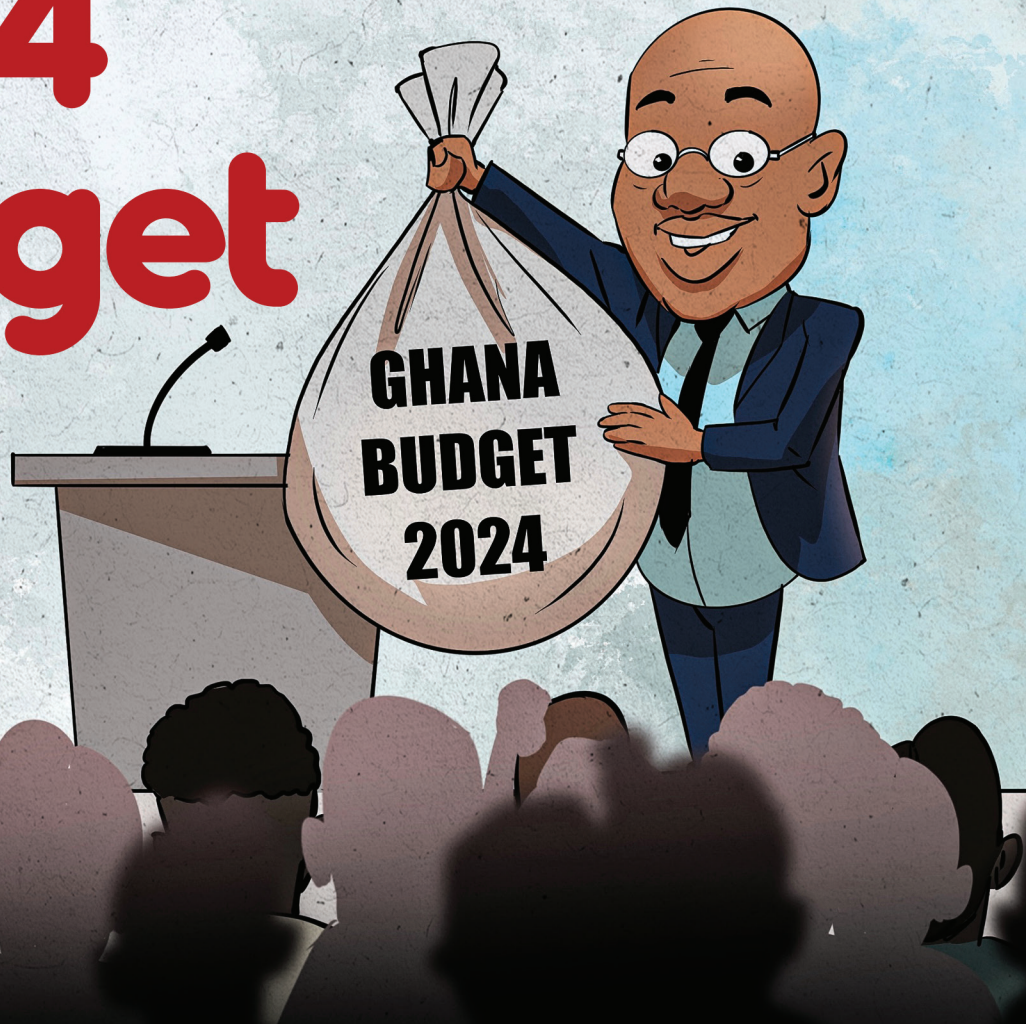
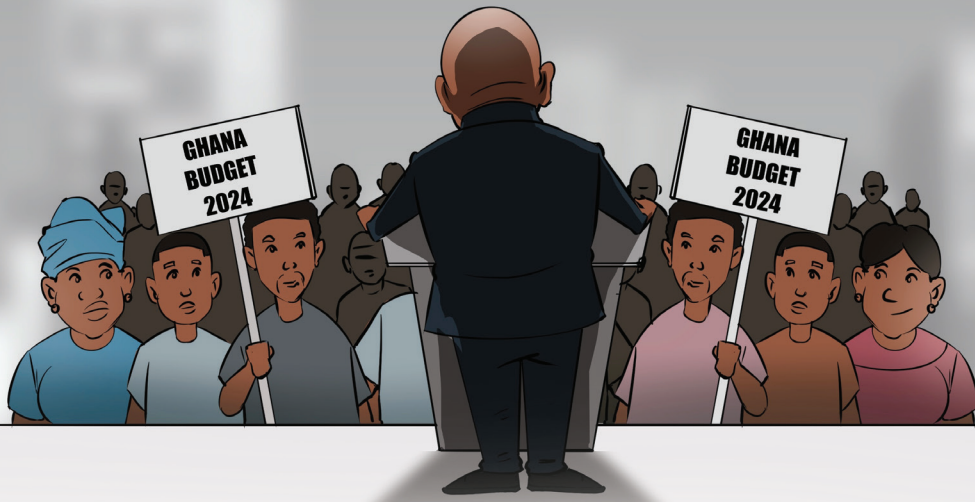


