

GHANA 2025

ANNUAL BUDGET ANALYSIS



About BudgIT Ghana

BudgIT Ghana is a civic technology organisation that specialises in intersecting citizen engagement with technology to promote transparency and accountability in governance. As a pioneer in social advocacy melded with technology, BudgIT Ghana uses a range of technologies to simplify government budgets and public spending for citizens to foster accountability and responsible governance. With a four-pronged focus on Budget Access, Tracka, Extractives, and Institutional Support, our methodology is to use the most refined data-mining skills to present data to citizens and empower them to demand better service delivery and good governance.

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LIST OF ACRONYMS

Acronym

AETA

AMSEC

CHPS

COVID

ECOWAS

ESLA

FDA

FGP

GETFund

GHS

GIFMIS

GOLDBOD

GRA

ICT

ID

IGF

IMF

KATH

LEAP

MDAs

MoF

MoFA

MoGCSP

Meaning

Agriculture for Economic Transformation Agenda

Agricultural Mechanisation Services Enterprise Centres

Community-based Health Planning and Services

Coronavirus Disease

Economic Community of West African States

Energy Sector Levies Act

Food and Drugs Authority

Feed Ghana Programme

Ghana Education Trust Fund

Ghana Health Service or Ghanaian Cedi (contextual)

Ghana Integrated Financial Management Information System

Ghana Gold Board

Ghana Revenue Authority

Information and Communication Technology

Identification Document

Internally Generated Funds

International Monetary Fund

Komfo Anokye Teaching Hospital

Livelihood Empowerment Against Poverty

Ministries, Departments, and Agencies

Ministry of Finance

Ministry of Food and Agriculture

Ministry of Gender, Children and Social Protection

LIST OF ACRONYMS

Acronym

MT

NCD

NHIL

NHIS

NSS

PC-PEG

PETS

PFJ

PPP

PWDs

RTDP

SDG

SMEs

SWIMS

TGD

TTH

USSD

VAT

VDP

YEA

Meaning

Metric Tonnes

Non-Communicable Disease

National Health Insurance Levy

National Health Insurance Scheme

National Service Scheme

Post-COVID Programme for Economic Growth

Public Expenditure Tracking Surveys

Planting for Food and Jobs

Public-Private Partnership

Persons With Disabilities

Roots and Tubers Development Project

Sustainable Development Goals

Small and Medium-sized Enterprises

Social Welfare Information Management System

Transformational Grains Development

Tamale Teaching Hospital

Unstructured Supplementary Service Data

Value Added Tax

Voluntary Disclosure Programme

Youth Employment Agency

Resetting the Economy for the Ghana We Want: An Analysis of Ghana's 2025 Budget



An aerial photograph of a city skyline. In the foreground, a large, modern stadium with a curved, metallic-looking facade is visible. Behind it, several tall skyscrapers, including a prominent glass-clad tower, rise into the sky. The city is surrounded by greenery and a body of water is visible in the lower right. The sky is blue with some clouds.

GHANA 2025 BUDGET

Executive Summary



President John Dramani Mahama's new administration unveiled the 2025 budget, which was titled "Resetting the Economy for the Ghana We Want." This budget, the first under President John Dramani Mahama's second term, totals GH¢ 293.1 billion and aims to restore macroeconomic stability, promote inclusive growth, and create jobs. In light of recent difficulties, the government's budget is a step toward restoring sound fiscal discipline. Among other recent economic challenges, the Cedi depreciated by nearly 30% between 2022 and 2024, the public debt-to-GDP ratio rose to nearly 90%, and inflation peaked at over 40% in 2023. These macroeconomic headwinds, combined with a decline in investor confidence, necessitated the International Monetary Fund (IMF) support package and underscored the importance of fiscal reforms in the 2025 budget.

The government, through the 2025 budget, intends to implement fiscal efficiency measures and enhance public finance accountability, aiming to establish a strong foundation for long-term economic growth and rebuild trust in the public finance system. The budget outlines specific measures designed to drive

economic growth, including investments in infrastructure, support for small and medium-sized enterprises (SMEs), and enhancements to social services.

While these measures signal ambition, several issues are raised. The budget assumes that the government will meet all revenue objectives without imposing significant tax hikes; however, previous projections have frequently fallen short. Moreover, restoring public trust through transparency and accountability requires more than just declared goals and intentions; it also demands institutional reforms and independent oversight, both of which remain under-defined. Also, investments in infrastructure and SMEs, although commendable, must overcome potential political interference and bureaucratic inefficiencies, which have historically hindered their delivery.

Furthermore, the reliance on IMF support raises concerns about long-term sovereignty in the formulation of economic policies. Although the budget presents a positive tone, the absence of a concrete debt restructuring plan and underestimation of the structural drivers of inflation could dampen

its success. For policy pledges to result in measurable results, citizens, civil society organisations, and analysts must evaluate these programs with caution rather than blind optimism.

1.1 Strategic Priorities of the 2025 Budget

According to Article 179 of Ghana's 1992 Constitution, the national budget outlines expected revenue and expenditures for the upcoming fiscal year. Although the President is constitutionally required to present the budget, it is prepared by the Ministry of Finance.

In response to a long history of poor fiscal management, the 2025 Budget prioritises fiscal recovery, transparency, and improved financial controls. President John Dramani Mahama's administration demonstrated a commitment to reducing administrative costs by downsizing his government, which included reducing the number of ministries from 30 to 23 and ministers from 88 to 60. The administration also intends to eliminate waste and inflated contracts by tightening procurement procedures and implementing debt sustainability reforms, including enhanced revenue mobilisation and expenditure rationalisation.

The administration appears to replicate many of the initiatives from developed nations without a thorough analysis of the local context. The 2025 budget runs the risk of becoming aspirational rather than transformative in the absence of sector-specific feasibility assessments and comprehensive implementation strategies. For instance, one of the most noteworthy initiatives is the creation of a 24-hour economy, which aims to combat youth unemployment and increase total GDP

and productivity by increasing the number of work shifts in industries such as manufacturing, transportation, healthcare, and agriculture. Despite its creativity, this project requires a strong supporting environment that includes a steady supply of electricity, enhanced security, effective urban transportation, and supportive labour laws.

The 2025 Budget outlines a strategic commitment to enhance support for small and medium-sized enterprises (SMEs) while leveraging digital innovation as a catalyst for growth, which includes plans to expand access to affordable financing through development banks, offer tax incentives for agricultural and technology start-ups, and expand e-government platforms to reduce corruption and improve service delivery. While these measures align with global best practices, the ability to execute them, particularly at the sub-national level, poses a possible constraint.

The Mahama administration places a great emphasis on the growth of investment in the education and health sectors. For 2025, the budgetary allocation to the Ministry of Education was increased to GH¢31.77 billion, with specific allocations including GH¢564.6 million for textbooks, GH¢1.788 billion for the School Feeding Programme (a 33% increase from 2024), and GH¢145.5 million for the Capitation Grant (a 73.2% increase). Teacher Development takes prominence with GH¢203 million devoted to Teacher Trainee Allowances, in addition to projects such as the "Teacher Dabre" rural housing programme for rural retention and a proposed 20% rural incentive allowance.

In the health sector, the government has allocated GH¢22.03 billion to the Ministry of Health, including GH¢9.93 billion for the

National Health Insurance Scheme (NHIS), which will cover claims, medicines, vaccines, and the Free Primary Healthcare initiative. GH¢480 million has been earmarked for Nursing Trainee Allowances and GH¢1.25 million for e-Health projects to digitise service delivery. Health infrastructure has received support, with GH¢444 million earmarked for major projects, including the completion of district hospitals and CHPS compounds.

However, inflationary pressures present dangers for the real value of such increments. Despite the high level of funding, the absence of clear targets, KPIs, or benchmarks is a weakness in tracking the impact and effect of such budgetary fund injections.

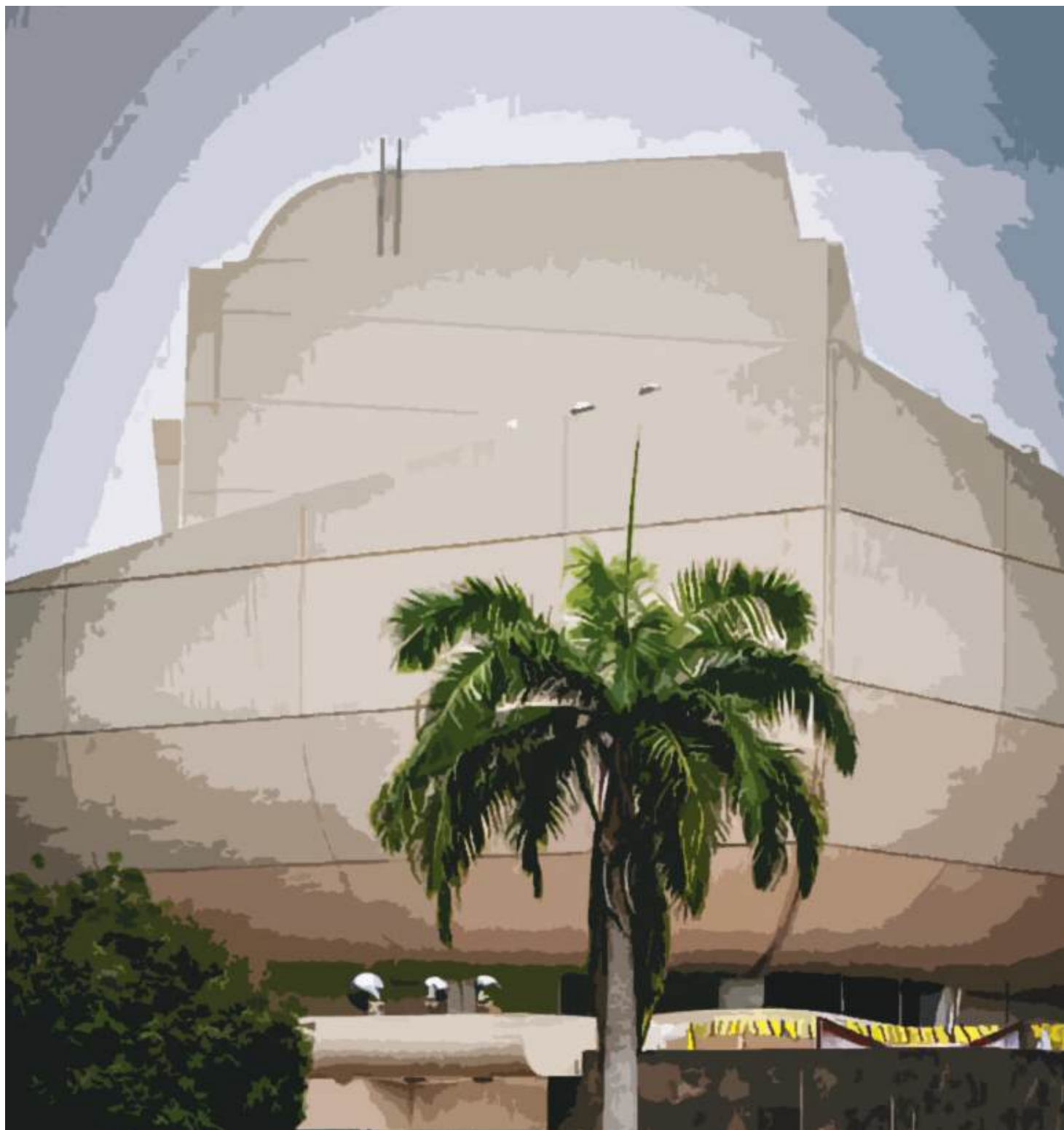
The 2025 Budget presents a significant opportunity to realign Ghana's economic direction. Nonetheless, the validity of these proposals hinges on the effectiveness of their implementation, the degree of transparency upheld, and the government's readiness to engage with non-state entities.

