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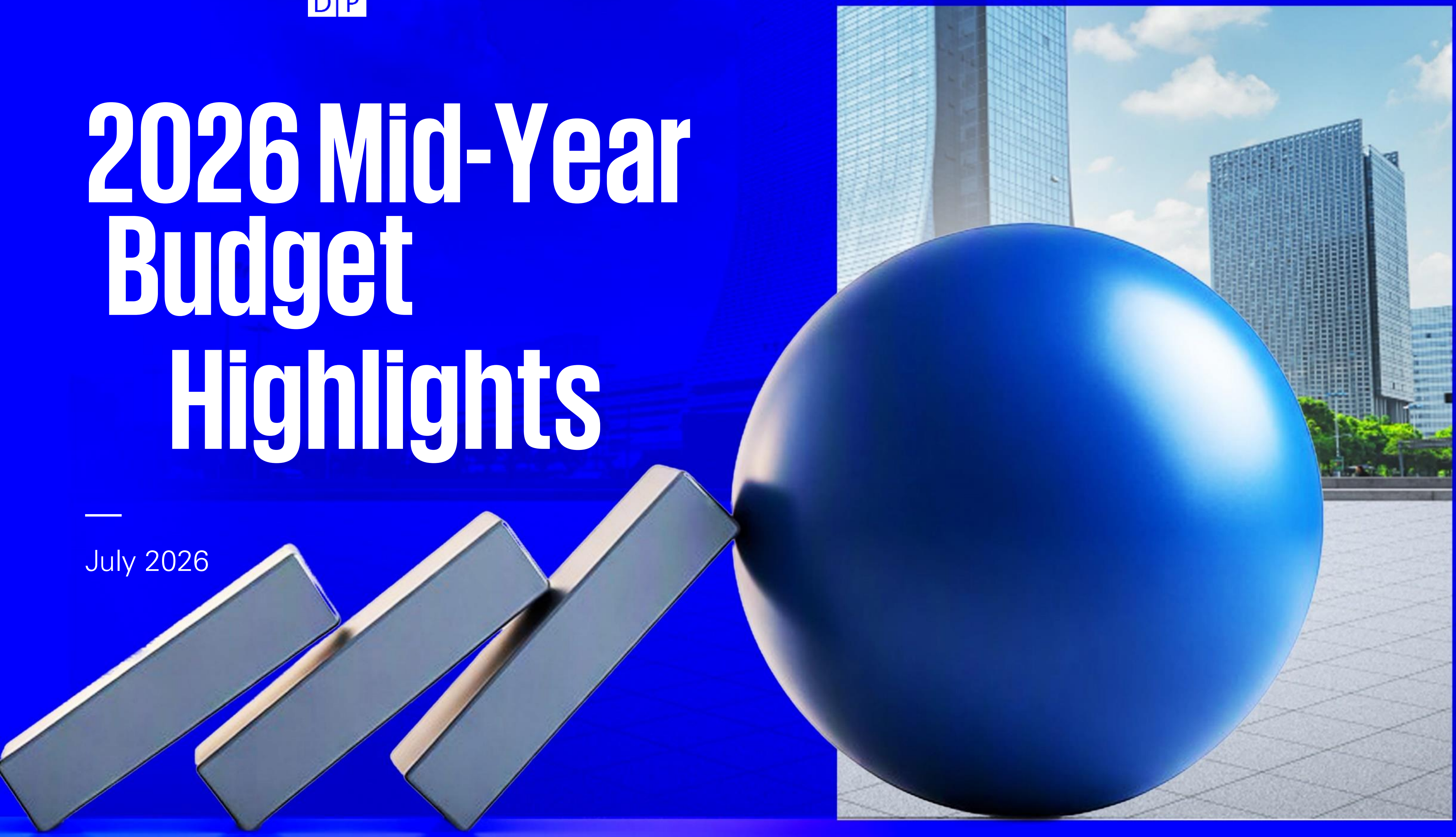
UNDP

2026 Mid-Year Budget Highlights



July 2026

Contents

Acronyms

Acronym	Meaning
ACI	Advance Cargo Information
BECE	Basic Education Certificate Examination
bn	Billion
CAPEX	Capital Expenditure
COVID-19	Coronavirus Disease
COCOBOD	Ghana Cocoa Board
DDEP	Domestic Debt Exchange Programme
DPO	Development Policy Operation
ECF	Extended Credit Facility
E-Levy	Electronic Levy
ESLA	Energy Sector Levies Act
GDP	Gross Domestic Product
GETFL	Ghana Education Trust Fund Levy
GIFEC	Ghana Investment Fund for Electronic Communications
GH¢	Ghana Cedis
GoG	Government of Ghana
GRA	Ghana Revenue Authority
H1	First half of the year
H2	Second half of the year
IGF	Internally Generated Funds
IMF	International Monetary Fund
ITAS	Integrated Tax Administration System
LEAP	Livelihood Empowerment Against Poverty
MGO	Marine Gas Oil

Acronym	Meaning
Mn	Million
MoU	Memorandum of Understanding
MOF	Ministry of Finance
MPR	Monetary Policy Rate
MTRS	Medium-Term Revenue Strategy
MTS	Modified Taxation System
NHIL	National Health Insurance Levy
NHIS	National Health Insurance Scheme
NPA	National Petroleum Authority
OCC	Official Creditor Committee
PC-PEG	Post-COVID-19 Programme for Economic Growth
PCI	Policy Coordination Instrument
PNDCL	Provisional National Defence Council Law
PPP	Public Private Partnership
Q1	First quarter of the year
SB	Structural Benchmark
SOE	State-Owned Enterprise
TIN	Tax Identification Number
UMB	Universal Merchant Bank
UNDP	United Nations Development Programme
US	United States
VAT	Value Added Tax
WAASCE	West African Senior School Certificate Examination
WDB GH LTD	Women's Development Bank Ghana Limited

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Foreword "Resetting for Growth, Jobs, and Economic Transformation"

Andrew Akoto

Country Managing Partner

KPMG in Ghana

The 2026 Mid-Year Fiscal Policy Review comes at an important juncture in Ghana's economic reset. While the global economy remains resilient, geopolitical tensions, shifting trade dynamics and volatilities in the commodity market continue to create uncertainty for policymakers, businesses and investors. Against this backdrop, the mid-year review provides an opportunity to assess the progress made under the Government of Ghana's agenda of Resetting for Growth, Jobs, and Economic Transformation and the extent to which early gains are translating into a stronger economic foundation.

Global growth remains uneven, while many emerging and developing economies continue to contend with increasing debt burdens, tightening financial conditions and external vulnerabilities. For Sub-Saharan Africa, growth is expected to remain relatively stable at 4.3% in 2026.

Under these circumstances, Ghana's economy has continued to build on the progress recorded in 2025. The 2026 Mid-Year Fiscal Policy Review presents an economy that is translating macroeconomic stability into growth, investment and transformation. The economy outperformed expectations in the first quarter of 2026, with real GDP growth of 6.4%, exceeding the annual target of 4.8%. Growth in the non-oil sector was also strong at 6.3% as at the first quarter, surpassing its year-end target of 4.9% and highlighting the strength of economic activity beyond the oil sector.

Progress is also evident in the inflation outlook, with inflation remaining low at 5.3% by June 2026.The Ghana Cedi experienced moderate depreciation over the first half of 2026, but volatility has been much less than in previous years.

The Cedi depreciated by 7.9% against the US Dollar, 6.5% against the British Pound and 5.3% against the Euro.

Ghana's debt position has also improved, with public debt declining from 61.8% of GDP in 2024 to 44.7% in 2025 and then increasing slightly to 45.1% by June 2026. The improvement in the country's debt dynamics has eased debt service pressure and strengthened debt sustainability, while progress under the debt restructuring programme and the IMF-supported reform agenda has contributed to restoring fiscal credibility and investor confidence. These developments provide a stronger foundation for economic growth and create a greater fiscal space to support the Government's transformation agenda.