Citizen's Guide to Ghana's 2024 Budget





Introduction

This citizen's guide to Ghana's 2024 National Budget seeks to highlight and simplify key provisions of the 2024 budget for the understanding of the citizens. It aims to create an active community of informed citizens to hold the government accountable and to incite participatory governance through the budgetary process.

What Is A Government's Budget?

A government budget is a financial roadmap that outlines how much money the government expects to collect (through taxes and other sources) and how it will be spent over a specific period, typically a year. This plan is critical to funding national priorities such as healthcare, education, and infrastructure. It is a comprehensive tool that guides policy, promotes fiscal responsibility, fosters transparency, and contributes to economic stability and citizens' well-being. Understanding the government budget empowers citizens to participate actively in shaping their communities and holding their leaders accountable.



Government Budgeting Process In Ghana

The public budget process is typically divided into four stages: preparation, approval, implementation, and monitoring. Budget preparation begins with the government issuing budget guidelines, which outline budget priorities and provide instructions for budget preparation for the current year. The government then receives and consolidates various expenditure requirements from ministries, departments, agencies, and local government authorities using the expected revenue collection. Following preparation, the budget is submitted to various stages for approval, including the Cabinet and then to Parliament. The government implements the budget once it has been approved. Monitoring and audits are then performed to ensure that there is no misappropriation.

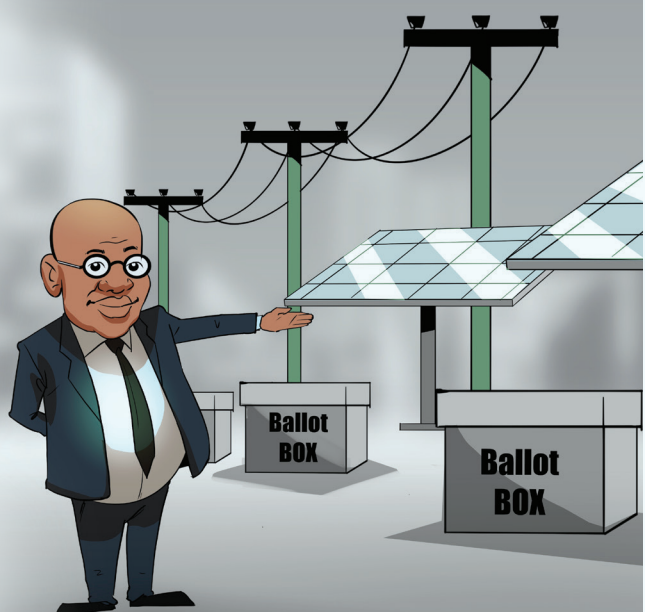
Government's Focus for 2024

In 2024, the Ghanaian government plans to stabilize the macroeconomic fundamentals, including inflation, exchange rate, and interest rates, to achieve its growth and development policy objectives effectively. Therefore, the theme for the budget is “Pursuing Growth and Development Within a Stable Macroeconomics Environment.”

