

Ghana: Statistical Appendix

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GHANA

Statistical Appendix

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Ghana: Basic Data 1/

I. Demographic Indicators

Area:	238,540 square kilometers
Population:	20.27 million (2002)
Population growth:	1.7 percent a year (2002)
GDP per capita (1997 estimate)	About US\$286 (2002, calculated at average exchange rates)

II. Economic Indicators, 2000-04

	2000	2001	2002	2003	2004
(In billions of cedis)					
GDP (in current prices)	27,153	38,071	48,862	66,158	79,865
(In percent of nominal GDP)					
Agriculture	35.3	35.2	35.1	36.5	37.9
Industry	25.4	25.2	25.3	25.2	24.7
Services	28.8	29.2	29.2	29.1	28.6
(Percentage change)					
Nominal GDP	31.9	40.2	28.3	35.4	20.7
Real GDP	3.7	4.2	4.5	5.2	5.8
Exports (volume)	1.0	-1.3	-2.1	-6.8	14.5
Imports (volume)	-26.0	10.0	-6.8	6.9	13.9
Prices					
GDP deflator	27.2	34.6	22.8	28.6	14.1
Consumer price index (period average)	25.2	32.9	14.8	26.7	12.6
Export prices	-4.4	-2.3	12.6	28.9	-1.6
Import prices	14.6	-6.7	2.9	12.3	15.7
Terms of trade	-16.6	4.8	9.4	14.8	-15.0
(In billions of cedis, unless otherwise indicated)					
Central government finance					
Revenue and grants	5,385	9,532	10,333	16,862	24,073
Expenditure and net lending	7,525	12,451	12,753	19,035	26,584
<i>Of which: recurrent expenditure</i>	5,034	7,578	9,763	13,122	16,697
Arears clearance and value-added tax refunds	-484	-514	-893	-711	-326
Overall balance	-2,624	-3,433	-3,313	-2,884	-2,837
(In percent of GDP)	-9.7	-9.0	-6.8	-4.4	-3.6
Foreign financing (net)	-56	2,087	460	2,203	2,612
Domestic financing (net) 2/	3,031	467	2,297	399	44
<i>Of which: banking system</i>	2,364	-999	1,161	-960	1,640
(Annual percentage change)					
Money and credit (end of period)					
Net domestic assets	57.7	20.9	0.5	21.4	12.1
Net claims on the government 3/	63.2	0.0	40.3	-11.5	66.8
Credit to rest of the economy	63.5	25.9	14.8	40.4	26.9
Broad money (M2+) 4/	46.5	41.2	50.5	38.1	26.0
Reserve money	52.6	31.3	42.6	33.4	18.8
Velocity (ratio of GDP/annual average M2+)	4.6	4.6	4.1	4.0	3.5

Ghana: Basic Data (concluded)

	2000	2001	2002	2003	2004
(In millions of U.S. dollars, unless otherwise indicated)					
Balance of payments					
Exports, f.o.b.	1,936	1,867	2,057	2,471	2,785
Cocoa beans and products	437	381	463	818	1,071
Noncocoa products	1,499	1,486	1,594	1,654	1,714
Imports, f.o.b.	-2,759	-2,831	-2,714	-3,259	-4,297
Oil	-2,239	-2,314	-2,206	-2,696	-3,522
Trade balance	-823	-964	-657	-788	-1513
Services and transfers (net)	-246	-182	-214	-280	-554
Current account balance 3/	-419	-283	30	127	-236
Gross official international reserves					
End of period	264.0	339.8	631.5	1427.1	1816.0
In months of imports, c.i.f.	0.9	1.2	1.9	3.2	3.7
External public debt	5,831	6,670	7,249	7,417	7,530
Disbursed and outstanding (end of period, including the Fund) 5/	5,831	6,670	7,249	7,417	7,530
Debt service due (in percent of exports of goods and services)					
Including the Fund	23.0	18.9	18.4	14.5	16.2
Excluding the Fund	21.3	16.1	17.7	13.7	14.9
Exchange rates					
End of period	7,048	7,322	8,439	8,852	9,054
Period average	5,431	7,179	7,944	8,681	9,021

Sources: Ghanaian authorities; and World Bank (population estimates).

1/ See Attachment I for indicators on developments in the health sector.

2/ Including "net savings due to inflation-indexed bonds."

3/ Including official transfers.

4/ Including foreign currency deposits.

5/ Public and publically guaranteed medium- and long-term debt.

Table 1. Ghana: GDP by Industry, 2000-04

	2000	2001	2002	2003	2004
	(In billions of cedis at 1993 prices)				
Agriculture	1,849	1,923	2,007	2,129	2,289
Agriculture and livestock	1,252	1,314	1,383	1,456	1,533
Cocoa production and marketing	178	176	175	204	265
Forestry and logging	182	191	200	213	225
Fishing	237	242	249	256	265
Industry	1,295	1,333	1,396	1,467	1,542
Mining and quarrying	286	281	294	308	322
Manufacturing	472	489	513	536	561
Electricity and water	132	138	144	150	155
Construction	405	425	446	473	505
Services	1,525	1,603	1,678	1,757	1,840
Transport, storage, and communication	245	258	273	289	305
Wholesale and retail trade, restaurants and hotels	352	369	390	410	430
Finance, insurance, real estate, and business services	220	230	243	255	267
Government services	565	593	614	639	667
Community, social, and personal services	97	104	108	113	117
Private nonprofit services	47	48	50	51	53
Indirect taxes	472	498	519	542	566
GDP at market prices	5,142	5,357	5,601	5,895	6,236
	(In billions of cedis at current market prices)				
Agriculture	9,577	13,417	17,174	24,178	30,279
Agriculture and livestock	5,976	8,471	10,961	14,855	17,651
Cocoa production and marketing	1,305	1,744	2,131	3,835	6,067
Forestry and logging	1,055	1,493	1,925	2,628	3,179
Fishing	1,241	1,709	2,157	2,860	3,383
Industry	6,898	9,600	12,350	16,678	19,746
Mining and quarrying	1,352	1,796	2,307	3,109	3,663
Manufacturing	2,448	3,428	4,411	5,938	6,984
Electricity and water	732	1,029	1,317	1,766	2,069
Construction	2,366	3,347	4,316	5,866	7,030
Services	7,824	11,101	14,275	19,230	22,867
Transport, storage, and communication	1,165	1,660	2,155	2,934	3,541
Wholesale and retail trade, restaurants and hotels	1,824	2,588	3,355	4,534	5,437
Finance, insurance, real estate, and business services	1,155	1,630	2,112	2,859	3,424
Government services	2,731	3,871	4,925	6,592	7,731
Community, social and personal services	694	998	1,280	1,714	2,041
Private nonprofit services	254	355	449	597	693
Indirect taxes	2,854	3,953	5,063	6,072	6,912
GDP at market prices	27,153	38,071	48,862	66,158	79,865
	(Annual percentage change)				
Memorandum items:					
GDP deflator	27.2	34.6	22.8	28.6	14.1
GDP at current market prices	31.9	40.2	28.3	35.4	20.7
GDP at constant market prices	3.7	4.2	4.5	5.2	5.8
Per capita real GDP	1.0	1.4	1.8	2.5	3.0

Source: Ghana Statistical Service.

Table 2. Ghana: GDP by Expenditure Category, 2000-04 1/

	2000	2001	2002	2003	2004
(In billions of cedis at constant 1993 prices)					
Consumption expenditure	5,066	5,259	5,630	5,945	6,247
Central government	804	822	786	821	754
Other sectors	4,262	4,436	4,844	5,124	5,493
Gross capital formation	867	1,062	862	1,090	1,352
Gross fixed capital formation	878	1,058	840	1,090	1,352
Central government	339	507	255	400	542
Other sectors	540	551	585	690	810
Changes in inventories	-11	4	22	0	0
Foreign balance	-792	-964	-891	-1,140	-1,364
Exports of goods and services	1,442	1,442	1,411	1,324	1,389
Imports of goods and services	-2,234	-2,406	-2,302	-2,464	-2,753
Gross domestic expenditure	8,167	8,727	8,793	9,499	10,352
GDP	5,142	5,357	5,601	5,895	6,236
(In billions of cedis at current market prices)					
Consumption expenditure	25,651	35,398	45,272	58,956	74,084
Central government	4,602	6,793	8,595	11,722	12,780
Other sectors	21,049	28,605	36,677	47,234	61,304
Gross capital formation	6,509	10,127	9,635	15,175	22,278
Gross fixed capital formation	6,591	10,089	9,391	15,175	22,278
Changes in inventories	-81	38	244	0	0
Foreign balance	-5,008	-7,454	-6,045	-7,973	-16,497
Exports of goods and services	13,251	17,221	20,758	26,922	29,574
Imports of goods and services	-18,259	-24,675	-26,803	-34,895	-46,071
Gross domestic expenditure	50,420	70,200	81,710	109,026	142,433
GDP	27,153	38,071	48,862	66,158	79,865

Sources: Ghana Statistical Service; and IMF staff estimates.

1/ Estimates.

Table 3. Ghana: Composition and Growth of GDP by Industry, 2000-04

	2000	2001	2002	2003	2004
(In percent of nominal GDP)					
Agriculture	35.3	35.2	35.1	36.5	37.9
Agriculture and livestock	22.0	22.3	22.4	22.5	22.1
Cocoa production and marketing	4.8	4.6	4.4	5.8	7.6
Forestry and logging	3.9	3.9	3.9	4.0	4.0
Fishing	4.6	4.5	4.4	4.3	4.2
Industry	25.4	25.2	25.3	25.2	24.7
Mining and quarrying	5.0	4.7	4.7	4.7	4.6
Manufacturing	9.0	9.0	9.0	9.0	8.7
Electricity and water	2.7	2.7	2.7	2.7	2.6
Construction	8.7	8.8	8.8	8.9	8.8
Services	28.8	29.2	29.2	29.1	28.6
Transport, storage, and communication	4.3	4.4	4.4	4.4	4.4
Wholesale and retail trade, restaurants and hotels	6.7	6.8	6.9	6.9	6.8
Finance, insurance, real estate, and business services	4.3	4.3	4.3	4.3	4.3
Government services	10.1	10.2	10.1	10.0	9.7
Community, social, and personal services	2.6	2.6	2.6	2.6	2.6
Private nonprofit services	0.9	0.9	0.9	0.9	0.9
Indirect taxes	10.5	10.4	10.4	9.2	8.7
GDP at market prices	100.0	100.0	100.0	100.0	100.0
(Annual percentage volume change)					
Agriculture	2.1	4.0	4.4	6.1	7.5
Agriculture and livestock	1.1	5.0	5.2	5.3	5.3
Cocoa production and marketing	6.2	-1.0	-0.5	16.4	29.9
Forestry and logging	11.1	4.9	5.0	6.1	5.8
Fishing	-1.6	2.0	2.8	3.0	3.5
Industry	3.8	2.9	4.7	5.1	5.1
Mining and quarrying	1.5	-1.6	4.5	4.7	4.5
Manufacturing	3.8	3.7	4.8	4.6	4.6
Electricity and water	4.5	4.3	4.1	4.2	3.7
Construction	5.1	4.8	5.0	6.1	6.6
Services	5.4	5.1	4.7	4.7	4.7
Transport storage and communication	6.0	5.5	5.7	5.8	5.6
Wholesale and retail trade, restaurants and hotels	4.0	5.0	5.6	5.0	4.9
Finance, insurance, real estate, and business services	5.0	4.5	5.5	5.2	4.8
Government services	6.0	5.0	3.6	4.0	4.4
Community, social and personal services	6.9	6.5	4.4	4.1	4.2
Private nonprofit services	3.1	3.2	3.1	3.2	3.5
Indirect taxes	5.0	5.4	4.3	4.4	4.3
GDP at market prices	3.7	4.2	4.5	5.2	5.8

Source: Ghana Statistical Service.

Table 4. Ghana: Composition and Growth of GDP by Expenditure Category, 2000-04 1/

	2000	2001	2002	2003	2004
	(In percent of nominal GDP)				
Final consumption	94.5	93.0	92.7	89.1	92.8
Central government	16.9	17.8	17.6	17.7	16.0
Other sectors	77.5	75.1	75.1	71.4	76.8
Gross capital formation	24.0	26.6	19.7	22.9	27.9
Gross fixed capital formation	24.3	26.5	19.2	22.9	27.9
Changes in inventories	-0.3	0.1	0.5	0.0	0.0
Net exports	-18.4	-19.6	-12.4	-12.1	-20.7
Exports of goods and services	48.8	45.2	42.5	40.7	37.0
Imports of goods and services	-67.2	-64.8	-54.9	-52.7	-57.7
GDP	100.0	100.0	100.0	100.0	100.0
	(Annual percentage changes in constant prices)				
Central government	14.8	2.3	-4.4	4.5	-8.2
Other sectors	-5.4	4.1	9.2	5.8	7.2
Gross capital formation	-16.9	22.5	-18.9	26.5	24.0
Gross fixed capital formation	-13.8	20.5	-20.6	29.8	24.0
Changes in inventories	-142.2	-137.1	447.3	-100.0	0.0
Net exports	9.8	-3.2	1.3	-4.2	-3.6
Exports of goods and services	0.8	0.0	-2.2	-6.2	4.9
Imports of goods and services	-18.0	7.7	-4.4	7.1	11.7
GDP	3.7	4.2	4.5	5.2	5.8

Sources: Ghana Statistical Services; and IMF staff estimates.

1/ Estimates.

Table 5. Ghana: Savings and Capital Formation, 2000-04 1/

	2000	2001	2002	2003	2004
(In billions of cedis at current market prices)					
GDP	27,153	38,071	48,862	66,158	79,865
Net primary income from abroad	-351	-434	-797	-774	-872
Gross national income	26,801	37,636	48,065	65,384	78,993
Net transfer from abroad	1,716	1,655	3,528	6,197	7,158
Gross national disposable income	28,517	39,292	51,592	71,581	86,151
Gross savings	2,866	3,894	6,320	12,625	12,067
Gross capital formation	6,509	10,127	9,635	15,175	22,278
Consumption of fixed capital	1,201	1,916	1,917	1,918	1,919
Net capital formation	5,308	8,212	7,719	13,257	20,359
External current account balance	-3,644	-6,233	-3,315	-2,550	-10,211
(In percent of nominal GDP)					
Gross national disposable income	105.0	103.2	105.6	108.2	107.9
Total consumption	94.5	93.0	92.7	89.1	92.8
Gross savings	10.6	10.2	12.9	19.1	15.1
Gross capital formation	24.0	26.6	19.7	22.9	27.9
Net capital formation	19.5	21.6	15.8	20.0	25.5
External current account balance	-13.4	-16.4	-6.8	-3.9	-12.8

Sources: Ghana Statistical Service; and IMF staff estimates.

Table 6. Ghana: Cocoa Bean Production, Consumption, Prices, Payments to Farmers, and Export Receipts, 1999/2000-2003/04 1/

	1999/00	2000/01	2001/02	2002/03	2003/04
	(In thousands of metric tons)				
Production					
Main crop (October-May)	400	350	321	444	669
Light crop (June-October)	30	45	18	35	68
Total	430	395	339	479	737
Consumption					
Domestic 2/	65	65	100	120	84
Export (beans)	365	313	232	359	642
	(In cedis per ton)				
Producer price 3/	2,250,000	3,820,000	4,384,000	8,500,000	9,000,000
	2,428,080	3,820,000	6,200,000	8,500,000	9,000,000
	(In millions of cedis)				
Payments to cocoa farmers	985,665	1,482,136	1,454,316	3,981,574	6,632,775
Export receipts (beans)	1,404,226	2,038,155	2,713,663	3,063,926	8,744,512
Ratio of farmers' payments to export receipts (in percent)	66	67	67	68	69

Source: Ghana Cocoa Board.

1/ Crop year starts October 1 and ends September 30.

2/ Including sales to processing companies; most of the processed products are then exported.

3/ Excluding bonus payments. First line refers to main crop prices; second line to mid-crop prices.

Table 7. Ghana: Operations of the Cocoa Board, 1999/2000-2003/04 1/

	1999/2000	2000/01 Budget 2/	2000/01	2001/02	2002/03	2003/04
(In millions of cedis)						
Revenue	1,646,192	2,296,147	2,737,428	3,406,306	7,522,989	10,332,742
Exports	1,404,226	2,038,155	2,210,200	2,758,161	5,908,873	9,014,939
Local deliveries	200,461	205,714	399,446	516,790	1,376,750	907,059
Miscellaneous	41,505	52,278	127,782	131,355	237,366	410,744
Costs	1,451,175	2,064,047	2,437,816	2,813,100	5,894,278	9,360,615
Producer proceeds	985,665	1,482,136	1,497,865	1,989,268	4,272,656	6,841,336
Licensed buying agents	158,308	236,152	246,774	236,533	580,689	774,963
Freight	46,290	72,395	58,963	195,340	364,571	668,638
Finance costs 2/	70,710	78,574	132,711	86,776	108,565	316,707
Administration 3/	30,499	45,037	176,505	185,928	354,587	438,230
Other 4/	122,858	113,668	223,470	44,902	77,190	269,629
Export handling	36,845	36,085	101,528	74,353	136,020	51,112
Profits/losses (-)						
Before taxes	195,017	232,099	299,612	593,206	1,628,711	972,127
Duties paid	195,017	232,099	299,612	335,266	783,903	997,200
Profits/losses (-)						
After taxes	0	0	0	257,940	844,808	-25,073
(In thousands of metric tons)						
Memorandum items:						
Purchases	436	378	394	332	497	726
Shipments	436	378	394	332	357	726
Exports	362	313	276	232	221	642
Local deliveries	73	55	118	100	136	84
(In cedis per metric ton)						
Value of exports	3,876,261	6,511,677	8,007,971	11,888,625	26,736,982	14,047,103
Value of local deliveries	2,732,193	3,164,831	3,385,136	5,167,900	10,123,162	10,757,106
Average price received	3,683,575	5,836,181	6,623,467	9,864,310	20,407,908	13,665,029
Producer proceeds	2,262,604	3,920,995	3,801,688	5,991,771	8,596,893	9,422,201
Total costs	3,331,187	5,460,644	6,187,349	8,473,193	11,859,714	12,891,867
Duties paid	447,664	614,015	760,438	1,009,837	1,577,270	1,373,389

Source: Ghana Cocoa Board.

1/ Crop year starts October 1 and ends September 30.

