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Thursday, June 10, 2021

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### Special Supplement



# Auto policy must look beyond tax incentives

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**FLASHBACK:**  
President Nana Addo Dankwa Akufo-Addo driving a vehicle at the official launch of the VW assembly plant in August last year

# Auto policy must look beyond tax incentives

By Maxwell Akalaare Adombila

**O**N August 3, last year, the national automotive policy chalked up its first tangible success when the local unit of German car maker, Volkswagen (VW) unveiled six vehicle models that it assembled locally.

The event was a source of national pride and personal gratification for the lead champions of the Ghana Automotive Development Policy (GADP).

It was the pinnacle of months of indoor discussions and simulations that led to the development of the Ghana Automotive Development Policy (GADP) as a blueprint to making Accra a fully integrated and competitive industrial hub for the automobile business in the subregion and Africa as a whole.

That pride was boldly imprinted in the iconic smiles of President Nana Addo Dankwa Akufo-Addo when he sat in one of the first-ever Ghana-made VW vehicles for a maiden symbolic test-drive.

For a champion of local goods, this was one clear testament that good policies produce tangible results and the presence of locally assembled VW vehicles on record time should be enough motivation to speed up the implementation of the auto policy.

### Benefits

Ghana is a huge market for vehicles, majority of which are imported from Asia, America and Europe. This puts pressure on the already strained foreign exchange reserves as reflected in the perennial depreciation of the local currency.

High imports also constitute exportation from jobs in Ghana to the

countries of origin. For a country that is struggling with a bulging youth unemployment menace, engaging in acts that deny people of jobs is morally unacceptable.

The low income levels of Ghanaians have also fuelled the growth and sustenance of the salvaged and used car market. Although a means to an end, such vehicles are a drain on the economy and the health of citizens in the long run and that calls for a permanent solution to address.

This makes the auto policy opportune and futuristic and the unveiling of the VW models spoke volumes.

Under the arrangement, the German car maker plans to invest \$10.5 million in the first phase of the local assembly plant and \$22 million under a second phase to establish a modern factory that would produce Tiguan, Teramont, Amarok, Caddy, Polo and Passat, among others

Indeed, various automobile companies, including Chinese Sinotruck, have come forward with proposals and plans to also benefit from the policy and these could set off a wave of Ghana-made vehicles to help the bulk of imported cars on our roads.

### Auto policy

At the heart of the government's vision is the GADP, which is centred on a resolve to provide the necessary framework for

the establishment of assembly and manufacturing capacity in Ghana.

The policy envisages that new passenger cars, sport utility vehicles (SUVs) and light commercial vehicles, including pick-ups, minibuses and cargo vans would be assembled and/ or manufactured under the first stages.

It then anticipates that additional policy interventions to be introduced in the course of implementation would result in the assembling of medium and heavy-duty commercial vehicles, and for the assembling of buses.

The incentives Under the policy, the country has categorised auto assembly into semi-knocked-down

(SKD), enhanced SKD and completely-knocked-down (CKD) based on the qualifying list of local or foreign assembly, and fully built units (FBUs).

It defined each category according to place of assembly or manufacture and further aims to use tax and other incentives to encourage auto companies to move from stage one to three to enable the country to reap the full benefits of the policy.

### The challenge

While the policy is comprehensive and forward looking in scope, it is

**At the heart of the government's vision is the GADP, which is centred on a resolve to provide the necessary framework for the establishment of assembly and manufacturing capacity in Ghana.**

biased on offering tax incentives as an avenue to attracting companies to set up assembly plants.

Auto firms are business entities with profit-oriented motives. Their shareholders will push them where returns are high and risks are low.

While tax is a critical component in that equation, the emphasis placed on it in the GAPD belittles the effect of a generally conducive business environment in attracting and retaining vehicle manufacturers.

Electricity is a critical component in this scheme of things. The country's wobbly power sector needs a systematic intervention to help create stable and affordable electricity for auto firms that would need high voltage, stable, guaranteed and moderately priced power to function.

Labour is also a critical factor and while it is in abundance in the country, it cannot be said to be cheap. The attitude of workers to work, commitment to duty and readiness to learn and unlearn are all crucial in attracting and retaining businesses.

Unfortunately, the country does not have a good image in that regard. Many stories abound of workers mismanaging projects handed to them, pilfering company property and pretending to work as part of a work attitude that places reward ahead of delivery.

These do not auger well for a resolve to make Ghana an integrated hub of vehicle assembly and manufacturing and their absence in the document used to actualise the vision is problematic.

### Development Bank

Then comes the issue of access to long-term and low cost credit. An endemic challenge, the lack of long term and moderately priced loans has thwarted the progress of the economy in various ways by making local and resident industries uncompetitive.

While multinationals leverage the balance sheets of their low cost funds and sovereign backed credits to produce and price competitively, indigenous firms are forced to fall on short to medium-term funds, which they procure at neck-deep rates. These out-price them in the competition even before they take their goods.

While the planned establishment of the Development Bank Ghana (DBG) holds a lot of promise in this regard, it begs the question how the country was aiming to address that lag in the GADP.

### Demand

Beyond these, the government needs to launch and sustain a comprehensive campaign for Ghanaians to patronise made-in-Ghana vehicles. If the response to Katanga vehicles is anything to go by, it goes without saying that producing locally is one slice of the effort, getting the citizens to patronise the product is the biggest challenge.

People need to see value in buying locally assembled goods and that will not happen if the cost is almost the same or even higher than the imported ones.

The government's decision to chicken out on the ban of imported salvaged and used cars leaves much to be desired. The GADP promises high benefits but they will not come about when we shy away from taking tough but necessary decisions.

