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FIFTH REVIEW UNDER THE ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY, REQUESTS FOR MODIFICATION OF AND MONETARY POLICY CONSULTATION CLAUSE AND PROGRAM EXTENSION, AND FINANCING ASSURANCES REVIEW —PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR GHANA

In the context of the Fifth Review Under the Extended Credit Facility Arrangement and Financing Assurances Review, the following documents have been released and are included in this package:

- A **Press Release** including a statement by the Chair of the Executive Board.
- The **Staff Report** prepared by a staff team of the IMF for the Executive Board's consideration on December 17, 2025, following discussions, that ended on October 10, 2025, with the officials of Ghana on economic developments and policies underpinning the IMF arrangement under Extended Credit Facility. Based on information available at the time of these discussions, the staff report was completed on December 3, 2025.
- A **Debt Sustainability Analysis** prepared by the staff of the IMF and the Internal Development Association.
- A **Statement by the Executive Director** for Ghana.

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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International Monetary Fund
Washington, D.C.

IMF Executive Board Completes the Fifth Review under the Extended Credit Facility Arrangement with Ghana

FOR IMMEDIATE RELEASE

- The IMF Executive Board today completed the fifth review of Ghana's 39-month Extended Credit Facility Arrangement. This allows for the immediate disbursement of about US$385 million (SDR 267.5 million).
- Ghana's performance under the program has been broadly satisfactory, despite some delays in implementing complex structural reforms.
- Macroeconomic stabilization is gaining momentum, with strong growth and single-digit inflation for the first time since 2021. The fiscal and external positions have improved, and good progress has been made on debt restructuring. These gains reflect the authorities' strong program ownership, favorable external developments, and improved investor confidence.
- Steadfast implementation of the policy and reform agenda remains essential to fully restore macroeconomic stability and debt sustainability.

Washington, DC – December 17, 2025: The Executive Board of the International Monetary Fund (IMF) today completed the fifth review of the US$3 billion, 39-month Extended Credit Facility (ECF) Arrangement, which was approved by the Board in May 2023. Completion of this review allows for an immediate disbursement of about US$385 million (SDR 267.5 million), bringing Ghana's total disbursements under the arrangement to about US$2.8 billion.

Ghana's IMF-supported reforms are yielding results after last year's policy slippages. Growth through September 2025 exceeded expectations, driven by strong services and agriculture. Inflation is now within the Bank of Ghana's target range, and the external sector strengthened on robust gold and cocoa exports. Reserves accumulation surpassed ECF targets, the cedi appreciated, and Ghana's debt trajectory improved significantly.

Ghana's performance under the IMF-supported program has been generally satisfactory. All quantitative performance criteria and indicative targets for the fifth review were met. Notwithstanding some delays, good progress has also been made on the key structural reforms, including overdue measures from previous reviews.

The Ghanaian authorities have continued to make significant headways on their public debt restructuring. They have signed bilateral debt relief agreements with many members of Ghana's Official Creditor Committee and finalized several Agreements in Principle with other external commercial creditors. The authorities have also intensified engagement with their remaining external commercial creditors on a restructuring consistent with program parameters and comparability of treatment.

Ghana is on track to achieve a primary surplus of 1.5% of GDP by year-end. The 2026 budget, submitted to Parliament, aligns with fiscal program objectives and the new fiscal responsibility framework, while accommodating developmental and security needs. This will be driven by revenue mobilization and expenditure rationalization, with safeguards for vulnerable groups. Sustaining fiscal discipline requires stronger revenue administration, improved public financial management, and better oversight of State-Owned Enterprises, which pose significant fiscal risks.

With inflation pressures subsiding and the recent appreciation of the Cedi, the Bank of Ghana (BoG) has appropriately begun a cautious monetary easing cycle. Any further easing should remain gradual and data dependent. In collaboration with the Fund staff, the BoG has developed and implemented a new structured foreign exchange operations framework to intermediate FX flows and smooth excessive market volatility, while accumulating international reserves.

The authorities have taken decisive steps to safeguard financial stability, including by implementing the strategy to restructure and reform state-owned banks, closing gaps in the crisis management and resolution framework, and pursuing a multi-pronged approach to reduce non-performing loans.

Important progress has been made to strengthen Ghana's governance and public sector efficiency in line with the recently published Governance Diagnostic Assessment report. Efforts to improve transparency and oversight need to continue, particularly related to public disclosure requirements and management of SOEs in the gold, cocoa, and energy sectors.

Ambitious structural reforms to help create an environment more conducive to private sector investment, and to enhance governance and transparency remain key to boosting the economy's potential and underpinning sustainable job creation.

Following the Executive Board discussion on Ghana, Deputy Managing Director Bo Li issued the following statement:

"Ghana's performance under its ECF-supported reform program has been generally satisfactory. The authorities have shown strong program ownership by decisively implementing ambitious corrective actions after the 2024 policy slippages. These efforts, coupled with structural reforms, have driven a stronger-than-anticipated recovery in growth, brought inflation within the Bank of Ghana's target range, and supported robust reserve accumulation. Going forward, continued reform efforts remain essential to maintain macroeconomic stability and debt sustainability, while addressing longstanding structural vulnerabilities.

"Ghana has made progress in strengthening its fiscal position. Looking ahead, staying the course of fiscal policy adjustment and creating room to enhance social programs is paramount to put public finances on a sustainable path and reduce financing needs, while cushioning vulnerable households from the impact of fiscal adjustment. Continued efforts to enhance domestic revenue mobilization and streamline primary expenditure are key in this regard and should be supported by steadfast implementation of reforms to strengthen tax administration, expenditure control and arrears management, and SOEs' efficiency and governance. Forcefully addressing the challenges in the energy sector—including related to arrears—is critical to contain fiscal risks.

"The Bank of Ghana has successfully brought inflation within its target range and rebuilt international reserve buffers, while cautiously easing the monetary policy stance. Looking ahead, strengthening central bank independence, discontinuing quasi-fiscal activities, and deepening FX markets, while reducing the Bank of Ghana's footprint, remain priorities.

"The authorities have made progress in bolstering financial stability by continuing to implement banks' recapitalization plans and initiating the recapitalization of key state-owned banks. However, vulnerabilities persist. To address these challenges sustainably, it is critical to strengthen governance in state-owned banks, fully leverage the bank resolution framework, develop contingency plans for banks that fail to recapitalize, ensure cost-effective resolution of legacy issues, and implement robust supervisory strategies to enhance credit and operational risk management.

“The publication of the IMF Governance Diagnostic Assessment is most welcome, but more is needed to strengthen anti-corruption frameworks and bolster governance and public trust, including by fully aligning Ghana’s asset declaration to best practices.”

Ghana: Selected Economic and Financial Indicators, 2023–30

	2023	2024	2025	2026	2027	2028	2029	2030
	Actual	Prel.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
	(annual percentage change, unless otherwise indicated)							
National accounts and prices								
GDP at constant prices	3.1	5.7	4.8	4.8	4.9	5.0	5.0	5.0
Non-extractive GDP	3.3	5.1	5.3	4.9	5.0	5.0	5.0	5.0
Extractive GDP	1.7	9.4	1.7	4.2	4.3	4.9	5.0	5.0
Real GDP per capita	1.2	3.7	2.9	3.0	3.1	3.2	3.2	3.3
GDP deflator	40.1	25.4	14.7	7.6	7.9	8.0	7.9	7.8
Consumer price index (end of period)	23.2	23.8	8.0	8.0	8.0	8.0	8.0	8.0
Consumer price index (annual average)	39.2	22.9	15.0	7.9	7.5	8.0	8.0	8.0
	(percent of GDP, unless otherwise indicated)							
Central government budget								
Revenue	15.2	15.9	16.0	16.8	16.8	16.9	17.0	17.0
Expenditure (commitment basis) [1]	18.5	22.1	18.4	18.8	18.6	18.9	19.1	19.5
Overall balance (commitment basis) [1]	-3.4	-6.3	-2.4	-2.0	-1.8	-2.0	-2.1	-2.5
Primary balance (commitment basis)	-0.3	-2.3	1.7	1.5	1.5	1.5	1.5	1.0
Non-oil primary balance (commitment basis)	-1.7	-3.9	1.0	0.6	0.5	0.5	0.4	-0.1
Public debt (gross)	79.1	69.8	56.6	54.9	52.7	50.3	48.0	46.3
Domestic debt	37.1	32.7	28.5	27.8	26.9	25.3	24.2	23.5
External debt	42.0	37.1	28.1	27.2	25.8	25.0	23.8	22.8
	(annual percentage change, unless otherwise indicated)							
Money and credit								
Credit to the private sector (commercial banks)	10.7	26.3	23.3	16.8	17.2	17.3	17.3	19.2
Broad money (M2+)	38.7	31.9	21.9	12.8	13.2	13.3	13.3	16.1
Velocity (GDP/M2+, end of period)	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Base money	29.7	47.8	8.6	5.0	6.6	7.6	8.2	9.1
Policy rate (in percent, end of period)	30.0	27.0	...	...	...	...	...	...
	(US$ million, unless otherwise indicated)							
External sector								
Current account balance (percent of GDP)	-0.8	1.8	4.5	3.2	2.7	2.0	1.7	1.3
BOP financing gap [2]	3,134	13,239	8,659	3,310	0	0	0	0
IMF	600	1,320	720	360	0	0	0	0
World Bank	27	390	421	138	0	0	0	0
AfDB	60	0	44	0	0	0	0	0
Debt Restructuring Related Flows [2]	2,447	11,529	7,474	2,812	0	0	0	0
Gross international reserves (program) [3]	3,661	6,518	8,625	9,101	9,814	10,730	11,806	13,041
in months of prospective imports	1.6	2.6	3.3	3.4	3.5	3.7	3.9	4.1
Memorandum items:								
Nominal GDP (billions of GHc)	887.8	1,176.2	1,414.5	1,595.9	1,806.4	2,047. 5	2,320. 0	2,627.1
Population Growth Rate (percentage) [4]	1.9	1.9	1.8	1.8	1.8	1.7	1.7	1.7

Sources: Ghanaian authorities; and Fund staff estimates and projections.

1 Third review interest expenditure projections assume full debt restructuring.

2 Additional financing needed to gradually bring reserves to at least 3 months of imports by 2026. The large 2024-2026 financing gaps result from debt restructuring accounting, with both debt deferral and the nominal value of the debt exchanges included here.

3 Excludes oil funds, encumbered assets, and pledged assets.

4 United Nations, World Population Prospects 2022

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December 3, 2025

FIFTH REVIEW UNDER THE ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY, REQUESTS FOR MODIFICATION OF THE MONETARY POLICY CONSULTATION CLAUSE AND PROGRAM EXTENSION, AND FINANCING ASSURANCES REVIEW

EXECUTIVE SUMMARY

Context. Facing policy and reforms setbacks in 2024, the new authorities introduced strong measures to steer the IMF-supported program back on track and complete the 4th ECF review in July 2025. President Mahama has repeatedly committed to fully implementing the Fund-supported program, an essential anchor to secure macroeconomic stabilization, address Ghana's long-standing vulnerabilities, and bolster confidence and spur inclusive growth. While macroeconomic stabilization is taking root, Ghana still faces significant infrastructure and social gaps alongside emerging security threats.

Program status. The IMF's Executive Board approved in May 2023 a 36-month arrangement under the Extended Credit Facility in the amount of 303.8 percent of quota (SDR 2.2419 billion, or about US$3 billion). On completion of the fifth review, Ghana would have access to an additional SDR 267.5 million, about US$380 million, bringing total disbursements since program approval to about US$2.8 billion.

Program performance. Program implementation has been broadly satisfactory. All end-June 2025 performance criteria (PCs) and indicative targets (ITs) were met. Three prior actions have been implemented for this review: the audit of the 2024 payables (end-August 2025 SB), the cleansing of the taxpayer registry and ledger data (end-June 2024 SB), and submission to parliament of the 2026 budget in line with program objectives. Progress was made on some missed structural benchmarks from the 4th review with the strategy for state-owned banks (*end-April 2024 SB*) implemented in September 2025. The operationalization of ITAS has been rephased in three stages with the first stage covering key aspects of the missed SB reset as a *new end-March* 2026 *SB*. Of the eleven SBs for the current ECF review, four were met, two were implemented with delays, one was implemented as a prior action, one is expected to be implemented in December 2025, and three were missed. The *end-June 2025 SB* on merging certain statutory funds with their line ministries was not met as the authorities opted for a different approach to achieve the program's objective of reforming earmarked funds,

while the *end-September 2025 SB* on expanding the coverage of the Livelihood Empowerment Against Poverty was reset as *end-March 2026 SB* due to significant delays in validating and updating the beneficiary registry. The *end-September 2025 SB* on strengthening the asset declaration system was not met. In November, the Cabinet removed from the draft Conduct of Public Officials Bill the provision requiring the publication of the asset declaration information of designated senior officials, citing constitutional concerns that were not expressed before, despite in-depth work with staff throughout 2025 to prepare the bill. Urgently identifying and submitting to parliament a constitutionally feasible option to implement this SB as close as possible to the original objective must be a priority for the final review under the program.

Outlook and risks. The macroeconomic outlook remains generally positive though subject to significant downside risks. These mainly stem from a deterioration of the external environment (especially related to commodity price volatility) and confidence effects from policy and reform slippages. Delays in completing Ghana's comprehensive debt restructuring also entails some risks.

Fifth review discussions focused on (i) sustaining macroeconomic adjustment and restoring debt sustainability; (ii) advancing fiscal consolidation, while protecting the vulnerable, (ii) maintaining a prudent monetary policy stance, promoting a flexible exchange rate, and rebuilding foreign reserves, (iii) reforming policy frameworks and institutions to support macroeconomic stability and debt sustainability; (iv) tackling energy and cocoa sector challenges; (v) preserving financial stability in the wake of the domestic debt restructuring; (vi) strengthening governance and transparency; and (vii) bolstering private sector-led and inclusive growth.

Approved By
Vitaliy Kramarenko and Guillaume Chabert

Discussions took place in Accra during September 29-October 10, 2025. The mission team met with President Mahama, Minister of Finance Cassiel Ato Forson, Governor of the Bank of Ghana Johnson Pandit Asiama, and other senior officials. It also engaged with the representatives from various government agencies, the private sector, and development partners. The mission team comprised Mr. Atoyan (head), Messrs. Crispolti, Nolin, Ms. Sin (all AFR), Ms. Baum (SPR), Ms. Hosin (MCM), and Ms. Yang (FAD). The mission was assisted by Messrs. Alter (resident representative) and Ahinakwah (local economist). Mr. Akosah (OED) participated in key policy meetings. Ms. Kiggundu and Mr. Raju assisted with the preparation of this report.

CONTENTS

TABLES

ANNEXES

APPENDIX

CONTEXT

1. Since taking office in January 2025, the Mahama administration has reaffirmed its commitment to the IMF-supported program. Facing policy and reform setbacks in 2024, the new government introduced corrective measures to restore progress and support completion of the 4th ECF Review in July 2025.The President has emphasized—including publicly—the program's importance for macroeconomic stability and growth. The authorities are also actively seeking World Bank (WB) support for reforms (e.g., energy and cocoa sectors) and a rebalancing of financial assistance toward budget support**.**

2. Developmental and security needs are large in Ghana. Although the current IMF-supported program protected priority spending, Ghana's infrastructure and social needs remain significant (2022-25 Medium-Term National Development Policy Framework). Moreover, Ghana faces emerging security issues—including related to heightened threat of terrorism in northern border areas, rising cross-border crime, and regional political instability. While reiterating Ghana's commitment to fully implement the Fund-supported program, the Ghanaian authorities have recently noted that improved macroeconomic and debt prospects create space to increase developmental spending—especially for priority infrastructure, health and education—and address regional security needs.

3. Improving social conditions remains challenging despite the program's efforts to protect the vulnerable. The World Bank (WB) projects poverty—measured at US$2.15 a day—to increase to 26.6 percent in 2025 (25.5 percent in 2022), reflecting erosion of real incomes at the bottom of the distribution.

RECENT ECONOMIC DEVELOPMENTS

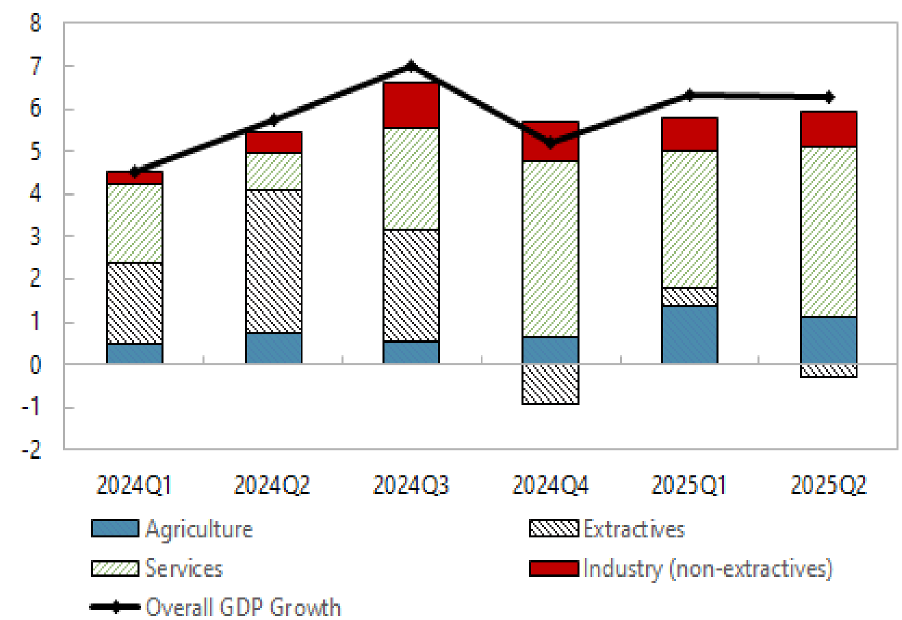
4. Macroeconomic developments have been better than expected**.**

- Real GDP grew by 6.3 percent year-over-year in 2025Q1 and Q2, led by the services sector. For five quarters in a row, year-on-year growth figures have exceeded the estimated 5 percent potential growth rate.

- Since the end of 2024, CPI inflation rapidly declined from 23.8 percent to 8 percent year-over-year in October, as a sharp currency appreciation helped accelerate disinflationary trends in food and non-food prices.

- The external sector continues to strengthen, with the current account (CA) surplus reaching 3 percent of GDP at end-June 2025 (1.8 percent at end-2024)[1] on account of historically high gold and increased cocoa exports. Gross international reserves reached US$9 billion (3.5 months of imports) at end-October, broadly unchanged from their end-June levels despite large-scale FX sales (US$2.8 billion in 2025Q3), energy-related payments, and Eurobond debt service (US$350 million in July). Against this strengthening external position and aided by about US$9 billion in FX sales (see ¶33 and Box 2), the cedi appreciated by 36 percent against the US dollar at year-to-date through end-October, while volatility has been elevated. This is in line with an external position that was evaluated to be stronger than the level implied by medium-term fundamentals and desirable policies in 2024.

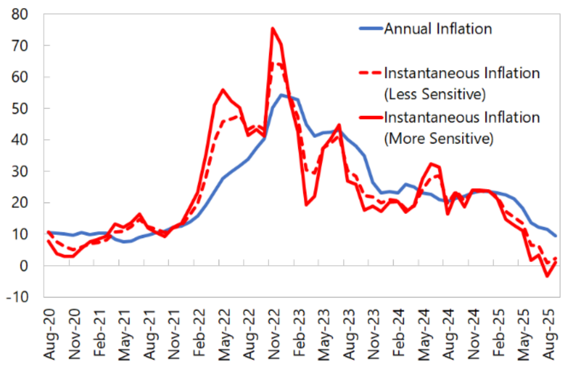
Text Figure 1. Ghana: Real GDP Growth by Sector, 2024Q1-2025Q2
(Percent)



[1] The BOG has transitioned the BOP to BPM6, together with making notable improvements in data collections (including by using external data sources), resulting in an upward shift in the 2024 current account from 1.1 percent of GDP in the 4th review to 1.8 percent of GDP. H1 short-term outflows related to the gold trade have been elevated, slowing potential faster reserve accumulation.

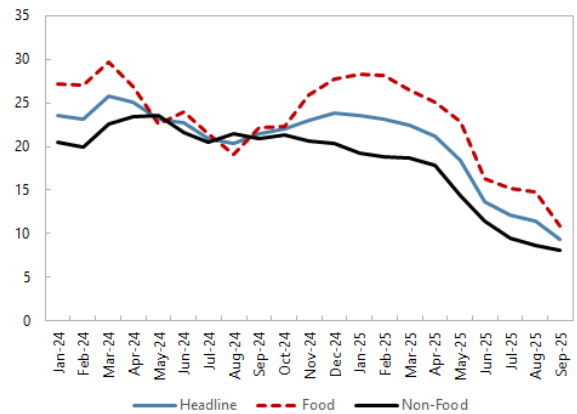
Text Figure 2. Ghana: Recent Economic Developments

Headline and Instantaneous Inflation, Aug 2020-Sep 2025
(Percent)

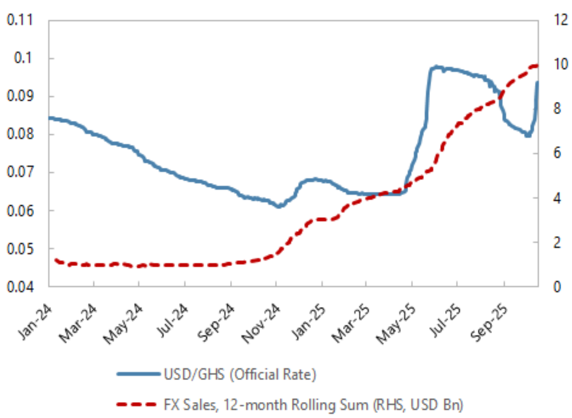


Note: More sensitive instantaneous inflation places higher weight on recent months observations.

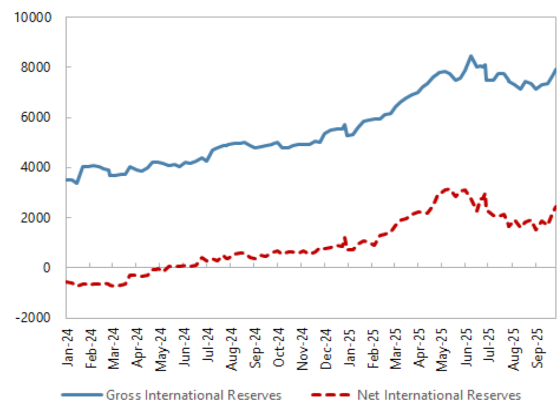
Year-on-Year Inflation, Jan 2024-Sep 2025
(Percent)



Exchange Rate and FX sales, Jan 2024-Oct 2025
(Units and USD Billion)



GIR and NIR, Jan 2024-Sep 2025
(USD Million, Program Exchange Rate)



Sources: Ghanaian authorities, Bloomberg L.P., and IMF staff calculations.

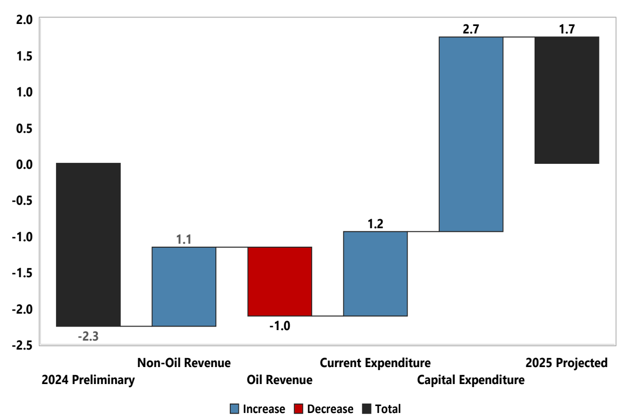
5. **Fiscal developments have been positive in 2025.** The primary balance on commitment basis substantially overperformed the end-June 2025 target on strong non-oil revenues[2]—driven by buoyant corporate income and capital gain taxes, especially in the financial and mining sectors—and slow expenditure execution, especially for projects. No net accumulation of payables was recorded at end-June, reflecting the adoption of stricter commitment controls envisaged under the corrective

[2] At end-June, non-oil revenues exceeded the program target by about 0.5 percent of GDP and offset lower-than-anticipated oil receipts.

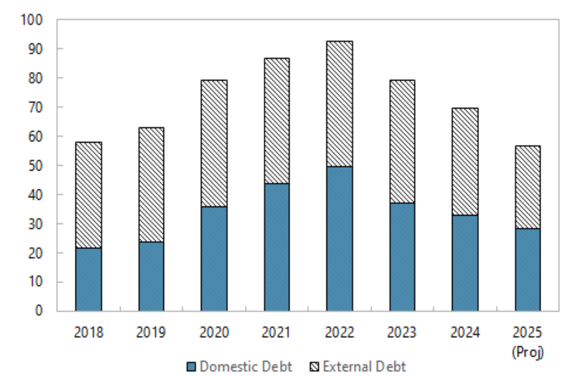
measures to deal with the 2024 fiscal slippages. Data through end-August show a slowdown in the overperformance of non-oil revenue.

Text Figure 3. Ghana: Fiscal Developments in 2025

Primary Balance on Commitments Basis, 2024-25
(Percent of GDP)



Public Debt Stock, 2018-25
(Percent of GDP)



Sources: Ghanaian authorities, and IMF staff calculations.

Note: In the primary balance chart, we assume the post-audit payables have the same composition as the pre-audited stock accumulated in 2024 (64.5% capital and 35.5% current expenditure).

6. **Financial sector stability has been maintained, though risks remain.** Strengthened banking sector indicators reflect recapitalization progress by most banks affected by the domestic debt exchange (DDE)[3] with more expected to restore a capital adequacy ratio (CAR) of 13 percent (without reliefs) by end-2025. However, some heterogeneity persists, and the authorities continue to closely monitor the remaining non-compliant banks. Banking system NPL ratios, while declining, remain high, especially among state-owned banks, despite marginal credit growth. The BoG has provided guidance and set prudential limits to address this issue.[4]

[3] In 2023 and 2024, the Ghana Financial Stability Fund supported recapitalization efforts of qualifying indigenous banks as well as insurance companies (for recapitalization purposes) and capital market institutions (for liquidity support) through marketable GoG bond issuance.

[4] The BoG issued a new directive which introduces a sanction regime for willful loan defaulters and sets maximum NPL thresholds, breach of which will trigger sanction actions, including prohibitions on shareholder dividend and staff bonus payments. The measures are intended to enforce stronger credit risk management, protect depositors, and improve asset quality in the financial sector.

PROGRAM PERFORMANCE

7. Program performance has been broadly satisfactory (Tables 8 and 9).

- All end-June 2025 *performance criteria* (PCs) and *indicative targets* (ITs) were met. The accumulation of net international reserves (NIR) widely outperformed the June and September targets. Inflation declined significantly, remaining within the Monetary Policy Consultation Clause (MPCC) outer bands in June 2025 and falling below the MPCC lower outer band in September 2025 (IT).

- Progress was made in implementing some missed *structural benchmarks* (SBs) from the 4th review. The **end-April 2025 SB** on developing a strategy for state-owned banks was implemented in September 2025, while the cleansing of the taxpayer registry and ledger data (***end-June 2024 SB***) was implemented as a ***prior action***. The operationalization of the Integrated Tax Administration System (ITAS, ***end-December 2024 SB***) was rephased in three stages due to prolonged resource and capacity constraint challenges. The first stage involves implementing key aspects of the missed SB by end-March 2026 (¶16; **new SB**).

- Concerning the eleven SBs for the current ECF review, four ***end-September 2025 SBs*** were met (Fiscal Responsibility Framework, strategy for private participation in the energy sector, quarterly electricity tariff adjustment; reporting on CAGD payables); the ***end-August 2025 SB*** on the audit of 2024 commitments and payables was implemented as ***prior action***; two ***end-September 2025 SBs*** were not met but implemented with delay (the major electricity tariff review, the FX intervention framework). Regarding the four non-implemented SBs, the **end-June 2025 SB** on merging certain statutory funds with their line ministries was not met as the authorities have opted for a different approach to achieve the program's objective of reforming earmarked funds (¶19). The ***end-September 2025 SB*** on the cabinet decision to cancel, rescope, and rephase the portfolio of projects is expected to be implemented in December, following the completion of the audit of the 2024 payables and commitments. Due to significant delays in validating and updating the beneficiary registry, the missed ***end-September 2025 SB*** on expanding the coverage of the Livelihood Empowerment Against Poverty (LEAP) program to 400,000 households has been reset to end-March 2026 (***SB***). The ***end-September 2025 SB*** on strengthening asset declaration system was missed. In November, the Cabinet removed a provision in the draft Conduct of Public Officials Bill requiring the publication of asset declaration information for senior public officials, citing constitutional concerns. The Cabinet is now seeking advice from the Constitutional Review Committee on the permissible publicity of declarations (¶42).

MACROECONOMIC OUTLOOK AND RISKS

8. The outlook remains positive. Following the strong 2025H1 outturn, GDP growth for 2025 was upgraded to 4.8 percent. Thereafter, growth is projected to return to its estimated potential rate of about 5 percent, as macroeconomic stability is fully restored and structural reforms accelerate. Inflation is expected to remain within the BoG target band of 8±2 percent going forward, as prudent monetary policy helps re-anchor inflation expectations. Maintaining the programmed fiscal consolidation path and completing the debt restructuring will keep Ghana's public debt on a sustainable trajectory. The CA is set to remain in surplus in light of high quantity and prices of gold exports, accompanied by continued high short-term financial outflows. On balance, GIR are expected to reach 3.4 months of prospective imports coverage by end-2025.

Text Table 1. Ghana: Revisions to the Baseline

	2024	2025		2026	
	Current	4th Review	Current	4th Review	Current
Real GDP Growth	5.7	4.0	4.8	4.8	4.8
o/w Non-Extractive	5.1	3.6	5.3	4.6	4.9
o/w Extractive	9.4	7.0	1.7	5.9	4.2
CPI Inflation (EoP)	23.8	12.0	8.0	8.0	8.0
Current Account Balance (% of GDP)	1.8	1.8	4.5	1.4	3.2

Source: Staff elaborations.

9. Risks remain mainly tilted to the downside (Annexes I and II). Ghana is vulnerable to an intensification of regional conflicts, terrorism and geoeconomic fragmentation, commodity price volatility, and trade policy and investment shocks. Domestic policy slippages could undermine macroeconomic stability and debt progress, complicating discussions with Ghana's external creditors and development partners. Delays in implementing the Energy Sector Recovery Program (ESRP) would require additional budgetary resources and lead to electricity and fuel supply disruptions. On the upside, further terms-of-trade improvements may lead to stronger growth, and lower inflation from the pass-through of appreciated exchange rates.

POLICY DISCUSSIONS

Discussions focused on ensuring that program objectives remain achievable and that program commitments continue to be implemented. Discussions focused on policies to consolidate stabilization gains and maintain debt sustainability, while advancing reforms to entrench macroeconomic stability, enhance governance, and foster higher and more inclusive growth. Staff and the authorities also engaged on technical assistance (TA) needs to support the reform agenda (Annex III).

A. Staying the Course of Fiscal Consolidation

10. In July, Parliament approved a 2025 Mid-Year Budget Review (MYBR) fully consistent with program objectives. Like the original 2025 Budget, the MYBR targets a primary surplus of

1.5 percent of GDP (on commitment basis) supported by non-oil revenue measures for at least 0.6 percent of GDP (IMF Country Report No. 25/175) While keeping the revenue and primary spending's composition broadly aligned with the Budget, the MYBR envisages that the partial-year yield of the recent fuel levy increase (0.2 percent of GDP) is fully allocated as the budget to cover this year's energy sector shortfall.[5]

11. The audit of the government's commitments and payables (*end-August 2025 SB*) disqualified significant amounts of obligations (Box 1). The audit, a key component of the authorities' multipronged strategy to address the impact and root causes of the 2024 fiscal slippages (MEFP¶8), was completed with a delay in November due to challenges in collecting information from line ministries (MDAs) and contractors. It disqualified about 12.5 percent of the GHs68.8 billion of payables and 6.4 percent of GHs172.6 billion of commitments based on inadequate supporting documentation and/or procedural irregularities. This has led to a downward revision of the 2024 primary deficit (on commitment basis), which is now estimated at 2.3 percent of GDP as opposed to 3.3 percent of GDP at the time of the 4th ECF Review.

12. The 2026 Budget targeting a primary balance surplus of 1.5 percent of GDP (on commitment basis) was submitted to parliament in November as a *prior action*. The proposal, which complies with Ghana's fiscal rule and debt reduction objectives (IMF Country Report No. 25/175), is predicated on continued efforts to strengthen non-oil revenue collection and rationalize primary expenditures. On the revenue side, non-oil revenues are expected to increase by 0.6 percent of GDP from 2025, reflecting the full-year impact of the 2025 revenue measures (including the fuel levy), new measures to enhance taxation in the extractive industries (MEFP¶16), and strengthened tax compliance for customs and cross-border digital activities (MEFP¶10). On the expenditure side, spending pressures are contained by limiting wage increases and continued efforts to reduce energy-sector shortfalls, while making space for development projects.

[5] In July, the authorities reinstated the levy of GHs1/liter, which was suspended shortly after parliamentary approval in June. The levy is expected to yield 0.4 percent of GDP annually and help cover the energy sector's shortfall and debt.

Box 1. Ghana: Results of the 2024 Audit of Government's Commitments and Payables

In the run-up to the 2024 general elections, Ghana experienced significant fiscal slippages, primarily driven by a marked increase in line ministries' (MDAs) spending commitments. Such commitments, which significantly exceeded budget appropriations (especially for infrastructure projects), were financed through an accumulation of payables (GHs68.8 billion or about 5.8 percent of GDP, of which GHs 67.5 billion was counted as payables and the remaining as transfers in the 2024 outturn). Overruns of such magnitude mainly reflected long-standing weaknesses in PFM systems and rising electoral spending pressures (IMF Country Report No. 25/175). As a result, performance under the IMF-supported program deteriorated with the fiscal primary balance on a commitment basis recording a deficit of 3.3 percent of GDP against a targeted surplus of 0.5 percent.

Box 1. Table 1. Results of the Audit

	Initial amount	Reclassified amount 1/	Validated for Payment	Rejected	To be Justified for Payment /2
			Payables		
In GHS Billion	68.8	66.7	47.8	10.4	8.6
In Percent of Total	100.0	97.0	69.4	15.1	12.5
In Percent of GDP	5.8	5.7	4.1	0.9	0.7
			Commitments		
In GHS Billion	172.6	174.6	56.7	11.0	106.9
In Percent of Total	100.0	101.2	32.8	6.4	62.0
In Percent of GDP	14.7	14.8	4.8	0.9	9.1
Memorandum:					
2024 Nominal GDP (GHS billion)	*1,176*				

Notes:

1/ About Ghs 2 billion was reclassified from payables to commitments as the underlying projects have not commenced.

2/ Payments of these amounts will be executed only if additional information is provided to and validated by the Auditor General

Box 1. Table 2. Revisions to the ECF Baseline

(in percent of GDP)

	2024	2025	2026	2027	2028
4th ECF Review Baseline					
Primary Balance (Commitment Basis)	-3.3	1.5	1.5	1.5	1.5
Net Accumulation of Payables	2.6	-0.9	-1.7	-1.6	-1.5
Primary Balance (Cash Basis)	-0.7	0.6	-0.2	-0.1	0.0
5th ECF Review Baseline 1/					
Primary Balance (Commitment Basis)	-2.3	1.7	1.5	1.5	1.5
Net Accumulation of Payables 2/	1.5	-1.5	-2.1	-0.7	-0.6
Primary Balance (Cash Basis)	-0.7	0.3	-0.6	0.8	0.9
Differences					
Primary Balance (Commitment Basis)	1.1	0.3	0.0	0.0	0.0
Net Accumulation of Payables	-1.1	-0.6	-0.4	0.9	0.9
Primary Balance (Cash Basis)	0.0	-0.3	-0.4	0.9	0.9
Memorandum Items:					
Rejected Payables	*0.9*				
Reclassified Payables 3/	*0.2*				
Nominal GDP (GHS billion)	*1,176*	*1,414*	*1,596*	*1,806*	*2,048*

Notes:

1/ The 2024 net accumulation of payables is adjusted for by the rejected payables and the reclassified payables.

2/ The authorities plan to frontload the clearance of arrears in 2026.

3/ Being payables reclassfied to commitments (i.e. contracts not yet commenced) after the audit.

In early 2025, the new administration took decisive actions to restore fiscal discipline and maintain the fiscal program on track. In this context, they launched a comprehensive audit of all outstanding payables and commitments at end-2024 led by the Auditor General in partnership with two international auditors (EY and PwC). The objectives of the audit are to verify which claims were valid (with proper contracts and documentation), disqualify any illegitimate or unsupported claims, and guide corrective actions to resolve irregularities. The authorities also published a ministerial instruction that no payments be made until verification was completed.

The audit unveiled significant irregularities. Of the GHs68.8 billion of payables being audited, about GHs47.8 billion (69.4 percent of total) was validated as legitimate payable claims and GHs8.6 billion (12.5 percent of total) could be validated for payment only if additional information is provided to the Auditor General. Staff's baseline conservatively includes these amounts (i.e., validated and to be justified for payment) both in the 2024 deficit (on commitment basis) and debt stock. While GHs2 billion of payables was reclassified as commitments, GHs10.4 billion of payables was rejected based on missing or inadequate supporting documentation, lacking required approvals, or noncomplying with PFM and procurement regulations. The audit also rejected 6.4 percent of the GHs 172.6 billion of commitments being audited, laying the groundwork for the cancelling, rescoping, and rephasing of the portfolio of projects (***end-September SB***).

The rejection and reclassification of payables imply better fiscal outcomes compared to the 4th ECF review estimates. On a commitment basis, the rejection and reclassification of payables (GHs 12.4 billion in total) improves the fiscal primary deficit in 2024 from the 3.3 percent of GDP initially reported to 2.3 percent. On cash basis, rejecting and reclassifying illegitimate payables, while not affecting the cash outlays incurred in 2024, has implications for the cash deficits going forward because the government will not have to pay the disqualified claims, hence reducing future cash requirements for arrears clearance by GHs12.4 billion.

13. The authorities are advancing a comprehensive VAT reform (MEFP¶11). The reform, supported by IMF technical assistance, aims at improving VAT efficiency and fairness by broadening its tax base and streamlining its structure, consistent with Ghana's Medium-Term Revenue Strategy (MTRS). Proposed measures include abolishing the COVID-19 levy; integrating various levies into the VAT; raising the VAT registration threshold; and eliminating the flat-rate VAT scheme for retailers. [6] To ensure its revenue neutrality, the reform also envisages removing import VAT exemptions for hundreds of product lines and the enforcement of the mandatory use of fiscal electronic devices. The amendments to the VAT Act were submitted to Parliament in November 2025.

Text Table 2. Ghana: Estimated Revenue Impact of the VAT Reform
(GHS Millions)

	Measure	Est. Impact
1	Removal of Covid levy and folding NHIL and GetFund levies into VAT	(5,313)
2	Raising the VAT threshold from GHS 200,000 to 750,000	(219)
3	Change of VAT on real estate from flat rate to standard rate	242
4	Change of domestic VAT from flat rate to standard rate	180
5	Introduction of modified income tax scheme for small taxpayers that fall below the new VAT threshold	1,200
6	Removal of import VAT exemptions for 347 product lines	1,680
7	Improved compliance on VAT	1,641
8	Increased CIT collection due to removal of levies	747
	Total	**158**

Source: Ghana Tax Authority.

B. Strengthening Social Policies

14. Social protection programs have been strengthened in 2025 (MEFP¶19). The 2025 MYBR maintained the increase in social program spending envisaged under the Budget (0.35 percent of GDP from 2024).[7] The timeliness of disbursements to beneficiaries has also improved compared to earlier this year. However, the review of the registry of the Livelihood Empowerment Against Poverty (LEAP) beneficiaries—aimed at targeting the extreme poor and expanding coverage from 350,000 to 400,000 households (***end-September 2025 SB***)—was delayed due to data validation challenges. The update of the registry is now expected to be completed by end-March 2026 (***reset SB***). The government is committed to further strengthening social programs. The new Social Protection Law

[6] While achieving the same objective of improving VAT fairness and efficiency, the authorities' measures differ from those recommended by IMF TA mission in that they decided to integrate the National Health Insurance Levy and Ghana Education Trust Fund Levy Acts under the VAT, rather than eliminating them.

[7] For the four social programs monitored by the IT, the MYBR envisages to: (i) index the LEAP benefits to inflation and expand coverage from 350,000 to 400,000 households; (ii) increase by 33 percent resources for the School Feeding Program to bring the support per child per meal from GHs1.50 to GHs2.00 for 4.2 million pupils; (iii) increase by 73 percent resources for Capitation Grant (basic education); and (iv) uncap National Health Insurance Levy to allow full use of resources for claim payments, essential medicines, and vaccines.

will enhance protection by creating a social protection fund, defining vulnerable groups, and improving regulations. Over the medium term, the authorities will work with the WB to expand coverage and benefits while improving efficiency.

C. Structural Fiscal Reforms to Entrench Fiscal Discipline

Domestic Revenue Mobilization

15. Implementation of key delayed revenue administration reforms continues to face challenges. The authorities completed the cleansing of the taxpayer registry and ledger data (***end-June 2024 SB***) as a **prior action** in November after having experienced significant delays due to capacity and resource constraints. This delayed efforts to operationalize ITAS (***end-December 2024 SB***), which is now planned to be implemented in three stages. The first stage covers key elements of the missed SB, envisaging completion of the registration, filing, and payments modules for CIT, PIT, and VAT by end-March 2026 (***new SB***). Stage two will implement enforcement and analytics capabilities, while stage three will connect ITAS with the Integrated Customs Management System; both are expected by end-June 2026.

16. The Ghana Revenue Authority (GRA) is committed to strengthen revenue administration to support the announced VAT reform. Previous IMF technical assistance found that closing Ghana's large VAT gap requires enhancing compliance through better risk management (i.e., enhanced audit, enforcement, and collection mechanisms) and digitalization of VAT's collection and monitoring systems. To this end, the authorities intend to enhance VAT compliance by updating VAT registration procedures, simplifying VAT return forms, automatizing return validation, and using e-invoicing data.

17. The MTRS continues to guide the government's efforts to enhance revenue mobilization over the medium term. The MTRS envisages to increase tax revenue by broadening the tax base, minimizing tax avoidance, and ensuring a progressive tax system while promoting equity and transparency. The authorities will undertake a mid-implementation review of the MTRS with a view to assess progress compared to objectives—including the timeline and yield of the adopted reform—and identify timebound corrective actions. Following several delays, the new Extractive Industry Fiscal Regime Act (EIFRA) will be submitted to Parliament in February 2026 (MEFP¶16). The new EIFRA—which benefitted from IMF TA—will promote a stable environment for investors and ensure a fair share of the revenues for Ghana.

Public Financial Management (PFM)

18. PFM reforms to address the root causes of the 2024 fiscal slippages are advancing amid delays (MEFP¶17). The authorities have strengthened the fiscal responsibility framework consistent with Fund advice (***end-September 2025 SB***) and tightened budget procedures to address expenditure control and procurement issues, including related to past payables

(IMF Country Report No. 25/175).[8] The 2024 audit of central government's payables (***end-August 2025 SB***) was completed with a delay in November and helped reduce demands on public resources (Box 1). In December 2025, informed by findings from the audit and drawing on the advice of a recent IMF Public Investment Management Assessment (PIMA) mission, the Cabinet is expected to adopt a decision to cancel, rescope, and rephase the updated inventory of ongoing and planned projects commitments (***end-September 2025 SB***). The Ministry of Finance (MoF) has also enhanced the transparency of spending by improving the reporting on payables by the Controller and Accountant General's Department (CAGD; ***quarterly SB***). The authorities have also published the 2021-2023 reports on public procurement which show that the share of national competitive procurement (by value) has been declining since 2020. For the 2024 report, they are committed to cover all entities that conducted procurement, including those outside of GHANEPS. To reduce the share of non-competitive procurement by value, they will amend current legislation and regulations to restrict exceptions to noncompetitive (***end-December 2025 SB***).

19. The authorities also continued to make progress in strengthening PFM systems to entrench fiscal discipline, while recalibrating some efforts (MEFP¶18). They have strictly aligned quarterly allotments to MADs and statutory funds on Ghana Integrated Financial Management Information System (GIFMIS) with quarterly cash forecasts. They also made progress in implementing the Treasury Single Account (TSA) by tightly integrating GIFMIS with existing payment systems to facilitate electronic funds systems. The MoF is committed to integrate into the TSA all central government and municipal accounts in the BOG and commercial banks by end-May 2026. However, the broad objectives of the statutory funds' reform (***end-June 2025 SB***) were pursued by streamlining the operations of large funds and reducing associated earmarked transfers from the budget rather than by merging specific funds.[9]

Energy Sector

20. The authorities have continued to adjust electricity tariffs (MEFP¶42). The Public Utilities Regulatory Commission (PURC) announced a quarterly tariff adjustment of 1.14 percent on September 23, 2025 (***quarterly SB***), effective October 1st. The 2025-2030 Multi-Year Tariff Order (MYTO) adjustment of 9.86 percent was announced in December 2025 (***end-September SB***), effective January 1st, 2026. The new MYTO also introduced a more transparent quarterly tariff adjustment, including through the publication of detailed decision notes by PURC. By end-2025, a

[8] The Ghana Electronic Procurement System (GHANEPS) and the Ghana Integrated Financial Management System (GIFMIS) have been integrated to ensure that only projects/procurements with approved budget and allotment can obtain procurement approval to award contracts. Moreover, the Compliance Desk has been elevated to a division to effectively strengthen fiscal responsibility, accountability, and compliance with existing PFM provisions.

