



# GHANA FREE ZONES AUTHORITY

P.O. Box M626 Accra - Ghana  
Gps Address Accra HQ: GL - 040 -2630  
Tel: 0302 780 535 / 785037 / 0242 174 534  
Fax: 0302 780 536, Email: info@gfzb.gov.gh  
Website: www.gfzb.gov.gh

Our Ref. 0021408 B.1002/8

Your Ref. ....

6-8-2024

## TO ALL FREE ZONES COMPANIES

Dear Sir,

### DIRECTIVE ON THE APPLICATION OF LETTER OF COMMITMENT(LOC) BY FREE ZONES COMPANIES

The Authority sends its warmest greetings.

As a sequel to the petition brought to the attention of the Authority by the Association of Free Zones Enterprises, on the issue of the Letter of Commitment (LOC), kindly find attached letters from both the Office of the Vice President and Bank of Ghana exempting Free Zone Enterprises from the LOC regime.

It is our hope that this helps resolve the impasse and ensures smooth business operations for your company.

Yours faithfully,

**AMB. MICHAEL A.N.N.Y OQUAYE**  
**CHIEF EXECUTIVE OFFICER**

Mr. Boel



1, Thorpe Road, Accra  
P.O. Box GP 2674, Accra  
Tel: +233-30-266 2395  
+233-30-266 6902-8  
+233-30-266 6174-6  
Fax: +233-30-266 6417  
e-mail: [bogsecretary@bog.gov.gh](mailto:bogsecretary@bog.gov.gh)

## BANK OF GHANA

20<sup>th</sup> March 2024

The Chief Executive Officer  
Ghana Free Zones Authority  
P. O. Box M 626  
Accra

Dear Sir,

### **RE: AGREEMENT ON LOC REGIME ENFORCEMENT FOR FREE ZONE COMPANIES**

We refer to a letter from the Vice President's Secretariat of the Office of the President dated 4<sup>th</sup> March 2024 (copy attached), conveying conclusions reached after two (2) meetings held under the auspices of His Excellency the Vice President to discuss the application of the Letter of Commitment (LoC) to Free Zones Enterprises (FZEs).

In line with the conclusions reached, the Bank of Ghana (BoG) will adopt the following procedures:

1. The LoC shall continue to be the main document required to accompany all exports from Ghana.
2. FZEs seeking to export goods shall be required to generate the LoC from the Integrated Customs and Management System (ICUMS).
3. In the process of generating the LoC, FZEs shall choose the option "**NO**" in the field tagged "Would Export Proceeds be repatriated" to clearly indicate that **repatriation of export proceeds is not mandatory**.
4. Per the existing operational procedures, all LoCs for which repatriation of export proceeds are not required are instantly referred to the BoG for approval.
5. The BoG shall immediately grant approval to LoCs for FZEs referred to the Bank.
6. The Free Zones Board would be required to provide the current list of all FZEs and inform the Bank as soon as a new FZE is approved or an existing FZE ceases to be a member.

7. Existing LoCs generated by FZEs which require repatriation of export proceeds may be submitted to the BoG by the respective FZE for the status to be amended.

Please note that the above arrangement supersedes the dispensation given to the Blue Sky products (Ghana) Limited per our letter dated 22<sup>nd</sup> February 2024 and copied to your good self.

Kindly communicate the above to your members for compliance.

Yours faithfully,



**KENNEDY AKONNOR ADU**  
**HEAD, BANKING DEPARTMENT**

Cc: The Governor, BoG  
The First Deputy Governor, BoG  
The Second Deputy Governor, BoG  
The Head, Legal Department, BoG  
The Hon. Minister, Ministry of Finance  
The Attorney General and Minister of Justice, Ministry of Justice  
The Secretary to the Vice President, Office of the President  
The Commissioner General, Ghana Revenue Authority  
The Commissioner of Customs, Ghana Revenue Authority  
The Chairman, Association of Free Zones Enterprises



REPUBLIC OF GHANA

OFFICE OF  
THE PRESIDENT  
VICE PRESIDENT'S SECRETARIAT

Jubilee House, Accra  
Tel: +233 (0) 302 738 600  
Digital Address: GA-000-0288

Ref. No. OOP/VPS/54/285/22  
4<sup>th</sup> March 2024

**AGREEMENT ON LOC REGIME ENFORCEMENT  
FOR FREE ZONE COMPANIES**

I am writing to summarize the outcomes from recent discussions regarding the Letter of Commitment (LOC) regime, specifically its application to Free Zones Companies. These discussions, prompted by a request from Blue Skies Limited, took place on February 23rd and 26th, 2024, under the auspices of the Vice President's Office.

2. The key stakeholders included the Bank of Ghana, Ghana Revenue Authority, Ministry of Finance, Free Zones Authority, and the Association of Free Zone Entities. Outlined below are the agreed-upon measures:
  - a. The Bank of Ghana will immediately apply an LOC exemption status to all Free Zone companies, effective until further notification.
  - b. Free Zones Companies must apply for the LOC through the ICUMS system, choosing the "Non-Repatriation" option. This selection will automatically confer exemption status to the applicants, streamlining the approval process.
  - c. Should there be any need to revise this exemption status, it will only be done after detailed consultations with all stakeholders.
3. We appreciate your prompt attention to these developments.
4. Receive the assurance of my highest consideration.

**AUGUSTINE BLAY  
SECRETARY TO THE VICE PRESIDENT**

**THE GOVERNOR  
BANK OF GHANA  
ACCRA**