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• It is important for policyholders to notify their insurance companies anytime they are sending their vehicles for repairs or routine servicing

# Why automobile garages must be insured

'Anything can happen anywhere at anytime'  
— Author

**By Mawuli Zogbenu**

**A**FTER the June 3, 2015 disaster which was the height of all motor insurance claims in Ghana, at least in the past decade, some motor insurance policyholders were unable to access their insurance claims and this was a source of worry to many an insured person or a corporate entity. Some automobile garage owners / vehicle repair workshops in the capital were reported to have allegedly persuaded their clients, whose vehicles were lost to the floods, to consider them as a total loss (i.e. without compensation from the garages), describing the cause of the loss as a natural disaster or an act of God.

Some victims who resorted to some of their insurers had the shock of their lives when their insurance companies showed them 'the rule book'. Letting go of expensive luxury vehicles could actually cripple some individuals and in some cases corporate clients!

Indeed, consumers have an equal responsibility to always take self-precaution (e.g. insurance), as this will not only provide them protection or security against unexpected losses, but also the peace of mind to focus on other aspects of life.

### A classic scenario

Circa 2019, a friend sent his vehicle to a vehicle repair workshop for some work to be done on it. By the following day, news got to him that his car had been completely burnt after a mentally deranged man torched a number of vehicles at the workshop including his.

As complex as the situation was, there was suspected arson by a madman! Confident that he would fall on the

insurance company to make a claim, he was disappointed when the insurance company told him they could not pay the claim once the event occurred on the premises of a repair workshop! As it's often said, 'it does not rain; it pours'; the vehicle was insured under a third party cover. Additionally, it is technically unacceptable for any insurance company to pay claims on losses occurring in a workshop as it is expected that the shop owners would have their own insurance in place to take care of some of these accidents.

As fate would have it, the workshop did not have any insurance and did not even know there was the need for them to do so.

He lost the car through no fault of his and no compensation from the workshop owner!

### What we should know

In a previous article, I posited that with motor insurance, anytime a vehicle is checked in for servicing or repairs at a workshop, which could take some days, months, the insurance cover on the vehicle **AUTOMATICALLY CEASES**. In this regard, it is the insured individual's responsibility to officially notify his or her insurers to either suspend cover on the vehicle and return premium or extend the expiry date of the cover by the number of days the vehicle remains at the workshop, since the insurer may not be obliged to pay claims that may arise while the vehicle is at the workshop, in the custody of the service provider.

### What should vehicle workshop owners insure?

It is obvious that the insurers of these workshops would not pay third party claims in the aforementioned situation, as the likely policy in place at the time of the fire could be a standard fire policy with extension to cover flood and other allied perils. Insurers would not in this circumstance assume a risk which is not catered for. It is therefore, the duty of every vehicle repair workshop owner to obtain a blanket policy perhaps an 'Assets-all-Risks' policy, which will automatically include

**It is public knowledge that the 'big boys' in the automobile industry have found themselves within the same flood-prone enclave in the capital and it only makes prudent business sense for such apprehensive attitude of some insurers.**

burglary together with the following:

- Professional Indemnity Cover - it is expected that these workshops obtain a Professional indemnity cover for all its professionals to protect them against any liability at law in the discharge of their duties.
- Public Liability Cover - workshops of automobile companies owe motor vehicle owners a duty of care once the vehicle enters their premises and in their custody, hence, the expectation that they would have this cover to compensate any vehicle owner on account of damage to their vehicle.

### Do garages and workshop owners know this?

Even though this requirement is well known to especially the well organised automobile companies, some of them still go to the extent of issuing disclaimers as force majeure to the effect that they would not be held liable in the event of any direct or indirect damage done the vehicle and this includes while the vehicle is being

road-tested. While the primary focus of the disclaimer is against valuables kept in the vehicle at the time of the loss, nonetheless, many of the well established auto firms take responsibility for accidental damage on customers' vehicles during road tests or any other damage during repair works.

Speaking to some renowned automobile dealers a couple of years ago, one cited the fact that it was not always the case that they did not want insurance but some insurers were not willing to provide cover for their garages due to the high risks associated with working in a garage or in certain high risk and / or flood-prone environments.

It is public knowledge that the 'big boys' in the automobile industry have found themselves within the same flood-prone enclave in the capital and it only makes prudent business sense for such apprehensive attitude of some insurers.

That notwithstanding, I believe there should still be a way out either through marginal increase in premiums for such high risks or any other business-to-business arrangements.

### Words of advice to members of the motor insuring public

Generally, motor accidents may be caused by the owner, user or someone else. At the workshop, however, one's motor vehicle could get burnt, damaged or carried away by floodwaters.

In any event, once the loss occurs while the vehicle is at the garage or workshop, one will only get compensated if the garage has an appropriate insurance, as discussed above.

### The way forward

As required by the Insurance Act 2006, Act 724 that all commercial buildings are insured with an insurance company against the hazards of collapse, fire, earthquake, storm and flood, and an insurance policy issued for it, auto workshop owners must be aware that they fall under this category.

Many vehicle owners have had to suffer this fate in years gone by and many continue to suffer similar fate as did my friend. For starters, the relevant stakeholders within the insurance industry must continue to zoom their lenses on engaging with garage and workshop owners, including what we call 'fitting shops' and provide them adequate education on this all-important issue.

This could significantly transform their operations while expanding the insurance reach in Ghana. When the risks associated with their services are transferred to insurers, their clients who may suffer losses on account of their vehicles while they remain in their custody would be paid their claims.