To ensure the effective implementation of the 2025 Budget, all stakeholders—particularly citizens and civil society organisations—must actively hold the government accountable. This includes demanding a clear and comprehensive roadmap for implementing flagship initiatives, particularly in critical sectors like health and education. Transparent disclosure of all public project details, including locations, budget allocations, and the names of implementing contractors, is essential. Such openness enhances the efficiency of public spending, builds public trust, and fosters a culture

of accountability. The government must adopt inclusive governance by involving citizens and civil society at every level of the budget process if it is genuinely dedicated to resetting Ghana's economy. Ghana cannot achieve a more prosperous, resilient, and equitable future without genuine collaboration and cooperation.

Dr. Cassiel Ato Forson, Ghana's Minister of Finance, presented the national budget in March 2025, with the theme "Resetting the Economy for the Ghana We Want." This significant policy document—the inaugural one under President John Dramani Mahama's revitalised administration—emerges during a period characterised by considerable economic uncertainty and heightened public anticipation. The 2025 Budget outlines a comprehensive strategy in response to prolonged macroeconomic instability, escalating debt levels, high unemployment rates, and diminished public confidence. Its focus is on achieving economic stabilisation, fostering job creation, and promoting inclusive development.

The 2025 Budget is not only a financial strategy, but it also indicates a significant shift in both political and economic paradigms. It aims to tackle entrenched structural issues by reinstating fiscal discipline, enhancing public financial management, and creating opportunities for marginalised groups. This effort is fundamentally supported by strategic initiatives, including the 24-Hour Economy, increased investments in health and education, digital transformation, and thorough clearance of arrears.



GHANA 2025 BUDGET

Key Economic Indicators



2.0

Key Economic Indicators

The 2025 Budget of Ghana is positioned within a context of measured optimism, emerging from a challenging fiscal landscape characterised by economic volatility, inflationary challenges, and stagnated growth. Ghana enters 2025 with a fragile economic outlook. The projected debt-to-GDP ratio for the nation stands at 88%, with inflation concluding in 2024 at 23.8%. The presence of over GH¢67 billion

in arrears is limiting fiscal capacity. Macroeconomic indicators suggest a potential for modest recovery; however, persistent challenges include currency depreciation, elevated interest payments, and diminished investor confidence. The budget for 2025 anticipates a GDP growth rate of 4.5%, while inflation is projected to decrease to 15% by the end of the year.

2.1 Projected GDP Growth Rate

Table 1: Projected GDP Growth Rate (2025 and Medium Term)

Indicator	2024 Actual	2025 Projection	2026 Projection	2027 Projection	2028 Projection
Overall Real GDP Growth (%)	5.7%	4.0%	4.8%	5.0%	5.0%
Non-Oil Real GDP Growth (%)	6.0%	4.8%	4.8%	4.8%	4.8%
Agriculture Sector Growth (%)	4.4%	4.8%	—	—	—
Industry Sector Growth (%)	6.8%	3.8%	—	—	—
Services Sector Growth (%)	6.3%	3.8%	—	—	—

Source: 2025 Budget Statement, Section 4 – Macroeconomic Targets, Pages 51–52

The projected real GDP is anticipated to decline to 4.0% in 2025, down from 5.7% in 2024, primarily due to factors related to debt management and a reduction in public expenditure. The decline in non-oil GDP to 4.8% suggests a widespread deceleration across key sectors that operate independently of extractive industries. Sectoral performance indicates that, although agriculture continues to grow steadily, from 4.4% to 4.8%, the industrial sector declines sharply to 3.8%, most likely due to recurring energy and infrastructure issues. Equally, the services, traditionally the primary contributor to GDP, also slowed to 3.8%, indicating subdued domestic demand and investor confidence. The revised GDP growth rate of 4.0% for 2025, down from the earlier estimate of 5.7% in 2024, reflects a deliberate shift in Ghana's economic strategy toward fiscal consolidation and debt sustainability, with several key factors driving this moderation. Among these factors are;

1. Debt Management and Reduced Public Spending.

With over GH¢64.2 billion allocated to interest payments and significant amortisation obligations in 2025, fiscal space for capital investment and expansive spending is severely constrained. This limits the government's ability to stimulate economic activity through infrastructure projects, social spending, and public sector employment.

2. Tightened Aggregate Demand

As part of the IMF-supported Post-COVID Programme for Economic

Growth (PC-PEG), Ghana is implementing fiscal restraint measures, including limiting subsidies, reducing arrears, and lowering budget deficits. These measures, while stabilising the macroeconomy, tend to dampen aggregate demand, particularly in sectors sensitive to consumption, such as retail, transportation, and services.

3. Investor Caution

In addition to the above factors, investor sentiment, particularly in the private sector, is still recovering from the previous macroeconomic instability and debt restructuring efforts, and this is contributing to subdued investment flows.

2.2 Inflation Rate and Cost of Living Impacts

Ghana's Annual Inflation Rates (2020–2024)
Ghana's inflation rate increased moderately from 9.9% to 12.6% between 2020 and 2021, primarily due to the economic disruptions caused by the COVID-19 pandemic and the subsequent recovery efforts. A combination of debt default, the steep devaluation of the Ghana cedi, and international economic pressures, notably the effects of the war in Ukraine, caused inflation to soar to a two-decade high of 54.1% in 2022. However, inflation significantly decreased to 23.2% in 2023 and then increased slightly to 23.8% by the end of 2024, when a \$3 billion IMF support program was implemented and almost \$13 billion in debt was restructured, indicating early signs of economic stabilisation.

Table 2: Inflation Rate and Cost of Living Impacts

Indicator	2023	2024	2025 Projection
Overall Inflation (End-of-Year, Ghana)	23.2%	23.8%	11.9%
Food Inflation (Ghana)	28.7%	27.8%	26.5% (as at March 2025)
Non-Food Inflation (Ghana)	18.7%	20.3%	18.7% (as at March 2025)
Imported Items Inflation	21.8%	17.9%	18.7% (as at March 2025)
Locally Produced Items Inflation	23.8%	26.4%	24.0% (as at March 2025)
ECOWAS Regional Avg. Inflation	20.9%	17.2%	16.7%

Sources: 2025 Budget Statement Section 2 – Global/Regional Inflation Outlook (Pages 5–9); Section 3 – Domestic Inflation Analysis (Page 10)

Ghana's inflation rate, although projected to decrease from 23.8% in 2024 to 11.9% in 2025, continues to be a major concern in relation to economic stability and the welfare of households. While the projected decrease is a welcome trend, food inflation remains a high 27.8%, a testament to

underlying challenges in agricultural output and food supply chains. Inflation in imported goods has fallen to 17.9% as currency stability takes hold, but inflation in locally produced goods has risen to 26.4%, a sign of inefficiency and shocks in domestic supply lines.



GHANA 2025 BUDGET

Government Revenue Sources

3.0 Government Revenue Sources

In 2025, Ghana's projected total grants and revenues are GH¢224.9 billion. Tax revenues are the largest source of revenue, accounting for over 84% of overall receipts at GH¢189.96 billion. Non-tax revenues account for a small portion at GH¢16.2 billion, while oil revenues, which are an unpredictable source of income, total GH¢16.5 billion. The government expects to receive a total of GH¢2.7, about 1.2% of the total revenue in grants.

The revenue breakdown indicates a growing reliance on internal resource mobilization in

Ghana. However, the predominance of tax revenue renders fiscal performance particularly vulnerable to fluctuations in economic activity and levels of tax compliance. While this structure boosts fiscal sovereignty, it also risks putting pressure on domestic consumers and businesses if economic growth falters. The significant reliance on oil, coupled with a lack of robust external grants, increases vulnerability to fluctuations in commodity prices and constrains the government's capacity to mitigate crises without resorting to borrowing.

Table 3.1 Government Revenue Sources



3.1 Breakdown of Expected Revenue

Table 3.1: Breakdown of Expected Revenue

Revenue Component	Amount (GH¢ Billion)
Non-Oil Tax Revenue	181.6
Non-Tax Revenue (non-oil)	16.2 (Retained: 13.6; Lodged: 2.6)
Oil & Gas Receipts	16.5
Grants (Project Based)	2.7
IGF Capping Yield	GH¢274.6 million

Source: 2025 National Budget and Economic Policy, Pages 57–59

Non-oil tax revenue is estimated at GH¢181.6 billion, reflecting the government's reliance on domestic tax mobilisation. Of the GH¢16.2 billion of non-tax revenue, GH¢13.6 billion will go to MDAs, raising transparency and accountability concerns with regard to the utilization of internally generated funds (IGFs). The GH¢16.5 billion of oil receipts remains an important but volatile revenue item.

3.1.1 Oil and Non-Oil Revenue

Oil revenue accounts for only 1.2% of GDP, while non-oil tax revenue accounts for 13.5% of GDP. This suggests that although oil revenue plays a crucial role, non-oil

economic activities are essential for maintaining fiscal stability. When combined, grants and non-oil revenue make up 14.9% of GDP, reflecting modest domestic capability and suggesting a need to enhance non-oil tax compliance and administration. The government must prioritize the non-oil revenue component to meet its budgetary obligations; it may consider systems to successfully tax the informal sector and combat tax avoidance strategies by wealthy individuals.

