



Mining sector contribution to govt revenue increases in 2024

BY KINGSLEY ASARE

THE mining sector's contribution to government fiscal revenue increased significantly in 2024, rising by 51.2 per cent.

The sector contributed GH¢17.7 billion in fiscal payments to the government in 2024, representing an increase of 51.2 per cent increase from GH¢11.7 billion over the previous year.

The President of the Ghana Chamber of Mines, Edem Akafia, disclosed this in Accra on Friday during the 97th annual general meeting of the Chamber.

It was on the theme "The mining and power hub: Driving sustainable investment opportunities in West Africa."

Mr Akafia said dividends paid to the state surged by over 600 per cent to GH¢1.03 billion.

"This growth translated into a rise in the mining sector's share of direct domestic taxes from 22.7 per cent in 2023 to 24.3 per cent in 2024. Similarly, its contribution to domestic revenue increased from 8.8 per cent to 9.6 per cent, while its share of total

government revenue rose from 8.6 per cent to 9.5 per cent over the same period," he stated.

Mr Akafia said mineral export earnings rose by 52.7 per cent to \$11.9 billion from \$7.8 billion in 2023, representing 58.4 per cent of total merchandise exports.



• Mr Akafia

"Gold exports alone earned \$11.6 billion. The robust performance helped improve the balance of payments, supporting a reserve position of 2.9 months of import cover and aiding exchange rate stability. This impressive performance reinforced the mineral sector's position as the dominant source of foreign exchange, with its share of total merchandise export earnings rising from 47.0 per cent in 2023 to 58.4 per cent in 2024," he added.

The President of GCM called for a fair and predictable fiscal regime, competitive operating costs, and robust infrastructure to help unlock the potential of mining.

He said the 200 per cent increase in the Growth and Sustainability Levy to 3 per cent, and its application on gross revenue, threatened the viability of the mining sector.

"This non-deductible levy must be reviewed to sustain investor confidence," he said.

Mr Akafia also called on the government to scrap the VAT on

exploration.

"We urge the government to relieve exploration companies from the payment of VAT to incentivise additional exploration investment," he stated.

Mr Akafia said despite the formidable challenges, the mining sector continued to deliver stellar performance, driving economic recovery, foreign exchange stability, and social development.

The Acting Chief Director of the Ministry of Lands and Natural Resources, Innocent Haligah, in his remarks said the mining sector served as a catalyst for the country's economic development.

He urged the mining companies to cooperate with the GoldBod to create a harmonious relationship between the government and mining companies.

He pledged the government's commitment to create a conducive environment for the mining sector to thrive.