Priority Areas Of The Government

The government of Ghana will give priority to the following areas this year:

- Extension of Road Infrastructure
- Improve Rural Electrification and Telephony
- Conduct a peaceful 2024 General Elections
- Implement Growth Strategy with a focus on Value Addition, Export Promotion, Domestic and Foreign Investments, Agriculture, Industry, Textile and Garments, and Digitalisation
- Leverage Climate Financing for Green Growth
- Complete the Debt Restructuring Programme
- Implement the IMF-Supported PC-PEG, (macroeconomic stabilisation, fiscal consolidation, aggressive domestic revenue mobilisation, expenditure rationalisation, structural reforms, and social protection)



2024 Macroeconomic Targets

The government anticipates that this budget will bring about the following:

- The overall real GDP is expected to grow by 2.8%.
- The nominal GDP is expected to increase to GH¢ 1 trillion.
- The headline inflation rate at the end of the period will moderate to 15%.
- The primary surplus will increase to 0.5% of GDP.
- The Gross International Reserve will increase to 1.7 months of import cover.



A Few Public Projects To Be Implemented In 2024

These are the projects that the government intends to implement this year, categorized by sector:

Education:

- Extend the Mobile Library Van Outreach to 1,000 basic schools
- Enhance the digital literacy of 500 children
- Register 91,240 digital library users and renovate more libraries.



Health:

- Construction, remodeling, and refurbishment of Treatment and Holding Centres
- Construction of 12 hospitals
- Construction of a 100-bed ultramodern Urology and Nephrology Centre of Excellence at Korle Bu Teaching Hospital
- Completion of the Agenda 111 project



Gender, Children, And Social Protection

- Facilitate the disbursement of LEAP Bi-monthly cash grants to beneficiaries
- Monitor the Ghana School Feeding Programme to provide meals and ensure the payment of caterers to enhance service delivery.
- Reunify and reintegrate children with their families and communities.



Energy:

- Plans to distribute 150,000 LPG cookstoves to households and 2,500 commercial caterers
- Power support to the 1D1F programme



Works, Housing, And Sanitation:

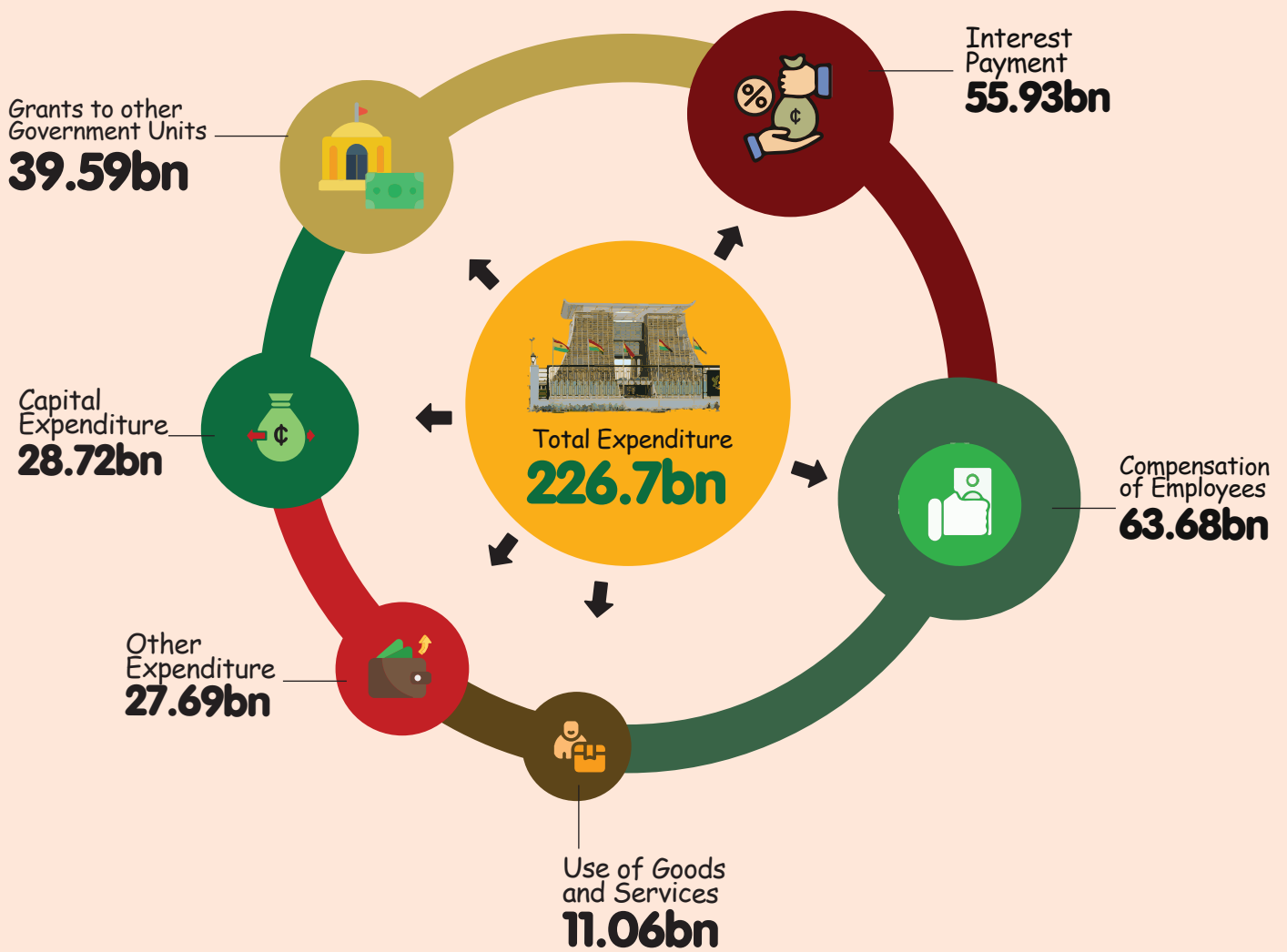
- The government will provide 42,000 onsite household toilets in low-income communities



