

ECOWAS TRADE LIBERALIZATION SCHEME

The aim of establishing the ECOWAS Trade Liberalization Scheme is to promote co-operation and integration leading to the establishment of an economic union in West Africa in order to raise the living standards of its citizens, and to maintain and enhance economic stability, foster relations among Member States and also contribute to the progress and development of the African Continent.

Any manufacturer of goods which are wholly produced from Member States qualifies to obtain the ECOWAS Trade Liberation Scheme certificate. Products which are considered originating from Member States include;

- i. live animals born and raised within Member States,
- ii. mineral products extracted from the ground of Member State,
- iii. products obtained from animals living or raised in Member State
- iv. electric energy produced in a Member States
- v. scrap and waste resulting from manufacturing operations within Member State
- vi. vegetable products and herbs harvested within Member State

For a manufacturer to proof the origin of his/her product, the manufacturer is expected to obtain a certificate of origin from the Ghana Chamber of Commerce which is the issuing body and the certificate has to be counter signed by the Customs Excise and Preventive Service (CEPS).

HOW TO OBTAIN ECOWAS TRADE LIBERALIZATION SCHEME

A manufacturer who wants to export within the West African Sub-region and enjoy the benefits of the ECOWAS Trade Liberalization Scheme must fulfill the following requirements.

An exporter must first of all register with the Ghana Export Promotion Council for a fee of ₵100,000.00. What is required of the exporter is that he or she must

- i. Have a certificate of Incorporation
- ii. Have an e-mail address and
- iii. Tax Identification Number (TIN)

The exporter then obtains a Form for ECOWAS Trade Liberalization Scheme registration from Ghana Export Promotion Council for another fee of ₵100,000.00

The completed form has to be returned to the Officer in-charge at the Ghana Export Promotion Council who will process and forward it to the Ministry of Foreign Affairs and NEPAD.

The whole process of obtaining the ECOWAS Trade Liberalization Scheme Certificate takes 4-6months.

An exporter registering for the first time is advised to state the names of future products to be produced. If this is not done, the exporter will have to apply for the Scheme for each separate product that is produced in future.

BENEFITS

100% Retention of Export Proceeds:

Exporters retain 100% of their foreign earnings from exports. The foreign exchange is credited to the exporter's account with bankers who pay him the cedi equivalent at a rate negotiated with him, or pay foreign currency.

Corporate Tax Rebate:

This scheme allows any manufacturer or person engaged in agricultural production and exporting part or all of his production, to claim tax rebate between 40% and 75% of his tax liability.

Bonded Warehouse Facility

The scheme allows manufacturers to seek custom licence to hold imported raw materials intended for manufacture for export in secured places without payment of duty.

Up-front Duty Exemption:

This scheme operates alongside the duty draw back scheme and enables exporters enjoy 100% duty exemption on selected imports intended to go into production for export.