2/ Mainly discount charges on bills drawn to finance the purchases of cocoa, export duty, and operations of the Cocoa Board.

3/ Includes provision for doubtful debts and depreciation.

4/ Includes outlays for produce inspection, research, construction of feeder roads, and subsidies for insecticides and spraying.

Table 8. Ghana: Production, Acreage, and Yield of Principal Food Crops, 2000-04

	2000	2001	2002	2003	2004
(In thousands of metric tons)					
Production					
Cassava	8,107	8,970	10,255	10,239	9,739
Plantain	1,932	2,074	2,329	2,389	2,381
Cocoyams	1,625	1,688	1,826	1,805	1,716
Yams	3,363	3,547	3,832	3,813	3,892
Maize	1,013	938	1,257	1,289	1,158
Guinea corn	279	280	338	228	287
Millet	169	134	176	176	144
Rice	249	296	243	239	242
(In thousands of hectares)					
Acreage					
Cassava	660	726	812	812	784
Plantain	244	265	285	285	281
Cocoyams	247	262	285	285	270
Yams	261	287	326	326	311
Maize	695	713	890	891	733
Guinea corn	289	329	346	346	298
Millet	208	193	206	207	182
Rice	115	138	119	119	119
(In metric tons per hectare)					
Yield					
Cassava	12.3	12.4	12.6	12.7	12.4
Plantain	7.9	7.8	8.2	8.1	8.5
Cocoyams	6.6	6.4	6.4	6.5	6.4
Yams	12.9	12.4	11.8	11.9	12.5
Maize	1.5	1.3	1.4	1.6	1.6
Guinea corn	1.0	0.9	1.0	1.0	1.0
Millet	0.8	0.7	0.9	0.9	0.8
Rice	2.2	2.1	2.0	2.0	2.0

Source: Ministry of Food and Agriculture.

Table 9. Ghana: Production and Exports of Logs, Sawn Timber, Veneer, and Plywood, 2000-04
(In thousands of cubic meters)

	2000	2001	2002	2003	2004
Logs	1,309	1212	1,104	1,500	1,400
Exports	0	0	0	0	0
Sawmill intake	1,053	806	624	810	900
Veneer/plywood intake	231	406	480	490	500
Unrecorded uses and changes in stocks	25	0	0	0	0
Sawn timber	616	480	461	511	506
Exports	245	230	208	199	210
Local sales	343	200	198	312	296
Own use	...	50	55	...	...
Unrecorded uses and changes in stocks	28	...	...	...	...
Veneer	120	259	264	300	339
Exports	113	114	117	108	112
Local sales	4	145	147	192	227
Own use	3	0	...	...	...
Changes in stocks	...	...	...	...	...
Plywood	68	114	104	105	127
Exports	41	53	75	75	83
Local sales	22	56	29	30	44
Changes in stocks	5	...	...	...	...

Sources: Ghana Statistical Service; and Ministry of Lands, Forestry, and Mines.

Table 10. Ghana: Domestic Fish Catch and Imports, 2000-04

	2000	2001	2002	2003
(In thousands of metric tons)				
Total domestic marine catch 1/	380	371	290	331
Volta Lake catch	75	75	75	75
Other inland catch	13	13	13	7.95
Imports of fish and fish products 2/	64	106	145	198
Total fish supply	532	565	523	611.95
(In millions of cedis)				
Total domestic marine catch 1/	1,624,541	1,652,890	2,135,275	4,703,406
Volta Lake catch	472,500	562,500	825,000	1,117,500
Other inland catch	78,750	97,500	143,000	118,500
Imports of fish and fish products 2/	256,096	289,012	410,004	653,078
Value of total fish supply	2,431,887	2,601,902	3,513,279	6,592,484

Source: Ministry of Food and Agriculture.

1/ Excluding fish caught by foreign vessels.

2/ Mostly frozen fish.

Table 11. Ghana: Mineral Production, 2000-04

	2000	2001	2002	2003	2004
Value of output	(In millions of cedis)				
Gold	4,379,584	5,423,217	7,164,593	7,524,816	...
Diamonds	145,325	166,057	201,965	236,861	...
Manganese	260,166	225,082	250,299	261,982	...
Bauxite	116,260	118,837	94,941	78,056	...
Volume	(In units specified)				
Gold (thousands of kilograms)	74.1	69.6	70.8	63.1	...
Diamonds (thousands of carats)	1090.1	963.5	904.1	905.3	...
Manganese (thousands of metric tons)	1076.7	1,135.8	1,518.4	1,597.1	...
Bauxite (thousands of metric tons)	678.4	683.7	494.7	498.1	...
Unit values	(In cedis per unit)				
Gold (grams)	59,104	77,920	101,195	119,252	...
Diamonds (carats)	133,313	172,348	223,388	261,638	...
Manganese (metric tons)	241,633	198,170	164,844	164,036	...
Bauxite (metric tons)	171,373	173,815	191,916	156,708	...

Source: Ghana Statistical Service.

Table 12. Ghana: Index of Manufacturing Production, 2000-04
(1977 = 100, unless otherwise indicated)

	Weights	2000	2001	2002	2003	2004
Food products	15.0	235.4	269.9	280	...	...
Beverages	8.1	190.8	199.8	258.1	...	...
Tobacco and tobacco products	7.8	37.1	46.6	65.4	...	...
Textiles, wearing apparel, and leather goods	13.7	54.7	57.8	60	...	...
Sawmill and wood products	7.2	134.7	140.1	131	...	...
Paper products and printing	1.9	55.0	56.3	93.8	...	...
Petroleum products	19.0	68.0	72.1	87.1	...	...
Chemical products other than petroleum	6.6	159.2	170.0	170	...	...
Cement and other nonmetallic mineral products	3.0	293.1	261.0	248	...	...
Iron and steel products	3.3	863.3	819.5	633	...	...
Nonferrous metal basic industries	9.6	104.0	108.7	...	...	...
Cutlery and other nonferrous metal products	0.5	154.3	142.0	111.9	...	...
Electrical equipment and appliances	1.3	25.7	25.3	25.3	...	...
Transport equipment and other products	3.0	...	...	20	...	...
Overall index	100.0	143.2	150.2	153.4	...	...
Memorandum item:						
Percentage change in overall index		18.8	4.9	2.1	...	...

Source: Ghana Statistical Service.

Table 13. Ghana: Generation and Consumption of Electricity, 2000-03
(In billions of kilowatt-hours)

	2000	2001	2002	2003
Electricity generation				
Akosombo	8,086	8,321	8,441	6,841
Kpong	5,557	5,523	4,177	3,210
Takoradi	1,052	1,084	858	675
Imports	344	740	873	1,328
Other	863	461	1,145	940
	270	513	1,388	687
Electricity consumption	7,835	8,030	8,028	6,462
Electricity Company of Ghana				
Northern Electricity Department/VRA	3,918	4,175	4,326	4,505
Mines	330	355	382	425
Volta Aluminum Company	630	569	562	572
Exports	2,505	2,565	2,062	250
Other	392	302	611	602
	60	64	85	108

Source: Ministry of Energy.

Table 14. Ghana: Contribution of Mining to Revenue Collected by Internal Revenue Service (IRS), 2000-04
(In millions of cedis, unless otherwise indicated)

	Pay as You Earn (a)	Corporate Income Tax (b)	Self-Employed (c)	Royalties (d)	Total Contribution from Mining (e)=(a)+(b)+(c)+(d)	Total IRS Collection (f)	Mining/ Total IRS (In percent) (g)=(e)/(f)
2000	59,244	15,441	348	103,413	178,446	1,409,445	12.66
2001	76,112	23,710	1,103	129,193	230,118	1,968,945	11.69
2002	101,458	22,838	663	153,309	278,268	2,842,975	9.79
2003	141,049	67,691	446	200,868	410,054	4,082,817	10.04
2004	134,358	99,842	489	215,744	450,433	5,382,522	8.37

Source: IRS, Petroleum and Mining Unit.

Table 15. Ghana: Average Monthly Earnings per Employee, December 2000-December 2004

	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004
(In cedis per month)					
Government	333,924	545,825	796,675	1,061,106	1,122,653
Private sector	524,603	722,301	950,306	1,249,183	1,429,807
Minimum wage 1/	4,200	5,500	7,150	9,200	11,200
(In percent)					
Memorandum item:					
Ratio of government to private sector wages	63.7	75.6	83.8	84.9	78.5

Sources: Social Security, and National Insurance Trust.

1/ Minimum wage expressed in cedis per day.

Table 16. Ghana: National Consumer Price Index, 2000:Q1-2004:Q4
(September 1997 = 100, period averages, unless otherwise indicated)

	Overall Index (100.0)	Percent Change	Food (51.9)	Nonfood (48.1)	Beverages and Tobacco (3.6)	Clothing and Footwear (9.6)	Rent, Fuel, and Power (9.2)	Furnishings 1/ (7.3)	Medical Care and Health (4.3)	Transport and Communications (6.5)	Recreation 2/ (4.9)	Miscellaneous 3/ (2.8)
2000	161.3	25.2	145.6	175.5	168.5	163.9	198.4	181.8	135.7	207.8	141.2	226.3
2001	214.4	32.9	179.4	246.0	232.2	244.1	285.0	245.1	167.9	300.5	188.8	306.5
2002	246.2	14.8	212.0	275.9	284.0	269.0	345.1	269.9	186.5	300.8	220.7	336.5
2003	311.8	26.7	264.4	371.5	336.6	317.5	574.9	319.7	218.2	453.4	247.2	399.1
2004	351.2	12.6	308.3	412.9	373.7	340.5	704.5	348.0	238.9	506.9	263.4	427.1
2000												
Q1	139.9	6.6	132.4	146.7	143.3	136.0	167.3	138.7	122.9	173.1	128.5	177.1
Q2	154.3	10.3	144.0	163.6	152.9	149.5	179.4	169.7	125.8	205.1	138.1	207.7
Q3	168.1	8.9	149.8	184.5	174.4	170.4	213.5	196.1	139.3	217.0	144.3	249.4
Q4	182.9	8.9	156.2	207.2	203.4	199.7	233.5	222.7	154.8	236.2	156.3	270.7
2001												
Q1	197.3	7.9	167.9	224.0	210.4	222.2	244.8	238.5	163.4	256.5	174.4	291.2
Q2	213.0	7.9	179.9	242.3	221.8	235.4	279.5	240.6	164.3	314.4	185.4	308.1
Q3	221.3	3.9	184.9	254.3	239.2	255.0	299.9	245.1	167.6	316.8	194.0	308.2
Q4	225.9	2.1	184.9	263.3	257.4	263.7	315.7	256.1	176.6	314.1	201.3	319.2
2002												
Q1	232.9	3.1	286.7	401.4	368.7	333.3	668.9	338.3	227.9	490.9	257.7	422.4
Q2	243.5	4.5	311.8	410.3	371.3	341.3	688.8	348.0	235.6	508.7	262.4	431.6
Q3	250.4	2.8	320.2	418.2	375.7	346.2	715.0	351.7	243.1	513.6	265.5	429.1
Q4	257.8	3.0	314.6	421.6	379.1	341.0	745.1	354.2	249.1	514.6	268.0	425.4
2003												
Q1	291.7	13.1	246.0	332.6	315.9	303.5	518.5	300.4	215.1	410.4	238.7	380.7
Q2	316.0	8.3	269.3	374.2	330.2	315.8	595.8	315.0	220.5	459.7	247.0	401.2
Q3	320.0	1.3	270.3	391.5	345.3	321.7	602.4	326.3	214.2	463.5	250.6	401.5
Q4	319.6	-0.1	272.1	387.9	354.8	328.8	583.0	337.2	223.1	480.0	252.3	412.9
2004												
Q1	333.7	4.4	286.7	401.4	368.7	333.3	668.9	338.3	227.9	490.9	257.7	422.4
Q2	352.2	5.5	311.8	410.3	371.3	341.3	688.8	348.0	235.6	508.7	262.4	431.6
Q3	360.4	2.3	320.2	418.2	375.7	346.2	715.0	351.7	243.1	513.6	265.5	429.1
Q4	358.5	-0.5	314.6	421.6	379.1	341.0	745.1	354.2	249.1	514.6	268.0	425.4
2004												
January	326.2	1.1	278.6	394.6	363.7	326.8	654.4	340.8	227.7	480.6	254.7	415.1
February	334.5	2.5	287.4	402.3	370.8	336.5	671.0	336.4	225.6	488.3	259.3	423.8
March	340.4	1.8	294.0	407.2	371.5	336.7	681.4	337.7	230.3	503.7	259.1	428.5
April	347.6	2.1	305.3	408.5	368.1	336.2	682.8	345.6	234.5	506.8	256.1	431.8
May	351.9	1.2	311.9	409.4	374.0	341.5	689.0	347.2	234.7	508.3	263.8	429.6
June	357.0	1.4	318.0	413.1	371.9	346.1	694.7	351.3	237.6	510.8	267.3	433.4
July	360.9	1.1	321.8	417.1	373.9	346.8	705.0	351.9	241.8	514.4	267.9	434.8
August	361.5	0.2	322.0	418.4	376.3	347.1	712.0	352.7	242.0	515.2	266.3	431.0
September	358.8	-0.8	316.7	419.3	377.0	344.8	728.1	350.3	245.7	511.1	262.3	421.6
October	356.8	-0.6	312.9	419.8	378.5	339.9	735.8	353.7	244.7	514.0	263.7	425.3
November	358.0	0.4	314.3	420.9	377.6	341.7	743.0	358.1	245.7	513.8	265.8	424.4
December	360.7	0.7	316.5	424.2	381.2	341.5	756.5	350.7	257.0	516.1	274.6	426.4

Sources: Ghana Statistical Service; and IMF staff estimates.

1/ Including furniture, furnishings, and household equipment and operations.

2/ Including recreation, entertainment, education, and cultural services.

3/ Including miscellaneous goods and services.

Table 17. Ghana: National Consumer Price Index, January 2000 - December 2004
(Percentage change from the same period of the previous year)

	Overall Index	Food	Nonfood	Beverages and Tobacco	Clothing and Footwear	Rent, Fuel, and Power	Furnishings 1/	Medical Care and Health	Transport and Communications	Recreation 2/	Miscellaneous 3/
New series weights	(100.0)	(51.9)	(48.1)	(3.6)	(9.6)	(9.2)	(7.3)	(4.3)	(6.5)	(4.9)	(2.8)
2000											
January	14.3	4.6	23.7	19.7	21.5	48.6	15.1	6.1	27.6	11.4	37.3
February	14.9	5.6	24.0	19.8	15.9	52.1	15.2	4.2	39.0	4.4	40.8
March	15.6	7.0	23.8	18.9	12.7	50.2	33.2	1.6	40.8	7.9	33.5
April	17.5	8.7	26.0	19.5	11.2	55.1	30.4	1.4	58.6	13.7	19.0
May	18.7	7.8	29.3	20.9	18.6	54.3	37.4	-0.5	59.4	12.0	24.8
June	19.8	6.8	32.6	25.5	22.9	55.5	48.5	5.0	50.9	13.9	32.7
July	22.1	7.7	36.0	25.6	28.3	54.7	55.6	12.0	47.3	13.8	48.2
August	26.6	10.9	41.4	27.8	31.0	85.6	59.4	17.4	46.7	17.1	48.2
September	32.3	15.6	47.3	40.7	38.6	87.3	66.1	18.3	54.8	18.4	52.6
October	37.4	20.2	52.4	45.5	47.9	84.6	77.3	30.1	51.4	21.7	59.5
November	39.5	23.2	53.4	47.5	53.3	72.9	79.3	28.8	51.6	26.0	61.7
December	40.5	24.3	54.2	46.9	56.1	67.6	83.1	31.6	50.4	30.2	57.7
2001											
January	40.9	26.3	52.9	46.9	63.1	43.7	82.5	32.4	48.8	33.9	64.0
February	40.1	27.4	50.5	45.7	62.3	41.5	83.3	34.8	35.9	39.3	60.9
March	41.9	26.7	54.5	47.9	64.7	53.4	53.7	31.4	59.6	34.0	66.7
April	39.5	24.7	51.6	48.7	63.2	49.9	52.6	29.1	54.3	33.3	56.9
May	37.9	24.4	48.7	47.8	56.3	62.9	38.1	32.1	53.6	32.4	48.7
June	36.8	25.7	45.5	39.2	53.3	54.7	35.5	30.5	52.1	37.3	40.4
July	34.9	25.7	41.8	37.2	52.5	55.4	27.6	23.1	50.0	36.8	24.0
August	32.0	23.6	38.3	46.8	51.6	33.3	25.6	17.6	49.0	33.2	25.1
September	28.3	21.0	33.7	28.5	45.1	35.3	21.9	20.1	39.4	33.5	37.9
October	25.6	20.1	29.5	25.3	36.8	35.3	16.7	15.1	37.6	32.1	17.4
November	23.7	18.4	27.4	27.6	32.4	34.7	15.2	15.3	35.8	25.6	17.6
December	21.3	16.7	24.4	26.7	27.4	35.5	13.1	12.0	25.6	28.8	18.8
2002											
January	19.9	17.1	21.8	28.4	23.5	34.0	11.2	10.3	24.4	23.5	11.4
February	18.3	16.4	19.7	28.0	19.7	33.3	9.3	6.1	24.0	17.3	15.0
March	16.0	16.7	15.6	29.0	19.8	24.3	10.5	10.0	3.9	18.5	10.2
April	14.9	17.9	13.8	28.2	16.4	22.7	8.3	14.2	-4.6	20.5	10.7
May	14.3	19.4	10.9	26.5	13.0	12.8	12.8	12.7	-4.5	19.5	7.4
June	13.7	19.6	9.7	26.8	9.4	11.4	11.2	11.4	-4.2	17.2	11.5
July	13.5	20.0	9.1	25.6	5.8	15.2	11.4	13.1	-4.2	16.5	9.8
August	13.1	18.1	9.8	16.8	4.6	25.3	13.1	11.4	-4.8	17.4	8.9
September	12.9	18.4	9.1	21.2	3.9	25.2	10.0	14.0	-5.5	16.1	7.6
October	13.2	18.9	9.3	20.0	6.0	23.1	10.6	10.5	-6.1	14.8	10.9
November	14.0	20.9	9.4	15.2	6.1	23.0	10.3	14.0	-5.6	17.6	10.2
December	15.2	22.0	10.6	15.8	7.1	22.0	9.8	15.8	4.2	11.6	8.9
2003											
January	16.3	22.1	12.2	13.3	8.8	24.5	11.2	19.7	5.6	12.1	13.5
February	29.4	27.0	30.7	18.9	15.8	77.0	15.7	22.5	53.5	14.7	17.4
March	29.9	27.3	31.5	18.4	14.3	85.3	15.6	20.9	52.5	16.1	18.7
April	30.0	26.3	32.2	18.3	16.9	85.6	18.6	20.6	53.3	12.5	18.6
May	29.8	25.7	42.0	16.7	18.6	85.1	18.4	19.8	53.3	12.7	19.0
June	29.6	25.4	41.4	16.4	21.1	83.5	17.8	16.8	52.4	10.5	18.0
July	29.0	24.1	41.3	19.2	20.8	78.9	18.7	15.2	53.1	10.8	20.1
August	27.7	23.6	40.1	19.2	20.8	60.3	18.7	15.2	53.1	10.8	20.1
September	26.8	21.4	41.0	19.2	19.8	56.5	20.8	9.5	55.2	10.6	19.1
October	24.6	22.2	35.4	18.8	20.5	39.2	18.8	16.8	59.7	8.2	16.7
November	23.8	22.5	33.3	17.2	17.6	48.5	19.9	13.2	56.8	9.1	18.1
December	23.6	21.5	34.0	17.6	13.6	63.8	19.8	4.4	54.7	10.7	18.0
2004											
January	22.4	20.3	32.6	19.5	11.3	66.3	17.1	7.7	52.6	9.8	15.0
February	11.3	15.4	16.0	16.4	9.2	18.9	10.9	4.3	6.8	8.5	9.7
March	10.5	14.3	15.2	14.3	9.0	14.0	10.1	5.9	9.7	5.7	8.4
April	11.2	15.7	14.8	11.7	7.5	14.4	10.8	6.1	10.4	3.8	8.1
May	11.2	15.7	6.7	13.2	8.1	15.7	9.7	5.8	10.5	6.6	6.8
June	12.0	16.0	7.8	12.5	8.6	16.7	10.9	8.6	11.0	8.3	7.8
July	12.4	16.3	8.3	10.0	8.2	17.2	10.4	11.5	11.7	8.1	8.3
August	12.9	19.1	6.7	9.2	7.6	17.8	7.4	13.7	11.9	5.9	6.7
September	12.6	20.0	5.5	7.4	7.0	21.1	5.7	15.4	8.9	3.8	5.6
October	12.4	16.4	8.5	7.1	2.4	36.9	6.4	7.5	6.5	6.3	4.3
November	12.3	15.1	9.5	7.0	4.0	28.9	6.2	7.9	7.7	5.6	2.3
December	11.8	15.3	8.2	6.5	4.7	19.2	2.6	20.1	7.5	6.8	2.5