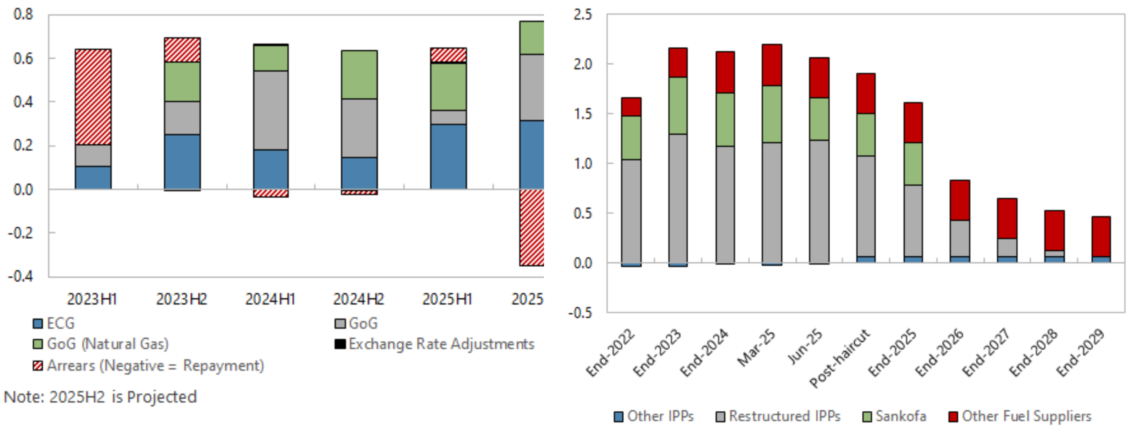
[9] The 2023 Strategy, which was established by the previous administration, envisaged to merge the following four earmarked funds with their line ministries: the Mineral Development Fund, the Student Loan Trust, the Plastic Waste Recycling Fund, and the Youth Employment Agency. While abolishing the Plastic Waste Recycling Fund, the new administration decided to focus its interventions on streamlining operations of and reducing larger transfers to the District Assemblies Common Fund, the Minerals Income Investment Fund, and the Ghana Infrastructure Investment Fund.

transaction advisor is expected to be hired to oversee the selection process for private sector concessionaires for electricity distribution.

Text Figure 4. Ghana: Energy Sector Developments

Payments to IPPs (Flows)
(USD Billions)

Stock of Net Payables (Historical and Projected)
(USD Billions)



Note: 2025H2 is Projected

Sources: Ghanaian authorities, and Fund Staff Calculations

21. The energy sector is stabilizing. The Electricity Company of Ghana's (ECG) payments to independent power producers (IPPs) through the cash waterfall mechanism have increased significantly, reaching US$308 million in 2025H1 compared with US$325 million for 2024 in total. At end-June 2025, the stock of net payables to IPPs stood at US$1.2 billion, US$71 million higher than at the end of 2024; a further US$830 million was owed to fuel suppliers, US$124 million lower over the same period. The increase in payables to IPPs in 2025H1 was largely driven by significantly lower direct government payments to IPPs relative to the previous two years, which more than offset significantly higher ECG payments.

22. The government and IPPs have agreed to restructure their legacy debt. In 2025Q3, the government agreed with nine IPPs—representing virtually all net payables at end-June—on a comprehensive payment plan for legacy arrears accumulated up to end-June 2025, including substantial haircuts (15 to 30 percent), significant upfront payments (around US$300 million in 2025, between 10 to 100 percent of each IPPs' post-haircut payables), and biannual payments for the remainder between 2026 and 2029. IPPs also agreed to revised power purchasing agreements (PPAs), which will lower electricity costs going forward. These agreements were adopted by Parliament in November 2025. They supersede previous agreements that were abandoned after the government failed to make payments in 2024. Separately, the government intends to eliminate, by April 2026, its arrears with Sankofa, the largest gas supplier representing more than half of total arrears to fuel suppliers.

23. Despite marked improvements, the energy sector shortfall persists. In 2025 through September, ECG payments to IPPs via the CWM represented 48 percent of bills, significantly higher than 11 percent in 2024. The shortfall, over US$500 million, was assumed by the government, either through legacy debt payments or fuel purchases.[10] While this is significantly below the budgeted annual shortfall for 2025 (US$1.7 billion), more remains to be done to restore ECG to financial sustainability and reduce fiscal risks in the sector. To this effect, the 2026 budget includes GHS 15 billion (US$1.1 billion) to cover the projected energy sector shortfall, in addition to the agreed payments on legacy debt. The smaller budgeted shortfall is justified by the 2025 outturn, as well as the expected reduction in power generation costs from renegotiated PPAs and projected decreased reliance on costly liquid fuels.

Text Table 3. Ghana: Energy Sector Shortfall in 2026
(USD Million)

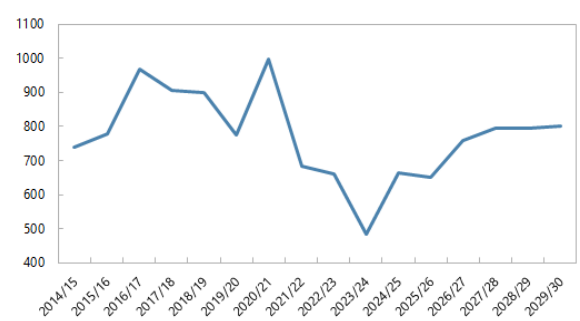
	2026 Shortfall Projections
Revenue Collected	2,607
Costs	3,531
Generation Costs	2,102
Liquid Fuel Payments	270
Other Fuel Payments	918
Operating Expenditures	786
Capital Expenditures	478
Debt	165
Power Sector Shortfall	-925
Gas Sector Shortfall	-178
Energy Sector Shortfall	-1,103

Source: Ghana Revenue Authority.

Cocoa Sector

24. Prospects in the cocoa sector remain positive. After a good 2024/25 season, production is anticipated to further increase in 2025/26. Cocobod is thus expected to honor the contracts rolled over from the previous years and those that originated in the current season, except for a small share already agreed on with buyers. In October 2025, the 2025/26 season's farmgate price increased by 17 percent, reflecting still relatively high international prices and the need to reduce incentives to smuggle cocoa and/or use cocoa farmland for illegal gold mining. Cocobod's cash flow is expected to remain balanced during the current season.

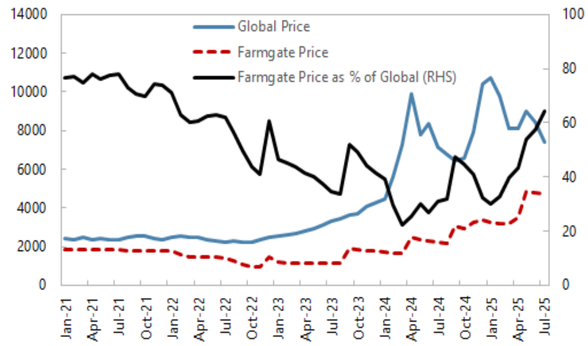
Text Figure 5. Ghana: Cocoa Sector Developments
Cocoa Production (Thousand Metric Tons)



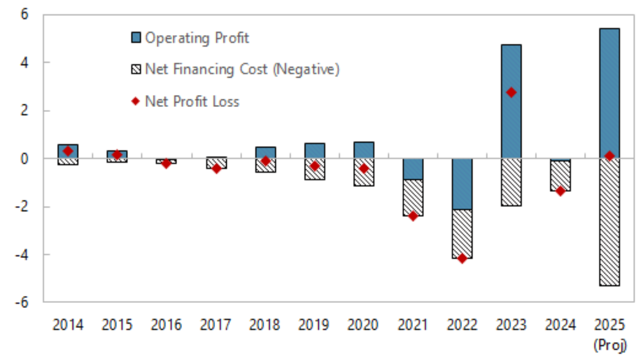
[10] The amounts listed under "transfers to energy producers" in Table 2a and 2b include legacy arrears payments in 2025.

Text Figure 5. Ghana: Cocoa Sector Developments (concluded)

Cocoa Prices (USD per Metric Ton)



Composition of Cocobod's Profit/Loss (GHs Billions)



Sources: Ghanaian authorities and Fund Staff Calculations.

Notes: Ghana's farmgate price is computed as cedi-denominated farmgate price in Ghana divided by monthly market exchange rate. Cocobod's 2025 figures are based on unaudited financial statements.

25. Cocobod is advancing its turnaround strategy with WB support. The WB is helping undertake a functional and expenditure review to enhance efficiency and prepare a coca sector's **modernization** strategy to improve resilience and competitiveness.

D. Finalizing the Debt Restructuring and Improving Debt Management

26. Ghana's debt is assessed to remain at high risk of debt distress (DSA). Compared to the 4th Review DSA, the debt trajectory has improved significantly on stronger-than-anticipated currency and GDP growth. Although all DSA debt indicators are below respective thresholds under the baseline scenario (mechanically signaling a moderate risk), staff has applied judgment to maintain the high-risk assessment given significant uncertainties surrounding the commodity price and exchange rate movements and the still elevated rollover and IPP payment needs.

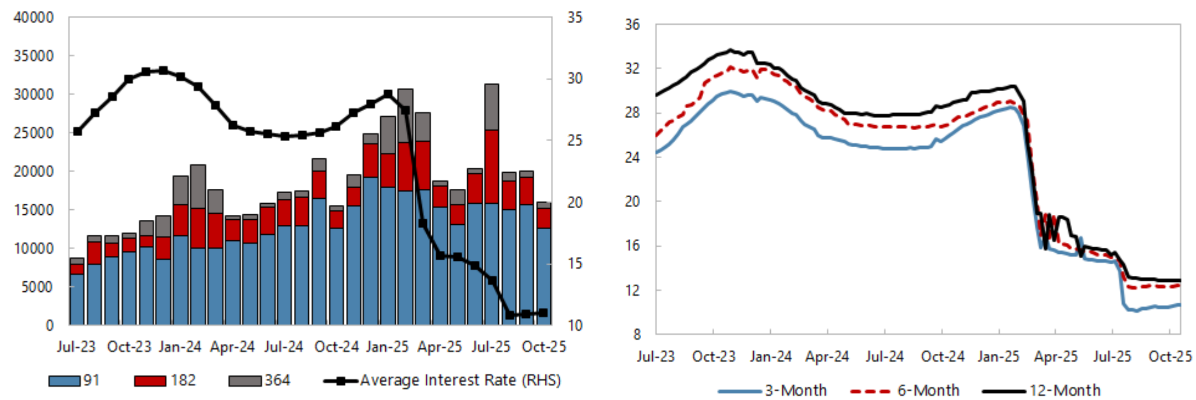
27. The authorities have advanced debt restructuring efforts (**MEFP¶21-22).** About half of all bilateral debt relief agreements with the Official Creditor Committee (OCC) members under the G20 Common Framework are expected by end-year. Following the 2024 Eurobond exchange, Ghana has continued making good-faith efforts with its other external commercial creditors, reaching the first three Agreements in Principle (AIPs) in August. The OCC is assessing their compliance with the Comparability of Treatment (CoT) principle. Progress on data reconciliation and preparation of non-disclosure agreements (NDAs) continues with other creditors.

28. Discussions to prioritize pre-cut-off-date (CoD) loan disbursements and cap multilateral projects continue (MEFP¶23). A priority list has been identified to ensure a sufficient reduction in the total pre-CoD project loan stock (US$3.6 billion). Relatedly, the authorities are working with bilateral creditors to confirm the correct debt service contractually due on post-CoD disbursements to settle any amounts already due and gain clarity on future obligations. Discussions are also ongoing with multilateral partners (primarily the WB) to reduce project loan disbursements and shift financial assistance toward budget support.

29. The authorities plan to resume domestic government bond issuance (MEFP¶24). Since the 2023 domestic debt restructuring, T-bills have been the main source of budget domestic financing. With T-bill interest rates falling substantially since March, the appetite for government paper has receded in the more recent auctions. Faced with elevated domestic rollover needs going forward, the authorities intend to resume T-bonds issuance in early 2026 to lengthen average maturity and ease rollover risks. Recent IMF TA recommended doing so gradually, as the spread with the monetary policy rate narrows, supported by a strategy for buybacks and a sinking fund to address large DDE bond maturities in 2027-28. Following this advice, the MYBR created two sinking funds to provide liquidity buffers and ensure timely redemption of maturing bonds.

Text Figure 6. Ghana: T-Bill Market

T-Bill Issuances, Jul 2023-Oct 2025 (GHS Million and Percent) | **T-Bill Interest Rates, Jul 2023-Oct 2025** (Percent)



Sources: Central Securities Depository, Bank of Ghana, and Fund Staff Calculations

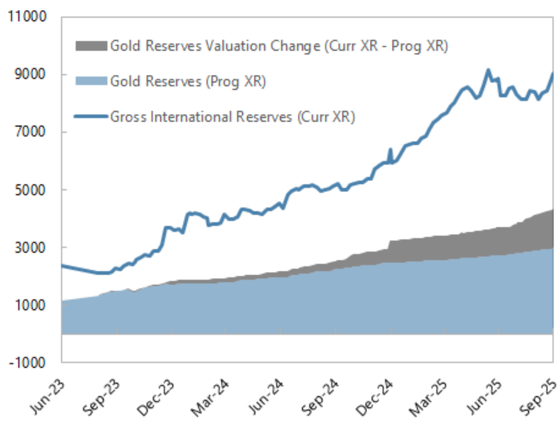
E. Maintaining Prudent Monetary and Exchange Rate Policies

30. With inflation rapidly declining, the BoG has initiated a gradual monetary easing cycle (MEFP¶26-27). Since July 2025, the policy rate has been reduced by a cumulative 1,000 bps to 18.0 percent at end-December 2025. Despite these rate cuts, the stance of monetary policy remains relatively tight as the real policy rate is materially above its long-term average. As easing cycle continues, the BoG remains committed to data-driven, forward-looking monetary policy to firmly re-anchor inflation expectations at the BoG's target range, particularly as the impact of the cedi appreciation on inflation wanes.

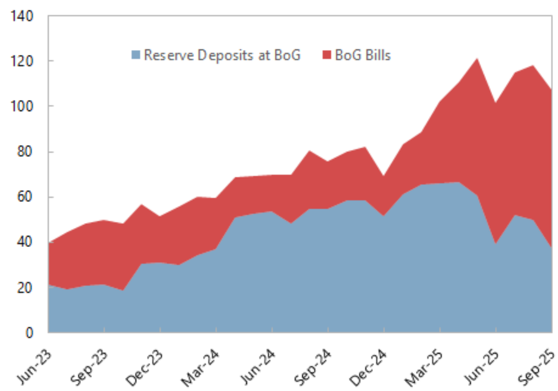
31. The implementation of monetary policy has improved. On June 5, 2025, the BoG changed the modalities of the Cash Reserve Ratio (CRR), making the fulfillment of CRR on foreign currency deposits in foreign currency instead of cedis, as was the case previously. This modification created additional space for absorption of cedi liquidity using open market operations (BoG Bills), contributing to a significant shift from unremunerated to remunerated liquidity absorption, which now accounts for roughly half of liquidity absorption. However, the tiering of CRR by loan-to-deposit ratio remains in place and selectively enforced, leading to an uneven playing field for no discernible macroprudential benefit. The issuance of longer-term 273-day BoG Bills has been discontinued after a single issuance in June.

Text Figure 7. Ghana: Inflation and Monetary Policy Developments

GIR and Gold Reserves, Jun 2023-Sep 2025
(USD Millions)



Commercial Bank Deposits at the BoG and BoG Bills Outstanding, Jun 2023-Sep 2025
(GHS Billions)



Sources: Haver, Ghanaian authorities, and Fund Staff Calculations

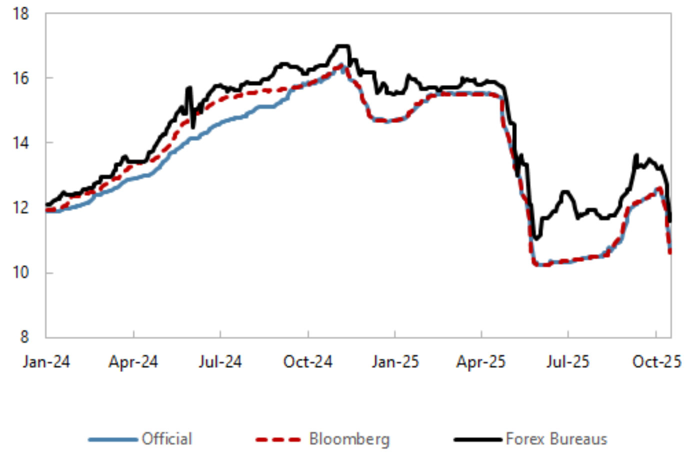
32. The BoG has significantly strengthened its reserve buffers (MEFP¶29). The scaling up of the Domestic Gold Purchase Program (DGPP) has allowed the BoG to meet its program reserve accumulation objectives, reaching the 2028 reserve coverage target in 2025. However, of the US$2.6 billion increase in GIR at current exchange rates in 2025 through September, over US$500 million is due to valuation effects on gold reserves and over US$800 million is attributable to the fulfilment in FX of CRR on foreign currency deposits.[11] The BoG's share of gold holdings remains above 1/3 of its gross reserves

33. The BoG is actively managing the FX market, while increasing its footprint. Since program approval, the BoG has taken an increasingly active role as an intermediary in the FX market on the back of stronger BoP inflows. The DGPP has been the key source of these inflows, which also included cocoa inflows and repatriation requirement on extractive sector export proceeds. In 2025H1, FX inflows on the BoG's balance sheet accounted for over 60 percent of goods exports, from 50 percent in 2023. Since August 2024, the BoG directed these inflows to large and repeated ad hoc FX sales, injecting about US$10 billion through end-September 2025. In November 2025, the BoG adopted a comprehensive FX Operations Framework (***end-September 2025 SB***), developed with IMF support, to increase the transparency and predictability of its FX operations (see Box 2). On October 1st, the Bank of Ghana tightened its already restrictive net open position limits on commercial banks to a 0 to -10 percent range (from ±5 percent previously), thus forbidding banks from taking net long FX positions. While succeeding in reducing the number of MCPs (¶34), the

[11] The change in CRR fulfilment policy has a no impact on NIR, given the corresponding liability to commercial banks. Note that these deposits are not considered encumbered.

reform of the reference rate methodology in September 2024 (***SB***) has not eliminated parallel exchange rates, with the spread between the reference rate and other gauges of the exchange rate (e.g., at forex bureaus) frequently exceeding 10 percent in 2025.

Text Figure 8. Ghana: Exchange Rate
(GHS/USD)



Sources: Ghanaian authorities, Bloomberg, and Fund staff calculations.

34. Ghana continues to maintain official actions resulting in multiple currency practices (MCPs; MEFP¶31). These include: (i) the use of the previous day's BoG reference rates and applying fees for the BoG direct FX transactions with the government; (ii) the use of the previous day's BoG buying reference rate and applying fees for the surrender to the BoG of FX funds related to cocoa exports; (iii) the BoG requirement to use the opening Bloomberg regional bid rate for banks' purchases of FX inward remittances; (iv) a weighted volume average exchange rate arising from a multiple price forward USD auction; (v) an exchange rate arising from a single price forward FX auction to sell USD to Bulk Oil Distribution Companies (BDCs); and (vi) the use of the Bloomberg Regional bid rate for FX purchases by the BOG from mining, oil, and gas companies. The most recent day when impermissible spreads arose for existing MCPs was October 16th, 2025 for (iii); October 15th, 2025, for (i); September 3rd, 2025, for (ii); August 28th, 2025, for (iv); and April 24th, 2025 for (vi). [12] The most recent impermissible spread for (v) is November 27, 2024; given that no BDC auction is planned by the BoG, this MCP will be eliminated after a 12-month period. These MCPs are likely to generate economic distortions and hamper FX market development (see IMF Country Report No.2024/213). The authorities consider the economic impact of MCPs to be minimal and are committed to eliminating them, including through reforms (as recommended by Fund staff). [13]

[12] These MCPs result from official actions that were in place before the approval of the ECF Arrangement, or have been specifically excluded in TMU¶6, and thus have no program implications under the standard continuous PCs (TMU¶5).

[13] In addition to MCPs, Ghana also maintains one exchange restriction arising from the limitation/prohibition on purchasing and transferring FX for import transactions by importers who have not submitted to the commercial bank customs entry forms for any past FX transactions related to imports, and which are unrelated to the underlying transaction.

35. Progress in strengthening the BoG's finances and fulfilling some of the 2023 Safeguards Assessment's recommendations was somewhat limited. The amendments to the BoG Act submitted to Parliament in June (SB) to strengthen the BoG's independence and safeguards have yet to be adopted. Until 2025Q3, the BoG assumed the Government's share of interest, fees and principal payments on on-lent SDR holdings and PRGT budget support. Although the practice has now been discontinued, it leaves the BoG with a significant stock of claims on the government. Furthermore, the BoG continues to have significant unprofitable exposures to SOEs such as Cocobod and the Bulk Oil Storage and Transportation Company (BOST). The latter is tied to the Gold-for-Oil (G4O) program, which was functionally discontinued in 2025Q2. The BoG's remaining exposure to BOST is to be offloaded to the government according to an exit strategy adopted by the BoG Board in May 2024 (SB).

36. The DGPP poses risks to the financial sustainability of the BoG. The large and increasing scale of Gold-for-Reserves (G4R) program, notably since the creation of GoldBod, is a source of

Box 2. Ghana: New FX Operations Framework

Ghana's FX market has long been hampered by macroeconomic imbalances, shallow interbank activity, and a lack of transparency in BoG's FX operations. The large and increasing share of FX inflows captured by the BoG limited market depth and price discovery. FX interventions were previously conducted ad hoc, lacking clear, written objectives or triggers, and until recently often segmented the market through bilateral allocations and special auctions. Tight net open position limits and regulatory constraints often discouraged banks from market-making, further reducing liquidity.

To address these issues, the BoG Board adopted a new FX Operations Framework, which will guide its FX operations going forward. This new framework lays out three objectives for FX operations:

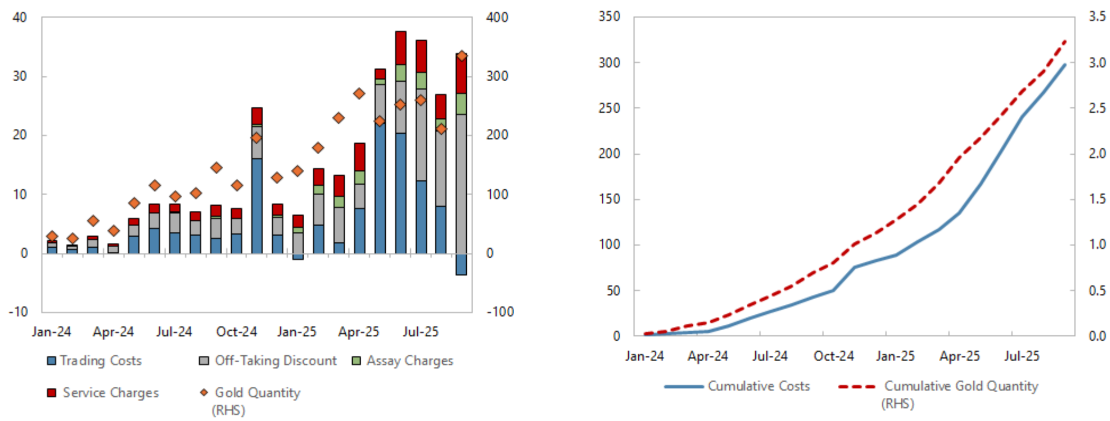
- *Reserve accumulation:* Accumulate FX to build buffers and reach the BoG's reserve adequacy objectives (and program intermediate NIR targets).
- *Dampening excess volatility:* FX interventions to be guided by a "discretion under constraint" approach, using quantitative value-at-risk models to define intervention triggers: if exchange rate changes exceed policy thresholds, the BoG may opt to intervene to address potential market failure. A monthly intervention budget caps FX sales to preserve reserves.
- *Intermediation:* Channel part of the FX inflows captured by the BoG (e.g., from cocoa or the DGPP) through commercial banks in a transparent and market-neutral way. The share of FX inflows to be sold is determined by the size of projected inflows, reserves targets and the intervention budget. FX operations for flow intermediation are pre-announced at the beginning of each month.

The framework is aligned with international best practices. Decision-making is overseen by dedicated committees, with clear separation of policy setting and execution. The BoG conducts FX operations via competitive, variable-rate, fixed-amount spot auctions with domestic banks. Aggregated FX operations data, distinguishing between objectives, is to be published regularly.

The new framework aims to deepen Ghana's FX market and support macroeconomic stability. By clarifying intervention triggers, separating reserve accumulation from market intermediation, and enhancing transparency, the framework addresses key issues hampering market development significant downside risks.[14] The now-discontinued G4O component of the DGPP generated losses of US$128 million (0.15 percent of GDP) in 2024, 30 percent of which emanated solely from the sale of US$0.8 billion in gold. In 2025 through end-Q3, losses from the artisanal and small-scale (ASM) *doré* gold transactions component of G4R have reached US$214 million (0.2 percent of GDP), mostly on trading losses but also on GoldBod off-takers' fees.

Text Figure 9. Ghana: Gold-for-Reserves (G4R) Developments

G4R Monthly Costs, Jan 2024-Sep 2025 (USD Million and Thousands Oz) | **G4R Cumulative Costs, Jan 2024-Sep 2025** (USD Million and Million Oz)



Sources: Ghanaian authorities, and Fund Staff Calculations

F. Enhancing Financial Sector Stability

37. The recapitalization of the banking sector is advancing but risks remain. Despite recent progress (IMF Country Report No. 25/175), four banks[15] (including one state-owned) continue to be severely under-capitalized due to unmet capital commitments, higher NPLs, and, in some cases, incomplete booking of credit impairments identified under BoG's 2023 asset quality assessments. Moreover, one state-owned bank's position has recently deteriorated. The government has committed to complete recapitalizing the two state-owned banks using budget resources by end-2025. Following Parliament's rejection of the WB Ghana Financial Stability Fund (GFSF) A1[16], the authorities are working with the WB to repurpose these funds to address legacy issues in the SDI sector. However, for other banks (including non-compliant undercapitalized ones), the authorities stressed that any further public support will be limited to those posing systemic risks and structured

[14] The BoG purchased US$7.6 billion in gold through the DGPP in 2025 through August, including US$5 billion of *doré* gold from ASM miners between April and August. GoldBod charges a 0.5 percent ad valorem service on the BoG's purchases, as well as a 0.258 percent assay fee.

[15] Capital support from the GFSF to two of these banks has tipped state-ownership interest into a majority position. State interest is expected to revert to a non-majority status on completion of these banks' respective negotiations with investors for their recapitalization.

[16] Under this facility, capital support may have been provided to eligible banks and specialized deposit-taking institutions (SDIs) conditional on prior injections by shareholders and feasible viability plans.

to limit risks to taxpayers and minimize fiscal costs (e.g., via burden-sharing, concurrent private sector investments and credible restructuring plans).

38. After delays, the authorities have begun implementing the National Investment Bank's (NIB) restructuring plan. They have injected cash and bonds to bring NIB's CAR to full compliance with the minimum CAR of 13 percent (without forbearance) by end-May 2025, ahead of the end-2025 timeline. They have also initiated reforms to enhance governance and risk management, improve the business model, address additional resource needs and ensure viability of operations going forward.

39. The strategy to address the recurring financial problems at state-owned banks was developed in early September (Box 3; *end-April 2025 SB*). Drawing from the NIB's restructuring plan, the strategy ensures that all state-owned banks adopt sound governance and compliance principles along with robust business models and risk management systems, including through regulatory changes, if deemed necessary. In consultation with the Fund staff, the authorities have also agreed to: (i) by end-2025, develop terms of reference for a special review by an independent international expert of the risk management systems, controls, and culture of state-owned banks with high NPL ratios, particularly for credit risk; and (ii) complete the review (***new end-May 2026 SB***). The review findings will also help guide the BoG's phased lifting of prompt corrective actions to strengthen governance, risk management, and operations of recapitalized banks. The BoG Board will approve the divestment of its share ownership in ADB (***new end-April 2026 SB***).

40. The BoG is working to enhance the crisis management and resolution legislation framework. Following recent High Courts' rulings reversing BoG's 2019 revocations of two specialized deposit-taking institutions' (SDIs) licenses, the BoG has identified the key areas for strengthening the framework with Fund staff assistance. Amendments to the framework will be submitted to Parliament by end-December 2025 (***SB***).

41. The authorities are taking further actions to support financial stability and mitigate associated risks. These actions include: (i) completing the rollout of Basel II and III capital, liquidity and supervisory review reforms; (ii) phasing out DDEP-related regulatory forbearance by end-2025, and (iii) closely monitoring implementation of a multi-pronged strategy aimed at reducing NPLs to maximum 10 percent by end-2026 consistent with supervisory requirements and the August 2025directive —and implementing a time-bound roadmap to strengthen the credit impairment and recovery framework.

Box 3. Ghana: Strategy to Reform State-owned Banks

In September 2025, the Ghanaian government approved a strategy to reform state-owned banks (SOBs) to ensure their financial viability and minimize fiscal risks. The strategy aims at improving SOBs' capital position—especially of the undercapitalized ones—and reforming, restructuring and strengthening their governance, risk management, and operational infrastructure and resources. Specifically, the authorities intend to:

- *Strengthen SOBs' governance by appointing independent and highly qualified board members as well as enforcing rigorous oversight and accountability*. Among others, this will involve new board appointment processes (with independent directors in the majority) and performance-based evaluations to curb political interference.
- *Enhance risk management by implementing robust risk management systems and a comprehensive Risk Appetite Framework* with exposure limits set based on an assessment of credit, market, liquidity, operational, and other risks. To address persistent issues with high NPLs and regulatory non-compliance, SOBs will also be required to adopt prudent lending practices, while strengthening internal control systems and enforcement infrastructure together with human resources' capacity.
- *Restructure and modernize SOB business models and operations to restore profitability and efficiency. This* includes cost-cutting measures; enhanced operational efficiency; improved credit underwriting, management and recovery; robust supporting technology; and refocusing on core markets (e.g., SMEs, agriculture, and industry) aligned with development goals.

Government will review its policy and infrastructure on holdings of shares in banks and pursue divestment of state ownership positions based on considerations related to financial sustainability, commercial viability, and societal value of the banks.

The strategy involves several institutional actors with different responsibilities. Main actors responsible for the implementation of the strategy include: (i) the Ministry of Finance, which leads and oversees the implementation of the strategy while being responsible for setting performance targets and capital injections; (ii) the BoG in its capacity of regulator to monitor compliance, enforce prudential standards, and supervise sector safety and soundness—including by requiring timely, effective NPL reduction and recapitalization and effecting a phased lifting or review of restrictions conditional on recapitalized banks demonstrating improved compliance, sound risk management, improved Governance and operations, and viable business models; (iii) the State Interests and Governance Authority (SIGA), which supports board appointments, monitors key performance indicators (KPIs), and enforces accountability; and (iv) the SOB's boards/management, which will be responsible for implementing reforms, reporting progress, and ensuring regulatory compliance**.**

The strategy envisages different strands of activities phased over three years (2025-2028). The first strand consists of the recapitalization of insolvent and undercapitalized SOBs, consistent with the objectives of the Fund-supported program, through injection of (i) recapitalization instruments issued through the Ghana Financial Stability Fund (GFSF); (ii) a mix of recapitalization instruments and cash issued under the budget pursuant to the Ghana Financial Sector Strengthening Strategy (GFSSS); and (iii) budget transfers under the GFSSS to restore regulatory capital adequacy to the prudential minimum CAR of 13 percent, without forbearance, in two strategic SOBs. The second one pertains to the adoption of governance reforms (appointment of independent directors and board committees) and risk management systems upgrades. The third one envisages implementation of supervisory requirements including NPL reduction plans (targeting less than 15 percent by mid-2026 and less than 10 percent by end-2026), special independent reviews, operational restructuring, governance and risk management reforms, and preparation for divestment of state ownership positions in selected banks. The fourth one entails the consolidation of reforms and execution of divestment strategies (e.g., listing on Ghana Stock Exchange).

Risks to the successful implementation of the strategy are significant. These include: (i) governance lapses or political interference; (ii) limited fiscal space and/or economic shocks affecting recapitalization and stability; (iii) persistent high NPLs weakening profitability and capital; (iv) liquidity constraints due to illiquid bond holdings and expensive deposits; and (v) change management and coordination challenges among stakeholders. The strategy's success thus depends on sustained political will, effective oversight, and robust implementation of operational and financial reforms.

G. Structural Reforms to Support Governance and Inclusive Growth

42. The authorities intend to strengthen governance and eliminate pervasive corruption. They published the IMF Governance Diagnostic Assessment (GDA) report in November 2025. The assessment identified several vulnerabilities and proposed corrective measures, some of which are supported by program conditionality and continued IMF TA on implementation of the rule of law and anti-corruption recommendations of the GDA. After several delays, the authorities have prepared, in collaboration with the Fund, a draft Conduct of Public Officials Bill which was submitted to parliament in November **(*end-September 2025 SB*).** The draft Conduct of Public Officials Bill includes provisions requiring disclosure of assets owned by high-level officials directly and beneficially both in Ghana and abroad and provides improved sanctions regime for noncompliance. However, the Cabinet's decision to remove the critical requirement for guaranteeing public access to asset declaration information of high-level officials, citing constitutional restrictions, seriously undermines the effectiveness of the measure. The Cabinet deferred to the Constitutional Review Committee to guide the government's position on this matter.

43. Promoting inclusive, private sector-led growth is a key government goal. In July 2025, the government launched its flagship strategy ("Ghana's 24-hour economy") to tackle unemployment and boosting productivity through a three-shift system across key sectors. The strategy is anchored in private-sector leadership, public investment, and a projected $4 billion in mobilized financing. The authorities also plan to introduce national policies and programs to boost entrepreneurship, the digital economy, and industrialization.

PROGRAM FINANCING AND MODALITIES

44. Adequate financing assurances are in place. The program is fully financed, with firm financing commitments in place for the remainder of the program. The World Bank increased its 2025 DPO2 Budget support to US$360 million, but DPO3 was moved into 2027 due, in part, to reform delays. The World Banks' PforR for PFM was included in budget support in 2025 (US$42 million). African Development Bank (AfDB) grants of US$44 million were delayed to 2025, and no further budget support is expected from the AfDB after 2025.

Text Table 4. Ghana: Proposed Program Financing
(USD million)

	2023	2024	2025	2026	Total
Pre-restructuring Financing Gap[1]	**3,364**	**4,340**	**4,077**	**1,979**	**13,760**
Debt service relief from restructuring[2]	**2,677**	**2,630**	**2,892**	**1,481**	**9,680**
Official creditors[3]	836	750	657	604	2,847
Commercial creditors[4]	1,841	1,880	2,235	877	6,833
Post-restructuring financing gap	**687**	**1,710**	**1,185**	**498**	**4,080**
IMF	600	1,320	720	360	3,000
World Bank[5]	27	390	421	138	976
African Development Bank	60	0	44	0	104

[1] Pre-restructuring financing gap before external debt treatment from bilateral and commercial creditors (and net of arrears bond debt service). Numbers presented here exclude the flows shown in the SEI, BOP and external financing tables related to debt exchanges (large outflows under portfolio and official flows).

[2] Actual debt service arrears accumulated in 2023.

[3] Based on June 2024 MoU between Ghana and G20 Common Framework OCC.

[4] Based on October 2024 Eurobond restructuring and the authorities' restructuring strategy for other commercial creditors.

[5] Beyond the IDA20 period, IDA financing figures are based on assumptions; actuals will depend on IDA replenishment volumes, country performance, and other operational factors. Delivery of DPFs will be dependent on an agreement with the government on a strong program of policy and institutional reforms, and adequacy of the macroeconomic policy framework.

45. Ongoing debt restructuring will generate financing consistent with program parameters and ensure debt sustainability. The signing of bilateral agreements to implement the MoU satisfies the Fund's Lending into Official Arrears (LIOA) policy. Arrears to other official bilateral creditors are deemed away in application of the LIOA policy (Strand 1). Following the successful Eurobond restructuring and consistent with the Lending into Arrears policy, the authorities are making good faith efforts to reach debt restructuring agreements with other external commercial creditors on comparable terms and within program parameters, by maintaining a substantive dialogue with these creditors and seeking a collaborative process.

46. A three-month ECF extension is proposed to implement reforms underpinning the sixth and last review. The current arrangement expires on May 16, 2026. The extension through August 16, 2026, would help reach an understanding on the policies supporting completion of the 6th review, while allowing sufficient time to prepare and circulate Board documents.

47. The following modifications to program conditionality are being proposed (MEFP Tables 1-2):

- *Modification of ITs and the MPCC bands*. The end-March 2026 primary balance and non-oil revenue ITs will be modified to accommodate macroeconomic developments, while maintaining the fiscal effort relative to GDP. The MPCC bands for December 2025 and March 2026 will be shifted downward to better reflect the impact of recent macroeconomic developments on the expected disinflation trends.

48. While significant, enterprise risks associated with Ghana's ECF-supported arrangement are mitigated by strong program design, the authorities' high commitment, and financing assurances.

- Ghana's capacity to repay (CtR) the Fund is adequate but subject to significant downside risks stemming from large repayments to the Fund in 2026 and beyond. This assessment assumes successful program and debt restructuring implementation predicated on achieving moderate risk of debt distress and restoring adequate market access. Debt to the Fund (based on the existing and prospective drawings) remains at elevated levels, peaking in 2026 at 3.5 percent of GDP. Debt service obligations to the Fund will peak at 12.6 percent of total debt service in 2031. Downside risks to Ghana's CtR stem from delays in implementing the policies and reforms under the Fund-supported program, high share of gold holdings in BoG's reserves, and significant exposure to price volatility.

- These risks are mitigated by Ghana's strong track record of debt service to the Fund, financing assurances provided by creditors and development partners, strong reserve accumulation, and the authorities' strong ownership of the program. While residual risks remain, continued support for a member facing deep macroeconomic challenges and strongly committed to its reform program is important.

STAFF APPRAISAL

49. Macroeconomic stabilization is gaining momentum. Following sizable policy slippages in 2024, the new authorities have shown a high level of program ownership by adopting corrective policy and structural measures to maintain the program on track and deliver on reforms towards its objectives. Performance under the ECF-supported program has been broadly satisfactory despite some delays in implementing structural reforms in complex areas. Against this backdrop, real GDP growth has rebounded more rapidly than initially envisaged, while inflation has declined faster-than-expected within the BoG target range, and international reserves are growing at a robust pace. The signing of bilateral debt relief agreements with many Ghana's Official Creditor Committee members and the finalization of Agreements in Principle with its other external commercial creditors represent important milestones in the authorities' strategy to restore debt sustainability. Staff commends the authorities for the continued efforts to reach agreements with the remaining other external commercial creditors on a debt treatment consistent with program parameters and comparability of treatment.

50. Ghana's debt trajectory has improved markedly on an upgraded macroeconomic outlook and continued fiscal discipline, but risks remain elevated. The debt stock and debt-service burden are declining faster than anticipated, and the mechanical signal from the DSA suggests that Ghana could already achieve moderate risk of debt distress in 2025. However, Ghana's debt risk outlook remains subject to significant vulnerabilities, including related to large perspective domestic financing needs and exposure to commodity-driven exchange rate volatility. Therefore, staff applies judgment to maintain Ghana's classification at high risk of debt distress, as a premature upgrade could undermine the rating's credibility if unforeseen shocks materialize. Staff will reassess Ghana's medium-term debt outlook when the debt restructuring is completed and macroeconomic stabilization is well entrenched.

51. Fully and sustainably restoring macroeconomic stability requires unwavering commitment to the program's objectives and policies. While the macroeconomic outlook remains generally favorable, risks stemming from global factors (e.g., commodity price volatility, trade policy shocks) and possible reform slippages are elevated, indicating that the gains achieved thus far under the program need to be solidified. Thus, continued program implementation and persistence in strengthening institutional frameworks are of the essence to build resilience, prevent repeated policy reversals, and robustly address structural weaknesses.

52. Delivering on the fiscal policy adjustment under the program is key to preserve debt sustainability, while creating space to address emerging needs. Staff commends the authorities for completing the audit of the government's commitments and payables and submitting to Parliament the 2026 Budget consistent with the program objective of the primary fiscal surplus that at 1.5 percent of GDP. Any revenue over-performance should be saved or used to reduce arrears, including related to the energy sector. Creating space for development and social needs will require further efforts to broaden the tax base—including by enhancing taxation of extractive industries and digital economy and reforming VAT system—and streamlining nonpriority expenditures. Ensuring that the planned VAT reform is, at the minimum, revenue neutral hinges on effectively improving compliance and rationalizing VAT exemptions. Against this backdrop, strengthening social programs remains key to protecting the vulnerable from the impact of macroeconomic adjustment. The authorities should also stand ready to timely adopt contingency measures, such as frontloading the revenue measures in their MTRS and reprioritizing MDAs' budget allocations, if needed.

53. Supporting fiscal adjustment and entrenching fiscal discipline requires steadfast implementation of fiscal structural reforms. Consistent with the priorities identified under Ghana's MTRS, the authorities should redouble their efforts to improve revenue administration, including by operationalizing ITAS, strengthen tax compliance, and support the announced reform of VAT system. While enhancing the fiscal responsibility framework and strengthening the PFM and procurement systems are important improvements to foster effective compliance with PFM provisions, more action is needed to reduce risks of spending overruns through strengthening commitment controls and budget execution, aligning the portfolio of projects to available resources, and enforcing the existing sanction system. Addressing the weaknesses of the public investment management framework, including by enhancing infrastructure governance, would help improve expenditure control and efficiency of public investment. The operations of the GoldBod should adhere to the highest governance standards and limit fiscal risks. Finally, ensuring a steadfast implementation of the Cocobod turnaround strategy remains of a major priority.

54. Recent progress in the energy sector needs to be sustained and more needs to be done to reduce fiscal risks. Staff welcomes the authorities' efforts to improve the energy sector's financial sustainability, including through regular and transparent electricity tariff adjustments. Continued financial discipline at ECG and consistent implementation of the Cash Waterfall Mechanism are critical to ensure regular payments to IPPs and fuel suppliers, reduce the energy sector shortfall, and improve transparency and governance in the sector. To safeguard credibility, the government must adhere to the comprehensive payment plan for legacy arrears, while ensuring its prompt endorsement by Parliament and concluding negotiations with the remaining IPPs. More needs to be done to address the lingering buildup of new arrears, reduce the cost of electricity generation, improve electricity distribution and collection, fully implement the Energy Sector Recovery Program, and ensure the financial sustainability of ECG.

55. The BoG should maintain a prudent monetary policy stance and advance reforms. With inflationary pressures subsiding and the recent Cedi appreciation, the BoG has appropriately begun to ease the policy rate in a cautious manner. Any further monetary easing should be gradual and data-dependent to ensure that inflation expectations remain anchored. The BoG should further enhance the effectiveness of monetary policy's implementation by increasing reliance on OMOs for liquidity absorption and sterilization operations by offering short-term BoG Bills on a fixed rate full allotment basis. While parliamentary approval of the amendments to the BoG Act will represent an important milestone towards strengthening central bank independence, further progress in addressing the Fund's safeguard assessment recommendations remains necessary. In this context, priority should be given to discontinue BoG's loss-making quasi-fiscal activities, while ensuring that all accrued losses are absorbed by the government.

56. Recent progress in strengthening international buffers and the FX operations framework is commendable, but more should be done to deepen FX markets and manage gold-related risks. The reserve accumulation overperformance reflects the significant expansion of domestic gold purchases program, which warrants careful management to guard against commodity price volatility and liquidity risks. Losses from the DGPP and GoldBod's activities should not be borne by the central bank, and transparently brought on budget; further, the BoG should develop a clear and time-bound strategy for scaling down gold purchases. Deepening the interbank FX market by reducing the BoG's footprint and allowing for greater exchange rate flexibility remain a priority. Prudential regulation aimed at managing exchange rate risk, such as NOP limits, should not be used to manage the exchange rate itself, limit intermediation, or increase banks' exchange rate risk. The new FX framework will help solidify a market-based approach to FX flows, clearly distinguishing the BoG's actions to intermediate FX flows, accumulate reserve buffers, and undertake rule-based FX interventions to smoothen out excessive volatility. Looking ahead, the BoG should also outline distinct operational arrangements to achieve these objectives, and prescribe decision-making procedures, communication protocols, and transparency measures.

57. Further strengthening financial sector stability is crucial. The banking system has largely weathered domestic debt restructuring, supported by the authorities' proactive measures to support banking sector recapitalization, including through capital injections in key state-owned banks;

strengthened risk management frameworks and practices; effective governance; and stringent implementation of prudential requirements to reduce NPLs. However, vulnerabilities persist, as some banks continue to fall short of their recapitalization objectives and suffer from elevated non-performing loans. In this context, conducting an independent diagnostic of banks' risk management systems will be an important step to inform any needed supervisory actions. Moreover, the authorities should utilize the bank resolution framework to its fullest, with public capital reserved only for systemic banks after exhausting private solutions. Going forward, continued vigilant supervision by the BoG, a phased lifting of supervisory restrictions against recapitalized banks only on their demonstrated effective implementation of required reforms and improvements, and prompt action to address emerging stresses will be essential to preserve financial sector resilience.

58. An effective asset declaration regime for public officials is still lacking. The draft Conduct of Public Officials Bill submitted to Parliament introduces improvements in scope, coverage, and sanctions regime, but the absence of any publicity requirements for senior officials leaves a critical gap in its effectiveness. Public disclosure is essential to deter illicit enrichment, strengthen public trust, and enable civil society oversight – key pillars for effective anti-corruption frameworks. Without this provision, the regime risks becoming a compliance exercise rather than a meaningful safeguard against corruption. Urgently identifying and submitting to parliament a constitutionally feasible option to implement this structural benchmark as close as possible to the original objective must be a priority for the final review under the program to ensure the regime's effectiveness in combating corruption.

59. Given Ghana's generally satisfactory performance, the commitments under the program, and the progress made in the comprehensive debt restructuring, staff supports the completion of the fifth review under the ECF arrangement, the financing assurances review related to private sector creditors, the request for modification of monetary policy consultation clause, and the request for the three-month extension of the arrangement.

