

# **GUIDELINES ON THE ACQUISITION OF LAND**

## **1.0 CATEGORIES OF LAND OWNERSHIP**

There are three (3) categories of land ownership provided for in the 1992 Constitution of Ghana, namely:

- Public lands i.e. state land and land vested in the President in trust for the people of Ghana.
- Stool/Skin lands (community lands vested in the traditional /other community leaders on behalf of the community)
- Private and family/clan lands (owned by families, individuals and clans in the community)

## **1.1 ACQUISITION/OWNERSHIP OF LAND**

### **1.1.1 BY NON GHANAIANS:**

The laws of Ghana do not allow freehold lands. Non-Ghanaians can have access to residential, commercial, industrial or agricultural land on leasehold basis up to 50 years subject to renewal from any of the three (3) categories of ownership mentioned above.

### **1.1.2 BY GHANAIANS:**

Ghanaians can legally have leaseholds for 99 years, subject to renewal from any of the three (3) landowners mentioned above.

**It is recommended that GIPC or the Lands Commission be consulted in all cases prior to any final commitment by the investor.**

For further information contact:

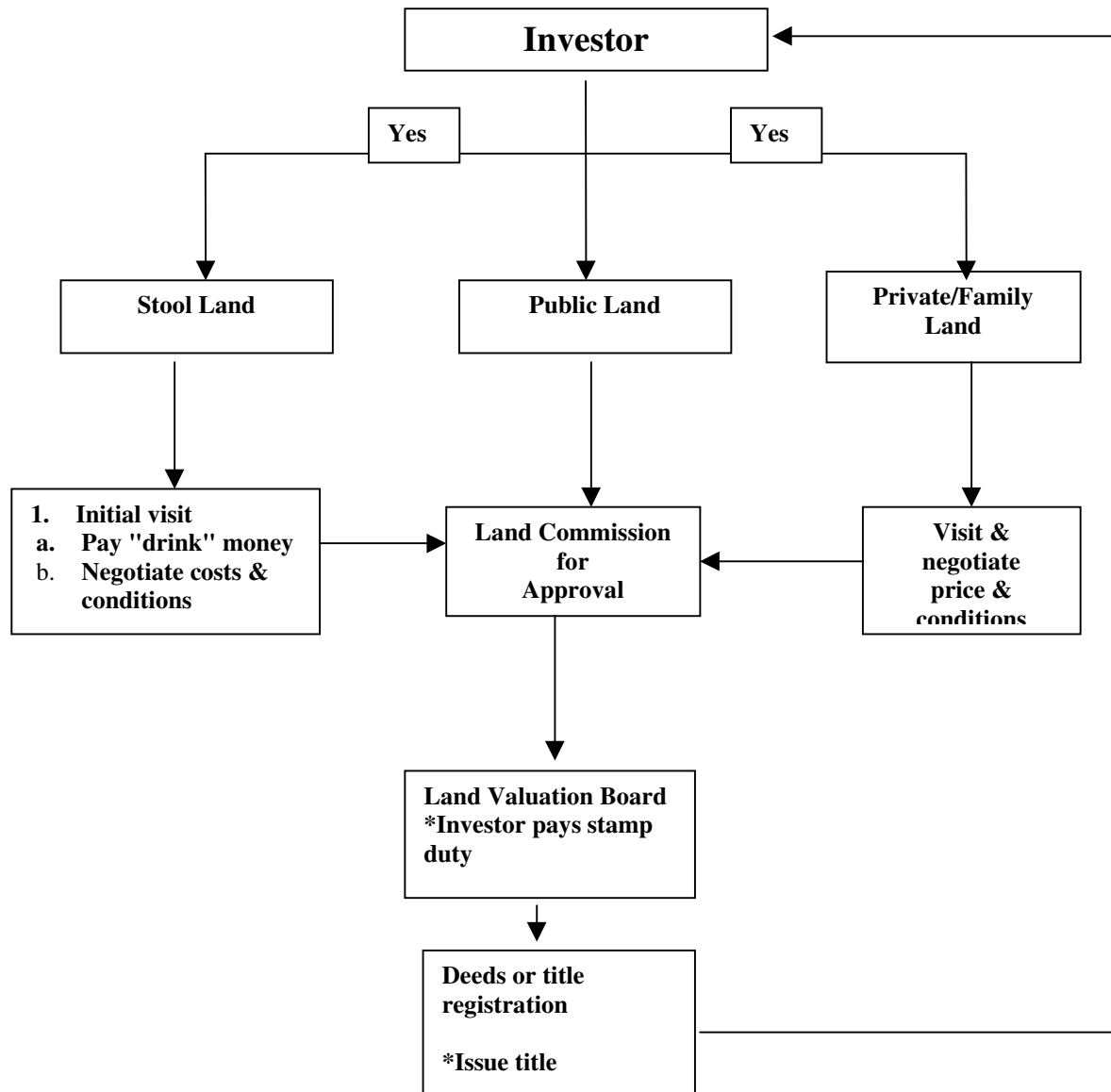
**The Executive Secretary  
Lands Commission Secretariat  
Private Mail Bag  
Ministries Post Office, Accra, Ghana.  
Tel: (233-21) 760550; 760549; 777324  
Fax: (233-21) 761840  
E-mail: landscom@Ghana.com**