Sources: Ghana Statistical Service; and IMF staff estimates.

1/ Including furniture, furnishings, and household equipment and operations.

2/ Including recreation, entertainment, education, and cultural services.

3/ Including miscellaneous goods and services.

Table 18. Ghana: Average Wholesale Prices of Selected Agricultural Commodities, 2000-04
(In cedis per unit)

	Unit of Measurement	2000	2001	2002	2003	2004
Maize	100 kg.	93,663	150,163	143,167	149,699	204,393
Millet	93 kg.	104,472	213,769	196,767	212,959	236,049
Guinea corn	109 kg.	91,023	204,817	201,755	204,398	246,712
Rice	100 kg.	167,276	254,839	271,403	321,587	417,479
Yams	100 tubers	215,284	357,500	400,492	463,571	563,789
Cocoyams	91 kg.	70,232	98,332	121,522	128,636	167,793
Cassava	91 kg.	33,797	80,807	73,552	57,532	71,283
Plantains	16 kg.	13,978	22,547	14,630	19,189	25,459
Cowpeas	109 kg.	189,959	341,726	260,757	351,594	391,386
Tomatoes	51 kg.	118,802	189,018	172,581	199,161	237,580
Groundnuts	82 kg.	197,685	304,360	244,968	342,547	384,196

Source: Ministry of Food and Agriculture.

Table 19. Ghana: Retail Prices of Major Petroleum Products, December 1982-February 2005
(In cedis per liter) 1/

Date of Price Change	Premium Gasoline	Regular Gasoline	Kerosene	Gas Oil	ATK 2/	RFO 3/	LPG 4/
October 1, 1982	2.7	2.5	1.1	1.9	1.3	0.7	0.2
April 22, 1983	5.5	4.7	2.9	3.5	3.6	3.0	0.4
October 11, 1983	7.7	6.7	4.4	5.3	5.8	3.1	0.6
September 13, 1984	13.2	12.3	7.7	10.1	9.9	5.9	1.6
October 5, 1984	18.7	17.6	10.1	15.4	14.3	9.4	2.1
April 19, 1985	20.9	19.8	11.0	17.6	15.8	10.3	2.2
September 9, 1985	23.1	22.0	12.1	18.7	17.6	10.3	1.4
January 16, 1986	33.0	31.9	19.8	28.6	26.4	16.5	3.3
March 20, 1986	30.8	29.7	17.6	25.3	25.3	14.3	3.3
June 30, 1986	33.0	31.9	17.6	28.6	26.4	14.3	3.3
February 1, 1987	41.8	39.6	24.2	36.3	37.4	26.4	4.4
January 16, 1988	51.7	50.6	37.4	49.5	48.4	29.9	6.6
January 13, 1989	60.6	59.5	41.8	55.1	...	...	88.2
January 11, 1990	79.3	...	59.4	72.7	75.1	...	100.0
March 31, 1990	88.1	...	66.0	81.4	67.1	...	100.0
September 2, 1990	133.0	...	100.0	111.0	93.5	...	100.0
November 3, 1990	222.0	...	178.0	189.0	180.4	...	100.0
January 3, 1991	222.0	...	178.0	189.0	180.4	...	100.0
March 29, 1991	200.0	...	156.0	166.0	139.3	...	100.0
February 3, 1992	200.0	...	156.0	166.0	139.3	...	100.0
September 19, 1992	222.0	...	156.0	188.0	161.3	...	100.0
January 6, 1993	355.0	...	250.0	302.0	258.0	...	120.0
January 17, 1994	422.0	...	275.0	360.0	...	...	200.0
February 2, 1995	522.0	...	333.0	450.0	...	162.9	275.9
February 2, 1996	621.5	...	397.0	567.0	...	200.5	344.0
June 7, 1996	665.6	...	411.0	607.8	459.2	217.9	380.0
February 1, 1997	778.9	...	493.2	729.5	560.0	301.7	828.4
January 1, 1998	755.6	...	493.2	729.5	...	...	828.4
February 23, 1998	744.4	...	493.2	722.2	...	...	828.4
October 12, 1998	744.4	...	500.0	711.1	...	304.7	820.0
June 1, 1999	855.6	...	600.0	822.2	...	350.1	920.0
July 1, 1999	870.0	...	600.0	810.0	...	407.8	970.0
September 6, 1999	970.0	...	670.0	910.0	...	476.3	1,080.0
December 11, 1999	1,180.0	...	1,100.0	1,100.0	...	660.2	1,400.0
March 10, 2000	1,420.0	...	1,326.0	1,325.0	...	1,031.0	2,240.0
April 19, 2000	...	...	...	...	...	...	1,900.0
February 23, 2001	2,333.3	...	1,955.6	1,955.6	1,755.6	1,335.1	2,200.0
August 17, 2001	2,333.3	...	1,955.6	1,955.6	2,009.3	1,335.1	2,200.0
November 1, 2001	2,333.3	...	1,955.6	1,955.6	1,971.8	1,335.1	2,200.0
December 28, 2001	2,333.3	...	1,955.6	1,955.6	1,984.1	1,398.4	2,200.0
January 17, 2003	4,444.4	...	3,888.9	3,888.9	3,364.4	1,927.4	3,800.0
February 23, 2005	6,666.7	...	5,333.3	5,866.7	5,333.3	2,891.2	5,700.0

Source: Ministry of Energy.

Table 20. Ghana: Central Government Operations and Financing, 2000-04
(In billions of cedis)

	2000	2001	2002	2003	2004
Total revenue and grants	5,385	9,532	10,333	16,862	24,073
Revenue	4,811	6,904	8,800	13,743	18,994
Direct taxes	1,409	2,124	2,790	4,057	5,287
Indirect taxes 1/	2,018	2,865	3,757	6,128	8,704
Trade taxes	987	1,568	1,995	3,160	3,809
Nontax revenue	396	348	258	397	1,194
Foreign grants	574	2,627	1,533	3,119	5,080
Total expenditure and net lending	7,525	12,451	12,753	19,035	26,584
Recurrent expenditure	5,034	7,578	9,763	13,122	16,697
Wages and salaries 2/ 3/	1,423	2,317	4,142	5,567	6,988
Goods and services 2/	700	703	1,452	2,063	2,737
Subventions	445	788	0	0	0
Subsidies and transfers 4/	432	785	1,168	1,400	3,499
Interest	2,033	2,985	3,001	4,092	3,473
Capital expenditure (total)	2,491	4,873	2,990	5,912	9,888
Capital expenditure (domestic)	1,091	1,341	1,338	3,015	5,057
Capital expenditure (foreign)	1,346	3,532	1,652	2,897	4,812
Road arrears (clearance)	-328	-44	-208	-204	-71
Other domestic payment arrears (clearance)	-156	-442	-630	-459	-199
Value-added tax refunds	0	-27	-55	-48	-55
Overall balance	-2,624	-3,433	-3,313	-2,884	-2,836
Discrepancy between above- and below-line data	-673	868	550	-139	-104
Financing	3,298	2,566	2,762	3,023	2,941
Divestiture proceeds	323	12	5	421	286
Foreign (net)	-56	2,087	460	2,203	2,612
Borrowing	1,811	3,022	1,345	2,957	3,467
Amortization	-1,677	-1,593	-2,125	-2,559	-1,920
Exceptional financing	-190	659	1,241	1,805	1,065
Net savings due to inflation- indexed bonds	...	...	197	481	-349
Domestic (net)	3,031	467	2,100	-82	393
Banking system	2,364	-999	1,161	-960	1,640
Nonbanks	667	1,465	939	878	-1,247

Source: Ministry of Finance and Economic Planning.

1/ For 2004, includes health levy.

2/ From 2002 onward, subvented agency expenditures for wages and salaries and goods and services are subsumed under respective line items.

3/ See Attachment II for further details on the wage bill in Ghana.

4/ Includes pensions to government employees.

Table 21. Ghana: Central Government Revenue and Grants, 2000-04
(In billions of cedis)

	2000	2001	2002	2003	2004
Total revenue and grants	5,385	9,532	10,333	16,862	24,073
Tax revenue 1/	4,415	6,557	8,542	13,346	17,800
Direct taxes	1,409	2,124	2,790	4,057	5,287
Individual	559	791	1,102	1,768	2,194
Personal	483	677	929	1,535	1,908
Self-employed	75	114	173	234	286
Corporate	697	967	1,162	1,632	2,340
Other	154	366	527	657	8,704
Indirect taxes	2,018	2,865	3,757	6,128	8,245
Sales tax	1,272	1,964	2,327	3,331	4,511
Sales tax on domestic goods	385	509	729	1,023	1,460
Sales taxes on imports	887	1,455	1,598	2,308	3,051
Petroleum	532	647	1,080	2,323	3,119
Other indirect taxes	215	254	350	474	615
Health levy	...	...	...	...	459
Trade taxes	987	1,568	1,995	3,160	3,809
Import taxes	808	1,269	1,669	2,391	2,878
Customs duties	746	1,060	1,316	2,107	2,545
Special tax	1	30	27	2	0
Other import charges	61	179	325	282	333
Export duty on cocoa	179	300	326	769	931
Nontax revenue	396	348	258	397	1,194
Grants	574	2,627	1,533	3,119	5,080
Program grants	337	1,061	558	1,267	1,726
Project grants	238	1,566	467	1,037	2,265
HIPC Initiative assistance (multilateral)	...	...	508	815	1,053

Source: Ministry of Finance and Economic Planning.

1/ See Attachment III for a summary of the tax system in Ghana.

Table 22. Ghana: Economic Classification of Central Government Expenditure and Net Lending, 2000-04
(In billions of cedis)

	2000	2001	2002	2003	2004
Total expenditure and net lending	7,525	12,451	12,753	19,053	26,584
Current expenditure	5,034	7,578	9,763	13,123	16,696
Noninterest expenditure	3,001	4,593	6,763	9,030	13,223
Wages and salaries	1,423	2,317	4,142	5,567	6,988
Goods and services	700	703	1,452	2,063	2,737
Subventions	445	788	0	0	0
Transfers to households	432	785	1,168	1,400	3,499
Pensions	156	227	271	359	515
Gratuities	116	67	114	201	269
Social security	160	234	303	412	495
End-of-service benefits	0	0	0	0	0
Other benefits and subsidies	0	257	480	428	2,219
Interest payments	2,033	2,985	3,001	4,092	3,473
Domestic	1,446	2,310	2,212	3,268	2,545
External	587	675	789	824	927
Capital expenditure	2,491	4,873	2,990	5,912	9,888
Capital expenditure (domestic)	1,145	1,340	1,338	3,015	5,077
Development	1,091	1,341	1,340	3,012	4,894
Net lending	54	-1	-2	3	183
Capital expenditure (foreign)	1,346	3,532	1,652	2,897	4,812
Arrears clearance/accumulation (-/+)	-484	-487	-838	-663	-270
Value-added tax refunds	0	-27	-55	-48	-55

Source: Ministry of Finance and Economic Planning.

Table 23. Ghana: Functional Classification of Government Expenditure, 2000-04

	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
	(In billions of cedis)					(In percent of total expenditure and net lending)				
Total expenditures and net lending	7,525	12,451	12,753	19,053	26,584	100.0	100.0	100.0	100.0	100.0
Total statutory expenditures	2,786	4,203	4,250	6,523	6,537	37.0	33.8	33.3	34.2	24.6
Interest payment	2,033	2,985	3,001	4,092	3,473	27.0	24.0	23.5	21.5	13.1
Pensions and gratuities	273	294	386	560	785	3.6	2.4	3.0	2.9	3.0
District Assembly Common Fund	193	74	258	582	749	2.6	0.6	2.0	3.1	2.8
Education Trust Fund	32	140	165	708	823	0.4	1.1	1.3	3.7	3.1
Road/other petroleum funds	255	710	440	582	707	3.4	5.7	3.5	3.1	2.7
Total discretionary expenditure	4,739	8,248	8,503	12,530	20,047	63.0	66.2	66.7	65.8	75.4
General administration	725	917	1,731	1,296	1,989	9.6	7.4	13.6	6.8	7.5
Local government	83	101	112	151	175	1.1	0.8	0.9	0.8	0.7
Office of Government Machinery	134	174	201	219	452	1.8	1.4	1.6	1.2	1.7
Ministry of Foreign Affairs	175	169	353	321	521	2.3	1.4	2.8	1.7	2.0
Ministry of Finance	179	179	171	386	585	2.4	1.4	1.3	2.0	2.2
Ministry of Parliamentary Affairs	0	1	1	1	3	0.0	0.0	0.0	0.0	0.0
Audit service	19	23	27	64	67	0.3	0.2	0.2	0.3	0.3
Public Services Commission	1	1	1	5	3	0.0	0.0	0.0	0.0	0.0
National Electoral Commission	31	16	29	35	78	0.4	0.1	0.2	0.2	0.3
Office of Parliament	20	52	41	75	106	0.3	0.4	0.3	0.4	0.4
General government services	83	197	742	...	...	1.1	1.6	5.8	...	...
Office of District Assembly Common Fund	0	0	0	0	1	0.0	0.0	0.0	0.0	0.0
Ministry of Economic Planning and Cooperation 1/	...	0	...	22	39	...	0.0	...	0.1	0.1
Ministry of Media Relations 1/	...	5	51	17	60	...	0.0	0.4	0.1	0.2
Economic services	167	228	296	343	472	2.2	1.8	2.3	1.8	1.8
Ministry of Food and Agriculture	52	63	86	106	131	0.7	0.5	0.7	0.6	0.5
Ministry of Lands and Forestry (includes Mines from 2001)	30	45	44	66	88	0.4	0.4	0.3	0.3	0.3
Ministry of Mines and Energy	9	13	30	13	5	0.1	0.1	0.2	0.1	0.0
Ministry of Trade and Industry	14	18	24	32	53	0.2	0.1	0.2	0.2	0.2
Ministry of Tourism	4	16	8	8	12	0.1	0.1	0.1	0.0	0.0
Ministry of Environment, Science, and Technology	58	74	101	115	175	0.8	0.6	0.8	0.6	0.7
Ministry of Private Sector Development 1/	...	0	2	4	6	...	0.0	0.0	0.0	0.0
Infrastructure	223	203	138	262	376	3.0	1.6	1.1	1.4	1.4
Ministry of Works and Housing	49	45	65	61	81	0.7	0.4	0.5	0.3	0.3
Ministry of Roads and Highways	126	113	74	183	295	1.7	0.9	0.6	1.0	1.1
Ghana postal services	5	0	0	0	0	0.1	0.0	0.0	0.0	0.0
Ministry of Transp. and Communications	44	45	...	17	...	0.6	0.4	...	0.1	...
Ministry of Harbors and Railways	0	0	0	0	5	0.0	0.0	0.0	0.0	0.0
Social services	1,404	2,205	3,051	4,112	5,333	18.7	17.7	23.9	21.6	20.1
Ministry of Education	1,112	1,657	2,275	3,053	3,956	14.8	13.3	17.8	16.0	14.9
Ministry of Empl. and Social Welfare	29	38	32	33	45	0.4	0.3	0.2	0.2	0.2
Ministry of Youth and Sports	17	27	20	28	27	0.2	0.2	0.2	0.1	0.1
Ministry of Communications	...	...	11	...	21	...	...	0.1	...	0.1
National Comm. for Civic Education	12	14	20	22	36	0.2	0.1	0.2	0.1	0.1
National Comm. for Culture	11	11	18	15	21	0.1	0.1	0.1	0.1	0.1
Ministry of Health	222	455	670	957	1,203	2.9	3.7	5.3	5.0	4.5
National Media Comm.	1	1	2	...	1	0.0	0.0	0.0	...	0.0
Ministry of Women's Affairs 1/	...	2	4	5	21	...	0.0	0.0	0.0	0.1
Public safety	422	655	755	1,119	1,327	5.6	5.3	5.9	5.9	5.0
Ministry of Justice	18	17	19	23	34	0.2	0.1	0.1	0.1	0.1
Ministry of Defense	166	287	293	462	507	2.2	2.3	2.3	2.4	1.9
Comm. on Human Rights and Administration of Justice	5	10	13	19	22	0.1	0.1	0.1	0.1	0.1
Judicial service	26	56	55	67	87	0.3	0.5	0.4	0.4	0.3
Ministry of Interior	206	285	376	548	677	2.7	2.3	2.9	2.9	2.5
Other discretionary expenditures 2/	1,799	4,040	2,531	5,397	10,551	23.9	32.4	19.8	28.3	39.7

Sources: Ministry of Finance; and Office of the Controller and Accountant General.