For businesses, investors and citizens, the Mid-Year Fiscal Policy Review highlights four priorities for the remainder of 2026:

- **Sustaining macroeconomic stability**: The reduction in inflation, improved exchange rate stability, stronger external buffers and declining debt levels provide a more credible platform for economic activity. The immediate priority is to institutionalise these gains and ensure that the progress achieved is durable.
- **Converting stability into growth and jobs:** The next phase of Ghana's economic journey must be defined by the ability to translate the macroeconomic stability into tangible improvements in productivity, employment and household incomes. Programmes such as the 24-Hour Economy and the Big Push infrastructure programme have the potential to unlock economic activity and support private sector growth.
- **Mobilising private capital for transformation:** Ghana's infrastructure development ambitions cannot be financed by public resources alone. The restored macroeconomic stability presents an opportunity to rebuild investor confidence and mobilise domestic and international private capital towards productive sectors. This will require a predictable environment, transparent procurement, effective public-private partnerships and stronger governance.
- **Protecting inclusive growth and social progress:** It is important that the benefits of the recovery extend beyond macroeconomic indicators as Ghana transitions from stabilisation to growth. Continuous investments in healthcare, education, social protection and women's economic empowerment will be critical to ensuring that growth is all inclusive and that vulnerable households are not left behind. The challenge will be to balance fiscal consolidation with the social investments required to build a productive and resilient population.

The Mid-Year Fiscal Policy Review also highlights the importance of strengthening domestic revenue mobilisation and improving tax administration. Ongoing VAT reforms and measures to reduce revenue leakages demonstrate Government's commitment to broadening the revenue base while supporting investments and economic activity.

The progress recorded in the first half of 2026 provides a strong platform for the next phase of Ghana's economic transformation. Sustaining these gains will depend on sound public financial management and collaboration between the public and private sectors.

At KPMG, our role remains clear: to help clients understand the implications of these developments and navigate the opportunities and challenges that lie ahead. Ghana has made meaningful progress in restoring macroeconomic stability and rebuilding confidence. The focus now must be on translating these gains into improving productivity, stronger private sector investment and quality jobs.

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Foreword “Resetting for Growth, Jobs, and Economic Transformation”

Niloy Banerjee

Resident Representative, UNDP Ghana

Over the past year, the country has made progress in restoring macroeconomic stability and strengthening confidence in the economy. The challenge now is to sustain this and ensure that these gains translate into better livelihoods, greater economic opportunities, and lasting development outcomes for all Ghanaians.

Economic performance during the first half of 2026 has been stronger than expected. Real GDP growth reached 6.4%, surpassing the Government's annual target of 4.8%, while non-oil GDP expanded by 6.3%, reflecting stronger performance across key sectors of the economy. Inflation declined sharply to 5.3% in June 2026, well below the Government's target of 8%, helping to restore purchasing power and improve economic certainty for households and businesses. Fiscal performance also exceeded expectations, with the overall fiscal deficit contained at 0.4% of GDP, while gross international reserves increased sufficiently to provide almost five months of import cover, well above the programmed three months, aided by the rise of gold prices. Together, these indicators point to a strengthening macroeconomic environment and renewed confidence in Ghana's economic prospects. In the same vein, the large fall in public debt as a percentage of GDP is a strong signal.

While these achievements are encouraging, macroeconomic stability should be seen as a foundation rather than an end in itself. It creates the conditions needed to support sustained, inclusive, and broad-based economic growth. Sustaining growth will require continued investment in productive sectors, quality jobs, building resilient communities, human capital, and climate adaptation. What is equally important is ensuring that the progress made is reflected in the daily lives of Ghanaians, creating more opportunities, improving public services, and raising living standards. Geopolitical uncertainties continue to pose a challenge with the rise (again) of oil prices, which are likely to follow with a lag, by a rise in fertilizer and food prices. This also renders the Cedi open to fluctuations. In combination, the possibility of inflation will need to be contained. The momentum on reforms of State-Owned-Enterprises (SOEs) will need to be kept up.

The Mid-Year Budget Review also reinforces the importance of continued reforms to strengthen domestic revenue mobilisation, improve public financial management, and enhance the efficiency of public spending. These reforms will be necessary to expanding fiscal space, reducing vulnerabilities, and enabling Ghana to finance its development priorities in a sustainable manner. Achieving the country's long-term ambitions will require stronger partnerships among government, the private sector, development finance institutions, and development partners to mobilise the scale of investment needed for sustainable and inclusive growth.

As Ghana advances its economic recovery, it is important that policy discussions remain focused not only on maintaining macroeconomic stability, but also on translating that stability into tangible development outcomes. I am confident that this premier analysis will contribute to that dialogue by supporting evidence-based decision-making and fostering informed discussions on the opportunities and challenges that lie ahead. My congratulations to KPMG Ghana for a quality product.

UNDP remains committed to supporting the Government of Ghana and its partners in advancing policies and investments that promote resilient, inclusive, and sustainable development.

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Executive Summary

Executive Summary - Economy

Indicators	2026 Targets	2026 End of June Outturn
Overall GDP Growth Rate	4.8%	6.4%*
Non-Oil GDP Growth Rate	4.9%	6.3%*
End of Period Headline Inflation Rate	8.0%	5.3%
Overall Balance deficit (% of GDP) (commitment basis)	2.2%	0.4%
Primary Balance (% of GDP) (commitment basis)	1.5%	0.9%
Import cover	3 months	5 months

**Q1 2026*

The first half of 2026 reflects the continued strengthening of Ghana's economic recovery, supported by fiscal discipline, prudent monetary management, and the implementation of key structural reforms. Real GDP growth reached 6.4% in Q1 2026, while inflation declined to 5.3% in June 2026, below Government's year-end target range. Fiscal performance remained strong, with the primary balance recording a surplus of 0.9% of GDP and the overall fiscal deficit on a commitment basis limited to 0.4% of GDP, outperforming programme targets. Total public debt was at 45.1% of GDP as at June 2026, remaining broadly in line with the Government's debt sustainability objectives and contributing to an upgrade of Ghana's debt sustainability assessment from "Unsustainable" to "Sustainable" by the IMF.

The successful completion of Ghana's IMF Extended Credit Facility (ECF) Programme marks a key milestone in the country's recovery, with the proposed Policy Coordination Instrument (PCI) expected to guide the next phase of reforms.

Economic Outlook for 2026

The outlook for the remainder of 2026 remains positive, with current trends suggesting that the Government's macroeconomic targets remain achievable. Initiatives such as the Big Push Infrastructure Programme, 24-Hour Economy and Accelerated Export Development Programme, Oil Palm Development Programme, Farmers' Service Centres, and ongoing investments in energy, transport and industrial development are expected to support job creation, productivity growth and economic diversification. Nevertheless, Ghana continues to face risks from global economic uncertainty, geopolitical tensions, commodity price volatility and future domestic debt maturities. Government has therefore emphasised the importance of maintaining fiscal discipline, preserving debt sustainability, strengthening reserves under the Ghana Accelerated National Reserve Accumulation Policy (GANRAP), and continuing structural reforms to safeguard recent gains and enhance resilience against external shocks.

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Executive summary - Tax

The Minister in the mid-year budget statement provided update on the tax initiatives introduced by Government in the 2026 budget statement and introduced new tax initiatives to boost tax revenue.

New Tax Revenue Measures

Customs Reforms

01 Tightening Control on Bonded Warehouse

The Government plans to strengthen controls on bonded warehouses by enforcing storage time limits, restricting re-warehousing, and introducing digital inventory tracking linked to Customs. These measures will improve compliance, reduce revenue leakages, and accelerate the collection of customs duties.

02 First Port Duty Rule for Transit Goods

A First Port Duty Rule will be introduced under which duties and taxes on transit goods will be assessed in Ghana as the first port of entry.

03 Statutory timelines for processing declarations

Government will introduce strict time limits for Customs to process import declarations to improve efficiency and predictability.

04 Tightened Controls and Time Limits on Import Declaration Form Retirement

Government proposes to strengthen controls on Import Declaration Forms (IDFs) by requiring importers to retire existing IDFs before new ones can be issued for the same consignment. IDFs must be retired within 90 days for general goods and 120 days for equipment and capital goods. The measure is intended to improve compliance, strengthen import monitoring, and support revenue collection.