## 1.2 LAND ACQUISITION PROCESS

### (a) Negotiating the Land Lease Contract

Type of Land	Negotiation Process - Investor Role	Institutional Roles
State	<ul style="list-style-type: none"> <li>• Submit application for land including type and size of plot desired.</li> <li>• Pay fees (development, surveying, demarcation, pillorying)</li> <li>• Sign lease, pay rent and processing fees</li> <li>• Pay stamp duty</li> <li>• Register land</li> </ul>	<ul style="list-style-type: none"> <li>• Land Commission               <ul style="list-style-type: none"> <li>- processes application</li> <li>- issues allocation letter</li> <li>- issues right of entry letter</li> <li>- issues offer letter</li> <li>- prepares lease</li> </ul> </li> <li>• Land Valuation Board               <ul style="list-style-type: none"> <li>- charges stamp duty</li> </ul> </li> <li>• Land Title Registry               <ul style="list-style-type: none"> <li>- land registration</li> <li>- issues Title to land</li> </ul> </li> </ul>
Stool	<ul style="list-style-type: none"> <li>◆ contact village Chief/elders</li> <li>◆ initial visit to Chief to negotiate access to land</li> <li>◆ pay "drink" money</li> <li>◆ inspect property</li> <li>◆ negotiate terms (price, size, covenants etc)</li> </ul>	<ul style="list-style-type: none"> <li>◆ Chiefs/Elders               <ul style="list-style-type: none"> <li>- grant access to land</li> <li>- negotiate lease terms</li> <li>- sign lease</li> </ul> </li> <li>◆ Land Commission               <ul style="list-style-type: none"> <li>- processing and concurrence</li> </ul> </li> <li>◆ Land Valuation Board               <ul style="list-style-type: none"> <li>- charges stamp duty</li> </ul> </li> <li>◆ Land Title Registry               <ul style="list-style-type: none"> <li>- land registration</li> <li>- issues Title to land</li> </ul> </li> </ul>
Family/Private	<ul style="list-style-type: none"> <li>▪ contact private owner</li> <li>▪ inspect property</li> <li>▪ negotiate terms (price, size, covenants etc)</li> </ul>	<p><b>Role of Land Commission, Land Valuation Board and Land Title Registry same as under acquisition of Stool Land.</b></p>

**(b) Practical Guide to Land Acquisition in Ghana**



## **2.0 LAND/FACTORY SHELL ACQUISITION UNDER THE FREE ZONE SCHEME**

### **GHANA FREE ZONES BOARD**

The Ghana Free Zones Board Scheme is an integrated programme to promote processing and manufacturing of goods through the establishment of Export Processing Zones (EPZ) and encourage the development of commercial and service activities at seaport and airport areas. The programme is completely private sector driven and government's role is limited to the facilitation, regulation and monitoring of activities of zone developers/operators and enterprises. Extensive and generous incentives have been packaged in the Free Zone Act (1995) for investors in developing and operating free zone enclaves and single-factory free zones in Ghana.

#### **A. FUMESUA FREE ZONE INLAND PORT**

The 229 acre (91.42 hectare) declared free zone inland port and multi-modal transport hub at Fumesua, near Kumasi in the Ashanti Region of Ghana, is to facilitate transshipment to the northern part of Ghana as well as the landlocked Sahelian countries.

#### **B. SINGLE FACTORY ENTERPRISE**

Under this scheme, an investor can acquire property in any part of the country and apply to the Ghana Free Zones Board for a free zone licence. Presently, sixty-six (66) companies have been registered.

#### **C. EXPORT PROCESSING ZONES**

The under-mentioned areas have been declared Export Processing Zones by the President of the Republic of Ghana. These are:

- (a) Tema Export Processing Zone - 1200 acres
- (b) Sekondi Export Processing Zone - 2200 acres

GFZB has to date licensed two major developers to provide serviced lands and factory shells/warehouses for use by investors. These are:

##### **i. BUSINESS FOCUS GROUP (BFG)**

Business Focus Group SHD (Malaysia), through its wholly owned Business Focus Ghana Ltd, are the developers of **681 acres or 271.81 hectares** of land in the Free Zone area. Business Focus' development comprises factory units of various sizes from terrace to detached factory to suit different business operators. They also offer detached industrial plots and comprehensive infrastructure. An investor can also opt for customized design and build.