Table 3.1.1 Oil vs. Non-Oil Revenue (2025)

Type	Amount (GH¢ Billion)	% of GDP
Total Oil Revenue	16.5	1.2%
Non-Oil Tax Revenue (Gross)	189.2	13.5%
Non-Oil Revenue & Grants	208.4	14.9%

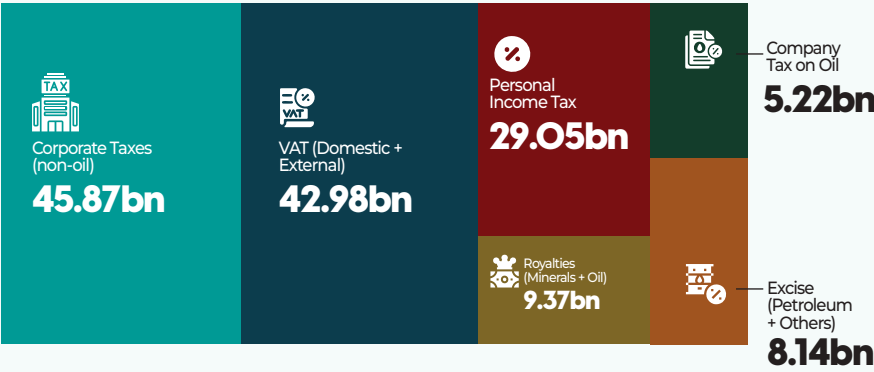
Source: 2025 National Budget and Economic Policy

3.1.2 Taxes (Personal, Corporate, VAT)

Ghana's 2025 revenue projections show VAT and corporate tax as the leading sources, with contributions of GH¢45.87 billion and GH¢42.98 billion, respectively, highlighting the fundamental role of formal business and consumer spending in public finances. Personal income tax, at GH¢29.05 billion, signals improved compliance and a progressively formalising economy, while oil company royalties and taxes, valued at GH¢14.59 billion, are a significant but unstable source of revenue. This tax

structure, however, has some structural weaknesses. The overdependence on corporate tax and VAT implies that public finances are exposed to economic shocks, since business profit or household consumption slumps could directly undermine revenue performance. Moreover, the regressive nature of VAT impacts lower-income groups especially, and without compensatory measures like subsidies or social protection, it risks widening inequality and undermining support for broader tax reforms.

Table 3.1.2 Taxes (Personal, Corporate, VAT)



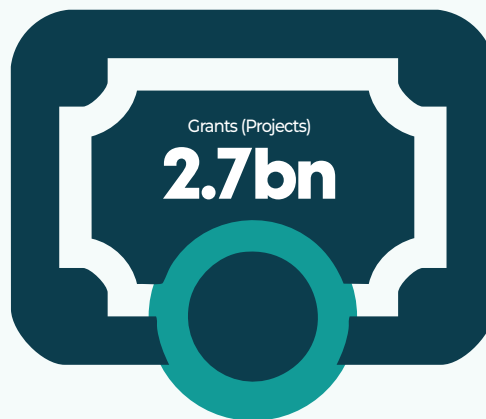
Source: 2025 National Budget and Economic Policy

3.1.3 Grants and Foreign Aid

Ghana's 2025 Budget reflects a marked shift in development financing, with grants amounting to just GH¢2.7 billion, all project-based and without general budget support. This transition away from programme-based grants, including the scrap of USAID assistance, signals a move toward fiscal independence but significantly reduces the government's financial flexibility. The health and education sectors, which have historically relied on donor funding for key interventions like vaccines, maternal health, teacher training, and literacy programs, now face funding gaps that could disrupt service delivery unless swiftly

compensated by domestic resources. This decline in concessional aid places increased pressure on the national budget, potentially forcing Ghana to rely more on expensive commercial borrowing to meet social spending needs. It also raises the urgency for the government to improve domestic revenue mobilization and public financial efficiency while expanding public-private partnerships and civil society collaboration to sustain progress in frontline services. Without a coordinated strategy, the country risks service shortfalls, deepening inequality, and diminished human development outcomes at a time of rising debt and social demand.

Table 3.1.3: Grants and Foreign Aid



Source: 2025 National Budget and Economic Policy

3.2 Revenue Challenges and Implications for Public Spending

The revenue performance of Ghana for 2024, along with projections for 2025, reflects a combination of advancements and ongoing vulnerabilities. Although corporate and income taxes surpassed projections and contributed to alleviating fiscal strain, taxes on domestic goods and services fell short by 9.8 percent. Non-tax revenues, particularly internally generated funds (IGFs), showed strength, but critical streams such as the Energy Sector Levies Act (ESLA) and donor grants failed to meet targets. This inconsistent performance underscores the structural issue of revenue volatility, which complicates long-term fiscal planning and undermines the government's ability to consistently finance policy priorities.

The irregularities in revenue collection may significantly impede the government's capacity to effectively strategize and provide critical services, including healthcare, education, and infrastructure development.

Shortfalls in expected tax receipts can cause delays or reductions in public service delivery and project execution. Overreliance on volatile income streams often necessitates frequent budget revisions and contributes to financial instability. Also, failure to meet targets from grants and levies like ESLA limits funding for energy programs, social interventions, and broader development initiatives.

To address these gaps, the government may resort to increased borrowing, expanding the national debt and intensifying debt servicing obligations. Alternatively, it may consider introducing new or higher taxes, potentially raising the cost of living and placing additional pressure on households and businesses. Furthermore, public dissatisfaction may increase if citizens feel overburdened by taxes without corresponding improvements in public services or infrastructure. Ultimately, sustained revenue instability may jeopardize Ghana's ability to meet its long-term development goals, especially if key sectors remain underfunded.

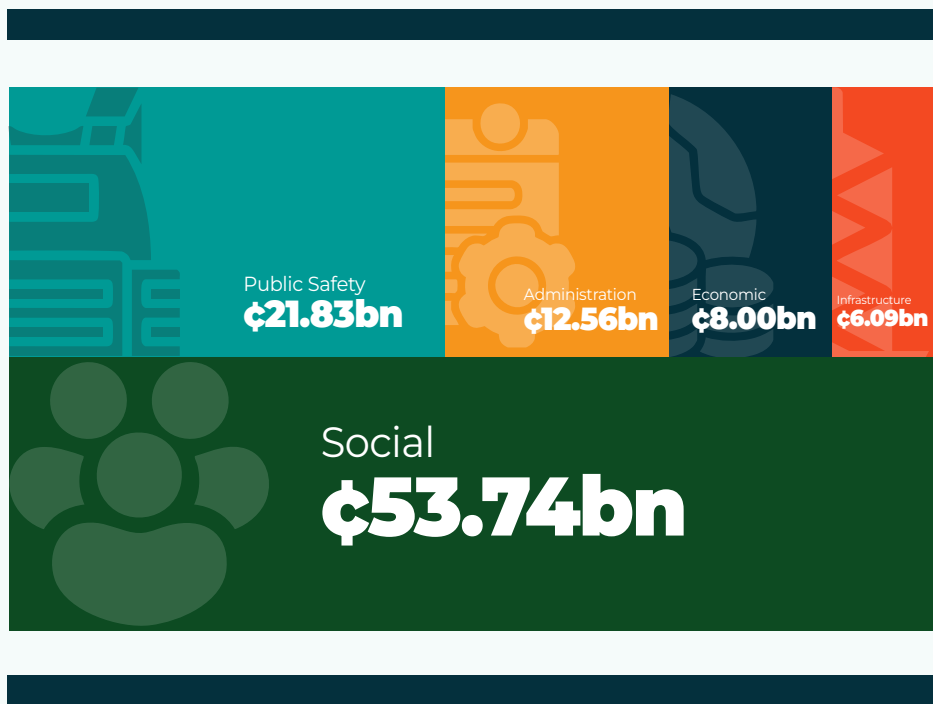


GHANA 2025 BUDGET

Budget Allocation by Sector

4.0

Budget Allocation by Sector



Source: 2025 National Budget and Economic Policy

4.1 Education Sector Allocation

Table 4.1: Education Sector Allocation

Item/Intervention	Action/Increment in %	Allocation in million (GH¢)
Free SHS Programme	Full funding secured via uncapped GETFund	
Capitation Grant	(73.2% increase from 2024)	145.5
School Feeding Programme	33% increase	1.788
Textbook Provision	For new curriculum-based textbooks	564.6
Teacher Allowances		203
Nursing Trainee Allowances		480
Teacher Accommodation (Rural Incentive)	100 units to be constructed	
Girls' Sanitary Pads Initiative	1.3 million female students as beneficiaries	292.4
Total Sector Budget (MoE + Agencies)		GH¢42.5 billion

Source: 2025 National Budget and Economic Policy

The education sector remains a priority, with an overall budget of GH¢42.5 billion. Flagship programs like Free SHS, School Feeding, and the supply of textbooks saw a significant increase, while Capitation Grants increased by more than 70%. Supply of sanitary pads for enabling girls' education and teacher allowances to rural areas demonstrates an increasing emphasis on equity and inclusion. Reinstated teacher and nursing training allowances also demonstrate the government's dedication to human capital development. A sustained investment in education develops long-term productivity and widens access to skills training. For citizens, particularly poor and

rural families, these interventions bring fiscal relief and greater equality of access to learning. Notwithstanding, efficiency and quality of delivery remain critical in ensuring measurable outcomes. However, some components lack budgetary allocations, which will hinder project tracking and, consequently, transparency and accountability. Furthermore, special initiatives by the government in the educational sector, including free university education for first-year students and PWDS, have not been captured in the sector allocations. This presents a challenge when it comes to tracking the status of these initiatives

4.2 Health Sector Allocation

Table 4.2: Health Sector Allocation

Health Investment Area	Key Allocation/Development	Allocation in million (GH¢)
NHIS Allocation (Free Primary Health Care)	for claims, vaccines, medicines, cancer treatment, etc.	9.93
Teaching & Regional Hospitals	Major upgrades: Korle-Bu, Komfo Anokye, Ho, Bolgatanga, Tamale	
CHPS Compounds & Primary Care	Expanded rural services, ventilators, and diagnostics equipment	
Cancer and NCD Support	Ghana Medical Care Trust Fund launched	
Sector Budget (MoH total allocation)		GH¢6.55 billion

Source: 2025 National Budget and Economic Policy

With an allocation of GH¢6.55 billion to the Ministry of Health and GH¢9.93 billion for NHIS programs, the health sector aims to increase the coverage of free primary health care, improve regional hospitals, and support community-based services (CHPS). The introduction and launch of the Medical Care Trust Fund to support cancer and NCD treatment is one major development in financing long-term care. These allocations represent a significant step towards universal health coverage in Ghana. For residents, particularly in underserved areas of the country, better equipment and public health infrastructure would help cut down on travel time to health centres and reduce mortality. However, the effective deployment of health workers and the timely disbursement of requisite funds remain essential in order to realise these positive impacts.