Table 1. Ghana: Selected Economic and Financial Indicators, 2023–30

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
	(annual percentage change, unless otherwise indicated)										
National accounts and prices											
GDP at constant prices	3.1	5.7	5.7	4.0	4.8	4.8	4.8	4.9	5.0	5.0	5.0
Non-extractive GDP	3.3	5.1	5.1	3.6	5.3	4.6	4.9	5.0	5.0	5.0	5.0
Extractive GDP	1.7	9.4	9.4	7.0	1.7	5.9	4.2	4.3	4.9	5.0	5.0
Real GDP per capita	1.2	3.7	3.7	2.1	2.9	2.9	3.0	3.1	3.2	3.2	3.3
GDP deflator	40.1	25.4	25.4	17.0	14.7	7.8	7.6	7.9	8.0	7.9	7.8
Consumer price index (end of period)	23.2	23.8	23.8	12.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Consumer price index (annual average)	39.2	22.9	22.9	17.3	15.0	9.3	7.9	7.5	8.0	8.0	8.0
	(percent of GDP, unless otherwise indicated)										
Central government budget											
Revenue	15.2	15.9	15.9	15.9	16.0	16.6	16.8	16.8	16.9	17.0	17.0
Expenditure (commitment basis) [1]	18.5	23.2	22.1	18.7	18.4	18.7	18.8	18.6	18.9	19.1	19.5
Overall balance (commitment basis) [1]	-3.4	-7.3	-6.3	-2.8	-2.4	-2.1	-2.0	-1.8	-2.0	-2.1	-2.5
Primary balance (commitment basis)	-0.3	-3.3	-2.3	1.5	1.7	1.5	1.5	1.5	1.5	1.5	1.0
Non-oil primary balance (commitment basis)	-1.7	-5.0	-3.9	0.4	1.0	0.4	0.6	0.5	0.5	0.4	-0.1
Public debt (gross)	79.1	70.2	69.8	66.0	56.6	62.3	54.9	52.7	50.3	48.0	46.3
Domestic debt	37.1	33.8	32.7	29.2	28.5	27.5	27.8	26.9	25.3	24.2	23.5
External debt	42.0	36.4	37.1	36.8	28.1	34.8	27.2	25.8	25.0	23.8	22.8
	(annual percentage change, unless otherwise indicated)										
Money and credit											
Credit to the private sector (commercial banks)	10.7	26.3	26.3	24.7	23.3	17.0	16.8	17.2	17.3	17.3	19.2
Broad money (M2+)	38.7	31.9	31.9	23.4	21.9	13.0	12.8	13.2	13.3	13.3	16.1
Velocity (GDP/M2+, end of period)	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Base money	29.7	47.8	47.8	16.2	8.6	-1.1	5.0	6.6	7.6	8.2	9.1
Policy rate (in percent, end of period)	30.0	27.0	27.0	...	...	...	...	...	...	...	...
	(US$ million, unless otherwise indicated)										
External sector											
Current account balance (percent of GDP)	-0.8	1.1	1.8	1.8	4.5	1.4	3.2	2.7	2.0	1.7	1.3
BOP financing gap [2]	3,134	13,741	13,239	9,124	8,659	3,659	3,310	0	0	0	0
IMF	600	1,320	1,320	720	720	360	360	0	0	0	0
World Bank	27	390	390	886	421	487	138	0	0	0	0
AfDB	60	0	0	44	44	0	0	0	0	0	0
Debt restructuring-related flows [2]	2,447	12,031	11,529	7,474	7,474	2,812	2,812	0	0	0	0
Gross international reserves (program) [3]	3,661	6,404	6,518	8,366	8,625	7,926	9,101	9,814	10,730	11,806	13,041
in months of prospective imports	1.6	2.6	2.6	3.3	3.3	3.0	3.4	3.5	3.7	3.9	4.1
Memorandum items:											
Nominal GDP (millions of GHc)	887,748	1,176,220	1,176,220	1,431,278	1,414,480	1,616,898	1,595,869	1,806,423	2,047,526	2,320,016	2,627,080
Population Growth Rate (percentage) [4]	1.9	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.7	1.7	1.7
National Currency per U.S. Dollar (period average)	11.0	14.2	14.2	16.2	12.4	17.6	13.8	15.2	16.6	17.8	18.9
National Currency per U.S. Dollar (end of period)	11.9	14.7	14.7	17.3	13.1	18.2	14.5	15.9	17.2	18.3	19.4
Nominal GDP (millions of USD)	80,547	82,825	82,825	88,098	113,933	92,015	115,930	118,959	123,106	130,659	139,292

Sources: Ghanaian authorities; and Fund staff estimates and projections.

[1] Third review interest expenditure projections assume full debt restructuring.

[2] Additional financing needed to gradually bring reserves to at least 3 months of imports by 2026. The large 2024-2026 financing gaps result from debt restructuring accounting, with both debt deferral and the nominal value of the debt exchanges included here.

[3] Excludes oil funds, encumbered assets, and pledged assets.

[4] United Nations, World Population Prospects 2022

Table 2a. Ghana: Summary of Budgetary Central Government Operations, 2023–30[1]

(GFS 2001, Commitment Basis, percent of GDP)

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
Revenue and grants	**15.2**	**15.9**	**15.9**	**15.9**	**16.0**	**16.6**	**16.8**	**16.8**	**16.9**	**17.0**	**17.0**
Taxes	12.8	13.3	13.3	13.3	13.8	14.1	14.7	14.7	14.8	14.9	14.9
Direct taxes	6.4	6.7	6.7	6.4	6.8	6.9	7.1	7.2	7.3	7.4	7.4
Indirect taxes	4.9	4.9	4.9	5.2	5.3	5.4	5.7	5.7	5.7	5.7	5.7
Trade taxes	1.6	1.7	1.7	1.7	1.8	1.8	1.9	1.9	1.9	1.9	1.9
Social contributions	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Nontax revenue	2.0	2.4	2.4	2.3	1.9	2.2	1.8	1.8	1.8	1.8	1.8
Grants	0.3	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Expenditure	**18.5**	**23.2**	**22.1**	**18.7**	**18.4**	**18.7**	**18.8**	**18.6**	**18.9**	**19.1**	**19.5**
Expense	16.0	16.5	16.5	16.4	16.6	15.6	15.3	15.8	16.1	16.1	16.1
Compensation of employees	5.7	5.7	5.7	5.3	5.7	5.6	5.7	5.8	5.8	5.8	5.8
Purchases of goods and services	1.0	1.0	1.0	0.5	0.5	0.6	0.8	0.9	0.9	0.9	0.9
Interest [1]	3.0	4.0	4.0	4.3	4.2	3.6	3.5	3.3	3.5	3.6	3.5
Domestic	2.9	3.4	3.4	3.6	3.7	2.9	3.1	2.8	3.0	3.0	2.9
Foreign	0.2	0.6	0.6	0.6	0.5	0.6	0.5	0.5	0.5	0.5	0.6
Subsidies and transfers	2.3	1.5	1.5	1.9	1.9	1.9	1.0	1.5	1.4	1.4	1.4
o/w transfers to energy producers	2.3	1.5	1.5	1.9	1.9	1.8	1.0	1.4	1.4	1.3	1.3
Social benefits[2]	0.0	0.1	0.1	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.4
Grants to other government units	3.9	4.2	4.2	4.2	4.2	3.7	4.1	4.1	4.1	4.2	4.2
Net acquisition of nonfinancial assets	2.4	2.5	2.5	2.3	1.8	3.1	3.6	2.8	2.9	3.0	3.4
Domestic financed	1.0	1.3	1.3	1.5	1.3	2.1	2.8	1.7	1.8	2.0	2.5
Foreign financed	1.3	1.2	1.2	0.8	0.5	1.0	0.8	1.1	1.1	1.1	0.9
Other expenditure	0.2	4.2	3.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
o/w unreleased claims [3]		4.2	3.1								
Primary balance (commitment basis)	-0.3	-3.3	-2.3	1.5	1.7	1.5	1.5	1.5	1.5	1.5	1.0
Overall balance (commitment basis)	**-3.4**	**-7.3**	**-6.3**	**-2.8**	**-2.4**	**-2.1**	**-2.0**	**-1.8**	**-2.0**	**-2.1**	**-2.5**
Payables (net change) [4]	0.4	2.6	1.5	-0.9	-1.5	-1.7	-2.1	-0.7	-0.6	0.0	0.0
Primary balance (cash basis)	0.1	-0.7	-0.7	0.6	0.3	-0.2	-0.6	0.8	0.9	1.5	1.0
Overall balance (cash basis)	**-2.9**	**-4.8**	**-4.8**	**-3.7**	**-3.9**	**-3.8**	**-4.1**	**-2.5**	**-2.6**	**-2.1**	**-2.5**
Financing	**2.9**	**4.8**	**4.8**	**3.7**	**3.9**	**3.8**	**4.1**	**2.5**	**2.6**	**2.1**	**2.5**
Foreign	0.5	2.9	3.3	0.7	0.3	1.2	0.5	0.4	0.7	0.9	0.8
Domestic	2.4	1.8	1.4	3.0	3.6	2.6	3.6	2.1	1.9	1.2	1.7
Memorandum items:											
Public sector debt	79.1	70.2	69.8	66.0	56.6	62.3	54.9	52.7	50.3	48.0	46.3
Non-oil revenue (excl. Grants)	13.5	14.0	14.0	14.6	15.1	15.3	15.7	15.7	15.7	15.7	15.7
Oil revenue	1.4	1.7	1.7	1.1	0.7	1.1	0.9	1.0	1.0	1.1	1.1
Primary expenditure	15.5	19.2	18.1	14.4	14.3	15.1	15.3	15.3	15.4	15.5	16.0
Non-oil primary balance	-1.7	-5.0	-3.9	0.4	1.0	0.4	0.6	0.5	0.5	0.4	-0.1
Nominal GDP (GHS, million)	887,748	1,176,220	1,176,220	1,431,278	1,414,480	1,616,898	1,595,869	1,806,423	2,047,526	2,320,016	2,627,080

Sources: Ghanaian authorities; and IMF staff estimates and projections.

[1] Assume full debt restructuring.

[2] Comprises of government cash transfer program (LEAP) and subsidy for lifeline consumers of electricity

[3] Being payables originated outside GIFMIS. The comprehensive audit rejected GHS 10.4 billion (0.9 percent of GDP) due to the lack of valid documentation and reclassified GHS 2 billion (0.2 percent of GDP) from payables. to commitments for those associated with projects not yet commenced.

[4] Includes net changes of energy-sector and non energy-sector payables.

Table 2b. Ghana: Summary of Budgetary Central Government Operations, 2023–30[1]

(GFS 2001, Commitment Basis, GHs millions)

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
Revenue and grants	**134,672**	**186,593**	**186,593**	**227,195**	**226,427**	**268,534**	**267,935**	**304,355**	**346,032**	**394,403**	**446,604**
Taxes	113,972	156,083	156,083	190,576	195,510	228,141	234,042	266,047	302,681	345,283	390,982
Direct taxes	56,520	78,742	78,742	91,555	95,489	111,092	113,834	129,979	148,452	170,529	193,099
Indirect taxes	43,519	57,424	57,424	74,212	74,937	87,406	90,312	102,227	115,872	131,292	148,669
Trade taxes	13,933	19,917	19,917	24,809	25,084	29,643	29,896	33,841	38,357	43,462	49,214
Social contributions	635	1,060	1,060	1,290	1,417	1,458	1,598	1,809	2,051	2,324	2,631
Nontax revenue	17,646	27,734	27,734	32,652	26,856	35,322	28,728	32,519	36,859	41,764	47,292
Grants	2,420	1,716	1,716	2,676	2,645	3,613	3,566	3,980	4,441	5,032	5,698
Expenditure	**164,556**	**272,620**	**260,227**	**267,316**	**260,424**	**301,694**	**300,436**	**336,600**	**387,186**	**442,616**	**512,631**
Expense	141,876	193,994	193,994	234,712	234,540	252,118	243,775	286,097	328,793	372,772	423,034
Compensation of employees	50,808	67,189	67,189	76,203	80,603	90,157	90,461	104,997	119,011	134,849	152,697
Purchases of goods and services	8,446	11,509	11,509	6,671	6,671	9,153	12,314	15,745	17,847	20,222	22,898
Interest [1]	27,055	47,150	47,150	61,110	58,707	57,413	56,439	59,342	71,867	83,013	92,298
Domestic	25,674	40,416	40,416	51,859	51,699	47,350	48,928	50,211	61,737	70,498	77,366
Foreign	1,381	6,734	6,734	9,251	7,007	10,063	7,512	9,131	10,131	12,515	14,932
Subsidies and transfers	20,592	17,568	17,568	27,471	26,603	30,395	15,253	26,398	29,568	31,609	35,793
o/w transfers to energy producers	20,555	17,359	17,359	27,129	26,261	29,873	15,253	25,815	28,907	30,860	34,945
Social benefits[2]	429	737	737	3,237	3,237	5,274	3,652	5,037	5,709	6,469	9,953
Grants to other government units	34,547	49,842	49,842	60,019	58,719	59,727	65,656	74,578	84,790	96,608	109,395
Net acquisition of nonfinancial assets	21,085	29,389	29,389	32,604	25,884	49,576	56,661	50,503	58,393	69,844	89,597
Domestic financed	9,148	14,733	14,733	21,006	19,006	33,979	44,395	30,966	36,472	45,351	65,831
Foreign financed	11,937	14,656	14,656	11,598	6,878	15,597	12,266	19,537	21,922	24,493	23,766
Other expenditure	1,595	49,237	36,844	0	0	0	0	0	0	0	0
o/w unreleased claims [3]		49,237	36,844								
Primary balance (commitment basis)	-2,829	-38,877	-26,484	20,989	24,710	24,253	23,938	27,096	30,713	34,800	26,271
Overall balance (commitment basis)	**-29,884**	**-86,027**	**-73,634**	**-40,122**	**-33,997**	**-33,160**	**-32,501**	**-32,245**	**-41,154**	**-48,213**	**-66,027**
Payables (net change) [4]	3,871	30,119	17,725	-13,068	-21,138	-27,918	-33,259	-12,018	-12,028	0	0
Primary balance (cash basis)	1,043	-8,759	-8,759	7,921	3,572	-3,665	-9,321	15,079	18,685	34,800	26,271
Overall balance (cash basis)	**-26,013**	**-55,909**	**-55,909**	**-53,190**	**-55,135**	**-61,078**	**-65,761**	**-44,263**	**-53,182**	**-48,213**	**-66,027**
Financing	**26,013**	**55,909**	**55,909**	**53,190**	**55,135**	**61,078**	**65,761**	**44,263**	**53,182**	**48,213**	**66,027**
Foreign	4,348	34,641	39,053	10,388	3,769	18,659	8,094	6,645	14,837	20,667	21,877
Domestic	21,664	21,267	16,855	42,802	51,366	42,419	57,666	37,618	38,344	27,546	44,151
Memorandum items:											
Public sector debt	702,139	826,042	820,940	944,560	801,099	1,006,604	876,515	951,514	1,029,101	1,112,918	1,216,004
Non-oil revenue (excl. Grants)	119,701	165,044	165,044	209,400	213,381	247,079	250,152	283,157	320,949	363,662	411,794
Oil revenue	12,552	19,834	19,834	15,118	10,401	17,842	14,217	17,219	20,641	25,708	29,111
Primary expenditure	137,501	225,470	213,077	206,206	201,718	244,281	243,997	277,259	315,319	359,602	420,333
Non-oil primary balance	-15,381	-58,711	-46,318	5,871	14,309	6,411	9,721	9,878	10,071	9,092	-2,840
Nominal GDP (GHS, million)	887,748	1,176,220	1,176,220	1,431,278	1,414,480	1,616,898	1,595,869	1,806,423	2,047,526	2,320,016	2,627,080

Sources: Ghanaian authorities; and IMF staff estimates and projections.

[1] Assume full debt restructuring.

[2] Comprises of government cash transfer program (LEAP) and subsidy for lifeline consumers of electricity

[3] Being payables originated outside GIFMIS. The comprehensive audit rejected GHS 10.4 billion (0.9 percent of GDP) due to the lack of valid documentation and reclassified GHS 2 billion (0.2 percent of GDP) from payables.

payables to commitments for those associated with projects not yet commenced.

[4] Includes net changes of energy-sector and non energy-sector payables.

Table 2c. Ghana: Public Sector Gross Financing Needs and Sources, 2023–30
(in GHs billions)

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
Gross financing needs (I)	**86.4**	**129.7**	**129.7**	**161.2**	**163.4**	**188.8**	**222.2**	**261.4**	**287.7**	**255.9**	**280.6**
Primary deficit (cash basis) [1,2]	-1.4	5.8	5.8	-10.7	-6.3	0.0	5.8	-17.5	-20.9	-34.8	-26.3
Financial sector strengthening	5.7	1.4	1.4	11.0	15.0	0.9	0.0	0.0	0.0	0.0	0.0
Debt service [3,4]	82.1	122.5	122.5	160.9	154.7	188.0	216.3	278.9	308.6	290.7	306.9
External	5.7	12.1	12.1	26.1	20.1	41.8	32.8	39.8	42.4	47.9	52.8
Domestic	76.4	110.4	110.4	134.7	134.6	146.2	183.6	239.2	266.1	242.8	254.1
Gross financing sources (II)	**78.8**	**105.4**	**105.4**	**134.4**	**148.7**	**173.9**	**215.3**	**261.4**	**287.7**	**255.9**	**280.6**
External	9.4	10.5	10.5	8.9	4.2	22.6	8.7	15.6	30.8	35.4	46.4
Multilateral	7.2	7.9	7.9	4.9	2.2	7.6	5.3	11.8	12.2	13.8	12.0
World Bank	7.0	7.4	7.4	4.1	1.6	6.7	4.6	11.0	11.3	12.9	11.1
Others	0.2	0.5	0.5	0.7	0.6	0.9	0.7	0.8	0.8	0.9	0.9
IMF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bilateral	2.1	2.6	2.6	4.1	2.0	5.3	3.4	3.8	5.3	5.7	6.0
Paris Club	1.2	2.5	2.5	2.0	1.2	3.1	1.7	1.9	3.2	3.5	3.7
Non-Paris Club	0.9	0.2	0.2	2.0	0.8	2.2	1.7	1.9	2.1	2.2	2.4
Private sector	0.1	0.0	0.0	0.0	0.0	9.8	0.0	0.0	13.3	16.0	28.3
Eurobonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.3	8.9	18.9
Other commercials	0.1	0.0	0.0	0.0	0.0	9.8	0.0	0.0	5.0	7.1	9.4
Domestic	71.6	96.9	96.9	127.1	145.8	153.1	208.1	247.6	259.0	223.1	237.2
Bank of Ghana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term debt	59.5	93.7	93.7	91.0	130.8	45.7	135.5	123.8	82.9	55.8	47.4
Medium term debt	6.4	1.8	1.8	25.2	0.0	107.3	72.7	123.8	176.1	167.3	189.8
Financial sector strengthening bond	5.7	1.4	1.4	11.0	15.0	0.0	0.0	0.0	0.0	0.0	0.0
Ghana Petroleum and Sinking Funds, net	-2.1	-1.9	-1.9	-1.6	-1.3	-1.7	-1.5	-1.7	-2.1	-2.6	-2.9
Financing gap (I)-(II)	**7.6**	**24.3**	**24.3**	**26.8**	**14.7**	**14.9**	**6.8**	**0.0**	**0.0**	**0.0**	**0.0**
Exceptional financing	**7.6**	**24.3**	**24.3**	**26.8**	**14.7**	**14.9**	**6.9**	**0.0**	**0.0**	**0.0**	**0.0**
IMF	6.6	18.7	18.7	11.7	8.9	6.3	5.0	0.0	0.0	0.0	0.0
Other financial partners	1.0	5.5	5.5	15.1	5.8	8.5	1.9	0.0	0.0	0.0	0.0
Residual gap	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Discrepancy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: MOF, BOG, CSD and IMF staff calculations.

[1] Excludes AfDB budget support grants which are reflected under the exceptional financing.

[2] Includes Cocobod's net income used for debt service.

[3] Includes debt service by ESLA, Daakye and Cocobod excluding the trade facilities. Service on local currency debt held by non-residents is included in domestic.

[4] Debt service projections assume full debt restructuring.

Table 3. Ghana: Monetary Survey, 2023–30

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
I. Monetary Survey (Central Bank and Commercial Banks)											
Net foreign assets	21,711	87,417	87,417	138,434	117,846	141,234	138,280	165,087	197,399	234,606	278,714
Net domestic assets	228,308	246,977	242,321	268,316	284,195	318,267	315,318	348,357	384,575	424,818	486,984
Net claims on central government	115,681	113,292	113,292	116,217	120,157	126,846	136,797	158,477	177,830	201,896	230,655
Claims on public non-financial corporations	14,081	13,117	13,117	9,110	9,019	10,109	9,995	11,153	12,397	13,883	15,560
Claims on private sector	77,464	97,439	97,439	119,874	118,601	138,335	136,687	158,376	184,108	214,315	253,816
Other items (net)	26,530	23,129	23,129	23,114	36,417	42,977	31,839	20,351	10,240	-5,276	-13,047
Money and quasi-money (M3)	250,019	329,739	329,739	406,750	402,041	459,501	453,598	513,444	581,973	659,424	765,698
Broad money (M2)	185,426	247,762	247,762	306,997	303,459	346,811	342,373	387,545	439,271	497,730	580,986
Foreign exchange deposits	64,593	81,977	81,977	99,753	98,582	112,690	111,224	125,899	142,703	161,694	184,712
II. Central Bank											
Net foreign assets[1]	4,021	47,647	47,647	90,040	70,020	86,563	84,320	104,009	128,168	156,162	189,887
Net domestic assets	84,278	82,835	82,835	61,638	71,648	63,376	64,498	54,654	42,574	28,577	11,715
Net claims on other depository corporations	-9,878	-21,783	-21,783	-22,807	-22,465	-23,572	-23,203	-24,000	-24,861	-25,790	-26,794
Net claims on central government	54,356	56,032	56,032	56,032	56,032	56,032	56,032	56,032	56,032	56,032	56,032
Claims on other sectors[2]	9,087	10,361	10,361	9,945	9,945	9,550	9,550	9,175	8,818	8,479	8,157
Other items (net)[3]	30,714	38,226	38,226	18,468	28,137	21,367	22,120	13,448	2,585	-10,143	-25,680
Base money[4]	88,299	130,482	130,482	151,678	141,668	149,940	148,818	158,663	170,742	184,739	201,602
III. Commercial Banks											
Net foreign assets	17,690	39,770	39,770	48,394	47,826	54,670	53,959	61,079	69,231	78,444	88,826
Net domestic assets	219,620	264,148	264,148	268,308	264,339	302,224	297,325	335,888	380,259	430,637	504,148
Net domestic claims	213,428	255,830	255,830	235,706	238,282	267,532	275,721	322,150	370,517	428,504	500,951
Net claims on central bank	75,093	103,030	103,030	56,481	56,481	57,824	57,824	59,351	61,032	62,921	65,108
Net claims on central government	61,325	57,260	57,260	60,186	64,126	70,815	80,765	102,445	121,798	145,865	174,624
Credit to public non-financial corporations	6,450	6,419	6,419	7,918	7,828	8,917	8,804	9,961	11,205	12,691	14,369
Credit to private sector	70,559	89,122	89,122	111,121	109,848	129,977	128,329	150,393	176,482	207,028	246,850
Other items (net)	6,192	8,318	8,318	32,602	26,057	34,692	21,604	13,738	9,742	2,133	3,197
Memorandum items:	(Annual percent change, unless otherwise indicated)										
Base money	29.7	47.8	47.8	16.2	8.6	-1.1	5.0	6.6	7.6	8.2	9.1
M2	37.2	33.6	33.6	23.9	22.5	13.0	12.8	13.2	13.3	13.3	16.7
M3[5]	38.7	31.9	31.9	23.4	21.9	13.0	12.8	13.2	13.3	13.3	16.1
Credit to private sector	10.7	26.3	26.3	24.7	23.3	17.0	16.8	17.2	17.3	17.3	19.2
M2 velocity	4.8	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.5
M3 velocity	3.6	3.6	3.6	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.4
Base money multiplier (M2/base money)	2.1	1.9	1.9	2.0	2.1	2.3	2.3	2.4	2.6	2.7	2.9
Credit to private sector (in percent of GDP)	7.9	7.6	7.6	7.8	7.8	8.0	8.0	8.3	8.6	8.9	9.4

Sources: Ghanaian authorities; and Fund staff estimates and projections.

[1] Third review net foreign assets assume full debt restructuring.

[2] Includes private sector, public enterprises and local government.

[3] Including valuation and Open Market Operations (OMO).

[4] Excludes foreign currency deposits.

[5] Includes foreign currency deposits.

Table 4. Ghana: Balance of Payments, 2023–30

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF [1] Review	Prel.	4th ECF [1] Review	Proj.	4th ECF [1] Review	Proj.	Proj.	Proj.	Proj.	Proj.
	(Millions of U.S. dollars)										
Current account	-656	924	1,471	1,596	5,121	1,312	3,749	3,224	2,499	2,187	1,806
Trade balance	1,707	3,773	3,773	4,659	9,725	5,077	7,913	7,615	7,436	7,865	7,716
Exports, f.o.b.	15,716	19,165	19,165	20,213	26,418	21,420	25,083	25,390	25,872	27,135	28,120
Imports, f.o.b	14,009	15,392	15,392	15,554	16,694	16,343	17,170	17,775	18,436	19,270	20,404
Services (net)	-2,405	-3,921	-2,225	-4,503	-4,060	-4,780	-3,671	-3,919	-4,427	-4,817	-4,962
Income (net)	-4,107	-4,346	-5,496	-4,031	-6,167	-4,511	-6,240	-6,392	-6,608	-7,019	-7,291
Transfers	4,149	5,418	5,418	5,472	5,624	5,527	5,747	5,920	6,097	6,158	6,343
Capital and financial account	-461	-11,453	-11,683	-9,543	-12,783	-5,192	-6,355	-2,216	-1,262	-703	-70
Capital account	129	124	124	121	169	206	259	262	267	283	302
Financial account	-590	-11,578	-11,808	-9,664	-12,953	-5,397	-6,614	-2,478	-1,529	-986	-372
Foreign direct investment (net)	1,308	1,738	1,760	2,006	2,308	2,446	2,695	2,998	3,344	3,673	3,915
Portfolio investment (net) [2]	2,665	-9,530	-9,564	-343	-346	-3,379	-3,364	-1,003	-562	-700	-199
Other investment (net)	-4,563	-3,785	-4,004	-11,327	-14,915	-4,464	-5,945	-4,473	-4,311	-3,959	-4,088
Medium and long term (net) [3]	-4,146	-1,967	13	-9,944	-8,908	-2,679	-2,298	-2,399	-2,396	-2,638	-3,203
Short-term (net)	-417	-1,818	-4,016	-1,383	-6,007	-1,785	-3,648	-2,074	-1,915	-1,321	-885
Errors and omissions	194	-395	180	0	0	0	0	0	0	0	0
Overall balance	-923	-10,925	-10,033	-7,947	-7,662	-3,879	-2,606	1,007	1,237	1,485	1,736
Financing	1,486	10,925	11,582	7,947	7,662	3,879	2,606	-1,007	-1,237	-1,485	-1,736
Use of Fund credit (net)	-124	-160	-160	-263	-268	-319	-328	-294	-321	-409	-501
Increase in gross reserves from BoP flows (-)	-1,524	-2,655	-1,496	-914	-729	540	-376	-713	-916	-1,075	-1,235
Financing gap [4]	3,134	13,741	13,239	9,124	8,659	3,659	3,310	0	0	0	0
Memorandum items:	(Percent of GDP, unless otherwise indicated)										
Current account	-0.8	1.1	1.8	1.8	4.5	1.4	3.2	2.7	2.0	1.7	1.3
Capital and financial account	-0.6	-13.8	-14.1	-10.8	-11.2	-5.6	-5.5	-1.9	-1.0	-0.5	-0.1
Foreign direct investment (net)	1.6	2.1	2.1	2.3	2.0	2.7	2.3	2.5	2.7	2.8	2.8
	(Millions of US dollars, unless otherwise indicated)										
If financing gap is closed:											
Gross international reserves (program) [5]	3,661	6,404	6,518	8,366	8,625	7,926	9,101	9,814	10,730	11,806	13,041
Months of imports	1.6	2.6	2.6	3.3	3.3	3.0	3.4	3.5	3.7	3.9	4.1

Sources: Ghanaian authorities; and Fund staff estimates and projections.

[1] 4th review uses BPM5 accounting, which was changed at the 5th review to BPM6.

[2] Large 2024 and 2026 portfolio flows result from debt restructuring accounting, with the nominal value of the debt exchanges recoded as outflows here (extinguishing old debt).

[3] 2025 includes estimated bilateral debt restructuring flows, with the nominal value of all outstanding debt service payments recorded as outflows (counter entry under exceptional financing).

[4] Additional financing needed to gradually bring reserves to at least 3 months of imports by 2026. The large 2024-2026 financing gaps result from debt restructuring accounting, with both debt deferral and the nominal value of the debt exchanges included here.

[5] Excludes foreign assets held by Ghana Petroleum and Stabilization Fund, deposits held at the Ghana Investment Bank, encumbered assets and pledged assets. Includes reserves accumulated from domestic gold purchases under the "gold for reserve" program which is not accounted in the increase in gross reserves from BoP flows.

Table 5. Ghana: External Financing Needs and Sources, 2023–30

(Millions of U.S dollars, unless otherwise indicated)

	2023	2024		2025		2026		2027	2028	2029	2030
	Actual	4th ECF Review	Prel.	4th ECF Review	Proj.	4th ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
I. Total Needs	**3,767**	**2,850**	**1,144**	**6,662**	**2,974**	**110**	**-1,391**	**-216**	**706**	**1,388**	**2,084**
Current account deficit, excl. official transfers	656	-924	-1,471	-1,596	-5,121	-1,312	-3,749	-3,224	-2,499	-2,187	-1,806
PPG external debt amortization [1]	162	335	335	6,982	6,996	1,543	1,545	1,885	1,841	1,942	1,998
Gross reserves accumulation	1,524	2,655	1,496	914	729	-540	376	713	916	1,075	1,235
Repayments to the Fund	124	160	160	263	268	319	328	294	321	409	501
Other capital flows	1,301	623	623	98	102	99	108	115	127	148	156
II. Total Sources	**633**	**-10,891**	**-12,095**	**-2,462**	**-5,685**	**-3,549**	**-4,701**	**-216**	**706**	**1,388**	**2,084**
Grants	220	121	121	165	213	206	259	262	267	283	302
Private capital flows, net	-339	-11,750	-12,955	-3,176	-6,239	-4,993	-5,593	-1,503	-1,412	-892	-676
Foreign direct investment, net	1,308	1,738	1,760	2,006	2,308	2,446	2,695	2,998	3,344	3,673	3,915
Other capital flows, net [2]	-1,647	-13,488	-14,715	-5,182	-8,547	-7,439	-8,287	-4,501	-4,756	-4,565	-4,591
Loan disbursements	752	739	739	549	341	1,238	632	1,025	1,851	1,996	2,458
Multilateral	560	555	555	299	178	382	382	775	731	776	638
World Bank	510	519	519	254	133	332	332	725	681	726	588
Others	50	36	36	45	45	50	50	50	50	50	50
Bilateral	188	184	184	250	163	300	250	250	320	320	320
Paris Club	113	173	173	125	100	175	125	125	195	195	195
Non-Paris Club	75	12	12	125	63	125	125	125	125	125	125
Private sector	5	0	0	0	0	556	0	0	800	900	1,500
Eurobonds	0	0	0	0	0	0	0	0	500	500	1,000
Other commercial	5	0	0	0	0	556	0	0	300	400	500
III. Financing Gap (I-II)	**3,134**	**13,741**	**13,239**	**9,124**	**8,659**	**3,659**	**3,310**	**0**	**0**	**0**	**0**
IV. Expected Sources of Financing	**3,134**	**13,741**	**13,239**	**9,124**	**8,659**	**3,659**	**3,310**	**0**	**0**	**0**	**0**
IMF	600	1,320	1,320	720	720	360	360	0	0	0	0
World Bank	27	390	390	886	421	487	138	0	0	0	0
AFDB	60	0	0	44	44	0	0	0	0	0	0
Debt restructuring-related flows [3]	2,447	12,031	11,529	7,474	7,474	2,812	2,812	0	0	0	0
Memo Items											
Gross International Reserves [4]	3,661	6,404	6,518	8,366	8,625	7,926	9,101	9,814	10,730	11,806	13,041
In months of prospective imports of G&S	1.6	2.6	2.6	3.3	3.3	3.0	3.4	3.5	3.7	3.9	4.1
Financing Gap (percent of GDP)	3.9	16.6	16.0	10.4	7.6	4.0	2.9	0.0	0.0	0.0	0.0

Sources: Ghanaian authorities; and Fund staff estimates and projections.

[1] 2025 includes estimated bilateral debt restructuring flows, with the nominal value of all outstanding debt service payments recorded as outflows (counter entry under exceptional financing).

[2] Large 2024 and 2026 portfolio flows result from debt restructuring accounting, with the nominal value of the debt exchanges recoded as outflows here (extinguishing old debt).

[3] Includes nominal value of debt exchanges, debt service payment deferrals since CoD, arrears clearance and debt relief (for bilateral debt).

[4] Excludes foreign assets held by Ghana Petroleum and Stabilization Fund, encumbered assets and pledged assets. Includes reserves accumulated from domestic gold purchases under the "gold for reserve" program which is not accounted in the increase in gross reserves from BoP flows.

Table 6. Ghana: Financial Soundness Indicators

(At end of year and in percent)

	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Jun-25
Capital Adequacy 1/											
Regulatory capital to risk weighted assets	17.8	17.8	15.6	21.9	20.9	19.8	19.6	16.6	13.9	14.0	19.3
Regulatory Tier I capital to risk-weighted assets	14.6	14.4	13.5	21.0	19.1	17.9	17.7	14.9	11.0	11.1	16.6
Nonperforming loans net of loan-loss provision to capital	16.7	18.4	18.9	13.7	7.2	6.9	7.6	6.6	22.4	18.1	11.9
Asset Quality											
Nonperforming loans to total gross loans	14.7	17.3	21.6	18.2	13.9	14.8	15.1	14.8	20.6	21.8	23.1
Provisions to nonperforming loans	69.3	72.5	77.7	71.5	82.7	84.3	83.2	87.9	73.2	78.7	80.7
Profitability and Earnings											
Return on assets (before tax)	4.5	3.8	3.7	3.5	4.0	4.3	4.6	3.2	5.4	5.0	5.6
Return on equity (before tax)	21.7	17.7	18.6	16.6	18.8	21.2	20.4	14.1	31.7	30.8	32.2
Liquidity											
Liquid asset to total assets	48.4	53.7	56.0	58.6	59.3	63.0	64.7	61.7	65.7	66.9	69.7
Liquid asset to short-term liabilities	62.7	69.4	71.9	78.1	76.3	82.7	83.7	78.5	79.5	80.1	85.3

Source: Ghanaian authorities.

[1] The capital ratios for 2023 to end-2024 incorporate post-DDEP regulatory reliefs

Table 7. Ghana: Indicators of Capacity to Repay the Fund, 2025–2038

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Fund obligations based on existing credit (in millions of SDRs)														
Principal	198	214	233	296	362	342	369	270	206	54	0	0	0	0
Charges and interest	32	28	28	28	28	28	28	28	28	28	28	28	28	28
Fund obligations based on existing and prospective credit (in millions of SDRs)														
Principal	198	76	78	81	83	86	88	91	93	95	98	100	103	105
Charges and interest	32	28	28	28	28	28	28	28	28	28	28	28	28	28
Total obligations based on existing and prospective credit														
In millions of SDRs	230	242	261	325	390	450	504	405	341	189	55	28	28	28
In millions of US$	311	333	359	448	539	623	683	550	464	258	78	42	43	43
In percent of gross international reserves	3.6	3.7	3.7	4.2	4.5	4.7	5.1	3.9	3.1	1.7	0.5	0.3	0.3	0.3
In percent of exports of goods and services	0.9	0.9	1.0	1.2	1.4	1.6	1.7	1.3	1.1	0.6	0.2	0.1	0.1	0.1
In percent of debt service [1]	10.7	8.8	8.5	10.4	11.4	12.3	12.5	9.5	7.7	4.1	1.2	0.6	0.6	0.6
In percent of GDP	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.3	0.3	0.1	0.0	0.0	0.0	0.0
In percent of quota	31.2	32.8	35.4	44.0	52.9	61.0	68.2	54.8	46.2	25.5	7.4	3.8	3.8	3.8
Outstanding Fund credit														
In millions of SDRs	2,851	2,878	2,664	2,431	2,135	1,773	1,351	876	500	187	27	0	0	0
In millions of US$	3,851	3,952	3,665	3,353	2,949	2,454	1,821	1,180	673	252	36	0	0	0
In percent of gross international reserves	44.7	43.4	37.3	31.3	24.9	18.7	13.5	8.3	4.5	1.6	0.2	0.0	0.0	0.0
In percent of exports of goods and services	10.7	11.2	10.2	9.2	7.8	6.2	4.6	2.8	1.5	0.6	0.1	0.0	0.0	0.0
In percent of debt service [1]	133.3	105.0	87.1	77.8	62.3	48.3	33.4	20.4	11.2	4.0	0.5	0.0	0.0	0.0
In percent of GDP	3.4	3.4	3.1	2.7	2.3	1.8	1.2	0.7	0.4	0.1	0.0	0.0	0.0	0.0
In percent of quota	386.3	390.0	361.0	329.5	289.3	240.3	183.1	118.7	67.7	25.3	3.6	0.0	0.0	0.0
Net use of Fund credit (in millions of SDRs)	305	24	-261	-325	-390	-450	-504	-405	-341	-189	-55	-28	-28	-28
Disbursements	535	266	0	0	0	0	0	0	0	0	0	0	0	0
Repayments	230	242	261	325	390	450	504	405	341	189	55	28	28	28
Memorandum items:														
Nominal GDP (in millions of US$)	113,933	115,930	118,959	123,106	130,659	139,292	148,527	158,385	168,908	181,029	194,035	207,987	222,934	238,971
Exports of goods and services (in millions of US$)	36,152	35,206	35,817	36,507	37,983	39,293	39,639	41,919	43,620	45,419	47,303	49,358	51,604	54,067
Gross international reserves (program, in millions of US$)	8,625	9,101	9,814	10,730	11,856	13,141	13,483	14,146	14,918	15,335	15,706	15,700	15,778	15,820
External debt service (in millions of US$)	2,889	3,764	4,206	4,310	4,735	5,085	5,450	5,773	6,010	6,302	6,755	7,159	7,133	7,302
Quota (millions of SDRs)	738	738	738	738	738	738	738	738	738	738	738	738	738	738

Sources: IMF staff estimates and projections.

[1] Includes prospective PRGT disbursements of SDR 387.45 million (105 percent of quota).

Table 8. Ghana: Access and Phasing Under the Arrangement, 2023–26

(Units as indicated)

Availability Date	Conditions[1]	Disbursements		
		Millions of SDRs	Millions of U.S. dollars	Percent of Quota[2]
May 17, 2023	Board approval of the Extended Credit Facility	451.4	600	61
November 1, 2023	Observance of end-June 2023 performance criteria, completion of first review	451.4	600	61
May 1, 2024	Observance of end-December 2023 performance criteria, completion of second review	269.1	360	36
November 1, 2024	Observance of end-June 2024 performance criteria, completion of third review	269.1	360	36
May 1, 2025	Observance of end-December 2024 performance criteria, completion of fourth review	267.5	360	36
October 31, 2025	Observance of end-June 2025 performance criteria, completion of fifth review	267.5	360	36
April 16, 2026	Observance of end-December 2025 performance criteria, completion of sixth review	265.9	360	36
Total		**2,241.9**	**3,000**	**304**
***Memorandum item*:**				
Ghana's quota		738		

Source: IMF.

[1] Observance of performance criteria includes both periodic and continuous performance criteria.

[2] Rounded values.

Annex I. Risk Assessment Matrix[1]

Nature/Sources of Risk	Likelihood	Potential Impact	Policies to Mitigate Risks
Conjunctural Risks			
Geopolitical Tensions. Intensification of conflicts, coupled with the weakening of multilateralism, may trigger commodity price volatility, increase migration pressures, reignite inflation, and weigh on growth by undermining confidence, investment, tourism, trade, and supply chains.	***High***	***High***: Ghana may not be able to import needed goods, particularly food, the cost of imports may surge. The uncertain environment and investor risk aversion may depress	• Build external buffers under the program. • Implement structural reforms to support domestic production / import substitution /economic diversification. • Improve governance, business environment to attract investors
Escalating Trade Measures and Prolonged Uncertainty. Rising trade barriers and prolonged policy uncertainty could reduce trade, investment, and growth. Inflationary pressures may re-emerge—especially in countries imposing tariffs. These effects can be amplified	***High***	***High***: Disruptions in trade of food, energy, and fertilizer could worsen inflation and create social discontent. A stronger USD and lower FDI will put	• Build external buffers under the program. • Reduce trade concentration risks • Implement structural reforms to boost competitiveness and support economic diversification
Commodity Price Volatility. Shifts in supply and demand—driven by geopolitical tensions and conflicts, OPEC+ actions, or the green transition—may fuel commodity price swings, intensifying external and fiscal pressures, social unrest, and macroeconomic instability.	***High***	***High***: Possible issues with essential commodity imports or their costs. A steep drop in commodity prices due to a global slowdown could weigh on exports and growth, raising social tensions in an already difficult economic situation.	• Improve governance, business environment to support domestic commodity production, processing (e.g., fuel refining), diversification. • Enhance social protection to shield the vulnerable from price / supply shocks
Financial Market Volatility and Correction. Stretched asset valuations, easy financial conditions, and subdued volatility in key markets could be significantly affected by a sudden and disruptive shift in investor sentiment or policy stance, triggering market corrections, exchange rate turbulence, spikes in sovereign bond yields, and capital flow volatility. Elevated leverage among Non-Bank Financial Intermediaries further amplifies these risks, as forced deleveraging during periods of stress could exacerbate asset price swings and propagate	*High*	***High***: Global factors exacerbate the impact of large domestic debt haircuts to banks holdings of sovereign claims on banks' capital adequacy and adversely affect their capacity to lend and dampen credit to the private sector and economic activity	• Strengthen financial safety nets and closely monitor bank and NBFIs liquidity as well as asset quality. • Design an adequate bank and NBFIs recapitalization strategy. • Encourage acquisition, mergers if needed.

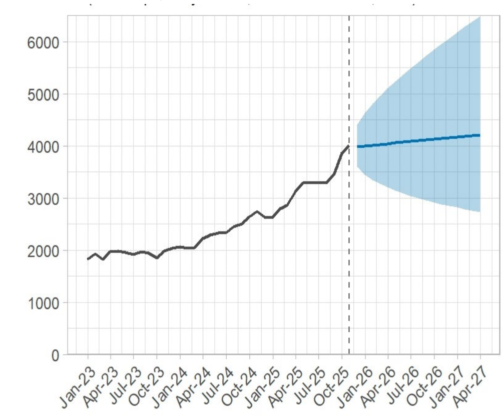
[1] The Risk Assessment Matrix (RAM) shows events that could materially alter the baseline path. The relative likelihood is the staff's subjective assessment of the risks surrounding the baseline ("low" is meant to indicate a probability below 10 percent, "medium" a probability between 10 and 30 percent, and "high" a probability between 30 and 50 percent). The RAM reflects staff views on the source of risks and overall level of concern as of the time of discussions with the authorities. Non-mutually exclusive risks may interact and materialize jointly. The conjunctural shocks and scenarios highlight risks that may materialize over a shorter horizon (between 12 to 18 months) given the current baseline. Structural risks are those that are likely to remain salient over a longer horizon.

Nature/Sources of Risk	Likelihood	Potential Impact	Policies to Mitigate Risks
Conjunctural Risks			
Decline in International Aid. A further sharp reduction in international financial assistance, including development aid and humanitarian support, could severely affect low-income and fragile countries. Such an additional aid withdrawal would strain public finances, worsen current accounts, increase debt vulnerabilities, and lead to a further deterioration in living conditions and food security.	***High***	***Medium***: While grants make up only 0.2 percent of GDP of budget revenue, a further decline in aid could affect operations in key sectors like healthcare, agriculture, and infrastructure and put pressure on the budget.	• Implement fiscal consolidation. • Improve revenue mobilization and/or further rationalize primary spending to address additional spending needs. • Improve efficiency of public spending to enhance value for money. .
Rising Social Discontent. High living costs, weak growth, and inequality may fuel social unrest, hinder necessary reforms, and weaken countries' capacity to address domestic and external shocks.	***Medium***	***High***: Social unrest in Ghana could slow down and/or delay reforms under the program	• Take measures to strengthen governance and anti-corruption frameworks. • Implement orderly fiscal consolidation. • Strengthen social and financial safety
Domestic Risks			
Delays in debt restructuring negotiation and implementation	***Medium***	***High***: Delayed financing would risk further lowering FX reserves, excessive depreciation and therefore inflation, resulting in social instability	• Engage with creditors and provide needed data and information to mitigate the risk of undue delay to Board approval of program reviews •
Domestic policy slippages.	***High***	***Medium***: With debt sustainability in question and IFI financing delayed, a BOP financing gap would emerge, the exchange rate and FX reserves would come under pressure, inflation would rise. Deviations from the programmed revenue path would widen fiscal imbalances with ensuing implications for achievement of debt sustainability.	• Firm commitment to program implementation to ensure full fiscal and external adjustment, continued exceptional financing. Closely interact with development partners to ensure adequate BOP financing.

Annex II. Adverse Scenario Analysis

Gold Price Forecast (2025–27)

(in USD per Troy Ounce; as of November 1, 2025)



Source: Bloomberg (historical); CME Group (futures); IMF staff calculations.

Impact on the External Sector

	2024	2025	2026	2026
	Adverse scenario			Baseline
Current Account Balance (% GDP)	1.8	4.5	0.1	3.2
Gross Int. Reserves (million US$, prog. def.)	6,404	8,805	6,662	9,602
Gross Int. Reserves (months imports, prog. def.)	2.5	3.4	2.5	3.6

1. **Ghana's macroeconomic outlook is highly sensitive to changes in gold prices and ensuing exchange rate movements.** Gold is the country's largest export and main source of foreign exchange. A drop in gold prices—e.g., related to an easing in geopolitical and trade tensions or a shift in global monetary policy—would reduce export earnings and terms of trade, with ensuing macro-financial and balance sheet ramifications.

2. **An adverse scenario analysis suggests that the macroeconomic impact of a fall in gold prices could be significant.** Based on the distribution of gold price futures as of November 1, a potential drop in gold price of about 30 percent by end-2026—equivalent to reaching US$2,820 per ounce or the lower bound of the 95 percent confidence interval for the gold price future distribution—would lower gold exports, reduce foreign exchange inflows, and weaken the cedi and reserve adequacy. This would also weaken the BoG's balance sheet given its large share of FX reserves held in gold assets. Under this scenario, staff estimates that FX reserve coverage in 2026 would decline by 1.1 months of imports compared to staff's baseline.17F[1] Against this backdrop, short-term growth effects are likely to be limited due to inelastic supply.