#### **PRICE OF FACTORIES**

Terrace Factories	US\$184,000
Semi Detached Factories	US\$411,000
Detached Factories	US\$446,000

For further enquiries contact:

**Business Focus Gh. Ltd**  
**C/o PSC Tema Shipyard Ltd**  
**P O Box 454**  
**Tema - Ghana**  
**Tel: (233-22) 202641; 204632; 206517; 206832**  
**Fax: (233-22) 206536; 202123**  
**E-mail: info@bftema.com**  
**Website: www.bftema.com**

**ii. TEMA INDUSTRIAL PARK (TIP)**

The Tema Industrial Park is a subsidiary of International Land Development Company (ILDC), a wholly private Ghanaian owned company.

The Tema Industrial Park (TIP) currently has under development, its first phase project covering **200 acres or 78.43 hectares** of land for the development of manufacturing, trading and commercial activities. The land is situated within the Tema Free Zone Enclave's total area of 1,200 acres. The TIP provides serviced plots to prospective investors and the sizes range from an acre to 50 acres.

**Services**

- Roads - modern asphalted roads with street lightning and tree shaded walkways linking the various plots.
- Power - Current supply is from the main Volta River Authority Substation in Tema. Plans to build an independent substation solely for the Free Zone Enclave are in advanced stages.
- Water Supply - is assured and comes from Kpong, the biggest water Supply treatment Supply plant in Ghana. Also, there is a daily assured storage of some 3 million gallons of water for the industrial zone.
- Telecommunications - This is currently provided by Ghana Telecom, the largest telephone company in Ghana. The planned capacity of the enclave is 100,000 lines. There are also plans for a VSAT ground hubstation for Satellite Communications Network solely for the zone.

For further information please contact.

**The Executive Director**  
**International Land Development Company**  
**P O Box AN 15096**  
**Accra-North, Ghana**

**Tel: (233-21) 772906, 229696, 222084**  
**Fax: (233-21) 229320**  
**Email: ILDC@shamrock.com.gh**

The GFZB with the assistance of World Bank/IDA Gateway Project is providing off-site infrastructure i.e. Utilities and road links for the Export Processing Zones.

For further enquiries, contact:

**The Executive Secretary**  
**Ghana Free Zones Board**  
**P. O. Box M.626**  
**Ministries**  
**Accra, Ghana**  
**Tel: (233-21) 670532-5**  
**Fax: (233-21) 670536**  
**E-mail: [gfbz@africaonline.com.gh](mailto:gfbz@africaonline.com.gh)**  
**Website: [www.ghanaclassified.com/gh](http://www.ghanaclassified.com/gh)**

### **3.0 THE TEMA DEVELOPMENT CORPORATION (TDC)**

The Tema Development Corporation (TDC) has been a major player in real estate development in Ghana for nearly forty-two (42) years. The company has to date developed twenty self-contained residential neighbourhoods in Tema, a port and industrial city, which is adjunct to Ghana's capital city, Accra. TDC, as part of its mission to execute and facilitate developmental activities, is now embarking on the servicing of industrial lands in the Tema Heavy Industrial Area, to provide easy access to land ready for development by investors on long-term leasehold basis at very low annual ground rents.

Below are Payment Plans and Services available:

- **Selling Price** - US\$42,000 per acre
- **Incentive:** - Industrial Development Incentive 10%. Thus knocked-down price becomes US\$37,800 per acre.

#### **PAYMENT OPTIONS**

- Outright Cash Payment** - Cash Price: US\$34,020.00 per acre (after incentive and 10% cash discount)
- Instalment Payment** - Cash Deposit Payable: US\$8,505 per acre (25% of cash price)  
  
Balance - US\$29,295 payable in eight (8) quarterly instalments with 1.25% quarterly interest on reducing balance.
- Special Negotiation** - if none of above terms suits your particular needs, you have the opportunity to negotiate.

#### **SERVICE AVAILABLE**

Tarred roads, drains, culverts, electricity, water, and telephone

For further information contact:

**THE DIRECTOR OF ESTATES  
TEMA DEVELOPMENT CORPORATION  
ESTATE DEPARTMENT  
P O BOX 46 TEMA  
TEL: (233-22) 202731-4; 206602  
FAX: (233-22) 202737; 207162  
EMAIL: tdc@ghana.com**

#### **4.0 THE LAND BANK PROGRAMME**

The Ghana Investment Promotion Centre (GIPC) has established a Land Bank with information on land and real estate properties available on lease, rental or equity for investment purposes.

Additionally, and in line with the government of Ghana's objective of facilitating access to land for investment purposes, the Ministry of Food and Agriculture (MOFA) has compiled MOFA's and individual lands available in all the districts in Ghana in an effort to establish a land bank for the information of potential investors. The programme is in its nascent stages but its potential to ease the burden on potential investors is immense.

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