4.3 Infrastructure & Transportation

A budget of GH¢6.09 billion is set for upgrading priority national corridors and streamlining traffic within cities. The Accra-Kumasi bypass, the Flowerpot flyover and the expansion of the Tema Motorway Roundabout are some projects that are expected to alleviate traffic congestion and enhance trade. The emphasis indicates a change in priority from new megaprojects to finishing and maintaining current road and bridge assets. These investments will enhance logistics, reduce travel time, and generate economic activity in the area. However, regional disparities in allocation could create inequality. For citizens, better road conditions will translate to improved mobility, decreased transport expenses, and employment creation in construction. This is however, subject to transparency in procurement and minimal holdups in resource distribution.

Table 4.3 Infrastructure and Transportation Allocations

Focus Area	Details
Major Road Projects	Accra–Kumasi bypasses, Nsawam–Ofankor, Kasoa–Winneba, Takoradi–Agona
Interchange Works	Tema Motorway Roundabout (3rd Tier), Flowerpot Flyover
Sector Budget (Infrastructure total)	GH¢6.09 billion

Source: 2025 National Budget and Economic Policy

4.4 Social Welfare & Poverty Alleviation

Social protection programs have been significantly increased, with GH¢3.19 billion allocated to LEAP and cross-sectoral social protection of GH¢73.3 billion. This is a measure geared toward insulating the poor and vulnerable against economic and inflation shocks. Free tertiary education for people with disabilities and expanded school feeding are all part of inclusive development. These allocations have a

direct effect of reducing poverty, improving attendance at schools, and enhancing the dignity of excluded citizens. Notwithstanding, sustainability will be a matter of debate if revenue pressures continue. The effectiveness of these programs will depend on efficient targeting and timely disbursement. For the citizens, most especially the poor, the elderly and women living in rural areas, the welfare system presents a significant safety net.

Table 4.4: Allocations for Social Welfare and Poverty Alleviation

Program	Action	Allocation in billion (GH¢)
LEAP Program (Social Cash Transfers)		1.201
NHIS (Free Primary Care)	shared with health initiatives	9.93
School Feeding		1.79
Capitation Grant		145.5 million
Disability Education Support	Free tertiary education for persons with disabilities	
Social Sector Allocation (incl. Education, Health, Youth)		GH¢73.3 billion

Source: 2025 National Budget and Economic Policy

4.5 Security & Defense

Combined security-related allocations amount to approximately GH¢21.7 billion, with GH¢12.63 billion to Interior and GH¢7.77 billion to Defense. The funding for upgrading the police, judicial services and digital systems indicates a modernisation and public safety push. Prioritisation of national ID systems could support more

comprehensive e-governance objectives. Improved security could discourage crime, maintain electoral integrity and defend economic assets. Over-investment in defense compared to the social sectors, however, could generate critique. Citizens will, of course, benefit from improved policing and judicial access, but issues relating to civil liberties and militarisation have to be well-managed.

Table 4.5 Security and Defense Allocation

Program	Action	Allocation in billion (GH¢)
LEAP Program (Social Cash Transfers)		1.201
NHIS (Free Primary Care)	shared with health initiatives	9.93
School Feeding		1.79
Capitation Grant		145.5 million
Disability Education Support	Free tertiary education for persons with disabilities	
Social Sector Allocation (incl. Education, Health, Youth)		GH¢73.3 billion

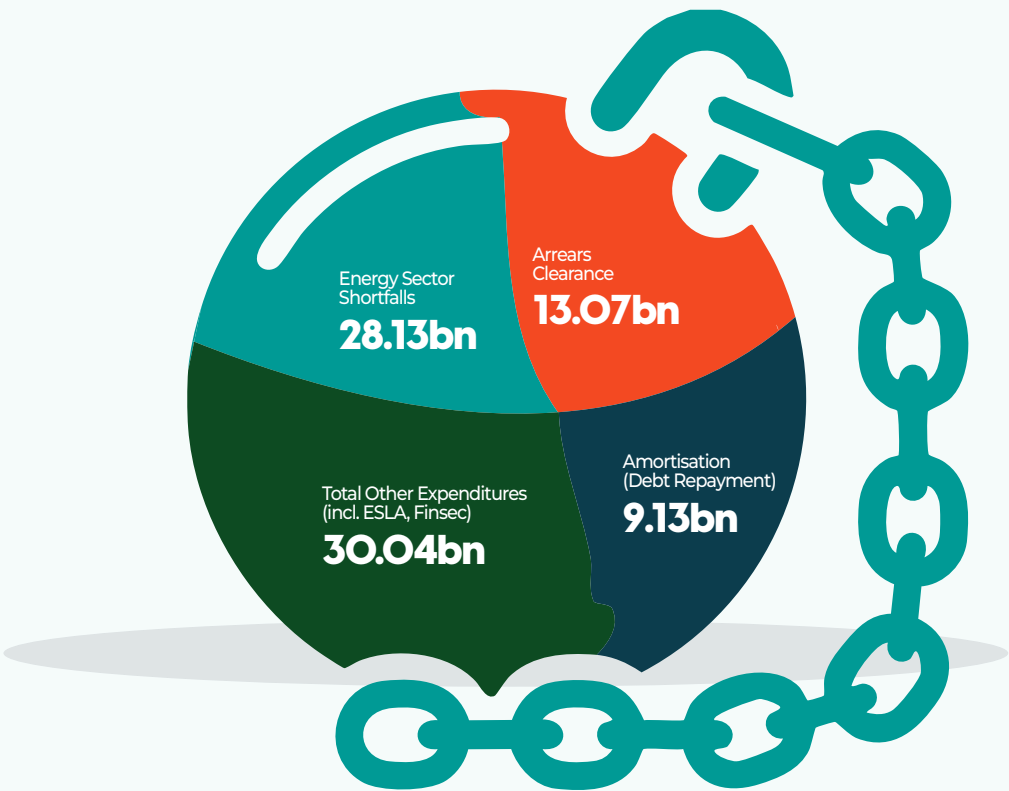
Source: 2025 National Budget and Economic Policy

4.6 Debt Servicing

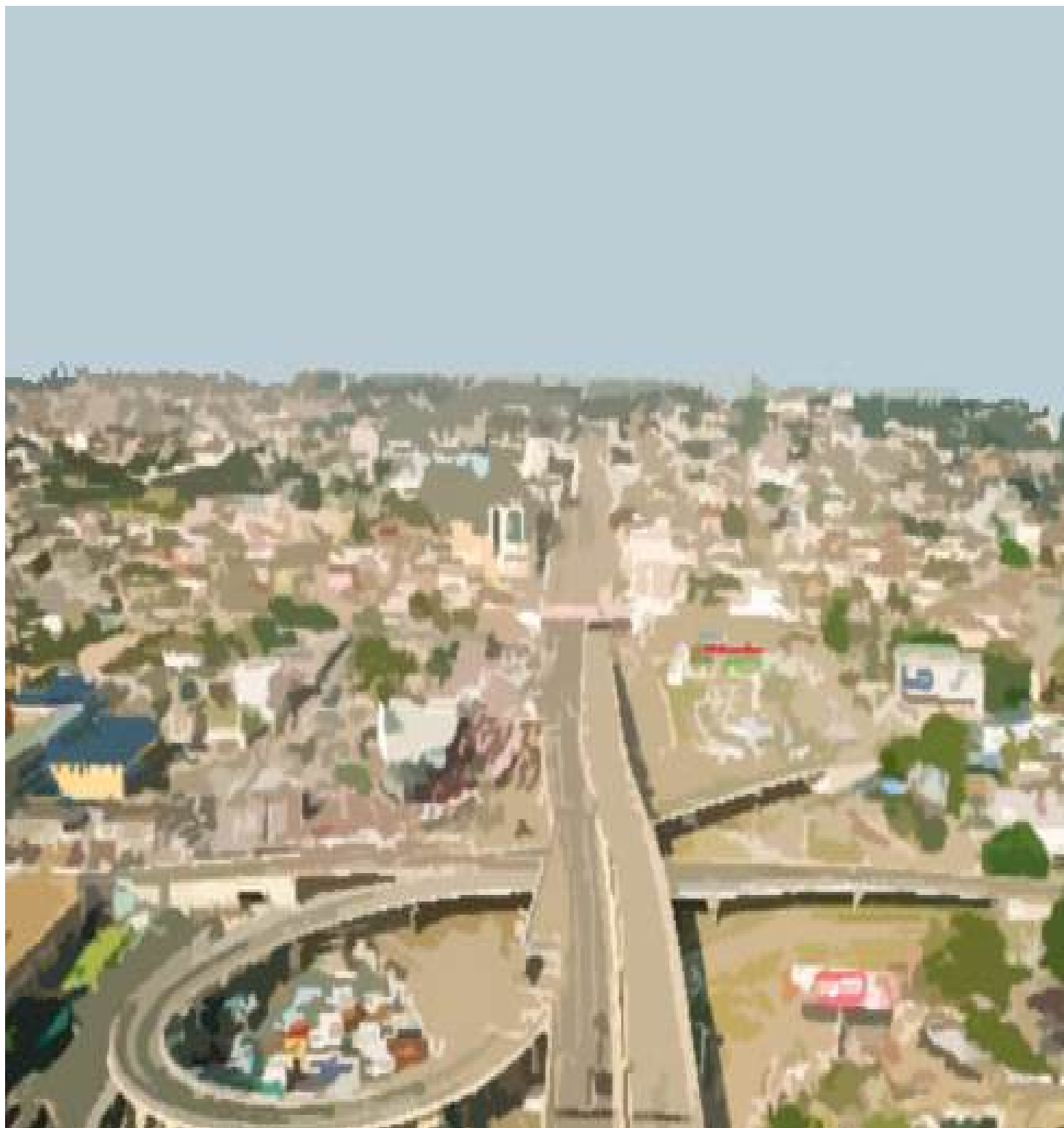
Allocations directed toward debt servicing remain highly significant. The allocations include GH¢9.13 billion for amortisation, GH¢13.07 billion for arrears, and GH¢28.13 billion to cover energy sector imbalances. This means that a large portion of public funds will not be channelled towards new developments but rather service legacy financial obligations. Debt servicing crowds out necessary spending and limits fiscal flexibility. This results in citizens facing slow service rollouts or the prospect of paying more taxes in the future to meet fiscal shortages. The government, therefore, has to give top priority to debt sustainability measures to avoid service degradation and

public dissatisfaction. To achieve debt sustainability, Ghana must digitise and tax fairly without overburdening the poor. Also, the legacy debt must be reprofiled to make room for extended tenors with lower interests and the arrears systemically audited and cleared. To avoid fiscal waste, value-driven investments in the public sector must be made, along with rigorous project vetting. SOEs must be reformed to reduce fiscal risk through divestitures, and all debt reporting must be public and transparent. Last but not least, fiscal prudence must be supported by the implementation of the Fiscal Responsibility Act, which includes an independent Fiscal Council.