Excise Reforms

Government has laid a bill before Parliament seeking to implement the following reforms in the Excise regime:

- Abolition of 20% excise duty on locally manufactured fruit juices
- Introduction of hybrid excise system for wines and spirits
- Revision of sliding-scale excise rates on beer and stout to align excise yields with revenue targets
- Introduction of mandatory electronic registration of stockists for excisable products;
- Rollout of a nationwide track and trace system for excisable goods;
- Introduction of penalties for tampering with excise stamps/track and trace systems; and
- Enforcement of existing bank guarantees in the excise regime.

Free Zone Reforms

Government is seeking to re-focus the free zones regime to export oriented manufacturing through the following initiatives:

- Restriction of new Free Zone licences exclusively to manufacturing enterprises
- Require raw materials under free zones to be utilised within 12 months to minimise stockpiling and abuse
- Limit duty exemptions strictly to qualifying raw materials, excluding non-essential items and finished goods
- Ensure the charging of duty and taxes on goods supplied to the local market

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Executive summary - Tax

Tightening of Downstream Petroleum Customs Controls

Government plans to tighten customs oversight of downstream petroleum operations via the below measures:

01 Removal of tax exemption on bunkering services to align with international practice and curb abuse in the marine fuel supply chain.

02 Strict enforcement of statutory bank guarantee requirements for the lifting of refined petroleum products to secure tax and revenue obligations.

03 Introduction of an electronic tracking distribution system to monitor movements of petroleum products and ensure they are transported only through approved pipelines.

Other Tax Initiatives

01 Government will develop detailed Value Added Tax (VAT) Regulations to operationalize Act 1151 from 2027, while the GRA relies on interim administrative guidelines and practice for implementation.

02 A nationwide cross-border technology solution for VAT collection from non-resident digital platforms will be fully implemented, subject to regulatory approval.

03 Fiscal Electronic Devices (FEDs), together with the VAT Reward Scheme, will be rolled out following the pilot to enhance VAT revenue and compliance.

Updates on Initiatives Proposed in the 2026 Budget Statement

01 **Comprehensive Value Added Tax (VAT) Reforms**
A new VAT Act has been passed into law effective January 1, 2026, and this has resulted in the recoupling GETFund Levy and NHIL to the VAT base to allow input tax deductions, reduced the effective VAT rate from 21.9% to 20%, increased the VAT registration threshold from GH¢200,000 to GH¢750,000, extended zero rating for locally manufactured textiles to 2028, and abolished VAT on motor insurance as well as on reconnaissance and prospecting for minerals.

02 **Review of Income Tax Act/Customs Act/Excise Duty Act**
Government has advanced in the review of these laws, with reviewed Customs and Excise Duty Bills laid before Parliament alongside the mid-year budget for consideration.

03 **Digital VAT Compliance Measures**
Government has successfully piloted cross-border VAT collection solution for non-resident digital platforms awaiting regulatory approval, and advanced piloting of Fiscal Electronic Devices (FEDs) with a planned nationwide rollout tied to a VAT Reward Scheme to enhance compliance and revenue.

Deployment of Publican AI Trade Solution
Government has successfully piloted and has fully deployed this AI based tool to identifying under-valuation in consignments and product categories where the revenue risk is highest.

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Ghana's Macroeconomic Context

Summary of Economic performance

The economy maintained strong momentum in the first half of 2026, with performance surpassing most of the targets set under the 2026 macroeconomic framework. Growth remained robust, inflation continued to decline, fiscal balances improved, and external reserves stayed well above the programmed target.

Indicators	2025 Outturn	2026 Targets	2026 End of June Outturn
Overall GDP Growth Rate	6.0%	4.8%	6.4%*
Non-Oil GDP Growth Rate	7.6%	4.9%	6.3%*
End of Period Headline Inflation Rate	5.4%	8.0%	5.3%
Overall Balance deficit (% of GDP) (commitment basis)	1.0%	2.2%	0.4%
Primary Balance (% of GDP) (commitment basis)	2.5%	1.5%	0.9%
Import cover	5.7 months	3 months	5 months

Source: 2026 Mid-Year Fiscal Policy Review, 2026 Budget Statement and Economic Policy

**Q1 2026*

NB: Commitment basis records revenues and expenditures when they are legally obligated or committed, regardless of when cash is exchanged.

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Fiscal Developments for H1 2026

- Revenue & Grants totalled GH¢124.8 billion (7.8% of GDP) in H1 2026, up by about 25.7% from H1 2025 (GH¢99.3 billion), but marginally below the target of GH¢126.1 billion (7.9% of GDP). Performance was supported by strong income and property tax collections and Energy Sector Levy receipts, while oil and gas revenue (GH¢6.3 billion vs. target of GH¢9.1 billion) and non-oil non-tax revenue (GH¢9.8 billion vs. target of GH¢11.0 billion) underperformed.
- Total expenditure amounted to GH¢127.7bn (8.0% of GDP), a 16.5% rise from 2025 H1 (GH¢109.6bn) but 14.3% below the 2026 H1 target of GH¢158.6bn. The main drivers of this shortfall were compensation of employees (GH¢42.9bn vs. target of GH¢45.4bn), interest payments (GH¢21.5bn vs. target of GH¢28.4bn), goods and services (GH¢6.3bn vs. GH¢6.6bn) and capital expenditure (GH¢22.2bn vs. GH¢36.6bn) , reflecting strong expenditure control and lower than budgeted execution. Despite strong expenditure control, it is important that the Government prioritises expenditure on CAPEX and obtains value for money, as that is critical to the growth of the economy.

Total Revenue & Grants - GH¢124.8 bn (7.8% of GDP)

Taxes on Income and Property	GH¢57.5 bn
Taxes on Domestic Goods and Services	GH¢34.2 bn
Non-tax revenue	GH¢12.3 bn
International Trade Taxes	GH¢13.7 bn
Grants	GH¢1.0 bn
Other Revenue	GH¢7.7 bn

Tax refund of GH¢ 1.6 bn was recorded in H1 2026

Source – MOF

Total Expenditure - GH¢127.7 bn (8.0% of GDP)

Compensation of Employees	GH¢42.9 bn
Use of Goods and Services	GH¢6.3 bn
Interest Payments	GH¢21.5 bn
Capital Expenditure	GH¢22.2 bn
Grants to other Gov't Agencies	GH¢26.2 bn
Other Expenditures	GH¢7.8 bn

Fiscal Deficit* GH¢2.9 billion — 0.4% of GDP

Fiscal Deficit Target* GH¢32.5 billion — 2.2% of GDP

** - The Fiscal Deficit is calculated on Commitment basis*

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Sectoral performance snapshot

Ghana's economy expanded by 6.4% in Q1 2026, compared to 6.2% in Q1 2025. Growth was driven by Services (7.1%), particularly Information and Communication, and Industry (6.9%), supported by Mining and Quarrying and the recovery in Oil and Gas. Agriculture grew by 4.0%, while Services remained the largest contributor to overall economic growth, accounting for 48.3% of total GDP growth.

A Agriculture

4.0%

Real GDP growth · Q1 2026 (y-o-y)

▼ vs 6.6% in Q1 2025

▲ GROWTH DRIVERS

- Forestry and Logging: 9%
- Crops: 4.7% (Cocoa: 3.8%)
- Livestock: 5.7%

▼ UNDER PRESSURE

- Fishing: (18.5)%

Agriculture grew by 4.0% in Q1 2026, supported by crops, livestock, and forestry, despite a sharp contraction in fishing (-18.5%). While the sector continued to contribute to economic growth, challenges such as low mechanisation, limited financing, and inadequate storage and processing facilities remain. Investment in infrastructure, value chains, and climate resilience will be key to sustaining growth.