Visualizing the 2024 Budget

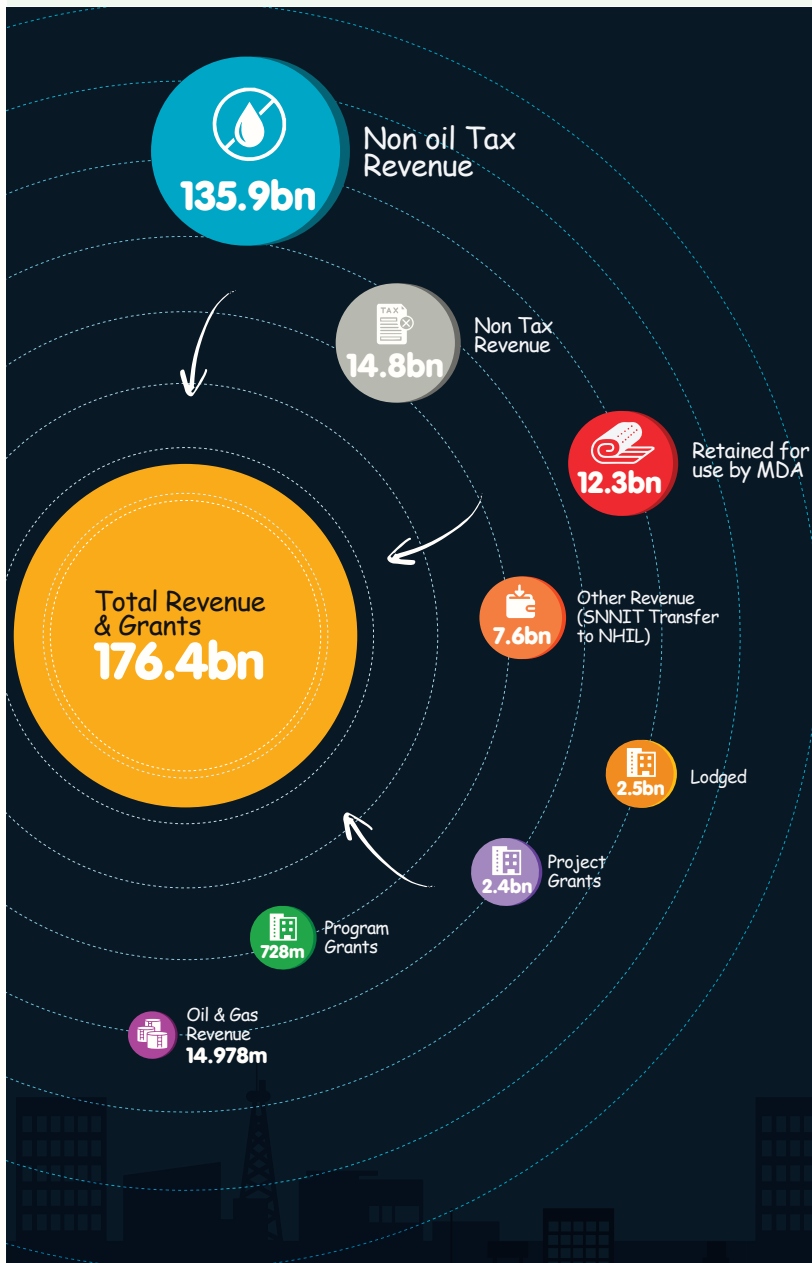
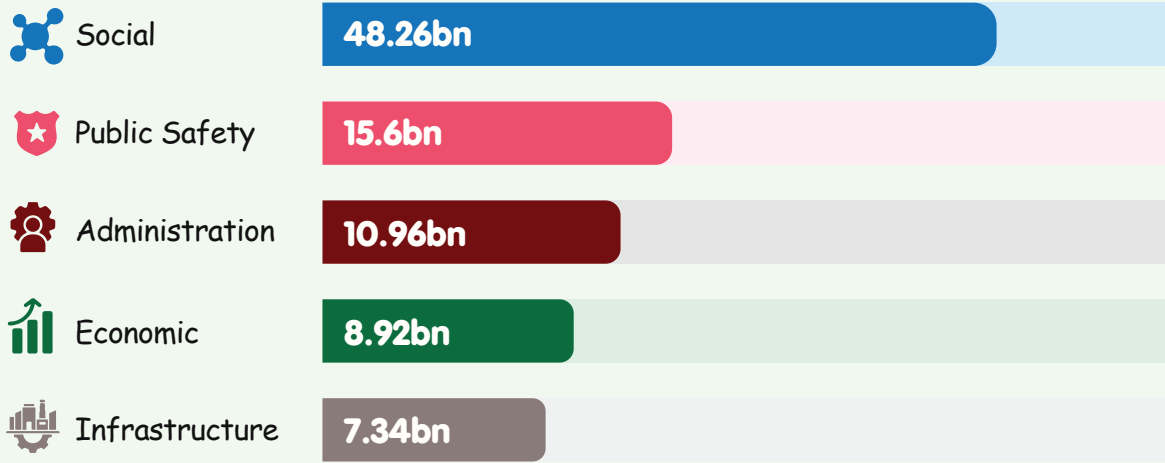
How much will the government spend in 2024?

It is expected that the government will spend GH¢226.7 billion in 2024 on various expenditure outlays such as compensations (28.09%), interest payments (24.67%), capital expenditure (12.67%), grants to government units (17.47%), goods and services (4.88%), and other expenditure (12.22%).



Sectoral Analysis Of The 2024 Budget

Sectors



Where Will This Money Come From?

The government intends to raise a total revenue of GH¢176.4 bn in 2024 from its internal and external income streams. About 77% of the total revenue is expected to come from non-oil tax revenue, while oil and non-tax revenues are expected to accrue 8% each. 2% and 4% are expected to accrue from grants and other revenues respectively.

The Expenditure Figure Seems To Be Greater Than The Revenue Figure

Yes, the expenditure exceeds the expected revenue by GHS 50.1 billion. This means there is a shortfall in revenue. This is called a Budget Deficit.

How Then Will The Government Finance The Deficit?

The government intends to finance the deficit by borrowing. The extended credit facility provided by IMF will help fill the gap.