Table 4.6: Allocations for Debt Servicing



Source: 2025 National Budget and Economic Policy



GHANA 2025 BUDGET

Key Government Projects and Programs



5.0 Key Government Projects and Programs

5.1 Major Capital Projects for 2025

Ghana's capital projects pipeline focuses on infrastructural, housing, power, and healthcare development. The most prioritised projects are strategic transport corridors like Nsawam–Ofankor, Kasoa–Winneba, and Accra–Kumasi bypasses. High-completion-rate projects like Tema Roundabout Interchange (99%) and East Legon Flyover (99%) show a focus on completing legacy projects. The housing sector is being attended to with renewed focus, with the revival of the projects at Saglemi and Kpone, together with emergency accommodation for victims of the Akosombo spillage. Prioritised health infrastructure such as the Komfo Anokye

Hospital modernisation, highlights the focus of the government to upgrade services. Alternative energy and digital traffic systems complete the modernisation program.

These investments seek to unleash productivity by enhancing mobility, safety, access to housing and healthcare provisions. They also reflect the government's commitment to filling deficits in critical infrastructure. For citizens, the outcome presents reduced travelling times, improved living conditions and improved public services. Concentration of the capital projects in particular areas, however, can increase regional disparities if not distributed in a more equitable manner.



Table 5.1: Major Capital Projects

Project Title/Initiative	Sector/Agency	Status/Note
Nsawam–Ofankor 10-lane Highway	Roads & Highways	68% complete, continues in 2025
Kasoa–Winneba Dualization (30km)	Roads & Highways	39% complete
Takoradi–Agona Nkwanta Dualization (23km)	Roads & Highways	32% complete
Tema Motorway Roundabout Interchange (3rd Tier)	Roads & Highways	99% complete
Flowerpot–East Legon Flyover	Roads & Highways	99% complete
Accra–Kumasi Highway Bypasses	Roads & Highways	Ongoing; avg. 60–74% progress
Affordable Housing Projects (Saglemi, Kpone, Labone)	Works & Housing	Restarting & continuing in 2025
1,010 Housing Units (Akosombo Spillage Victims)	Works & Housing	Phase II ongoing
Coastal Protection Projects	Works & Housing	Ongoing/expanding
Komfo Anokye Hospital Modernisation	Health	In progress
Accra Intelligent Traffic Management System	Roads & Highways	Implementation phase
Renewable Energy Initiatives	Energy	Several national grid interventions

Source: 2025 National Budget and Economic Policy

5.2 Ongoing Projects from Previous Years

Several high-impact projects that were initiated in previous years are set to be continued or finalised in 2025. Among them are water systems in urban areas (specifically, Wenchi and Sekondi-Takoradi), E-blocks educational facilities and regional hospitals. The completion of the justice

sector buildings, such as the Law House, and health buildings, such as Afari Military Hospital, demonstrates the government's efforts to reduce infrastructural gaps in healthcare and governance. Major developments in agriculture (e.g., AMSEC) and digital inclusion (rural telephony) also demonstrate a gradual shift toward inclusive, rural-centered development. Continuity of project delivery safeguards

past investment and preserves public confidence. Completion of schools, the building of hospitals, and the installation of water supply systems facilitate long-term human and social development. Politicisation of project allocation or tardy

implementation, on the other hand, may deter rapid impact or lead to benefits accumulating in politically tactical locations. For citizens, such projects are fundamental to services and quality of life.

Table 5.2 Ongoing Projects from Previous Years

Sector	Project/Program	Status
Water Supply	Keta, Wenchi, Techiman, Sekondi-Takoradi	72%–85% complete
Urban Roads	Asphalt overlays, culverts, and drain rehabilitation	Ongoing in 2024
Education	62 E-blocks to be completed; 5 new E-blocks planned	Attention in 2025
Health	Regional hospitals (Effia Nkwanta, Koforidua, etc.)	Phased completion strategy
Military	Afari Military Hospital, 37 Military Hospital Upgrades	To be completed in 2025
Justice	Law House (130 offices, archive, etc.)	Construction completed in 2024
Digital	Rural Telephony & Digital Inclusion	Ongoing
Agriculture	AMSEC strengthening, Value Chain Fund	Continuing implementation

Source: 2025 National Budget and Economic Policy

5.3 Regional Distribution of Key Projects

Table 5.3: Regional Distributions of Key Projects

Region	Projects Noted
Greater Accra	Accra Intelligent Traffic Project, Tema Interchange, East Legon Flyover, Adenta–Dodowa
Ashanti	Komfo Anokye Hospital, Afari Military Hospital, Kumasi Inner City Roads
Western	Sekondi–Takoradi Roads, PTC Interchange, Effia Nkwanta Hospital
Volta	Keta Water Project, Coastal Protection (Anloga, Anyanui), Resettlement Housing (Akosombo flood)
Eastern	Koforidua Hospital, Osino Bypass, Akosombo Road Connection
Bono East	Feeder Roads (214km, 81% complete)
Northern	Tamale–Tatale Road (66km, 90%), Yendi–Tamale Road (106km, 91%)
Upper West	670km of feeder roads (Transport Sector Improvement Project)

Source: 2025 National Budget and Economic Policy

The distribution of the project indicates clear efforts to promote development in all 16 regions, although there is a higher concentration in economic hubs. Greater Accra dominates with major traffic and interchange systems. The Ashanti Region benefits from large-scale hospital and road projects. Western and Volta see significant investment in health and coastal protection. Northern and Bono East regions gain from feeder road improvements, that enhance rural access. Infrastructure in Eastern and Upper West reflects a mix of economic and resilience planning. While the budget has captured projects across several regions in Ghana, eight (8) out of the 16 regions in

Ghana are not represented.

This distribution reflects a balance between economic productivity and equity. Urban regions get strategic road upgrades to support commerce, while rural and peripheral areas see investments in connectivity and services. However, sustained monitoring is required to ensure equity, prevent neglect of less populous regions, and align projects with local development plans. For citizens, particularly in underdeveloped areas, these interventions can reduce isolation, enhance economic inclusion, and improve access to state services.



GHANA 2025 BUDGET

Budget Deficit and Borrowing Plans

6.0 Budget Deficit and Borrowing Plans

6.1 Projected Deficit

Ghana's fiscal policy demonstrates a conscious shift towards stabilisation and consolidation. The overall fiscal deficit is expected to fall from 5.2% of GDP in 2024 to 4.1% in 2025 and then further down to 0.7% by 2028, which suggests a tightening of the public purse. The primary balance, excluding interest charges, is projected to shift to a surplus (+0.5%) in 2025 from a deficit in 2024, which implies a strong signal of fiscal effort. The commitment-based deficit, which is more inclusive in scope, is expected to be reduced by half, and the

settlement of arrears, an area of concern in the public sector, remains part of the medium-term adjustment.

This fiscal consolidation is crucial in the effort towards restoring macroeconomic confidence, controlling inflation, and stabilising the cedi. Such tight consolidation efforts would involve cutting spending in areas like public investment or other social services unless supported by vigorous revenue growth. With this, the citizens might, at first, experience restricted growth in services, but improved fiscal discipline can lead to improved service quality and debt sustainability in the long run.

Table 2: Inflation Rate and Cost of Living Impacts

Indicator	2024 Outturn	2025 Budgeted	2026–2028 Outlook
Overall Fiscal Deficit (Cash basis)	GH¢61.41 billion (5.2% of GDP)	GH¢56.91 billion (4.1% of GDP)	Declining to 0.7% of GDP by 2028
Primary Balance (Cash basis)	-1.2% of GDP	+0.5% of GDP	Surplus maintained at 0.5–0.7%
Commitment-based Fiscal Balance	-7.9% of GDP	-3.1% of GDP	Turns positive by 2028
Targeted Arrears Clearance	GH¢13.07 billion	GH¢11.61 billion	Ongoing over 2025–2028

Source: 2025 National Budget and Economic Policy

6.2 Domestic and Foreign Borrowing Plans

Ghana's funding plan for the GH¢56.91 billion deficit in 2025 is skewed towards domestic markets (65.9%), with the balance coming from foreign sources (34.1%). Locally, GH¢36.98 billion will be mobilised through T-bills, medium-term bonds, and reopened instruments, with commercial banks and non-bank financial institutions (such as pensions and insurance) forming key subscribers. Multilateral organisations such as the IMF (US\$720 million) and the World Bank (US\$600 million) provide supplementary foreign aid. However, due to

global high interest rates, no Eurobonds exist. The government is also restoring the Sinking Fund as a tool for managing future repayments and debt servicing risk. Although domestic borrowing reduces exposure to foreign currencies, it has the risk of crowding out private credit, keeping interest rates high, and overburdening domestic banks. Unless savings are increased or reforms are implemented, such demands could overwhelm Ghana's financial system. For locals, this would mean less credit for SMEs, potentially volatile treasury rates, and higher consumer borrowing costs.