1/ New ministry established in 2001.

2/ Includes foreign-financed capital expenditure and other expenditures not classified elsewhere.

Table 24. Ghana: Distribution of Outstanding Central Government Domestic Debt, 2000-04 1/
(In billions of cedis, unless otherwise indicated; end of period)

	2000	2001	2002	2003	2004
Domestic debt	7,834	10,195	13,909	13,591	16,897
Monetary authorities	3,161	2,729	3,396	2,681	5,958
Deposit money banks	2,770	4,010	5,797	5,251	6,727
Social security fund	72	131	625	806	715
Financial intermediaries 2/	1,831	3,325	4,092	4,853	3,497

Source: Bank of Ghana.

1/ Nominal gross value excluding deferred accrued-interest payments on inflation-indexed bonds.

2/ Total debt held by financial intermediaries and the nonfinancial sector.

Table 25. Ghana: Operations of the Social Security and National Insurance Trust, 2000-04
(In millions of cedis)

	2000	2001	2002	2003	2004
Contributions 1/	458,838	728,349	1,001,718	1,340,220	1,632,529
Central government	163,270	287,255	434,017	579,591	677,021
Others	295,568	441,094	567,701	760,629	960,508
Investment income	230,075	310,507	420,960	700,996	823,262
Rents	6,477	12,455	15,200	18,145	22,771
Dividends	20,535	33,480	53,745	56,916	67,446
Ghana government bonds	7,979	9,437	10,906	10,917	32,800
Corporate loans	45,947	23,423	28,288	19,158	33,308
Student loans	50,921	86,723	70,246	125,807	86,710
Term deposits and treasury bills	27,943	85,017	192,596	359,919	388,346
Other income	70,273	59,972	49,979	110,134	191,881
Total revenue	688,913	1,038,856	1,422,678	2,041,216	2,455,791
Administrative expenditures	144,338	184,670	223,817	266,505	341,523
Wages and salaries	57,555	59,878	79,985	110,823	137,853
Other	64,132	124,792	143,832	155,682	203,670
Transfers to households	95,462	133,484	194,635	302,054	465,524
Lump sum under old provident fund	5,931	7,491	9,702	12,180	86,566
Pensions 2/	89,531	125,993	184,933	289,874	378,958
Total expenditure	239,800	318,154	418,452	568,559	807,047
Excess of revenue over expenditure	449,113	720,702	1,004,226	1,472,657	1,648,744
Fund yield (nominal, in percent) 3/	21.9	21.0	33.8	38.1	...
Fund ratio 4/	8.99	9.00	9.25	10.92	10.84
Assets	1,843,871	2,655,810	3,866,690	6,163,631	8,783,845
Property investments	232,617	314,361	308,233	296,551	300,241
Real estate under construction	382,040	374,289	438,631	508,224	621,204
Equity holdings	506,707	552,674	808,596	1,722,275	3,207,318
Ghana government bonds	71,503	115,503	123,298	82,999	20,386
HFC mortgage bonds	60,068	91,198	103,855	120,894	139,745
Corporate loans	202,452	243,096	418,809	278,798	601,065
Student loans	280,996	441,578	589,499	803,903	941,806
Short-term investments 5/	107,488	523,111	1,075,769	2,349,987	2,952,080

Source: Social Security and National Insurance Trust (SSNIT).

1/ Combined employer/employee contributions.

2/ Retirement, disability, death, and survivor benefits.

3/ Nominal return on total portfolio of investments, as reported by SSNIT.

4/ Net fund divided by total expenses, as reported by SSNIT.

5/ Call deposits, term deposits, treasury bills, and short-term corporate loans.

Table 26. Ghana: Operations of the Large State-Owned Enterprises, 2000-03 1/

	2000	2001	2002	2003	2000	2001	2002	2003
	(In percent of cedis)				(In percent of GDP)			
Total revenue and grants	7,284	10,117	11,966	20,031	26.8	26.6	24.5	30.3
Total revenue	7,282	10,116	11,964	20,031	26.8	26.6	24.5	30.3
Gross sales	6,975	9,850	11,684	18,936	25.7	25.9	23.9	28.6
Other income	307	265	280	480	1.1	0.7	0.6	0.7
Transfers from government 2/	0	0	0	615	0.0	0.0	0.0	0.9
Total expenditure	9,782	11,264	14,387	19,195	36.0	29.6	29.4	29.0
Current expenditure	9,078	10,324	13,064	18,002	33.4	27.1	26.7	27.2
Wages and salaries	335	524	576	957	1.2	1.4	1.2	1.4
Interest payments (net)	828	701	1,156	577	3.0	1.8	2.4	0.9
Taxes to government	259	421	386	984	1.0	1.1	0.8	1.5
Other transfers to government	14	14	14	23	0.1	0.0	0.0	0.0
Other	7,642	8,664	10,932	15,462	28.1	22.8	22.4	23.4
Current balance	-1,793	-207	-1,099	2,029	-6.6	-0.5	-2.2	3.1
Capital expenditure	705	940	1,323	1,193	2.6	2.5	2.7	1.8
Overall balance	-2,498	-1,147	-2,422	836	-9.2	-3.0	-5.0	1.3
Total assets	20,528	24,009	31,952	40,614	75.6	63.1	65.4	61.4
Total liabilities	12,406	14,845	18,273	18,996	45.7	39.0	37.4	28.7
Equity and reserves	7,716	8,893	12,829	20,848	28.4	23.4	26.3	31.5

Sources: State Enterprise Commission; and IMF staff estimates.

1/ Includes the eight largest state-owned enterprises (Volta River Authority, Electricity Company of Ghana, Ghana Water Company Limited, Tema Oil Refinery, Ghana Port and Harbor Authority, Civil Aviation Authority, Cocoa Board and Ghana Airways). The Cocoa Board's data are in its fiscal year (October-September). See Attachment IV for details on nonfinancial state-owned enterprises.

2/ Subsidies to Tema Oil Refinery (TOR) are included in TOR's gross sales.

Table 27. Ghana: Monetary Survey, 2000-04
(In billions of cedis, unless otherwise specified; end of period)

	2000	2001	2002	2003	2004
Bank of Ghana					
Net foreign assets	-373.1	523.9	5,328.9	8,589.6	11,918.8
(in millions of U.S. dollars)	-52.9	71.6	631.5	970.3	1,316.4
Net domestic assets	3,453.1	3,520.5	438.1	-897.0	-2,782.6
Claims on government (net)	3,237.8	2,075.8	2,867.0	2,525.4	6,058.8
Claims on deposit money banks	336.6	786.7	-374.7	-4,412.3	-7,127.4
Claims on nonbank sector (including public enterprises)	-608.5	-99.6	270.7	-141.5	-183.8
Other items net (assets +)	487.1	757.6	-2,324.9	1,131.5	-1,530.1
Reserve money (RM)	3,080.0	4,044.4	5,767.0	7,692.7	9,136.3
Currency outside banks	2,635.5	3,089.9	4,671.6	6,337.8	7,303.3
Bank reserves	425.2	931.8	1,055.8	1,258.8	1,697.5
Nonbank deposits	19.3	22.8	39.5	96.1	135.5
Deposit money banks 1/					
Net foreign assets	395.7	971.9	1,274.7	1,985.5	2,885.4
Reserves	423.1	932.6	1,055.8	1,258.8	1,697.5
Cash	115.4	196.2	272.8	342.0	370.5
Deposits with Bank of Ghana	307.7	736.4	783.0	916.9	1,326.9
Credit from Bank of Ghana	-336.6	-786.7	374.7	4,412.3	7,127.4
Domestic credit	7,830.4	10,333.5	12,637.4	15,400.0	19,656.9
Claims on government (net)	2,750.4	3,913.2	5,535.4	4,907.2	6,338.1
Claims	2,825.6	4,009.8	5,645.6	5,084.6	6,572.0
Deposits	75.1	96.7	110.2	177.4	233.9
Claims on nongovernment 2/	5,080.0	6,420.3	7,102.0	10,492.7	13,318.8
Other items net (assets +)	-3753.0	-4376.0	-4717.7	-8316.6	-12120.1
Total deposits	4,559.6	7,075.2	10,624.9	14,740.0	19,247.1
Monetary survey					
Net foreign assets	22.6	1,495.8	6,603.5	10,575.1	14,804.2
Net domestic assets	7,191.8	8,692.1	8,732.6	10,598.7	11,881.7
Domestic credit	11,090.2	12,413.9	15,775.1	17,783.8	25,531.8
Claims on government (net)	5,988.3	5,989.0	8,402.4	7,432.6	12,396.9
Claims on nongovernment 2/	5,101.9	6,425.0	7,372.7	10,351.2	13,135.0
Other items net (assets +)	-3,898.4	-3,721.8	-7,042.5	-7,185.1	-13,652.2
Broad money (M2+) 1/	7,214.4	10,187.9	15,336.1	21,173.9	26,685.9
Currency	2,635.5	3,089.9	4,671.6	6,337.8	7,303.3
Deposits	4,578.9	7,098.1	10,664.5	14,836.1	19,382.6
<i>Of which</i> : foreign currency deposits	1,929.7	2,370.2	3,553.3	4,576.0	5,680.9
Memorandum items:					
Broad money (12-month change in percent)	46.5	41.2	50.5	38.1	26.0
Excluding foreign currency deposits (M2, in cedis)	33.7	47.9	50.7	40.9	26.6
Reserve money (12-month change in percent)	52.6	31.3	42.6	33.4	18.8
Currency/M2+ ratio	0.4	0.3	0.3	0.3	0.3
Velocity (GDP/annual average of M2+)	4.6	4.6	4.1	4.0	3.5
Reserve money multiplier (M2+/RM)	2.3	2.5	2.7	2.8	2.9

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

1/ Includes all foreign currency deposits held in commercial banks.

2/ Private sector and public enterprises..

Table 28. Ghana: Monetary Authorities, 2000-04
(In billions of cedis; end of period)

	2000	2001	2002	2003	2004
Net foreign assets	-373.1	523.9	5,328.9	8,589.6	11,918.8
(In millions of U.S. dollars)	-42.7	73.0	267.4	963.7	1,222.9
Net domestic assets	3,453.1	3,520.5	438.1	-897.0	-2,782.6
Claims on government (net)	3,237.8	2,075.8	2,867.0	2,525.4	6,058.8
Claims on government	3,237.8	2,477.5	3,334.2	2,698.9	6,058.8
Treasury bills	331.8	317.4	1,036.0	322.8	208.2
Ghana stocks	7.7	267.0	405.0	483.0	1,353.8
Government overdrafts	1,005.2	0.0	0.0	0.0	89.4
Long-term government stocks	590.7	590.7	590.7	590.7	590.7
Government revaluation account	1,302.4	1,302.4	1,302.4	1,302.4	3,816.8
Government deposits	0.0	401.7	467.1	173.5	0.0
Claims on deposit money banks	336.6	786.7	-374.7	-4,412.3	-7,127.4
Claims on nonbank sector					
(including public enterprises)	-608.5	-99.6	271.0	-141.5	-183.8
Claims on public enterprises	22.0	4.7	226.9	-36.1	401.6
Claims on private sector	39.9	52.7	72.2	70.1	91.4
Claims on other financial institutions	-670.3	-157.0	-28.2	-175.5	-676.8
Other items net (assets +)	487.1	757.6	-2,324.9	1,131.5	-1,530.1
Reserve money	3,080.0	4,044.4	5,767.0	7,692.7	9,136.3
Currency outside banks	2,635.5	3,089.8	4,671.6	6,337.7	7,303.4
Bank reserves	423.1	931.8	1,055.8	1,258.8	1,697.5
Cash	115.4	195.4	272.8	342.0	370.5
Deposits	307.7	736.4	783.0	916.9	1,326.9
Nonbank deposits	19.3	22.8	39.5	96.1	135.5
Memorandum item:					
Exchange rate (cedis/US\$)	7,047.7	7,321.9	8,438.8	8,852.3	9,054.3

Source: Bank of Ghana.

Table 29. Ghana: Deposit Money Banks, 2000-04
(In billions of cedis; end of period)

	2000	2001	2002	2003	2004
Net foreign assets	395.7	971.9	1,274.7	1,985.5	2,885.4
(In millions of U.S. dollars)	56.1	132.7	151.0	224.3	318.7
Reserves	423.1	932.6	1,055.8	1,258.8	1,697.5
Cash	115.4	196.2	272.8	342.0	370.5
Deposits with Bank of Ghana	307.7	736.4	783.0	916.9	1,326.9
Net other claims on Bank of Ghana	-336.6	-786.7	374.7	4,412.3	7,127.4
Domestic credit	7,830.4	10,333.5	12,637.4	15,400.0	19,656.9
Claims on government (net)	2,750.4	3,913.1	5,535.4	4,907.2	6,338.0
Claims	2,825.6	4,009.8	5,645.6	5,084.6	6,571.9
Deposits	75.1	96.7	110.2	177.4	233.9
Claims on nonbank private sector (including public enterprise)	5,080.0	6,420.3	7,102.0	10,492.7	13,318.8
Claims on public enterprises	1,244.7	1,825.3	964.6	2,147.5	2,901.6
Cocoa financing	42.1	47.7	157.5	293.3	639.6
Credit to private sector	3,793.1	4,547.4	5,979.9	8,052.0	9,777.6
Other items net (assets +)	-3,753.0	-4,376.0	-4,717.7	-8,316.6	-12,120.1
Total deposits	4,559.6	7,075.2	10,624.9	14,740.0	19,247.0
Demand deposits	815.6	1,973.0	3,474.9	4,938.9	7,164.0
Savings and time deposits	1,814.0	2,732.0	3,596.7	5,225.0	6,402.3
Foreign currency deposits (in millions of U.S. dollars)	1,929.7	2,370.2	3,553.3	4,576.0	5,680.9
	273.8	323.7	421.1	516.9	627.4
Memorandum item:					
Exchange rate (cedis/US\$)	7,047.7	7,321.9	8,438.8	8,852.3	9,054.3

Source: Bank of Ghana.

Table 30. Ghana: Distribution of Bank Credit to Public and Private Institutions, 2000-04

	2000	2001	2002	2003	2004
(In billions of cedis, end of period)					
Agriculture, forestry, and fishing	486.5	587.8	640.9	968.7	1,026.9
Export trade	115.1	207.3	250.1	266.6	206.8
Manufacturing	1,417.0	1,185.7	1,444.2	2,136.7	2,499.5
Transport, storage, and communication	154.6	216.2	274.5	481.6	734.4
Mining and quarrying	277.3	248.5	256.7	293.8	356.5
Import trade	770.1	221.9	457.2	758.6	916.2
Construction	340.8	419.9	532.8	529.7	745.9
Commerce and finance	356.0	1,747.1	877.3	1,925.7	2,452.3
Electricity, gas, and water	230.5	243.7	336.8	449.8	290.8
Services	458.2	579.7	774.5	1,119.1	1,182.9
Miscellaneous	496.3	502.5	906.8	1,284.3	1,711.4
Cocoa marketing	67.9	114.7	193.5	293.3	356.1
Total	5,170.3	6,275.1	6,945.4	10,507.8	12,479.8
(In percent of total)					
Agriculture, forestry, and fishing	9.4	9.4	9.2	9.2	8.2
Export trade	2.2	3.3	3.6	2.5	1.7
Manufacturing	27.4	18.9	20.8	20.3	20.0
Transport, storage, and communication	3.0	3.4	4.0	4.6	5.9
Mining and quarrying	5.4	4.0	3.7	2.8	2.9
Import trade	14.9	3.5	6.6	7.2	7.3
Construction	6.6	6.7	7.7	5.0	6.0
Commerce and finance	6.9	27.8	12.6	18.3	19.7
Electricity, gas, and water	4.5	3.9	4.8	4.3	2.3
Services	8.9	9.2	11.2	10.6	9.5
	9.6	8.0	13.1	12.2	13.7
Cocoa marketing	1.3	1.8	2.8	2.8	2.9
Total	100.0	100.0	100.0	100.0	100.0
(Annual percentage change)					
Agriculture, forestry, and fishing	39.5	20.8	9.0	51.1	6.0
Export trade	-20.0	80.0	20.7	6.6	-22.5
Manufacturing	97.6	-16.3	21.8	48.0	17.0
Transport, storage, and communication	102.1	39.9	27.0	75.4	52.5
Mining and quarrying	66.1	-10.4	3.3	14.5	21.3
Import trade	499.9	-71.2	106.0	65.9	20.8
Construction	32.5	23.2	26.9	-0.6	40.8
Commerce and finance	-21.1	390.7	-49.8	119.5	27.3
Electricity, gas, and water	88.9	5.7	38.2	33.5	-35.3
Services	70.6	26.5	33.6	44.5	5.7
Miscellaneous	114.6	1.3	80.5	41.6	33.3
Cocoa marketing	-2.9	69.0	68.7	51.5	21.4
Total	73.4	21.4	10.7	51.3	18.8

Source: Bank of Ghana.

Table 31. Ghana: Reserve Ratios of Commercial Banks, 2000-04
(In billions of cedis, unless otherwise indicated; end of period)

	2000	2001	2002	2003	2004
Total deposits	6,844.4	7,892.9	10,502.6	13,922.7	18,469.3
Total liquid reserves	3,387.3	4,718.5	5,798.7	9,582.8	10,466.5
Primary 1/	650.6	813.3	1,168.6	1,848.5	2,242.4
Secondary 2/	2,736.8	3,905.3	4,630.0	7,734.3	8,224.1
Primary reserve ratio (percent)					
Required reserves	8.0	9.0	9.0	9.0	9.0
Actual reserves	9.5	10.3	11.1	13.3	12.1
Secondary reserve ratio (percent)					
Required reserves	35.0	35.0	35.0	35.0	35.0
Actual reserves	40.0	49.5	44.1	55.6	44.5

Source: Bank of Ghana.

