

GHANA AUTOMOTIVE INDUSTRY FACT SHEET

The automotive industry in Ghana is still relatively young, with the first few cars being imported in the mid-1950s. However, recent years have seen a surge of investment into this burgeoning sector.

WHAT GHANA OFFERS

Natural Resources

- Aluminium - Bauxite
- Steel - Iron Ore
- Glass
- Natural Rubber
- Lithium
- Manganese

Existing SKD Assembly

- VW
- Toyota
- Nissan / Peugeot
- Hyundai / Changan
- KIA
- Kantanka
- Sinotruck (CNHTC)

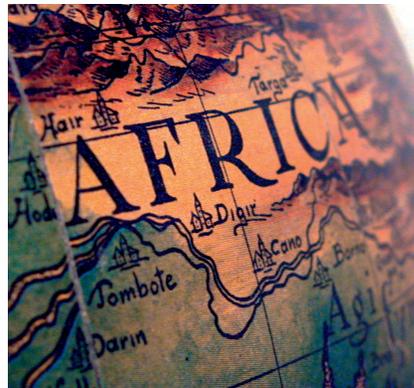


OEMs with assembly plants under construction

- Isuzu
- Renault

OEMs that have expressed interest

- Suzuki
- Honda



AAAM

African Association of
Automotive Manufacturers



German Association
of the Automotive Industry

REASONS TO INVEST



Existence of the progressive Ghana Auto Development Policy (GADP) that incentivizes local assembly and manufacture.



In the first half of 2023, the government of Ghana will announce a Component Manufacturing Policy in support of developing the auto value chain.



Large base of labour that is 30% cheaper than in South- East Asia.



National Policy introduced to restrict the importation of used and salvaged vehicles as well as vehicles that are not roadworthy.



Component quality standards to be introduced to counter a large share of used and low quality imports.

ECOWAS market demand could reach 500,000 – 600,000 units with the implementation of the right policies in the region.

Ivory Coast and Nigeria are both to announce new auto policies in 2023.



The government of Ghana is exploring policies that could stimulate demand of new vehicles including affordable auto financing.



Ghana's new vehicle demand will conservatively reach 150,000 units per year by 2035 with an upside potential of 220,000.



The African Continental Free Trade Area (AfCFTA) which has its secretariate in Ghana, has the market potential of 3.2 million new vehicles per year with the potential to reach 5 million units per year.



The government of Ghana is currently collaborating with various stakeholders including the African Association of Automotive Manufacturers (AAAM) and the German Association of the Automotive Industry (VDA) to develop the ecosystem in the country to attract investors into its auto industry.



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