Table 6.2: Domestic and Foreign Borrowing Plans (2025)

Category	2025 Plan	Details/Sources
Total Financing Need	GH¢56.91 billion	65.9% from domestic, 34.1% foreign
Domestic Borrowing (Net)	GH¢36.98 billion (2.6% of GDP)	T-bills, reopened bonds, medium-term instruments
<ul style="list-style-type: none"> Commercial Banks Non-bank Sector 	GH¢18.67B (banks) GH¢18.31B (non-banks)	Main holders of new domestic debt Pensions, insurance, mutual funds etc.
Foreign Borrowing (Net)	GH¢21.4 billion (1.5% of GDP)	IMF (US\$720M), World Bank (US\$600M), no Eurobonds
Amortisation (due)	GH¢9.13 billion	Covered by repayments and Sinking Fund contributions
Contingency Measures	—	Sinking Fund reactivated for liability management

Source: 2025 National Budget and Economic Policy



6.3 Implications for the Economy

Ghana's 2025 budget framework marks a strategic pivot toward macroeconomic stabilisation, with a focus on reducing the fiscal deficit from 5.2% in 2024 to 4.1% and achieving a primary surplus of 0.5% of GDP. These strategies aim to restore fiscal discipline, rebuild market confidence, and contain inflation.

However, the prevalence of domestic borrowing (GH¢36.98 billion) over concessional foreign loans could crowd out private investments, hamper innovation, and slow down economic recovery. Furthermore, the heavy refinancing needs in 2025 also pose risks to interest rate stability

and investor confidence.

Additionally, limited fiscal space, due to high debt service, arrears, and payroll costs, may constrain capital expenditure on infrastructure, education, and health. Without strong domestic revenue growth, fiscal tightening could dampen GDP growth, employment, and progress toward SDG targets.

On a positive note, prudent fiscal management, which is evident in the restoration of the Sinking Fund, avoidance of Eurobond issuance, and IMF/World Bank engagement, could improve Ghana's credit outlook, reduce borrowing costs, and attract long-term investment.





GHANA 2025 BUDGET

Other Budgetary Highlights



7.1 Gender Budgeting

1. *Women's Development Bank*

The government has allocated seed money of GH¢51.3 million for the establishment of the Women's Development Bank to dispense low-interest loans and customised financial services for businesses owned and operated by women. This scheme will be seeded with an initial capital allocation in 2025 and is an integral part of a larger economic inclusion plan.

2. *Ministry of Gender, Children and Social Protection (MoGCSP) Budget*

The Ministry's total allocation for 2025 is approximately GH¢3.66 billion, including allocations to:

Livelihood Empowerment Against Poverty (LEAP) – GH¢1.201 billion

School Feeding Programme – GH¢2.572 billion

Domestic Violence Fund – GH¢425,250

Child and Human Trafficking Fund – GH¢627,083.

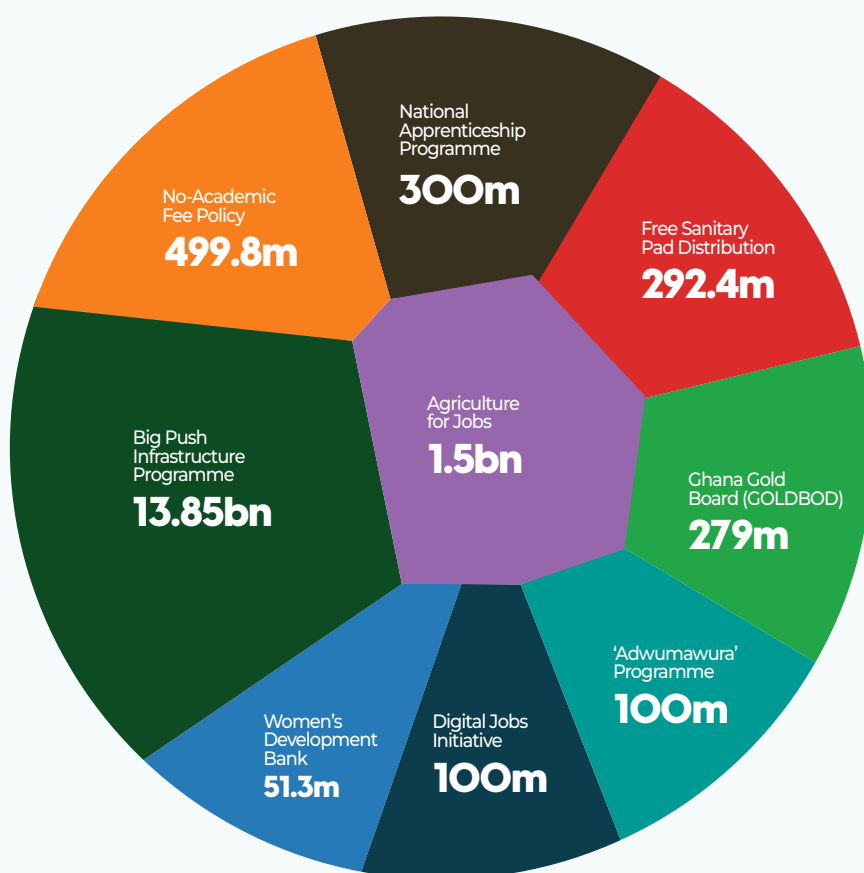
These funds directly support women and children, particularly in vulnerable households.

3. *Support Services & Gender Infrastructure*

Additional budget lines include support for the Department of Social Welfare, Efua Sutherland Children's Park, and Central Adoption Authority, with allocations for operational costs and small-scale infrastructure support.

Ghana's 2025 efforts at gender budgeting are representative of a policy priority toward women's economic empowerment and protection. The establishment of a specialized Women's Bank signals that the government is preparing to tackle constraints to accessing finance faced by women entrepreneurs, particularly in the informal economy. Along with this, the expansion of social interventions such as LEAP (Expansion of beneficiaries from 350,000 households to 400,000 households, representing 14.30% increase) and the school feeding program ensures that these targeted interventions benefit the marginalised in the society especially poor women, many of whom are caregivers and single heads of household. These interventions have a multiplier effect, enhancing children's schooling, nutrition and community resilience.

7.2 Special Initiatives



Other initiatives with unspecified allocation

- Free Tertiary Education for PWDs
- Ghana Labour Export Programme
- Public Sector Employment Strategy
- National Employment Trust
- Free Primary Healthcare

Source: 2025 National Budget and Economic Policy

The Special Initiatives in the 2025 Budget indicate a strategic focus on inclusive development with programs addressing structural issues like unemployment among youth, gender inequality, and unequal access to education and healthcare. While the GH¢13.85 billion Big Push Infrastructure Programme has the potential

to create jobs and increase infrastructure development, its long-term effectiveness will depend on its procurement being open and local content being included as part of the plan. This is similar for gender-responsive initiatives, such as the establishment of a women's development bank and the accessibility of education for people with

disabilities (PWDs).

Youth programs provide an important connection between job and skills development, but will be tested by the extent to which private sector employment demand and innovation systems align. Improved coverage in the major areas of healthcare and education by expanding the National Health Insurance Scheme (NHIS) and waiving fees is a step in the right direction, but may be inhibited by fiscal pressures and bureaucratic blockages. For the most part, although the fiscal initiatives have the potential to be transformational and genuinely beneficial, their success will depend upon political will, interagency cooperation, and stable

funding. Successful implementation has the potential to bring increased productivity, diminished disparities, and long-term economic resilience to affected groups.

7.3 Agriculture

1. Strategic Policy Framework: AETA & PFJ Phase II

The Agriculture for Economic Transformation Agenda (AETA) continues as Ghana's flagship policy to modernise the agriculture sector. Under AETA, the second phase of Planting for Food and Jobs (PFJ Phase II) focuses on improving productivity, ensuring food security and promoting

2. Key 2025 Programmes and Interventions

Programme/Project	Purpose	Direct Beneficiaries / Targets	Funding/Allocation
Feed Ghana Programme (FGP)	Promote household and institutional food production (schools, security, etc.)	Households, schools, public agencies, FBOs nationwide	Part of the GH¢1.5B allocation for AETA
Transformational Grains Development (TGD)	Improve yield of maize, rice, soya, and sorghum	Farmers receiving: 4,000MT maize seed, 10,000MT rice seed, 2,000MT soya, 200MT sorghum; production target: maize 30% increase, rice 19% increase, soya 40% increase.	Covered under AETA allocation
Vegetable Development Project (YEREDUA)	Reduce tomato, onion, pepper imports; support greenhouses	Vegetable farmers (urban, peri-urban); recipients of improved seeds, fertilizer, greenhouse infrastructure and training	Included in AETA
Livestock & Poultry Projects	Rehabilitate breeding centers; support poultry at household level	30 anchor farmers (2.4M day-old chicks); 1M kuroilers for 55,000 households	Under AETA
Roots and Tubers Development Project (RTDP)	Boost cassava, yam, plantain production	Farmers receiving cassava bundles, plantain suckers, and yam setts	Part of AETA allocation
Irrigation for Wealth Creation	Promote all-year crop/livestock farming with pump & pivot systems	Feasibility studies commenced; national coverage for irrigable zones	Project under 24-hour economy (cost not stated)
Feed Industry Programme	Support raw material supply for agro-processing	Agro-processing industries, commercial farmers using local inputs	Implementation starting 2025

2. Key 2025 Programmes and Interventions

Programme/Project	Purpose	Direct Beneficiaries / Targets	Funding/Allocation
Tree Crops Diversification (GTCDP)	Promote cashew, mango, rubber, shea, coconut for export	Farmers to receive seedlings of selected crops	Funding not disclosed; within MoFA pipeline
Palm Oil Industry Policy	Achieve self-sufficiency in red oil; establish out-grower schemes	Oil palm farmers supported with seedlings; incentive-based value chain support	Budget not specified
AgriNext & Youth Integration	Link graduates to agribusiness and processing	Youth farmers via NSS, YEA farms; also mini processing plants to be deployed in production zones	Covered under agriculture and youth allocations

Source: 2025 National Budget and Economic Policy

The 2025 budget includes specific interventions for the agriculture sector, such as Feed Ghana, Transformational Grains Development, and AgriNext. The programmes encompass production areas (seeds, irrigation), agro-processing, and market linkages. Worth noting is that the youth and women inclusion elements, such as AgriNext and backyard poultry for 55,000 households, look towards livelihood support and employment creation and fit into larger socioeconomic recovery objectives.

