

24th December 2021

PRESS RELEASE ON PACKAGED WATER PRICE REVIEW

The National Executive Committee (NEC) of the National Association of Sachet and Packaged Water Producers (NASPAWAP) in consultation with stakeholders wishes to recommend the following upward price reviews of bottled and sachet water. These reviews serve as a guide to all regional associations and to ensure uniformity across the country. The NEC also cautions that, there might be slight variation in prices across the regions due to haulage to remote and distant areas across the country.

It is recommended that the 500ml ice bottled water be retailed at GHC 1.50, and the 750ml or medium size iced bottled water be retailed at 2.00 GHC. The 1.5L or large bottled water is to be retailed at GHC 3.50.

Iced sachet water will be retailed at 40peswas.

A bag of sachet water, 500ml by 30pcs, will now sell at GHC 4.50 from the retail trucks. Mini shops will now retail a bag of sachet at GHC 6 per bag minimum. These reviews take effect from Monday December 27, 2021.

The price reviews have been necessitated by rising cost of inputs such as fuel, vehicle spare parts and packaging materials which are mainly imported. At our previous review, the Ghana Cedi to the dollar was in the region of GHC 4.50. Currently it is inching up to GHC 6.50. Fuel prices have also significantly gone up since our last review.

Regrettably, fuel price reviews attract a lot of public outcry anytime the government imposes the slightest tax on it. However, the public turns a blind eye to taxes on bottled water, which account for the high prices consumers have to bear. In the past, producers bore part or all of these huge taxes just to survive, especially in the wake of imported bottled water most of which evade these taxes, but it is becoming increasingly unsustainable for the local water industry. It has become necessary that some of these indirect taxes, production, and distribution costs, be passed on to the consumer. It is important for Consumers to know that any bottled water they purchase has a fixed levy of 23.5% besides VAT/NHIL. The fixed levies are made up of 17.5% excise tax plus additional 6% levy before VAT/NHIL.

It is unfortunate to know that beer with local raw material content just above 50% attracts 10% excise as compared with 17.5% on bottled water which has over 95% to 100% local content. The NEC of NASPAWAP wishes to call on government to engage with all stakeholders to correct this anomaly by 15th January 2022, to help sustain the local water industry and reduce the cost of potable water to Ghanaians. Ghana has the highest taxes on locally produced and packaged in the whole world. Imported bottled water on the other hand, is evading and avoiding taxes, thus distorting the market, and causing revenue losses to the state.

The NEC wishes to crave the indulgence of the consuming public to bear with us in our bid to sustain the local water industry. Thank you.

Signed,

The National President of the National Association of Sachet and Packaged Water Producers