

Voluntary Report – Voluntary - Public Distribution

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Report Name: Ghana Alcoholic Beverages Report

Country: Ghana

Post: Accra

Report Category: Beverages, Wine

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Report Highlights:

Alcoholic beverages imported into Ghana increased from \$56 million in 2019 to \$87 million in 2023. Similarly, imports of U.S. alcoholic beverages to Ghana are on an upward trend in the same period from \$267,000 in 2019 to \$1 million in 2023. However, consumer knowledge about the variety and quality of U.S. alcoholic beverages remains low compared to alcohol from other regions of the world. Post expects sales to increase as the economy stabilizes, incomes rise, and consumers shift away from traditional alcoholic beverages. Due to positive developments in Ghana's hospitality and retail sectors, it is expected that alcohol sales will increase

Market Summary

According to Fitch Solutions, a data, research, and analytics firm, spending on alcoholic drinks grew by 13.6 percent and alcoholic drinks consumption grew by 5.2 percent in 2023. Total consumption of alcoholic drinks can be broken down into three categories, namely beer, wine, and spirits. Beer consumption is forecast to grow by 5.5 percent, making it the fastest-growing alcoholic drinks category, followed by wine and spirits which are forecast to grow by 3.8 percent and 3.4 percent respectively. Over the medium term, both beer and spirits consumption will see upward growth. Household income growth will increase beer consumption. As with many countries in Africa, beer tends to dominate alcoholic drink consumption patterns. Although Ghana is moderately more developed than neighboring countries, beer is primarily consumed at informal neighborhood bars and taverns. In the wine category, sweet and sparkling wines dominate the market. Ghana imports all grape wines due to the unfavorable climate for grape production. Domestic alcoholic beverage producers in Ghana utilize ingredients such as sorghum, cassava, corn, millet, and palm to produce a variety of alcoholic beverages and spirits. Grape wine processing is underdeveloped and costly.

Table 1: Alcohol Exports to Ghana

Country	Calendar Year (Value: USD)				
	2019	2020	2021	2022	2023
EU	\$37 Million	\$53.6 Million	\$69 Million	\$61.1 Million	\$ 52.4 Million
India	\$10.4 Million	\$11.2 Million	\$15 Million	\$9.7 Million	\$12.1 Million
Togo	\$794 Thousand	\$4 Million	\$4.9 Million	\$9.3 Million	\$10.3 Million
South Africa	\$3.7 Million	\$2.8 Million	\$7.3 Million	\$5 Million	\$3.3 Million
United Kingdom	\$2.8 Million	\$3.9 Million	\$4.8 Million	\$4.4 Million	\$5.3 Million
United States	\$267	\$343	\$897	\$2.3 Million	\$1 Million

	Thousand	Thousand	Thousand		
Others	\$907 Thousand	\$1.3 Million	\$4.5 Million	\$1.9 Million	\$2.4 Million
Total	\$56 Million	\$77.3 Million	\$106 Million	\$94 Million	\$87.1 Million

Source: Trade Data Monitor

Consumption

Post-pandemic, one of the remarkable changes observed within the alcoholic drinks industry has been the rise in prices across all categories, in line with global inflation rates and the depreciation of the Ghanaian cedi. According to industry sources, the situation is affecting volume sales as consumers are becoming increasingly price conscious. Premium and luxury brands which are more expensive have been the most impacted as consumers trade down to more affordable options.

In Ghana, the consumption of a variety of alcoholic drinks traditionally occurs during weekends and on public holidays as well as during social functions (funerals, weddings, baby naming ceremonies, etc.) However, the urban consumer, as well as business and tourist travelers are primarily driving consumption growth as it is becoming popular for affluent urban professionals to go for a drink after work during the week as well. Ghana is progressively becoming a popular destination to visit in December due to a lineup of activities by the Tourism Authority of Ghana, which promotes more demand for alcoholic drinks in bars and clubs.

Beer is the most popular alcoholic drink in Ghana, however, other categories such as Ready to Drink products (RTD) such as cider, and canned spirits are becoming more popular, particularly among younger consumers. There is a strong tradition of artisanal alcoholic drinks in Ghana, with pito (produced from millet), asana (made from corn with a very low alcohol content), palm wine (from the palm tree), and akpeteshie (Ghana's local gin with a very high alcohol content) all being quite popular. These artisanal drinks are cheap and widely available. Akpeteshie is sold in many local bars and is especially popular in rural areas as it has strong cultural ties and is inexpensive. It is also used to prepare traditional medicinal remedies.