That notwithstanding, workshop owners must also take seriously the safety requirements within their premises as this would make it easier for insurers to accept the risks.

It is also important for policyholders to ensure that they notify their insurance companies anytime they are sending their vehicles for repairs or routine servicing.

This should be done between the day of handing over the vehicle to the service centre and the day it is estimated to be ready for delivery.



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# 10 Basic car maintenance tips before leaving home

**T**HE basic car maintenance is nothing more than a series of revisions that are carried out to reduce the chances of failures. Dare to incorporate basic car maintenance into your daily routine. As a result, you will avoid unnecessary visits

to the mechanic and spend money. You can also detect breakdowns and make sure everything goes perfectly.

Therefore, he will take care of his safety and that of his family.

We currently live in a very hectic world, in which we have virtually no time for anything. Being in a hurry is no

longer new and we want to do a thousand things at once. Something we do every day and, therefore, monotonously. It is to get in our car, turn it on and step directly on the accelerator. Yes, we go crazy to fulfill our obligations.

Take the children to school, do the shopping we need, among many other

things that have become part of our daily routine.

Unfortunately, we do this automatically. And we don't pay attention to such important things as the basic car maintenance. Undoubtedly, it should be part of our morning routine, to avoid setbacks.



## Water container level

All cars have a container near the radiator that is responsible for supplying cold water when the water inside begins to heat up, thus, the radiator is kept at a stable temperature and, therefore, overheating is avoided.

It is a very simple step: First, open the hood of your vehicle, then locate the radiator cap, located near the front of the car, the engine must be hot or cold before you can touch the cap.

Never do it when the car is on or has been on recently. Verify that the water is at a good level; if it is low, you should add more (but it is not recommended to fill it to the top).



## Oil level

To measure the oil level of your car you have to check the dipstick that is located on one side of the engine (this depends on the brand and model you have) when taking it out, be very careful! Do not put it up because it will lower the oil and the level will not be reliable, so you should always put the rod straight.

At the extreme tip you will have some indicators of what level your oil has. We also have to take into account the color and texture of the oil, since if it is very black or dark it may be that it already changes, or if it has a lighter color it may be that it still has life ahead.



## Brake fluid level

The brake fluid is responsible for transmitting the necessary energy so that when you step on the brake it does it properly and the car stops. Its level is represented in its container with the minimum and maximum marks, the ideal level has to be right in the middle of both.

The normal thing is that it does not lower like other liquids of the vehicle do, but if it happens to you it can be due to two situations:

When the brake pads wear out it causes the level to start to drop, in this case, it is advisable to replace the pads, and when you do, the level of the container will return to its proper level without refilling.

Another reason may be that there is a leak, if your car leaves oil stains everywhere, you should go to an expert to solve the problem.



## Fuel level

Always before leaving home, please check that you have a good level of gasoline!

We don't want you to be stranded halfway. Keeping the fuel level high has several advantages for car care, for example, it prevents impurities seated at the bottom of the tank from leaving and causing engine failures, in addition, the air entering the tank favors evaporation and causes expense accelerated gasoline.

## Shock absorbers

To make sure everything goes well with your car's shock absorbers, perform this small test periodically. It is called "Bounce Test" and is very simple to perform.

Lean hard on the bumper, then suddenly release it and watch what happens:

If you notice that the car bounces repeatedly, it will be necessary to visit your mechanic to replace the shock absorbers. On the other hand, if the shock absorbers work well, the car will only bounce once and slowly return to its original position.

The same test can also be done with the vehicle running, suddenly stopping at a very low speed. In this case, if the car bounces a few times while braking, it will be necessary to replace the shock absorbers.

Visually inspect the shock absorber support points for possible deterioration. If you see any moisture stain on the sides of the shock absorbers, it is a usual sign that indicates that it is necessary to change them, due to an oil leak.



## Battery

You should periodically check the outside of your Battery to make sure it is in good condition, check that no parts are rusted or sulfated, that the terminals are in good condition. To keep it loaded, it is advisable to moderately use the car's internal lighting, spotlights, sound system and ventilation.

Remember that over time you lose weight and depending on the use we give you day by day may decrease its useful life.



## Check the tyres

Tires in the same way over time, suffer from wear. Make sure that the brands that have the tires have a considerable depth. Perform a small test to verify that the tires have the necessary depth.

Insert a coin into one of the slots. If you can see the end that the tire touches, you need to replace them.



## The lights

Verify that all lights work perfectly, that none are burned. If you notice that the glass on the front of the headlights is dirty or stained, clean them well. In this way they will fulfill their function correctly when on the road.



## Rearview mirrors

Check that the rearview mirrors are in the correct position. Stop a few minutes and see that you can observe everything that happens in the back of your car. Do not forget to keep them clean and in good condition.



## Never get tired of learning about basic car maintenance

Having a car also includes certain responsibilities. It is important that you familiarize yourself with it and worry about having notions about basic car maintenance.

First, dedicate yourself to know a little more about it. It is important that you do, remember that it is your faithful friend. Who takes you on time to where you want to go and without it our life would be very difficult. Do not you believe it?

Therefore, find out!

Secondly, if you find it difficult to locate any of the pieces we are talking about in this article, do not hesitate to visit our car services, we have a team of experts in the field, who will surely be happy to help you.

Don't leave it for tomorrow, don't wait until it's late.



Compiled by Kike Blay



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VOTE



# Volkswagen and Universal Motors Limited, the pioneers in assembling cars under the automotive policy in Ghana

**W**HEN people imagine an automobile in Ghana, they probably think of the iconic Volkswagen Beetle, the only car that has acquired a pet name in almost every Ghanaian dialect. That is how ageless the relationship between Ghana and Volkswagen has been.