3. **Policy recommendations are threefold:** (i) strengthen FX reserve buffers; (ii) hedge BoG's reserve assets against market risk, including related to gold prices; and (iii) allow exchange rate flexibility, while ensuring orderly market conditions.

[1] This effect does not consider any valuation changes related to the gold holdings held by the BoG as part of their international reserves. However, BoG's accounting price for gold is typically more conservative than current market prices, with end-2024 accounting price at around US$2,600.0.

Annex III. Capacity Development Activities

1. **The Fund's capacity development (CD) strategy for Ghana is aligned with the ECF-supported program's objectives.** Ghana continues to benefit from substantial Fund TA in several areas that are key for program implementation (Table 1). The IMF CD agenda has been provided in close collaboration with the Regional Technical Assistance Center for West Africa 2 located in Accra, as well as with other international partners, including the World Bank.

Table 1. Ghana: Identified Priorities for IMF Capacity-Development Activities

Area	Capacity Building Activity	Objective – Link to Program Priorities	Status
Tax policy	TA on tax diagnostics	Support the authorities' efforts to identify tax policy measures to increase domestic resource mobilization.	Completed in December 2022
	TA on fiscal regime for the extractive industry	Support the authorities' efforts to modernize the fiscal regime for mining and petroleum, improving transparency and governance, and making the system more efficient and robust to strategic tax behavior.	Continuous CD program
	TA on VAT reform	Support the authorities' efforts to reform the Value Added Tax regime and advise on reform options	Completed in early 2025
Revenue administration	TA on core functions of GRA and MTRS	Strengthen revenue administration to increase tax compliance. Help the authorities prepare their MTRS implementation and conduct the mid-term review.	Continuous CD program
	TA on VAT administration	Further strengthen VAT compliance and administration	Completed in mid-2025
Expenditure policy	TA on PURC electricity tariff formula review	Reviewing PURC methodology for quarterly adjustment of electricity tariffs to reduce discretion and ensure that observed macroeconomic developments are fully and timely reflected in the tariff adjustment	Expected in early 2026
	TA on energy subsidies	Providing assistance to the authorities in energy subsidy reform and the implementation of the energy sector recovery program.	Completed February 2024
Public financial management	TA on fiscal rule and fiscal council	Strengthen fiscal framework and institutions to underpin durable fiscal adjustment.	Completed in mid-2024
	TA on cash management	Improve cash management to reduce the risk of arrears buildup	Continuous CD program
	TA on public investment management	Improve the monitoring of capital expenditure and ensure rigorous selection process of public projects. PIMA and C-PIMA.	Completed in mid-2025
	TA on Financial Oversight of State-Owned Enterprises	Strengthen the financial oversight of State-Owned Enterprises	Expected in H2 2025
	TA on commitment controls and PFM compliance	Strengthen PFM controls to prevent accumulation of arrears	Expected in H2 2025

Table 1. Ghana: Identified Priorities for IMF Capacity-Development Activities (concluded)			
Area	**Capacity Building Activity**	**Objective – Link to Program Priorities**	**Status**
Debt Management	TA on secondary market operations strategy	TA to support post-DDEP resumption of the domestic secondary market and trading of restructured bonds.	Completed in October 2025
	TA on medium-term debt management	Support the development of a medium-term debt management strategy	Completed in Q4 2025
Central bank operations	TA on policy solvency	Revisit and operationalize the policy model/framework for assessing policy solvency and conducting scenario analysis, and institutionalize annual updates	Requested
	TA on operational efficiency	Support the conduct of operational efficiency reviews every five years, in alignment with international best practice.	Requested
Monetary and exchange rate policy	TA on assessing BoG's balance sheet	Help the authorities assess the impact of the domestic debt restructuring. Develop strategy to ensure adequate capitalization and capacity to execute monetary policy operations.	Completed in May 2023
	TA on FX auction design	Support improvement of FX auction design to ensure a unified and flexible exchange rate and create conditions for FX market deepening.	Completed in December 2023
	TA on FX intervention framework	Support operationalization and full execution of the model framework from earlier FX TA. Support preparation on BoG internal FX intervention policy.	Completed in Q4 2025
	TA on new Foreign Exchange Act	Support necessary upgrading of the legislation and ensuring consistency of powers and tools in relation to updated operations	Requested
	TA on Monetary Policy Communication	Support retuning and strengthening of the Bank of Ghana's communications on monetary policy	Requested
Macroprudential	Macroprudential framework	Support strengthening of macro-prudential assessment and tools for macroprudential analytical policy and macro-stress testing.	Expected in H2 2025
	Macroprudential analytical tools	Support enhancement of the macro-prudential policy toolkit including the calibration of risks and buffers to manage key exposures.	Requested
Resolution	TA on resolution framework	Support review of identified weaknesses in the resolution framework including to address gaps in the areas of financing, safeguards and legal powers, and tools	Requested
Data quality	TA on GDP rebasing	Support Ghana Statistical Service in advancing its GDP rebasing efforts. Including by reviewing progress made to date in implementing prior TA recommendations and the status of ongoing rebasing activities.	Completed in Q3 2025
	TA on monetary and financial statistics	Support the extension of the coverage of monetary and financial statistics and FSI compilation to other financial corporations	Requested

Annex IV. External Sector Assessment

Overall Assessment: *Ghana's 2024 external position was stronger than the level implied by fundamentals and desirable policies. On the back of increasing gold exports, deferred external interest payments and continued high remittances, the CA turned positive, while the BOG's gold-for-reserves program led to a faster-than-expected increase in gross international reserves. The REER appreciated sharply in 2025, although uncertainty around future exchange rate developments are high. Strong gold export growth is expected to continue, leading to a further increase in the CA surplus. The current account is expected to remain in surplus over the medium term, although on a declining path in light of expected normalizing gold exports.*

Potential Policy Responses: *Finalization of the debt restructuring and continued implementation of the Fund-supported program would entrench debt sustainability and support an external position broadly in line with fundamentals and desirable policies over the medium term. Continued fiscal prudence, deepening the FX market, allowing for greater exchange rate flexibility, and strengthening financial sector stability, coupled with structural reforms aimed at diversifying the economy and improving the business environment would help bolster external competitiveness and would support a shift in financing of capital investment from debt to FDI.*

Foreign Assets and Liabilities: Position and Trajectory

Background. Ghana publishes International Investment Position (IIP) data with a one-year lag, and the statistics are affected by inconsistent entity coverage. Despite these limitations, the 2023 data reveal a broad increase in the net IIP, which rose from a deficit of US$31 billion (45.8 percent of GDP) in 2018 to US$23 billion (28 percent of GDP) at end-2023. This development largely reflects a pronounced decline in direct investment liabilities. Subsequently, public external debt fell from 50 percent of GDP in 2023 to 42 percent by end-2024, while foreign direct investment (FDI) rebounded to US$1.7 billion (2.1 percent of GDP) from US$1.3 billion, driven predominantly by investments in the commodities sector. Accordingly, the net IIP deficit is estimated to have declined further to US$20 billion (24 percent of GDP) by end-2024. Gross international reserves continued their recovery, reaching US$6.4 billion (2.5 months of prospective imports) at end-2024, up from US$1.5 billion in 2022. This build-up was supported by the Bank of Ghana's gold purchase program ("gold-for-reserves"). Significant gold purchases and exports persisted through the first half of 2025, further bolstering reserve accumulation. With ongoing positive BOP balances, the net IIP position is expected to continue increasing by about 8 percent of 2024 GDP through 2030.

Assessment. Risks to external sustainability remain despite significant progress in economic stabilization, considering increasing dependence on commodity exports, primarily gold, as well as vulnerability to natural disasters and food price shocks. Limited foreign exchange interventions and continued fiscal consolidation, together with shifting financing away from debt towards FDI would help contain the growth of external debt and help rebuilding reserves.

Current Account

Background. The average current account deficit for 2019–23 stood at 2.1 percent of GDP, narrowing by 1.7 percentage points over this period, supported primarily by rising export volumes of gold and crude oil, alongside increased remittances. In 2024, the current account turned into a 1.8 percent of GDP surplus, improving from a 0.8 percent deficit in 2023, driven by a further sharp rise in remittances and gold exports. Part of the increase in gold exports reflects higher production linked to sector formalization, while the Bank of Ghana's gold-for-reserves program has provided an additional stimulus to output. In 2025, the government established a new state-owned enterprise, Goldbod, to consolidate the gold trade, which is supporting further sector expansion. Concurrently, gold prices rose by 23 percent in 2024, and by another 70 percent to beyond US$4,000 per ounce by October 2025. Gold exports now account for more than half of total goods exports. Reflecting these trends, terms of trade improved markedly in 2024. Cocoa exports, on the other hand, have declined in recent years, falling from a peak of US$2.8 billion in 2021 to approximately US$1.9 billion in 2024 (down from US$2.2 billion in 2023), despite historically high global cocoa prices. The decline is attributed to production setbacks resulting from climate shocks, crop disease, and smuggling. A modest recovery is anticipated in 2025. Meanwhile, growth in non-traditional and non-commodity exports has stagnated. On balance, driven by gold, the current account is expected to reach a 4.5 percent of GDP surplus in 2025.

Assessment. The model-based approach indicates a positive current account gap in 2024. Comparing the cyclically-adjusted current account balance of 0.9 percent to an adjusted norm based on fundamentals and desirable policies estimated at -2.6 percent of GDP results in a positive current account gap of 3.5 percent.

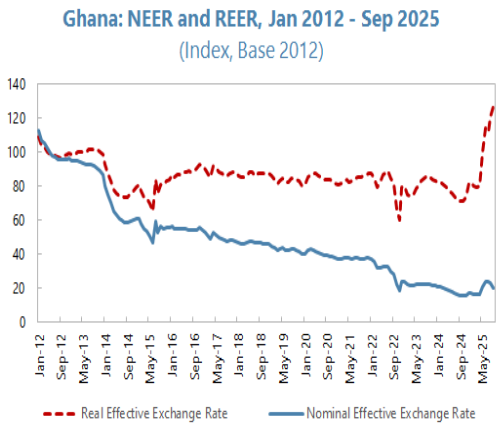
Ghana: EBA-lite Model Estimates for 2024 (in percent of GDP)

	CA model 1/	**REER model** 1/
	(in percent of GDP)	
CA-Actual	**1.8**	
Cyclical contributions (from model) (-)	0.9	
Natural disasters and conflicts (-)	0.0	
Adjusted CA	**0.9**	
CA Norm (from model) 2/	**-2.6**	
Adjusted CA Norm	**-2.6**	
CA Gap	**3.5**	**8.2**
o/w Relative policy gap	1.0	
Elasticity	-0.2	
REER Gap (in percent)	**-14.9**	**-34.2**

1/ Based on the EBA-lite 3.0 methodology
2/ Cyclically adjusted, including multilateral consistency adjustments.

Real Exchange Rate

Background. The nominal exchange rate stabilized in 2023 after experiencing extreme volatility following the public debt crisis in the previous year, during which it depreciated by an average of 45 percent against the US dollar amid high inflation averaging 32 percent. A stabilizing economy and renewed confidence alongside substantial foreign exchange inflows from gold exports and remittances led to a nominal effective exchange rate (NEER) depreciation of 18 percent in 2024, while the real effective exchange rate (REER) depreciating by 2 percent. The strong external sector, along with repeated FX sales and a scaling up of open market operations, contributed to a 35 percent nominal exchange rate appreciation against the US dollar year-to-date through end-October 2025, and a significant REER appreciation. The newly approved FX framework (November 2025) will help solidify a market-based approach to FX flows, clearly distinguishing the BoG's actions to intermediate FX flows, accumulate reserve buffers, and undertake rule-based FX interventions to smoothen out excessive volatility. While the exchange rate has increased its flexibility since end-2024, more observations are necessary to determine its new trend. Until then, the de facto exchange rate arrangement remains classified as crawl-like arrangement.



Source: Ghanaian Authorities, INS, and IMF Staff Calculations

Assessment. The CA model suggests an undervaluation of the REER of 14.9 percent at end-2024, using an elasticity of the current account to the REER of -0.24. The REER model estimates an undervaluation 34.2 percent. The bottom-line external sector assessment is based on the CA model, given its better fit. The authorities should accelerate efforts towards export diversification to reduce dependence on commodities.

Capital and Financial Accounts: Flows and Policy Measures
Background. Following strong FDI and portfolio flows until 2021, the financial account declined from a 4.1 percent of GDP surplus in 2021 to a deficit of 2 percent of GDP in 2022 due to a collapse in FDI and large capital outflows—particularly by non-residents. The loss of market access weighed significantly on portfolio investment, generating a net portfolio outflow of 2.1 percent of GDP in 2022 against a net inflow of 2.3 percent of GDP in 2021. With the start of debt restructuring negotiations in December 2022 and the approval of the IMF-supported program in May 2023, capital flight slowed down, and the BoG unwound large parts of collateralized assets (portfolio investment inflows), leading to a stronger financial account in 2023 despite a decline in FDI. Excluding flows related to debt restructuring (Eurobond debt exchange and arrears), the financial account worsened slightly in 2024 to 1.4 percent of GDP, on the back of large short-term NFA holdings of banks related to the gold trade. Over the coming 5 years, the financial account is expected to remain dominated by short-term outflows related to the gold trade albeit with net outflows steadily declining, FDI forecasted to increase to 2.8 percent of GDP by 2029 and gradual reform implementation. Portfolio inflows are expected to remain subdued, assuming a gradual recovery in international market access over the medium term. The capital account is expected to remain at around 0.2 percent of GDP, similar to the last 5 years. **Assessment.** The CA model suggests an undervaluation of the REER of 14.9 percent at end-2024, using an elasticity of the current account to the REER of -0.24. The REER model estimates an undervaluation 34.2 percent. The bottom-line external sector assessment is based on the CA model, given its better fit. The authorities should accelerate efforts towards export diversification to reduce dependence on commodities.
FX Intervention and Reserves Level
Background. Gross foreign assets sharply declined from US$7.9 billion in 2021 to US$1.4 billion at end-2022 but recovered to US$3.7 billion at end-2023 and US$6.4 billion at end-2024 (2.5 months of prospective imports, 7.7 percent of GDP) due to the reliance on the gold-for-reserves program, as well as the favorable current and financial accounts. These trends have continued in 2025 so far, with reserve coverage surpassing the IMF program objective of reaching 3 months of prospective imports at end-September, standing at 3.5 months coverage. **Assessment.** Reserve coverage is expected to continue increasing, albeit at a slower pace, supported by lower external debt service (thanks to the debt restructuring), tighter fiscal and monetary policies, and policies to increase exchange rate flexibility—including more limited FX interventions and a revision of the FX auction design to improve FX allocation and price discovery. However, while larger nominal exchange rate volatility signals greater exchange rate flexibility, it has prompted the BoG to increase its FX interventions, made possible with the gold-for-reserves and Goldbod FX accumulation programs.

Appendix I. Letter of Intent

Accra, December 2, 2025

Madam Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, DC 20431
USA

Dear Madam Georgieva:

1. **In the attached update to the Memorandum of Economic and Financial Policies (MEFP) from December 2, 2025,** we confirm our strong commitment to the policies, reforms, and objectives of Ghana's economic program supported by an IMF arrangement under the Extended Credit Facility (ECF). We also describe the progress made since the fourth review under the ECF, and steps we endeavor to take to meet our objectives.

2. **Over the past few months, implementation of our program has been generally satisfactory**. We have continued to make progress toward adjusting macroeconomic policies, restructuring our debt, and implementing wide-ranging reforms after the slippages emerged in 2024. We met all end-June 2025 quantitative performance criteria (QPCs) and all end-June indicative targets (ITs). All structural benchmarks (SBs) due through end-September 2025 but four were met or implemented with delay, including one as prior action (audit of the 2024 payables). Among those not met, the end-June 2025 SB to merge certain statutory funds with their line ministries was not met as we have opted for a different approach to achieve the program objective of reforming earmarked funds; the end-September 2025 SB on expanding the coverage of the Livelihood Empowerment Against Poverty (LEAP) program will be implemented by end-March 2026 due to delays in validating the information on new beneficiaries; the end-September 2025 SB on the cabinet decision to cancel, rescope, and rephase the portfolio of projects is expected to be implemented in December, informed by the results of the audit of the 2024 payables and commitments. Although the end-September 2025 SB on the asset declaration bill was not met—because provisions requiring public declarations by designated senior officials were removed due to constitutional concerns—we have referred this issue to the Constitutional Review Committee for guidance. We stand ready to collaborate with the IMF staff to identify and submit to parliament a constitutionally feasible option to implement this SB as close as possible to the original objective to strengthen public disclosure provisions of the asset declaration regime. In November 2025, as prior actions, we completed the audit of the 2024 payables and commitments as well as the cleansing of the taxpayer register and ledgers, and submitted to Parliament a 2026 Budget and accompanying legislation (i.e., tax laws, 2026 Appropriation Bill) consistent with the program's fiscal targets (all as prior actions for the review). We have continued to make good progress on our comprehensive debt restructuring strategy**.** Following completion of our domestic debt restructuring in 2023 and of the Eurobond exchange last year, the Memorandum of Understanding (MoU) between the government of Ghana and its Official Creditor Committee under the G20 Common Framework was signed by all parties in January 2025. We are now working with these individual creditors on bilateral agreements

to implement the MoU. We are also conducting "good faith" negotiations with other external creditors to achieve debt relief consistent with program parameters and on comparable terms.

3. Based on the strength of the policies outlined in this letter and the attached MEFP, we request completion of the fifth review, completion of the financing assurances review, and a disbursement of SDR 267.5 million. In view of the expiration of the ECF program in May 2026, an additional three-month period will be required to enable the completion of the final review of the program. Moreover, we request a modification of the nominal fiscal objectives (primary balance and non-oil revenue) at end-March 2026 to reflect macroeconomic developments having led to a lower nominal GDP projection, with a view to keeping the fiscal effort relative to GDP as envisaged under the program. The MPCC bands through March 2026 were shifted downwards to better reflect the impact of recent macroeconomic developments on the expected disinflation trend in 2025.

4. The program will continue to be monitored through semi-annual reviews, with quantitative performance criteria and indicative targets described in the attached MEFP and Technical Memorandum of Understanding (TMU). It also includes a series of structural benchmarks covering reform areas that are critical to achieve program objectives as well as continuous performance criteria related to exchange restrictions and multiple currency practices in the context of the Article VIII. The government is committed to providing the IMF with information on the implementation of the agreed measures and the execution of the program, as provided for in the attached TMU.

5. Should further measures be necessary, we will consult in advance with the IMF on their adoption, in accordance with applicable IMF policies. We are committed to working closely with IMF staff to ensure that the program is successful, and we will provide the IMF with the relevant information necessary for monitoring our progress.

6. Consistent with our commitment to transparency in Government operations, we agree to the publication of all the documents submitted to the IMF Executive Board in relation to this request.

Sincerely yours,

____________/s/____________	____________/s/____________
Dr. Cassiel Ato Forson (MP)	Dr. Johnson Pandit Asiama
Minister for Finance	Governor, Bank of Ghana

cc: Secretary to the President, Jubilee House, Accra

Attachments:
Memorandum of Economic and Financial Policies
Technical Memorandum of Understanding

Attachment I. Memorandum of Economic and Financial Policies

This memorandum updates previous MEFPs under the current ECF-supported program. It provides an overview of the progress achieved thus far under our program as well as updated information on our assessment of macroeconomic developments and prospects. It outlines the policies and reforms we will implement to achieve our objectives of fully restoring macroeconomic stability and debt sustainability, as well as supporting economic growth.

PROGRAM PERFORMANCE, RECENT ECONOMIC DEVELOPMENTS, AND OUTLOOK

1. We have made progress in implementing our program policies and reforms and in advancing our comprehensive debt restructuring:

- Faced with significant policy slippages in 2024, our administration adopted bold corrective measures upon taking office in January 2025 to realign program performance with expectations. These measures are bearing fruit.
- We brought the primary fiscal balance on a commitment basis from a deficit of 3.3 percent of GDP in 2024 to a surplus of 1.1 percent at end-June 2025, significantly outperforming the program target and paving the way towards confidently achieving our end-December 2025 primary surplus target of 1.5 percent of GDP.
- We successfully signed bilateral debt relief agreements with about half of the 25 Official Creditor Committee (OCC) members under the G20 Common Framework. We aim for securing signatures for the remaining agreements by mid-2026. Following the 2024 Eurobond exchange, we are making good-faith efforts with our other external commercial creditors—including by securing three Agreements in Principle (AIPs).
- Inflation has declined rapidly since March 2025 faster than envisaged under the program, creating room for the Bank of Ghana (BoG) to lower its policy rate by 1,000 basis points in 2025H2.

2. Performance under the IMF-supported Program has been broadly satisfactory (Table 1 and 2).

- All end-June 2025 quantitative performance criteria (QPCs), continuous performance criteria, and indicative targets (ITs) were met. Inflation declined significantly, remaining within the Monetary Policy Consultation Clause (MPCC) outer bands in June 2025 and falling below the MPCC lower outer band in September 2025.
- Progress was made in implementing three missed structural benchmarks (SBs) from the 4th review of the Fund-supported program. We implemented the **end-April 2024 SB** on developing a strategy for state-owned banks in September 2025 and the **end-June 2024 SB** on cleansing of the taxpayer registry and ledger data as a ***prior action***. Due to past delays, we have

rephased the operationalization of the Integrated Tax Administration System (ITAS) in three stages. The first stage will involve implementing key aspects of the missed ***end-December 2024 structural benchmark*** by end-March 2026 (¶35).

- From the eleven SBs between end-June and end-September 2025, four were met (Fiscal Responsibility Framework, strategy for private participation in the energy sector, quarterly electricity tariff adjustment; reporting on CAGD payables); three were implemented with delays (audit of 2024 commitments and payables as ***prior action***, major electricity tariff review, FX intervention framework). Concerning the missed end-June 2025 SB on merging specific earmarked funds with their line ministries, we have decided to adopt a different approach to the reform by focusing our interventions on streamlining operations of large funds and reducing associated earmarked transfers from the budget rather than merging funds, as per the 2023 Strategy to Streamline Earmarked Funds approved by the previous administration. Regarding the missed ***end-September 2025 SB*** on expanding the coverage of the Livelihood Empowerment Against Poverty (LEAP) program, the review of its beneficiaries faced delays due to data collection challenges, making it unfeasible to complete the updating of the beneficiary registry and expand the coverage to 400,000 households before end-March 2026 (***reset structural benchmark***). With the inventory of ongoing and planned projects updated, Cabinet is expected to decide to cancel, rescope, and rephase the portfolio of projects (***end-September 2025 structural benchmark***) in December 2025 due to the delayed completion of the 2024 audit. The ***end-September 2025 SB*** on the asset declaration bill was not met. In November 2025, the Cabinet removed from the draft Conduct of Public Officials Bill the provision requiring that asset declarations of the senior officials be made public.

3. The resilience of the economy has exceeded expectations:

- Economic activity has continued to rebound, with real GDP growth accelerating to 6.3 percent year-on-year in 2025Q1 and Q2. This acceleration was driven by the services sector. From an expenditure perspective, growth was driven by a sharp acceleration of household consumption.
- From 22.4 percent in March 2025, inflation has moderated markedly to 8.0 percent year-on-year in October 2025, thus returning to the Bank of Ghana's (BoG) inflation target band for the first time since 2021.
- The external sector continues improving. Conversion to the Balance of Payments Manual 6 (BPM6) accounting resulted in an upward revision of the 2024 current account surplus from 1.1 to 2.0 percent of GDP. On the back of historically high gold exports and recovering cocoa exports, the surplus of the current account is expected to increase further to 3. percent of GDP in 2025. Our gross international reserves (GIR) significantly outperformed initial projections reaching US$8.1 billion (3.2 months of prospective imports) at end-June 2025. At end-October 2025, GIR stood at about US$9 billion (3.5 months of prospective imports) on the back of an expansion of domestic gold purchases and valuation effects on BoG's gold holdings, which more than offset significant external debt service and energy sector payments.

4. Considering our strong reform drive, we expect further significant progress toward restoring macroeconomic stability. Notwithstanding the impact of fiscal consolidation, we expect growth to reach 4.8 percent in 2025 (revised up from 4.0 percent at the time of the fourth review) and to gradually increase toward its long-term potential of around 5 percent in subsequent years, as macroeconomic stability is fully restored and structural reforms accelerate, boosting confidence, private investment, and productivity. We will maintain inflation within the BoG's medium-term target of 8±2 percent. The current account surplus is projected to gradually decline in line with plateauing commodity exports, reaching 0.8 percent of GDP in 2028. Reserve buffers will remain comfortably above 3 months of import cover by the end of the program.

MACROECONOMIC POLICIES AND STRUCTURAL REFORMS

5. Our program's overarching objectives remain to restore macroeconomic stability and debt sustainability, while supporting strong and inclusive growth, and poverty reduction. Our reform program, as laid out in the 2025 Mid-Year Budget Statement and Medium-Term National Development Policy Framework (2022-25), are designed to address the challenges facing the economy, support structural reforms to promote efficiency and competitiveness, and improve the living conditions of our population. Their key components include (i) restoring public debt sustainability and fiscal discipline by completing our comprehensive debt restructuring and continuing to streamline spending and bolster domestic revenue mobilization; (ii) strengthening social safety nets; (iii) implementing a more flexible exchange rate regime and appropriately tight monetary policy; and (iv) pursuing deep structural reforms to anchor economic stability and drive stronger and more inclusive growth while reducing poverty.

A. Fiscal Policy

6. We are committed to pursuing an ambitious and lasting fiscal adjustment to support our goal of restoring debt sustainability. Our fiscal consolidation strategy is centered on durable measures to improve revenue collections and rationalize expenditures, while protecting social program spending and creating space for development expenditures in priority areas. Our program objective remains achieving a primary surplus of 1.5 percent of GDP on commitment basis in 2025 and to maintain it thereafter, consistent with the provisions in our revamped fiscal responsibility framework (¶44).

7. The approved 2025 Mid-Year Budget Review (MYBR) reconfirms our commitments under the 2025 Budget and is fully consistent with the program objectives. The MYBR targets a primary balance surplus of 1.5 percent of GDP on a commitment basis through several revenue-enhancing and expenditure-containing measures. Specifically, our revenue measures in the 2025 Budget and the recently adopted fuel levy increase (effective from July) aim at raising non-oil revenue to 15.1 percent of GDP in 2025. At the same time, our expenditure measures target significant savings by (i) eliminating selected programs with limited value for money, (ii) limiting budget allocations to MDAs, and (iii) rationalizing the operations of several earmarked funds. Some of the resources freed by these reforms will be used for new infrastructure priorities and an expansion of social protection programs. The additional revenue from the fuel levy increase will be allocated to cover energy-sector shortfalls.

8. We are making progress in implementing our multi-pronged strategy to address the impact and root causes of the 2024 fiscal slippages and ensure observance of the end-2025 fiscal targets. This strategy, which was adopted in the context of the 2025 Budget, introduced new policy and structural measures to rein spending and realign commitments to budgeted resources, building on past public financial management (PFM) reforms (¶37). Main policy interventions entailed: (i) reversing new hires of public servants and halting projects associated to the 2024 slippages with interruption of associated payment of claims; (ii) completing a comprehensive audit on payables and commitments at end-December 2023 and 2024 (¶9); and (iii) updating the centralized inventory of ongoing and planned projects with a view to cancel, rescope, and rephase the portfolio of projects, drawing on the findings of the 2024 audit and the 2025 Public Investment Management Assessment (PIMA). These changes were accompanied by a series of structural reforms to enhance budgetary controls and execution while strengthening the sanction system (¶37).

9. As a *prior action* to this review, we completed the comprehensive audit on the nature and legitimacy of commitments (*end-August 2025 structural benchmark*) in November 2025. The audit, conducted by the Auditor General with the assistance of two international firms (Ernst and Young and PricewaterhouseCoopers), was completed with a delay due to challenges in collecting information from line ministries (MDAs). Its findings show that Of the GHs68.8 billion of payables being audited, about GHs47.8 billion (69.4 percent of total) was validated as legitimate payable claims and GHs8.6 billion (12.5 percent of total) could be validated for payment only if additional information is provided to the Auditor General. At the same time, while GHs2 billion of payables was reclassified as commitments, GHS10.4 billion of payables and GHS11.0 billion of commitments (representing 15.1 and 6.4 percent of respective totals,) were rejected due to violations of existing PFM provisions and/or lacking reliable and complete supporting information. This led to a significant downward revision of the 2024 fiscal primary deficit (on commitment basis), which is now estimated at 2.3 percent of GDP. These findings will inform the Cabinet decision to cancel, rescope, and rephase the portfolio of projects (¶40; ***end-September 2025 structural benchmark, not met***), which we expect to be taken in December.

10. In November, we submitted to Parliament the 2026 Budget that targets a primary balance of 1.5 percent of GDP (*prior action*). Our proposal assumes an improvement in non-oil revenue collection of 0.6 percent of GDP predicated on: (i) the full-year impact of the 2025 revenue measures, including the fuel levy; and (ii) new measures to enhance taxation in the extractive industry (¶36) and strengthen tax compliance for customs and cross-border digital activities by using advanced technology to tack transactions, strengthen controls, and enforce collection in real time. On the expenditure side, we will continue to carry forward our efforts to rationalize primary expenditures, including by containing recurrent spending, reducing energy sector shortfalls (¶41) and further strengthening prioritization of projects, while enforcing strict controls on new spending commitments and procurements.

11. We plan to implement a comprehensive reform of the VAT prepared in consultation with the IMF in 2026. The reform aims to streamline our VAT system to enhance efficiency and compliance, while making it more equitable. Planned measures under the reform include: (i) abolishing the Covid-19 levy; (ii) integrating the National Health Insurance Levy and Ghana Education Trust Fund Levy into the VAT; (iii) revising upward the registration threshold to exempt micro and small enterprises from VAT obligations; and (iv) eliminating the flat rate VAT scheme for retailers in favor of a unified and transparent structure. To ensure that the reform is revenue neutral, we plan to remove the import VAT exemption on taxable supplies provided under the First Schedule of the Customs Tariff Schedule, and enforce the mandatory use of fiscal electronic devices from 2026. These interventions will be accompanied by steps to bolster our capacity to administer the VAT, fight evasion, and enhance collections (¶37).

12. We stand ready to deploy contingency measures, if need be. On the revenue side, we could bring forward the implementation of some of the measures in our Medium-Term Revenue Strategy (MTRS), including by expanding usage of advanced technology to track transactions and enforce taxation of the digital economy and by accelerating the rollout of mandatory use of fiscal electronic devices. On the spending side, we stand ready to adjust/reprioritize MDAs' budget allocations if needed to address overspending and/or the materialization of fiscal risks. We would also adjust quarterly spending allotments if warranted based on cash forecasts and conditions in the domestic debt market, while further strengthening audit controls on a risk-based fashion.

B. Fiscal Structural Reforms

13. We are redoubling our efforts to entrench fiscal discipline and bolster transparency while addressing the vulnerabilities leading to the 2024 fiscal slippages. These reforms have been designed with the assistance of the Fund/World Bank staff and draw on the comprehensive strategies we have announced in the areas of medium-term revenue mobilization, public financial management, and rationalization of statutory funds.

Revenue Administration

14. We have made progress in advancing key revenue administration reforms that faced significant implementation challenges. After protracted delays due to resource constraints, we completed, as a ***prior action***, the cleansing of the Ghana Revenue Authority's (GRA) taxpayer and ledger data (***end-June 2024 structural benchmark***) in November 2025. The operationalization of the Integrated Tax Administration System (ITAS) (***end-December 2024 structural benchmark***), already postponed by a year, has faced operational and resource challenges that required us to rephase its implementation over three stages. The first stage covers key elements of the missed ***end-December 2024 structural benchmark*** and envisages to complete the registration, filing, and payments modules for CIT, PIT, VAT by end-March 2026 (***new structural benchmark***). Stages two (operationalizing enforcement and analytics capabilities) and three (connecting ITAS with the Integrated Customs Management System) are expected to be completed by end-June 2026.

15. We are also strengthening revenue administration and addressing compliance challenges to ensure that revenue mobilization efforts deliver the expected yields. Specifically, we have: (i) enhanced audits on large taxpayers; (ii) continued to leverage on the Global Forum on Transparency and Exchange of Information to improve compliance of residents with foreign income; (iii) initiated a review of the e-VAT system to improve compliance; (iv) carried out a communication campaign on the presumptive turnover tax for small businesses and developed a simplified tax return system; (v) expanded the database of new residential property developments to support enforcement of the tax on new residential property transactions; and (vi) started publishing quarterly compliance report data on the GRA website from December 2025. Over the medium-term, our reform efforts are outlined in the MTRS and aim at broadening the tax base, minimizing tax avoidance, and fostering a progressive tax system. We will undertake a mid-implementation review of the MTRS by end-March 2026 with a view to assess progress compared to objectives—including timeline, yield of the adopted reform—and identify timebound corrective actions.

16. We will submit to Parliament a new Extractive Industry Fiscal Regime Bill in February 2026. The draft, prepared with support from the Fund, introduces several reforms to raise sufficient revenue and provide adequate incentives to invest at reasonable cost to both the government and taxpayers, while improving transparency and governance in the sector. When approved, the new legislation will consolidate key fiscal laws for mining and petroleum activities, while limiting the scope for case-by-case variation of fiscal terms and competitive negotiations.

Public Financial Management

17. We have implemented structural reforms to support our multi-pronged strategy aimed at addressing the root causes of the 2024 fiscal slippages and fostering fiscal discipline. Specifically, we:

- *Amended the 2016 PFM Act* in March 2025, ahead of schedule, to strengthen our fiscal responsibility framework (***end-September 2025 structural benchmark***). Amendments introduced: (i) a debt anchor covering central government and publicly guaranteed debt (with the objective of broadening the coverage over the medium term); (ii) an operational target on the primary balance to ensure achievement of the anchor by 2034; and (iii) clear escape clauses and related triggers along with appropriate correction mechanisms. The amendments also reformed the Fiscal Advisory Council by providing it with strong operational independence and adequate resources to effectively fulfill its mandate. The fiscal council will be fully operational in January 2026.
- *Amended the 2003 Public Procurement Act* in March 2025 to enhance budgetary discipline and prevent financial commitments from exceeding approved allocations. Amendments introduced: (i) the requirement for all public-funded (including SOEs with majority government ownership) procurements to receive a commitment authorization (e.g., a commencement certificate) from the Minister for Finance before the procurement entity commences a procurement; (ii) a prohibition for the Public Procurement Authority (PPA) Board, a tender review committee or an entity tender committee to approve a procurement without a commitment authorization from

the Minister; (iii) stronger sanctions (i.e., fines, imprisonment) to prohibit a person, acting in an office or employment connected with the procurement or management, from approving an unauthorized commitment resulting in a financial obligation for the government or paying public funds.

- *Fully integrated Ghana's procurement system (GHANEPS) with its Financial Management Information System (GIFMIS)* in July 2025 to ensure that only MDA projects/purchase orders that have approved budgets and allotments proceed to conduct tender process on GHANEPS and award contracts. This will also enable timely collection of information on the nature of procurements (i.e., competitive, restricted, single source) and facilitate monitoring, while supporting an increase in the proportion of procurement (by value) conducted in GHANEPS (applied to the entities in GIFMIS). Since July, we have already conducted 4 procurements through the integrated system. To strengthen the transparency of procurement in May 2025, after a delay, we published the 2021–2023 reports on public procurement. These reports indicate that the share of national competitive procurement (by value) has been declining since 2020. The 2024 Public Procurement Report will cover all entities that conducted procurement on GHANEPS and off GHANEPS. Our strategy to reduce the share of non-competitive procurement (by value) will be updated based on the findings of this report.
- *Elevated the status of the Compliance Desk* to a Division at MoF with the role to effectively strengthen fiscal responsibility, accountability, and aggregate fiscal discipline within PFM systems. The Division liaises with internal auditors of MDAs to verify compliance with commitment control procedures before new contracts are signed and ensure adherence to budget and allotment availability, acquisition of necessary approvals (financial clearance and commencement certificates), and standard procurement procedures to prevent the accumulation of arrears. The internal auditors of MDAs have started reporting quarterly on compliance to PFM commitment controls and expenditure monitoring measures, and producing a Commitment Control Compliance League Table ranking MDAs based on their compliance levels. The first vintage of League Tables was shared with MDAs and will be published in December 2025. The Division has also initiated reporting on sanctions applied for breaches of the PFM Act and other relevant laws, and their impact on arrears prevention. The confirmed cases of noncompliance will be forwarded to the Office of the Attorney General and the Minister for Justice for further action.
- *Take steps to strengthen our public investment management (PIM)* practices consistent with the recommendations of a recent PIMA mission. Such steps include to: (i) complete an updated inventory of ongoing and planned projects (including investments under the earmarked funds); (ii) mandate the Compliance Division to enforce adherence to all aspects of the PIM framework; (iii) adopt in December 2025 a Cabinet decision to cancel, rescope, and rephase the updated inventory of projects commitments, drawing on the audited 2024 outstanding commitments and based on the status of their execution, value for money and alignment to available budget resources (***end-September 2025 structural benchmark, not met***); (iv) amend our procurement regulations and/or Procurement Act to restrict exceptions to undertaking competitive procurement (***end-December 2025 structural benchmark***); (v) set and enforce credible multiyear spending ceilings (based on realistic costing and implementation capacity) in the context of the medium-term budget planning of public investment; and (vi) publish an updated

Public Investment Plan of all ongoing and planned Public Investment Projects (PIP) by end-December 2025.

18. We are also further strengthening our PFM systems to support fiscal adjustment and improve the credibility of the budget process. Specifically:

- *Cash management.* We have strictly aligned quarterly budgetary allotments to MDAs and Statutory Funds on GIFMIS with the 3-month cash forecasts and required MDAs to revise their cash plans accordingly. We are also enhancing coordination among the Budget division, Public Debt Management Office (PDMO) and CAGD to improve cash and treasury management.

- *Treasury Single Account (TSA).* We have tightly integrated GIFMIS with existing payment systems (SWIFT, GhIPSS, ACH) to facilitate Electronic Funds Transfers (EFTs). To ensure compliance with payments through the EFT platform, a Service Level Agreement will be signed among CAGD, GhIPSS and commercial banks by end of December 2025. To facilitate the usage of GIFMIS and payment through EFTs, all existing accounts with commercial banks will be set up on GIFMIS by December 2025. We will have visibility of accounts residing with commercial banks through the GhIPSS payment platform by end of March 2026. Looking ahead, we will roll out the automatic bank reconciliation (ABR) functionality for all GIFMIS-linked accounts and integrate to the TSA all MDAs, MMDAs and IGFs accounts in BOG and commercial banks by end-May 2026.

- *Statutory Funds.* Consistent with our streamlining strategy, in March 2025 we eliminated the Plastic Waste Recycling Fund and amended the legislations of GETFund, Ghana Infrastructure Investment Fund, the Mineral Income Investment Fund, and District Special Capital Fund to improve efficiency and achieve budgetary savings. In July 2025, Parliament also approved legislation to refocus the Road Fund's mandate exclusively on road maintenance. These actions, focused on large statutory funds, allowed us to achieve the broad objectives of our streamlining strategy effectively without merging specific funds with their line ministries (***end-June 2025 structural benchmark***) as per the Strategy to Streamline Earmarked Funds. Looking ahead, the transparency and accountability of earmarked funds' operations will be improved by extending GIFMIS coverage to all spending units and enforcing its use by NHIF, GETFund, Road Fund, District Assemblies Common Fund and IGF-reliant institutions. We are also developing a mechanism to prevent earmarked funds from engaging in collateralization of their receivables. Finally, earmarked funds will be required to submit their audited financial statements consistent with PFM regulation requirements, work toward clearing their audit backlog, and implement audits' recommendations.

- *Spending efficiency.* In December, we expect to complete a comprehensive payroll audit and a functional review of selected MDAs which will help us recalibrate public sector's wages to better balance burden sharing, productivity, and the quality and efficiency of providing public goods and services. Due to delays in updating our HYPERION system, by end-March 2026, we expect to integrate the HRMIS system with GIFMIS budget module and the payroll system to strengthen controls on "ghost names", promotions, hiring and payroll costs.

- *Arrears Clearance and Prevention Strategy*. From September 2025, the CAGD has been systematically collecting and timely reporting comprehensive information on the stock of payables made by all MDAs per economic classification with no more than one quarter lag (***quarterly structural benchmark).*** In case of non-compliance by MDAs, the MoF and Auditor General will administer the sanctions envisaged under the PFM Act. We will also ensure that SOEs continue submitting their financial reports to CAGD.

- *Reporting Fiscal Risks*. We will publish our fiscal strategy document and fiscal risk statements in 2026 consistent with the PFM Law and international best practice. In this context, we will extend the coverage of the fiscal risk statement to risks stemming from GoldBod and the BoG's Domestic Gold Purchase Program (¶47).

Social Protection

19. We have continued to strengthen our social protection programs aimed at protecting the most vulnerable from the impact of high inflation and ongoing policy adjustment. The approved 2025 Mid-Year Budget Review confirmed the increase in the allocation for the social protection programs by 0.35 percentage points to 0.92 percent of GDP. The rationalization of several earmarked funds has allowed extra resources to be allocated to support social protection. The automatic inflation indexation of the LEAP benefit continues to be implemented to preserve its real value. However, faced with data collection challenges, the review of the LEAP beneficiaries has been delayed with 58,409 households recertified and 501,082 households still under validation. We now aim to complete the update of the beneficiary registry to target the extreme poor and increase beneficiary households from 350,000 to 400,000 (***end-September 2025 structural benchmark***) by end-March 2026 ***(reset structural benchmark***). We have also increased the budgetary allocation to the Ghana School Feeding Program by 33 percent to help compensate for the high food inflation experienced in recent years. For the health sector, we have uncapped the allocation to National Health Insurance Fund (NHIF) under the Earmarked Funds Capping and Realignment Act, 2017 (Act 947). This will enable the National Health Insurance Scheme (NHIS) to honor its claim payments, purchase essential vaccines and medicines, make up for any shortfall of foreign aid, and implement new initiatives such as Free Primary Healthcare. To support basic education, we increased the budgetary allocation to the Capitation Grant by 73 percent and cleared the arrears accumulated in 2023.

20. We have redoubled our efforts to ensure timely disbursements to beneficiaries of social programs by simplifying administrative procedures. We have made significant progress in reducing the delays in releases from Controller and Accountant General's Department (CAGD) to beneficiary MDAs and met the end-June indicative target on the total spending on the four highly targeted social programs. To reflect the true cost of medical claims under the NHIS, we have completed the update of the tariff schedule in June 2025 in collaboration with the World Bank and plan to implement it by end-November 2025. We aim to improve the transparency and monitoring of these programs by requiring MDAs to publish quarterly budget execution reports starting from April 2026. In the medium term, we will continue with our efforts to further expand the social protection programs and improve their operational efficiency.

C. Public Debt Management Strategy

21. We remain committed to completing our comprehensive public debt restructuring to restore public debt sustainability. The restructuring had been anchored by our objective of restoring a moderate risk of debt distress (as per the IMF-WB LIC-DSF) by 2028, which entails bringing five external and overall debt ratios below their respective thresholds. Notably, we aim at reducing the ratio of the net present value of public debt to GDP to 55 percent and the ratio of external debt service to revenues to 18 percent, a goal that could be reached this year given strong exchange rate appreciation. The debt service relief from the external debt restructuring will also help ensure our program is fully funded through 2026.

22. After completing our domestic debt restructuring in 2023, we have continued making good progress to finalize our external debt restructuring. Following the signatures of a Memorandum of Understanding (MoU) under the G20 Common Framework by all our Official Creditors Committee (OCC) members, we have secured the signatures of bilateral agreements to implement the MoU with about half of our official creditors. We aim to reach conclusion with all OCC members by mid-2026. In October 2024, we finalized the restructuring of our Eurobonds. We are also continuing to make "good-faith" efforts to reach collaborative agreements with our other external commercial creditors on comparable terms and consistent with program parameters. To this end, several AIPs have been reached with major commercial creditors, and steady progress is expected to continue.

23. We are strictly controlling external project disbursements to ensure budget execution remains consistent with program parameters. We continue to adhere to our prioritization strategy to ensure that the pace of disbursements of externally-funded projects—including those projects funded by our bilateral partners and signed before December 2022 and those for which debt was contracted thereafter—is compatible with program parameters and debt sustainability. Disbursements on bilateral and commercial projects signed before December 2022 are capped at US$250 million per year until end-2026. We have also continued restricting project loan disbursements by multilaterals to ensure strict adherence to our primary balance targets and reduce future external liabilities. The total multilateral envelope is limited to US$300 million in the 2025 budget. We are working closely with our partners to prioritize the existing and new projects.

24. Debt management strategy will continue to focus on managing domestic financing needs, with a plan to gradually restart the domestic bond market. Since 2022, we have been heavily relying on the issuance of T-bills to finance the government deficit, leading to elevated rollover needs. With the assistance of the Fund, we developed a strategy to gradually resume T-bond issuances. We have established two dedicated sinking funds to provide liquidity buffers and ensure timely redemption of maturing bonds. We are also making active investor relations efforts to keep market participants informed about our strategy to service our debt obligations. Our plan is to begin with issuing of instruments with maturities beyond 2028 to smoothen our debt service profile. While we may initially rely on private placements to meet government financing, we will favor competitive auctions once the demand for domestic bonds is more firmly established. We will also look for opportunities to encourage the non-resident investors participation to reduce the current concentration risk and kickstart the domestic market, while remaining within our Fund-supported program parameters. We will carefully monitor domestic market conditions to ensure sufficient liquidity given the expected increase in domestic borrowing.

25. We have continued our efforts to improve debt management and surveillance to ensure debt sustainability going forward. We have published our updated medium-term debt management strategy (MTDS) and the annual borrowing plan with the support of IMF TA. Our chosen strategy entails a shift in domestic borrowing towards longer-term bonds, which is expected to enhance the cost-risk profile of our debt portfolio. To enhance debt analysis and promote greater efficiency in public debt management, we also upgraded the current securities operation infrastructure used by the Debt Management Office to the new Commonwealth Meridian System in August 2025. This allows us to integrate all state institutions involved in the process of contracting and servicing of public debt, digitalize relevant information to increase the pace of debt service processing, improve the accuracy of debt recording and accounting, and enhance debt transparency. Meanwhile, we continue to strengthen our surveillance of debt issuance by SOEs and other public entities, enforce strict limits and oversight on collateralized borrowing, maintain tight controls on non-concessional financing, and ensure timely servicing of all debt obligations. To improve debt transparency, we published our Annual Public Debt Report for 2024 in June 2025.