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I Industry

6.9%

Real GDP growth · Q1 2026 (y-o-y)

▲ vs 4.1% in Q1 2025

▲ GROWTH DRIVERS

- Mining and Quarrying: 10.7% (incl. Oil & Gas*: 1.3%)
- Manufacturing: 6.2%
- Electricity: 6.2%
- Construction: 1.5%

▼ UNDER PRESSURE

- Water and Sewerage: (3.7)%

The Industry sector grew by 6.9% in Q1 2026, driven by Mining and Quarrying, Manufacturing, and a recovery in Oil and Gas following renewed investment. The rebound reflects improving conditions across both the extractive and manufacturing subsectors. Sustaining this momentum will require continued investment in infrastructure, reliable energy supply, and policies that support private sector investment and productivity growth.

S Services

7.1%

Real GDP growth · Q1 2026 (y-o-y)

▼ vs 7.4% in Q1 2025

▲ GROWTH DRIVERS

- Info. and Communication: 25.2%
- Transport and Storage: 13%
- Trade / Vehicle Repair: 9%
- Financial and Insurance: 4.4%
- Professional & Admin Support: 2.5%
- Other Personal Services: 1.4%

▼ UNDER PRESSURE

- Accommodation and Food: (13.6)%
- Real Estate: (3.2)%
- Health and Social Work: (1)%

The Services sector remained the largest driver of growth in Q1 2026, expanding by 7.1% and contributing 48.3% of total GDP growth, led by ICT, Trade, and Financial Services. Sustaining growth will require continued investment in digital infrastructure, skills development, and innovation.

*Source: 2026 Mid-Year Budget Review, GSS; * Oil and gas is a component of mining and quarrying*

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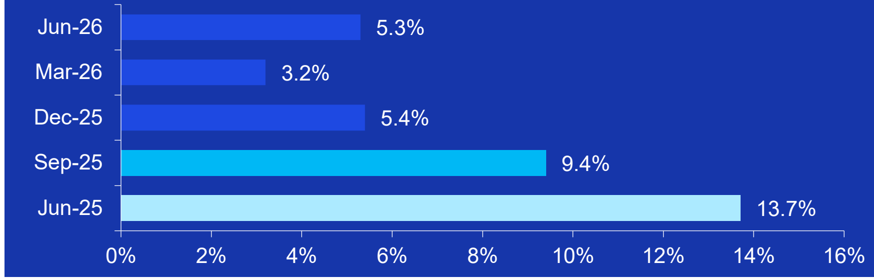
Monetary and Exchange Rate Developments

Inflation

Inflation declined to 5.3% in June 2026 from 13.7% in June 2025, driven by prudent fiscal and monetary policies, exchange rate stability, and improved food supply. The increase from 3.2% in March 2026 mainly reflected higher non-food and transport-related prices, however inflation remained well below the 2026 target range of 8±2%.



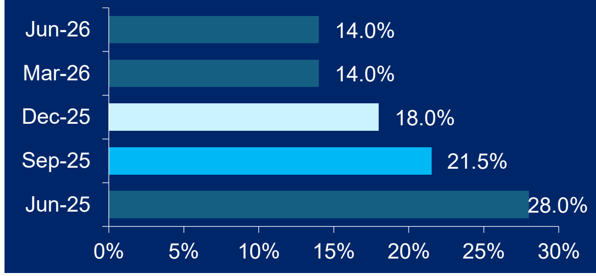
Currency stability

The Cedi remained broadly stable during the first half of 2026, depreciating by 7.9% against the US dollar, 6.5% against the British pound, and 5.3% against the euro as at June 2026. This stability reflects Ghana's strong external sector performance, supported by a robust trade surplus, strong reserve accumulation, GoldBod-driven foreign exchange inflows, fiscal discipline, and sustained investor confidence.

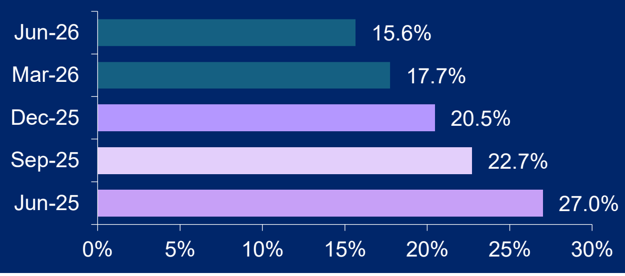
Monetary Policy

The Monetary Policy Rate (MPR) declined significantly from 28.0% in June 2025 to 14.0% in June 2026, reflecting the Bank of Ghana's confidence in the sustained disinflation process and improving macroeconomic conditions. The easing monetary policy stance has been accompanied by a decline in market interest rates, with the average bank lending rate falling from 27.0% in June 2025 to 15.6% in June 2026. According to Government, lower borrowing costs are expected to support private sector investment, economic activity, and job creation while maintaining price stability.

Monetary Policy Rates



Average Bank Lending Rate



Exchange Rate Developments

Looking ahead, Government expects exchange rate stability to be reinforced by continued reserve accumulation under the Ghana Accelerated National Reserve Accumulation Policy (GANRAP), which aims to increase reserve cover significantly over the medium term. Continued fiscal discipline, strong export performance, particularly from the gold sector, and the implementation of reforms under the proposed Policy Coordination Instrument (PCI) are also expected to support the external sector. Nevertheless, Government notes that global commodity price volatility, geopolitical developments, and tighter international financial conditions remain key risks to the exchange rate outlook.

This indicates a depreciation of the cedi relative to other currencies.

Source: Ministry of Finance 2026 Mid-Year Budget Statement, Bank of Ghana

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04

IMF Update- including State of Debt

IMF Programme Update: ECF Completion and Transition to PCI

Ghana has reached Staff-Level Agreement with the IMF on the sixth and final review of the US$3 billion Extended Credit Facility programme, paving the way for completion of the programme and a transition to a non-financing Policy Coordination Instrument.

Journey so far

- **JANUARY 2024** – Second tranche of US$600 million released to Ghana
- **APRIL 2024** – IMF staff conducted second review of programme
- **JUNE 2024** – IMF Executive Board completed second review
- **JULY 2024** – Third tranche of US$360 million released to Ghana
- **DECEMBER 2024** – IMF Executive Board completed third review and released fourth tranche of US$360 million to Ghana
- **APRIL 2025** – Staff level agreement reached during fourth review
- **JULY 2025** – IMF Executive Board approval received on fourth review and fifth tranche of US$367 million released to Ghana
- **DECEMBER 2025** – IMF Executive Board completed fifth review
- **MAY 2026** – Staff level agreement reached during sixth review

The final tranche of US$370 million is expected upon IMF Executive Board approval of the sixth and final review

The 2026 Mid-Year Fiscal Policy Review indicates that Ghana met 10 of 11 quantitative performance criteria at the close of the programme, with the only missed criterion linked to the accounting treatment of the Government's recapitalisation bond issued to the Bank of Ghana rather than a policy-related breach. All indicative targets were achieved, while structural reform implementation improved significantly compared with Ghana's previous IMF programme.

- The sixth and final review reached Staff-Level Agreement on 15 May 2026, with IMF Board approval expected by end-July 2026.
- The final tranche of approximately US$370 million is expected to complete the US$3 billion ECF programme..
- The post-ECF phase is expected to be anchored by a 36-month non-financing Policy Coordination Instrument focused on fiscal discipline, debt sustainability, fiscal transparency, monetary and exchange rate policy, financial sector stability and inclusive growth.

What next?

Following the expected completion of the ECF programme, Ghana's engagement with the IMF will transition to a 36-month Policy Coordination Instrument. The PCI is not a bailout and does not involve new IMF disbursements. Instead, it provides a reform-focused framework for regular policy reviews, continued external validation and sustained investor confidence.

The PCI will focus on six broad reform pillars namely :

- Sustaining growth-friendly fiscal adjustment
- Preserving debt sustainability
- Strengthening fiscal transparency and governance
- Enhancing monetary and exchange rate policy frameworks
- Reinforcing financial sector stability
- Supporting economic diversification and inclusive growth

Key reform priorities under the PCI include operationalising the Fiscal Council, publishing a Fiscal Strategy Document and Fiscal Risk Statement, completing ITAS rollout, strengthening COCOBOD governance, improving ECG revenue accountability, extending GIFMIS coverage, deepening SOE reforms and enhancing procurement transparency.