Table 2: Market size of Alcoholic drinks in Ghana

Category	Data Type	Unit	2018	2019	2020	2021	2022
Alcoholic Drinks	Total	million	406.1	424.8	391.7	430.9	457.1
	Volume	liters					
Beer	Total	million	304.3	323.5	302.8	329.9	347.8
	Volume	liters					
Cider/Perry	Total	000 liters	1,303.9	1,421.3	1,582.0	3,182.8	3,340.0
	Volume						
RTDs	Total	000 liters	16,469.1	13,928.3	14,523.0	19,633.2	22,369.5
	Volume						
Spirits	Total	000 liters	61,964.8	63,236.0	51,131.7	55,643.1	59,994.2
	Volume						
Wine	Total	million	22.0	22.7	21.7	22.5	23.6
	Volume	liters					

Source: Euromonitor International

Beer

Beer in Ghana (especially lagers and stouts) is experiencing sturdy growth, a reflection of consumers socializing again post-pandemic. Also, the demand for imported beer brands like Heineken, Corona, Stella Artois, and Budweiser continues to rise, notwithstanding their steep price points, mirroring Ghanaian consumers ‘appreciation’ for their taste and quality.

Local beer manufacturing companies procure raw materials locally to produce reasonably priced products for consumers. Beer is the most consumed alcoholic drink and is popular in both urban and in rural areas, due to growing disposable income and its availability in pubs and nightclubs throughout the country. Ghana’s leading beer brands are all produced domestically, although most of them have international owners.

Table 3: Top Beer Brands in Ghana

Name of Beer	Brewery
Guinness Foreign Extra Stout	Guinness Ghana Breweries (Diageo)

Club Premium Lager	Accra Breweries Limited (Anheuser-Busch (AB) In Bev)
Star Lager	Guinness Ghana Breweries (Diageo)
Club Shandy	Accra Breweries Limited (Anheuser-Busch (AB) InBev)

Source: Industry Sources

Wine

Wine continues to be a niche category, there is demand for sweet red and white wine during social events such as weddings and parties, especially post-pandemic. Similarly, according to trade sources, sparkling wine is also becoming more popular among younger consumers. Wine consumption holds comparatively limited allure for most consumers due to its high prices, additionally, it faces competition from artisanal alcoholic beverages, especially palm wine. Palm wine is generally available in the country at low prices with most consumers preferring this drink's sweeter flavor to the dry ones offered by still grape wine.

Until recently, wine was perceived as being suitable for only expatriates and the urban elite due to the fact that it's more expensive than other alcoholic beverages and majority of Ghanaians are not accustomed to drinking it. However, due to the recent surge in cost of living, demand is shifting from premium wines towards more reasonably priced options such as wines imported from Europe and South Africa, which are mostly entry level options readily accessible from popular supermarkets. Due to economic conditions, industry sources expect an influx of cheap wines to be available on the market which will boost consumption and popularity among lower-income consumers.

Spirits

Deteriorated purchasing power and global inflation rates has led to an increase in the price of spirits, which in turn has reduced consumption. The most affected range includes premium spirits. Ghanaian consumers are seeking out lower-priced whiskey brands and locally produced distilled spirits made with herbs, known as bitters. The introduction of new flavors such as natural ingredients, fruit-herb blends, and sweet-tasting spirits in the industry, has brought about renewed interest in spirits compared to previous years.