In 2005, this relationship was given fresh impetus when Universal Motors Limited (UML) was incorporated to become the sole Volkswagen distributor in Ghana. Since then, UML has delivered fifteen (15) different salon and commercial models to the Ghanaian market. Through sound corporate and brand management, Volkswagen models proved a roaring success in Ghana.

Universal Motors' professional customer service is supported by client friendly sales associates, highly skilled Volkswagen technicians and a workshop fully equipped with latest Volkswagen software and hardware. Together, they deliver memorable sales and after-sales service that has helped to establish a firm foothold for the Volkswagen brand in Ghana's automotive landscape.

When the government of Ghana under the leadership of His Excellency President Nana Akufo Addo outlined their intentions to introduce vehicle assembly plants in Ghana, under an automotive policy, Mr. Subhi Accad, the CEO of UML immediately seized the opportunity and discussed it with Volkswagen who showed a high interest in the project.

In 2018, the Assembly plant kicked off with an MOU signed between the Minister of Trade and Industry, Honourable Allan Kyerematen and then CEO of Volkswagen South Africa, Mr. Thomas Schaeffer, in the presence of Chancellor Mrs. Angela Merkel. His Excellency the Vice President, Dr. Mahamudu Bawumia and His Excellency Christoph Retzlaff, German Ambassador to Ghana. This paved way for Volkswagen to become the first automotive company to establish an assembly plant in Ghana in the 21st century. In that same year, Volkswagen contracted UML to begin the Phase 1 of the assembly plant in Ghana.

Under the Phase 1 of the project, Volkswagen was to operate Semi Knocked Down (SKD), plant, with an estimated production of five thousand (5,000) cars a year. Under the watchful eyes of Mr. Subhi Accad and firm collaboration with Volkswagen, the project was put into motion

To ensure compliance with the highest standards of German engineering, Volkswagen group dispatched skilled engineers to oversee the training of staff and the installation of procedures and processes at the plant. The technicians have received the best training from the Volkswagen Team in South Africa. When the initial training schedule was disrupted by the Covid-19 pandemic, together with the VW South Africa team, UML quickly found a solution in virtual training and quality assurance approval.

From then onwards, the project gathered pace, culminating in the certification of the Volkswagen Tiguan, which became the first Ghana assembled Volkswagen model. This success was swiftly crowned by the conferment of certification on the plant by Honourable Alan Kyeremanten, Minister of Trade and Industry in early 2020.

In August 2020, His Excellency, President Nana Akufo-Addo inaugurated the Assembly Plant in a very colourful ceremony alongside Mr. Jeffrey Oppong-Peprah, the newly announce CEO of Volkswagen Ghana. It was a memorable event witnessed by the Minister of Trade and Industry, other members of government, the diplomatic corps, and top executives in the field of commerce and industry.

The models that have been assembled in Ghana and certified include the Polo hatchback, Passat, Tiguan, Teramont and the Amarok. Each of these models was offered in different grades and with competitive pricing. In addition, each of the models is covered by a three-year or a 100,000km warranty, depending on whichever comes before the other. This afforded an opportunity for lovers of automobiles to enjoy classic German engineering at a competitive cost in solid security.

Meanwhile, solid plans are already underway to expand the model range further and ultimately set in motion the next phases of the project. There are plans to bring on stream the Tiguan All-Space which is a longer-wheel-base Tiguan model with seven seats. There are also discussions under way to bring other models (salon cars) into the market to expand the reach of the models in the Ghanaian market. UML also aims to open branches in major

cities in Ghana.

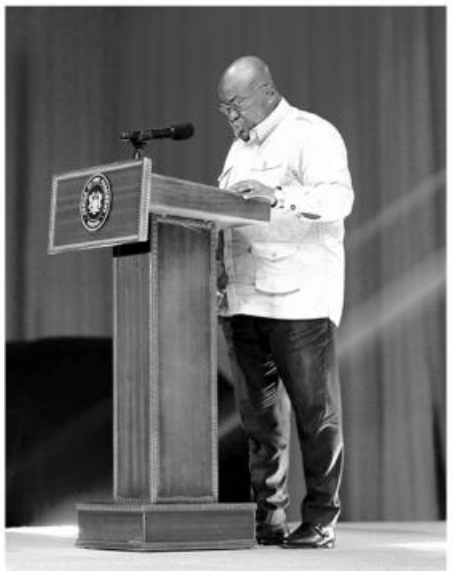
There are other more compelling reasons for optimism about this project. One key reason is the government's commitment to the project. In partnership with the "Triple A" team of Africa and key players in the auto industry, the auto policy that government developed has been considered by experts as one of the best on the entire African continent. This strong support of government, coupled with Ghana's strategic position as a strong English-speaking democracy at the centre of the earth gives Ghana a comparative advantage to succeed with the auto policy.

That success would form the bedrock for the success of the assembly plant, that would allow Ghanaians to benefit from finest Volkswagen cars assembled with Ghanaian expertise and spirit. Subsequently there is a good reason to hope that the next phases of the project would come into fruition, allowing not less than a 10,000 VW models to be assembled in Ghana annually.

The project holds far bigger prospects than just the Ghanaian domestic market, however. With the African Continental Free Trade Agreement, Volkswagen and UML hopes to capitalise on opportunities and resources to make Ghana an automotive hub for all West Africa.