Sources: Ministry of Finance 2026 Mid-Year Budget Statement, IMF Website

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Ghana's debt situation

Overview, trends, drivers & outlook

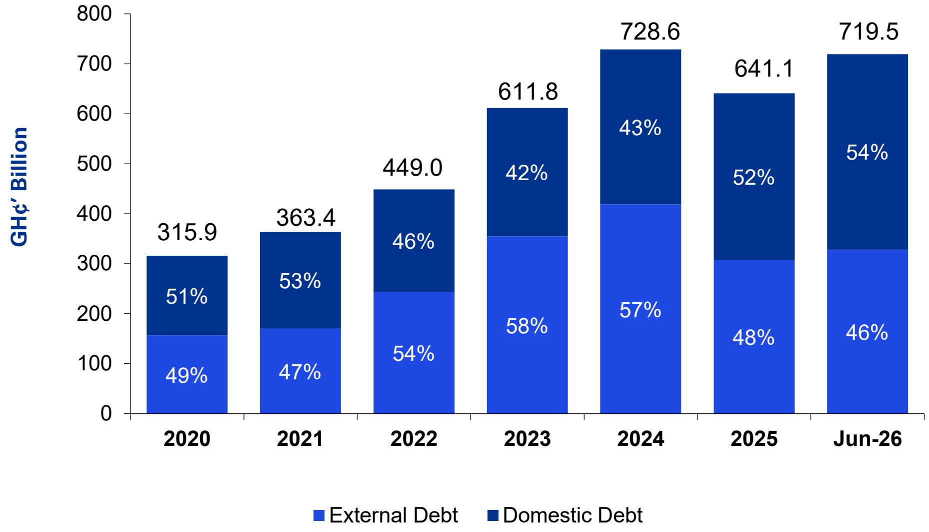
Ghana's 2026 Mid-Year Budget Review shows that the country's debt position has continued to improve, building on the fiscal consolidation achieved in 2025. As at end-June 2026, total public debt stood at GH¢719.5 billion (US$63.4 billion), up from GH¢641.1 billion (US$61.3 billion) at end-2025. Despite the higher nominal debt stock, the debt-to-GDP ratio remained broadly stable at 45.0%, compared with 44.7% at end-2025 and well below the 61.6% recorded at end-2024, reflecting sustained fiscal discipline and prudent debt management.

The increase in debt during the first half of 2026 was driven mainly by exchange rate valuation effects following the partial reversal of the cedi's appreciation in 2025. By end-June 2026, domestic debt accounted for 54.4% of total public debt, while external debt represented 45.6%. Debt service also declined to 28.8% of domestic revenue in 2025 from 55.7% in 2022. Reflecting these improvements, Ghana's external and overall risk of debt distress was upgraded from high to moderate, while the IMF–World Bank debt sustainability analysis now classifies the country as sustainable with room to absorb shocks.

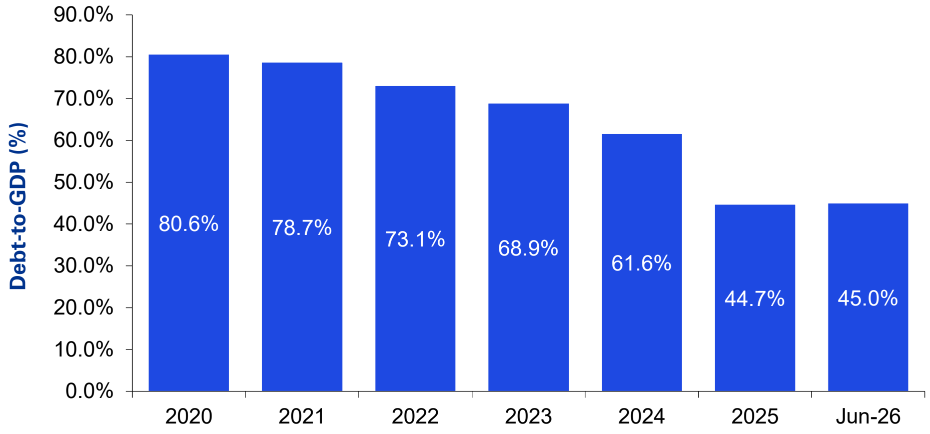
The government has made significant progress in implementing the Domestic Debt Exchange Programme (DDEP) and external debt restructuring. The restructuring of Ghana's international bonded debt was completed in July 2026, while negotiations with the remaining commercial creditors are nearing completion. The government has remained current on DDEP obligations and established the Debt Service Recovery Cedi Account (Sinking Fund) to build resources for servicing restructured debt as repayments begin to rise from 2027. Lower Treasury bill rates generated GH¢4.2 billion in domestic interest savings during the first half of 2026, while improved investor confidence enabled the government to raise GH¢2.7 billion through its first seven-year cedi-denominated bond since the 2022 sovereign default.

Although debt restructuring has eased near-term financing pressures, a significant share of repayments on the restructured domestic and external debt begin to fall due in 2027–2028. While the Sinking Fund provides an important financing buffer, its long-term adequacy will depend on sustained fiscal consolidation, stronger domestic revenue mobilisation and regular capitalisation. Maintaining exchange rate stability and deepening the domestic debt market will also be critical to managing refinancing risks and sustaining Ghana's long-term debt sustainability.

Trends in the public debt stock



Trends in the public debt-to-GDP ratio



Sources: Ministry of Finance 2026 Mid-Year Budget Statement

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05

Tax Highlights

Tax Measures

A – Custom Reforms

Government has laid a bill before Parliament for consideration to roll out measures to curb the abuse of suspense regimes and strengthen revenue mobilization. The key initiatives are as follows:

- **Introduction of Statutory Maximum Warehousing Periods**: Government will introduce strict time limits for the warehousing of imported goods. Perishable goods will be limited to 3 months, general goods to 6 months, and raw materials to 12 months in bonded warehouses.
- **Restriction of Re-warehousing to a Maximum of 6 Months:** Government will cap the duration for re-warehousing at a maximum of 6 months to prevent continuous extensions that defer customs duty obligations..
- **Digitization of Warehousing Control:** All bonded warehouses will be required to adopt a mandatory e-inventory system for warehousing which will be linked to Customs for real-time monitoring and improved compliance.
- **Introduction of First Port Duty Rule for Transit Goods**: Under this rule, duties and taxes on transit goods will be assessed in Ghana [where it is the first port of entry] to reduce under-declaration and diversion into the domestic market. Appropriate arrangements will be made with destination countries to ensure transit trade thrives legitimately.
- **Mandatory use of Tax Identification Number (TIN) for Importers**: Importers will be required to provide their TINs when making declarations for duty assessment.
- **Introduction of Statutory Timelines for Processing Declarations**: Government will introduce a strict timelines within which import declarations must be processed.
- **Tightened Controls and Time Limits on Import Declaration Form Retirement**: The government will implement system controls to block importers with outstanding (unretired) Import Declaration Forms from generating new ones, while imposing retirement deadlines of 90 days for general goods and 120 days for equipment and capital goods.

B – Free Zone Reforms

The Government is undertaking reforms to refocus the Free Zones regime on export-driven manufacturing and tighten the administration of duty exemptions through the following measures:

- **Restrict the issuance of new licences exclusively to manufacturing enterprises;**
- **Require that imported raw materials are utilised within 12 months;**
- **Limit duty exemptions strictly to qualifying raw materials; and**
- **Ensure full duties and taxes are paid on all goods entering the domestic market.**

Our point of view

The proposed First Port Duty Rule is intended to reduce duty evasion and improve customs compliance by ensuring that appropriate duties are paid on goods entering the country. For businesses, this may result in stricter customs procedures and compliance requirements, particularly for transit trade operators. However, if implemented effectively, the measure could create a more transparent and predictable trading environment, reduce unfair competition, and strengthen investor confidence in Ghana's customs and trade system.