D. Monetary and Exchange Rate Policies

26. With inflation on a rapid downward trend, the BoG has started lowering its policy rate in 2025. Between July and December, the Monetary Policy Committee (MPC) of the BoG reduced its policy rate by a cumulative 1,000 basis points to 18.0 percent and noted that real interest rates remained elevated by historical standards.

27. Going forward, we will maintain a prudent monetary policy stance to ensure that inflation remains within the BoG's medium-term target (8±2 percent). MPC decisions will continue to be data-dependent, and the BoG expects to continue its easing cycle to gradually bring back the real policy rate towards the long-term real neutral rate. However, somewhat restrictive monetary policy remains warranted over the medium-term to firmly re-anchor inflation expectations and mitigate upside risks to inflation. The BoG stands ready to adjust the policy stance to ensure that inflation evolves as envisaged under our ***monetary policy consultation clause***.

28. We are enhancing monetary policy implementation to achieve our inflation objectives. The BoG is gradually making open market operations (BoG bills) the primary instrument for liquidity absorption, reducing reliance on the unremunerated cash reserve ratio (CRR). BoG bills outstanding more than tripled between end-2024 and end-September 2025, reaching a record of GHS 76 billion. Increasing BoG bill issuance will improve the transmission of our policy rate to the financial system. In consultation with the IMF, we strengthened our BoG bill auction mechanisms to align them with best practices and pricing reflecting market conditions. We will decrease reliance on the CRR and review its implementation framework—including the dynamic (tiered) CRR—to ensure it is aligned with international best practices.

29. We are quickly rebuilding official international reserves, having reached 3 months of import coverage ahead of schedule. Despite debt service commitments in a post-debt restructuring environment, we have consistently overperformed NIR targets since the beginning of the program. This is notably due to the large-scale domestic gold purchase program (DGPP). This outperformance also occurred in the context of large and repeated FX sales in 2025, as the BoG increasingly intermediated flows from the gold sector. We remain committed to further accumulating foreign exchange buffers. We have discontinued special FX forward auctions for bulk oil distribution companies since July 2025.

30. We are committed to enhancing exchange rate flexibility, the management of foreign reserves, and FX operations. The BoG is actively managing the risks arising from gold's share of total reserves and overall weight on its consolidated balance sheet. In November 2025, the BoG Board adopted an internal FX operations policy specifying measurable objectives, instruments, transparency, and governance arrangements based on discretion under constraint approach (***end-September 2025 structural benchmark***).

31. We are determined to continue eliminating multiple currency practices (MCPs). Specifically, in September 2024, we adopted a more robust FX reference rate computation method, allowing for convergence with the benchmark rate derived from the wholesale FX market. Starting September 1st, 2025, voluntary repatriation of oil and mining export proceeds are no longer held at the Bank of Ghana, but rather at domestic commercial banks. We will undertake necessary actions and reforms to maintain a unified foreign exchange market and flexible exchange rate arrangement. We will not introduce policies that create, intensify, or modify exchange rate restrictions or multiple currency practices.

32. We are implementing the recommendations of the 2023 IMF safeguards assessment. The BoG is working with the government on a timeline to exit the Gold-for-Oil (G4O) program; the Board has also hired an external auditor to conduct an external audit of the program. G4O activities have been largely phased out by 2025Q2, but the financial exposure of the BoG has yet to be curtailed. The BoG has also clarified the accounting treatment of its on-lending agreements of IMF resources to the government. Going forward, the government will cover all losses related to the DGPP.

33. We are taking action to strengthen the BoG's balance sheet. We are working with the Fund to assess the BoG's recapitalization needs, taking into account projected medium-term improvements in the BoG's net equity, including due to efficiency gains. We will ensure that the recapitalization is eventually carried forward complying with the fiscal commitments and debt targets under the program, including through budgetary or asset transfers, suspension of profit transfers, and/or use of any buffers generated in program implementation. To strengthen the recovery of our net equity over time, the BoG has requested IMF technical assistance for a detailed analysis of its balance sheet, as well as an operational efficiency review.

E. Financial Sector

34. We continue to monitor banks' progress toward implementing their post-debt exchange recapitalization plans as approved by the BoG. At end-June 2025, most banks had met or exceeded their recapitalization targets for 2024 and are on track to achieve 13 percent Capital Adequacy Ratio (CAR) by end-2025, without regulatory forbearance. The BoG has intensified monitoring and corrective actions against five private and state-owned banks that lag behind due to unmet capital commitments, higher NPLs, and incomplete booking of credit impairments identified in the 2023 asset quality assessment. These banks are subject to enhanced supervision with special reporting requirements on liquidity and solvency conditions and on progress under recapitalization plans to enable timely compliance with requirements and address weaknesses to meet the end-2025 deadline for compliance with CAR of 13 percent. Banks with capital shortfalls are also restricted from excessive risk-taking and from making certain capital expenditures. The BoG stands ready to deploy other components of its Prompt Corrective Action (PCA) framework and other measures for any banks that remain non-compliant at end-2025, as needed, to ensure sector safety and soundness. In this context, restrictions will be subject to review or phased lifting as banks meet prudential capital and other standards, and demonstrate sufficiently improved risk management, governance, and viable business models. The Ministry of Finance (MoF) has enforced measures via the 2025 budget to ensure state-owned banks comply by end-2025.

35. In line with the Ghana Financial Sector Strengthening Strategy (GFSSS)[1], we have completed providing post-Domestic Debt Exchange Program (DDEP) support to the financial sector via the Ghana Financial Stability Fund (GFSF)[2]. To preserve financial stability under the GFSSS, we have completed recapitalization of NIB and will complete recapitalization of ADB and CBG by end-2025 in line with the strategy to reform and restructure state-owned banks. By mid-2026, we will also implement a comprehensive, cost-effective strategy—using government funding prudently—to maintain the stability of the financial sector, including specialized deposit-taking institutions (SDIs) and non-bank financial institutions (NBFIs). Such support will be minimized through burden sharing with stakeholders and thorough regulatory assessments of recapitalization efforts and plans, corrective actions to turn around performance, improvements in governance and risk management systems, and long-term viability. Regulators will intensify oversight, enforcement, and stress-testing of these institutions to promptly address emerging stability risks. Government solvency support is designed to minimize costs and moral hazard, incentivize private capital injections, foster structural reforms improving governance, risk management, operational efficiency, and sustainability, and allow for an orderly, early government exit.

[1] In establishing the GFSSS in 2023, the GoG allocated 2.6 percent of GDP to address solvency, liquidity and legacy issues in the financial sector, including via the GFSF to support indigenous financial institutions impacted by the DDEP.

[2] Under the mandate of the Fund A2 component of the GFSF, government has up to end-2024 injected funding, mainly via new bonds, to recapitalize mainly state-owned and some indigenously owned banks and insurance companies (GHS5.2 billion), and provided long-term secured loans (GHS0.3 billion) to some mutual funds and unit trust in the asset management industry. In July 2025, Parliament declined approval of the World Bank's financial sector support operation under the GFSF Fund A1, under which capital funding support may have been provided to eligible banks and specialized deposit-taking institutions conditional on prior injections by shareholders and feasible viability plans.

36. Regulatory forbearance introduced for the DDEP and tiered CRR will be phased out as soon as possible. Recognition of debt exchange losses in CAR calculations is being reduced by one-third annually from January 2023 to end-2025. All temporary forbearances, including lowered minimum CARs, will be fully rolled back by end-2025. The BoG review of the dynamic CRR will support ending supervisory forbearance on non-compliant banks. We are monitoring the impact of these measures and will make adjustments as needed.

37. We are redoubling our efforts to address recurring problems at state-owned banks so as to minimize future need for government recapitalization. In April 2025, we finalized a forward-looking overarching restructuring plan for NIB based on the findings of a special review completed by an independent international firm in 2025Q1 and of previous such studies.[3] Implementation of the plan is progressing and includes the May 2025 injection of cash and bonds to bring NIB's CAR to full compliance with the minimum CAR of 13 percent (without forbearance), ahead of the end-2025 timeline. Guided by the approach to restructuring NIB, in September 2025, we finalized a strategy to tackle structural challenges in and reform of state-owned banks—including related to business models, governance, risk management, resources and legal framework (***end-April 2025 structural benchmark***). We are developing a time bound action plan to implement the strategy within three years by, among others, (i) completing recapitalization of ADB and CBG by end-2025 to ensure compliance with the required 13 percent CAR, with no forbearance; (ii) strengthening state-owned banks' governance and risk management frameworks and operations including for reducing NPLs; (iii) implementing a system of establishing and systematically monitoring the progress of state-owned banks and banks with significant state ownership interest against reform objectives and key performance indicators, as implemented for other banks that have benefitted from GFSF support; and (iv) addressing non-compliance by state-owned and state-interest banks[4]. The strong measures adopted to address the challenges of NIB will also serve as a guide to restructure ADB for future sustainability, including by linking recapitalization and the lifting of PCAs to a special review, governance reforms, business model rationalization, and strengthened risk management. In this regard, in May 2025, we launched a special review of the bank's operations and used its results to inform the design of a restructuring strategy. We will also, in consultation with the Fund, (i) develop by end-2025 terms of reference for the conduct of a special review by an independent international expert of the risk management systems, controls and culture of state-owned banks with high NPL ratios, particularly for credit risk; and (ii) complete the review by end-May 2026 (***new structural benchmark***). Its findings and recommendations will also help guide the BoG's phased lifting of PCAs.

[3] The NIB plan addresses identified, necessary changes to the business model, additional resource needs, residual recapitalization requirements, operational strategy and specific steps to enhance corporate governance and risk management. Key elements include strengthening the size, composition and expertise of the Board with a majority of independent directors and implementing actions to enhance the enterprise risk management framework, systems and culture.

[4] Capital support from the GFSF to two of these banks has tipped state-ownership interest into a majority position, however this is expected to revert to a non-majority status on completion of these banks' respective recapitalization negotiations with current and external investors.

The BoG Board will approve the divestment of its share ownership in ADB by end-April 2026 (***new structural benchmark***).

38. We have taken steps towards establishing a virtual financial services regulatory framework and to address the identified critical gaps and vulnerabilities in our crisis management and resolution legislation framework. With technical support from our international partners, we are developing a proposed framework to govern virtual financial services, including crypto assets and services, in line with sound practices and international standards. We are also strengthening the crisis management and resolution framework to ensure alignment with international standards and sound practices to support financial system stability, including effective resolution of nonviable institutions under Ghana's strategy to tackle financial sector legacy issues. We will have the legislative amendments to the crisis management and resolution framework approved by Cabinet and submitted to Parliament by end-December 2025 (***structural benchmark***).

39. We continue to develop and implement a multi-pronged strategy to comprehensively tackle the issues of increasing credit risks and sustainable credit growth. The BoG is implementing the regulatory notice issued in August 2025 which is designed to reduce and control non-performing loans (NPLs) in banks, SDIs and NBFIs, promote financial stability and revive productive lending. The financial institutions are required to, among others, maintain an NPL ratio below a 15 percent prudential limit by the end-June 2026 and 10 percent by end-2026, submit NPL reduction plans if they breach the limits, maintain adequate provisioning, and implement a regime for willful defaulters.[5] The BoG continues to closely monitor the progress of banks and other financial institutions and will take measures to enforce performance. The BoG is also advancing, in collaboration with relevant stakeholders, the development of a time-bound roadmap to be implemented to strengthen the credit impairment and recovery framework, and thereby support expanding sustainable and viable credit operations.

40. We are advancing reforms to strengthen financial sector stability and support inclusive private sector credit. Key steps include: (i) completing the roll out of Basel II and III capital, liquidity, and supervisory review reforms; and (ii) strengthening the deposit insurance scheme in alignment with international standards and sound practices.[6] We are also expanding small and medium enterprises (SMEs) credit through qualifying institutions and targeted facilities, including for women, with support from DBG and development partners. To further encourage private sector growth, we will consider measures to reduce sovereign exposure in financial institutions.

[5] This new regime includes mandated sanctions for breach of NPL limits, actions for unrecoverable loans and for willful defaulters to be banned from credit access for five years and their names published.

[6] The Ghana Deposit Protection (Amendment) Bill is engaged in the parliamentary select committee in July 2025.

F. Structural Reforms

Energy Sector Measures

41. We are committed to addressing energy sector challenges, following the Energy Sector Recovery Programme (ESRP). This approach combines a set of immediate measures to reduce the size of the energy sector shortfall (and its budgetary impact), increase transparency, improve governance, and reform ECG.

42. We are continuing to adjust electricity tariffs to reflect costs. On September 23, 2025, PURC announced a quarterly electricity tariff adjustment of 1.14 percent (***quarterly structural benchmark***) effective October 1st, which follows two earlier quarterly adjustments in 2025. In December 2025, PURC also announced a Multi-Year Tariff Order (MYTO) for 2026-2030 (***end-September 2025 structural benchmark***), with an electricity tariff adjustment of 9.86 percent effective from January 1st, 2026. The MYTO also provides more clarity and predictability over tariff adjustments, notably by revising the rate-setting framework to ensure that changes in the cost of production are reflected in tariffs.

43. We are committed to avoiding the accumulation of energy sector arrears, including through the full implementation of the Cash Waterfall Mechanism (CWM). Specifically:

- Since January 2025, ECG has reported monthly collections consistently above the GHS 1 billion minimum threshold of the CWM and consequently made regular payments to CWM Level A and Level B recipients. While increased CWM payments have sharply reduced the accumulation of arrears, they do not yet cover all current bills. Through 2025Q2, this accumulation of arrears on current bills has been more than offset by payments on legacy debt (below).

- PURC continues to publish, with a 2-month lag, monthly CWM validation reports confirming compliance with CWM Guidelines. They include reported ECG collections, as well as disbursements to Levels A and B claimants under the CWM.

- In December 2025, we will publish the audited quarterly validation of ECG's revenue and collection account for 2025H1.

- The government also made several payments against current bills to fuel suppliers, within existing budget appropriations. The government has also agreed to pay down its World Bank-guaranteed letter of credit with Sankofa.

44. We are tackling legacy debt in the energy sector. The government has undertaken an extensive renegotiation of the Power Purchase Agreements (PPAs) and legacy debt. Payment plans have been agreed with all operational IPPs serving ECG, tackling accumulated arrears as at end-June 2025. These plans included haircuts (discounts) on legacy debt, with bullet payments in August and early September 2025, and rescheduling of remaining payments stretching over 4 to 5 years. Agreements with some IPPs also included amended and revised PPAs, that will result in lower future power generation costs and bills to ECG and Government. We will submit the renegotiated agreements to Parliament for approval by end-December 2025. The Government of Ghana is committed to respecting the payment plans associated with legacy debt restructuring agreements, as well as the terms of the renegotiated PPAs. The government has made all agreed restructured debt payments as of end-November 2025. We provided IMF staff with quarterly validated debt matrices to assess the accumulation of net payables at end-2025Q2.

45. We are making progress towards energy sector sustainability. Specifically:

- In April 2025, ahead of schedule, Cabinet approved a strategy to open operations to private sector participation (***end-September 2025 structural benchmark***). By end-2025, the government will hire a transaction advisor for all aspects of the procurement of concessionaires for private sector participation in power distribution, including conducting a comprehensive technical and financial audit of ECG's operations. Concessions are expected to be awarded by end-2026. The publication of a thorough MYTO decision note is a key component of this strategy.

- With IMF TA, we will develop a framework to guide the granting of energy sector subsidies. The framework will also cover a mechanism to insulate vulnerable population fully or partially from large tariff increases.

Cocoa Sector Measures

46. We are strongly committed to implementing our Cocobod turnaround strategy, which was published in October 2024. The strategy introduces a framework—developed in consultation with the Fund and Bank—for setting farmgate prices to ensure sufficient revenues for farmers while allowing for Cocobod to raise enough revenues to recover its operational and financial costs. More specifically, farmgate prices are to be set between 60-70 percent of the FOB international price inclusive of Living Income Differential (LID). In this light, the 2025/26 season farmgate price of cocoa of GHs 58,000 per ton, which represents 70 percent of FOB of LID as consistent with the provisions in our turnaround strategy and should help us maintain a balanced cash flow situation.

47. With support from the World Bank, we are undertaking a functional review of all departments and subsidiaries of Cocobod to identify cost rationalization measures. The measures include scaling back quasi-fiscal spending on cocoa roads, fertilizer, and pesticides programs. Regarding cocoa roads, we have significantly streamlined the portfolio and value from GHS21 billion to GHS6 billion, following a review of all outstanding contracts and their completion status (e.g., performance, termination costs). Looking ahead, we do not intend to award any new contracts for cocoa road construction nor engage in any activity related to construction and repair/maintenance of roads. The latter functions have been returned to the ministry of roads. Total staff has declined in line with the staff rationalization benchmark. Cocoa bill have been duly restructured and repayments are on schedule, while industry costs have reduced to 21.8 percent of gross FOB in 2025/26. The World Bank is also supporting us in preparing a modernization strategy for the cocoa sector, including addressing structural impediments to its development.

48. In addition to these efforts, we have strengthened the financial oversight of Cocobod. The MoF is now actively participating in price setting deliberations. A cocoa desk has been established at the MoF. Funding plans will be reviewed regularly and associated with contingency planning exercises. Should downside risks materialize, we will ensure that Cocobod scales down spending further to ensure a balanced financial position. Consistent with the program design, Cocobod will refrain from mobilizing any non-concessional funding and/or any collateralized funding—except for its annual syndicated loan. We have amended the Cocoa Board Bill to further strengthen the financial oversight over Ghana Cocoa Board and ensure policy coherence and the efficient management of resources in the cocoa sector. The amendment will change the supervisory Ministry of Cocobod from the Ministry of Food and Agriculture to the Ministry of Finance, clarify the mandates of the Producer Price Review Committee and Producer Price Review Technical Committee, and limit Cocobod's engagement in quasi-fiscal activities.

Ghana Gold Board (GoldBod)

49. The Ghana Gold Board (GoldBod) has become fully operational. Established by Act of Parliament in April 2025, it is now the central institution overseeing, monitoring, and undertaking the purchase, trade, and export of gold—particularly from artisanal and small-scale mining (ASM). GoldBod's creation aims to address longstanding challenges in the gold sector, including regulatory fragmentation, smuggling, foreign exchange losses, and environmental degradation. By consolidating licensing, trade, and regulatory enforcement under one institution, GoldBod is expected to enhance value addition, support accumulation of gold reserves by the BoG, and promote responsible mining practices. GoldBod's business model is based on collecting fees on gold purchases conducted on behalf of clients (including the BoG), as well as fees for assays conducted before export. These revenues are designed to cover operational expenses, absorb market risk, and finance regulatory activities.

50. GoldBod's operations and pricing policy are designed to limit fiscal risks. GoldBod's borrowing is subject to strict oversight, requiring the Minister for Finance's approval for any new debt, and the institution is on the list of public entities covered by IMF program conditionality (TMU ¶4). Funds earmarked to supporting small-scale miners are capped at 30 percent of the preceding year's surplus (net profit), and guidelines must be published in the official gazette ahead of any disbursement. In November 2025, the institution will start publishing quarterly reports on its website on volumes and prices or purchases and sales, revenue, spending and general operations, as well as an annual audited report (financial and operations).

51. GoldBod is putting in place robust safeguards to reduce environmental impact, as well as operational and governance risks:

- The Board, CEO and its deputy are selected based on a transparent process based on the fit and proper, independence and integrity criteria aligned with the OECD Guidelines on Corporate Governance for SOEs.

- All anti-corruption and integrity laws and frameworks (such as access to information, asset declarations, public procurement and anti-corruption laws) are fully applicable to the Gold Board, their employees and management, including all board members. The Gold Board is also mandated to adhere to the PFM Act.

- The Gold Board will also contribute to reducing environmental risks (including those related to illegal mining) by increasing traceability of small-scale miners over time, through a track-and-trace supply chain model, while supporting sustainability initiatives such as reclaiming damaged lands and supporting geological studies to better identify exact locations of gold deposits.

G. Governance and Anticorruption

52. We are committed to strengthening governance and tackling corruption vulnerabilities. We will accelerate the reforms across the public sector and key areas of the economy, with the aim of restoring public trust in institutions and fostering a more conducive business environment. As part of these efforts, in consultation with IMF staff, a comprehensive Conflict of Interest and Asset Declarations regime for public office holders has been developed, and independent anti-corruption and oversight institutions have been strengthened to perform their mandates. We will also improve judicial integrity and efficiency to bolster public confidence in the judiciary and promote private sector-led growth. In particular,

- In November, we published the Governance Diagnostic Report, prepared with IMF's technical assistance.

- In September 2025, we updated our National Anti-Corruption Action Plan (NACAP) through a participatory process involving all relevant agencies and civil society organizations. This process has been informed by the Governance Diagnostic report and the evaluation of the NACAP prepared in 2024 with the support of United Nations Office on Drugs and Crime (UNODC).

- In December 2025, we submitted to parliament a new draft law on asset declaration for public officials (***end-September 2025 structural benchmark***). The new bill requires that (i) most senior officials, such as the President, Vice President, Members of Parliament, Ministers and their deputies, the Chief Justice, heads of anti-corruption and accountability institutions, as well as managers and board members of public corporations and state-owned enterprises (SOEs) file asset declarations upon assuming office, within reasonable intervals, and upon leaving office; (ii) the scope of disclosure includes all assets owned directly or beneficially, both in Ghana and abroad; and (iii) a robust sanctions regime be established to deter noncompliance. However, the provision requiring that asset declarations of the senior officials listed above be made public, with appropriate safeguards to protect personal information, was excluded from the submitted draft bill due to concerns over the constitutional provisions which were deferred to the Constitutional Review Committee to guide the government's position on this matter. For the final program review, we will work with the IMF staff to identify and submit to parliament a constitutionally feasible option to implement this structural benchmark as close as possible to the original objective to strengthen public disclosure provisions of the asset declaration regime.

53. The AML/CFT framework is being strengthened. Among others, we have been implementing the following:

- In the context of the GIABA Third Round Mutual Evaluation, set to conclude in 2026, the 2024 National Risk Assessment (NRA) was published in August 2025. The technical compliance questionnaire, annexes and other documents are in the process of being finalized ahead of the on-site evaluation, which is planned in 2026Q1. The evaluation is set to conclude at the GIABA plenary in November 2026.

- The NRA has informed the development and implementation of appropriate mitigating measures under the 2025-2029 National Action Plan, which was published in September 2025.

- In October 2025, the Government launched a Joint Action Plan to Tackle Illicit Flows in Extractive Sector, bringing together major stakeholders including the Bank of Ghana, Financial Intelligence Centre, Ghana Gold Board, Minerals Commission, Ministry of Lands and Natural Resources, the Office of the Registrar of Companies, the Economic and Organised Crime Office (EOCO), the Criminal Investigation Department (CID) of the Ghana Police Service, and the Customs Division of the Ghana Revenue Authority (GRA).

H. Sustainable and Inclusive Growth

54. We are developing a set of coherent and focused policies to boost private investment, diversify the economy, and foster sustainable and inclusive growth. Our efforts mainly focus on:

- *Improving the business environment by simplifying business regulations*. In September 2025, we submitted the regulations for the Public-Private Partnership (PPP) Act and Corporate Insolvency and Restructuring Act to Parliament. To strengthen the digital business registration platform, we will establish service centers and activate a 24/7 helpline to promote business registration. In addition, we will by conduct a review of Ports' taxes, fees and charges. We will submit Consumer Protection Competition and Business Regulatory Reforms Commission bills to Parliament by X. To promote inclusive business policy and regulation, we will launch a platform for sustained Government-private sector engagement by end-December 2025. This will be complemented by a quarterly dialogue on tax issues between Government and the business community.

- *Attracting FDI*. We submitted the new Ghana Investment Promotion Authority Bill to Parliament in September 2025 to address issues related to minimum foreign capital requirements. With the support of the World Bank, we will enact a new Investment Law to make the legal framework for investors more binding, robust, and predictable.

- *Boosting export competitiveness and integration into global value chains*. We are committed to the pursuit of our 24-Hour Economy policy to stimulate economic growth, create jobs and achieve an integrated, efficient and increasingly export-driven industrial economy that fully utilizes our national resources, capital and labor. We will implement the Economic Transformation Agenda (ETA) anchored on promoting modernized agriculture, agribusiness and value addition for import substitution, exports and job creation. By end-2025, we will take measures to enable Ghanaian businesses to fully leverage the implementation of AfCFTA Agreement, support Businesses to the AfCFTA certified, and update our 2005 Trade Policy. These reforms will be crystalized into a five-year Trade Sector Support Programme to guide implementation actions and the delivery of results. We will accelerate our efforts to facilitate trade by adopting the critical measures under the World Trade Organization Trade Facilitation Agreement Implementation Action Plan for Ghana.

- *Upskilling our workforce*. We plan to make the Free Senior High School program more efficient while strengthening uptake by the poorest households; provide support for out-of-school children to access formal education and skills training; and implement the National Apprenticeship Programme to strengthen vocational skills training by expanding access and identifying by critical skills gaps, in collaboration with the private sector.

- *Streamlining sectoral and industrial policies.* The Agriculture for Economic Transformation Agenda (AETA) will underpin the Feed Ghana Programme. By end-2025, we expect to launch the Farmers' Service Centres to deliver essential support services and make progress towards the establishment of Farm Banks within agricultural zones, which will facilitate land access and irrigation services. Further, we will also undertake a comprehensive review of the Made-in-Ghana Products Policy.

- *Improving access to finance*. We are working with the Development Bank of Ghana and other partners to leverage existing financial services supporting women-owned and led businesses. By end-2025, we aim to establish the National Employment Trust to manage an investment fund to de-risk and mitigate risk in areas that traditional banks do not ordinarily venture into but have high growth and job potential.

- *Encouraging digitalization.* We will establish the One Million Coders Programme, Regional Digital Centres, a FinTech Growth Fund and Zonal ICT Parks to promote digital skills development, digitalization, and financial inclusion.

PROGRAM MONITORING AND OTHER

55. The program will continue to be monitored on a semi-annual basis, through quantitative performance criteria, continuous performance criteria related to Article VIII, a monetary policy consultation clause, indicative targets, and structural benchmarks. The phasing of access under the arrangement and the review schedule are set out in Table 1 of the memorandum that accompanied program request. A Memorandum of Understanding between the government and the BoG has been established to set their respective responsibilities for servicing financial obligations to the Fund. The quantitative performance criteria and indicative targets through end-March 2026 are set out in Table 2. The structural benchmarks are described in Table 3.

Table 1. Ghana: Performance Criteria and Indicative Targets Under the Extended Credit Facility, 2024–26

	2024				2025										2026	
	December				March		June				September		December		March	
	Performance Criteria				Indicative Targets		Performance Criteria				Indicative Targets		Performance Criteria		Indicative Targets	
	4th Review	Adjusted Target	Outturn	Status	4th Review	Outturn	4th Review	Adjusted Target	Outturn	Status	4th Review	Outturn	4th Review	Proposed	4th Review	Proposed
Performance Criteria																
Net international reserves of the Bank of Ghana, cumulative change floor (millions of U.S. dollars) [1]	908	886	1,719	**Met**	166	956	493	-23	1,785	**Met**	824	1,251	1,450	1,450	50	50
Changes to Bank of Ghana claims on the central government and public entities, cumulative ceiling (millions of cedis) [2]	0		-1	**Met**	0	-3	0		-2,639	**Met**	0	-2,327	0	0	0	0
Present value of newly contracted or guaranteed external debt by the central government and public entities, cumulative ceiling (millions of U.S. dollars) [3]	231.5	240.5	35	**Met**	50.0	0	50		0	**Met**	50	0	50	50	70	70
Primary fiscal balance of the central government, commitment basis, cumulative floor (millions of cedis) [3,4]	4,805.7	7,128.6	10,871	**Met**	-1,276	4,438	1,690	2,781	24,285	**Met**	10,588		20,989	20,989	-716	-804
Non-accumulation of external debt payments arrears by the central government and the Bank of Ghana, continuous ceiling (millions of U.S. dollars) [5]	0		0	**Met**	0	0	0		0	**Met**	0	0	0	0	0	0
Newly contracted collateralized debt by the central government and public entities, continuous cumulative ceiling (millions of U.S. dollars)	0		0	**Met**	0	0	0		0	**Met**	0	0	0	0	0	0
Monetary Policy Consultation Clause																
Twelve-month consumer price inflation (percent)																
Outer band (upper limit)	22.0				19.0		16.5				19.0		16.0	12.0	14.0	12.0
Inner band (upper limit)	20.0				17.0		14.5				17.0		14.0	10.0	12.0	10.0
Central target rate	**18.0**		23.8	**Not met**	**15.0**	**22.4**	**12.5**		**13.7**	**Met**	**15.0**	**9.4**	**12.0**	**8.0**	**10.0**	**8.0**
Inner band (lower limit)	16.0				13.0		10.5				13.0		10.0	6.0	8.0	6.0
Outer band (lower limit)	14.0				11.0		8.5				11.0		8.0	4.0	6.0	4.0
Indicative Targets																
Non-oil public revenue, cumulative floor (millions of cedis) [3]	154,087		159,055	**Met**	36,423	38,851	84,836		90,985	**Met**	138,847		202,113	202,113	49,074	48,453
Social spending, cumulative floor (millions of cedis) [3]	5,572		5,723	**Met**	1,779	504	3,399		3,644	**Met**	5,367		7,155	7,155	2,242	2,214
Net change in the stock of payables of the central government and of the energy sector, cumulative ceiling (million of cedis) [3]	0		45,604	**Not met**	0	-3,859	0		-4,069	**Met**	0		0	0	0	0
Total contracted but not yet disbursed external commercial and official project loans pre OCC cut-off date, continuous cumulative ceiling (millions of U.S. dollars) [6]	250		184.4	**Met**	250	15	250		17	**Met**	250		250	250	250	250

Sources: Ghanaian authorities; and IMF staff estimates and projections.

1 Evaluated at program exchange rates as defined in the Technical Memorandum of Understanding (TMU), differently from the figures in Table 1 of the Staff Report. Cumulative change since January 1.

2 Cumulative change since the beginning of the program

3 Cumulative from January 1.

4 Includes net change of payables of the central government originated in GIFMIS. The end-December 2024 and end_June 2025 targets are adjusted for the shortfalls of concessional project loans.

5 Accumulation of new arrears since previous test date.

6 OCC cut-off date (CoD) is the 31st of December, 2022.

Table 2. Ghana: Existing Structural Conditionality Under the Extended Credit Facility, 2024–26

Structural Benchmarks	***Objective***	**Date**	**Status**
• **The GRA shares with the MoF the final report of the project of cleaning taxpayer register and ledgers. The project's objective is to ensure:** (i) Duplication of taxpayer identification numbers (TIN) will be eliminated (ii) The registry will be able to separate active taxpayer list (iii) Elimination of individuals with no payment or filing obligations from the list of registered PIT taxpayers	*Provision of accurate indicators for performance of revenue administration*	End-June 2024	**Not Met, elevated to a prior action**
• **Operationalize the Integrated Tax Administration System by completing:** (i) procurement of the system, (ii) data migration from other portals (including E-VAT and GITMIS), (iii) Appraisal of current situation and verification of requirements (data checks) (iv) Implementation of the functionality of VAT (v) Implementation of the functionality of CIT (vi) Implementation of the functionality of PIT	*Fundamentally and sustainably improve tax administration*	Reset to end-December 2024	**Not Met, and set as a new SB**
• **BoG and government to design a strategy, based on a diagnostic assessment, to ensure that all state-owned banks adopt sound governance principles**, business models and risk management systems, including appropriate changes to the regulatory framework if deemed necessary, to support viability and sustainability following recapitalization.	*Promote financial stability and bolster financial sector contribution to medium-term growth*	End-April 2025	**Not Met, implemented with delay**
• **Adopt the necessary legislations to implement the government's strategy to streamline statutory funds (end-September 2023 SB),** including by merging with their line ministries the statutory funds identified as redundant.	*Strengthen spending controls and prevent arrears' accumulation*	End-June 2025	**Not Met**
• **Auditor General to complete a comprehensive audit of the commitments originated in the run up to the December 2024 elections,** with assistance of reputable international firms	*Ensure a credible fiscal adjustment in order to restore fiscal and debt sustainability. Promote energy sector sustainability.*	End-August 2025	**Not Met, elevated to a prior action**
• **Enact the amended Fiscal Responsibility Act** prepared in collaboration with Fund's staff**.**	*Increase fiscal oversight, transparency, and governance*	End-September 2025	**Met**
• **Submit to parliament a new bill to strengthen asset declarations consistent with international best practices.** The draft bill will be prepared in consultation with IMF staff.	*Strengthen governance and the asset declaration system to reduce vulnerability to corruption*	End-September 2025	**Not Met**
• **Finalize the review of LEAP beneficiaries to improve the targeting of the program** in favor of the extreme poor, and expand the LEAP coverage to reach 400,000 households.	*Strengthen effectiveness of social protection programs*	End-September 2025	**Not Met, reset to end-March 2026**

Table 2. Ghana: Existing Structural Conditionality Under the Extended Credit Facility, 2024–26
(continued)

Structural Benchmarks	***Objective***	**Date**	**Status**
Cabinet approves a strategy to restructure ECG, including opening operations to private sector participation. The strategy will be based on the findings of the technical and financial audit and will be prepared in consultation with IMF and WB staff.	*Strengthen PFM procedures by reducing vulnerability to corruption*	End-September 2025	**Met**
• **PURC implements the planned major tariff review at end-September (with associated tariff adjustment as of October 1, 2025).** PURC will publish the technical note to explain and justify this tariff decision and will share with IMF and World Bank staff the calculations.	*Strengthen the energy sector and ensure its medium-term viability*	End-September 2025	**Not Met, implemented with delay**
• **PURC implements quarterly tariff adjustments as per the current policy** to reflect transmission of changes in exchange rate, inflation, fuel prices, and generation mix to electricity tariffs. PURC will publish the Decision paper (technical notes) to explain and justify this tariff decisions within 30 days of the tariff decision announcement and will share with IMF and World Bank staff the financial model and calculations.	*Strengthen the energy sector and ensure its medium-term viability*	Quarterly, End-September 2025	**Met**
• **Ministry of Finance to update the centralized inventory of all ongoing and planned projects and, on this basis, cabinet to approve plan to cancel, rescope, and rephase the portfolio of projects drawing on the audit on 2024 commitments** (based on the status of their execution and their value for money with a view to enhance planning, reduce costs, and realign commitments to available budget resources)	*Strengthen controls and execution of public investment*	End-September 2025	**Not Met**
• **BoG to adopt a "discretion under constraint" policy** for FXI, in consultation with IMF staff	*Enhance exchange rate flexibility*	End-September 2025	**Not Met, implemented with delay**
• **Ensure comprehensive reporting on payables** by the Controller and Accountant General's Department (CAGD) by ensuring that all agreed MDAs report quarterly and with a maximum delay of 90 days from the end of the reporting period to CADG.	*Strengthen PFM procedures by reducing vulnerability to corruption*	Quarterly starting End-September 2025	**Met**
• **Cabinet to approve and submit to parliament the necessary legislation amendments to the banking crisis management and resolution framework** to address critical gaps and vulnerabilities, including to limit risks to the BoG/ Resolution Authority, in alignment with international standards	*Promote financial stability and bolster financial sector contribution to medium-term growth*	End-December 2025	
• **MoF to amend procurement regulations and/or Procurement Act** to restrict exceptions to undertaking competitive procurement.	*Strengthen PFM procedures by reducing vulnerability to corruption*	End-December 2025	

Table 2. Ghana: New Structural Conditionality Under the Extended Credit Facility, 2024–26
(concluded)

Prior Actions	***Objective***	***Date***	***Status***
• **Auditor General to complete a comprehensive audit of the commitments originated in the run up to the December 2024 elections,** with assistance of reputable international firms	*Ensure a credible fiscal adjustment in order to restore fiscal and debt sustainability. Promote energy sector sustainability.*		
• **The GRA shares with the MoF the final report of the project of cleaning taxpayer ledgers. The project's objective is to ensure:** (i) Duplication of taxpayer identification numbers (TIN) will be eliminated (ii) The registry will be able to separate active taxpayer list (iii) Elimination of individuals with no payment or filing obligations from the list of registered PIT taxpayers	*Provision of accurate indicators for performance of revenue administration*		
• **Submit to Parliament a 2026 Budget** and accompanying legislations (i.e., tax laws, 2026 Appropriation Bill) consistent with the program's fiscal targets for 2026—including on the primary balance and non-oil revenue.	*Reduce fiscal imbalances*		
New Structural Benchmarks	***Objective***	***Date***	***Status***
• **GRA to complete the registration, filing, and payments modules for CIT, PIT, VAT**	*Fundamentally and sustainably improve tax administration*	End-March 2026	
• **The BoG Board to approve the divestment of its share ownership in ADB**	*Promote financial stability and enhance effectiveness of the BoG's supervisory mandate*	End-April 2026	
The BoG, in consultation with the Fund, to (i) develop by end-2025 terms of reference for the conduct of a special review by an independent international expert of the risk management systems, controls and culture of state-owned banks with high NPL ratios, particularly for credit risk; and (ii) complete the review.	*Promote financial stability and enhance effectiveness of the BoG's supervisory mandate*	End-May 2026	

Attachment II. Technical Memorandum of Understanding

1. This Technical Memorandum of Understanding (TMU) sets out the understandings regarding the definitions of the performance criteria (PCs), indicative targets (ITs), and consultation clauses that will be applied under the Extended Credit Facility, as specified in the authorities' Letter of Intent (LoI) and Memorandum of Economic and Financial Policies (MEFP) of December 3 and their attached tables. It also describes the methods to be used in assessing the program's performance and the information requirements to ensure adequate monitoring of the targets.

Ghana: Program Exchange Rates

(Rates as of February 28, 2023)

	Cedi per currency unit	US Dollars per currencv unit
US Dollar	11.01	1.00
GB Pound	13.32	121
Euro	11.68	1.06
SDR	14.63	1.33
Japanese yen	0.080	0.0073
Chinese yuan	1.582	0.1437
Australian dollar	1.636	0.1486
Swiss franc	11.69	1.06
South African rand	0.601	0.055

Source: Bank of Ghana, Bloomberq, and IMF

2. The **exchange rates for the purpose of the program** are specified in the Table above. The gold price for the purpose of the program is US$ 1,826.92 per ounce (as per Bloomberg data as of February 2023).

QUANTITATIVE PERFORMANCE CRITERIA

Definition

3. The **central government** is defined as comprising the central government, all special funds (including the Ghana Education Trust Fund, the Road Fund, the District Assemblies Common Fund, the National Health Insurance Fund and Mineral Income Investment Fund), and all subvented and other government agencies that are classified as government in the Bank of Ghana (BoG) Statement of Accounts (SOA). The Social Security and National Insurance Trust (SSNIT) and public enterprises, including Cocobod, are excluded from the definition of central government.

4. For the purposes of program monitoring, **public entities** include**:** (i) Tema Oil Refinery; (ii) Ghana National Petroleum Company; (iii) Ghana National Gas Company; (iv) Volta River Authority;

and (v) Electricity Company of Ghana; (vi) Ghana Grid Company Ltd (GRIDCO); (vii) Ghana Water Company Limited; (viii) Ghana Infrastructure Investment Fund (GIIF); and (ix) Daakye PLC, (x) Energy Sector Levy Act (ESLA) PLC, (xi) Asanti Gold Corporation; (xii) Cocobod (xiii) Ghana Integrated Aluminium Development Corporation (GIADEC), (xiv) Bulk Oil Storage and Transportation (BOST) and (xv) the Ghana Gold Board (GoldBod).

Continuous Performance Criteria

5. In addition to the performance criteria listed in Table 1 of the MEFP, the arrangement will include the performance criteria standard to all Fund arrangements, namely:

i. no imposition or intensification of restrictions on the making of payments and transfers for current international transactions;

ii. no introduction or modification of multiple currency practices;

iii. no conclusion of bilateral payments agreements that are inconsistent with Article VIII of the IMF Articles of Agreement;

iv. no imposition or intensification of import restrictions for balance of payments reasons.

6. These performance criteria will be monitored continuously. The revision of the BoG reference rate methodology) and the introduction of competitive price-based FX spot auctions, being conducted in consultation with IMF staff, would not constitute an introduction or modification of multiple currency practices (MCPs).

A. Net International Reserves of the Bank of Ghana, Floor (Millions of U.S. Dollars)

Definition

7. For program monitoring purposes, the **net international reserves** (NIR) of the Bank of Ghana are defined as **reserve assets** minus **short-term foreign-currency liabilities** and **liabilities to the Fund**. All values not in U.S. dollars are to be converted to U.S. dollars using the program exchange rates and gold price defined in ¶2.

- **Reserve assets** (RA) are readily available claims on nonresidents denominated in foreign convertible currencies. RA include Bank of Ghana holdings of monetary gold, SDRs, foreign currency cash, foreign currency securities, deposit abroad, and the country's reserve position at the Fund. Excluded from reserve assets are any assets that are pledged, collateralized, or otherwise encumbered, claims on residents, precious metals other than gold, assets in nonconvertible currencies, and illiquid assets. Encumbered assets include Ghana Petroleum Heritage and Stabilization Fund and Bank of Ghana deposits with Ghana International Bank London.

- **Short-term foreign-currency liabilities** include Bank of Ghana contractual foreign-currency obligations to residents and nonresidents scheduled to come due during the 12 months ahead. They comprise of Deposits of International Institutions, Liabilities to International Commercial Banks, FX Swaps with non-resident and resident banks, foreign currency deposits held at the BoG. Liabilities with an asset counterpart that is encumbered (which are excluded as well from the asset side) are excluded from short term foreign-currency liabilities.

- **The liabilities to the Fund** include all outstanding use of IMF credit, including IMF budget support for the MoF. The liabilities to the Fund exclude SDR allocations.

Adjustors

8. The floors on NIR will be adjusted upward for any excess of budget grants, loans, and foreign exchange received in the context of the sales of 5G spectrum licenses, relative to the program baseline, except where this financing is used to repay outstanding domestic arrears at a more rapid pace than programmed. The NIR floors will be adjusted downward for any shortfall in budget grants and loans relative to the program baseline. Budget grants and loans assumptions of the program NIR target are specified in the Table below.

Ghana: Expected Budget Grants and Loans, 2025-2026

(Cumulative from the beginning of the year, USD millions)

	Jun-25	Sep-25	Dec-25	Mar-26
Baseline	516	616	560	120
Outturn	0	360		

9. The floors on NIR will be adjusted upwards by the full amount of the debt service payments on commercial claims in the restructuring perimeter below the amounts in the program baseline

Ghana: Expected Debt Service Payments on Commercial Claims in the Restructuring Restructuring Perimeter, 2025-2026

(Cumulative from the beginning of the year, USD millions)

	Jun-25	Sep-25	Dec-25	Mar-26
Baseline	350	699	699	709
Outturn	350	699		

B. Changes to Bank of Ghana Claims on the Central Government and Public Entities, Cumulative Ceiling (Billions of Cedis)

Definition

10. Changes to Bank of Ghana claims on the central government (¶3) and public entities (¶4) are defined, for program monitoring purposes, as the change in the total amount, measured from the start of the program, of (i) all BoG loans and advances to central government and public entities, (ii) all central government and public entities overdrafts, (iii) the face value for all outstanding Government of Ghana treasury bills, notes and bonds purchased by BoG in the primary and the secondary market, net of the stock adjustment from the debt operation (e.g. capitalization of interest payments).

11. For purposes of this TMU, **claims on the central government and public entities** by Bank of Ghana include all called guarantees given by Bank of Ghana for all operations between the central government or public entities and a third party.

12. For the purposes of program monitoring, **claims on the central government** exclude: (i) BoG holdings of Government of Ghana T-bills as collateral from commercial banks; (ii) BoG reversible market transactions involving Government of Ghana securities; and (iii) claims related to transactions between the central government and external institutions that do not involve financial commitments between the BoG and the government and are fully offset by a corresponding liability, for record-keeping purposes (i.e. "contra" or "wash" accounts).

13. For the purposes of program monitoring, **claims on the central government** also exclude claims arising from the on-lending of IMF resources from SDR holdings and PRGT loans. However, starting July 1st, 2025, interest, fees, charges or overdue principal payments related to on-lent SDR holdings and PRGT facilities that have not been reimbursed to the BoG by the central government are included in **claims on the central government**. Similarly, on-lending-related claims on the central government—whether included or excluded for the purposes of program monitoring—are only considered to be extinguished by a debit from the government's deposit accounts at the BoG (payments from the BoG to the IMF notwithstanding).

14. Claims on public entities exclude claims on wholly owned subsidiaries of the Bank of Ghana.

C. Present Value (PV) of Newly Contracted or Guaranteed External Debt by the Central Government and Public Entities, Cumulative Ceiling (Millions of U.S. Dollars)

Definition

15. External debt is defined on a residency basis. The definition of "debt" is set out in paragraph 8(a) of the 2014 Guidelines on Public Debt Conditionality in Fund Arrangements (Executive Board's Decision No.15688-(14/107). The definition also refers to commitments contracted or guaranteed for which value has not been received. The definition of debt is as follows:

- For the purpose of these guidelines, the term "**debt**" will be understood to mean a current, i.e., not contingent, liability, created under a contractual arrangement through the provision of value in the form of financial and nonfinancial assets (including currency) or services, and which requires the obligor to make one or more payments in the form of assets (including currency) or services, at some future point(s) in time; these payments will discharge the principal and/or interest liabilities incurred under the contract. Debts can take a number of forms, the primary ones being as follows:

  (i) loans, i.e., advances of money to the obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds, debentures, commercial loans and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements);

  (ii) suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until sometime after the date on which the goods are delivered or services are provided; and

  (iii) leases, i.e., arrangements under which property is provided which the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lessor retains the title to the property. For the purpose of the guideline, the debt is the present value (at the inception of the lease) of all lease payments expected to be made during the period of the agreement excluding those payments that cover the operation, repair, or maintenance of the property.

- Under the definition of **debt** set out in ¶15, arrears, penalties, and judicially awarded damages arising from the failure to make payment under a contractual obligation that constitutes debt are debt. Failure to make payment on an obligation that is not considered debt under this definition (e.g., payment on delivery) will not give rise to debt.

