

# A4AI Ghana Coalition

## Working Groups Progress Reports

**Taxation** Working Group

November 11, 2014



# Policy & Regulatory Reform

## Taxation Areas (Targeted):

- Surcharge on International Inbound Traffic (SIIT)
  - Price Arbitrage/Simboxing
- 20% Import Duty on Mobile Devices
- National Fiscal Stabilization Levy
- VAT on Mobile Money
- CST on Interconnection

## Risk/Challenges:

- Government's fiscal deficit & revenue demands
- Stakeholder Buy-in

# KEY ACTIVITIES



## TEAM APPROACH / STRATEGIC ENGAGEMENTS

## TIMELINE

### GROUP MEETING

4<sup>th</sup> Week August

- Outline Engagement Processes
- Fine-tune Priority Areas

### STRATEGIC ENGAGEMENTS

1<sup>st</sup> & 2<sup>nd</sup> Week of  
September

- Meeting with Telco CEOs
- Meeting with the NCA Board Chairman
- Meeting with the MoC [Minister, Deputy & CD]

### RESEARCH ON TAX IMPLICATIONS TO TELCO INDUSTRY

On-going  
On-going

- TTC Study with PwC
- GSMA Ghana Tax Study

# PRIORITY TAXES



## Surcharge on International Inbound Traffic

## TIMELINE

### High Level Stakeholder Engagement

Aug – Nov 2014

- Met NCA Board, MoF, MoC, CSOs,
- Engaged IMF team with a position paper

### Review Best Practise/Research on Tax Implications

Aug – Till date

- GSMA ITRs Paper September 2014
- TTC Study with PwC
- Economic Impacts of Mobile Taxation in Ghana with Deloitte

Complete

Ongoing (Draft)

Ongoing (Draft)

### Public Awareness Creation

- Briefed Journalists to write articles
- Television Interviews
- Upcoming Forum on subject with Industry & Regulator

Aug – Oct 2014

Oct - Nov 2014

26<sup>th</sup> Nov 2014

# PRIORITY TAXES



## 20% Import Duty on Mobile Devices

### TIMELINE

#### **High Level Stakeholder Engagement**

Aug – Nov 2014

- Met NCA Board, MoF, MoC, CSOs,
- Engaged Original Equipment Manufacturers
- MoF Pre-Budget Stakeholder Workshop/Tax Advisor
- Facilitated meeting with OEMs and MoFEP (TPU)
- Upcoming OEM, Working Grp engagement with MOTI

November 2014

#### **Review Best Practise/Research on Tax Implications**

- Reviewed market taxes from Nigeria, UAE & SA

October 2014

#### **Proposals / Recommendations**

- Draft and submitted position paper to the TPU of MoFEP

October 2014

#### **Public Awareness Creation**

- Launch of the Tecno Phantom Z device
- TV & Radio Interviews

October 2014

26<sup>th</sup> Nov 2014

# PRIORITY TAXES



## National Fiscal Stabilization Levy

## TIMELINE

### High Level Stakeholder Engagement

Aug – Nov 2014

- Met NCA Board, MoF, MoC, CSOs,
- MoF Pre-Budget Stakeholder Workshop/Tax Advisor

### Current Position:

- Team monitoring shows government likely to extend this levy beyond the sunset clause of December 2014

# PRIORITY TAXES



## VAT on Mobile Money

## TIMELINE

### High Level Stakeholder Engagement

September 2014

- Engaged the Government Tax Advisor at MoFEP

### Current Position:

- Suspended indefinitely but team is monitoring

# Next Steps



Any great ideas??





**MUCHAS GRACIAS!**  
**THE TAXATION WORKING GRP!**

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