Table 32. Ghana: Interest Rate Structure of Banks, December 2000-December 2004
(In percent a year)

	2000		2001		2002		2003			2004				
		December		December	Mar.	June	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.
Government of Ghana/ Bank of Ghana instruments														
28-day	...	...	...	...	...	...	...	...	...	...	...	...	16.14	16.37
56-day	...	...	...	...	...	...	...	...	...	...	...	...	16.23	16.40
91-day	38.00	26.99	24.80	26.05	31.67	24.20	18.09	17.29	16.26	16.34	16.38	...	...	...
180-day	41.99	...	23.93	...	...	...	...	...	...	...	...	...	...	...
1-year	31.00	...	22.00	...	...	...	...	...	...	...	...	...	20.00	20.00
2-year	...	...	...	...	...	...	...	...	...	...	...	...	21.00	21.50
Bank of Ghana prime rate	...	...	24.5	27.50	27.50	26.00	21.50	20.00	18.50	18.50	18.50	...	...	18.50
Bank of Ghana rediscount rate	27.00	27.00	...	...	...	...	...	...	...	...	...	...	...	...
Commercial bank rates 1/														
Demand deposits	16.75	13.50	8.00	7.50	7.50	7.50	9.50	9.50	7.50	7.50	7.50	7.50	7.50	7.50
Savings deposits	18.00	14.50	13.00	10.50	11.00	11.75	9.75	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Time deposits														
3-month	33.50	23.25	18.00	13.75	14.00	15.25	14.25	13.75	13.75	13.75	13.75	13.75	13.25	13.25
6-month	28.00	21.25	19.00	15.38	17.13	17.25	15.00	14.25	13.00	13.00	13.00	13.00	13.00	13.00
12-month	26.25	20.00	20.00	14.63	18.13	18.50	15.50	12.00	11.50	11.00	11.00	11.00	11.00	11.00
24-month	15.00	...	...	...	...	...	...	...	...	...	...	...	...	...
Certificates of deposit	27.75	18.00	14.75	14.75	16.50	16.00	15.00	12.50	12.50	12.25	12.25	12.25	12.25	12.25
Lending rates														
Agriculture	47.00	44.00	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75
Export trade	47.00	44.00	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75
Manufacturing	47.00	44.00	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75
Mining and quarrying	47.00	44.00	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75
Construction	47.00	44.00	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75
Other sectors	47.00	42.50	38.50	34.00	35.50	35.25	32.75	31.75	31.75	28.75	28.75	28.75	28.75	28.75

Source: Bank of Ghana.
1/ Weighted average of monthly lending and deposit rates.

Table 33. Ghana: Balance of Payments, 2000-04
(In millions of U.S. dollars)

	2000	2001	2002	2003	Prov. 2004
Exports f.o.b.	1,936.0	1,867.2	2,057.1	2,471.4	2,784.6
Cocoa beans and cocoa products	436.8	381.2	463.3	817.9	1,071.1
Gold	705.0	617.9	689.1	830.2	840.2
Timber and timber products	175.2	169.3	181.9	174.4	211.7
Other	618.9	698.9	722.9	648.9	661.6
Imports f.o.b.	-2,758.6	-2,831.2	-2,714.1	-3,259.1	-4,297.2
Oil	-520.1	-516.8	-508.0	-562.8	-774.9
Non-oil	-2,238.5	-2,314.4	-2,206.1	-2,696.3	-3,522.3
Trade balance	-822.6	-964.0	-656.9	-787.7	-1,512.5
Services (net)	-246.4	-182.2	-213.8	-279.6	-554.0
<i>Of which</i> : interest payments	-108.9	-106.1	-123.5	-110.2	-167.5
Private transfers (net)	495.6	600.4	680.4	801.4	1,287.1
Current account balance, excluding official transfers	-573.4	-545.8	-190.3	-265.9	-779.5
Official transfers (net)	154.0	262.8	220.6	392.9	543.9
<i>Of which</i> : HIPC Initiative grants	0.0	0.0	62.4	81.1	109.0
Current account balance, including official transfers	-419.4	-282.9	30.3	127.0	-235.6
Capital account	162.7	192.1	-64.8	161.0	384.5
Official capital (net)	97.4	103.7	-114.8	86.0	52.5
Medium- and long-term loans					
Inflows	513.0	391.4	194.7	369.8	402.3
Amortization	-415.6	-287.7	-309.5	-283.9	-349.8
Private capital (net)	65.3	88.3	50.0	75.0	332.0
<i>Of which</i> : divestiture receipts	51.0	0.0	0.0	25.0	0.0
Other capital and errors and omissions	190.6	386.7	78.6	214.0	-158.9
<i>Of which</i> : change in net foreign assets of commercial banks	26.7	-76.6	-18.3	-73.2	-94.6
errors and omissions	151.9	443.8	37.0	98.2	24.0
Overall balance	-66.1	295.8	44.2	502.0	-10.0
Financing	66.1	-295.8	-44.2	-502.0	10.0
Net international reserves (negative is increase) 1/	39.1	-479.3	-162.0	-674.9	-185.8
<i>Of which</i> : use of IMF credit (net)	-4.5	1.5	53.9	52.6	-4.8
change in gross reserves	-21.8	-75.9	-295.6	-791.7	-388.8
Exceptional financing	0.0	0.0	213.5	207.9	231.1
Debt deferral	0.0	149.7	-34.9	-34.9	-34.9
Change in arrears	27.0	33.8	-60.8	0.0	0.0
Memorandum items:					
Current account deficit (in percent of GDP)					
Excluding official transfers	11.5	10.3	3.1	3.5	8.8
Including official transfers	8.4	5.3	-0.5	-1.7	2.7
Gross international reserves					
End of period (millions of U.S. dollars)	264.0	339.8	631.5	1,427.1	1,816.0
In months of imports of goods and services	0.9	1.2	1.9	3.2	3.7

Sources: Bank of Ghana; and IMF staff estimates.

1/ Definition changed from net foreign assets to net international reserves at the end of 2000.

Table 34. Ghana: External Trade Indices, 2000-04
(1990 = 100, unless otherwise indicated)

	2000	2001	2002	2003	Prov. 2004
Exports 1/					
Price index	102.0	99.7	112.2	144.7	142.4
Percentage change	-4.4	-2.3	12.6	28.9	-1.6
Volume index	211.6	208.9	204.4	190.5	218.2
Percentage change	1.0	-1.3	-2.1	-6.8	14.5
Value index	215.9	208.3	229.4	275.7	310.6
Percentage change	-3.5	-3.6	10.2	20.1	12.7
Imports 1/					
Price index	102.6	95.6	98.4	110.5	127.9
Percentage change	14.6	-6.7	2.9	12.3	15.7
Volume index	232.8	256.2	238.7	255.2	290.7
Percentage change	-26.0	10.0	-6.8	6.9	13.9
Value index	238.8	245.0	234.9	282.1	371.9
Percentage change	-15.2	2.6	-4.1	20.1	31.9
Terms of trade	99.5	104.2	114.1	130.9	111.3
Percentage change	-16.6	4.8	9.4	14.8	-15.0

Sources: Ghanaian authorities; and IMF staff estimates.

1/ Price and value indices are in terms of U.S. dollars.

Table 35. Ghana: Value, Volume, and Unit Price of Exports, 2000-04
(In millions of U.S. dollars, unless otherwise specified)

	2000	2001	2002	2003	Prov. 2004
Gold	702.1	617.9	689.1	830.2	840.2
Volume (fine ounces)	2,503,858.0	2,274,862.0	2,226,496.0	2,277,764.0	2,049,476.0
Unit value (U.S. dollars per ounce)	280.4	271.6	309.5	364.5	410.0
Cocoa beans	380.0	317.0	386.1	691.8	984.4
Volume (metric tons)	348,031.0	310,476.0	305,000.0	354,775.0	620,365.0
Unit value (U.S. dollars per ton)	1,091.7	1,021.0	1,266.0	1,950.0	1,588.9
Cocoa products	56.8	64.2	77.2	126.1	86.7
Volume (metric tons)	40,539.0	59,143.0	61,500.0	48,536.0	44,459.0
Unit value (U.S. dollars per ton)	1,402.0	1,085.0	1,255.0	2,597.8	1,950.0
Timber and timber products	175.2	169.3	181.9	174.4	211.7
Volume (cubic meters)	498,843.0	476,502.0	472,427.0	445,912.0	454,484.0
Unit value (U.S. dollars per cubic meter)	351.3	355.2	385.0	391.0	465.8
Aluminum	211.7	206.1	157.8	0.0	0.0
Volume (metric tons)	136.6	143.8	116.9	0.0	0.0
Unit value (U.S. dollars per ton)	1,549.8	1,433.0	1,350.0	1,432.8	1,718.5
Residual oil	51.1	57.5	43.8	31.2	59.4
Volume (metric tons)	257,174.0	398,056.0	350,000.0	165,388.0	245,986.0
Unit value (U.S. dollars per ton)	198.8	144.6	125.0	188.5	241.4
Manganese	29.0	36.7	28.6	29.1	29.2
Volume (metric tons)	929,502.0	1,109,562.0	1,169,000.0	1,390,529.0	1,566,828.0
Unit value (U.S. dollars per ton)	31.2	33.0	24.5	20.9	18.7
Electricity	19.5	18.1	31.8	40.2	37.9
Volume (millions of kilowatt-hours)	390.0	346.0	611.0	824.0	665.0
Unit value (thousands of U.S. dollars per kilowatt-hour)	50.0	52.4	52.1	48.8	56.9
Diamonds	11.8	20.5	21.1	23.4	26.4
Volume (carats)	666,193.0	878,384.0	1,018,417.0	936,244.0	921,237.0
Unit value (U.S. dollars per carat)	17.7	23.3	20.7	25.0	28.7
Bauxite	13.1	16.4	15.1	11.0	8.7
Volume (metric tons)	503,825.0	680,241.0	653,000.0	492,544.0	408,783.0
Unit value (U.S. dollars per ton)	26.0	24.1	23.1	22.3	21.3
Coffee	4.9	3.6	3.8	0.4	0.5
Volume (metric tons)	6,053.0	5,493.0	6,300.0	919.0	1,000.0
Unit value (U.S. dollars per ton)	810.0	660.0	598.0	475.3	475.0
Shea nuts	3.8	3.1	3.0	13.7	12.5
Volume (metric tons)	25,044.0	28,146.0	13,552.0	51,000.0	50,000.0
Unit value (U.S. dollars per ton)	152.5	108.9	218.9	268.0	250.0
Other nontraditional exports	226.0	245.1	363.0	400.0	480.0

Source: Bank of Ghana.

Table 36. Ghana: Direction of Trade, 2000-04
(In percent of total)

	Exports					Imports				
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
Industrial countries	71.7	69.4	66.1	63.8	60.5	56.8	48.7	48.2	42.5	44.9
France	4.4	4.7	5.8	7.6	6.9	4.1	5.3	3.9	4.4	5.3
Germany	7.5	7.5	6.5	6.2	4.4	4.9	4.8	5.1	4.7	4.1
Italy	4.8	4.2	4.1	4.6	3.4	12.7	3.9	6.7	3.7	3.5
Japan	3.0	3.0	3.8	5.3	4.3	1.6	2.0	1.7	2.0	2.2
Netherlands	16.8	14.4	14.8	11.3	11.1	4.8	4.2	4.3	3.8	4.2
United Kingdom	9.3	11.8	9.8	10.7	10.9	9.8	8.5	7.8	7.1	7.0
United States	13.7	12.5	7.0	4.3	6.0	7.2	8.2	7.1	5.9	6.7
Other	12.2	11.3	14.3	13.8	13.5	11.8	11.7	11.4	10.9	11.9
Other European	11.2	10.2	12.6	11.8	12.3	9.0	8.4	8.6	8.3	9.1
Rest of the world	17.1	20.4	21.3	24.4	27.3	34.2	42.8	43.3	49.2	46.1

Source: IMF, *Direction of Trade Statistics, various issues*.

Table 37. Ghana: Services and Transfers Account, 2000-04
(In millions of U.S. dollars)

	2000		2001		2002		2003		2004	
	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit
Total services and transfers	1,187.8	-759.2	1,430.6	-749.6	1,428.8	-822.7	1,786.3	-910.7	2,468.5	-1,254.4
Total services	519.7	-740.7	548.0	-730.2	570.4	-803.0	651.4	-889.0	746.8	-1,254.4
Freight and merchandise insurance	46.7	-222.6	49.4	-233.6	56.0	-242.7	62.2	-280.5	70.0	-335.6
Other transportation	56.8	-83.9	59.6	-80.9	64.8	-87.9	68.9	-104.8	74.5	-113.3
Travel	334.4	-111.5	351.3	-105.4	358.2	-120.0	414.4	-138.1	466.0	-186.4
Investment income	15.6	-128.7	16.3	-124.1	14.6	-143.2	21.4	-128.2	44.5	-195.9
IMF charges	0.0	-1.6	0.0	-2.2	0.0	-1.7	0.0	-3.6	0.0	-6.5
Interest (medium- and long-term loans)	0.0	-103.8	0.0	-97.3	0.0	-123.5	0.0	-106.6	0.0	-119.5
Other official interest payments	0.0	-4.4	0.0	-2.0	0.0	0.0	0.0	0.0	0.0	0.0
Private suppliers' credits	0.0	-1.9	0.0	-2.1	0.0	0.0	0.0	0.0	0.0	0.0
Banking loans	0.0	-0.8	0.0	-2.5	0.0	0.0	0.0	0.0	0.0	0.0
Profit and dividends	0.0	-16.2	0.0	-18.0	0.0	-18.0	0.0	-18.0	0.0	-70.0
Government (not included elsewhere)	14.5	-82.4	16.3	-68.1	17.0	-78.8	17.7	-97.0	18.6	-177.8
Other services	51.7	-111.6	55.1	-118.1	59.8	-130.4	66.8	-140.4	73.2	-245.4
Total transfers	668.1	-18.5	882.6	-19.4	858.4	-19.8	1,134.9	-21.7	1,721.7	0.0
Official	165.2	-11.2	274.6	-11.8	170.4	-12.2	325.1	-13.4	434.6	0.0
Private	502.9	-7.3	608.0	-7.6	688.0	-7.6	809.8	-8.4	1,287.1	0.0

Sources: Bank of Ghana; and IMF staff estimates.

Table 38: Ghana: External Public Debt and Debt Service Due, 2000-04
(In millions of U.S. dollars)

	2000	2001	2002	2003	2004
Long- and medium-term debt	5,831	6,670	7,249	7,417	7,530
Bilateral loans	1,474	1,505	1,329	1,316	1,282
Multilateral loans	4,357	5,164	5,920	6,102	6,248
IMF	296	287	346	427	447
Short-term loans	89	28	15	18	27
Total external debt	6,216	6,984	7,888	8,113	7,979
Debt service due					
Principal	453	353	353	334	393
<i>Of which: IMF repurchases</i>	37	66	14	21	44
Interest	108	99	129	115	173
<i>Of which: IMF charges</i>	4	2	4	3	3
Total debt service due					
Including IMF	560	453	482	450	566
Excluding IMF	519	385	463	425	519

Sources: Ghanaian authorities; and IMF staff estimates.

Table 39. Ghana: Exchange Rate Indicators, 2000:Q1-2004:Q4
(Period averages, unless otherwise indicated)

	Cedis per U.S. dollar				Effective Exchange Rate (1995=100)			
	End of period		Period average		Nominal		Real	
		Percent change		Percent change		Percent change		Percent change
2000	7,047.7	99.4	5,430.5	103.4	100.0	-46.3	100.0	-35.5
2001	7,321.9	3.9	7,178.6	32.2	76.0	-24.0	100.6	0.6
2002	8,438.8	15.3	7,944.3	10.7	67.1	-11.7	100.0	-0.6
2003	8,852.3	4.9	8,680.5	9.3	55.2	-17.7	101.4	1.4
2004	9,054.3	2.3	9,020.6	3.9	49.6	-10.1	100.4	-1.0
2000:Q1	4,344.2	22.9	3,960.2	21.7	130.5	-16.5	117.2	-12.8
Q2	5,664.4	30.4	5,116.4	29.2	106.0	-18.8	101.6	-13.3
Q3	6,515.4	15.0	6,336.0	23.8	83.8	-20.9	88.2	-13.2
Q4	7,047.7	8.2	6,894.9	8.8	79.7	-4.9	93.1	5.6
2001:Q1	7,204.9	2.2	7,100.5	3.0	75.0	-5.8	92.6	-0.6
Q2	7,227.0	0.3	7,230.3	1.8	76.6	2.1	98.9	6.9
Q3	7,156.6	-1.0	7,164.3	-0.9	76.7	0.1	104.3	5.5
Q4	7,321.9	2.3	7,264.8	1.4	75.6	-1.4	107.3	2.9
2002:Q1	7,690.3	5.0	7,530.8	3.7	74.0	-2.2	105.6	-1.6
Q2	8,043.4	4.6	7,918.8	5.2	68.4	-7.5	99.2	-6.0
Q3	8,187.9	1.8	8,162.5	3.1	63.9	-6.7	97.0	-2.2
Q4	8,438.8	3.1	8,351.2	2.3	62.1	-2.8	98.6	1.6
2003:Q1	8,600.3	1.9	8,565.6	2.6	58.1	-15.1	100.9	1.7
Q2	8,700.4	1.2	8,691.6	1.5	55.3	-13.4	101.4	4.5
Q3	8,732.3	0.4	8,729.9	0.4	55.2	-11.1	101.4	2.8
Q4	8,852.3	1.4	8,803.9	0.8	52.3	-10.0	98.7	-2.2
2004:Q1	9,018.3	1.9	8,937.9	1.5	49.7	-10.1	97.1	-4.3
Q2	9,046.5	0.3	9,045.1	1.2	50.3	-8.7	100.5	-0.9
Q3	9,051.8	0.1	9,046.4	0.0	49.8	-4.7	102.1	3.5
Q4	9,054.3	0.0	9,052.8	0.1	48.1	-3.4	98.1	1.0
2004								
January	8,880.2	0.3	8,866.3	0.4	50.0	-2.2	97.6	0.4
February	8,915.2	0.4	8,897.7	0.4	49.4	-1.1	96.4	-1.3
March	9,018.3	1.2	8,966.7	0.8	49.9	1.0	97.2	0.9
April	9,049.0	0.3	9,033.6	0.7	50.3	0.8	99.2	2.1
May	9,039.8	-0.1	9,044.4	0.1	50.7	0.8	100.9	1.7
June	9,046.5	0.1	9,043.2	0.0	50.0	-1.3	101.3	0.4
July	9,041.8	-0.1	9,044.2	0.0	49.7	-0.7	103.1	1.8
August	9,045.7	0.0	9,043.8	0.0	49.9	0.5	101.4	-1.7
September	9,051.8	0.1	9,048.7	0.1	49.9	-0.1	101.9	0.5
October	9,049.4	0.0	9,050.6	0.0	49.1	-1.5	99.0	-2.8
November	9,054.7	0.1	9,052.1	0.0	48.4	-1.5	98.9	-0.2
December	9,054.3	0.0	9,054.5	0.0	46.7	-3.6	96.3	-2.6

Sources: Bank of Ghana; and IMF staff estimates.