16. This ceiling applies to the **cumulative present value (PV) of new external debt**, contracted or guaranteed by **the central government (¶3)** and **public entities (¶4). T**he ceiling applies to debt and commitments contracted or guaranteed for which value has not yet been received, including private debt for which official guarantees have been extended.

17. For program purposes, a **debt** is considered to be **contracted** when all conditions for its entry into effect have been met in accordance with the terms of the contract and as provided in the national legislation. Contracting of credit lines (which can be drawn at any time and entered into effect) with no predetermined disbursement schedules or with multiple disbursements will be also considered as contracting of debt.

18. For the purpose of this performance criterion, the **ceiling on the cumulative PV of new contracted or guaranteed external debt** excludes**:** (i) loans and bonds stemming from the restructuring or rescheduling or refinancing of external debt; (ii) renewal of an existing suppliers' credit; (iii) rollover of a credit line; (iv) short-term debt including suppliers' credit and credit lines with a maturity of less than 6 months for **public entities** (¶4); (v) debt contracted from the IMF, World Bank and AfDB; and (vi) Government of Ghana securities issued in domestic currency, placed in the domestic primary or secondary markets, and held by non-residents.

19. A **'guaranteed debt'** is an explicit promise by the **central government** (¶3) and **public entities** (¶4) to pay or service a third-party obligation (involving payments in cash or in kind).

20. **The PV of debt** at the time of its signing date of an underlying loan agreement is calculated by discounting the future stream of payments of debt service due on this debt. The discount rate used for this purpose is the unified discount rate of 5 percent set forth in Executive Board Decision No. 15248-(13/97).

21. A **debt** is considered **concessional** if it has at least a grant element of 35 percent. The grant element of a debt is the difference between the PV debt and its nominal value, expressed as a percentage of the nominal value of the debt. For debts with a grant element equal to or below zero, the PV will be set equal to the nominal value of the debt.

22. For loans carrying a variable interest rate in the form of a benchmark interest rate plus a fixed spread, the PV of the loan would be calculated using the program reference rate plus the fixed spread (in basis points) specified in the loan contract. The program reference rate for the three-month U.S. Secured Overnight Financing Rate (SOFR) is 2.97 percent and will remain fixed for the duration of the program. The spread of three-month JPY Tokyo Interbank Offered Rate (TIBOR) over three-month USD SOFR is -300 basis points. The spread of three-month U.K. Sterling Overnight Index Average (SONIA) over three-month USD SOFR is equal to 50 basis points. For interest rates on currencies other than Euro, JPY, and GBP, the spread over three-month USD SOFR is 0 basis points.2 Where the variable rate is linked to a benchmark interest rate other than the three-month USD

SOFR, a spread reflecting the difference between the benchmark rate and the three-month USD SOFR (rounded to the nearest 50 bps) will be added.

23. Reporting. For the purposes of this performance criterion, which will be monitored continuously, the MOF will immediately report to the IMF staff details of any new external loans before being contracted or guarantees before being issued by the **central government** (¶3) and **public entities** (¶4). Moreover, the MOF should provide, *on a monthly basis and within 30 days from the end of each month*, detailed data on all new **concessional** and **non-concessional external debt** (¶15) contracted or guaranteed by the **central government** and **public entities**. The information should include (i) amounts contracted or guaranteed; (ii) currencies; and (iii) terms and conditions, including interest rates, maturities, grace periods, payments per year, commissions and fees, and collaterals.

Adjustors

24. The **ceiling on the PV of newly contracted or guaranteed external debt by the central government and public entities** will be adjusted upward for excesses in **contracted concessional project loans**, relative to the following baseline:

Ghana: Present Value of Contracted Concessional Project Loans, 2025-2025

(Cumulative from the beginning of the year, USD millions)

Jun-25	Sep-25	Dec-25	Mar-26
0	0	0	0

D. Primary Fiscal Balance of the Central Government, Commitment Basis, Cumulative Floor (Millions of Cedis)

Definition

25. The program's **primary fiscal balance** is cumulative from the beginning of the fiscal year and is measured as the **primary balance on cash basis** (¶26) from the financing side minus the **net accumulation of payables** (¶29).

26. The **primary balance on cash basis** is measured as the sum of **net financial transactions** of **the central government** (¶3)—comprising the sum of **net foreign financing** (¶27), **net domestic financing** (¶28), receipts from net divestitures and net drawing out of oil funds, minus domestic and external interest payments. It excludes financing for the financial sector recapitalization.

27. Net foreign financing of central government is defined as the sum of project and program loans by official creditors and commercial external borrowing, minus amortization due.

28. **Net domestic financing** of central government is defined as the change in government deposits plus domestic debt issuance proceeds, minus domestic debt amortization due.

29. The **net accumulation of payables** includes the **net change in the stock of payables of the central government** originated in GIFMIS**,** and the **net accumulation of payables of the energy sector** (both defined below). A positive net change in the stock of payables means more payables are built up than cleared over the period considered (so the primary balance on a cash basis is stronger than the primary balance on a commitment basis). The program's fiscal primary balance excludes the financial sector cost, defined as government support to strengthen the financial sector as envisaged under the program.

30. **Payables of the central government** ("outstanding payments") originated in GIFMIS include payables of statutory/earmarked funds (SFs), defined as outstanding payments from the consolidated funds to the SFs.

31. Up until March 2025, the **net accumulation of payables of the energy sector** is defined as the difference between the total fixed cost bills received by the Electricity Company of Ghana (ECG) from independent power producers (IPPs) and fuel suppliers, and the payments made by ECG and the Government of Ghana on energy obligations related to the current and past years, including exchange rate adjustments and Natural Gas Clearinghouse credit notes.

32. After March 2025, **payables of the energy sector** are defined as the sum of gross payables of the Government of Ghana and state-owned enterprises to IPPs and fuel suppliers, net of the receivables of the Government of Ghana and state-owned enterprises from IPPs and fuel suppliers. As per Table 1, payables and receivables of the energy sector will be provided on a quarterly basis by the Ministry of Finance. The quarterly **net accumulation of payables of the energy sector** is defined as the stock of energy sector payables at the end of the quarter minus the stock at the end of the previous quarter, both measured in US dollars; the net accumulation is converted in cedis at the average exchange rate for the quarter.

Adjustors

33. **The floors on the primary fiscal balance** will be adjusted for excesses and shortfalls in **disbursed concessional project loans**, relative to the program assumptions. The floors will be adjusted downward (upward) for the full amount of any excess (shortfall) in concessional project loans relative to the following baseline assumptions:

Ghana: Expected Concessional Project Loans Disbursement, 2025-2026
(Cumulative from the beginning of the year, USD millions)

Jun-25	Sep-25	Dec-25	Mar-26
175.0	262.5	350.0	91.0

34. The **primary balance floor** will be adjusted upward by the full amount of non-tax revenue proceeds stemming from the sale of 5G Spectrum licenses.

E. Non-Accumulation of External Debt Payment Arrears by the Central Government and the Bank of Ghana, Continuous Ceiling (Millions of U.S. Dollars)

Definition

35. The ceiling on the accumulation of external debt service payment arrears by the central government and the Bank of Ghana, external debt payment arrears will accrue when payments such as interest or amortization on debts of the **central government** (¶3) or the Bank of Ghana to non-residents are not made within the terms of the contract, taking into account all applicable grace periods. The definition excludes arrears relating to debt subject to renegotiation (dispute or ongoing renegotiation) or rescheduling. This performance criterion will be monitored on a continuous basis.

F. Newly Contracted Collateralized Debt by the Central Government and the Public Entities, Cumulative Zero Ceiling

Definition

36. Collateralized debt is any contracted or guaranteed debt that gives the creditor the rights over an asset or revenue stream that would allow it, if the borrower defaults on its payment obligations, to rely on the asset or revenue stream to secure repayment of the debt.

37. The **ceiling** applies to debt contracted or guaranteed by the **central government (¶3)** and **public entities (¶4).**

MONETARY POLICY CONSULTATION CLAUSE

38. The consultation **bands** around the projected year-on-year (12-month) rate of inflation in consumer prices (as measured by the headline consumer price index (CPI) published by the Ghana Statistical Service), are specified in Table 1 of the MEFP.

39. If the observed year-on-year rate of CPI inflation falls outside the lower or upper outer **bands** specified in the PC table for the relevant test dates, the authorities will initiate a consultation with the IMF Executive Board which would focus on: (i) the stance of monetary policy and whether the Fund-supported program remains on track; (ii) the reasons for deviations from the program targets, taking into account compensating factors; and (iii) proposed remedial actions if deemed necessary. When the consultation with the IMF Executive Board is triggered, access to Fund resources would be interrupted until the consultation takes place and the relevant program review is completed.

40. If the observed year-on-year rate of CPI inflation falls outside the inner **bands** specified in Table 1 of the MEFP, the authorities should conduct discussions with Fund staff.

INDICATIVE TARGETS

G. Non-Oil Public Revenue, Cumulative Floor (Millions of Cedis)

Definition

41. Total **non-oil public revenue** includes the central government's **total tax revenue—**all revenue collected by the GRA, whether they result from past, current, or future obligations such as Direct Taxes (taxes on income and property), Indirect Taxes (excises, VAT, National Health Insurance Levy (NHIL), GETFund Levy, Covid-19 Health Levy, E-Levy, and Communication Service Tax (CST)), and Trade Taxes— and **total non-tax revenue**—including IGFs retention, Fees and Charges, Dividend/interest and profits from oil and others, Surface rental from oil/PHF interest, property rate collection and yield from capping policy— and excludes grants, **oil revenue** (¶42), social security contributions and ESLA proceeds. Total non-oil revenue is recorded on a cash basis.

42. **Oil revenue** is defined as the central government's tax and non-tax net proceeds from the sale of oil, excluding any revenue allocated to Ghana National Petroleum Corporation (GNPC).

Adjustors

43. Total **non-oil revenue floor** will be adjusted upward for the full amount of the non-tax revenue proceeds of the sale of 5G Spectrum licenses.

H. Ceiling on the Disbursement of Total Contracted but not yet Disbursed External Bilateral and Commercial Project Loans pre-end-December 2022 (Millions in USD)

Definition

44. The ceiling applies to the total **contracted but not yet disbursed project loans** to the **central government** from official external and commercial creditors. The ceiling includes disbursements resulting from undisbursed projects contracted before the OCC cut-off date. External debt is defined as in ¶15 above.

Reporting

45. Detailed data on the total amount of **contracted but not yet disbursed external project loans of bilateral creditors pre-OCC cut-off date** will be provided on a quarterly basis, within 30 days from the end of each quarter, including amounts, currencies, creditors, and project names.

I. Public Spending on Social Programs, Cumulative Floor (Millions of Cedis)

Definition

46. The expenditure floor on poverty-reducing social programs of the central government will include the disbursement of the National Health Insurance Fund used to pay for medical claims, essential medicine, and vaccines, and the payment received from CAGD to the respective line ministries for the purpose of the Ghana School Feeding Program, the Livelihood Empowerment Against Poverty Program, and the Capitation Grant. The measured expenditure on the above social programs will exclude all donor-supported expenditure and measured as consolidated funds' releases to MDAs.

J. Net Change in the Stock of Payables of the Central Government and of the Energy Sector, Cumulative Ceiling (Millions of Cedis)

Definition

47. The **net change in the stock of payables of the central government and of the energy sector** is defined as the change in the stock of **payables of the central government (¶48)** plus the **net accumulation of payables of the energy sector (¶49-50),** cumulative from the beginning of the fiscal year.

48. Payables of the central government are defined as the stock of payables reported by CAGD, covering payables of all budgetary central government entities, a subset of the entities which are part of the CAGD annual and quarterly account preparation for central government. They include payables to the statutory/earmarked funds (SFs) reported by CAGD at the end of each quarter.

49. Up to March 2025, **payables of the energy sector** comprise energy-sector-related outstanding payments of ECG and GNPC (including those to be paid by the MoF) to power generators (both IPPs and energy State Owned Enterprises) and fuel suppliers. The **net accumulation of payables of the energy sector** is the quarterly change in the stock of **payables of the energy sector** denominated in US dollars, converted to cedis at the average daily exchange rate in the last month of the period.

50. After March 2025, the **net accumulation of payables of the energy sector** follows the definition of ¶32.

PROVISION OF DATA TO THE FUND

51. Data with respect to the variables subject to **performance criteria** and **indicative targets** will be provided to Fund staff on a monthly basis with a lag of no more than eight weeks (except for select data for which the reporting lag is explicitly specified in Table 1). The authorities will transmit promptly to Fund staff any data revisions. For any information (and data) that is (are) relevant for assessing performance against program objectives but is (are) not specifically defined in this memorandum, the authorities will consult with Fund staff.

52. The authorities will share any prospective debt agreements relevant for the program monitoring (see Section C, E, and F or quantitative performance criteria) with Fund staff before they are submitted to cabinet and before they are contracted.

Table 1. Ghana: Data to be Reported to the IMF	
Item	**Periodicity**
Fiscal (to be provided by the MoF)	
Central budget operations for revenues, expenditures and financing.	Monthly, within six weeks of the end of each month
The stock and quarterly flows of buildup/clearance of GIFMIS payables ("outstanding payments") along with the list of all entities reporting.	Quarterly, within six weeks of the end of each quarter
The stock of CAGD payables for all agreed MDAs (including statutory funds).	Quarterly, within 90 days of the end of each quarter
The stock and quarterly flows of buildup/clearance of unreleased claims as defined in ¶35	Quarterly, within six weeks of the end of each quarter
Social spending, as defined in the TMU.	Quarterly, within 90 days of the end of each quarter
Updated list of (prioritized) projects to be financed by non-concessional loans and concessional loans.	Monthly, within six weeks of the end of each month.
Cash flow of the central government and cash flow projections.	Monthly, within six weeks of the end of each month
Monthly cash flow projections for cocoa FX proceeds for the next 12 months	Quarterly, at the beginning of each quarter
Monetary (to be provided by the BoG)	
Monetary survey, including the detailed balance sheet of the monetary authorities (i.e. monetary bridge data), the consolidated balance sheet of commercial banks	Monthly, within four weeks of the end of each month.
Summary position of the central government and public entities' committed and uncommitted accounts at BoG, and total financing from BoG, including the details of BoG financing to the central government and public entities: overdrafts, local-currency and FX deposits, SDR and PRGT resources on lent, etc.	Monthly, within four weeks of the end of each month.
Composition of banking system and nonbanking system net claims on central government.	Monthly, within four weeks of the end of each month.
Itemized overview of outstanding liquidity support, granted to financial institutions, at the aggregate level and at the institution level (i.e., by bank, by pension fund, by investment fund, by insurance firm, etc.).	Monthly, within four weeks from the end of each month.
Inflation expectation survey data.	Bi-monthly, within four weeks after the survey is collected.

Table 1. Ghana: Data to be Reported to the IMF (continued)	
Item	**Periodicity**
Detailed monthly inflation data including BoG's various measures of core inflations, imported vs. locally produced good inflation, tradable and non-tradable good inflation.	Monthly, within four weeks from the end of each month.
Monthly business and consumer confidence indices.	Monthly, within four weeks from the end of each month.
Financial Markets (to be provided by the BoG)	
International reserves data, at current and program exchange rates: gross international reserves and net international reserves, and granular data on all types of holdings. Stock of BoG FX swaps, FX loans, and encumbered assets. For the encumbered assets used as collateral, please provide the corresponding loans/derivatives.	Weekly, within a week of the end of each week.
Market intermediation ratio of the FX proceeds	Quarterly, within a week of the beginning of the quarter.
FX operations schedule, by day and amount.	Monthly, on the first day of the month.
FX auction results: amounts and rates of the submitted bids, the amounts and rates of the accepted bids, and banks or firms winning the bids, for each auction.	Monthly, within two weeks of the end of each month.
Data on BoG FX Operations, distinguishing between intermediation and dampening excess short-term volatility	Monthly, within five business days following the end of each month.
Daily BoG FX sales, including direct sales to government and government entities, bilateral adjudications, and FX auctions. Please provide the amount and the exchange rate for each transaction.	Weekly, within a week of the end of each week.
Monthly BoG FX Cash Flows, historical and projected, including granular data on inflows and outflows. Include principal and interest payment on BoG swaps, FX loans, and encumbered assets	Monthly, within a week of the end of each week.
Daily computations for the BoG reference exchange rate, including all transactions used to derive it.	Weekly, within a week of the end of each week.
Daily high and low FX transaction rates, including those transactions with the government and government entities, those related to the conversion of FX proceeds from cocoa exports, purchases of inward remittances by commercial banks, transactions related to voluntary repatriation of export proceeds, the bilateral FX interventions, and FX forward auctions.	Weekly, within a week of the end of each week.
Bank-to-bank and BoG-to-bank FX transactions in the interbank market, including transaction amount and the exchange rate.	Weekly, within a week of the end of each week.

Table 1. Ghana: Data to be Reported to the IMF (continued)	
Item	**Periodicity**
Banking Sector and Non-Bank Financial Institutions (to be provided by the BoG) Financial sector indicators and data at the aggregate and bank levels with and without supervisory reliefs. The data should include NPLs categorized by market sector and ageing (in buckets of past due e.g. up to 89 days, 90 – 365 days; 1 – 3 years; over 3 – 5 years; over 5 years); IFRS provisioning, Supervisory and aggregate reserves for loan loss and related provisioning coverage ratios; Net Open FX position and FX liquidity position at bank-by-bank level.	Monthly, within four weeks from the end of each month.
Dividend payment by banks.	Quarterly, within four weeks from the end of each quarter.
Updates on banks' (i) recapitalization progress vis a vis requirements to address capital shortfalls, (ii) CRR and liquidity positions vis a vis tiered and other prudential requirements, and (iii) measures taken/to be taken for non-compliance in each case	Quarterly, within four weeks from the end of each quarter.
Updates on phasing out of DDE related prudential reliefs and measures for non-compliance.	Quarterly, within four weeks from the end of each quarter.
Updates and related timelines on (i) GFSF and GFSSS applications, approvals and disbursements by amount, type and institution/sub-sector; and (ii) plans and progress in addressing legacy issues and reforms including approvals and disbursements of GFSSS financial assistance by amount, type and institution/sub-sector;	Quarterly, within four weeks from the end of each quarter.
Progress updates on (i) implementation of measures to restructure ADB; and (ii) implementation of the strategy and reforms to address recurring problems at state-owned institutions including with regard to the conduct of a special review of risk management systems, controls and culture of state-owned banks with high NPL ratios, particularly for credit risk (new structural benchmark).	Quarterly, within four weeks from the end of each quarter.
Progress updates on banks', SDIs' and NBFIs' NPLs reduction including via recoveries and/or write-off, pursuant to implementation of the August 2025 notice governing required reduction and control of NPLs, and on (i) the interim required submission of and progress against credit action plans and NPL reduction plans by banks whose NPLs ratios exceed 15 percent; and (ii) corrective and/or enforcement measures.	Quarterly, within four weeks from the end of each quarter.
Progress updates on supervisory reforms (i) roll out of Basel II and III capital, liquidity and supervisory review reforms including the development and implementation of standards on credit risk management and related-party exposures, and addressing gaps in the risk management directive; (ii) strengthening corporate governance requirements including for state-owned banks; and (iii) other prudential standards.	Quarterly, within four weeks from the end of each quarter.

Table 1. Ghana: Data to be Reported to the IMF (continued)	
Item	**Periodicity**
Update on state ownership/shareholdings in banks and other financial institutions	Half-yearly, within four weeks from the end of June and December each year
Balance of Payments (to be provided by the BoG)	
Monthly oil, gas, and gold productions at the aggregate and by mine/ field level.	Monthly, within four weeks from the end of each month.
Monthly cocoa production and exports.	Monthly, within four weeks from the end of each month.
Monthly fuel imports.	Monthly, within four weeks from the end of each month.
Monthly imports of fertilizer, and essential and non-essential foods	Monthly, within four weeks from the end of each month.
Monthly services, credit and debit	Monthly, within four weeks from the end of each month.
Export and import data on value, volume, and unit values, by major categories and other major balance of payments variables.	Quarterly, with a maximum lag of two months.
External and Domestic Debt (to be provided by MoF)	
Total debt stock of the central government, Daakye, ESLA, GIADEC, Cocobills, and central government-guaranteed debt by creditor: loan-by-loan database for external debt and by tenor for domestic debt.	Monthly, within four weeks from the end of each month.
Total debt service due and debt service paid by creditor. Perimeter is central government, Daakye, ESLA, GIADEC, Cocobills, and central government-guaranteed debt.	Monthly, within four weeks from the end of each month.
Debt registry showing structure and holders of domestic government debt, at face value and at discount. Similar table showing holders of treasury bills for open market operations.	Monthly, within four weeks of the end of each month.
Information on the concessionality of all new external loans contracted by the central government, Daakye, ESLA, GIADEC, or with a central government guarantee.	Monthly, within four weeks from the end of each month.
Short-term liabilities to nonresidents (maturity in one year or less), including overdraft positions and debt owed or guaranteed by the government or the BoG. Data on the BoG short-term liabilities to nonresident commercial banks on accounts 1201 plus 301 plus Crown Agent).	Monthly, within four weeks from the end of each month.

Table 1. Ghana: Data to be Reported to the IMF (continued)

Item	**Periodicity**
Detailed information (including amounts, currencies, creditors, and project names) on total contracted but not yet disbursed external project loans of official bilateral and commercial creditors pre-OCC cut-off date.	Quarterly, within 30 days from the end of each quarter.
Disbursements of grants and loans by creditor	Quarterly, within four weeks of the end of each quarter.
Energy Sector (to be provided by the MoF, Min. of Energy, PURC, ESRP, ECG, NedCo)	
Electricity pricing (to be provided by the Ministry of Energy). Data on the tariff structure and the cost of producing electricity.	Quarterly, within four weeks of the end of each quarter.
Electricity grid losses (to be provided by the Ministry of Energy) (I) transmission losses (Gridco) (ii) distribution losses (ECG and Nedco)	Monthly, within six weeks from the end of each month
Bill recoveries to be provided by the Ministry of Energy (ECG and Nedco)	Monthly, within six weeks from the end of each month
Energy shortfall data: bills payable Independent Power Producers (IPPs) and fuel suppliers, payments, payments by ECG and the MoF, NGC Credits issued, exchange rate adjustments.	Monthly, within a month of the end of each month
Monthly cash flow projections for energy sector payments (for current bills and legacy debt clearance) for the next 12 months	Quarterly, at the beginning of each quarter
PURC Cash Waterfall Mechanism Validation Reports.	Monthly, within two months of the end of each month.
Stock of payables and receivables of the energy sector, including SOEs, IPPs and fuel suppliers.	Quarterly, within three months of the end of each quarter
National accounts by sector of production, in nominal and real terms.	Annual, within three months of the end of each year (switching to quarterly when they become available).
Quarterly financial statements of main state-owned enterprises. (i) Tema Oil Refinery; (ii) Ghana National Petroleum Company; (iii) Ghana National Gas Company; (iv) Volta River Authority; and (v) Electricity Company of Ghana; (vi) GRIDCO; (vii) Ghana Water Company Limited; (viii) Ghana Gold Board; (ix) GIIF.	Quarterly, within three months of end of quarter
Annual financial statements of main state-owned enterprises. (i) Tema Oil Refinery; (ii) Ghana National Petroleum Company; (iii) Ghana National Gas Company; (iv) Volta River Authority; and (v) Electricity Company of Ghana; (vi) GRIDCO; (vii) Ghana Water Company Limited; (viii) Ghana Gold Board; (ix) GIIF.	Annual, within six months of end of year

Table 1. Ghana: Data to be Reported to the IMF (concluded)	
Item	**Periodicity**
Petroleum pricing (to be provided by the Ministry of Energy) (i) a breakdown of costs, including the ex-refinery price, duties, levies, and margins, for each of the individual petroleum products; and (ii) the indicative maximum price approved in the bi-weekly review of petroleum pricing for each of the individual petroleum products.	Bi-weekly, within two days of the completion of the pricing review.

INTERNATIONAL MONETARY FUND

GHANA

December 3, 2025

FIFTH REVIEW UNDER THE ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY, REQUESTS FOR MODIFICATION OF THE MONETARY POLICY CONSULTATION CLAUSE AND PROGRAM EXTENSION, AND FINANCING ASSURANCES REVIEW—DEBT SUSTAINABILITY ANALYSIS

Approved By
Abebe Adugna Dadi and Manuela Francisco (IDA) and Vitaliy Kramarenko (IMF)

The Debt Sustainability Analysis (DSA) was prepared by the staffs of the International Monetary Fund and the International Development Association, in consultation with the authorities.

Ghana: Joint Bank-Fund Debt Sustainability Analysis [1, 2]	
Risk of external debt distress	*High*
Overall risk of debt distress	*High*
Granularity in the risk rating	*Sustainable*
Application of judgment	*Yes*

In light of strong efforts to rein in policy and reform slippages that emerged in the run-up to the December 2024 elections, as well as strong cedi appreciation and economic growth, all debt indicators are likely to durably fall below their respective LIC-DSF thresholds this year, resulting in a mechanical signal of moderate risk of debt distress three years before target. However, given high exchange rate volatility, continued risks of fiscal slippages, and still elevated domestic financing needs, staff judgement is applied to keep Ghana at high risk of debt distress for this review. Debt is assessed to be sustainable on a forward-looking basis as the external debt restructuring is largely completed, and the residual unrestructured debt is expected to be completed in line with program parameters.

[1] This DSA is prepared in line with the Guidance Note of the Joint Bank-Fund Debt Sustainability Framework for Low Income Countries, February 2018 and with its 2024 Supplement.

[2] The Composite Indicator (CI) score of 2.84 remains between the cut-off values for weak and strong debt-carrying capacity, 2.69 and 3.05, respectively. The CI is the weighted average of the 10-year average of the World Bank's Country Policy and Institutional Assessment (CPIA) score and macroeconomic variables from the April 2025 WEO vintage.

The authorities have made significant progress on their comprehensive debt restructuring strategy. They completed the domestic debt restructuring in 2023 and the restructuring of their Eurobonds in October 2024. Following the agreement with the Official Creditor Committee (OCC) under the G20 Common Framework on a Memorandum of Understanding that codifies a debt treatment consistent with the IMF-supported program parameters, the MoU was signed by all parties in January 2025, and bilateral agreements are being signed, with half expected to be finalized by end-2025. Agreements in Principle have also been reached with the first few other commercial creditors. The DSA assumes a treatment of the residual claims of all other external commercial creditors in line with the authorities' restructuring strategy that is consistent with program parameters and comparability of treatment principles. Given the small share of residual claims and the government engaging in "good faith" negotiations, those claims are deemed away for the purpose of the DSA.

Stress test results show that a commodity price shock would put overall public debt well above the current trajectory throughout the full DSA horizon, while export shocks would push both the external debt service-to-export and the external debt service-to-revenue ratio above their thresholds, highlighting the sensitivity of public debt developments to the large share of commodity exports.

The authorities' reform efforts are supported under the IMF's ECF arrangement and the World Bank's DPO series, with debt management reforms remaining an integral part of the reform package.

BACKGROUND

A. Public Debt Coverage

1. The Debt Sustainability Analysis (DSA) covers the central government's public and publicly guaranteed (PPG) debt, with additional important liabilities of the public sector. The DSA also includes (i) *explicitly guaranteed* debt of other public and private sector entities including state-owned enterprises (SOEs) and (ii) certain *implicitly guaranteed* SOEs debt, namely: (a) Energy Sector Levy Act (ESLA) debt in the energy sector; (b) Ghana Educational Trust Fund (GETFund/Daakye) debt for education infrastructure; (c) debt related to the financing of infrastructure projects by Sinohydro, and (d) gross debt of Cocobod[3]—one of the largest SOEs operating on non-commercial terms and largely engaging in quasi-fiscal activities. The DSA also includes the stock of domestic arrears to suppliers estimated at 7.4 percent of GDP at end-2024.[4] Local governments cannot borrow and are therefore not included in the debt coverage.

2. The financial sector clean-up and energy sector losses have weighed on government debt and continue to generate significant fiscal risks. The fiscal cost of the financial sector recapitalization (estimated to have reached 7.1 percent of GDP over 2017-21) has led to an increase in the government deficit and debt. In line with the financial sector strengthening strategy designed by the authorities after the domestic debt restructuring, the authorities issued recapitalization bonds from December 2023 through May 2025 to support undercapitalized banks. Additional recapitalization costs are expected in the coming years—the total amount of recapitalization included in the DSA baseline is still GHS 22 billion (equivalent to 2.6 percent of 2023 GDP). Regarding the energy sector, the Government made budgetary transfers to cover the sector's annual shortfalls averaging 1.7 percent of GDP between 2019 and 2021. It accumulated arrears to independent power producers (IPPs) and fuel suppliers of 2.6 percent of GDP at end-2024. The DSA's baseline assumes the government will continue to cover annual shortfalls with budget transfers going forward.

3. Remaining potential contingent liabilities from the financial sector, SOEs and PPPs are modeled in tailored stress tests (Text Table 1). These shocks assume an increase of the PPG debt by adding: (i) 2 percent of GDP in non-guaranteed SOE debt; (ii) 5 percent of GDP stemming from further financial sector costs; and (iii) 2.4 percent of GDP, the equivalent to 35 percent of the outstanding public private partnership (PPP) arrangements.

[3] In line with the treatment of SOEs laid out in the LIC DSF GN (appendix III), as Cocobod operations pose fiscal risks related to its heavy involvement in extra-budgetary spending, the DSA perimeter includes Cocobod's total gross debt. This debt accounts for all Cocobod's external and domestic gross liabilities, excluding the intra-year short-term syndicated trade credit that is contracted and reimbursed annually within the cocoa season to pay for cocoa purchases from farmers and cover part of operational costs.

[4] In line with the LIC DSF GN (¶25-29), end-2024 domestic arrears, which amount to 7.4 percent of GDP—of which 2.6 percent of GDP constitute unpaid bills to independent power producers (IPPs); and the remaining arrears are unpaid bills to other domestic suppliers including those by Cocobod—are now included in the stock of debt, as they were recognized by the government and reconciled as part of the arrears stocktaking exercise undertaken in line with the Arrears' Clearance and Prevention Strategy (a structural benchmark under the IMF-supported program). The DSA baseline assumes full clearance of domestic arrears by end-2028.

4. The DSA classifies debt based on the residency of the creditor. The stock of local-currency denominated domestic debt *held by non-residents* is included in the external debt in line with the LIC-DSF Guidance Note. Outstanding nonresident holdings of domestic debt decreased from US$4.8 billion in 2021 (6.2 percent of GDP; 14.3 percent of public external debt) to US$0.9 billion in 2024 (1.1 percent of GDP) and are expected to stay around the same in 2025 (Text Table 2).

Text Table 1. Ghana: Public Debt Coverage and the Magnitude of the Contingent Liability Tailored Stress Test

	Subsectors of the public sector	Check box
1	Central government	X
2	State and local government	
3	Other elements in the general government	
4	o/w: Social security fund	
5	o/w: Extra budgetary funds (EBFs)	
6	Guarantees (to other entities in the public and private sector, including to SOEs)	X
7	Central bank (borrowed on behalf of the government)	X
8	Non-guaranteed SOE debt	X

1	The country's coverage of public debt	The central government, central bank, government-guaranteed debt, non-guaranteed SOE debt	
		Default	Used for the analysis
2	Other elements of the general government not captured in 1.	0 percent of GDP	0
3	SoE's debt (guaranteed and not guaranteed by the government) 1/	2 percent of GDP	2
4	PPP	35 percent of PPP stock	2.4
5	Financial market (the default value of 5 percent of GDP is the minimum value)	5 percent of GDP	5
	Total (2+3+4+5) (in percent of GDP)		9.4

1/ The default shock of 2% of GDP will be triggered for countries whose government-guaranteed debt is not fully captured under the country's public debt definition (1.). If it is already included in the government debt (1.) and risks associated with SoE's debt not guaranteed by the government is assessed to be negligible, a country team may reduce this to 0%.

B. Debt Developments and Profile

5. The compounded effects of large external shocks and pre-existing vulnerabilities caused a deep economic and financial crisis in 2021-22. The impact of the COVID-19 pandemic, the tightening of global financial conditions, and geopolitical conflicts exacerbated fiscal and debt vulnerabilities. Faced with large development needs and complex social and political situations, the government's fiscal policy response was insufficient to maintain investors' confidence. This eventually resulted in a loss of international capital market access in late 2021 and difficulties in rolling over domestic debt—forcing the government to rely increasingly on monetary financing by the Bank of Ghana—and triggered an acute crisis in 2022.

6. These shocks led to a sharp deterioration in Ghana's fiscal position and a sharp increase in debt vulnerabilities. Double digit fiscal deficits and the economic slowdown in the wake of the pandemic led to an increase in public debt from 63 percent of GDP in 2019 to 92.7 percent of GDP at

Text Table 2. Ghana: Decomposition of Public Debt at end–2024[1]

(Residency basis)

	Debt stock[2] 2024			Debt service[3]			
	(In US$ mn)	*(Percent total debt)*	*(Percent GDP)*	2025 *(In US$ mn)*	2026 *(In US$ mn)*	2025 *(Percent GDP)*	2026 *(Percent GDP)*
Total	**55,783**	**100.0**	**69.7**	**10,902**	**12,251**	**13.2**	**10.8**
External	**29,585**	**53.0**	**37.0**	**1,618**	**2,382**	**2.0**	**2.1**
Multilateral creditors	11,597	20.8	14.5	711	793	0.9	0.7
IMF	3,299	5.9	4.1				
World Bank	6,685	12.0	8.4				
African Development Bank	1,205	2.2	1.5				
Other Multilaterals	408	0.7	0.5				
Bilateral Creditors	5,731	10.3	7.2	37	37	0.0	0.0
Paris Club	3,851	6.9	4.8				
Non-Paris Club	1,880	3.4	2.3				
Bonds	9,070	16.3	11.3	699	1,408	0.8	1.2
Commercial creditors	3,187	5.7	4.0	171	144	0.2	0.1
o/w local-currency government debt held by non-residents	913	1.6	1.1				
Domestic	**26,198**	**47.0**	**32.7**	**9,285**	**9,869**	**11.2**	**8.7**
Short-term bills	6,532	11.7	8.2	7,562	8,119	9.1	7.1
Medium-to-long term bonds	13,088	23.5	16.4	1,683	1,732	2.0	1.5
Loans	73	0.1	0.1	39	18	0.0	0.0
Arrears	5,893	10.6	7.4				
Other (Overdraft and SDRs on-lent)	611	1.1	0.8				
Memo items:							
Collateralized debt[4]	646	1.2	0.8				
Contingent liabilities	398	0.7	0.5				
o/w: Public guarantees	374	0.7	0.5				
o/w: Other explicit contingent liabilities[5]	24	0.0	0.0				
Cocobod debt	529	0.9	0.7				
Nominal GDP (in GHS mn)	1,176,220						

1/ As reported by Country authorities based on disbursments. Creditor classification according to the OCC representation.

2/ External commercial debt stock includes arrears on principal and interests.

3/ Contracted debt service.

4/ Debt is collateralized when the creditor has rights over an asset or revenue stream that would allow it, if the borrower defaults on its payment obligations, to rely on the asset or revenue stream to secure repayment of the debt. Collateralization entails a borrower granting liens over specific existing assets or future receivables to a lender as security against repayment of the loan. Collateral is "unrelated" when it has no relationship to a project financed by the loan. An example would be borrowing to finance the budget deficit, collateralized by oil revenue receipts. See the joint IMF-World Bank note for the G20 "Collateralized Transactions: Key Considerations for Public Lenders and Borrowers" for a discussion of issues raised by collateral.

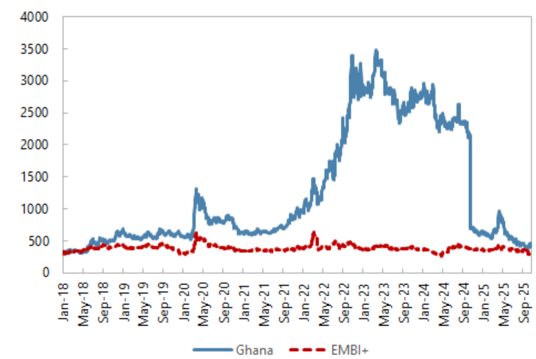
5/ Includes other-one off guarantees not included in publicly guaranteed debt (e.g. credit lines) and other explicit contingent liabilities not elsewhere classified (e.g. potential legal claims, payments resulting from PPP arrangements).

end-2022, of which 16 percent of GDP held by the Bank of Ghana (Text Figure 2).[5] Sovereign spreads spiked (Text Figure 1). Domestic debt service rose significantly and accounted for 81.7 percent of the public debt service burden in 2022, increasing liquidity pressures. The debt service-to-revenue ratio reached an all-time high of 127 percent in 2020, the highest among the SSA countries and among the highest in the world. Gross financing needs (GFN) reached 19.5 percent of GDP in 2022, well above the market financing risks benchmark of 14 percent.

[5] Bank of Ghana's holding of domestic debt (marketable, non-marketable, SDRs on-lent and overdraft) increased from 11 percent of GDP in 2019 to 16 percent of GDP in 2022.

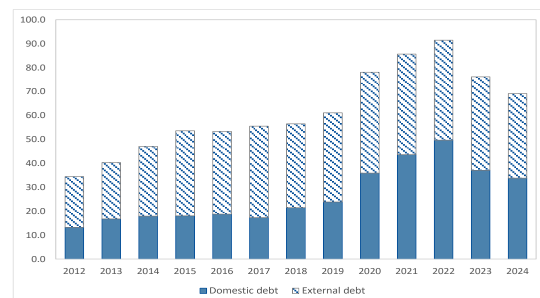
7. Against this backdrop, the Ghanaian authorities launched an ambitious adjustment and reform program, and a comprehensive public debt restructuring. They accelerated fiscal consolidation, tightened monetary policy—including by eliminating monetary financing—limited foreign exchange interventions, and initiated reforms to underpin durable adjustment, build resilience and lay the foundation for stronger and more inclusive growth. Supported by IMF and World Bank TA, public debt management is being strengthened, including by upgrading the current securities operation infrastructure and strengthening the monitoring of contingent liabilities stemming from operations of key SOEs, including by improved monitoring of SOE debt issuance.[6] In this context, the authorities have requested Fund TA to develop an effective SOE oversight strategy, and training using FAD's SOE Health Check tool was delivered by AFRITAC West 2 in 2024. This broad policy package is supported by the IMF under an Extended Credit Facility (ECF) arrangement and the World Bank DPO series.

Text Figure 1. Sovereign Spreads, Jan 2018–Oct 2025
(Basis points)



Source: Bloomberg LP.

Text Figure 2. Public Debt, 2012–2024
(Percent of GDP)



Source: Ghanian Authorities and Fund Staff Calculations

8. The authorities' comprehensive debt restructuring aims at achieving debt sustainability and a moderate risk of debt distress under the LIC-DSF framework by bringing debt stock and flow ratios down to their respective thresholds by 2028. The authorities are nearing completion of their debt restructuring process. The government completed its domestic debt restructuring in 2023. Following agreement with the Official Creditor Committee (OCC) under the G20 Common Framework on a Memorandum of Understanding that codifies a debt treatment consistent with the IMF-supported program parameters, the MoU was signed by all parties in January 2025. Bilateral agreements for its implementation have been signed by about half of bilateral creditors and continue being prepared for others. The Eurobond exchange was successfully finalized in October 2024. The authorities continue making good-faith efforts with all commercial creditors to advance debt data reconciliation, and the first five Agreements in Principle (AIPs) were reached through November (see below).

9. Signs of economic stabilization are crystallizing. Real GDP growth slowed to 3.1 percent in 2023, before rebounding sharply to 5.7 percent in 2024, buoyed by sharply higher gold prices and reflecting robust activity in the agricultural (excluding cocoa), extractive, ICT, and construction sectors.

[6] The World Bank has equally been actively supporting Ghana through the Economic Management Strengthening (GEMS) Project and the Public Financial Management (PFM) for Service Delivery Program.

Headline inflation reached 54 percent in December 2022, driven by soaring global energy and food prices, exchange rate depreciation, and monetary financing of the deficit, but declined to 8.0 percent in October 2025. On the back of large capital outflows, loss of market access, and failure to roll over central bank FX liabilities, gross international reserves had fallen US$1.4 billion at end-2022,[7] but since recovered to US$9 billion (3.5 months of imports) at end-October 2025 on the back of high gold prices, as well as formalization of the sector, and increased remittance flows. The non-interest current account recorded an estimated surplus of 4.3 percent of GDP in 2024.

10. The fiscal position deteriorated again in 2024. The fiscal situation improved in 2023 with a reduction in the primary deficit by 4 percentage points to 0.3 percent of GDP, the effect of the Domestic Debt Exchange (see below) and the erosion of the domestic debt stock by inflation. However, as large expenditure overruns were committed mainly outside the existing public resource management systems (GIFMIS) in the run-up to the December-2024 general elections, net accumulation of arrears surged in 2024. After a comprehensive audit, which rejected part of the payables due to the lack of valid documentation, the net accumulation of payables for 2024 is estimated at 1.5 percent of GDP, resulting in a primary deficit (on commitment basis) at 2.3 percent of GDP .[8] Notwithstanding these adverse developments, the effects of the debt restructuring, a more appreciated exchange rate at end-2024, and noticeably higher inflation and nominal GDP allowed for a continued decline in the overall debt stock to about 69.7 percent at end-2024. The new authorities have since then introduced both revenue and expenditure measures to put the fiscal path back on track. The 2025 Mid-Year Budget Review (MYBR) confirmed the primary surplus target of 1.5 percent of GDP in the original budget, consistent with program objectives.

11. Since the debt restructuring announcement in December 2022, the authorities have mainly relied on multilateral external financing and domestic T-bills issuance to fund their financing needs. While gross financing need tensions eased in 2023 and 2024 due to the external debt service suspension, the government has been relying on T-bills as the main source of domestic financing since the 2023 domestic debt restructuring. Most of the T-bills are issued through auctions, but the authorities undertook some private placements in 2024 primarily with non-bank investors with limited alternative investment options (individuals, insurance, and investment funds). The auctioned T-bill rates have dropped significantly since March 2025, reflecting market segmentation, limited alternative investment options from non-bank investors (corporate, pension funds, and individuals) and short-term abundance of cedi liquidity in part due to the delay in the enactment and implementation of the 2025 Budget given the elections. However, the strong appetite for T-bills has receded in more recent auctions. With the ongoing monetary easing cycle by the BoG, the spreads between the T-bill rates and the monetary policy rate are expected to narrow.

12. The overall debt stock has declined noticeably since 2023 (Text Table 2). Overall debt as a ratio to GDP declined from 82.9 percent at end-2023 to 69.7 percent at end-2024, with a 7-percentage point reduction in external debt, driven by the debt-restructuring related reduction in bonds, and a 6-

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[7] Gross international reserves are defined as the headline official international reserves, excluding foreign assets held by Ghana Petroleum and Stabilization Fund, encumbered and pledged assets, as per the program definition.

[8] The audit rejected and reclassified about 1.1 percent of GDP of payables accumulated in 2024 . As a result, the primary deficit (on commitment basis) is lower than that estimated at the time of the 4th Review.

percentage point reduction in domestic debt. Multilateral debt increased by 1.6 percentage points of GDP in 2024, given significant World Bank and IMF support.

C. Macroeconomic Assumptions and Risks

The macroeconomic framework underpinning this DSA—staffs' baseline scenario—is based on the macroeconomic trajectory envisaged under the Fund-supported program aiming to reinforce macroeconomic stability and debt sustainability in the medium term. This involves implementing a fiscal adjustment program that is both realistic and feasible, retaining a cautious monetary policy, enhancing exchange rate flexibility, and implementing growth-enhancing structural reforms. This DSA is based on a scenario that accounts for the full debt restructuring.

13. The underlying macroeconomic framework remains largely unchanged since the last DSA, with the exception of inflation, exchange rate, and the 2025 current account (Text Table 3). Growth is expected to slightly moderate in 2025 relative to 2024, consistent with tight fiscal and monetary policy, despite gradual easing. The current account is projected to increase further in 2025, supported by continued strong gold exports and a recovering cocoa sector; higher net private sector financial outflows are equally set to continue, and external debt payments are increasing.[9] The GDP deflator in 2025 was revised down from 17 percent to 14.7 percent in 2025, due to exchange rate appreciation and declining inflation. Due to the cedi appreciation, the 2025 nominal GDP in USD (Table 1) was revised upward significantly, while external debt and service indicators declined in turn.

14. An estimated undervaluation of the real effective exchange rate at end-2024 was likely largely corrected in 2025. Based on the end-2024 external sector assessment, the real effective exchange rate (REER) was estimated to be undervalued between 15 and 35 percent, depending on the model used. The strong external sector, along with repeated FX sales and a scaling up of open market operations, contributed to a 35 percent nominal exchange rate appreciation against the US dollar year-to-date through end-October 2025, and a significant REER appreciation, which likely largely offset the estimated undervaluation observed at end-2024.

15. Ghana's foreign exchange (FX) market is undergoing significant reforms to address longstanding challenges and enhance overall market stability. Historically, issues such as macroeconomic imbalances, limited interbank activity, and a lack of transparency in the Bank of Ghana's (BoG) FX operations have hindered market development and liquidity. In response, the BoG Board has introduced in November a comprehensive FX Operations Framework, aiming at improving transparency, setting clear operational objectives, and aligning with international best practices. This framework focuses on three key objectives: building FX reserves, managing excessive exchange rate volatility through data-driven interventions ("discretion under constraint" approach), and facilitating transparent FX flow intermediation via commercial banks in a market-neutral fashion. It establishes structured decision-making

[9] The US tariff decision of levying 10 percent on all of Ghana's exports to the US is not expected to impact Ghana in the short term. Exports to the US are limited (primarily crude oil exports which are exempt), with Ghana's other main commodities' export markets (e.g. cocoa and gold) well diversified. However, prolonged heightened international uncertainty might reduce external demand, FDI and available financing in the medium term.

processes, regular publication of operational data, and the use of competitive auctions, all of which are designed to deepen the FX market and support macroeconomic stability by clarifying intervention triggers and separating different market functions.