The proposed Free Zone reforms are intended to ensure that incentives are reserved for businesses engaged in genuine export-oriented manufacturing and value-added production. For businesses, this may mean stricter eligibility requirements, with activities such as simple packaging and labelling no longer qualifying for Free Zone benefits. For investors, the reforms could provide greater certainty and transparency by directing incentives toward priority sectors such as agro-processing, light manufacturing, and pharmaceuticals, creating stronger opportunities for long-term investment in Ghana's industrial sector

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Tax Measures

C – Tightening of Downstream Petroleum Customs Controls

Government proposes to strengthen customs oversight of downstream petroleum operations to address significant revenue leakages and compliance gaps. The planned initiatives are being introduced with the view to curbing smuggling, improving transparency and reinforcing overall tax compliance in the sector. The initiatives are as follows:

- **Removal of tax exemption on bunkering services:** Government will eliminate tax exemptions on bunkering services to align with international norms and curb abuse in the marine fuel supply chain.
- **Enforcement of bank guarantee requirements for lifting refined petroleum products:** Government will enforce statutory bank guarantees for lifting refined petroleum products.
- **Introduction of an Electronic Tracking Distribution System**: Government will roll out an electronic tracking system to ensure the products are moved only through approved pipelines.

D – Excise Reforms

In line with Government's commitment to enhance revenue mobilisation while supporting local industry, a new Excise Duty Bill has been laid before Parliament for consideration. The key initiatives under the proposed excise reforms are as follows:

- **Abolition of 20% Excise Duty on Locally Manufactured Fruit Juices**: Government will remove the 20% excise duty imposed in 2023 on locally produced fruit juices with the aim to support agro processing.
- **Introduction of Hybrid Excise System for Wines and Spirits**: Government will implement a combined value-based and quantity-based excise regime for wines and spirits to curb persistent undervaluation.
- **Revision of Sliding-Scale Excise Rates on Beer and Stout**: The existing sliding-scale excise rates for beer and stout will be recalibrated to better align excise yields with revenue targets.

Strengthen Excise Compliance and Enforcement via the below targeted initiatives:

- **Introduction of mandatory electronic registration of stockists for excisable products;**
- **Rollout of a nationwide track and trace system for excisable goods;**
- **Introduction of penalties for tampering with excise stamps/track and trace systems; and**
- **Enforcement of existing bank guarantees in the excise regime.**

Our point of view

The excise reforms seek to balance revenue mobilisation with support for local industry. The removal of the 20% excise duty on locally manufactured fruit juices has the potential to stimulate agro-processing and value addition to local agricultural produce. This policy will however yield the desired impact if it is complemented by stronger enforcement against misclassification (e.g., imported or reconstituted products being passed off as local to avoid excise); and coordination with agricultural and trade policies to ensure reliable supply of local inputs.

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Tax Measures

E – Other Tax Initiatives

- **Development of VAT Regulations to Support the Implementation of Act 1151:** Government will develop regulations to support the implementation of the Act in 2027. In the interim, the GRA will rely on administrative guidelines and practice for effective implementation of the Act.
- **Full Implementation of a Cross-Border Technology Solution for VAT Collection from Non-Resident Digital Platforms:** Government is seeking regulatory approval for the nationwide rollout of the technology solution for the collection of VAT from non-resident digital platforms.
- **Rollout of Fiscal Electronic Devices (FEDs)** : Government will implement the use of the FEDs after the completion of the pilot together with the VAT Reward Scheme to drive revenue and improve VAT compliance.

F – Updates on Initiatives Proposed in the 2026 Budget

The following highlights progress made by Government on the tax initiatives proposed in the 2026 budget statement:

- **Review of the VAT Act**: Government has promulgated and passed the VAT Act 2026, Act 1151 into law and it became effective on January 1, 2026. The passing of Act 1151 achieved the following:
  - Recoupling of GETFund Levy and NHIL from the VAT base, making both eligible for input tax deductions.
  - Reduction in effective VAT rate from 21.9% to 20%.
  - Raised VAT registration threshold from GH¢200,000 to GH¢750,000.
  - Extension of zero rating of locally manufactured textiles to 2028.
  - Abolition of VAT on motor insurance
  - Abolition of VAT on reconnaissance and prospecting for minerals
- **Review of the Income Tax Act/Customs Act/Excise Duty Act**: Government has laid the Customs and Excise Duty bills in Parliament for consideration together with the mid-year budget review statement after completion of the review. Notwithstanding the foregoing, no information was provided on the progress of the review of the Income Tax Act.
- **Introduction of Digital Solutions for VAT Collection**: Government has successfully piloted a cross boarder technology solution for the collection of VAT on non-resident platforms and currently seeking regulatory approval for a full-scale rollout.
- **Introduction of Fiscal Electronic Devices and VAT Reward Scheme**: The pilot of the use of the FEDs is in an advanced stage and the nationwide rollout will be coupled with the introduction of the VAT Reward Scheme to boost compliance.
- **Deployment of Publican AI Trade Solution:** Government has procured, piloted and has now fully rolled out this AI tool to identifying under-valuation in consignments and product categories where the revenue risk is highest.

Our point of view

The FED rollout and digital platform VAT collection initiative are likely to generate the most immediate revenue gains, while the VAT Regulations will provide the institutional and legal foundation necessary to sustain these gains over the medium to long term. Collectively, the measures would enhance VAT compliance, broaden the tax base, improve revenue mobilisation, and contribute to the overall efficiency of Ghana's domestic revenue system.

If properly implemented and enforced, FEDs could substantially increase VAT compliance and domestic revenue mobilisation. The success of the initiative will depend on effective taxpayer education, phased implementation, robust technical support, and consistent enforcement.

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06

Key Sector updates

Energy and Infrastructure

01 Modernisation of the Downstream Petroleum Regulatory Framework

The Government has advanced reforms aimed at strengthening the regulation and governance of the downstream petroleum sector. In this regard, a new National Petroleum Authority (NPA) Bill received Cabinet approval during the review period and has subsequently been submitted to Parliament for consideration.

02 Strengthening the Institutional Framework for Renewable Energy and Green Transition

Government made significant progress in advancing Ghana's energy transition agenda through the development of the Renewable Energy Authority Bill and the Renewable Energy Implementation and Green Transition Framework. These initiatives are intended to strengthen the institutional and policy foundations for the promotion, coordination, and implementation of renewable energy and green transition programmes.

03 Progress Towards the Reintroduction of Road and Bridge Tolls through Public-Private Partnership

Government made substantial progress towards the reintroduction of road and bridge tolls under the Public Private Partnership (PPP) Act. Key procurement processes for the selection of a concessionaire have been largely completed, and negotiations with the preferred bidder have been successfully concluded. The initiative is expected to enhance the mobilisation of resources for road infrastructure development, improve the maintenance of road networks, and promote greater private sector participation in the financing and management of transport infrastructure.

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Finance and Education

01 Recapitalisation of UMB Bank and Prudential Bank Limited

The Ghana Amalgamated Trust (GAT) completed the full recapitalisation of UMB Bank, while Government facilitated the full recapitalisation of Prudential Bank Limited through a private sector-led arrangement. As a result, both UMB Bank and Prudential Bank have met the required capital adequacy standards and are well-positioned to expand their operations and support economic activity.

The successful recapitalisation of these institutions is expected to enhance their capacity to provide credit to businesses and households, improve financial intermediation, and support private sector-led growth. These interventions form part of Government’s broader efforts to safeguard financial sector stability, strengthen confidence in the banking system, and promote a resilient and well-capitalised financial sector capable of supporting sustainable economic growth and development.

02 Bank of Ghana Recapitalisation and Financial Sustainability

To support the restoration of the Bank of Ghana's financial position, Government issued a GH¢5.0 billion recapitalisation bond in March 2026 as part of efforts to rebuild the Bank's capital base. In line with the Bank of Ghana (Amendment) Act, 2025 (Act 1158).

Government will continue to make annual budgetary provisions to recapitalise the Bank until its equity is fully restored. Complementing these measures, the Bank of Ghana will undertake a comprehensive operational efficiency review aimed at reducing costs, strengthening financial management, and enhancing its long-term financial sustainability.