And that is a huge reason to be optimistic about Ghana's automotive industry. This optimism is shared by several other key players including the German and South African governments, who have at various times sent delegations to the plant. Quite recently, German Ambassador to Ghana, His Excellency, Mr. Christoph Retzlaff paid a working visit to the plant, where he was welcomed by the management of Volkswagen Ghana and Universal Motors Limited. He was accompanied by his deputy, Mr. Hans-Helge Sander. Volkswagen Ghana and UML were equally proud to welcome H.E. Grace Jeanet Mason, the South African High Commissioner to Ghana who was also happy to pay a courtesy call to the assembly plant.

This strong support and enthusiasm from all key players point to a golden future for Ghana's automotive industry.





# GCB reduces interest on personal loans

**G**HANA'S first indigenous bank, GCB Bank, has further reduced its interest rate on personal loans to 23 per cent per annum in line with measures to mitigate the impact of COVID-19 on clients.

As part of the measures, the bank has also granted a two-month moratorium on both principal and interest repayment and increased loan tenure to five years.

The bank has also reduced total upfront fees and introduced a waiver on early settlement fees for top-ups.

This follows a similar move last year when the bank reduced its interest rate from 26 to 24 per cent per annum.

In the past year, GCB Bank has undertaken various initiatives to alleviate the impact of COVID-19 on customers.

Commenting at the bank's 27th AGM held virtually on Friday, May 28, 2021, the Board Chairman, Mr Jude Arthur, stated that the bank engaged customers of the bank, identified those

in the hardest-hit sectors of the economy and supported them with concessionary rates and moratorium on principal and interest on loan facilities.

As a result, the bank restructured loans totalling GH¢799.92 million to 130 corporate and SME customers. The bank also invested in Personal Protective Equipment (PPEs) and broader COVID-19 protocols to ensure the health and safety of clients and employees.

Commenting on the initiative, the Managing Director of GCB Bank, Mr Kofi Adomakoh, stated that the bank was conscious of the difficult economic climate and was focused on going the extra mile to help clients navigate the difficult period seamlessly by providing direct intervention under very flexible conditions.

"As Ghana's largest indigenous bank, we have the mandate to seek the interest and well-being of Ghanaians and to be at the forefront of Ghana's socio-economic drive," he added.

**"As Ghana's largest indigenous bank, we have the mandate to seek the interest and well-being of Ghanaians and to be at the forefront of Ghana's socio-economic drive."**



• Mr Kofi Adomakoh — Managing Director of GCB Bank

## Silver Star Auto quality service, our passion

SILVER Star Auto Limited is a leading automobile firm in Ghana. We started our operations in 1996 and have branches in three major cities in Ghana.

We are the authorised distributor of Mercedes-Benz, Peugeot and Citroën brands of vehicles, Energiser Batteries and Power Oils in Ghana. Silver Star Auto Limited also deals in the sale of spare parts in its capacity as the authorised distributor of the above leading automobile brands.

Our product line covers the full spectrum of automobile needs, including new saloon cars, SUVs, vans, trucks and buses and the provision of reliable after-sales service support for our customers. Our After-Sales services also include body and paint repair works.

### Peugeot pick up

With robustness and endurance in its DNA, the Peugeot Pick Up is a true versatile and productive partner which delivers unparalleled performance and driving experience.

The Peugeot Pick Up is a

functional work tool that is durable and reliable in all terrains. The cab and the rear compartment are fixed on a ladder chassis with a rigid rear

axle, four-leaf springs and Yokohama tyres as standard.

These assets assure reliability and endurance adapted to the load

and use in all terrains in all conditions. It offers the most comfortable and spacious interior in its category, providing comfort for up

to five passengers, whether for professional or personal use.

Focused on reliability and ease of use, the Peugeot Pick Up offers many features as standard: air-conditioning, electric windows, radio with CD player and USB port, rear parking assistance and power wing mirrors.

The Peugeot Pick Up is equipped with a longitudinal 2.5 litre common rail turbo diesel engine for 115bhp and 279 Nm combined with a manual five-speed gearbox.

In 2WD driving mode, it is rear-wheel drive. With the load resting above the rear driven wheels, the more the vehicle is loaded, the better it uses the drivetrain.

In 4WD mode, it is activated using a special lever for transferring part of the power to the front axle, either in normal 4WD 4H mode (4 High) or in 4L mode (4 Low) at low ranges.

In terms of safety, the Peugeot Pick Up is equipped as standard with an ABS braking system with a distributor as well as passenger and driver airbags.



• Peugeot Pick Up 2021 model



# Japan Motors trains Ghanaian technicians in South Africa

**T**WELVE Ghanaian technicians from Japan Motors Trading Company Ltd (JMTC), have undergone a two-month technical training programme from Nissan South Africa, ready to spearhead the launch of the Nissan vehicle assembly plant in the country.

The participants were trained on the finer points of how to assemble the Japanese automaker's legendary Navara, which is currently being built in Africa at the Rosslyn plant in South Africa and expected to start rolling off the assembly lines from the end of this month and on sale across African markets in the coming months.

A media release issued by the company said the comprehensive training programme had equipped the trainees with the ability to assemble the new Nissan Navara and learn the principles of the Nissan Production Way.

This is to ensure that the numerous quality control measures are enforced and allow them to help train the next generation of Ghanaian engineers to

assemble these vehicles in the country.

## Specialised training

The Managing Director of the JMTC, Mr Salem Kalmoni, said the company was delighted to have its technicians benefit from specialised training not only on technical advancement in terms of how to put cars together but also on the entire production process and the supply chain.

"We are even more delighted Nissan has given this training at their own factory in South Africa".

"Nissan and Japan Motors support the Ghana Automotive Development Policy, which is why we want to do our part in creating jobs and stimulating African economies. We both want to create a new future for the sector and change the lives of the people who build, test and drive these vehicles," he said.