16. Projections for the medium term are largely unchanged (Text Table 3). Growth is projected to reach 5 percent over the medium term, in line with previously envisaged potential growth. Non-extractive growth is projected to strengthen to 5.0 percent by 2027 as the drag from fiscal consolidation slows, the economy stabilizes, structural reforms start bearing fruit, and consumer and business confidence recover. Structural reforms include steps to improve the business environment—with short-term reforms aiming at reducing minimum capital requirements for FDI and reforming the Public Private Partnership Act—and export competitiveness, promote entrepreneurship, strengthen public sector management, and accelerate the transition to the digital economy, as well as policies to adapt to climate change. Growth in extractive activities is expected to remain between 4 and 5 percent in the medium term, with total growth reaching 5 percent by 2027. With a strong appreciation in the real exchange rate in 2025, a moderate depreciation is assumed through 2033 under the baseline scenario; consequently, nominal GDP in USD terms was revised up noticeably over the medium term. Export growth projections lie somewhat below the last review as of 2025, given plateauing gold exports, while import growth remains comparable.

17. The DSA's baseline scenario assumes a large and frontloaded, yet feasible, fiscal adjustment by the central government and accounts for Cocobod's net income. The central government's primary balance on a commitment basis—the key original fiscal anchor under the IMF-supported program—was meant to improve by 5.9 percent of GDP between 2022 and 2026, to reach a surplus of 1.5 percent of GDP in 2025, which should be maintained until at least 2028. While the authorities delivered a significant fiscal adjustment in 2023—achieving a primary balance of -0.3 percent of GDP (some 4-percentage points adjustment compared to 2022), significant slippages emerged in 2024 (financed via accumulation of domestic payment arrears), resulting in a primary deficit (commitment basis) of 2.3 percent of GDP. Following general elections in 2024, the 2025 Budget under the new government aims at correcting for these slippages. The recently passed MYBR reconfirmed the previous target path for the primary balance at 1.5 percent of GDP. In line with the LIC-DSF, projections of central government revenues are augmented with Cocobod's net income that will be used for debt service as Cocobod is part of the debt coverage (Text Table 3).

18. The 2025 Budget targets a large adjustment, based on credible revenue and expenditure measures. Revenue measures aim to permanently improve the non-oil revenue-to-GDP ratio by at least 0.6 percent of GDP (on an annual basis). These measures include the elimination of some VAT exemptions, an increase of the Growth and Stability Levy on profits of mining companies, the reduction of tax refund rate, that more than offset the costs of elimination of some taxes (i.e., e-levy, gaming levy). In addition, a fuel levy increase was introduced in the MYBR to help cover energy-sector shortfalls. On the expenditure side, the 2025 Budget comprises measures that aim at containing primary expenditure, including capping public sector wage increases to 10 percent, limiting spending on goods and services, rationalizing the operations of several statutory funds, eliminating spending programs with limited value-for-money, and carefully pacing execution of foreign-financed investment—while expanding social benefits. The budget also includes some limited additional funding (staff estimate at less than 0.1 percent of GDP) for health and agriculture programs to partly compensate for the reduction of USAID flows. The authorities have submitted to Parliament in November a draft 2026 Budget that targets a primary surplus (on commitment basis) of 1.5 percent of GDP, consistent with program objectives.

19. The baseline scenario assumes full clearance of domestic arrears by end-2028. The stock of domestic arrears at end-2024, which includes the ones accumulated during the run-up of elections (¶10), is expected to be cleared fully and gradually by end-2028. Due to the resulting financing needs for this arrears clearance, the primary balance on a cash basis—which is used for this DSA analysis—is worse (i.e., smaller surpluses) than the primary balance on a commitment basis for 2025–2028 (Text Table 3).

20. Going forward, efforts to mobilize additional domestic revenues and to curtail spending will make room for development and social priorities. Given Ghana's low tax-to-GDP ratio compared to peers and Ghana's large development and social needs, the new government intends to continue raising the revenue-to-GDP ratio by broadening the tax base and simplifying the tax system. The 2023 Medium-Term Revenue Strategy remains the main anchor, with key expected measures for the coming years focusing on reducing tax expenditures and strengthening tax compliance. To further mobilize domestic revenue, the authorities are planning a comprehensive reform of the VAT system to improve its compliance and efficiency with the support of IMF TA. They are also planning to enhance taxation on the extractive industries and strengthen tax compliance for customs and cross-border digital activities. Expenditure will be streamlined, particularly in the short term, to create the required space for growth-enhancing public investment and expanding social safety nets. Urgent action is needed to strengthen PFM by eliminating extra-budgetary spending and arrears buildup to prevent the recurrence of fiscal slippages. Additional savings over the medium term will come from a more efficient spending allocation and a reduction in the large subsidies to the energy sector through tariff adjustments and cost reduction measures. A plan to clear the large stock of domestic arrears to IPPs and suppliers has been prepared as part of the Arrears' Clearance and Prevention Strategy (a structural benchmark at end-June 2023 under the IMF-supported program), and negotiations of legacy energy sector arrears are progressing.

21. The DSA's baseline scenario includes the authorities' comprehensive debt restructuring, which was fully implemented for 95 percent of claims at end-October 2024:

- **Domestic Debt Exchange Program (DDEP):** The government launched the DDEP in early-December 2022, opting for a voluntary approach, seeking to swap outstanding medium- and long-term domestic bonds for lower-coupon and longer maturity bonds. Following the completion of the first stage of DDEP in February 2023, the second phase, finalized in the fall of 2023, included Cocobills, USD-denominated domestic debt, and pension fund holdings of government bonds. The government also restructured the BoG's holdings of non-marketable debt, while ensuring the central bank's solvency.

Text Table 3. Ghana: Macroeconomic Assumptions, 2023–45

	2023	2024	2025	2026	2027	2028	2029	2030-45 [3]
				Annual Percentage Change				
Real GDP growth								
4th ECF Review	3.1	5.7	4.0	4.8	4.9	5.0	5.0	5.0
Current	3.1	5.7	4.8	4.8	4.9	5.0	5.0	5.0
Inflation GDP deflator								
4th ECF Review	40.1	25.4	17.0	7.8	6.8	6.9	7.6	7.9
Current	40.1	25.4	14.7	7.6	7.9	8.0	7.9	7.9
Nominal GDP (in Billion of USD)								
4th ECF Review	80.5	82.8	88.1	92.0	96.5	101.4	110.4	201.1
Current	80.5	82.8	113.9	115.9	119.0	123.1	130.7	243.2
Exports, Goods & Services								
4th ECF Review	-4.7	16.7	4.6	4.7	2.7	3.1	4.7	4.4
Current	-3.7	16.2	27.1	-2.6	1.7	1.9	4.0	4.8
Imports, Goods & Services								
4th ECF Review	-1.2	9.8	3.5	4.3	3.6	3.8	4.2	5.2
Current	1.5	-6.9	-13.4	-1.6	-3.7	-4.3	-4.3	-5.5
				In percent of GDP				
Non-interest Current Account Balance ("-": surplus)								
4th ECF Review	-0.6	-3.6	-3.1	-2.6	-2.6	-2.5	-2.2	-0.8
Current	-1.4	-4.3	-5.5	-4.1	-3.5	-2.9	-2.6	-0.6
Revenue and Grants 1/								
4th ECF Review	15.3	16.1	16.1	16.8	16.9	17.0	17.0	17.0
Current	15.3	16.1	16.2	17.0	17.0	17.0	17.0	17.0
Primary Expenditure (cash basis)								
4th ECF Review	15.1	16.5	15.3	16.8	16.9	16.9	15.5	16.0
Current	15.1	16.5	15.8	17.4	16.0	16.0	15.5	16.0
Primary Deficit (cash basis) 2/								
4th ECF Review	-0.2	0.4	-0.8	0.0	0.0	-0.2	-1.5	-1.0
Current	-0.2	0.4	-0.5	0.4	-1.0	-1.0	-1.5	-1.0
				In percent				
Average real interest rate on domestic debt								
4th ECF Review	-26.2	-17.0	-7.4	3.1	3.2	4.2	4.5	4.8
Current	-26.2	-17.0	-5.4	4.1	2.9	3.9	4.5	4.9
Average real interest rate on external debt								
4th ECF Review	-3.1	-0.8	0.0	0.3	0.7	0.9	1.3	3.7
Current	-3.1	-0.8	-0.5	0.0	0.5	0.7	1.2	3.6
Memorandum items:								
Primary Deficit (commitment basis) 4/								
4th ECF Review	*0.3*	*3.3*	*-1.5*	*-1.5*	*-1.5*	*-1.5*	*-1.5*	*-1.0*
Current	*0.3*	*2.3*	*-1.7*	*-1.5*	*-1.5*	*-1.5*	*-1.5*	*-1.0*
Net clearance of payables 4/ ("-": accumulation)								
4th ECF Review	*-0.4*	*-2.6*	*0.9*	*1.7*	*1.6*	*1.5*	*0.0*	*0.0*
Current	*-0.4*	*-1.5*	*1.5*	*2.1*	*0.7*	*0.6*	*0.0*	*0.0*

Sources: Ghanaian Authorities; and IMF staff estimates and projections.

1/ The DSA accounts for Cocobod's net income used for debt service, and includes AfDB grant budget financing in exceptional financing (instead of grants), explaining the difference with respect to the fiscal figures presented in the staff report tables.

2/ By default, the DSA analysis uses the primary deficit on a cash basis. The difference between the primary deficits on cash and commitment bases represents the net change of payables. The primary deficit on a cash basis is larger than that on a commitment basis for 2025-28 mainly because of the need to clear the stock of domestic arrears.

3/ Third Review numbers take average/sums until 2044 only.

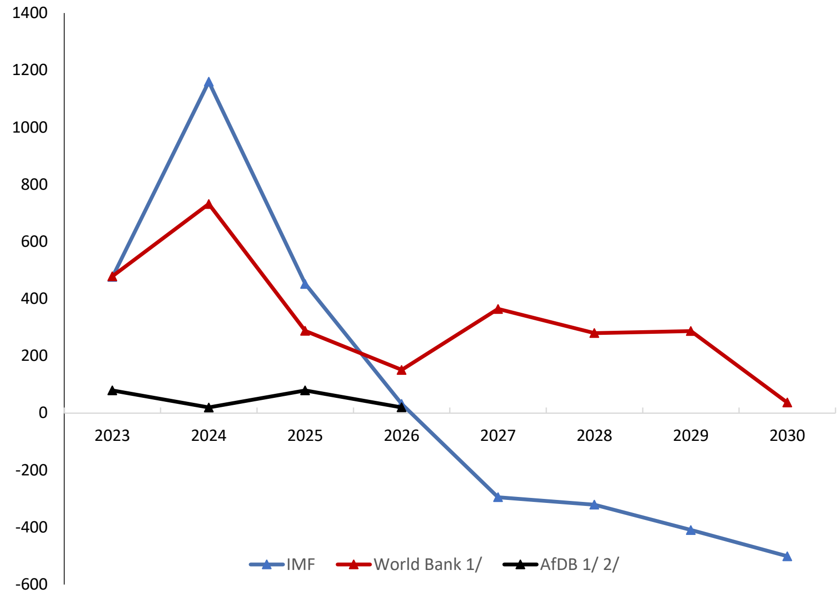
4/ The memorandum items show the primary deficit on commitment basis and the net change of payables of the central government, which is a different perimeter from the one of the DSA (see footnote 1/).

- **Treatment of bilateral external debt as agreed with the OCC under the G20 Common Framework:** Following the agreement with the Official Creditor Committee (OCC) under the G20 Common Framework on a Memorandum of Understanding that codifies a debt treatment consistent with the IMF-supported program parameters, the MoU was signed by all parties in January 2025, and bilateral agreements are now being prepared and have been signed by about half of bilateral creditors. The agreed debt treatment provides full debt service relief over the program period from all bilateral claims committed and disbursed before December 2022. This rescheduled debt service will be capitalized and accrues an additional interest rate (whose level will depend on the initial interest rate of each claim) until repayment in years 16 and 17 after the original due date (for each year of rescheduled debt service). Disbursements of pre-CoD projects made after December 2022 will not be restructured but the authorities and OCC creditors are committed to limit the amount of these disbursements (including commercial) to US$250 million per year from 2024 to 2026 to respect the IMF-supported program parameters (2024 disbursements stood at US$184 million).

- **Eurobond debt restructuring:** The Eurobond restructuring was successfully implemented in October 2024, with debt service payments on the new bonds resuming immediately. Most bondholders received new bonds maturing in 2029 and 2035, with a nominal haircut of 37 percent and a coupon rate increasing from 5 to 6 percent in 2028. Some bondholders choose to receive longer-term bonds maturing in 2037, with no haircut but paying a coupon rate of 1.5 percent. All bondholders received a downpayment bond maturing in 2026 and a post-default interest bond maturing in 2030.

- **Restructuring of claims from other commercial creditors:** Consistent with the IMF's Lending into Arrears policy, the authorities are making good faith efforts to reach a debt restructuring agreement with the residual external commercial creditors, on terms that are in line with program parameters and the comparability of treatment principle. The outstanding debt stock to these residual external creditors is US$2.7 billion, which amounts to less than 5 percent of pre-restructuring total public debt, and about 7 percent of total public debt under restructuring. The authorities' strategy for these creditors is to prepare restructuring offers tailored to the preferences of each type of creditor – some might prefer long-term rescheduling of their claims with no haircut while others are ready to accept principal reduction but prefer to maximize their short-term debt service. Following the completion of the Eurobond restructuring, the authorities have reached out to all other external commercial creditors to advance debt data reconciliation, prepare non-disclosure agreements (NDAs), and, eventually, share debt treatment proposals. The first five AIPs were signed through November, and significant progress continues.

Text Figure 3. Net Official External Financing
(In US$, million)



Source: IMF and World Bank staff projections.

1/ Includes project grants. 2/ Financing commitment unavailable beyond 2026. This includes new budget support for 2024.

22. Financing assumptions under the baseline scenario:

- New external borrowing remains constrained under the IMF program. New external borrowing under the program is restricted to a PV of US$50 million and US$70 million in 2025 and 2026 (until the end of the program), respectively, excluding concessional multilateral loans. As of October 2025, no new external borrowing had occurred. Based on communication from the authorities, no new external commercial borrowing is assumed until 2028. In 2028, the DSA assumes a Eurobond issuance at US$500 million and other external commercial borrowing at US$300 million.

- External disbursement in 2025 is thus limited to the World Bank, IMF, AfDB, and other bilateral development partners (Text Figure 3 and Text Table 4). The scenario assumes disbursements of US$3 billion from the IMF in 2023-26. Net World Bank 2023-26 support is estimated at US$ 1.7 billion,[10] with total expected DPF support US$660 million, and other World Bank financing contributing to filling the financing gap now expected to average around US$100 million in 2025 and 2026, with a total of US$320 million over 2023-26. World Bank project loan disbursements

[10] Consistent with IDA20 financing terms and for the IDA21 period, the DSA assumes that 24 percent of the allocation are concessional Shorter Maturity Loans (SMLs), with a 12-year maturity, 6-year grace period, zero interest or service charge and a grant element of 36 percent. The remaining 76 percent continue to be blend-term credits.

are estimated at US$1.7 billion over the program horizon.[11] In addition, the AfDB is assumed to disburse US$343million, of which US$240 million of project loans and grants over 2023-26 and US$104 for budget support. Delays in implementing performance measures have shifted AfDB's grant disbursement of US$44 million from 2024 to 2025. Total multilateral project loan disbursements are capped at US$300 million in the 2025 budget to limit potential pressure on the primary balance program target. The same assumption was made for 2026. Other bilateral development partners are expected to contribute US$885 million from 2024-26, restricted by the limits on pre-COD disbursements and new borrowing.

Text Table 4. Summary Table of External Borrowing Program [1/ 2]

(2025-26)

PPG external debt	2025				2026			
	Volume of new debt		Present value of new debt		Volume of new debt		Present value of new debt	
	USD million	Percent	USD million	Percent	USD million	Percent	USD million	Percent
Sources of debt financing	50	100	50	100	70	100	70	100
Concessional debt, of which	0	0	0	0	0	0	0	0
Multilateral debt	0	0	0	0	0	0	0	0
Bilateral debt	0	0	0	0	0	0	0	0
Non-concessional debt, of which	50	100	50	100	70	100	70	100
Multilateral debt	20	40	20	40	20	29	20	29
IFIs debt	0	0	0	0	0	0	0	0
Bilateral debt	30	60	30	60	30	43	30	43
Commercial debt	0	0	0	0	20	29	20	29
Uses of debt financing	50	100	50	100	70	100	70	100
Infrastructure	50	100	50	100	70	100	70	100
Budget financing	0	0	0	0	0	0	0	0

1/ The Fund-supported program includes a debt ceiling on the PV of newly contracted or guaranteed external debt by the government and SOEs. In line with the TMU definition of the debt ceiling, figures in the table do not include new financing from the IMF, World Bank, AfDB, projected issuances of local currency debt to non-residents, loans and bonds stemming from the restructuring or rescheduling or refinancing of external debt, renewal of an existing suppliers' credit, rollover of a credit line; (iv) short-term debt including suppliers' credit and credit lines with a maturity of less than 6 months for public entities mentioned in ¶18 of the TMU. The new government has not yet announced 2025 and 2026 borrowing plans; presented numbers represent an estimate that respect program parameters.

2/ Some key measures have been supported by the World Bank's Sustainable Development Finance Policy (SDFP): since FY23 it supported fiscal sustainability via revenue measures, expenditure containment measures and energy sector reforms, and included a non-concessional borrowing ceiling, consistent with IMF debt limits.

Source: IMF staff calculations based on the authorities' reported data.

- On the domestic side, the government has been relying on T-bills as the primary source of financing since 2023 as the bond market was closed in the wake of the restructuring. In line with the authorities' debt management strategy, the baseline scenario assumes a resumption of medium and long-term domestic debt issuance in 2026. About 87 percent of gross financing needs is expected to be met by domestic issuances in 2025, which is expected to peak at 95 percent in 2027 until external commercial borrowing resumes in 2028. While nominal interest rates are expected to decline with inflation returning to its target, the effective real interest rate is assumed to turn positive in 2026 and rise to around 5 percent in the long term (Table 2).

[11] IDA financing figures are based on assumptions; actuals will depend on IDA replenishment volumes, country performance, and other operational factors. Delivery of DPFs will be dependent on an agreement with the government on a strong program of policy and institutional reforms, and adequacy of the macroeconomic policy framework. Current practice is to assume the same level of yearly PBA as the IDA21 allocations for IDA22 projections.

D. Realism of Projections

23. Reform efforts and effects of the debt restructuring are slowly returning debt levels back to pre-pandemic forecasts. Compared to the five-year projections of the 2020 DSA vintage, following the appreciation trends, overall public debt is now projected to lie below previous forecasts in the medium term (Figure 3), despite higher-than-expected fiscal deficits and other factors (impact from COVID-19, exogenous shocks, financial sector cleanup costs, loss of creditworthiness, etc.). Staff projects a substantial decline in overall debt over the next 5 years of about 21 percent of GDP. Due to the impact of debt restructuring, 2025 external debt declined by about 17 percent compared to the expected developments in 2020. The debt restructuring-related flows are incorporated into Table 1 as large exceptional financing from 2024-26. With the economy stabilizing, external debt as a share of GDP is expected to continue declining gradually going forward.

24. The baseline's projected primary balance adjustment over three years is feasible. Under the program, projections assume achievement of a primary balance surplus of 1.5 percent of GDP this year on a commitment basis—expected to be maintained over the medium term. The size of the 3-year adjustment on a cash basis is within the norm of comparable countries (Figure 4),[12] and despite slippages in 2024 the authorities are firmly committed to achieving the needed consolidation in 2025 to bring the deficit back on track. Ghana's ability to implement sizeable fiscal consolidation has been evidenced by meeting the performance criteria on the targeted primary balance in the previous reviews.

25. The macroeconomic outlook remains broadly favorable, but risks remain tilted toward adverse outcomes. Baseline projections are contingent on successful program implementation and full execution of the external debt restructuring and adequate financing from development partners. The new government has communicated broad support to the IMF-supported program, lowering risks of program implementation. Delays in implementing the needed adjustment and reforms, compounded with delays in obtaining the external debt relief, weak interagency coordination, lower agricultural and commodity production and deterioration in global conditions (regional conflicts, geoeconomic fragmentation, commodity price volatility, lower external demand and FDI) may lead to a weakening of the macro-financial situation. The impact of domestic debt restructuring on capital adequacy of the banking system continues to present significant risks to domestic financial sector stability, although significant progress in stabilization of the sector has been made. There are risks of higher inflation and a lower current account if commodity prices—in particular gold—experience a significant drop, likely leading to exchange rate pressures. Finally, the need for higher support to the energy sector, and larger-than-expected financial sector support could also adversely affect debt dynamics. However, strong political support for the program constitutes an important mitigating factor.

26. Ghana is highly vulnerable to climate variability and change, which poses significant risks such as flooding and droughts. To address these challenges, the country has developed several climate-related policies and strategies, including the National Climate Change Adaptation Strategy, the Low Carbon Development Strategy, and the National Climate Change Master Plan. The recent Ghana 2022 Country

[12] By default of the realism tool, Figure 4 shows the adjustment on the primary balance on a cash basis.

Climate and Development Report (CCDR) provides several recommendations for addressing climate change risks, such as flooding and droughts, and outlines adaptation and mitigation measures. These include an integrated approach to agriculture and environmental management, building sustainable cities and resilient infrastructure, boosting disaster risk preparedness, managing forest resources for climate resilience, transitioning to clean energy, modernizing transport systems, strategizing for climate resilience financing, and implementing adaptive health systems. Key World Bank projects supporting these strategies include the Greater Accra Resilient and Integrated Development Project, which aims to improve flood risk management and solid waste management in the Odaw River Basin, and the Greater Accra Urban Resilience and Integrated Development Project, which proposes improvements to drainage systems and flood water management.

E. Debt-Carrying Capacity and Determination of Stress Tests

27. Ghana's debt carrying capacity is assessed as "medium", unchanged from the last DSA (Text Table 5). Although higher than its level in the 3rd Review DSA, the Composite Indicator (CI) score of 2.84 remains between the cut-off values for weak and strong debt-carrying capacity, 2.69 and 3.05, respectively, suggesting a medium debt carrying capacity. The CI is the weighted average of the 10-year average of the World Bank's Country Policy and Institutional Assessment (CPIA) score and macro-economic variables from the April 2025 WEO vintage.

28. Stress tests applied to public and external debt show that exchange rate depreciation, the primary balance, commodity prices, exports, and contingent liabilities are the most relevant for debt dynamics. A set of *standard shock scenarios* affecting GDP growth, the primary balance, exports and FDI are calibrated at 1 standard deviation in 2025 from their respective historical averages, while the exchange rate is stressed with a one-time 40 percent depreciation in 2026. A combined shock including all the above at half magnitude is also applied. *Tailored stress tests* are carried out on commodity prices—with interactions with other macroeconomic variables—since commodities represent around 60 percent of exports (goods and service); on contingent liabilities stock and on market access due to the large stock of outstanding Eurobonds. The tailored commodity price test simulates a 20 percent price drop in both fuel and non-fuel commodity export prices (including gold and cocoa), while the market financing shock simulates a 400 bps increase in the cost of borrowing for 3 years, a shortening of average maturities on external debt and a 20 percent exchange rate depreciation. The contingent liability stress test suggests a one-off increase in the public debt to GDP ratio of around 10 percent of GDP, with the shock components set at their default values.[13]

F. External DSA Assessment

29. Under the baseline, all external debt burden indicators stay durably below relative to their respective thresholds (Figure 1). The debt-service-to-revenue ratio, PV of PPG external debt-to-GDP, debt service-to-exports ratio, and PV of external debt-to-exports ratio remain below their respective

[13] The contingent liability shock has 2 components: (i) a minimum starting value of 5 percent of GDP; and (ii) a tailored component which encompasses contingent liabilities stemming from the financial market (5 percent of GDP), PPPs (2.4 percent of GDP) and other SOEs debt that is not captured by the debt coverage (2 percent of GDP).

thresholds in the baseline, although the debt-service-to-revenue ratio remains above 15 percent until 2032. These results imply a mechanical signal of moderate risk of external debt distress. However, as the improved debt indicators are mainly the result of recent large cedi appreciation, which is subject to notable uncertainty and volatility, staff apply judgment to keep the risk assessment at high. This assessment is supported by the large impact of a 40 percent nominal depreciation shock (Table 1), which pushed the debt service-to-revenue ratio above its threshold in 2026 and beyond. When the outcomes for end-2025 become available, staff will reassess the use of judgment at the 6th Review DSA. Beside the large exchange rate impact, a shock to exports has the most negative impact on all four external debt indicators, and leads to breaches in the debt service-to-export and debt service-to-revenue ratios. The PV of external debt-to-GDP and the PV of external debt-to-exports ratios do not breach their 40 and 180 percent thresholds, respectively, under any shock scenario.

Text Table 5. Ghana: Debt Carrying Capacity

Debt Carrying Capacity	Medium

Final	Classification based on current vintage	Classification based on the previous vintage	Classification based on the two previous vintage
Medium	Medium	Medium	Medium
	2.839	2.79	2.74

APPLICABLE	
EXTERNAL debt burden thresholds	
PV of debt in % of	
Exports	180
GDP	40
Debt service in % of	
Exports	15
Revenue	18

APPLICABLE
TOTAL public debt benchm
PV of total public debt in percent of GDP

Calculation of the CI Index

Components	Coefficients (A)	10-year average values (B)	CI Score components (A*B) = (C)	Contribution of components
CPIA	0.385	3.454	1.33	47%
Real growth rate (in percent)	2.719	4.198	0.11	4%
Import coverage of reserves (in percent)	4.052	30.530	1.24	44%
Import coverage of reserves^2 (in percent)	-3.990	9.321	-0.37	-13%
Remittances (in percent)	2.022	6.342	0.13	5%
World economic growth (in percent)	13.520	2.973	0.40	14%
CI Score			2.839	100%
CI rating			Medium	

New framework	Cut-off values		
Weak	CI <	2.69	
Medium	2.69	≤ CI ≤	3.05
Strong	CI >	3.05	

Source: CI score calculations based on LIC DSF

G. Public DSA Assessment

30. **Under the baseline, the PV of total PPG debt-to-GDP is expected to fall below its 55 percent benchmark in 2025 (Figure 2).** This is noticeably sooner than in the previous DSA (where it was expected to fall below the threshold in 2028), resulting in a 'moderate' mechanical signal. As with the external debt assessment, given notable uncertainties and still elevated rollover risk on domestic debt, judgement is applied to keep the overall debt risk rating at 'high'. While the primary balance, depreciation, and combined contingent liability shocks would shift the PV of debt-to-GDP ratio to beyond its 55-percent threshold, the commodity price shock has the most severe impact on all public debt indicators, resulting in a breach of the PV of the debt-to-GDP ratio threshold from 2027 until the end of the forecast horizon.

31. The domestic debt-to-GDP ratio has been falling from its peak in 2022 (Figure 6), supported by the authorities' fiscal consolidation efforts under the ECF program. Reflecting the large accumulation of arrears in the run-up to the elections, net issuance of domestic debt (including arrears) jumped in 2024, but is expected to decline starting 2025 as the government contains its spending and clears the arrears. The domestic debt service-to-revenue ratio remains elevated in comparison to the peer average and is expected to surge in 2027-28 owing to the maturity of bonds restructured under the DDEP, but it is expected to decline gradually thereafter. Relative to the last DSA, the government has increased their reliance on domestic debt as a source of financing through the medium term by restricting external borrowing. Given the already elevated domestic debt servicing needs, the government should balance the risks stemming from domestic and external debt in their borrowing strategy by considering the potential impacts on the financial sector. Given the high shares of government papers on their balance sheets (especially non-bank financial institutions), the financial sector's capacity to absorb additional government borrowing may be limited.

32. Despite the loss of market access, the market financing risks are assessed as "moderate" (Figure 5). The maximum gross financing need over the 3-year baseline projection horizon lies at 14.5 percent (in 2027) and breaches the 14 percent of GDP benchmark, signaling an increase in financing pressures over the medium term compared to the 4th review, due to the assumed increased reliance on shorter-term domestic financing. Rollover risks of large domestic issuances related to the DDEP coming due in 2027 and 2028, in combination with still primarily T-bill reliance, pose significant liquidity risks, especially if international market access is not expected until 2028. Gross financing needs are projected to peak at 14.5 percent in 2028 and gradually decline to 9.6 percent in 2035. Eurobond spreads declined drastically last year following the bond exchange, from around 2,000 to below 700 within a few days, and they remain comfortably below the 570-bps benchmark since July 2025.

SUSTAINABILITY ASSESSMENT

33. Despite no breaches of the DSA thresholds under the baseline, Ghana is assessed at high risk of debt distress using staff judgment; Debt is assessed to be sustainable on a forward-looking basis as the external debt restructuring is expected to be completed in line with program parameters. Given high exchange rate volatility, continued risks of fiscal slippages, and elevated domestic refinancing needs, staff judgement is applied to retain the high-risk rating. Staff will reassess the use of judgement at the 6th review when the outcomes for end-2025 become available. Considering the authorities' continuing good faith negotiations with residual external private creditors on a treatment in line with program parameters, Ghana's debt is assessed as sustainable on a forward-looking basis. The residual arrears with other commercial non-bonded creditors, given their limited size (less than 5 percent), can be considered as treated on comparable terms and deemed away for the purpose of the risk rating (in line with LIC DSF Guidance Note), as the overall restructuring strategy has been assessed as consistent with program parameters. Good faith efforts are continuing.

34. The debt indicators have improved significantly compared to the 4th Review DSA, putting debt sustainability on a stronger footing. Going forward, keeping the PV of total debt-to-GDP and external debt service-to-revenue ratios firmly below their respective thresholds entails a revenue-based fiscal consolidation with higher spending efficiency and stronger social safety nets, as well as structural reforms to support greater exchange rate flexibility, a more diversified economy and stronger growth. Originally expected in 2028, a "moderate" risk rating could be reached as early as next year if fiscal consolidation continues and exchange rate trends hold.

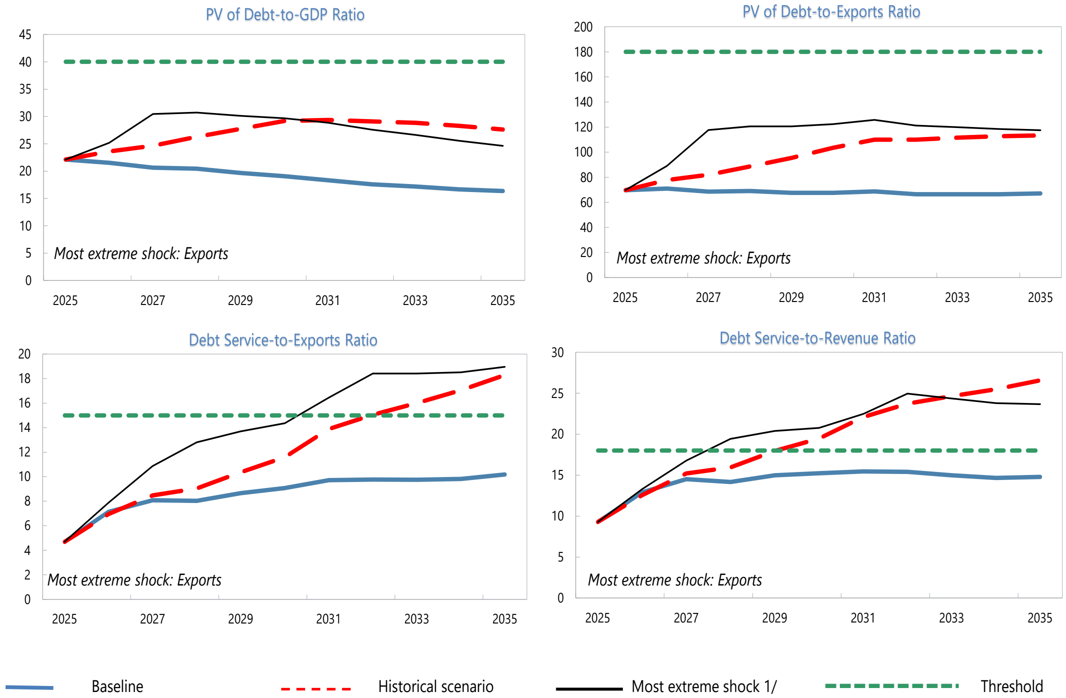
35. Enhancing debt data and transparency are essential to better identify PPG debt and contingent liabilities and allow for a more accurate assessment of debt vulnerabilities. Materialization of contingent liabilities, off-budget operations, and domestic arrears have been drivers of debt accumulation in the past. Furthermore, SOEs represent a potential source of government obligations, either in the form of undisclosed debt or contingent liabilities.[14] A more comprehensive coverage of SOEs debt and guarantees—particularly those that engage in quasi-fiscal activities—should allow for a more accurate assessment of fiscal risks and enhance debt coverage.

AUTHORITIES' VIEWS

36. While understanding the rationale behind the application of judgment, the authorities disagree with staff's assessment of a high risk of debt distress and prefer a risk assessment in line with the mechanical signal. The authorities view the improved debt indicators as a result of economic stabilization and their strong reform efforts, especially those targeting the 2024 fiscal slippages. They have renewed their commitment to continuing with strong fiscal adjustment efforts, implementing the IMF-supported program and completing the external debt restructuring with the remaining other commercial creditors. The authorities acknowledged the importance of the successful implementation of the reform agenda underpinned by the IMF-supported program to retain economic stability and debt sustainability.

[14] As part of its Sustainable Development Finance Policy (SDFP), the World Bank supported the publication of the 2020 State Ownership Report in 2022, to provide a better picture on large SOEs' financial liabilities. In addition, an IMF/World Bank technical assistance mission was conducted in July 2025 to recalibrate annual borrowing plans and medium term debt service projections, and to publish them regularly again.

Figure 1. Ghana: Indicators of Public and Publicly Guaranteed External Debt Under Alternative Scenarios, 2025–35 2/



Customization of Default Settings		
	Size	Interactions
Standardized Tests	Yes	
Tailored Stress		
Combined CL	No	
Natural disaster	n.a.	n.a.
Commodity price	Yes	No
Market financing	Yes	Yes

Note: "Yes" indicates any change to the size or interactions of the default settings for the stress tests. "n.a." indicates that the stress test does not apply.

Borrowing assumptions on additional financing needs resulting from the stress tests*		
	Default	User defined
Shares of marginal debt		
External PPG MLT debt	100%	
Terms of marginal debt		
Avg. nominal interest rate on new borrowing in USD	7.2%	9.0%
USD Discount rate	5.0%	5.0%
Avg. maturity (incl. grace period)	14	14
Avg. grace period	4	4

* Note: All the additional financing needs generated by the shocks under the stress tests are assumed to be covered by PPG external MLT debt in the external DSA. Default terms of marginal debt are based on baseline 10-year projections.

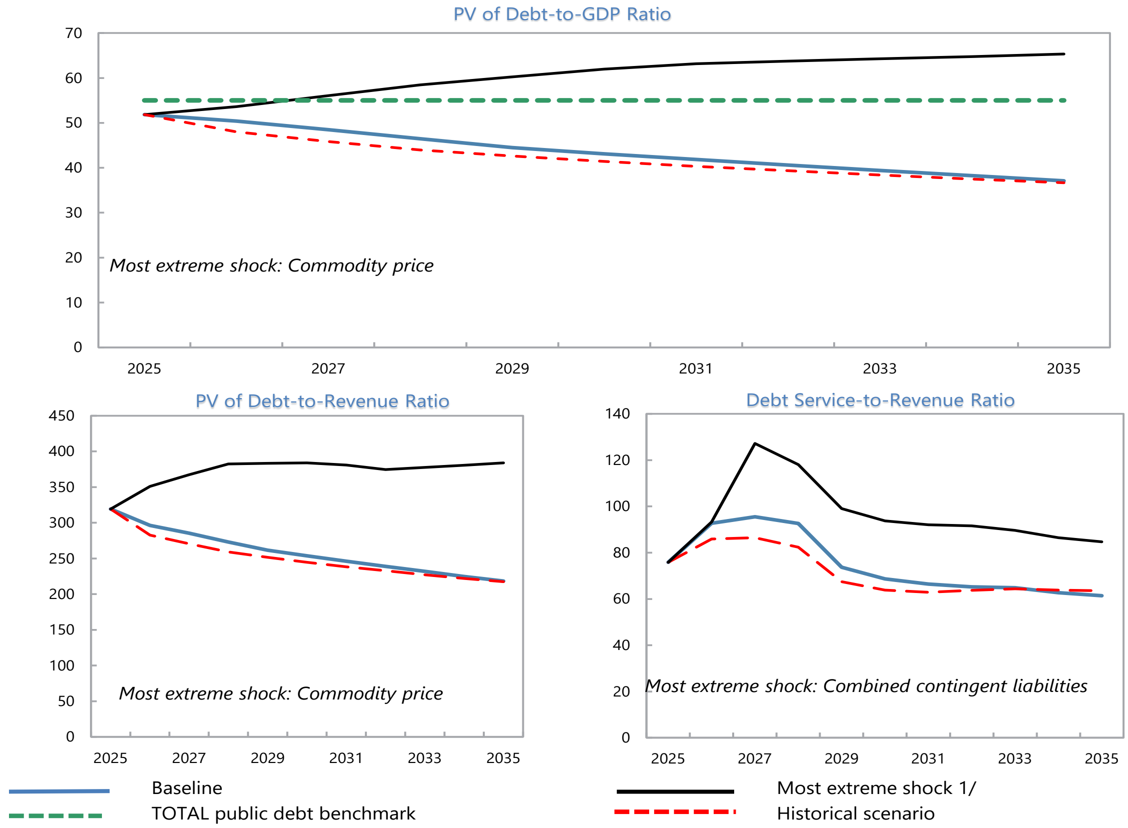
Sources: Country authorities; and staff estimates and projections.

Note: Interest rate on additional borrowing resulting from the stress test is estimated at 9 percent (higher than the default rate of 4.9 percent) to reflect deterioration in Ghana's creditworthiness and loss of market access.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2035. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most exterme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

2/ The magnitude of shocks used for the commodity price shock stress test are based on the commodity prices outlook prepared by the IMF research department.

Figure 2. Ghana: Indicators of Public Debt Under Alternative Scenarios, 2025–35



Borrowing assumptions on additional financing needs resulting from the stress tests*	Default	User defined
Shares of marginal debt		
External PPG medium and long-term	18%	18%
Domestic medium and long-term	51%	51%
Domestic short-term	31%	31%
Terms of marginal debt		
External MLT debt		
Avg. nominal interest rate on new borrowing in USD	7.2%	9%
Avg. maturity (incl. grace period)	14	14
Avg. grace period	4	4
Domestic MLT debt		
Avg. real interest rate on new borrowing	5.1%	5.0%
Avg. maturity (incl. grace period)	6	6
Avg. grace period	0	0
Domestic short-term debt		
Avg. real interest rate	4.7%	4.7%

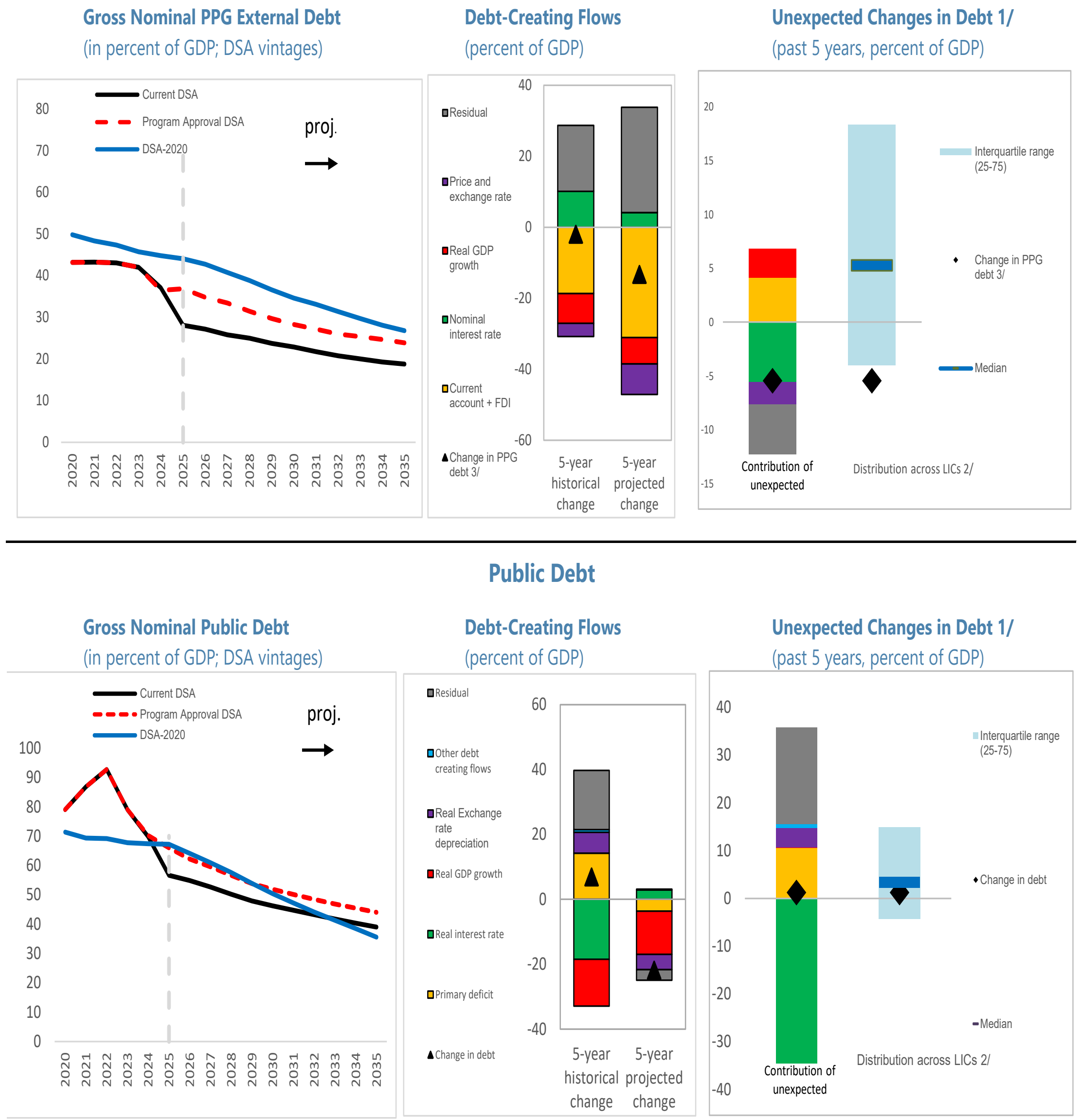
* Note: The public DSA allows for domestic financing to cover the additional financing needs generated by the shocks under the stress tests in the public DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections

Note: Interest rate on additional borrowing resulting from the stress test is estimated at 9 percent (higher than the default rate of 4.9 percent) to reflect deterioration in Ghana's creditworthiness and loss of market access.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2034. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most extreme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

Figure 3. Ghana: Drivers of Debt Dynamics—Baseline Scenario



1/ Difference between anticipated and actual contributions on debt ratios.

2/ Distribution across LICs for which LIC DSAs were produced.

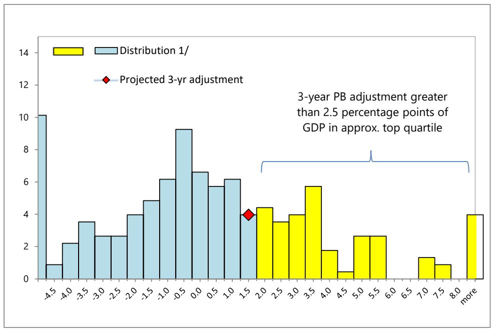
3/ Given the relatively low private external debt for average low-income countries, a ppt change in PPG external debt should be largely explained by the drivers of the external debt dynamics equation.

Sources: Country authorities; and staff estimates and projections

Note**:** Interest rate on additional borrowing resulting from the stress test is estimated at 9 percent (higher than the default rate of 4.9 percent) to reflect deterioration in Ghana's creditworthiness and loss of market access.

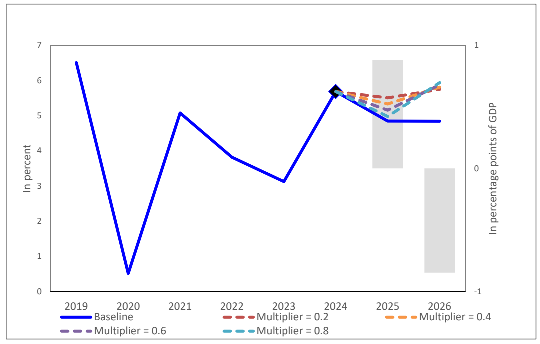
Figure 4. Ghana: Realism Tools

3-Year Adjustment in Primary Balance
(Percentage points of GDP)



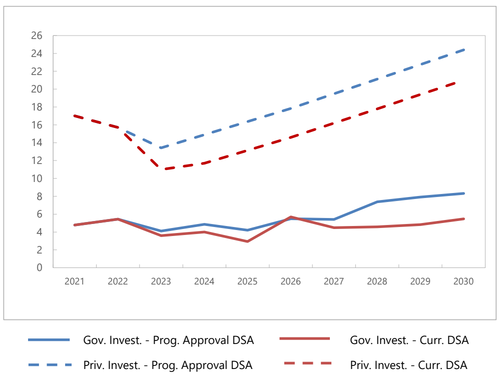
1/ Data cover Fund-supported programs for LICs (excluding emergency financing) approved since 1990. The size of 3-year adjustment from program inception is found on the horizontal axis; the percent of sample is found on the vertical axis.

Fiscal Adjustment and Possible Growth Paths 1/

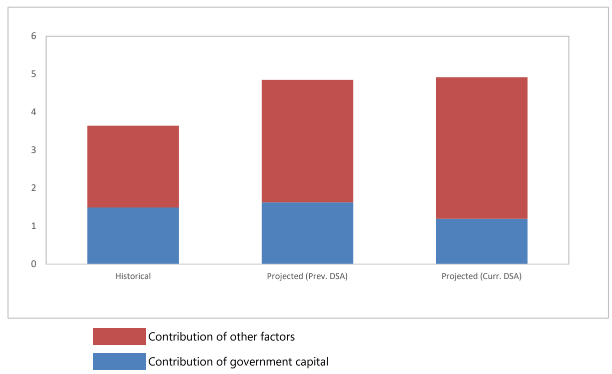


1/ Bars refer to annual projected fiscal adjustment (right-hand side scale) and lines show possible real GDP growth paths under different fiscal multipliers (left-hand side scale).

