



# NATIONAL TENANTS' UNION OF GHANA

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PRESS RELEASE

FOR IMMEDIATE RELEASE

TO: ALL MEDIA HOUSES

10TH JUNE, 2024

## **PASS THE RENT BILL 2022 BEFORE THE 8TH PARLIAMENT DISSOLVES**

We are utterly shocked by the high cost of rent and the difficulties indigenous businesses and tenants face due to demand for rent advance payment exceeding 6 months, which the Rent Act, 1963, under section 25(5) prohibits.

Today, landlords in Ghana fail to comply with the Rent Law and act with impunity. The Rent Control Department, mandated to ensure compliance, fails to act, allowing landlords' manipulations to fester, plunging tenants into poverty and hindering the growth of indigenous businesses due to the high cost of rent and doing business.

Renting a place to do business in Ghana is currently very expensive. Landlords unlawfully demand extra charges, called 'Goodwill,' for leasing properties for 10 -15 years without giving receipt to the tenant, violating section 25(5) of Act 220 (1963)

In prime areas like Osu, Labone, Ridge, Airport, Spintex, and others in Accra, commercial tenants are forced to pay illegal, non-refundable charges (Good-will) between \$45,000 - \$70,000 (GHC 675,000 -1,050,000). This practice breaches the Rent Act and PNDC LAW 138, (1986), yet tenants continue to suffer in the hands of landlords while the Rent Control Department remains helpless.

The Ghana Statistical Service (GSS) 2022 report indicated a housing deficit of 2 million housing units. Successive governments from 1992 have failed to implement effective housing policies. Our country lacks a clear rental housing policy, and the few implemented policies fail to consider the informal majority (65% of the population) in dire need of accommodation, instead targeting the formal minority (5%) who already have access to government mortgage funding.

In November 2022, the cabinet approved the Rent Bill 2022, which was submitted to parliament for passage. In March 2023, the Bill was laid before Parliament, read for the first time, and referred to the Housing Select Committee for further action.

It has been over 15 months since the Bill was first read in Parliament. With barely 6 months remaining before Parliament dissolves, we urge our parliamentarians to act with urgency and fast-track the process to pass the bill into law. This will bring relief to tenants by limiting rent advance payments to a maximum of 1 year, compared to the current demand payments for 3-5 years.

We appeal to the Speaker, the Majority and Minority Caucuses, and the Housing Committee of Parliament to prioritize and fast-track the Rent Bill. The same energy used in passing the LGBTQ+ bill should be applied to ensure the Rent Bill is passed and assented to by the President before this 8th Parliament recesses in December 2024.

Failure to pass the Bill in this session means the entire process must start anew. We urge constituents in all 276 constituencies to petition their Members of Parliament to appreciate the urgency of the passage of the Rent Bill, considering it a social contract upon which their mandate shall be renewed on 7th December, 2024.

Thank you.



SIGNED  
Frederick Opoku  
Secretary- General