**INTRODUCTION**

The Hospitality Industry is indisputably the hardest hit by the overwhelming impact of the Corona Virus in Ghana and other countries. Indeed, long before the official lockdown of the Accra and Kumasi Metropolis by the President, and the official closing of Ghana’s borders in March this year, business activity in the sector had slowed down considerably. This was accentuated by the ban on social gatherings and the directive for residents to stay home in order to avoid contracting the virus.

Business activity in the sector has since deteriorated, with the prospects of a recovery becoming even more remote each week. Many restaurants and eateries are currently operating between 5 to 10 percent of their total capacity. Indeed, some of our members have reported no business at all during this period, forcing them to more or less close down their business. Some others have had to disengage the services of the majority of their staff in the absence of business to compensate them. Others have had to scale down salaries to try to cope with the global shock.

Unfortunately, help from Government has been slow in coming. Although the President has announced a couple of measures to support the sector (the proposal to inject 3 billion cedis and a 6-month moratorium of loan repayments to the banks,) these measures are not being immediately implemented. Indeed, our members report that some of the banks have not heeded the President’s directive at all, and even with the few who are willing to do so, fewer still are prepared to go the full 6 month period.

As the 4th largest industry and foreign currency earner in Ghana (according to the Bank of Ghana’s report of the sector in 2017), the industry is in need of urgent life support by the Government in order to prevent further job losses to Ghanaians and the total collapse of the sector. The National Hospitality Association of Ghana (NHAG) is therefore calling on the Government as a matter of urgency to:

* Negotiate with the Social Security and National Insurance Trust (SSNIT) to pay 50% salary of employees over a period of six-months
* Suspend rental charges for commercial tenants for at least 6 months
* Suspend the Tourism Levy of 1%, and use current reserves to aid restaurants and eateries
* Reduce property rates by 50%
* Suspend all charges, including VAT and related taxes until further notice
* Suspend Union annual salary increment requests
* Mitigate import duties on Food and Non-Food Products

The Association believes the above measures would provide much needed respite to the industry and prevent an unmitigated collapse which could wipe off all the economic gains made so far by the Government in the last few years.

**About the NHAG**

The National Hospitality Association of Ghana (NHAG) is constituted by about 60 mainline restaurants and eateries in good standing within the Accra, Tema and Kumasi Metropolis. The Association speaks for its members on national issues, promotes professional standards and best practices in the sector, and supports the progress and sustainability of the industry.

 

Theodore Dzeble

Executive Secretary