Public and Private Investment Rates
(percent of GDP)



Contribution to Real GDP growth
(percent, 5-year average)

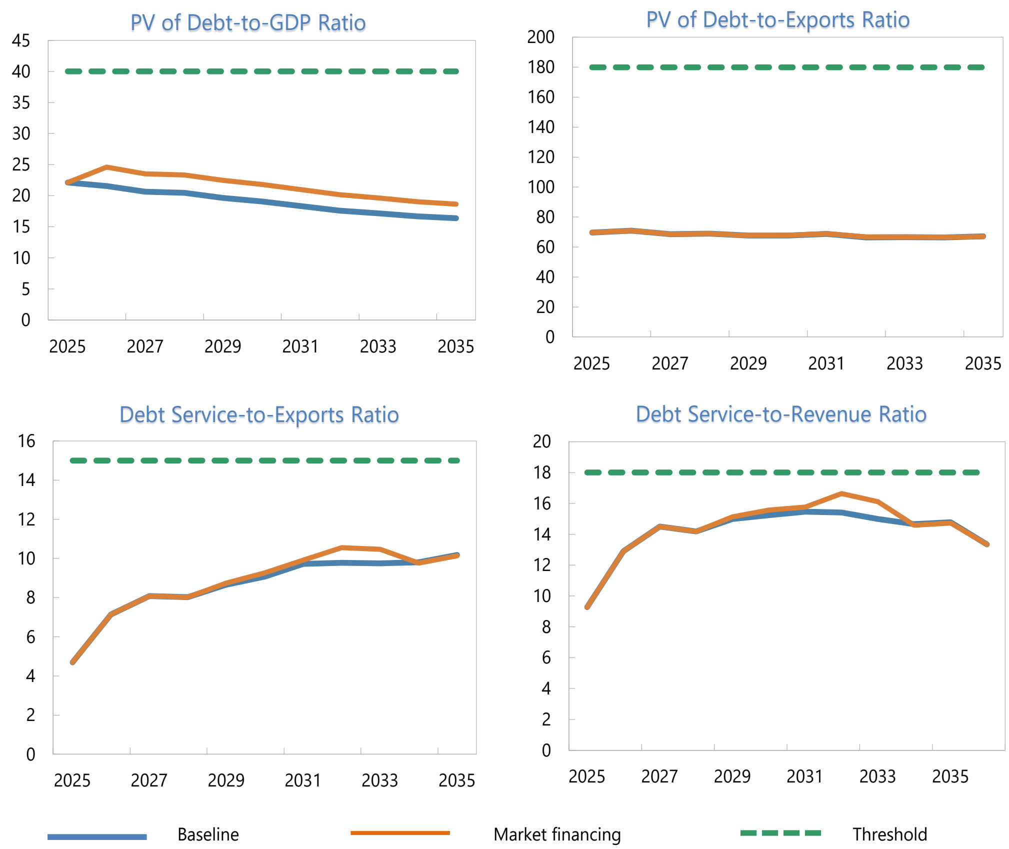


Sources: Country authorities; and staff estimates and projections

Figure 5. Ghana: Market-Financing Risk Indicators

	GFN 1/	EMBI 2/
Benchmarks	14	570
Values	14	384
Breach of benchmark	Yes	No
Potential heightened liquidity needs	Moderate	

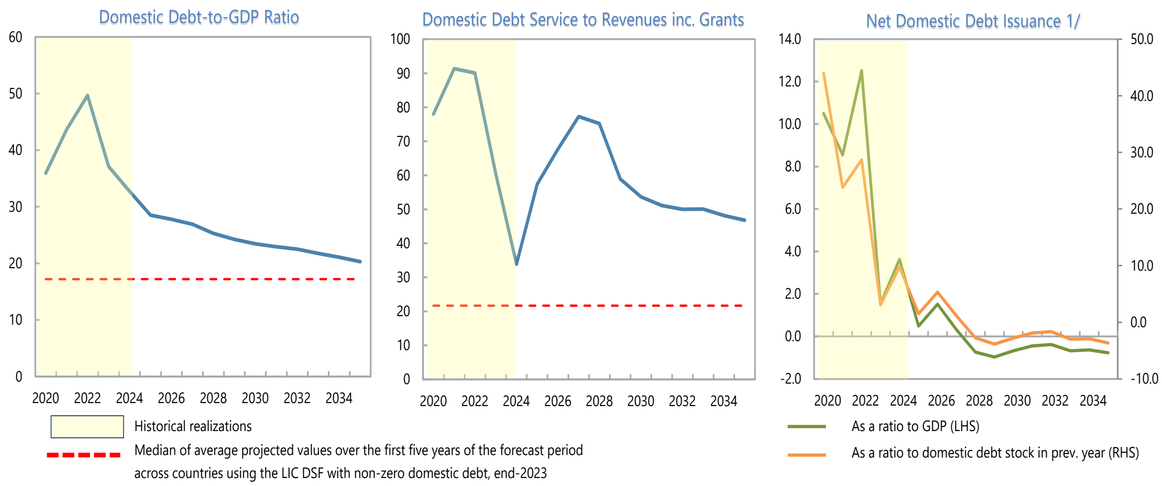
1/ Maximum gross financing needs (GFN) over 3-year baseline projection horizon.
2/ EMBI spreads correspond to the latest available data.



Sources: Country authorities; and staff estimates and projections.

Note: Both the baseline and market financing shock scenarios display very similar paths for PV of debt-to-exports, debt service-to-exports and debt service-to-revenue ratios due to the low level of new envisaged commercial borrowing in the 3 years from the second year of the projection (2024-26).

Figure 6. Ghana: Indicators of Domestic Public Debt, 2020–2034
(Percent)



Borrowing Assumptions (average over 10-year projection)	Value
Shares in new domestic debt issuance	
Medium and long-term	63%
Short-term	37%
Borrowing terms	
Domestic MLT debt	
Avg. real interest rate on new borrowing	6.0%
Avg. maturity (incl. grace period)	5
Avg. grace period	0
Domestic short-term debt	
Avg. real interest rate	4.7%

Sources: Country authorities; and staff estimates and projections.

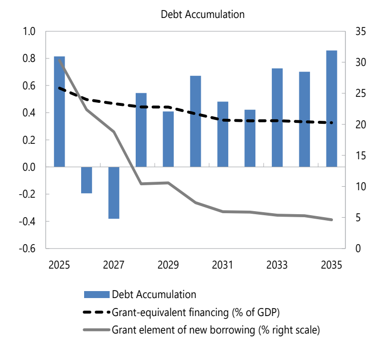
1/ Net domestic debt issuance is an estimate based on the calculated public gross financing need net of gross external financing, drawdown of assets, other adjustments, and domestic debt amortization. It excludes short-term debt that was issued and matured within the calendar year.

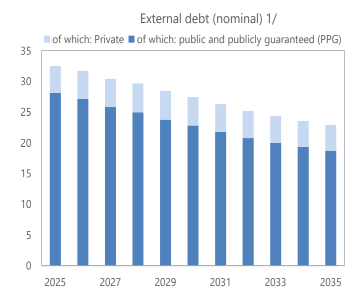
Table 1. Ghana: External Debt Sustainability Framework, Baseline Scenario, 2024–45

In percent of GDP, unless otherwise indicated)

	Actual	Projections												Average 8/	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2045	Historical	Projections
External debt (nominal) 1/	**42.8**	**32.5**	**31.7**	**30.4**	**29.7**	**28.4**	**27.4**	**26.3**	**25.2**	**24.4**	**23.6**	**22.9**	**15.8**	**44.3**	**27.5**
of which: public and publicly guaranteed (PPG)	**37.1**	**28.1**	**27.2**	**25.8**	**25.0**	**23.8**	**22.8**	**21.8**	**20.7**	**20.0**	**19.3**	**18.7**	**12.4**	**39.6**	**23.0**
Change in external debt	-4.8	-10.3	-0.8	-1.3	-0.8	-1.3	-1.0	-1.1	-1.1	-0.8	-0.8	-0.6	-1.5		
Identified net debt-creating flows	**-7.2**	**-8.3**	**-7.2**	**-6.7**	**-6.2**	**-5.9**	**-5.4**	**-4.4**	**-4.1**	**-3.8**	**-3.6**	**-3.5**	**-2.2**	**-4.0**	**-5.4**
Non-interest current account deficit	**-4.3**	**-5.5**	**-4.1**	**-3.5**	**-2.9**	**-2.6**	**-2.3**	**-1.3**	**-1.1**	**-0.9**	**-0.8**	**-0.6**	**0.3**	**0.0**	**-2.3**
Deficit in balance of goods and services	-1.9	-5.0	-3.7	-3.1	-2.4	-2.3	-2.0	-0.8	-0.9	-0.6	-0.3	0.2	0.4	**2.2**	**-1.9**
Exports	34.3	31.7	30.4	30.1	29.7	29.1	28.2	26.7	26.5	25.8	25.1	24.4	20.7		
Imports	32.5	26.8	26.7	27.0	27.2	26.7	26.2	25.9	25.6	25.2	24.8	24.6	21.0		
Net current transfers (negative = inflow)	-6.5	-4.9	-5.0	-5.0	-5.0	-4.7	-4.6	-4.5	-4.4	-4.3	-4.3	-4.2	-3.4	**-4.7**	**-4.6**
of which: official	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other current account flows (negative = net inflow)	4.1	4.4	4.5	4.6	4.5	4.4	4.3	4.0	4.3	4.1	3.8	3.3	3.3	**2.5**	**4.2**
Net FDI (negative = inflow)	**-2.1**	**-2.0**	**-2.3**	**-2.5**	**-2.7**	**-2.8**	**-2.8**	**-2.8**	**-2.8**	**-2.8**	**-2.8**	**-2.8**	**-2.8**	**-3.7**	**-2.7**
Endogenous debt dynamics 2/	**-0.7**	**-0.7**	**-0.8**	**-0.7**	**-0.6**	**-0.5**	**-0.3**	**-0.2**	**-0.2**	**-0.1**	**-0.1**	**0.0**	**0.3**		
Contribution from nominal interest rate	0.9	0.8	0.8	0.8	0.8	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1		
Contribution from real GDP growth	-2.6	-1.5	-1.5	-1.5	-1.5	-1.4	-1.3	-1.3	-1.2	-1.2	-1.1	-1.1	-0.8		
Contribution from price and exchange rate changes	1.0	...	...	...	...	...	...	...	...	...	...	...	...		
Residual 3/	**2.3**	**-2.0**	**6.4**	**5.5**	**5.5**	**4.6**	**4.4**	**3.2**	**3.0**	**3.0**	**2.8**	**2.8**	**0.8**	**4.7**	**3.6**
of which: exceptional financing	-16.0	-7.6	-2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Sustainability indicators															
PV of PPG external debt-to-GDP ratio	**29.6**	**22.1**	**21.5**	**20.6**	**20.5**	**19.7**	**19.1**	**18.3**	**17.6**	**17.2**	**16.7**	**16.4**	**11.3**		
PV of PPG external debt-to-exports ratio	**86.2**	**69.7**	**70.9**	**68.5**	**69.0**	**67.6**	**67.6**	**68.7**	**66.5**	**66.5**	**66.5**	**67.1**	**54.9**		
PPG debt service-to-exports ratio	**3.5**	**4.7**	**7.1**	**8.1**	**8.0**	**8.7**	**9.1**	**9.7**	**9.8**	**9.7**	**9.8**	**10.2**	**10.0**		
PPG debt service-to-revenue ratio	**7.5**	**9.3**	**12.9**	**14.5**	**14.2**	**15.0**	**15.2**	**15.5**	**15.4**	**15.0**	**14.7**	**14.8**	**12.3**		
Gross external financing need (Million of U.S. dollars)	-3192.9	-5713.4	-3693.4	-2991.3	-2576.8	-2350.8	-2004.9	-650.0	-369.0	-224.2	-162.7	59.7	1477.6		
Key macroeconomic assumptions															
Real GDP growth (in percent)	5.7	4.8	4.8	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	**4.5**	**5.0**
GDP deflator in US dollar terms (change in percent)	-2.7	31.2	-2.9	-2.2	-1.4	1.1	1.5	1.6	1.6	1.6	2.1	2.1	2.1	**0.1**	**3.3**
Effective interest rate (percent) 4/	1.9	2.5	2.4	2.7	2.9	3.4	3.7	4.0	4.3	4.5	4.7	4.9	6.7	**5.4**	**3.6**
Growth of exports of G&S (US dollar terms, in percent)	16.2	27.1	-2.6	1.7	1.9	4.0	3.4	0.9	5.8	4.1	4.1	4.1	6.8	**6.8**	**5.0**
Growth of imports of G&S (US dollar terms, in percent)	6.9	13.4	1.6	3.7	4.3	4.3	4.6	5.2	5.3	5.3	5.3	6.2	5.7	**3.6**	**5.4**
Grant element of new public sector borrowing (in percent)	...	30.3	22.4	18.8	10.4	10.6	7.4	5.9	5.8	5.4	5.3	4.6	6.7	**...**	**11.5**
Government revenues (excluding grants, in percent of GDP)	16.0	16.0	16.8	16.8	16.8	16.8	16.8	16.8	16.8	16.8	16.8	16.8	16.8	**14.3**	**16.7**
Aid flows (in Million of US dollars) 5/	120.8	766.9	729.0	986.6	948.0	1009.4	890.1	764.2	793.5	820.4	846.6	874.9	1185.2		
Grant-equivalent financing (in percent of GDP) 6/	...	0.6	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	**...**	**0.4**
Grant-equivalent financing (in percent of external financing) 6/	...	39.1	34.4	30.5	18.6	18.8	15.1	14.5	14.7	13.5	13.7	12.6	27.4	**...**	**20.5**
Nominal GDP (Million of US dollars)	82,825	113,933	115,930	118,959	123,106	130,659	139,292	148,527	158,385	168,908	181,029	194,035	389,228		
Nominal dollar GDP growth	2.8	37.6	1.8	2.6	3.5	6.1	6.6	6.6	6.6	6.6	7.2	7.2	7.2	**4.5**	**8.4**
Memorandum items:															
PV of external debt 7/	35.4	26.5	26.1	25.3	25.2	24.3	23.7	22.9	22.0	21.6	21.0	20.6	14.8		
In percent of exports	103.0	83.5	85.9	83.9	84.8	83.6	83.9	85.6	83.3	83.5	83.6	84.4	71.4		
Total external debt service-to-exports ratio	7.5	8.0	10.7	11.7	11.8	12.5	12.9	13.8	13.8	13.8	13.9	14.3	14.0		
PV of PPG external debt (in Million of US dollars)	24521.5	25195.8	24974.9	24532.3	25180.4	25683.8	26561.3	27232.2	27858.9	29009.3	30194.9	31747.9	44160.1		
(PVt-PVt-1)/GDPt-1 (in percent)		0.8	-0.2	-0.4	0.5	0.4	0.7	0.5	0.4	0.7	0.7	0.9	-0.5		
Non-interest current account deficit that stabilizes debt ratio	0.5	4.8	-3.3	-2.3	-2.1	-1.4	-1.3	-0.2	0.0	-0.1	0.1	0.0	1.8		

Definition of external/domestic debt	**Residency-based**
Is there a material difference between the two criteria?	**Yes**





Sources: Country authorities; and staff estimates and projections.

1/ Includes both public and private sector external debt.

2/ Derived as [r - g - ρ(1+g) + Ɛα (1+r)]/(1+g+ρ+gρ) times previous period debt ratio, with r = nominal interest rate; g = real GDP growth rate, ρ = growth rate of GDP deflator in U.S. dollar terms, Ɛ=nominal appreciation of the local currency, and α= share of local currency-denominated external debt in total external debt.

3/ Includes exceptional financing (i.e., changes in arrears and debt relief); changes in gross foreign assets; and valuation adjustments. For projections also includes contribution from price and exchange rate changes.

4/ Current-year interest payments divided by previous period debt stock.

5/ Defined as grants, concessional loans, and debt relief.

6/ Grant-equivalent financing includes grants provided directly to the government and through new borrowing (difference between the face value and the PV of new debt).

7/ Assumes that PV of private sector debt is equivalent to its face value.

8/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

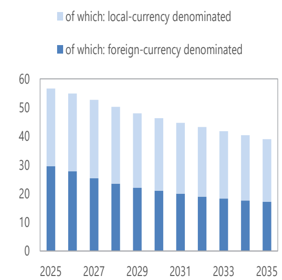
Table 2. Ghana: Public Sector Debt Sustainability Framework, Baseline Scenario, 2024–45

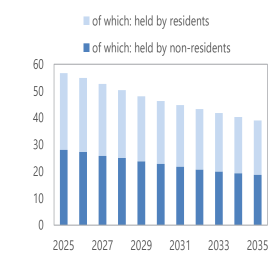
(In Percent of GDP, unless otherwise indicated)

	Actual	Projections												Average 6/	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2045	Historical	Projections
Public sector debt 1/	69.8	56.6	54.9	52.7	50.3	48.0	46.3	44.7	43.2	41.8	40.4	39.0	28.3	**69.4**	**47.1**
of which: external debt	37.1	28.1	27.2	25.8	25.0	23.8	22.8	21.8	20.7	20.0	19.3	18.7	12.4	**39.6**	**23.0**
Change in public sector debt	-9.3	-13.2	-1.7	-2.3	-2.4	-2.3	-1.7	-1.6	-1.5	-1.5	-1.4	-1.3	-1.0		
Identified debt-creating flows	-8.3	-5.2	-1.2	-2.6	-2.3	-2.5	-1.8	-1.7	-1.6	-1.5	-1.4	-1.4	-0.9	**-0.3**	**-2.1**
Primary deficit 7/	0.4	-0.5	0.4	-1.0	-1.0	-1.5	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	**1.9**	**-0.9**
Revenue and grants	16.1	16.2	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	**14.7**	**16.9**
of which: grants	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2		
Primary (noninterest) expenditure	16.5	15.8	17.4	16.0	16.0	15.5	16.0	16.0	16.0	16.0	16.0	16.0	16.0	**16.6**	**16.1**
Automatic debt dynamics	-9.5	-4.9	-1.6	-1.7	-1.3	-1.0	-0.8	-0.7	-0.6	-0.5	-0.4	-0.4	0.1		
Contribution from interest rate/growth differential	-10.0	-4.9	-1.6	-1.7	-1.3	-1.0	-0.8	-0.7	-0.6	-0.5	-0.4	-0.4	0.1		
of which: contribution from average real interest rate	-5.7	-1.7	1.0	0.9	1.2	1.4	1.5	1.5	1.5	1.5	1.6	1.5	1.4		
of which: contribution from real GDP growth	-4.3	-3.2	-2.6	-2.6	-2.5	-2.4	-2.3	-2.2	-2.1	-2.1	-2.0	-1.9	-1.4		
Contribution from real exchange rate depreciation	0.5	...	...	...	...	...	...	...	...	...	...	...	...		
Other identified debt-creating flows	0.8	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**	**0.0**
Privatization receipts (negative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Recognition of contingent liabilities (e.g., bank recapitalization)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Debt relief (HIPC and other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other debt creating or reducing flow (please specify)	0.8	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Residual	-1.0	-8.0	-0.5	0.4	-0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	**2.3**	**-0.7**
Sustainability indicators															
PV of public debt-to-GDP ratio 2/	**63.4**	**51.9**	**50.4**	**48.5**	**46.4**	**44.5**	**43.1**	**41.9**	**40.6**	**39.4**	**38.2**	**37.1**	**27.6**		
PV of public debt-to-revenue and grants ratio	**393.4**	**319.4**	**296.4**	**285.5**	**273.1**	**261.7**	**253.6**	**246.2**	**239.0**	**231.9**	**224.9**	**218.2**	**162.2**		
Debt service-to-revenue and grants ratio 3/	**41.3**	**75.8**	**92.7**	**95.5**	**92.6**	**73.7**	**68.7**	**66.4**	**65.2**	**64.9**	**62.7**	**61.4**	**48.4**		
Gross financing need 4/	7.9	11.5	13.9	14.5	14.1	11.0	10.7	10.3	10.1	10.0	9.7	9.4	7.2		
Key macroeconomic and fiscal assumptions															
Real GDP growth (in percent)	5.7	4.8	4.8	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	**4.5**	**5.0**
Average nominal interest rate on external debt (in percent)	1.6	2.2	2.1	2.4	2.6	3.1	3.5	4.0	4.2	4.5	4.8	5.0	7.4	**5.6**	**3.5**
Average real interest rate on domestic debt (in percent)	-17.0	-5.4	4.1	2.9	3.9	4.5	4.6	4.7	4.7	4.7	4.8	4.8	5.1	**-1.0**	**3.5**
Real exchange rate depreciation (in percent, + indicates depreciation)	1.1	...	...	...	...	...	...	...	...	...	...	...	...	**2.4**	**...**
Inflation rate (GDP deflator, in percent)	25.4	14.7	7.6	7.9	8.0	7.9	7.8	7.9	7.9	7.9	7.9	7.9	7.9	**17.4**	**8.5**
Growth of real primary spending (deflated by GDP deflator, in percent)	15.9	0.0	15.6	-3.3	4.8	1.8	8.4	5.0	5.0	5.0	5.0	5.0	5.0	**6.4**	**4.8**
Primary deficit that stabilizes the debt-to-GDP ratio 5/	9.7	12.7	2.1	1.3	1.4	0.8	0.7	0.6	0.5	0.5	0.4	0.3	0.0	**6.8**	**1.9**
PV of contingent liabilities (not included in public sector debt)	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		

Definition of external/domestic debt	**Residency-based**
Is there a material difference between the two criteria?	**Yes**

Public sector debt 1/





Sources: Country authorities; and staff estimates and projections.

1/ Coverage of debt: The central government, central bank, government-guaranteed debt, non-guaranteed SOE debt . Definition of external debt is Residency-based.

2/ The underlying PV of external debt-to-GDP ratio under the public DSA differs from the external DSA with the size of differences depending on exchange rates projections.

3/ Debt service is defined as the sum of interest and amortization of medium and long-term, and short-term debt.

4/ Gross financing need is defined as the primary deficit plus debt service plus the stock of short-term debt at the end of the last period and other debt creating/reducing flows.

5/ Defined as a primary deficit minus a change in the public debt-to-GDP ratio ((-): a primary surplus), which would stabilizes the debt ratio only in the year in question.

6/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

7/ Primary deficit and expenditure are computed on a cash basis. The primary deficit measured on a cash basis is larger than that on a commitment basis for 2025-28 because of the need to clear the stock of domestic arrears.

Table 3. Ghana: Sensitivity Analysis for Key Indicators of Public and Publicly Guaranteed External Debt, 2025–35

(In Percent)

	Projections 1/										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PV of Debt-to-GDP Ratio											
Baseline	22.1	21.5	20.6	20.5	19.7	19.1	18.3	17.6	17.2	16.7	16.4
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	22.1	23.6	24.7	26.3	27.7	29.2	29.4	29.1	28.8	28.3	27.6
B. Bound Tests											
B1. Real GDP growth	22.1	22.5	22.5	22.3	21.4	20.8	20.0	19.2	18.7	18.2	17.8
B2. Primary balance	22.1	22.8	24.4	25.1	24.9	24.7	24.4	23.9	23.7	23.3	23.0
B3. Exports	22.1	25.2	30.5	30.7	30.1	29.7	28.9	27.6	26.6	25.5	24.6
B4. Other flows 3/	22.1	24.7	27.1	27.2	26.6	26.1	25.3	24.2	23.4	22.5	21.7
B5. Depreciation	22.1	29.9	26.9	26.6	25.4	24.5	23.5	22.5	22.1	21.5	21.2
B6. Combination of B1-B5	22.1	26.3	27.5	27.6	26.9	26.3	25.3	24.2	23.5	22.6	21.9
C. Tailored Tests											
C1. Combined contingent liabilities	22.1	23.7	23.9	24.5	24.2	24.1	23.9	23.6	23.5	23.3	23.3
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	22.1	23.9	25.5	25.9	25.4	25.1	24.4	23.4	22.7	21.9	21.3
C4. Market Financing	22.1	24.6	23.5	23.3	22.5	21.8	21.0	20.1	19.7	19.0	18.6
Threshold	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
PV of Debt-to-Exports Ratio											
Baseline	69.7	70.9	68.5	69.0	67.6	67.6	68.7	66.5	66.5	66.5	67.1
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	69.7	77.7	81.9	88.7	95.4	103.4	110.0	110.0	111.6	112.7	113.3
B. Bound Tests											
B1. Real GDP growth	69.7	70.9	68.5	69.0	67.6	67.6	68.7	66.5	66.5	66.5	67.1
B2. Primary balance	69.7	75.2	81.1	84.8	85.6	87.7	91.3	90.3	91.7	92.8	94.5
B3. Exports	69.7	89.1	117.7	120.6	120.5	122.4	125.8	121.2	120.0	118.4	117.4
B4. Other flows 3/	69.7	81.2	89.9	91.8	91.5	92.6	94.7	91.4	90.6	89.6	89.1
B5. Depreciation	69.7	70.0	63.6	63.7	62.1	61.8	62.6	60.6	60.8	61.0	61.9
B6. Combination of B1-B5	69.7	86.1	84.2	94.4	93.7	94.7	96.3	92.9	92.3	91.5	91.3
C. Tailored Tests											
C1. Combined contingent liabilities	69.7	78.2	79.3	82.6	83.4	85.5	89.4	89.1	91.1	93.0	95.5
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	69.7	83.7	89.1	90.9	90.3	91.0	92.4	89.4	89.0	88.4	88.2
C4. Market Financing	69.7	70.9	68.5	69.0	67.7	67.8	68.9	66.7	66.7	66.5	67.0
Threshold	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0
Debt Service-to-Exports Ratio											
Baseline	4.7	7.1	8.1	8.0	8.7	9.1	9.7	9.8	9.7	9.8	10.2
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	4.7	6.9	8.5	9.0	10.4	11.6	13.9	**15.1**	**16.0**	**17.1**	**18.3**
B. Bound Tests											
B1. Real GDP growth	4.7	7.1	8.1	8.0	8.7	9.1	9.7	9.8	9.7	9.8	10.2
B2. Primary balance	4.7	7.2	8.6	9.3	10.2	10.8	12.1	12.7	13.0	13.4	14.0
B3. Exports	4.7	7.9	10.9	12.8	13.7	14.4	**16.5**	**18.4**	**18.4**	**18.5**	**19.0**
B4. Other flows 3/	4.7	7.1	9.0	9.9	10.6	11.1	12.9	13.8	13.8	13.9	14.3
B5. Depreciation	4.7	7.1	8.0	7.6	8.2	8.6	9.1	8.8	8.8	8.9	9.2
B6. Combination of B1-B5	4.7	7.5	10.0	10.4	11.1	11.7	13.6	14.0	14.0	14.1	14.5
C. Tailored Tests											
C1. Combined contingent liabilities	4.7	7.2	8.7	9.0	9.8	10.4	11.3	11.5	11.7	11.9	12.5
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	4.7	7.7	9.3	10.0	10.7	11.2	12.6	13.3	13.4	13.5	13.9
C4. Market Financing	4.7	7.1	8.1	8.0	8.7	9.3	9.9	10.6	10.5	9.8	10.1
Threshold	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Debt Service-to-Revenue Ratio											
Baseline	9.3	12.9	14.5	14.2	15.0	15.2	15.5	15.4	15.0	14.7	14.8
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	9.3	12.6	15.2	16.0	18.0	**19.5**	**22.1**	**23.7**	**24.6**	**25.5**	**26.6**
B. Bound Tests											
B1. Real GDP growth	9.3	13.5	15.8	15.5	16.3	16.6	16.8	16.8	16.3	16.0	16.1
B2. Primary balance	9.3	13.0	15.5	16.4	17.6	**18.2**	**19.2**	**20.0**	**20.1**	**20.0**	**20.4**
B3. Exports	9.3	13.3	16.8	**19.4**	**20.4**	**20.8**	**22.5**	**25.0**	**24.4**	**23.8**	**23.7**
B4. Other flows 3/	9.3	12.9	16.1	17.5	**18.4**	**18.7**	**20.5**	**21.8**	**21.3**	**20.8**	**20.7**
B5. Depreciation	9.3	**18.1**	**20.2**	**18.8**	**20.0**	**20.3**	**20.4**	**19.6**	**19.0**	**18.6**	**18.8**
B6. Combination of B1-B5	9.3	13.7	17.6	**18.0**	**19.0**	**19.3**	**21.3**	**21.8**	**21.2**	**20.7**	**20.7**
C. Tailored Tests											
C1. Combined contingent liabilities	9.3	13.0	15.7	15.9	17.0	17.5	**18.0**	**18.2**	**18.0**	17.9	**18.1**
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	9.3	14.5	17.8	**18.9**	**19.5**	**19.5**	**20.4**	**20.8**	**20.3**	**19.9**	**19.9**
C4. Market Financing	9.3	12.9	14.5	14.2	15.1	15.6	15.8	16.6	16.1	14.6	14.7
Threshold	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0

Sources: Country authorities; and staff estimates and projections.
1/ A bold value indicates a breach of the threshold.
2/ Variables include real GDP growth, GDP deflator (in U.S. dollar terms), non-interest current account in percent of GDP, and non-debt creating flows.
3/ Includes official and private transfers and FDI.

Table 4. Ghana: Sensitivity Analysis for Key Indicators of Public Debt, 2025–35

(In Percent)

	Projections 1/										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PV of Debt-to-GDP Ratio											
Baseline	51.9	50.4	48.5	46.4	44.5	43.1	41.9	40.6	39.4	38.2	37.1
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	51.9	48.0	45.9	44.0	42.6	41.4	40.3	39.4	38.4	37.5	36.7
B. Bound Tests											
B1. Real GDP growth	51.9	53.3	**55.3**	54.9	54.7	**55.0**	**55.4**	**55.9**	**56.3**	**56.8**	**57.3**
B2. Primary balance	51.9	54.8	**59.8**	**58.3**	**56.8**	**55.9**	**55.0**	54.2	53.3	52.4	51.5
B3. Exports	51.9	53.5	**57.4**	**55.6**	53.9	52.7	51.4	49.7	47.9	46.2	44.5
B4. Other flows 3/	51.9	53.7	**55.3**	53.4	51.6	50.4	49.0	47.4	45.8	44.2	42.6
B5. Depreciation	51.9	54.7	51.7	48.5	45.3	42.8	40.5	38.3	36.1	33.9	31.7
B6. Combination of B1-B5	51.9	51.4	**55.3**	53.6	52.0	50.9	49.8	48.7	47.6	46.4	45.2
C. Tailored Tests											
C1. Combined contingent liabilities	51.9	**59.8**	**58.3**	**56.7**	**55.2**	54.3	53.4	52.5	51.6	50.7	49.9
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	51.9	53.6	**56.1**	**58.5**	**60.2**	**62.0**	**63.2**	**63.7**	**64.3**	**64.8**	**65.3**
C4. Market Financing	51.9	50.4	48.5	46.4	44.5	43.2	41.9	40.7	39.5	38.2	37.1
TOTAL public debt benchmark	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
PV of Debt-to-Revenue Ratio											
Baseline	319.4	296.4	285.5	273.1	261.7	253.6	246.2	239.0	231.9	224.9	218.2
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	319.4	282.7	270.6	259.3	251.7	244.7	238.5	232.7	227.3	222.1	217.4
B. Bound Tests											
B1. Real GDP growth	319.4	313.0	325.0	322.5	321.2	323.2	325.7	328.5	331.1	333.7	336.5
B2. Primary balance	319.4	322.0	352.1	342.8	334.3	328.8	323.6	318.6	313.4	308.0	302.9
B3. Exports	319.4	314.4	337.8	327.2	316.9	309.9	302.1	292.1	281.8	271.5	261.5
B4. Other flows 3/	319.4	315.7	325.3	314.3	303.7	296.5	288.3	278.9	269.4	259.9	250.7
B5. Depreciation	319.4	322.1	304.6	285.3	267.0	252.2	238.5	225.4	212.5	199.6	186.9
B6. Combination of B1-B5	319.4	302.7	325.5	315.5	306.0	299.4	293.0	286.6	279.9	273.0	266.1
C. Tailored Tests											
C1. Combined contingent liabilities	319.4	351.8	343.4	333.7	324.9	319.2	313.9	308.9	303.7	298.4	293.4
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	319.4	350.9	367.4	382.5	383.5	384.0	381.1	374.7	377.7	380.7	383.9
C4. Market Financing	319.4	296.4	285.5	273.1	261.8	253.9	246.5	239.4	232.2	225.0	218.1
Debt Service-to-Revenue Ratio											
Baseline	75.8	92.7	95.5	92.6	73.7	68.7	66.4	65.2	64.9	62.7	61.4
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	75.8	86.0	86.4	82.3	67.4	63.9	62.9	63.7	64.4	63.8	63.5
B. Bound Tests											
B1. Real GDP growth	75.8	97.2	112.8	113.5	96.8	93.5	94.1	96.1	98.7	99.1	100.5
B2. Primary balance	75.8	93.3	114.2	124.8	102.5	96.5	95.3	95.9	95.9	92.9	91.5
B3. Exports	75.8	92.7	97.0	97.0	78.1	73.2	72.3	73.5	73.0	70.6	69.1
B4. Other flows 3/	75.8	92.7	97.1	95.9	77.1	72.2	71.3	71.5	71.0	68.7	67.3
B5. Depreciation	75.8	87.2	95.5	92.5	75.8	70.1	67.4	65.5	64.0	62.2	60.6
B6. Combination of B1-B5	75.8	89.7	102.4	112.2	91.5	85.4	83.2	82.1	81.4	78.0	75.7
C. Tailored Tests											
C1. Combined contingent liabilities	75.8	93.3	127.2	118.1	99.0	93.7	92.0	91.6	89.7	86.5	84.7
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	75.8	105.3	120.7	124.8	110.7	107.8	108.3	109.3	112.4	113.6	115.5
C4. Market Financing	75.8	92.7	95.5	92.6	73.8	69.0	66.7	66.4	66.0	62.6	61.4

Sources: Country authorities; and staff estimates and projections.

1/ A bold value indicates a breach of the benchmark.

2/ Variables include real GDP growth, GDP deflator and primary deficit in percent of GDP.

3/ Includes official and private transfers and FDI.

Statement by Mr. Bahador Bijani, Executive Director for Ghana
and Mr. Nana Akosah, Advisor to Executive Director
December 17, 2025

Introduction

1. **On behalf of our Ghanaian authorities, we express our sincere gratitude to Fund Management, the Executive Board, and staff for their continued unwavering support to Ghana.** Our authorities appreciate the constructive dialogue and collaboration with the team led by Mr. Atoyan during the fifth review under the Extended Credit Facility (ECF) arrangement. They also convey their appreciation to the Official Creditor Committee, commercial creditors, and sovereign bondholders for the progress achieved in Ghana's debt restructuring under the G20 Common Framework. The authorities concur with staff's assessment reflected in the reports and highly value their policy recommendations, which continue to guide Ghana's reform agenda aimed at macroeconomic stability, inclusive job-rich growth, and debt sustainability. The new government, at the highest level, has unequivocally reaffirmed its steadfast commitment to the program, demonstrating strong ownership and ensuring consistency and policy continuity.

Program Performance, Recent Economic Development and Outlook

2. **The authorities reaffirm their commitment to sustaining the momentum of reforms and keeping the fiscal program on track.** Program performance has been broadly robust, reflecting the new administration's strong determination to diligently pursue program objectives. All end-June 2025 QPCs and ITs were met, with notable overperformance in net international reserve accumulation and inflation. In addition to implementing several delayed structural benchmarks (SBs) from the fourth review, seven of the eleven SBs falling due by end-September 2025 under the current review were met, albeit some with delays. The authorities remain committed to fully implementing the three outstanding SBs, including rephasing. For the missed end-June 2025 SB on merging earmarked funds with line ministries, the authorities will instead reform these funds to meet program objectives, in line with the 2023 Strategy to Streamline Earmarked Funds approved by the previous administration.

3. **The new authorities' decisive actions and strong reaffirmed commitment to program implementation are already delivering positive outcomes.** Economic activity remains resilient, with 2025 real GDP growth revised upward to 4.8 percent after a strong 6.3 percent expansion in the first half of the year, driven by robust services sector and solid household consumption. While the growth outlook remains favorable, ongoing fiscal adjustments and heightened global uncertainties pose downside risks. Yet, inflation is continuing its sharp deceleration, falling from 23.8 percent in December 2024 to only 6.3 percent by end-November 2025, well within the Bank of Ghana's (BoG) medium-term target range of 8 ± 2 percent,

reflecting a stronger cedi and a tighter policy stance. Inflation is projected to remain within the target range over the medium term, barring unforeseen external shocks.

4. **The external sector and fiscal performance also strengthened markedly in 2025,** reflected in a sharp decline in the public debt-to-GDP ratio and sovereign credit upgrades by international rating agencies. The current account is expected to post a surplus of 3 percent of GDP in 2025, driven primarily by strong gold and cocoa exports, and remittance inflows. Gross international reserves reached 3.8 months of imports by end-October 2025 (4.8 months including the Heritage and Stabilization Fund), exceeding the ECF program target. This performance was supported by the Bank of Ghana's gold-for-reserves program and formalization of gold trade under GoldBod, despite substantial energy-related payments and Eurobond debt service.

5. **The authorities acknowledge the substantial downside risks to the macroeconomic outlook,** stemming mainly from volatile commodity prices, regional conflicts, and heightened global uncertainty. Accordingly, they reiterate their commitment to implementing macro-fiscal policies and advancing structural reforms fully aligned with program objectives, with the aim of consolidating recent gains and establishing a strong foundation for sustainable and inclusive job-rich growth.

Fiscal Policy and Debt Management

6. **The authorities reaffirm their commitment to credible multi-year fiscal consolidation strategy to underpin debt sustainability.** Despite the 2024 slippage, the new authorities remain strongly committed to delivering the necessary fiscal consolidation in 2025 to bring the deficit back on track. Accordingly, both the approved 2025 Mid-Year Budget Review and the 2026 Budget—the latter submitted to parliament as a prior action—are fully aligned with the program's objectives of achieving a primary surplus of 1.5 percent of GDP (on a commitment basis) in 2025-2026 and sustaining it thereafter through strong non-oil revenue mobilization efforts and enhanced expenditure control. Looking further ahead, the authorities remain steadfast in advancing their Medium-Term Revenue Strategy, including leveraging digitalization to broaden the tax base and enhance compliance, progressivity, and efficiency. Key measures include implementing comprehensive VAT reforms—such as amendments to the VAT Act already submitted to Parliament—and introducing a new Extractive Industry Fiscal Regime Act to promote a stable investment climate in the mineral sector and ensure equitable distribution of tax burden. The authorities are also committed to operationalizing ITAS by end-June 2026 (new SB), which is now scheduled for implementation in three phases following the completion of taxpayer registry and ledger data cleansing. These measures, developed with IMF technical assistance, will be complemented by contingency plans should revenue fall short.

7. **The authorities remain focused on strengthening expenditure discipline while prioritizing efficient, growth-enhancing capital projects.** To address the 2024 fiscal slippage, the authorities amended the Public Financial Management (PFM) Act, introduced a Fiscal

Responsibility Framework with a debt ceiling and primary balance target, and established a PFM Compliance Division to strengthen commitment controls and enforce sanctions. Amendments to the Public Procurement Act closed loopholes that enabled unbudgeted commitments, while statutory fund operations are streamlined and earmarked transfers reduced. The authorities also intend to fully implement IMF PIMA recommendations to strengthen public investment management and prioritize high-impact infrastructure projects. In line with the forthcoming Cabinet decision, they will act on findings from the 2024 audit of central government payables to cancel, rescope, and rephase the updated inventory of ongoing and planned project commitments. To reinforce fiscal oversight and discipline, the authorities will also prioritize fully operationalizing the TSA, onboarding public agencies onto GHANEPS to enhance procurement transparency, and integrating GIFMIS with the Human Resource Information System.

8. **Ensuring the operational viability of State-Owned Enterprises (SOEs) remains a priority.** The authorities will continue to strengthen SOEs safeguards and risk management to mitigate fiscal risks and improve operational efficiency and profitability. They are particularly committed to stabilizing cocoa, gold, and energy sectors through rigorous oversight and transparency, including full implementation of the Cocobod Turnaround Strategy and continued strict controls on GoldBod borrowing. In the energy sector, the authorities will maintain transparent quarterly tariff adjustments in line with the 2026-2030 Multi-Year Tariff Order framework and fully enforce the Cash Waterfall Mechanism and fuel levy, supported by contingency measures to ensure timely payments and arrears clearance. In line with their Arrears' Clearance and Prevention Strategy, the authorities have reached agreements with nine independent power producers, covering nearly all outstanding payables as of end-June 2025. These agreements restructure legacy debt under a biannual schedule for 2026–2029 and include substantial haircuts, upfront payments, and anticipated revisions to power purchase agreements.

9. **The authorities will swiftly execute the revised Medium-Term Debt Management Strategy (MTDS) and Annual Borrowing Plan (ABP) to ensure debt sustainability.** The debt trajectory has improved markedly, with the DSA baseline scenario suggesting a moderate risk of debt distress. While acknowledging the rationale for applying judgment, the authorities disagree with the staff's assessment of a high risk of debt distress in this review. Moving forward, the authorities will continue implementing the arrears clearance strategy, while prioritizing concessional financing, controlling external disbursements, pursuing a debt reprofiling strategy, gradually reopening the domestic bond market, and boosting transparency—in line with the updated MTDS and ABP—to mitigate debt vulnerabilities. To this end, they have established two sinking funds to provide liquidity buffers and ensure timely redemption of large DDE bonds maturing in 2027-28. While notable progress has been achieved on debt restructuring under the G20 Common Framework, the authorities will step up efforts to complete the process in a timely manner.

10. **The authorities will also intensify efforts to broaden social protection coverage and enhance its efficiency.** Social programs such as Livelihood Empowerment Against Poverty (LEAP), capitation grant, Ghana school feeding, free maternal healthcare, and targeted cash transfers and fee exemptions have provided critical support to vulnerable populations. The new Social Protection Law (SPL) marks a pivotal step toward institutionalizing comprehensive social protection systems in Ghana in support of the authorities' commitment to protecting the most vulnerable population and promoting social cohesion. Consistent with their social equity objectives, the authorities have upheld the planned increase in social program spending under the 2025 Budget and accelerated beneficiary disbursement by leveraging digital platforms. In parallel, they will fast-track the review of the LEAP registry to enhance efficiency and expand coverage, while preserving automatic indexation. Beginning April 2026, all social spending agencies will be required to submit quarterly budget execution reports to strengthen transparency and enhance monitoring.

Monetary, Exchange Rate and Financial Sector Policies

11. **The BOG is committed to data-driven, forward-looking monetary policy aimed at meeting its inflation target and anchoring inflation expectations while supporting growth.** The steady decline in inflation and the appreciation of cedi have created room for monetary easing in 2025, yet the BoG intends to proceed cautiously, maintaining a well-calibrated stance to safeguard price stability. The BoG will further improve liquidity management and intensify efforts to implement outstanding 2023 safeguards recommendations, reinforcing its operational autonomy and governance. The BoG is committed to enhancing exchange rate flexibility and prudent management of foreign reserves and market-based FX operations. To this end, it has adopted a rules-based FX intervention framework—developed in consultation with staff and aligned with international best practices—to guide FX operations and foster deeper market development. The BoG also remains committed to eliminating multiple currency practices in close consultation with IMF staff.

12. **The authorities are taking decisive steps to further strengthen financial stability.** Proactive measures to support banking sector recapitalization have enabled the system to ensure smooth domestic debt restructuring. In line with the Ghana Financial Sector Strengthening Strategy, the authorities remain focused on enhancing risk-based supervision, enforcing regulatory compliance, and addressing vulnerabilities—particularly those related to asset quality, virtual financial services, specialized deposit-taking institutions (SDIs), and non-bank financial institutions. To this end, the authorities plan to repurpose the Ghana Financial Sector Stability Fund—supported by the World Bank—to tackle structural challenges in the SDI sector. They will also ensure the timely recapitalization of remaining two state-owned banks (SoBs) and fully implement the approved reform strategy to restore SoBs' financial viability and minimize fiscal risks. Additionally, efforts to strengthen the AML/CFT framework will continue to keep Ghana aligned with FATF requirements and reinforce financial integrity and confidence.

Structural Reforms

14. **The authorities will accelerate well-sequenced reforms to drive job-rich growth and diversification and maximize Ghana's economic opportunities.** They are advancing a comprehensive reform agenda aligned with the 24-Hour Economy Policy and the Economic Transformation Agenda. Key priorities include fast-tracking export diversification, advancing human capital development—particularly for women and youth—modernizing agriculture, simplifying business regulations, and accelerating the transition to the digital economy. Efforts are also being intensified to strengthen governance and the anti-corruption framework, creating a transparent and predictable investment climate to promote inclusive, sustainable growth. In this regard, the authorities are fully committed to continue implementing the outstanding recommendations from the published Governance Diagnostic Report—prepared with IMF technical assistance—and the updated National Anti-Corruption Action Plan to detect and address corruption vulnerabilities. The authorities are also developing a comprehensive conflict-of-interest and asset declaration regime for public officials, strengthening independent anti-corruption and oversight institutions, and improving judicial integrity and efficiency to boost public confidence and foster private sector-led growth.

15. **The authorities recognize climate change as an existential threat, with disproportionate impacts on the most vulnerable segments of the Ghanaian population.** They are committed to integrating climate resilience into national development strategies and accelerating adaptation measures, in line with C-PIMA and the 2022 Country Climate and Development Report recommendations, to safeguard lives and livelihoods. Efforts include promoting sustainable agriculture, investing in renewable energy, building resilient infrastructure, and strengthening disaster preparedness to mitigate the effects of extreme weather events. Furthermore, the authorities emphasize the need for continued international support and financing to complement domestic initiatives and ensure a just and inclusive transition.

Conclusion

The authorities have demonstrated unwavering commitment and strong program ownership and steadfast implementation through bold and decisive measures, despite a challenging domestic and global environment. Their robust policies and reforms are already delivering positive outcomes. They will stay the course to deliver macroeconomic stability, debt sustainability, and inclusive growth that creates jobs and reduces poverty. Given the authorities' strong ownership and commitment, Executive Directors' support for completing the fifth review under the ECF arrangement and related requests would validate their progress, strengthen reform momentum, and secure hard-won macroeconomic gains.