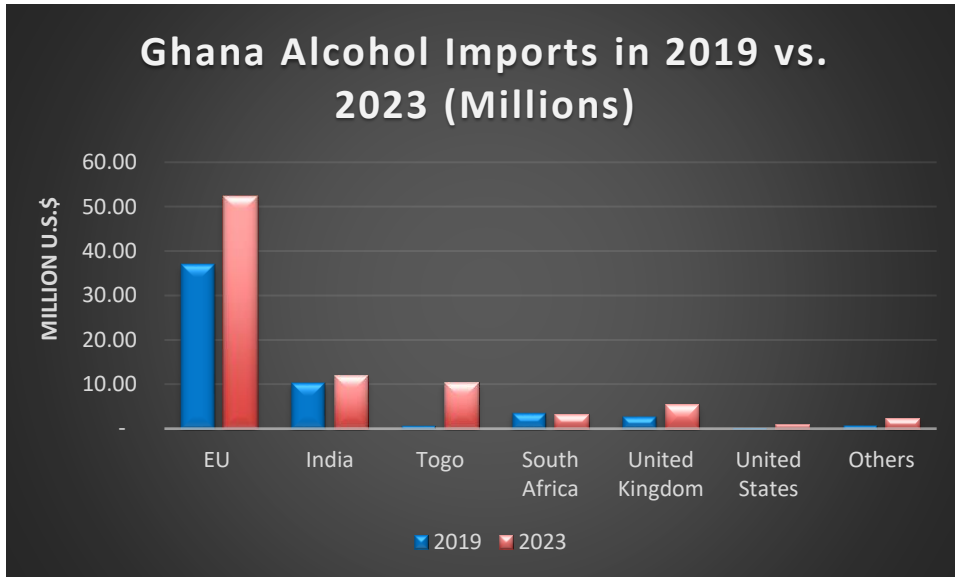
Bitters products are the most popular within the spirits category as it's been traditionally consumed all over the country. Nevertheless, bitters continue to face strong competition from artisanal alternatives. In general, bitters are high in alcohol and has a long-established reputation for improving digestion and serving as a traditional aphrodisiac. Recently there has been an increase in the importation of low-cost brands of whiskey from India. In the medium term, there will be increased growth in premium whiskies, predominantly among young middle and upper-class consumers who identify premium whiskies as a symbol of maturity and wealth, aligning with their ambitions and lifestyle preferences.

Cider

Although there has been increased demand for ciders, high inflation continues to be an impeding factor, because all ciders are imported into the country and with the currency depreciation, consumer prices will rise. Apple cider is quite popular due to its sweet taste and recognized as a trendy premium product, especially by the young population.

Ready To Drink (RTDs)

The portability of canned RTDs cocktails make them attractive to younger consumers who want to enjoy these beverages in various settings outside of bars or restaurants. Demand for RTDs has risen substantially and has gained popularity among consumers, although they are still a small part of the market offering a range of flavors. Spirit-based RTDs compete mainly with cider/perry and low-alcohol beer.



Source: Trade Data Monitor

Policy

The National Alcohol Policy was developed in 2017 to regulate the production, distribution, sale, advertisement, and consumption of alcohol. Before this, there were few restrictions covering when alcohol could be sold and how densely alcohol retail outlets could be placed. Additionally, the Food and Drugs Authority (FDA) must approve all alcoholic advertisements. When approved, the advertisement must include the phrase “This advert has been vetted and approved by the FDA”.

The FDA has banned celebrities from advertising and sponsoring alcoholic beverages to prevent influencing young people from consuming alcohol. All requirements for advertising alcoholic products can be found in the FDA’s ["Guidelines for the advertisement of Foods"](#). The legal purchasing and legal drinking age are both 18 years in Ghana.

Taxation and Levies

The Ghana Revenue Authority (GRA) began implementing new and revised taxes on May 1, 2023. These taxes include the Excise Duty Amendment Act, 2023; Income Tax Amendment Act, 2023; and the Growth and Sustainability Levy Act, 2023. The Excise Duty Amendment Act was expanded to cover

some items and commodities previously not captured, which has resulted in increased prices for spirits, beer, wines, and sparkling wine.

The GRA increased the Value-added Tax (VAT) from 12.5 percent to 15 percent beginning 1 January 2023, consequently, the price of alcoholic drinks has increased as the cost of production also increased due to this new adjustment. In September 2017, the Government of Ghana (GOG) introduced its Tax Stamp Policy which requires manufacturers and importers to present government-supplied stamps on products to confirm that the appropriate tax has been paid. This initiative improved tax collection as well as helped consumers identify genuine products.

Table 4: Excise and Import Tax rate.