What Are The Implications Of Borrowing To The Citizens

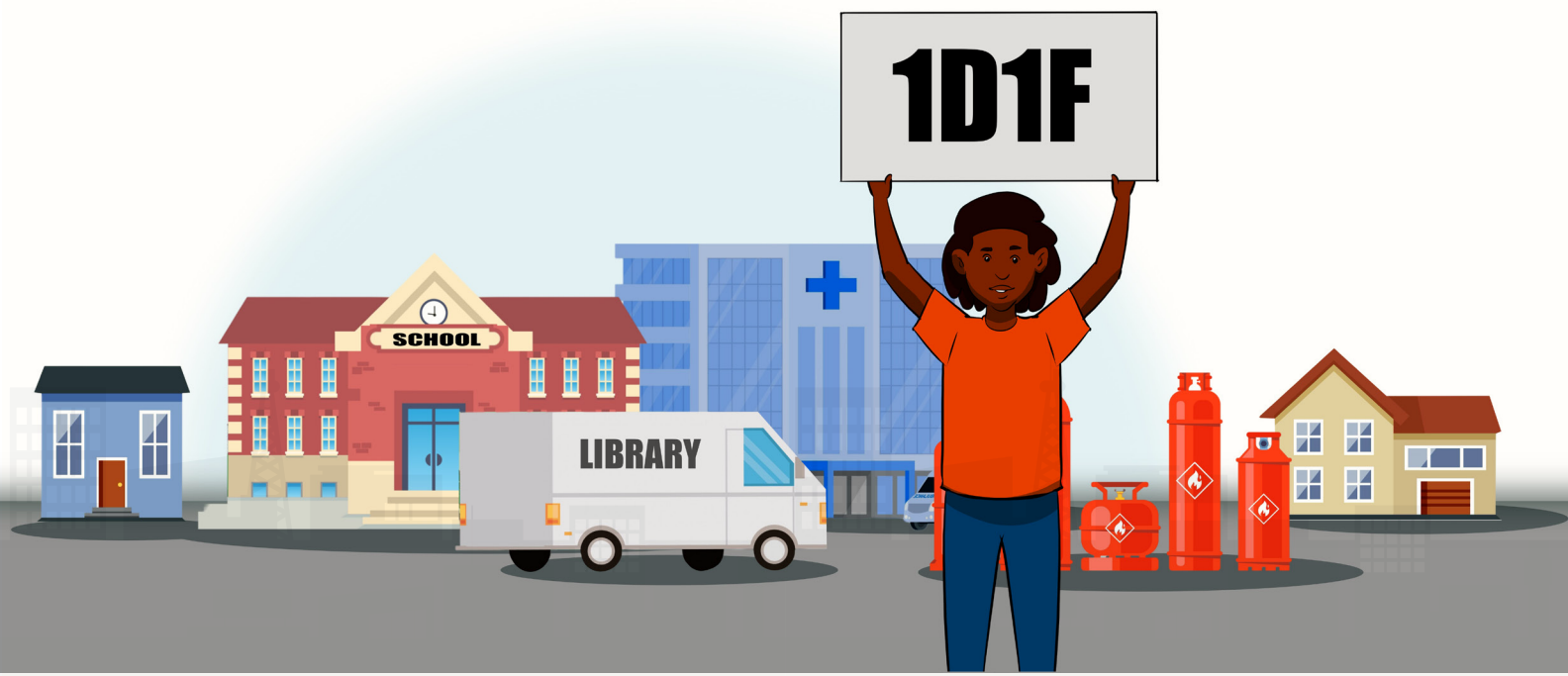
As the government embarks on excessive borrowings to meet its revenue shortfalls, it is obliged to pay these debts with interest on a future date. This implies that citizens would have to pay more taxes in the future and developmental projects would have to be forfeited to pay for these debts and their accrued interest.