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03 State-Owned Enterprises (SOE's) Reform Agenda

Government has intensified the implementation of reforms aimed at strengthening the governance, operational efficiency, and financial sustainability of State-Owned Enterprises (SOEs) to enhance their contribution to national economic development. The reform programme is focused on four key pillars, namely **ownership policy**, **corporate governance**, **board effectiveness**, and **financial accountability**. As part of these efforts, Government is advancing the implementation of the State Ownership Policy to clearly define the State's role as owner, strengthen oversight arrangements, and establish measurable performance expectations for SOEs, their Boards, and Management. Measures are also being implemented to strengthen transparency and accountability, including the strict enforcement of statutory requirements for SOEs to publish audited financial statements within four months after the end of each financial year in accordance with International Financial Reporting Standards (IFRS).

Our Point of View

- The SOE reform agenda represents a potentially high-impact structural reform that could improve public sector efficiency, strengthen fiscal sustainability, and enhance investor confidence.
- While the policy direction is positive, its success will depend on consistent enforcement, stronger governance practices, and a willingness to address long-standing inefficiencies within underperforming enterprises.
- If effectively implemented, the reforms could significantly improve the contribution of SOEs to Ghana's economic growth over the medium term.

04 Cocoa Sector Governance and Financial Sustainability Reforms

Government has reaffirmed its commitment to strengthening and modernising Ghana's cocoa sector, which remains a vital contributor to export earnings and rural livelihoods. To enhance governance, financing, and sustainability within the industry, a new COCOBOD Bill will be submitted to Parliament to replace the Ghana Cocoa Board Act, 1984 (PNDCL 81). The proposed legislation will introduce a producer pricing mechanism that reflects international cocoa prices, exchange rate movements, and prevailing market conditions, while guaranteeing cocoa farmers not less than 70 percent of the gross Free-on-Board (FOB) price. The Bill will also establish a new financing framework for cocoa purchases and related operations, aimed at restoring COCOBOD's long-term financial sustainability and operational efficiency.

Our Point of View

- These reforms are broadly positive because they seek to align incentives across the cocoa value chain, improve governance, and restore financial sustainability. However, success will depend less on the legislation itself and more on implementation. The key question over the next two years is whether Ghana can simultaneously deliver higher farmer earnings, maintain COCOBOD's financial health, and increase cocoa productivity.
- This is expected to primarily benefit cocoa farmers, agricultural input suppliers, rural financial institutions, and cocoa-growing communities through higher farmer incomes, increased economic activity, and stronger demand for agricultural and financial services. Conversely, COCOBOD, Licensed Buying Companies, and potentially government finances may face short-term challenges arising from higher farmer payments, increased regulatory requirements, and the fiscal costs of maintaining producer price guarantees.

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07

Updates on Key Initiatives

Updates on Key Initiatives

24 Hour Economy

Key Updates

- Government has made progress in implementing the 24-Hour Economy and Accelerated Export Development Programme following the enactment of the 24-Hour Economy Authority Act, 2026 (Act 1164). To promote continuous economic activity, 268 fuel stations, 11 bulk oil depots, 2 oil refineries, 33 manufacturing companies, and 12 public institutions have adopted multi-shift operations.
- The Authority has developed a pipeline of over US$11.5 billion in prospective investments across 18 strategic projects, with US$5.5 billion already secured through Joint Development Agreements. Key projects include the Kambonwule Oil Palm Project, compressed biogas initiatives at Damanko and Buipe, and the 1,500-megawatt Buipe Solar and Battery Energy Storage Project, whose initial 100-megawatt phase is expected to be commissioned by June 2027.
- To facilitate these investments, communities within the Volta Economic Corridor have made available more than 605,000 hectares of land, with consent secured for approximately 139,000 hectares and registration and allocation processes underway.

Our Point of View

- The adoption of multi-shift operations will improve asset utilisation, extend business operating hours, and increase output across key sectors of the economy.
- The expansion of round-the-clock operations and the pipeline of strategic investments are expected to generate significant direct and indirect employment opportunities, particularly for youth.
- These investments are expected to boost exports, attract private investment, improve energy reliability, and accelerate development within the Volta Economic Corridor. Collectively, they will support industrialisation, job creation, and Ghana's transition to a more resilient and export-driven economy.

Big Push Infrastructure Programme

Key Updates

- Government has made substantial progress in implementing the Big Push Infrastructure Programme, with projects currently underway across all sixteen regions as part of the largest coordinated investment in strategic transport infrastructure in recent years. A total of 87 projects have commenced, comprising 74 trunk roads and bridges, 10 urban roads, and 3 feeder roads.
- As at end-June 2026, 13 projects had attained at least 50 percent completion, including six projects that had exceeded 75 percent completion, while a further 15 projects had progressed beyond 25 percent completion. Notable advancements have been recorded on key national corridors, including the Kasoa–Winneba, Takoradi–Agona Junction, Ofankor–Nsawam, Tepa–Goaso, Tema–Aflao, Atimpoku–Ho–Aflao, and Winneba–Cape Coast–Takoradi Roads.
- Progress is also being made on major urban infrastructure projects such as the Suame Interchange Phase II and the Sunyani, Tamale and Kumasi Outer Ring Roads, while feeder road projects in the Eastern and Volta Regions are improving access to agricultural production centres and markets.
- To accelerate the development of critical national infrastructure and improve connectivity across the country, Government has disbursed GH¢6.5 billion to support the implementation of the Big Push Infrastructure Programme.

Our Point of View

- While the disbursement of GH¢6.5 billion represents a significant capital expenditure, it is consistent with Government's expenditure rationalisation agenda, which seeks to redirect public resources towards strategic infrastructure projects with strong economic and social returns.
- These planned projects will reduce transport costs, facilitate trade, and unlock productivity across key sectors,

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Updates on Key Initiatives

MahamaCares

Key Updates

- Government has commenced the implementation of the Free Primary Healthcare Policy, reaffirming its commitment to ensuring equitable access to quality healthcare for all Ghanaians, particularly in underserved communities. Following the launch of the policy in April 2026, the first phase is being implemented in 150 underserved districts nationwide.
- To strengthen primary healthcare delivery, an amount of GH¢1.1 billion has been disbursed with over 24,000 pieces of medical equipment distributed to enhance diagnostic, emergency, maternal, and neonatal care services. In addition, motorbikes, tricycles, and mobile outreach equipment have been deployed to improve access to healthcare in hard-to-reach areas.
- Government has also expanded community-based screening for hypertension, diabetes, cancers, and other non-communicable diseases, while the establishment of health kiosks, container-based health posts, and the upgrading of existing primary healthcare facilities are underway.

Our Point of View

- The rollout of the policy in 150 underserved districts is a good measure to reduce geographical and financial barriers to healthcare, which will enable more Ghanaians, particularly vulnerable populations, to access essential health services.
- The distribution of over 24,000 pieces of medical equipment will strengthen diagnostic, emergency, maternal, and neonatal healthcare services, leading to improved patient outcomes and quality of care.
- The deployment of mobile outreach equipment will improve access to healthcare in remote communities, while expanded disease screening will support early detection and treatment. Together, these interventions are expected to improve health outcomes and reduce long-term healthcare costs.

National Apprenticeship Programme

Key Updates

- As at June 2026, a total of 4,350 youth had been enrolled in apprenticeship training across sectors including apparel production, agriculture, agro-processing, hospitality, tourism, fashion, and cosmetology.
- In addition, 5,524 youth in eleven regions received employable skills training under the District Skills and Entrepreneurship Roadshow, strengthening workforce readiness and supporting entrepreneurship and job creation across the country.
- To support skills development, workforce readiness, and entrepreneurship among the youth, Government has disbursed GH¢45 million to the National Apprenticeship Programme.

Our Point of View

- The disbursement to the National Apprenticeship Programme supports Government's expenditure rationalisation agenda by directing public resources towards targeted human capital development interventions with measurable economic and social returns.
- This is expected to enhance employability, address critical skills gaps, promote entrepreneurship and job creation, and contribute to reduced youth unemployment, increased productivity, and inclusive economic growth.