Ghana: Developments in the Health Sector

Two sets of development indicators for the health sector in Ghana are presented below.

1. Child health indicators

- Some key indicators in Ghana's health sector have deteriorated recently, although health expenditures have risen, reaching 11.8 percent of total government spending in 2003. In particular, infant mortality, child mortality, and child malnutrition declined steadily in the period 1998–98, but have increased since then (Table 40). Child mortality, for example, increased from 108 per 1,000 live births in 1998 to 111 per 1,000 in 2003. One of the Millennium Development Goals (MDGs) is to reduce this indicator by two-thirds by 2015, but, on current official projections by Ghana, it will be difficult to achieve.
- Within the country, there is substantial regional variation in the infant and under-5 mortality rate. Upper East, one of the poorest regions, experienced the most significant improvement in these indicators, while Ashanti, one of the wealthiest regions, experienced a significant increase (Table 41). In fact, Upper East becomes the region with the lowest infant mortality rate. The data also show that the rural area, in general, fared better than the urban area in terms of improvement between 1998 and 2003.
- Indicators show chronic malnourishment among Ghanaian children under-5, which increased over the period 1998–2003 (Table 42).¹ Two surveys—Demographic and Health Survey and Core Welfare Indicators Questionnaire (CWIQ) survey—indicate that the overall incidence of stunting (representing the long-term effect of malnutrition) has increased, especially in the urban area. Two regions, Upper East and Upper West, however, have experienced a decline in stunting incidence. The surveys do not agree on the direction of wasting incidence, an indicator of short-term acute malnutrition.

¹ There are three child malnutrition indicators. As recommended by the World Health Organization (WHO), the anthropometric measurements of children in the survey are compared with an international reference population defined by the U.S. National Center for Health Statistics (NCHS) and accepted by the U.S. Centers for Disease Control and Prevention (CDC). Each of the three nutritional status indicators in Table 42 is expressed in standard deviation units (Z-scores) from the median for the reference population. The height-for-age index is an indicator of linear growth retardation. Stunting reflects a failure to receive adequate nutrition over a long period of time and is also affected by recurrent and chronic illness. The height-for-age index, therefore, represents the long-term effect of malnutrition in a population and does not vary according to recent dietary intake. It measures body mass in relation to body length and describes current nutritional status.

Table 40. Ghana: Health Indicators

	Infant Mortality	Under-5 Mortality	Underweight Children	Stunted Children	Wasted Children
	(In number of children per 1,000 births)		(In percent of children)		
1988	77	155	...	...	...
1993	66	119	...	...	...
1998	57	108	25	26	10
2003	64	111	22	30	7

Source: Demographic and Health Survey.

Table 41. Ghana: Infant and Under-5 Mortality Rate, by Region

	Infant Mortality		Under-5 Mortality		Per Capita Income 1998/99
	1998	2003	1998	2003	
Region	(In cedis)				
Ashanti	42	80	78	116	622,000
Brong Ahafo	77	58	129	91	548,000
Central	84	50	142	90	444,000
Eastern	50	64	89	95	415,000
Greater Accra	41	45	62	75	932,000
Northern	70	69	171	154	210,000
Upper East	82	33	155	79	321,000
Upper West	71	105	156	208	206,000
Volta	64	75	98	113	527,000
Western	68	66	110	109	568,000
Residence					
Urban	43	55	77	93	
Rural	68	70	122	118	

Sources: Demographic and Health Survey; and Ghana Living Standard Survey.

Table 42. Ghana: Child Malnutrition, by Region

	Stunt		Wasting		Underweight	
	Height-for-age		Weight-for-height		Weight-for-age	
	1998	2003	1998	2003	1998	2003
National	26.0	29.9	10.0	7.1	25.0	22.1
Western	29.4	28.4	9.2	5.3	25.6	16.5
Central	26.8	31.6	10.3	3.0	26.3	22.0
Greater Accra	11.3	13.9	5.5	7.2	12.2	11.5
Volta	25.1	23.3	15.2	13.9	24.7	25.7
Eastern	23.6	27.4	8.7	6.2	22.3	17.3
Ashanti	27.6	29.1	9.2	6.7	24.7	20.8
Brong Ahafo	17.8	29.4	8.1	5.7	24.1	20.4
Northern	39.6	48.8	12.7	6.6	38.1	35.5
Upper East	34.6	31.7	7.1	12.9	28.4	32.4
Upper West	35.9	34.1	8.2	11.0	34.0	25.9
Residence						
Urban	14.3	20.5	6.5	6.6	15.6	15.4
Rural	29.7	34.5	10.5	7.4	27.9	25.4
	Non-Stunt		Non-Wasting		Non-Underweight	
	Height-for-age		Weight-for-height		Weight-for-age	
	1997	2003	1997	2003	1997	2003
National	29.7	32.5	6.5	15.5	26.0	25.8
Western	28.8	38.5	4.7	7.4	24.4	22.4
Central	30.5	31.7	4.2	11.9	22.9	22.1
Greater Accra	21.9	27.8	6.9	23.8	9.1	29.4
Volta	28.4	31.9	5.3	11.6	22.2	21.2
Eastern	25.1	30	4.0	11.6	24.7	22.9
Ashanti	33.3	31.5	5.4	27.1	25.9	36.6
Brong Ahafo	26.8	31.9	5.4	8.5	22.6	18.8
Northern	42.4	39	9.8	10.7	44.0	25.5
Upper East	53.0	28.8	11.5	16.6	48.8	21.1
Upper West	48.3	25	11.4	9.7	43.2	16.2
Residence						
Urban	20.8	33.7	7.5	12.9	17.8	24.4
Rural	32.8	30	6.2	20.2	28.8	28.4

Sources: Demographic and Health Survey; and Core Welfare Indicators Questionnaire.

2. Health sector outputs and expenditure

- The provision of health service outputs—such as access to health facilities, safe sanitation, potable water, and immunization for children—has increased since 1997 (Tables 43 and 44). Access to health services, measured by the time it takes to reach the nearest health center, increased in all regions. Nationally, about 60 percent of the population has access, but only about 30 percent of the population in the poorer regions of Northern, Upper East, and Upper West have access.
- Immunization for children—which has a critical influence on health outcomes—has increased nationally during the past several years. However, some regions—such as Greater Accra, Western, and Upper West—lag behind.
- The population per doctor has fallen recently, but the number of outpatient visits per capita has remained relatively flat (Table 45 and Figure 1).² At the same time, the population per nurse has increased. From a regional perspective, many areas experienced an increase in the population per doctor, with the exception of Ashanti, Greater Accra, and Volta, which are the wealthier regions.

Table 43. Ghana: Access to Health Facilities, Safe Sanitation, and Drinking Water

	Access to Health Facilities		Safe Sanitation		Improved Water Source	
	1997	2003	1997	2003	1997	2003
National	52.9	56.7	44.8	55.0	61.6	74.2
Western	31.1	49.0	38.1	52.9	44.6	71.3
Central	35.3	65.4	46.6	56.6	74.8	81.0
Greater Accra	77.6	81.8	69.9	82.8	90.4	82.1
Volta	41.4	50.9	32.9	37.6	33.1	52.1
Eastern	38.1	60.9	41.6	60.4	58.9	71.4
Ashanti	44.0	64.8	51.8	65.7	69.3	85.0
Brong Ahafo	36.4	55.9	55.3	47.2	53.9	70.4
Northern	23.6	35.0	17.9	23.6	40.1	54.5
Upper East	9.0	24.6	9.9	10.7	79.9	80.1
Upper West	19.2	31.0	10.7	23.3	84.2	90.0
Residence						
Urban	63.8	78.5	69.1	81.0	84.7	87.4
Rural	28.6	42.3	30.6	33.1	50.7	63.1

Source: Core Welfare Indicators Questionnaire.

² Figure 1 presents data for per capita outpatient visits, which is the number of doctor visits in one year per person (that is, a figure of 0.5 means an average person has a half visit each year).

Table 44. Ghana: Immunization of Children, by Region

	All vaccines	
	1998	2003
National	62.0	69.4
Western	67.4	60.3
Central	49.1	82.1
Greater Accra	73.7	69.1
Volta	59.8	82.3
Eastern	52.1	65.6
Ashanti	67.8	71.6
Brong Ahafo	66.6	79.0
Northern	47.4	48.0
Upper East	65.8	77.0
Upper West	68.0	60.3
Residence		
Urban	72.3	75.5
Rural	58.0	66.0

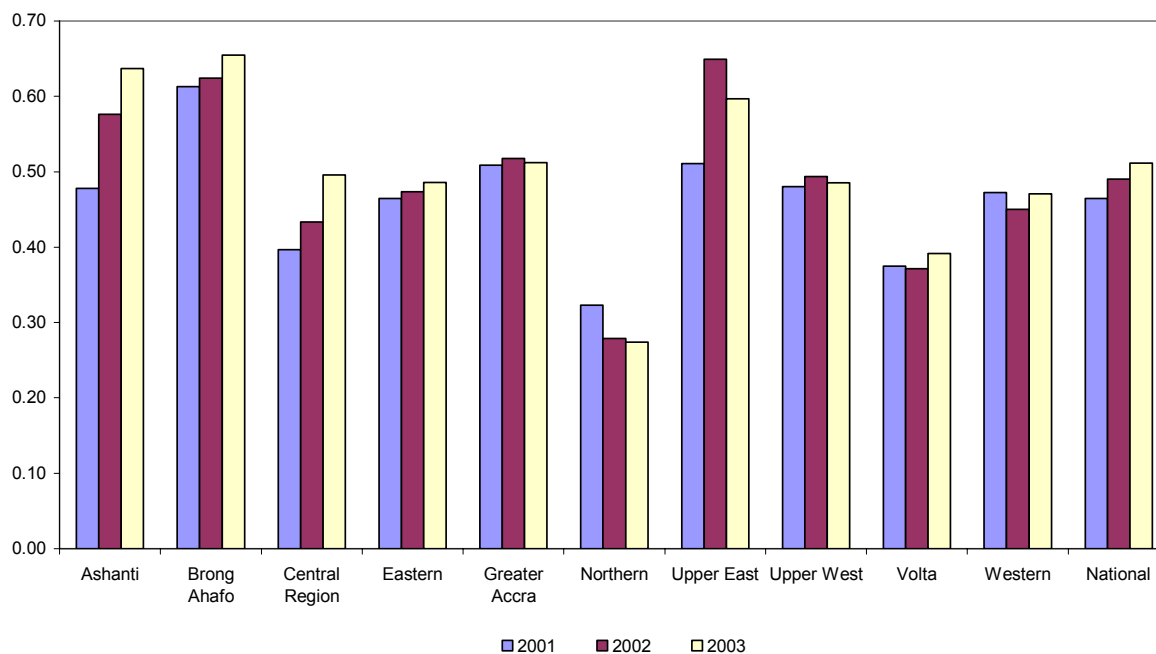
Source: Demographic and Health Survey.

Table 45. Ghana: Population per Number of Doctors and Nurses, by Region

	2001		2002		2003	
	Doctors	Nurses	Doctors	Nurses	Doctors	Nurses
Ashanti	16,028	2,319	19,411	2,767	13,050	2,807
Brong Ahafo	38,146	3,227	28,467	3,081	39,736	4,585
Central Region	35,350	1,690	37,761	2,108	36,119	2,433
Eastern	25,483	1,228	24,068	1,789	32,820	2,117
Greater Accra	8,653	1,337	9,153	1,316	5,368	1,055
Northern	60,131	2,579	68,721	2,826	71,267	3,455
Upper East	32,429	1,442	31,348	2,283	32,429	2,850
Upper West	45,873	1,325	54,214	1,813	49,696	2,357
Volta	38,594	1,528	30,876	2,066	33,297	2,019
Western	32,535	2,250	33,060	2,655	34,162	3,274
National	20,591	1,777	21,431	2,117	16,305	2,193

Source: Ministry of Health.

Figure 1. Ghana: Per Capita Outpatient Visit, by Region



Source: Ministry of Health.

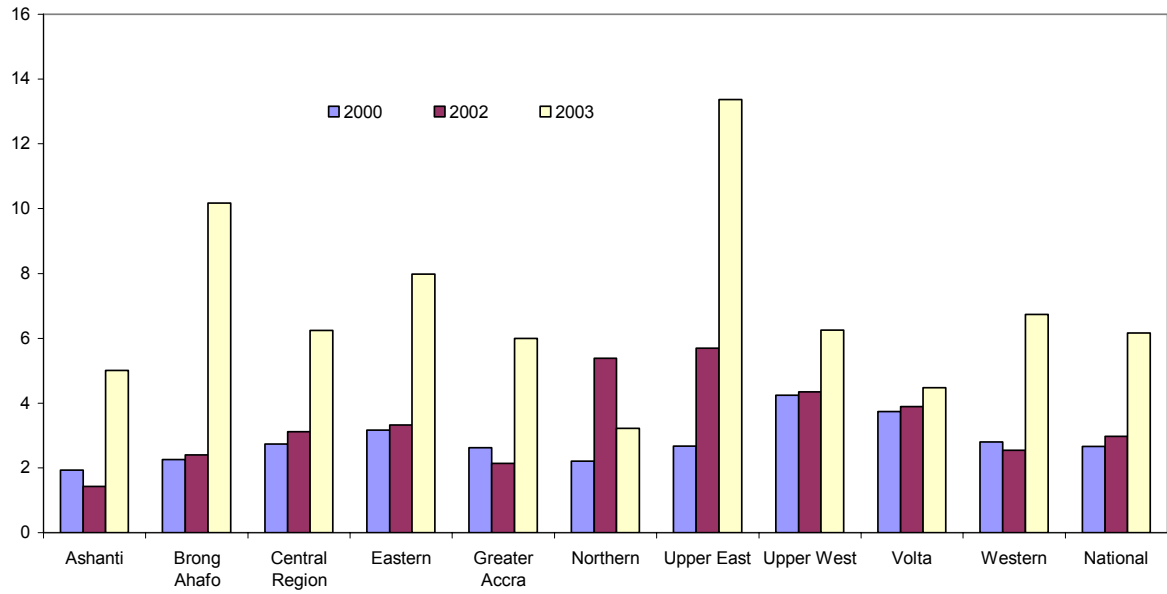
- Overall health expenditure in real terms (1999 prices) has increased from 1.9 percent of GDP in 1999 to 3.2 percent in 2004 (Table 46). Wages and salaries accounted for 45.3 percent of total health expenditure in 2004, up from 34.5 percent in 1999; and the growth in real wages and salaries exceeded the growth in total health expenditure in all years except 2004. Growth in administrative expenses, services, and investment, however, has varied greatly from year to year.
- The importance of central government transfers (from the budget) in total health spending has declined over time. In 1999, the budget contributed about 60 percent of such spending, falling to 42.6 percent in 2004. More recently, the contribution to health spending of donor funds and the enhanced Heavily Indebted Poor Countries (HIPC) Initiative has increased in relative importance.
- Regional variation in per capita health expenditure is highly significant (Figure 2). In 2003, Upper East had the highest per capita amount at more than double the national average. The Northern region, which is one of the poorest regions, received the lowest amount.

Table 46. Ghana: Health Expenditure, 1999–2004

	1999	2000	2001	2002	2003	2004
	(In billions of cedis, 1999 prices)					
Total health expenditure	398	514	525	694	707	946
By item						
Wages and salaries	137	175	223	302	320	374
Administrative expense	43	55	70	92	63	100
Service	154	195	184	169	202	272
Investment	64	89	49	130	122	201
By source of fund						
Government of Ghana	238	293	257	347	344	403
Financial credits	28	25	8	75	69	108
Internal generated fund (IGF)	49	58	76	97	98	125
Donor health fund	31	43	69	122	107	199
MOH programs	59	104	115	60	70	58
HIPC Initiative	0	0	0	0	20	52
	(In percent of GDP)					
Total health expenditure	1.9	2.4	2.3	2.7	2.6	3.2
By item						
Wages and salaries	0.7	0.8	1.0	1.2	1.2	1.3
Administrative expense	0.2	0.3	0.3	0.4	0.2	0.3
Service	0.7	0.9	0.8	0.7	0.7	0.9
Investment	0.3	0.4	0.2	0.5	0.4	0.7
By source of fund						
Government of Ghana	1.2	1.4	1.1	1.4	1.3	1.4
Financial credits	0.1	0.1	0.0	0.3	0.3	0.4
Internal generated fund (IGF)	0.2	0.3	0.3	0.4	0.4	0.4
Donor health fund	0.2	0.2	0.3	0.5	0.4	0.7
MOH programs	0.3	0.5	0.5	0.2	0.3	0.2
HIPC Initiative	0.0	0.0	0.0	0.0	0.1	0.2

Source: Ministry of Health.

Figure 2 : Ghana: Per Capita Health Expenditure, by Region
(In U.S. cents)



Source: Ministry of Health.