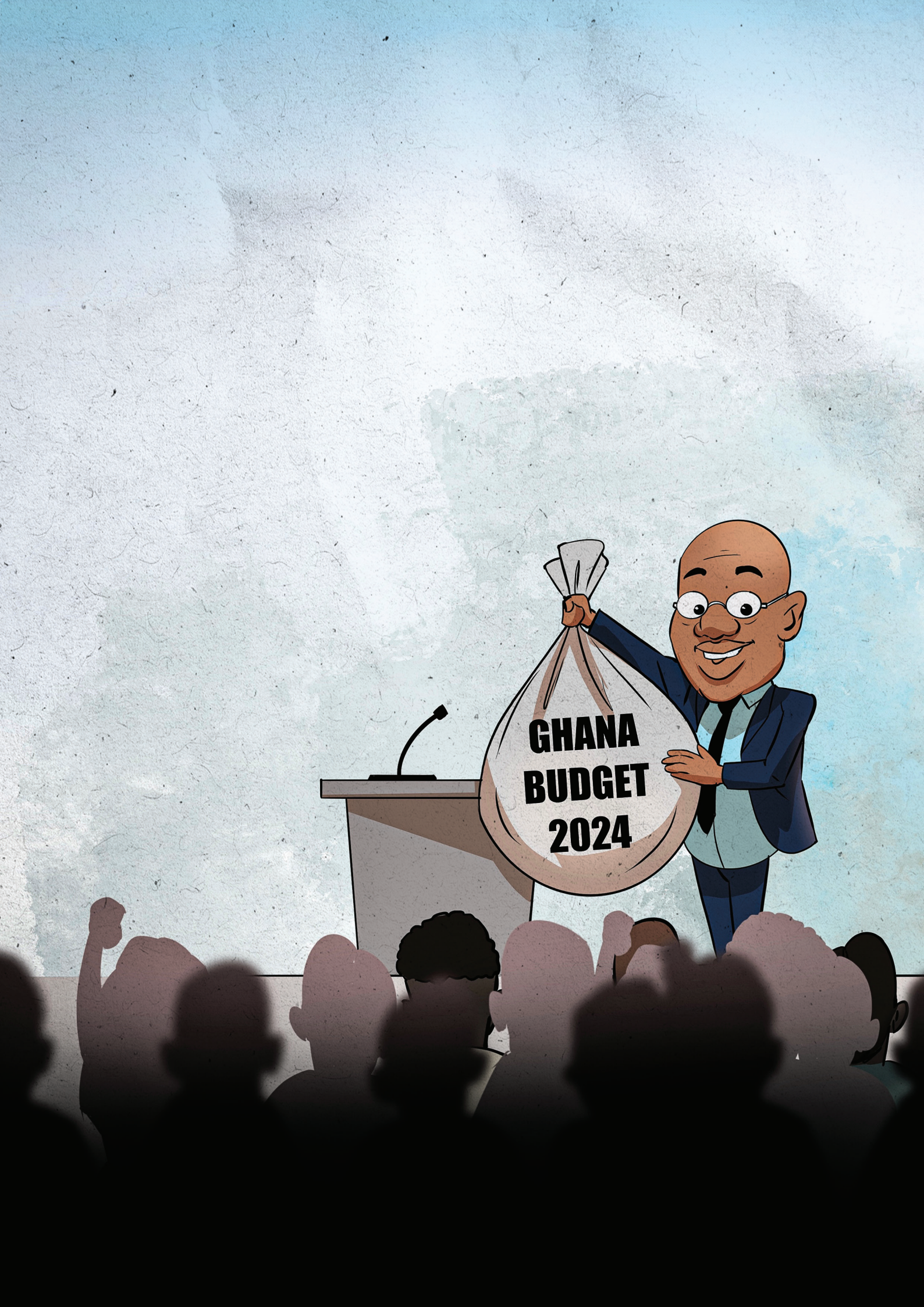
In an attempt to restructure the debt profile of Ghana, the Ministry of Finance embarked on a Domestic Debt Exchange Programme that reduced the debt-to-GDP ratio to 72.5% at the end of 2023

How Can Citizens Participate In Budget Decision-Making?

To participate in the budget decision-making process;

- Citizens should follow government news and announcements related to the budget.
- Citizens should also attend public hearings or budget forums organised by the government or CSOs.
- Citizens should utilise advocacy groups and platforms to express their views and concerns about the budget.
- Citizens should use social media platforms to raise awareness about budget issues, share information, and mobilise others to take action.
- During elections, research candidates' positions on budgeting and public finance. Vote for those prioritizing transparency, citizen participation, and a budget that reflects the community's needs.





**GHANA
BUDGET
2024**