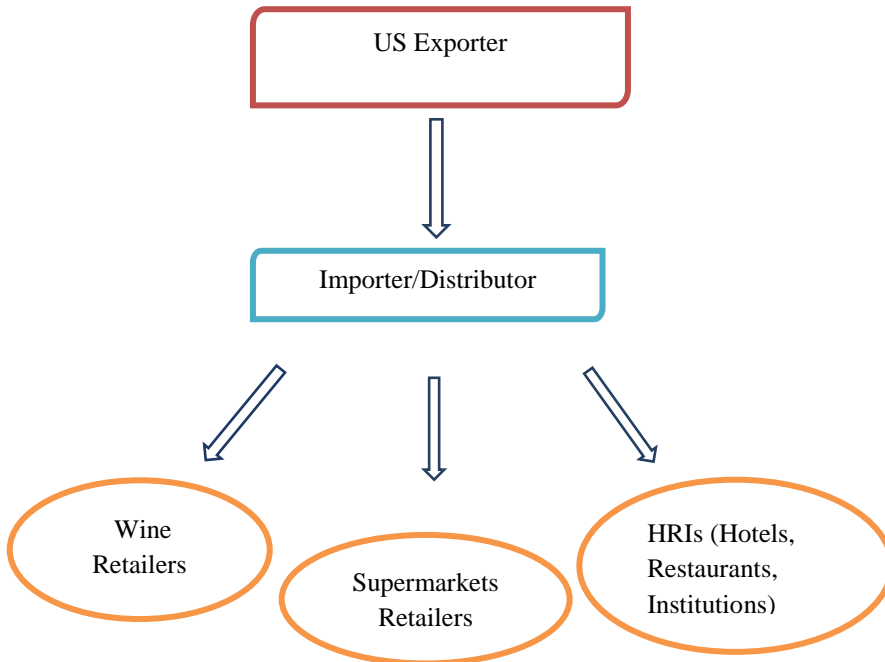
HS Code	Alcohol Category	RATES		
		Description	Import Duty	VAT
2203	Beer	20 percent	15 percent	10 - 47.5 percent
2204	Wine (Still/Sparkling)	20 percent	15 percent	22.50 percent
2208	Spirits	20 percent	15 percent	0 - 25 percent
2206	Ready To Drinks (RTDs)	20 percent	15 percent	0 - 25 percent
	Cider	20 percent	15 percent	20 percent
2208	Spirits-Brandy, Whiskeys, Rums , Vodka	20 percent	15 percent	25 percent

Source: Customs Unit of [Ghana Revenue Authority](#)

There is a 15 percent Value Added Tax (VAT) in Ghana. The VAT is charged to consumers based on the purchase price of certain goods and services. Visit <https://shippers.org.gh/index.php/cargo-clearance-tariff-guidelines/> for more information on Cargo Clearance Tariff guidelines. For additional information about Ghana’s import food standards & regulations and import procedures, please visit: [Ghana: FAIRS Annual Country Report | USDA Foreign Agricultural Service](#)

Distribution

Distribution channels are mainly through importers who sometimes double as wholesalers or distributors who then sell to wine retailers, supermarkets, hotels, restaurants or clubs and other institutions.



Key Contacts and Further Information

If you have questions regarding this report, require listings of local importers and institutions or need assistance exporting to Ghana, please contact the U.S. Office of Agricultural Affairs in Accra.

Office of Agricultural Affairs (OAA)

Foreign Agricultural Service
American Embassy
Cantonments, Accra, Ghana
Tel: +233 302741000
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Government Regulatory Key Agency Contacts

Ghana Revenue Authority (GRA)

Address: Off Starlets 91 Road Ministries, P. O. Box 2202, Accra - Ghana

Tel: +233 (0) 20 926 7048; +233 (0) 20 063 1664

Email: info@gra.gov.gh

Website: www.gra.gov.gh

Food and Drugs Authority (FDA)

Address: P. O. Box CT 2783, Cantonments – Accra, Ghana

Tel +233 (0) 302 233 200; +233 (0) 299 802 932

Email: fda@fdaghana.gov.gh

Website: www.fdaghana.gov.gh

Ghana Standards Authority (GSA)

Address: P. O. Box MB 245, Accra - Ghana

Tel : +233 (0) 302 506 991

Email : gsanep@gsa.gov.gh/gsadir@gsa.gov.gh

Website : www.gsa.gov.gh

Ghana Ports and Harbours Authority

Address: P. O. Box 150 Tema, Ghana.

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Website: ghanaports.gov.gh

End of Report

Attachments:

No Attachments.