The major concern in this regard is the absence of disaggregated financial allocations for individual flagship programmes. The bulk of the interventions fall within the aggregate allocation of GH¢1.5 billion for AETA, thereby making it difficult to identify how much money is allocated to a given sub-project. Such a lack of specificity risks misallocation, under-financing or political diversion of resources. This presents a performance audit risk of not being able to track

spending based on results.

To ensure transparency and impact evaluation, the following should be pursued:

- Tag allocations program-wise within the Ministry of Food and Agriculture's budget lines.
- Create digital dashboards to track inputs (e.g., seeds, seedlings), outputs (acreage, yield), and outcomes (market price trends, job creation).
- Enforce monthly/quarterly reporting from implementing agencies like MoFA, GIDA, and Tree Crops Authority.
- Utilize GIS mapping and farmer registration databases to monitor geographic reach and beneficiary demographics.
- Empower civil society and local media with simplified budget briefs to enhance grassroots tracking and feedback loops.

3. **Sector Performance and Growth Outlook**

- Agriculture growth slowed to 2.8% in 2024, from 5.9% in 2023.
- Crop sub-sector grew at 3.2%, livestock at 3.5%, and fishing at 2.5%.
- Cocoa contracted sharply by 22.4%, largely due to adverse weather conditions.

4. **Budget Allocations and Resources**

The Ministry of Food and Agriculture has been allocated over GH¢32.3 million in Internally Generated Funds (IGF) for 2025, rising to GH¢49.84 million in 2026. These funds support agricultural inputs, mechanisation services, veterinary care, and youth programs through MoFA agencies and colleges across Ghana.

7.4 **Health**

1. **Strategic Policy Reforms**

The 2025 healthcare budget revolves around increasing access to health

services, incorporating preventive health measures, and digitalizing service delivery. Some of the main policies introduced are the National Health Financing Strategy, the Health Security Policy, and the trans fat elimination strategy. The NHIS benefit package has been extended to encompass the provision of mental health services, family planning, and yearly check-ups.

Here are some Completed Hospital Infrastructure

- Adansi North District Hospital (120 beds, Fomena)
- Sekyere Kumawu District Hospital (Ashanti Region)
- Phase III Bolgatanga Regional Hospital
- Urology & Nephrology Centre of Excellence, Korle-Bu
- Ventilator and diagnostic upgrades at KATH, TTH, and regional hospitals

2. **Healthcare Budget Allocations**

Institution	2025 Allocation (GH¢)
Ministry of Health (Total)	GH¢7.61 billion
Ghana Health Service	GH¢1.99 billion
Teaching Hospitals	GH¢1.64 billion
University of Ghana Medical Centre	GH¢467.4 million
Regulatory Agencies (FDA, Pharmacy Council, etc.)	GH¢651.8 million

Source: 2025 National Budget and Economic Policy

Ghana's 2025 health budget indicates a shift toward universal access, disease prevention, and health infrastructure modernization. The GH¢9.93 billion appropriation to NHIS for Free Primary Healthcare and MahamaCares shows the government's commitment to reducing out-of-pocket spending and improving public health equity. This will reduce the burden of making out-of-pocket payments, which restricts access to healthcare. Modernization of health infrastructures at district, regional, and teaching hospitals demonstrates a commitment to providing high-quality health care, while e-pharmacy platforms and other digitalization efforts indicate a shift toward new healthcare management systems.

The 2025 National Budget does not make any provisions, direct updates or performance reports for Zipline Ghana, which is a drone-based medical logistics delivery system. Being a flagship innovation under Ghana's health logistics modernisation efforts since 2019, this omission is quite problematic considering Zipline's vital role in delivering blood, vaccines and essential medicines to remote health facilities across the country. From an accountability and sustainability perspective, the absence of tracking or performance data on Zipline in the national budget weakens public transparency, especially for a high-profile, cost-intensive innovation backed by international donors.

The long-term benefits of this health budget are significant. The improved health outcomes could improve labour productivity and national resilience. The citizens, especially the rural population, will benefit from increased access through CHPS compounds and ambulance services. Efficient implementation, sustained healthcare personnel investment, and stable supply chains will determine the success of these initiatives. With proper management, Ghana's healthcare will become more inclusive, technologically resilient, and human capital-based.

7.5 Social Protection

The 2025 budget considerably increases Ghana's social protection fund, putting greater focus on inclusive safety nets for children, women, the disabled, and vulnerable households. Programmes such as LEAP and the School Feeding Programme have firm scale-up commitments in both coverage and funding. The LEAP indexation to inflation increases its purchasing power, while continued support for school meals under the school feeding program directly benefits the nutrition and education of the children. The government's gender-sensitive focus, as seen through disability education support and childcare services, is consistent with the larger global development agenda and leaves no one behind.

1. Key Social Protection Programmes and Allocations

Programme	Description	2025 Budget Allocation
LEAP (Livelihood Empowerment Against Poverty)	Indexation to inflation; increase in household beneficiaries from 350,000 to 400,000	GH¢953.5 million
School Feeding Programme	One hot meal daily to over 4.2 million pupils; supports 34,350 caterers	GH¢1.788 billion
Capitation Grant	Financial support to public basic schools	GH¢145.5 million
Disability Support (Free Tertiary Education)	Covers tuition for PWDs in tertiary institutions	Included under GETFund
Child Protection Campaigns	Public sensitisation on children's rights (2.17M reached)	Managed by Ministry of Gender
Daycare Centers Licensing & Support	679 centers registered; 1,520 licenses renewed	Ongoing administrative costs
Social Protection Legislation	Finalisation of the Social Protection Bill (2024)	In policy pipeline

Source: 2025 National Budget and Economic Policy

2. Gender, Children & Social Protection Policy Support

- The Affirmative Action Act passed in July 2024; implementation instruments are under development for 2025.
- Ongoing awareness campaigns on adolescent pregnancy, domestic violence, and human trafficking.
- Rollout of Social Welfare Information Management System (SWIMS) to track and evaluate interventions.

These interventions are not only social

investments but also an economic investment. By improving household stability, health, and education among the low-income populations, Ghana strengthens its human capital base and resilience against shocks. However, execution remains key as timely disbursements, transparency in targeting, and robust monitoring (via SWIMS) will determine the effectiveness and public trust in these systems. If implemented effectively, these programmes will help reduce poverty, empower women, and protect children, ultimately contributing to inclusive national development.

7.6 Taxation

1. Key Tax Policy Changes

Measure	Action	Details
Betting Tax	Abolished	10% WHT on lottery winnings removed
Electronic Transfer Levy (E-Levy)	Abolished	1% levy removed
Emission Levy & VAT on Insurance	Abolished	Relief for industry and consumers
VAT Reform Agenda	Introduced	Eliminate COVID levy, reverse NHIL/GETFund decoupling, raise VAT threshold, end flat rate
Road Tolls	Reintroduced	Technology-driven rollout in 2025
Excise Taxes	Increased	Excise on alcohol, tobacco, and petroleum adjusted upward
Growth and Sustainability Levy	Increased	Rate on mining sector raised from 1% to 3%
Property Rate Reform	Operationalised	Under the Medium-Term Revenue Strategy

Source: 2025 National Budget and Economic Policy

The 2025 Budget presents a new fiscal relief package to promote economic engagement and mitigate the burden of the cost of living. Elimination of the E-Levy, gambling tax, and emission levy, and the reversal of complicated VAT decoupling measures indicate a shift to progressive tax and simplifying compliance. The reforms aim to boost electronic payments, formalise transactions and address the issue of tax evasion.

Simultaneously, the reintroduction of road tolls using digital collection methods reflects a smart shift toward user-pays infrastructure funding, while increased excise duties on alcohol, tobacco, and fuel signal a health-conscious and revenue-stabilising approach. The enhancement of the Growth and Sustainability Levy, especially for mining companies (from 1% to 3%), suggests an intent to align extractive industry contributions with Ghana's economic recovery efforts.

2. Projected Revenue from Taxes (2025)

Tax Category	Projected Revenue (GH¢)	Growth % (YoY)	Notes
Personal Income Tax	29.05 billion	+ 17.6%	Includes PAYE and self-employed
Corporate Tax	45.87 billion	+ 19.1%	Main contributor to income taxes
VAT (Domestic + External)	42.98 billion	+ 20.7%	Includes NHIL, GETFund Levies
Excise Duties	8.14 billion	+ 25.7%	Petroleum taxes are key here
Import Duties	26.01 billion	+ 22.5%	Part of international trade tax
Royalties (Oil + Minerals)	9.37 billion	+ 15.4%	Resource-based revenue
Growth & Sustainability Levy	4.57 billion	+ 100%	Expanded application base
ESLA Components	7.9 billion	Stable	Merged into new levy structure

Source: 2025 National Budget and Economic Policy

Ghana's tax revenues in 2025 are projected to grow across the board, a sign of post-pandemic recovery and better compliance. Corporate tax (GH¢45.87B) and Value Added Tax (GH¢42.98B) are expected to remain the major revenue contributors, indicating growing business operations and consumption within the country. Revenue from personal income tax is also projected to grow strongly to GH¢29.05B, influenced by wider PAYE coverage and tax on the self-employed. Also, excise duties and import taxes are projected to record double-digit growth, which is a reflection of the trade-related and petroleum consumption booms. Notably, the Growth and Sustainability Levy, which is now expected to generate GH¢4.57Billion, has doubled its contribution through its wider base and increased rates on mining. Overall, the tax revenue picture reflects a moderately growing and diversified tax

base.

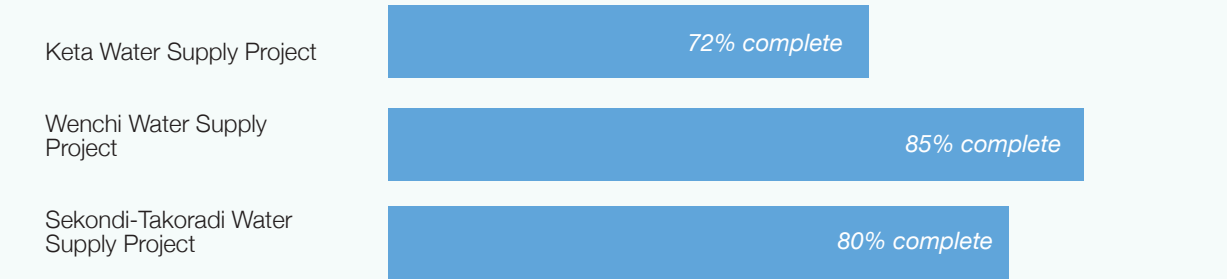
3. Revenue Compliance & Collection Initiatives

- **SME Compliance Drive:** Currently, less than 30% of small and medium enterprises are compliant; a nationwide education campaign has been initiated to address this issue.
- **Modified Taxation System:** Digitised taxpayer data, USSD payment tools, and return submission.
- **Voluntary Disclosure Program (VDP):** Extended to encourage arrears and foreign undeclared account settlements.
- **Quarterly Tax Dialogues:** Between MoF, GRA, and private sector stakeholders.