Mr Kalmoni explained the vehicle assembly plant was a full investment in Ghana by the JMTC under the guidance of Nissan and expressed the commitment of Nissan and Japan Motors to ensuring the assembly facility was 100

per cent Ghanaian-operated and would subsequently employ across the value chain.

"Ghanaians should expect nothing but the best from our vehicle assembly plant because we have selected the best technicians for the training programme and we hope the technology will be of benefit to Ghana," he said.

The Managing Director of Nissan, Mr Mike Whitfield, said "this is a wonderful moment for us as a global company with incredible African roots. We set out to build a vehicle in Africa for Africa by Africans with the Navara, which we are about to achieve from our Nissan South African plant."

"Now we are laying the groundwork to do just that in Ghana, as we help the people and the government of Ghana begin to realise their dream of creating a sustainable automotive industry in their country.

The Marketing Manager of the JMTC, Mrs Harriet Esi Mensah was optimistic the training will strengthen the technical education and skills of

**Nissan and Japan Motors support the Ghana Automotive Development Policy, which is why we want to do our part in creating jobs and stimulating African economies. We both want to create a new future for the sector and change the lives of the people who build, test and drive these vehicles.**

the JMTC's employees and partners as a target to boost sales of the new vehicle brands to be built.

"Having selected very competent technicians for the training, we are expecting a smooth and easy assembly of the new Navara".

## Nissan Africa

Nissan's Africa Regional Business Unit in Africa serves close to 50 markets on the continent. In total, the company offers a range of 24 vehicles to retail and commercial customers in the region. South Africa serves as a light-commercial vehicle manufacturing hub for the region with its Rosslyn plant northwest of Pretoria producing the NP200, NP300 and forthcoming all-new Nissan Navara. The South Africa plant employs approximately 2,000 employees with additional assembly plants located in Nigeria and Ghana.



• The technicians after the training

## The all-new Nissan Navara Pro-4X — what to expect

TOGETHER with Nissan Africa, Japan Motors Trading Company Ltd (JMTC) is gearing up to introduce the all-new Nissan Navara, range-topper PRO-4X in Ghana from September 2021 that carries the flag for the next generation in tough looks, robust capabilities, reliability, and versatility you can trust.

It is without a doubt, the Best Nissan Navara ever that is coming to the African terrain. Purpose built for Africa, boldly styled, and technologically advanced, the all-new, all-tough Nissan Navara PRO-4X is loaded with premium comfort, technology, safety features to keep you and your loved ones connected, safe and comfortable, and backed by 80-years of best-in-class Japanese premium manufacturing standards.

### A Pick up that is built of more

Powerful, sophisticated and intelligent, our flagship Nissan Navara PRO-4X model

combines the best of all worlds in a premium package designed to dominate and offer more. Expect superior double cab payload figures exceeding 1 ton, a 7-speed automatic gearbox and 140kW of power. Get ready for the best Navara ever, built to take on Africa and purposefully built of more.

### Styling to impress

Boldly styled from every angle, the Nissan Navara PRO-4X is designed to disrupt. Get ready for a striking new front fascia featuring an all-new bumper and a wide, aggressive interlocking grille design that's unmistakably Navara. Standout squared C-shaped LED headlamps which is unique to the segment.

### Reliability and Safety

The Nissan Navara PRO-4X is built in Africa by Africans and will set the standard for the latest technology inspired by Japanese technology suited for the Ghana terrain,

driving easier and safer.

Amongst its many new functionalities, this range also includes driver assistance features such as intelligent forward collision warning alerts, intelligent emergency braking, intelligent driver alertness and intelligent high-beam assist.

### Always connected

The Nissan Navara PRO-4X is a style package aimed at adventure lovers and travellers who crave the escape to go anywhere in style and comfort. With an SUV-like cabin that adds intelligent key access, increased airflow, dual zone climate control, Nissan connect (A-IVI), front and rear USB ports, rain sensor wipers, seven airbags, auto folding mirrors and spinal support seats, Nissan applied forward-thinking features that equip the consumer with the ultimate power of choice and customisation. Welcome

to driving that gives you peace of mind, opens up new experiences, and keeps you connected to your world and those around you.

### Built for the long road

All Navara vehicles are supported on the ground with a widely spread genuine parts and support network, where it is needed most. As a reliable partner to you and your family, the new Navara is sold with extended peace of mind warranties and guaranteed after sales support.

- More confidence: through increased safety, control, and comfort for all on board.
- More excitement: through driving pleasure that is also clean and efficient.
- More connectivity: by conveniently linking to the world around you.

Dare to evolve in the best Navara ever, coming soon!





# Ghana's automobile market

## Growth, trends, COVID-19 impact and forecasts

**G**HANA'S Automobile Market was valued at USD 4 billion in 2020 and is expected to reach USD 11 billion by the year 2026, registering a CAGR of 15 per cent during the forecast period (2020-2026).

With the outbreak of COVID-19, the automobile industry in Ghana faced considerable delays in 2020 due to supply chain disruptions in major automotive production hubs across the globe, leading to delays in the shipments of critical automotive components to carry out vehicle assembly operations.

About 70 per cent of vehicles in Ghana are imported from different nations. The automotive sector in Ghana is generally comprised of retailers of imported pre-owned cars and wholesalers who deal in the retailing of new vehicles.

Ghana being the second biggest economy in West Africa is likely to experience growth in the automotive industry during the forecast period, owing to the increase in "Made in Ghana" vehicles, initiated by Kantanka Group since 2016, and increasing skilled workforce in Ghana's automotive industry.