Ghana: Government Wage Bill

1. A range of indicators—share in GDP, total government expenditure, and domestic revenue—have been examined to evaluate the size of the government wage bill in Ghana.
 - The ratio of the wage bill to GDP—signifying how much of the country’s total output is absorbed by government wages—is the most commonly used indicator.
 - The ratio of the wage bill to total government expenditure is a straightforward indicator as to how well balanced a budgetary resource allocation is.
 - The ratio of the wage bill to domestic revenue (especially in a low-income country) gives an indication of the sustainability of wage outlays in the absence of donor assistance.
2. A high wage bill could be driven by high levels of government employment (indicators include government employment as a percent of total employment), high salaries of the civil servants (indicators include the ratio of public to private sector wages), or both. In addition, the compression ratio—the ratio of the highest salary to the lowest on the government’s salary scale—is a useful indicator of the adequacy of pay for skilled employees; if the average civil servant’s wage is comparable with that in the private sector, overly compressed salaries suggest that high-skilled workers are underpaid.
3. In Ghana, the wage bill as a share of GDP has risen significantly in recent years and is high relative to other countries in the region (Table 47). The recent rise in this ratio is partly due to an expansion in the coverage of the government wage bill—which includes the central and local government employees, the employees of decentralized agencies (such as hospitals, universities, and research centers), military personnel, and some of the extrabudgetary funds (but not the social security fund). Even considering these factors, the ratio of Ghana’s wage bill to GDP is significantly higher than the average for ECOWAS members and exceeds the average for sub-Saharan African countries.
4. The other two indicators are less clear about the relative size of Ghana’s wage bill. The wage bill as a share of total government expenditure and as a share of domestic revenue has been declining since 2002, reflecting an expansion of foreign-financed capital expenditure as well as improved domestic revenue mobilization. Nonetheless, the wage bill remains at about one-fourth of total expenditure and at more than one-third of total domestic revenue.

Table 47. Ghana: Indicators of Government Wages, 1990–2004
(In percent, unless otherwise specified.)

	1990–99	2000	2001	2002	2003	2004
Wage bill-to-GDP ratio						
Ghana 1/	5.3	5.2	6.1	8.5	8.4	8.7
ECOWAS	4.2	5.7	5.6	6.3	5.4	5.2
Sub-Saharan Africa	8.0	8.4	8.0	8.3	8.1	8.0
Wage bill-to-government expenditure ratio						
Ghana 1/	20.6	18.9	18.6	32.5	29.2	26.3
ECOWAS	20.9	24.9	21.8	25.8	24.5	26.1
Sub-Saharan Africa	31.0	30.8	29.2	30.3	30.4	30.1
Wage bill-to-revenue (excluding grants) ratio						
Ghana 1/	33.0	29.6	33.6	47.1	40.5	36.8
ECOWAS	37.7	37.0	36.0	37.4	37.3	34.0
Sub-Saharan Africa	39.4	36.1	35.9	38.5	37.3	34.3

Sources: Ghanaian authorities; and IMF staff estimates.

1/ From 2002 onward, includes subvented agencies.

Table 48. Selected Sub-Saharan African Countries: Coverage of Government Wage Bill

Wage Bill 1/		Coverage in IMF staff report				
(In percent of total expenditure)	(In percent of GDP)	Includes central government (CG), local government (LG), and general government (GG) 2/	Includes local government employees	Includes decentralized agencies (e.g., hospitals, universities)	Includes extrabudgetary funds (e.g., social security fund (SSF))	Includes military
Ethiopia	22.1	GG	Yes	Yes	SSF only	Yes
Gambia, The	16.6	CG	No	Yes	No	Yes
Ghana	26.3	CG, LG	Yes	Yes	Partially 3/	Yes
Kenya	29.9	CG and provincial	No	Yes	No	...
Lesotho	...	CG, LG	Yes	Some	No	...
Madagascar	21.1	CG	No	No	No	No
Mauritius	25.2	CG	No	Hospitals only	No	Yes
Nigeria	...	CG	No	Yes	No	Yes
Rwanda	16.9	CG	No	No	No	Yes
Seychelles	33.2	GG	Yes	Yes	Yes	Yes
Sierra Leone	19.5	CG, LG	Yes	Yes	No	Yes
South Africa	36.0	CG, part of LG	Partially	Yes	Yes	Yes
Tanzania	18.3	CG	No	Yes	No	Yes
Uganda	21.4	CG, LG	Yes	Yes	No	Yes
Zambia	29.8	CG	No	Yes	Yes	Partially

Sources: Country authorities; and IMF staff estimates.

1/ Data are for 2004.

2/ General government includes central and local governments as well as social security funds.

3/ Central government wage bills cover the wages of the District Assembly Common Fund secretariat.

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
1. Taxes on income and profits			
1.1. Tax on companies			
1.1.1. Internal Revenue Act, 2000 (Act 592) as amended. Internal Revenue Regulations 2001 (LI 1675) and amendments	<p>Domestic and foreign companies operating in Ghana are taxed on taxable income accruing in, derived from, brought into, or received in the country. Taxable income includes net profits; interest, royalties, and rent income of companies formed exclusively for real estate development but exclude dividends from other companies, which are taxed at 10 percent. For domestic subsidiaries of nonresident companies, a further floor for net profits exists in that the subsidiary's share of the consolidated group profits should be equal to at least the subsidiary's share of group turnover.</p>	<p>Exempted are the income from cocoa farming, the income of other agricultural companies during the first five years of operation, the income of waste-processing companies during the first seven years of operation, and the income of some public corporation and bodies. The allowed deductions are expenditures incurred in the production of income, including interest and rent. Losses incurred in farming are offset and carried forward. Since 1995, a loss incurred can be carried forward for the five years following the year in which the loss was incurred. This provision is restricted to three types of businesses, namely farming, mining and manufacturing businesses that manufacture mainly for export.</p>	<p>In addition to the basic rate of 28 percent, the following rates also apply: Hotel industry – 25 percent Companies listed on Ghana Stock Exchange – 28 percent; companies listing on Ghana Stock Exchange from January 2004 - 25 percent for the first three years Nontraditional exports - 8 percent Rural banks – 8 percent Financial institutions' income from loans to farming enterprises or leasing companies – 20 percent. From 2004, the following rates apply to agricultural processing companies: Companies located in Accra and Tema – 20 percent, Regional capitals except for Tamale, Bolgatanga and Wa – 10 percent. All other locations – 0 percent</p>

Capital allowances on classes of depreciable assets

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions (Percent)	Rates
	Computers and data handling equipment	40	
	Transport equipment	30	Valuation of road vehicles for capital allowances purpose is limited to ₵250million
	Plant and machinery used in manufacturing	30	
	Long-term crop-planting costs	30	
	Mining (exploration and capital expenses)	80 /50	a) 80 percent of the cost base of assets in the year of investment b) 5 percent of asset value is added to written-down value of preceding period and depreciated at 50 percent.
	a) costs of exploration, development, and production rights		
	b) building and structures used for the above		
	c) Plant and machinery used in mining and petroleum operations		
	Railroad, shipping, aircraft, utility, office furniture and equipment, and any other asset not included in any of the other classes	20	
	Buildings	10	
	Intangible assets	<u>cost base</u>	
		useful life	

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Tax	Nature of Tax	Exemptions and Deductions	Rates
1.12	National Reconstruction Levy Act, 2001 (No. 597), as amended by Acts 637 and 648, both of 2003.	<p>Since 1995, manufacturing companies located outside Accra receive the following rebates:</p> <p>Accra-Tema - no rebate</p> <p>All other regional capitals - 25 percent of tax liability</p> <p>All other places - 50 percent of tax liability. Location incentives do not apply to the company's income from non-traditional exports.</p>	<p>Rates per 2005 budget</p> <p>Class A companies (large banks and insurance companies) – 7.5 percent;</p> <p>Class B companies (smaller banks)-5 percent;</p> <p>Class C companies (nonbank financial institutions) – 3.5 percent and;</p> <p>Class D (other companies) - 1.5 percent.</p>
1.2	Taxes on individuals		
1.21	Income tax		
	Internal Revenue Act, 2000 (Act. 592), as amended.		
	Internal Revenue Regulations 2001 (L.I. 1675) and amendments.		
	This tax is payable, subject to the deductions and exemptions noted, on income received by, derived from, or accruing to persons in Ghana, and income brought into Ghana.	<p>Levy is applied to exempted companies. Rural and community banks are exempted.</p>	
	In addition to wages and salaries,	<p>The following are exempted:</p> <p>(a) income derived from cocoa production</p> <p>(b) income derived from farming for an initial period of 3–10 years;</p> <p>(c) interest paid by resident financial institutions</p> <p>(d) pensions and retirement benefits</p>	

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates																
	<p>income covers profits, interest receipts, dividends (which are taxed at the source at 10 percent, final tax), royalties, pensions, rental income (which may be taxed at a 10 percent final tax), and payments in kind (other than dental and medical costs).</p>	<p>Additionally, the income of a wide variety of charitable, educational, religious, and research institutions is exempt.</p>																	
	<p>Standard assessments, now known as quarterly/monthly/daily advance tax payments, are applied to certain categories of small business owners and self-employed professionals in the course of determining their actual liabilities.</p>																		
		<p>Deductions include a married person's allowance of C300,000 for those with two or more dependent children), social security contributions (not exceeding 17.5 percent of income), contributions to a long term savings scheme (not exceeding 17.5 percent of income) and life insurance premiums (not exceeding 10 percent of the sum assured, or 10 percent of income). A deduction of C40,000 per dependent child attending any recognized registered educational institution is provided, up to three children. A disablement relief of 25 percent of income from any business or employment is provided to disabled persons, while persons above 60 years of age engaged in either business or employment are granted relief amounting</p>	<table border="0"> <tr> <td><i>Taxable income</i></td> <td><i>Tax rate</i></td> </tr> <tr> <td><i>Nonconsolidated wages (in percent)</i></td> <td></td> </tr> <tr> <td>First C1,800,000</td> <td>0</td> </tr> <tr> <td>Next C1,800,000</td> <td>5</td> </tr> <tr> <td>Next C4,800,000</td> <td>10</td> </tr> <tr> <td>Next C27,600,000</td> <td>15</td> </tr> <tr> <td>Next C36,000,000</td> <td>20</td> </tr> <tr> <td>Over C72,000,000</td> <td>28</td> </tr> </table>	<i>Taxable income</i>	<i>Tax rate</i>	<i>Nonconsolidated wages (in percent)</i>		First C1,800,000	0	Next C1,800,000	5	Next C4,800,000	10	Next C27,600,000	15	Next C36,000,000	20	Over C72,000,000	28
<i>Taxable income</i>	<i>Tax rate</i>																		
<i>Nonconsolidated wages (in percent)</i>																			
First C1,800,000	0																		
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Next C4,800,000	10																		
Next C27,600,000	15																		
Next C36,000,000	20																		
Over C72,000,000	28																		

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
1.22	Capital gains taxes Internal Revenue Act, 2000 (Act 592) as amended.	<p>This tax is levied on realized capital gains from the sale of buildings, businesses, and business assets, including goodwill, land, stocks and shares, and other assets determined by the authorities. Realized capital gains are computed as the price received from the asset less the purchase price and allowable deductions. For nonresidents only, gains on assets in Ghana are taxable, but for residents the tax covers gains from assets wherever situated.</p> <p>In addition to deducting the original purchase price of the asset from the realized sum, deductions are allowed for the cost of improvements and alterations. Capital gains arising during a merger, amalgamation, or reorganization of companies are exempt. Capital gains arising out of the disposal of securities of companies listed on the Ghana Stock Exchange are exempt for the first 15 years of the life of the Ghana Stock Exchange. Other gains not taxable are those on agricultural land situated in Ghana, trading stock, or a Class 1, 2, 3, or 4 depreciable asset.</p>	<p>This applies when rent income is aggregated with other income .</p> <p>Tax payable on the assessed capital gain is computed at a flat rate of 10 percent.</p> <p>Any gain up to ₵500,000 is exempt.</p>
2.	Social security contributions	Enterprises with fewer than five employees are exempt.	<p>Contribution by: Employer 12.5</p> <p>Percent of employees' basic pay:</p>
2.1	Social Security Decree, 1973 (N.R.C.D. 127).	All establishments with five or more employees are required to contribute to the Social Security and National Insurance Trust Fund. Contributions are based upon each employee's earn-	

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates						
3. Selective alien employment tax	ings, with contributions made by both employer and employee. Employees' contributions are withheld at source. Other employees and self-employed persons may enroll on a voluntary basis. Repealed in 1994.		Employee 5.0						
4. Taxes on property									
4.1 Death and gift taxes									
4.11 Gift tax Internal Revenue Act, 2000 (Act 592).	This tax is levied on the recipient of gifts of land, buildings, securities, business or business assets, or money according to a graduated rate that increases with the total open market value of gifts received within any 12-month period.	Asset transfers under a will are exempt, as are gifts between spouses and gifts between a parent and child, and other relatives. Gifts to religious bodies and for charitable or educational purposes are also exempt. Allowable deductions include gifts received up to C500,000 in value in any 12-month period, provided that the total value of gifts received in the last five years does not exceed C500,000 in value. Where the five-year total exceeds C500,000, tax is payable on the balance received in the latest year.	Tax is payable according to a scale that increases with the value of gifts received. <table border="1"> <thead> <tr> <th>Value of gifts (in cedis)</th> <th>Rate of tax (percent)</th> </tr> </thead> <tbody> <tr> <td>0 - 500,000</td> <td>0</td> </tr> <tr> <td>500,000 or more</td> <td>10</td> </tr> </tbody> </table>	Value of gifts (in cedis)	Rate of tax (percent)	0 - 500,000	0	500,000 or more	10
Value of gifts (in cedis)	Rate of tax (percent)								
0 - 500,000	0								
500,000 or more	10								
5. Taxes on goods and services									
5.1 Value-added tax									
5.11 Value-Added Tax (VAT) Act, 1998 (Act. 546), as amended, (Acts 595, 579, 629, 639, and 671), with repeal of Customs, Excise, and Preventive Service	Levied on value added, using the invoice-credit method: VAT is levied on domestic sales and imports, with deductions for VAT paid on inputs to production of taxable goods.	Zero-rated: exports of taxable goods and services. Also, goods shipped as stores on vessels and aircrafts leaving Ghana. Exemptions: animal, agricultural, and	12.5 percent						

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>(Management) (Amendment No. 2) Act 1995 (Act 500), and Service Tax Act, 1995 (No. 501) as amended.</p>	<p>Input tax credits carried forward for three months after which, at the taxpayer's option, they can be refunded for exporters.</p> <p>Threshold of C100 million a year for retailers only.</p>	<p>agrifood products in their natural state (from Ghana and other ECOWAS member countries (e.g., rice, millet, cassava, yam, guinea corn, plantains, vegetables, fruits, nuts, coffee, cocoa, shea butter, maize, sorghum, and meat). Also exempt are the following: agricultural and fishing inputs specific in the law; industrial and mining equipment; newspapers and books (not paper used in producing these items); petroleum, diesel, and kerosene; medical, dental, and hospital services, other than veterinary services; Essential drug and active ingredients specified for essential drugs educational and training services approved by the Ministry of Education; and fully assembled computers imported or procured locally by educational establishments that are approved by the Minister of Education; domestic use of electricity; and compact fluorescent lamps</p> <p>supply of water (excluding bottled, sachet and distilled water); transportation services; rental property; construction services; financial services such as insurance; issue transfer, receipt of and money dealing; provision of credit but excluding professional advice; salt and mosquito nets; and musical</p>	

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
		instruments.	
		This is subject to the same rules and procedures as the VAT.	
5.2 National Health Insurance Levy			
5.3 Excise taxes			
5.31 Tobacco Customs and Excise Tariff, 1973; Cigarettes (Special Tax) Decree, 1976 (S.M.C.D. 40); Cigarettes Special Tax (Amendment) Decree, 1977 (S.M.C.D. 111); Cigarettes (Special Tax Law), 1983 (P.N.D.C.L. 73); Budget 1985-98 Customs and Excise (duties and other taxes) (Amendment) 2000, Act. 578.	Ad valorem excise duties are applied to all tobacco products.	None.	Tobacco products are taxed at 140 percent of ex-factory price and the VAT rate of 12.5 percent.
5.32 Spirits and Beer Customs and Excise Tariff, 1973; Beer (Special Tax) Decree, 1975 (N.R.C.D. 342); Beer and Stout (Special Tax) (Amendment) Decree, 1977 (S.M.C.D. 110); 1983 (P.N.D.C.L. 72); Budget 1985-96. Customs and Excise (Duties	Ad valorem excise duties are applied to alcoholic beverages.	None.	Ad valorem rates of excise duty are applied to the following: Mineral and aerated water (20 percent) Beer (50 percent) Spirits (25 percent) Malt (5 percent) Akpateshi (20 percent). All alcoholic beverages are also subject to the VAT rate of

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
and other taxes) (Amendment) 2000, Act 578.			12.5 percent.
5.33 Petroleum Products Budget 1998. Customs and Excise (petroleum taxes and Petroleum-related levies) (Amendment) 2001, Act 593.	From February 28, 2001 onward, specific excise duties no longer apply to petroleum products. However, earmarked levies are still collected.	None.	Specific levies are charged for the road fund (C230 per liter on premium gasoline and gas oil), the stock fund (C30 per liter for premium gasoline, gas oil, kerosene ATK, and RFO) and for the exploration and energy fund (C8 per liter for premium gasoline, gas oil, kerosene, ATK, and RFO).
6. Taxes on international trade			
6.1 Taxes on imports			
6.11 Customs duties			
Customs and Excise Tariff, 1973 (L.I. 838); Customs and Excise Tariff (Amendment) Regulations, 1976 (L.I. 1080); Customs and Excise Tariff (Amendment) Regulations, 1977 (L.I. 1286); Customs and Excise Tariff (Amendment) (No.2) Regulations, 1983 (L.I. 1291); Customs and Excise	Duties are levied on most imported goods, generally as ad valorem taxes on the c.i.f. value, except for some petroleum oils under AS code 2710, which attract specific rates.	Exemptions are granted for special purposes. The beneficiaries of the exemptions include (but this is not an exhaustive list) imports of the Volta Aluminum Company Ltd. (VALCO), Volta River Authority, diplomats, and beneficiaries of donations for health and education purposes, as well as plant, machinery and equipment used in mining. Other exempted goods include the following: (a) items imported for purpose of	Ghana maintains a common tariff, based on the Harmonized System of Customs Classification. There are four ad valorem rates: 0 percent, 5 percent, 10 percent, and 20 percent. A 1 percent processing fee is applied to goods that are statutorily exempt from import duty (except goods imported by VALCO, VRA, diplomatic

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
Tariff (Amendment) Regulations 1984 (L.I. 1309); Minerals and Mining Law, 1986 (P.N.D.C.L., No. 156) CEPS Management Law, 1993 (P.N.D.C.L., No. 330); GIPC Act, 1994 (Act No. 478); Budgets 1985-96, Budget 2001.		<p>exhibition at trade fairs</p> <p>(b) advertising materials</p> <p>(c) aircraft parts</p> <p>(d) passengers' baggage and effects not for resale</p> <p>(e) jute bags imported by COCOBOD</p> <p>(f) agrochemicals</p> <p>(g) foodstuff of West African origin.</p> <p>Some items that are duty-free are</p> <p>(a) agricultural machinery and tractors</p> <p>(b) banknotes and coins</p> <p>(c) crude oil</p> <p>(d) educational material</p> <p>(e) newsprint</p> <p>(f) postage stamps</p> <p>(g) veterinary drugs</p> <p>(h) cash registers</p> <p>(I) compact fluorescent bulbs</p> <p>(j) commercial buses with seating capacity of 30 or more</p>	<p>missions, British council, head of state, and technical schemes). All zero-rated goods not for education, health or agriculture, sector are also liable to a 1 percent processing fee.</p> <p>Old-age penalties ranging between 2.5 percent to 50 percent are imposed on imported vehicles over 10 years old.</p>
6.12 Customs and Excise Tariff, 2000 (Act 574), as amended by the Customs and Excise Tariff, 2001 (Act 594).	Special import tax of 20 percent was introduced in 2000 on 36 selected products. In 2001, some 32 products remained subject to the tax, but the rate was reduced to 10 percent. The tax has now been abolished by Act 631.	None.	A special import tax of 10 percent is applied to certain products (for example, certain fruits and vegetables, frozen meat and poultry and dairy products, beer, wheat, soap, cooking oil, and clothing and garments).
6.13 Export Development and Investment Fund Act, 2000	Export development and investment fund levy. ECOWAS Community Levy	Petroleum products.	0.5 percent of c.i.f. value.