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Updates on Key Initiatives

Adwumawura Programme

Key Updates

- As at June 2026, a total of 3,685 young entrepreneurs had received grants ranging from GH¢5,000 to GH¢100,000 to support the establishment and growth of their businesses.
- The programme is facilitating the transition of beneficiaries from training and business planning to actual business operations, thereby promoting job creation and economic empowerment.
- To expand the programme's impact, the selection process for the second cohort commenced in June 2026.

Our Point of View

- It is essential that the Government track the performance of the 10,000 startups through strategic frameworks to gain insights into existing gaps and adjust the programme for better impact. This also ensures accountability and builds public trust by showing tangible results.
- To ensure fair and inclusive access, the Government should develop transparent selection criteria and outreach strategies to ensure rural and underserved youth are able to participate in the programme.

Educational Support Initiative

Key Updates

- During the period under review, Government paid GH¢76 million as Capitation Grants for the first and second terms of the 2025/2026 academic year and absorbed the examination registration fees of 478,699 BECE candidates and 407,271 WASSCE candidates in public schools amounting to GH¢46million.
- In addition, the daily feeding grant for students in special schools was increased from GH¢8 to GH¢15, while efforts were intensified to improve food supply and funding arrangements under the Free Secondary Education Programme (FSEP).
- To strengthen the Free Secondary Education Programme and alleviate the burden on families, the Government has paid GH¢1.8 billion towards the Programme.
- To support the provision of nutritious meals and improve school attendance among pupils in public basic schools, Government disbursed GH¢877 million to the Ghana School Feeding Programme
- Under the No Fees Stress Policy, Government has disbursed an amount of GH¢537 million as payment for the first-year academic fees of 165,143 students in public tertiary institutions for the 2025/2026 academic year.
- Furthermore, under the Free Tertiary Education for Persons with Disability Initiative, Government provided full tuition and residential support to 1,554 students with disabilities in public tertiary institutions, reinforcing its commitment to inclusive and accessible education.

Our Point of View

- The disbursement of over GH¢3.3 billion towards targeted education and social support programmes demonstrates Government's commitment to prioritising high-impact human capital investments, improving the efficiency of public spending, and supporting long-term economic growth through better educational outcomes and workforce productivity.

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Updates on Key Initiatives

Digital Jobs Initiatives

Key Updates

- Government continues to deepen investments in digital skills development and innovation through the One Million Coders Programme.
- As at June 2026, more than 140,000 individuals had registered for the programme, with 40,000 learners enrolled and over 28,000 participants completing at least one training module.
- To broaden access, Government has operationalised 175 training centres across 143 districts and established partnerships with 12 universities.
- The programme has also secured internationally recognised professional certifications from Google and Telecel Ghana, while providing access to more than 30 training programmes across 12 high-demand digital skills areas, including artificial intelligence, cybersecurity, software engineering, cloud computing, and data analytics, to enhance workforce competitiveness and support Ghana's digital transformation agenda.

Our Point of View

- The registration of over 140,000 individuals, with 40,000 enrolled learners and 28,000 participants completing at least one module, indicates a substantial appetite for digital skills training among Ghanaians.
- The establishment of 175 training centres across 143 districts is particularly commendable as one of the major barriers to digital skills development in many developing countries is unequal access to training opportunities.
- Partnerships with organizations such as Google and Telecel Ghana will add credibility to the programme and can improve the employability of participants and increase employer confidence in the competencies acquired through the programme.
- Beyond enrolment and completion rates, Government should assess how many graduates secure jobs, internships, freelance work, or start their own technology businesses.

Women’s Development Bank

Key Updates

- The Bank was formally incorporated on 26 January 2026 as WDB GH LTD, marking a key milestone in the implementation of this flagship initiative, and an application has been submitted to the Bank of Ghana for the requisite banking license to enable the bank commence operations.
- To satisfy the regulatory capital requirements for licensing, the Ministry of Finance has deposited GH¢400 million with the Bank of Ghana as the initial capital of the Women's Development Bank.
- The Women's Development Bank is expected to commence full operations before the end of 2026.

Our Point of View

- The deposit of GH¢400 million with the Bank of Ghana as the initial capital demonstrates Government's commitment to ensuring that the institution is adequately capitalised and positioned to effectively support women entrepreneurs and businesses across the country.
- However, we would have to look out for financial stability, while the initial capital deposit of GH¢401 million in 2026 is significant, long-term sustainability depends on an effective governance and risk management framework to strengthen credit policy and partnerships with ecosystem players to support the bank’s sustainability.

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08

Conclusion

Conclusion

2026 Targets

Overall real GDP growth rate	4.8%
Non-Oil real GDP growth rate	4.9%
Fiscal Deficit (commitment basis)	2.2%
End-December Inflation	8.0% ±2%
Import Cover	3.0 months
Primary Balance	1.5%

The first half of 2026 reflects the continued strengthening of Ghana's economic recovery, supported by fiscal discipline, prudent monetary management, and the implementation of key structural reforms. Notably, the Government maintained its 2026 macroeconomic targets, signalling confidence in the economy's performance and outlook. Real GDP growth reached 6.4% in Q1 2026, while inflation declined to 5.3% in June 2026, below Government's year-end target range. Fiscal performance remained strong, with the primary balance recording a surplus of 0.9% of GDP and the overall fiscal deficit on a commitment basis limited to 0.4% of GDP, outperforming programme targets. Total public debt stood at 45.1% of GDP as at June 2026, remaining broadly in line with the Government's debt sustainability objectives and contributing to an upgrade of Ghana's debt sustainability assessment from "Unsustainable" to "Sustainable"" by the IMF.

The successful completion of Ghana's IMF Extended Credit Facility (ECF) Programme marks a key milestone in the country's recovery, with the proposed Policy Coordination Instrument (PCI) expected to guide the next phase of reforms. Improvements in sovereign credit ratings, lower interest rates, stronger international reserves and sustained investor confidence further underscore the progress made in restoring macroeconomic stability. Government attributes these gains to fiscal correction measures, revenue administration reforms, GoldBod-led foreign exchange interventions and strengthened public financial management, which have collectively supported lower inflation, exchange rate stability, stronger external balances and improved economic confidence.

Economic Outlook for 2026

The outlook for the remainder of 2026 remains positive, with current trends suggesting that the Government's macroeconomic targets remain achievable. Initiatives such as the Big Push Infrastructure Programme, 24-Hour Economy and Accelerated Export Development Programme, Oil Palm Development Programme, Farmers' Service Centres, and ongoing investments in energy, transport and industrial development are expected to support job creation, productivity growth and economic diversification. Nevertheless, Ghana continues to face risks from global economic uncertainty, geopolitical tensions, commodity price volatility and future domestic debt maturities. Government has therefore emphasised the importance of maintaining fiscal discipline, preserving debt sustainability, strengthening reserves under the Ghana Accelerated National Reserve Accumulation Policy (GANRAP), and continuing structural reforms to safeguard recent gains and enhance resilience against external shocks.

Recommendations for Government to Consider

- **Sustain Fiscal Discipline and Institutional Reforms**

The enforcement of expenditure controls, strengthening of the commitment authorisation framework and maintaining the fiscal rules that have underpinned recent macroeconomic gains should be continued. Enhanced oversight of State-Owned Enterprises and adherence to medium-term fiscal targets will be critical to preserving debt sustainability and investor confidence.

- **Accelerate Revenue Administration and Economic Reforms**

The gains from VAT reforms, AI-driven customs interventions, digital revenue administration and broader tax administration reforms should be consolidated to improve compliance and broaden the revenue base without increasing the tax burden. Continued implementation of reforms under the PCI framework will be critical to sustaining macroeconomic stability.

- **Translate Stability into Inclusive Growth and Jobs**

With macroeconomic stability largely restored, focus should shift towards the effective execution of programmes that promote productive investment, export growth and job creation. Prioritising investments in agriculture, manufacturing, energy, infrastructure and the digital economy will be essential to ensuring that the benefits of economic recovery are broadly shared across the population.

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