The imports on automotive parts and components are likely to increase in the country as the government has planned to reduce corporate tax to around 20-25 per cent and remove the Special Import

Levy in the country under its manifesto in 2016.

Scope of the Report  
Ghana's automobile market covers all the latest R&D initiatives, investments done by the government and vehicle manufacturers across the country. The report studies the latest technological trends and market share of vehicle manufacturers across the country.

The market is segmented by Vehicle Type, Vehicle and by Component Type. By Vehicle Type, the market is segmented into Passenger Cars and Commercial Vehicles. By Component Type, the market is segmented as Auto Ancillaries, Engines and Tyres.

The report offers market size and forecast for Ghana automobile market as value (USD billion) for all the above segments.

Auto Ancillaries  
Engine  
Tyres

### Growing automobile industry

Ghana's production industry receives proper aid from the local authorities, which has enabled it to emerge as one of the 40 quickest growing commercial productions globally. The industry currently accounts for a quarter of the country's GDP. But by 2021, it anticipates to account for at least 30 per cent of the

GDP and the primary motive force for the increase might be the automobile industry.

The Government of Ghana, as part of its transformational agenda, has identified Vehicle Assembly and Automotive Components Manufacturing as a strategic anchor industry to be facilitated and supported as part of the Ten Point Plan for industrial development. As a result of this positive signal, Ghana is attracting investment in vehicle assembling from leading Original Equipment Manufacturers (OEMs) and investment partners, with positive projections of spillovers into local manufacturing.

The Ministry of Trade and Industry has developed a comprehensive package of incentives and policy measures to support the establishment of an automotive assembly and component manufacturing industry as a strategic anchor of industrialisation and a new pillar of growth in Ghana.

Both commercial and passenger vehicles are forecast to grow at a healthy rate in Ghana because of the rising vehicle per population ratio. Domestic vehicle production and assembly have substantial multiplier effects for the economy and act as a catalyst for economic growth which in turn leads to an increasing purchasing power. The market has seen continuous positive growth, due to a boost in manufacturing, employment, industrialisation and export revenues.

To further sustain the diverse economic growth in Ghana, there is an increased need for transportation of goods and people, which is one of the key factors for the steady growth of Ghana's automotive market.

Increasing Passenger Car Demand  
New passenger vehicle sales have shown an upward trend from 2,540 new vehicle registration in 2015 to 4,268 in 2018 although a spike in numbers was observed between 2011-2014, with an average of 6,450 new vehicle registrations in those years.

Approximately 59 per cent of the new vehicle market is made up of passenger vehicles as per the new vehicle registrations in 2017.

Amid the growing GDP of the country and rising purchasing power, passenger vehicle sales are also driven by government purchases.

Second-hand import vehicles dominate the passenger vehicle segment. A large share of the used vehicles is imported from the United States, as the vehicle specifications in the United States are more in line with the taste and demand of the consumers in Ghana, which is not usually met by entry-level models from Europe. A ban on the importation of certain categories of automobiles (vehicles aged over 10 years and salvaged/accident vehicles) also drives the market towards increase in new car sales.

Due to low disposable income and very high cost associated with new vehicles, used vehicles dominate Ghana's automotive retail sector. These vehicles are mainly imported from regions having low resale or residual values of used vehicles such as Europe, Japan and the United States.

A common trend that can be seen is that a small percentage of new vehicles compete against a strong influx of much cheaper used imported vehicles. Vehicles tend to appreciate due to limited supply of vehicles and import duties.

The most popular imported brand is Toyota, which accounts for more than half of the imported vehicles. These are primarily imported from the United States and the Gulf States.

In the absence of affordable finance solutions, used vehicles remain the more attractive option for private vehicle buyers as second-hand passenger cars accounted for about 70 per cent of passenger vehicles sold in the country in 2017.

### Competitive landscape

Ghana's automobile market is fairly consolidated and majorly dominated by few players such as BMW, Daimler, Nissan, Ford, Volkswagen, Kantanka Group, and others. Indian automobiles major Mahindra and Mahindra has invested heavily in the country and has made it a regional hub of the manufacture of its Sports Utility vehicles.

However, the presence of other international automakers such as Toyota, BMW, VW, and the like with their high brand value, reliability and trust, among the people in Ghana, is likely to provide strong competition for domestic manufacturers such as Kantanka Group, Mahindra & Mahindra occupied nearly 20 per cent of the imported vehicles in the country, with its popular vehicle model sales such as Genio, XUV and Xylo. Buoyed by sales of 3,500 SUVs and pick-ups in the last seven years, the Indian automotive major is ready to set up an assembly plant and service centre in Ghana.

Brand-wise, this year, the leader Nissan gained 1 per cent market share, followed very closely by Toyota which gained 2.9 per cent share. Mitsubishi (-22.6 per cent) was in the third position and lost a 0.6 per cent market share.

- Major Players
1. BMW AG
  2. Hyundai Motor Company
  3. Mercedes-Benz
  4. Nissan Motor Co. Ltd.
  5. Ford Motor Company

### Recent developments

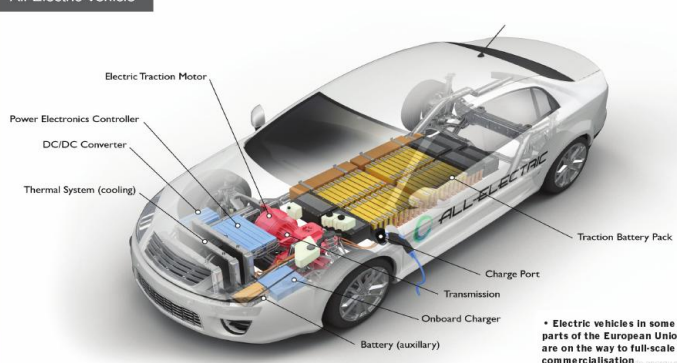
German carmaker Volkswagen unveiled its first vehicle assembled in Ghana, a Tiguan SUV, in August 2020. The event marked the official opening of VW's first vehicle assembly facility in the West African country and the fifth in sub-Saharan Africa.