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
(No. 582).	on imports originating from third countries.		
6.2 Export taxes			
6.21 Cocoa export tax	A tax is levied on the f.o.b. price received by the Ghana Cocoa Marketing Board for all cocoa exported from Ghana.	None.	The cocoa export tax rate is determined by the Minister of Finance. Usually, 100 percent of all proceeds received from cocoa exports after paying producers' costs and COCOBOD's marketing and other costs are transferred to the central budget.
All laws under taxes on international trade have been consolidated into the Customs, Excise and Preventive Service (Management) Law, Part III; and Customs and Excise (duty rates and taxes) Law, 1991 (P.N.D.C 262); Budget 1992-2001. Customs and Excise (duties and other taxes) (Amendment) 2000, Act 578; 2001 budget.			A processing fee of 1 percent of c.i.f. value is charged on goods re-exported from bonded warehouses
6.22 Budget 2001.	Destination inspection fee.		1 percent of c.i.f. value.
7. Other taxes			
7.1 Stamp duties			
Stamp Act, 1965 (Act 3111); Stamp	Tax introduced in 2001 budget on curls, logs (squared and round), and lumber.	None.	10 percent of f.o.b. value on lumber and curls. 20 percent on logs (round or square).
	Ad valorem or specific rates of tax are levied on a range of legal documents	Exemptions include instruments transferring ships, transactions where the	Duties are both specific and ad valorem, varying with the

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
Act (Amendment) Decree, 1975 (N.R.C.D. 355); and Stamp Act 1980 (S.M.C.D. 424).	and instruments, including bills of exchange, promissory notes, bills of lading, agreements, conveyances, extracts from registers, and mortgages.	government would be liable for the stamp tax, and the transfer of company shares to a Ghanaian citizen.	particular instrument. Examples of rates are: <i>Category</i> <i>Rate</i> Mineral lease C10,000 Agreement C2 Mortgages 1.0 percent of the face value Checks C0.1 Conveyance C5 for every or transfer C60 of the amount or fraction thereof
7.2 Other taxes not elsewhere classified			
7.21 Taxes on minerals and mining	The Minerals and Mining Law makes taxable any holder of a mining lease. Tax is also payable on the carry-forward cash balance of an individual involved in mining operations. There are no tax holidays. Tax jurisdiction under S.M.C.D. 5 makes persons involved in the industry taxable on income accruing in, derived from, brought into, and received in Ghana for resident companies, subject to the deductions and exemptions noted.	Exemptions include: (a) exemption of staff from payment of income tax relating to furnished accommodation at the mine site (b) personal remittance quota for expatriate personnel free of any tax imposed by any enactment for the transfer of external currency out of Ghana (c) exemption from the selective alien employment tax under the Selective Alien Employment Tax Decree (N.R.C.D. 201).	Mining operations: 28 percent. Rate of royalty: 3–12 percent, depending on profitability and certain operating costs.
Minerals and Mining Law (P.N.D.C.L. 153); Selective Alien Employment Tax Decree, 1973 (N.R.C.D. 201, 248, and 268); Income Tax Decree, 1975 (S.M.C.D. 5); and Regulations 1986 (L.I. 1340).			

Ghana: Summary of Tax System, March 2005

Tax	Nature of Tax	Exemptions and Deductions	Rates
7.22	Airport Tax Act, 1963, as amended 2001 (No. 596). Payable by every passenger departing from an airport.	None.	Outside Ghana: US\$50. Inside Ghana: C10,000.
7.23	Petroleum Income Tax Law 1987 (P.N.D.C.L. 188). This law covers all persons carrying on petroleum operations and is payable on income from the sale of petroleum less deductions	<p>Deductions allowed:</p> <ul style="list-style-type: none"> (a) rent (b) interest paid on loans (c) repairs of premises used for the business (d) bad and doubtful debts (e) contributions to a pension fund approved by the Commissioner where such contributions exceed 25 percent of the employees' remuneration, a 25 percent deduction is allowed (f) losses incurred during a previous year of accounting, with the deduction being a sum equal to or less than the amount of such loss. 	<p>Petroleum companies:</p> <p>28 percent, unless a provision is made in a particular petroleum agreement making alternative arrangements for paying the tax at a different rate or another tax altogether.</p>
	An additional profit tax is chargeable on the carry-forward cash balance of a year of assessment. The qualifying expenditure governing the determination of capital allowance under this law is deemed to have been incurred during January 1 to December 31, 1984 at a value to be determined by the Ministry of Finance and Economic Planning. The Secretary for Finance and Economic Planning has the responsibility for fixing the rate of return for the operation.	None.	25 percent Current recommended rate of return: 17.5 percent

Source: Ghanaian authorities.

Ghana: Nonfinancial State-Owned Enterprises

1. During the 1990s, Ghana undertook an active program of divestiture, privatizing 200 state-owned enterprises (SOEs). However, state involvement in economic activity remains heavy, with the government wholly owning 35 enterprises and having a majority share in some 200 others. Many of the enterprises that are wholly owned—including most of the largest enterprises in Ghana—do not operate on a commercial basis and frequently rely on state support for their activities.

2. SOEs have an important role to play in Ghana's economy: their efficiency matters in reducing the cost of doing business for the private sector, and their profitability is key in undertaking basic infrastructure and related investment without undue reliance on government support. While the government's intention is to make SOEs financially self-sustaining—with an appropriate contribution to the budget—several suffer from weak performance, in part stemming from involvement in quasi-fiscal activities, such as below-cost pricing at the behest of the government.³

Institutional setting

3. Each SOE reports to the line ministry in its sector, which has principal responsibility for broad sectoral policy direction, and some enterprises are also subject to regulatory controls. For example, electricity and water companies are subject to the Public Utilities Regulatory Commission, which sets tariffs. Still others, such as the Ghana Port and Harbor Authority (GPHA) and the Ghana Civil Aviation Authority (GCAA), perform dual roles as both regulators and service providers.

4. Currently, there is no entity that is responsible for monitoring the financial or operating performance of public enterprises as a whole. The State Enterprise Commission, under the Office of the President, acts as an advisor to the SOEs and assists the 35 wholly owned enterprises with corporate planning, setting performance goals, and monitoring activity through their annual reports. However, it does not have any legal power to enforce reporting requirements for the SOEs or to hold them accountable for performance objectives.

5. In general, the quality and timeliness of financial and operating data for the SOEs are weak.

6. The Divestiture Implementation Committee, under the Office of the President, is responsible for implementing the government's privatization program, but it has no role in

³ Quasi-fiscal activities in Ghana have included losses resulting from technical factors (as a result of deteriorating infrastructure and low investment), below-cost recovery pricing, payment arrears from public and private customers, barter and subsidy arrangements, and commercial factors (such as theft, unbilled consumption, and a lack of metering).

strategic planning and selecting the SOEs for sale. Selection is determined by sector ministries and subsequently requires the approval of the cabinet.

7. The SOEs are subject to the Ghana corporate income tax code. The government also expects them to make dividend payments to the budget. The Financial Administration Act (2004) requires that each SOE remit at least 30 percent of its profit to the government, but, in practice, the financial weakness of most result in losses and recourse to budgetary support and/or excessive reliance on bank credit or loans. The SOEs have the ability to borrow in both domestic and external markets, although any required government guarantee must be approved by parliament. Long-term loans for investment projects have typically come from budgetary resources that are foreign-financed, which are then on lent (through the Ministry of Finance and Economic Planning) to the concerned SOEs. A few SOEs, such as the GPHA and the GCAA, have acquired long-term financing without government guarantee. Unfortunately, some SOEs have undertaken foreign borrowing, which has created substantial government liabilities, such as those from the defunct Ghana Airways (see Box 1).

Box 1. Ghana Airways

Ghana Airways—previously wholly owned by the government—ceased operation in July 2004 after five consecutive years of losses. The factors that led to the debt buildup include its failure to run a profit-making business (including provision of free or discount tickets to government workers), purchase of sub-standard aircraft and associated liabilities to keep them running, and the taking on of debt (at high interest rates or without board approval). A lack of financial oversight of the airline was the overarching factor.

Currently, the company's assets are being evaluated by an external auditor, and a debt-restructuring committee has been established to engage creditors and audit Ghana Airways' liabilities. Once the committee finishes this work, the government will devise a strategy to address the company's debt, which is estimated at about US\$172 million. A separate task force has also been set up to resolve issues associated with workers' compensation. The 2005 budget makes provisions for such payments. Currently a Ghana Airways' subsidiary which provides services for passenger handling, baggage and cargo, continues to function, and its revenue is used for its operations and debt service.

In late 2004, the cabinet decided to establish a new airline in partnership with Ghana International Airlines, which is a U.S.-based company. Under the terms of the partnership, the U.S. company holds a 50 percent equity stake, and Ethiopian Airlines holds 20 percent, with the government of Ghana contributing the remainder—paid for by the transfer of assets of the defunct Ghana Airways to the new company.

Financial performance of the largest SOEs

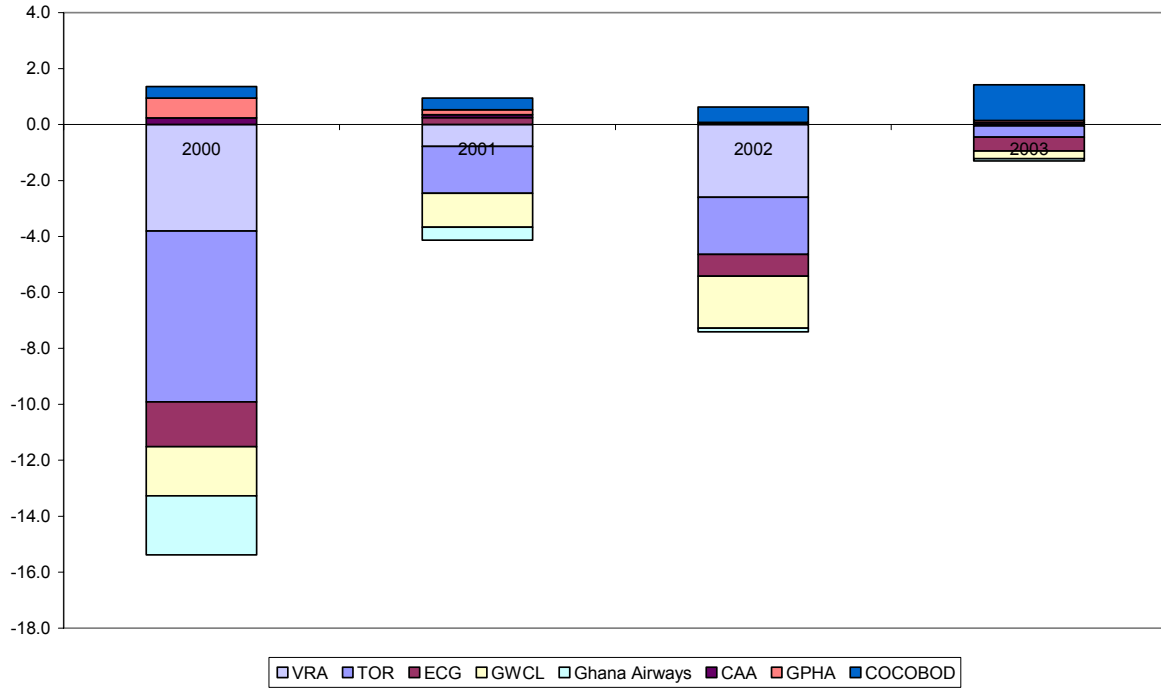
8. Overall performance of the eight largest SOEs—for which consistent time-series data are available—improved over the period 2000–03 (Table 26).⁴ Their overall balance shifted from a deficit equivalent to 9.2 percent of GDP in 2000 to a surplus of 1.3 percent of GDP in 2003, owing largely to improved performance of the Cocoa Board and the Volta River Authority (VRA). The improved performance also reflected the introduction of automatic pricing mechanisms for water and electricity, which helped the public utilities' performance, and a large price adjustment for petroleum products in 2003, which helped finance the activities of Tema Oil Refinery (TOR). Including nonoperational items—such as depreciation and foreign exchange losses—net profits of these eight SOEs also shifted from a loss equivalent to 14 percent of GDP in 2000 to balance in 2003 (Figure 3). Foreign exchange losses made up a large part of the total losses, especially in 2000 following a substantial depreciation of the nominal exchange rate.

9. Although the overall situation of these eight SOEs has improved, there is considerable cross-company variation in performance, with many still making sizable losses. TOR, for example, recorded a loss equivalent to 6 percent of GDP in 2000 and 2 percent of GDP in 2002, reflecting until recently, the underrecovery of costs. A new mechanism to adjust petroleum product prices was implemented in February 2005, and this should make a significant improvement in TOR's future financial performance. The losses of the public utilities invariably result from quasi-fiscal activities, such as inadequate pricing (see Box 2).

10. Poor financial performance and inadequate resources have also constrained investment, particularly for essential infrastructure and for the operation and maintenance of these SOEs. Capital expenditure of the eight largest SOEs averaged only 2.4 percent of GDP per annum between 2000–03, compared with an average of 9.3 percent for the central government.

⁴ These eight are Volta River Authority, Electricity Company of Ghana (ECG), Ghana Water Company Limited (GWCL), Tema Oil Refinery, Ghana Cocoa Board, Ghana Airways, Ghana Port and Harbor Authority, and Ghana Civil Aviation Authority (GCAA). Together, they account for about 90 percent of total revenue, 99.5 percent of total SOE losses, and 97 percent of SOEs' total liabilities in 2002.

Figure 3. Ghana: State-Owned Enterprise Profits and Losses, 2000-03
(In percent of GDP)



Sources: SEC; and IMF staff estimates.

Box 2. Quasi-Fiscal Activities in Public Utilities

Electricity

There are two state-owned enterprises in the electricity sector: the Volta River Authority, which is a vertically integrated transmission and generation company that through a subsidiary (the Northern Electricity Department), distributes electricity to the north of the country; and the Electricity Company of Ghana, which distributes electricity to the southern region. The Public Utilities Regulatory Commission, established in 1997, is an independent body responsible for setting tariffs for both electricity and water, based on formulas that ensure full cost recovery.

SOEs in the electricity sector have experienced large losses in recent years. The Volta River Authority has realized too little cash and does not have commercial contracts with its bulk customers. It had a long-term contract to supply power to Volta Aluminum Company, which consumed about one-third of the system's power when fully operational. The contract allowed Volta Aluminum Company to purchase power at about half the cost of generating a kilowatt hour of electricity.

For ECG, the tariffs set by PURC are adequate to ensure cost recovery, but not high enough to offset the company's inefficiencies. Its system loss has been about 26 percent, attributable to both commercial losses (14 percent) and technical losses (12 percent). In addition, the electricity company's collection rate is low, at 84 percent in 2004.

Water

Ghana Water Company Limited is responsible for the production and distribution of water. Its poor performance is due to a high rate of system loss, a low meter ratio, and a low collection rate. System losses have been about 50 percent recently, compared with the 45 percent target set by PURC and is much higher than the 25–35 percent standard set internationally. 20 percent of the loss is technical, while 25 percent is commercial (from theft and/or unmetered consumption; only 50 percent of users have meters). The collection rate improved from 76 percent in 2002 to 85.6 percent in 2004 (included arrears payment).

11. The operations of SOEs have a significant impact on the central government's budget. Profit-making enterprises—such as the Cocoa Board, GHPA, and GCAA—have contributed to the budget, through both taxes and dividends. The total contribution from all SOEs, however, amounted to 1.5 percent of GDP in 2003 (Table 49), and about 75 percent of the taxes come from the Cocoa Board's export duties. In comparison, total subsidies to SOEs were 0.6 percent of GDP in 2003, but rose to 2.7 percent of GDP in 2004 on account of transfers to TOR because of higher world oil prices that were not passed on to domestic retail prices (Table 50).

Table 49. Ghana: Tax and Dividend Payments by State-Owned Enterprises, 1999–2003
(In billions of cedis, unless otherwise specified)

	1999	2000	2001	2002	2003
Tax	227.1	258.6	421.2	386.1	984.0
Dividends	6.5	7.8	10.7	1.1	6.1
Total	233.6	266.4	431.8	387.2	990.0
(Percent of GDP)	1.1	1.0	1.1	0.8	1.5

Sources: State Enterprise Commission; and IMF staff estimates.

Table 50. Ghana: Subsidies to State-Owned Enterprises, 2003–05
(In billions of cedis, unless otherwise specified)

	2003 Actual	2004 Actual	2005 Budget
TOR	156	1,772	350
VRA	273	351	0
Total	429	2,123	350
(Percent of GDP)	0.6	2.7	0.4

Source: Ghanaian authorities.