31 December 2008**			

****NB*:** *Indicate amount in space provided in Ghana Cedes e.g. GH¢ 1,000*
In case you have more than three Currencies please provide the extra data on separate page(s) or sheet(s)

4.4 Please indicate below any issue not discussed in this questionnaire that you may wish to bring to the attention of policy makers.

____

Once again we wish to assure you that the information you have provided will be treated with strict confidentiality.

Kindly certify this information.

Name: ______________________

Address: ____________________

Signature: ____________________ **Date:** _______________ **Stamp:** _________________________

THANK YOU FOR YOUR COOPERATION

APPENDIX 4

QUSTIONNAIRE FOR THE BALANCE OF PAYMENTS EXPLORATORY SURVEY 2009

____

____

Balance of Payments Office
Research Department
Bank of Ghana

Telephone 021-660817/663082
Fax 021 668932

Please read this first

Collection Authority The Bank of Ghana requires that a representative of the enterprise to which this form is addressed must complete and return the form to the Interviewer.

Confidentiality The Bank of Ghana also guarantees the confidentiality of the information provided via the form.

Purpose of Collection This form collects information for the purpose of determining enterprises that should be included in the foreign private capital flows survey, which in turn is used to compile Ghana's balance of payments statistics.

Ease of completion To facilitate reporting, most questions will be answered by marking the boxes provided.

Due Date . The form is to be completed together with the enumerator

Assistance Our field enumerators have been trained to assist you should you have any queries or require assistance. You can also call Mrs. Grace Akrofi on 021 – 660817

EXPLORATORY SURVEY 2009

PART A
General Information

1. Name, Contacts and other information

1a. Name of Entity: ____

1b. Contact Person and Position:____

1c. Alternative Contact Person and Position: ____

1d. Physical Address (Name of building if applicable, plot number and street name):
____

____

Postal Address: ____

____Region______________________

Tel: _ Fax:__ E-mail: ______________________________

Website: ____

1e. Date of Commencement of Operation: ____

PART B
General Questions/Ownership

2. Is this enterprise a subsidiary of another enterprise in Ghana? Yes [ ] No [ ]

3. If the answer is yes, please indicate the name of the parent company?__________________________

4. Does this enterprise have subsidiary companies in Ghana? Yes [ ] No [ ]

5. If the answer is yes, please list the names of the subsidiaries___1.____________________________

2.____

3.____

6. Is this enterprise a branch of a foreign company? (wholly owned i.e. 100 percent) Yes [ ] No [ ]

7. Is this enterprise a subsidiary of a foreign company? (majority owned i.e more than 50 percent) Yes [ ] No [ ]

8. Do non-resident entities, governments or individuals hold shares in your entity? Yes [ ] No [ ]

9. Does your entity have debt liabilities (long-term/ short term loans, trade credits, debt securities) acquired from non-resident entities/individuals? Yes [ ] No [ ]

10. Does your entity have any other liabilities other than equity, loans, trade credits and debt securities acquired from non-resident entities/individuals such as management fees, custody/administered funds, franchise costs payable, currency and deposits, insurance and re-insurance premiums and claims payable etc.?

Yes [ ] No [ ]

11. Does your entity own shares (equity) in non-resident entities? Yes [ ] No [ ]

12. Has your entity advanced long-term/short term loans, trade credits, debt securities to non-resident entities/individuals?

Yes [ ] No [ ]

13. Does your entity have any other assets other than equity, loans, trade credits and debt securities with non-resident entities/individuals such as outstanding management fees, custody/administered funds, franchise costs payable, currency and deposits, insurance and re-insurance premiums and claims payable etc.?

Yes [ ] No [ ]

14. What is the nature of your main business activity? ______________________________________

____

____

15. How many people does your entity employ? Please tick

☐ 1 to 50 ☐ 51 to 100 ☐ 101 to 200 ☐ 201 to 500 ☐ Above 500

16. As at the end of December 2008, did your entity employ any non –resident workers? A non -resident worker refers to anyone who has not lived in Ghana for more than 12 months.

Yes [ ] No [ ]

Name of person completing this form____

ignature______________________________Date____________________________

THANK YOU FOR YOUR COOPERATION

For Official Use

Name of Interviewer____

Signature_________________________ Date____________________________

FOREIGN PRIVATE CAPITAL FLOWS (FPCF) SURVEY PROJECT PERSONNEL

DIRECTORATE

Mr. Kwesi Bekoe Amissah-Arthur, Governor, Bank of Ghana
Dr. Henry A. K. Wampah, Deputy Governor, Bank of Ghana
Mr. Millison Narh, Deputy Governor, Bank of Ghana
Dr. E. K. Y. Addison, Director of Research, Bank of Ghana

SUPERVISORS

Mr. L. N. Nketiah
Mrs. Grace Akrofi
Mr. Atta Frempong

INTERVIEWERS

Mrs. Cynthia Kotei
Mrs. Gifty Kubuafor
Mr. Richard Ampomah-Asiedu
Mr. Van-Ess Oppong
Mr. George Ocran
Mr. Joseph Acheampong
Mr. Solomon Tackie
Mr. Kofi Joehene
Mr. Prosper Nkudefe-Adjotor
Mr. Samuel Hammond

IT SOFTWARE DESIGNER/OPERATORS

Mr. Solomon Otoo
Mr. Samuel Hammond

REPORT WRITERS

Mrs. Cynthia Kotei
Mrs. Gifty Kubuafor
Mr. Richard Ampomah-Asiedu
Mr. Van-Ess Oppong
Mr. George Ocran
Mr. Joseph Acheampong
Mr. Atta Frempong

DATA ENTRY/DATA ANALYSIS AND EDITING

Mrs. Cynthia Kotei
Mrs. Gifty Kubuafor
Mr. Richard Ampomah-Asiedu
Mr. Van-Ess Oppong
Mr. George Ocran
Mr. Joseph Acheampong
Mr. Solomon Otoo
Mr. Samuel Hammond

EDITORS

Mr. Stephen Amegashie
Ms. Ivy Acquaye
Mr. Ibrahim Abdulai

PROJECT SECRETARIAT

Mrs. Florence O-Kissi
Mrs. Emma Dadson-Gyan
Mr. Raji Awudu