Nissan is set to open a vehicle assembly plant in Ghana with its longtime partner, Japan Motors Trading Company Ltd. (JMTC), appointed as its local partner in all new vehicle assembly facility in Tema, Ghana.

According to Ghana's Ministry of Trade and Industry (MOTI), Volkswagen AG is set to roll out \$22 million dollars to produce an average of 10,000-20,000 cars annually. — [mordorintelligence.com](#)

**The presence of other international automakers such as Toyota, BMW, VW, and the like with their high brand value among Ghanaians is likely to provide strong competition for domestic manufacturers such as Kantanka Group.**

### All-Electric Vehicle



Electric vehicles in some parts of the European Union are on the way to full-scale commercialisation.

## Why electric cars will take over sooner than you think

I KNOW you probably haven't even driven one yet, let alone seriously contemplated buying one, so the prediction may sound a bit bold, but bear with me.

We are in the middle of the biggest revolution in motoring since Henry Ford's first production line started turning back in 1913. And it is likely to happen much more quickly than you imagine.

Many industry observers believe we have already passed the tipping point where sales of Electric Vehicles (EVs) will very rapidly overwhelm petrol and diesel cars.

It is certainly what the world's big car makers think. Jaguar plans to sell only electric cars from 2025, Volvo from 2030 and last week, the British sports car company Lotus said it would follow suit, selling only electric models from 2028.

General Motors says it will make only electric vehicles by 2035, Ford says all vehicles sold in Europe will be electric by 2030 and VW says 70 per cent of its sales will be electric by 2030.

This isn't a fad, this isn't greenwashing. Yes, the fact many governments around the world are setting targets to ban the sale of petrol and diesel vehicles gives impetus to the process.

But what makes the end of the internal combustion engine inevitable is a technological revolution. And technological revolutions tend to happen very quickly.

This revolution will be electric. Look at the internet.

By my reckoning, the EV market is about where the internet was around the late 1990s or early 2000s.

Back then, there was a big buzz about this new thing with computers talking to one another.

Jeff Bezos had set up Amazon and Google was beginning to take over from the likes of Altavista, Ask Jeeves and Yahoo. Some of the companies involved had racked up eye-popping

valuations. The EV market now is in a similar place to the internet in the early 2000s, says Justin

For those who hadn't yet logged on it all seemed exciting and interesting but irrelevant - how useful could communicating by computer be? After all, we have got phones!

But the internet, like all successful new technologies, did not follow a linear path to world domination. It didn't gradually evolve, giving us all time to plan ahead.

Its growth was explosive and disruptive, crushing existing businesses and changing the way we do almost everything. And it followed a familiar pattern, known to technologists as an S-curve.

### Riding the internet S-curve

It's actually an elongated S. The idea is that innovations start slowly, of interest only to the very nerdiest of nerds. EVs are on the shallow sloping bottom end of the S here.

For the internet, the graph begins at 22:30 on October 29, 1969. That's when a computer at the University of California in LA made contact with another in the Stanford University a few hundred miles away.

The researchers typed an L, then an O, then a G. The system crashed before they could complete the word "login".

Like I said, nerds only. A decade later, there were still only a few hundred computers on the network but the pace of change was accelerating.

In the 1990s, the more tech-savvy started buying personal computers. As the market grew, prices fell rapidly and performance improved in leaps and bounds - encouraging more and more people to log on to the internet.

The S is beginning to sweep upwards here, growth is becoming exponential. By 1995, there were some 16 million people online. By 2001, there were 513 million people.

Now there are more than three billion. What happens next is our S begins to slope back towards the horizontal.

The rate of growth slows as virtually everybody who wants to be is now online.

### Jeremy Clarkson's disdain

We saw the same pattern of a slow start, exponential growth and then a slowdown to a mature market with smartphones, photography, even antibiotics.

The internal combustion engine at the turn of the last century followed the same trajectory. So did steam engines and printing presses. And electric vehicles will do the same.

In fact, they have a more venerable lineage than the internet. The first crude electric car was developed by the Scottish inventor Robert Anderson in the 1830s.

But it is only in the last few years that the technology has been available at the kind of prices that make it competitive. The former Top Gear presenter and used car dealer Quentin Wilson should know. He's been driving electric vehicles for well over a decade.

He test-drove General Motors' now infamous EVI 20 years ago. It cost a billion dollars to develop but was considered a dud by GM, which crushed all but a handful of the 1,000 or so vehicles it produced.

The EVI's range was dreadful - about 50 miles for a normal driver - but Mr Wilson was won over. "I remember thinking this is the future," he told me.

He says he will never forget the disdain that radiated from fellow Top Gear presenter Jeremy Clarkson when he showed him his first electric car, a Citroen C-Zero, a decade later.

"It was just completely: 'You have done the most unspeakable thing and you have disgraced us all. Leave!'" he says. Though he now concedes that you couldn't have the heater on in the car because it decimated the range. — BBC



Ghana's automobile industry that currently accounts for a quarter of the country's GDP, anticipates to account for at least 30 per cent of GDP by the end of 2021