These administrative strategies are aimed at increasing the tax-to-GDP ratio while avoiding harsh new tax introductions, reflecting a notable shift from prior years.

7.7 Water and Sanitation

1. Urban Water Projects



Total Urban Water Production (2024)

76.12 billion gallons (from 72.8B in 2023); billing collection rate at 92%

Source: 2025 National Budget and Economic Policy

Ghana's 2025 budget maintains the momentum on major urban water facilities, with its projects in Keta (72%), Wenchi (85%), and Sekondi-Takoradi (80%) close to completion. The country's urban water production rose to 76.12 billion gallons, registering a progressive spread in the scope of supply. Notable was the improvement in billing collection efficiency to 92%, signaling operational improvements at

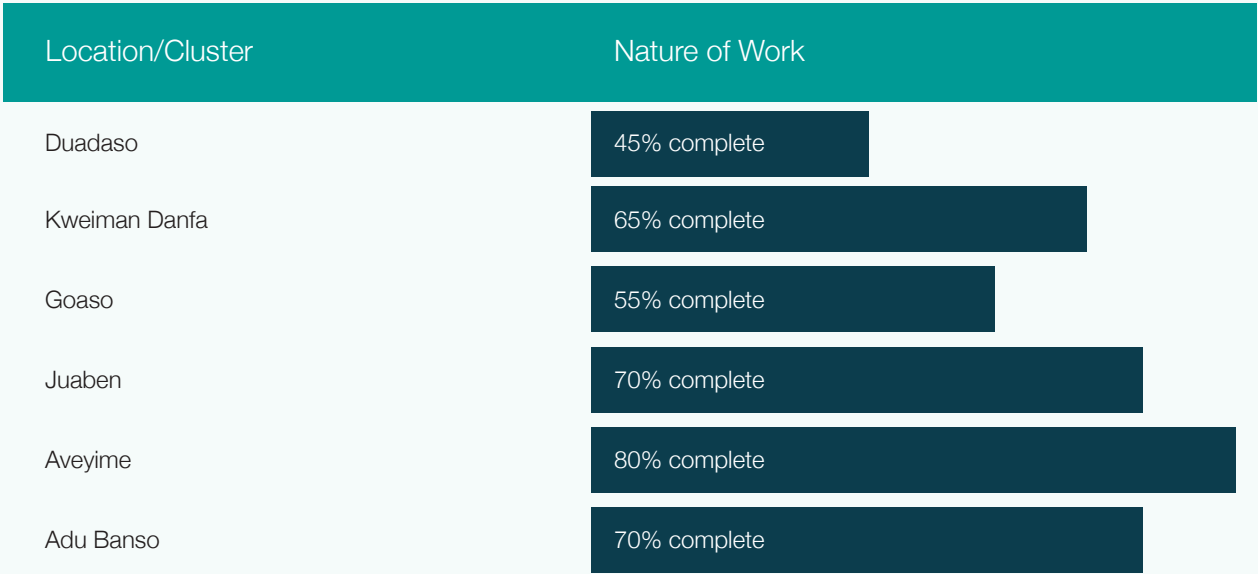
Ghana Water Company Ltd. (GWCL). These projects are of high importance in the fast-growing urban areas where water demand exceeds supply. Increased investment and better billing performance will minimize water losses (non-revenue water), maximise the recovery of costs, and deliver stable water access to households and businesses.

2. Rural Water Supply Programme

Location/Cluster	Nature of Work
Bole, Adidome, Hamile Happa, Tumu, Papaase, Essiam, Wassa Wulensi, Dunkwa, Yeji, Ejura	Rehabilitation of small-town and community water systems
Asankragwa	70% complete
Sefwi Wiawso	50% complete

Source: 2025 National Budget and Economic Policy

2. Rural Water Supply Programme



Source: 2025 National Budget and Economic Policy

The rural water infrastructure agenda includes projects across more than a dozen districts, among which are Sefwi Wiawso (50%), Aveyime (80%), and Juaben (70%). These projects primarily target the rehabilitation of water systems in the communities and small towns, the majority of them being over two decades old and not in compliance with the standards of the World Health Organisation for water quality.

Decentralised communities need rural water rehabilitation to enjoy access to safe water, and as such, these investments would go a long way to help minimize waterborne diseases and curtail gendered time poverty, as rural women and girls usually have the responsibility of fetching water. Monitoring the progress is necessary, as mid-project delays could undermine the trust of the local people and raise system costs.

3. Industrial Water Access

Project	Details
Dawa Water Treatment Plant	Scheduled to begin operations in 2025 with a daily capacity of 30 million gallons. Will serve Dawa Industrial Zone, Tema Free Zones, and surrounding industrial belts.

Source: 2025 National Budget and Economic Policy

The Dawa Water Treatment Plant, a landmark Public-Private Partnership (PPP) in water infrastructure, will commence operation in 2025 with a capacity of 30 million gallons per day. It will serve the Dawa Industrial Zone, the Tema Free Zones, and adjacent industrial corridors. This intervention links water access with

economic productivity, particularly in manufacturing, logistics, and agro-processing. It encourages private sector development while saving public water resources for domestic purposes. The PPP approach could be replicated across the country as a template for financing industrial infrastructure.

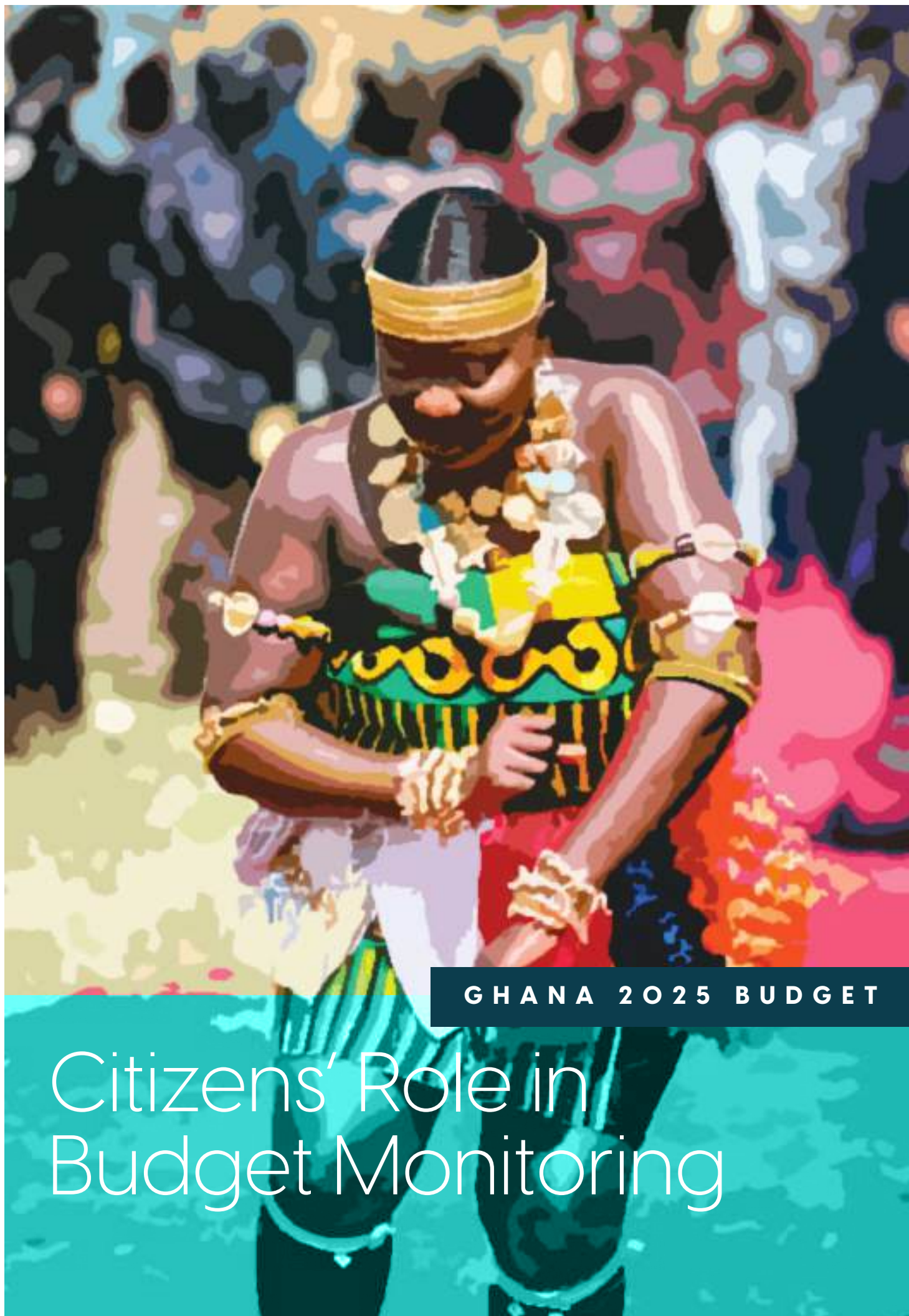
4. Environmental & Sanitation Measures

Measure	Purpose
Dredging of major rivers (Black/White Volta, Pra, Ankobra, Oti, Birim, Offin, Lower Volta)	Address water pollution caused by illegal mining and environmental degradation
Solid Waste Management under GARID Project	Implementation of Waste Transfer Stations and sewer infrastructure
National Sanitation Day (Reintroduced)	Community participation in environmental cleanliness

Source: 2025 National Budget and Economic Policy

The dredging of polluted rivers like the Pra, Offin, and Ankobra aims to reverse the environmental degradation brought about by illegal mining. Sanitation programs such as the disposal of waste through transfer stations under GARID and the reinstatement of National Sanitation Day present a complete approach to urban waste management.

Environmental protection cannot be separated from water quality. Ghana is promoting ecosystem resilience and long-term water body viability by investing in river dredging and controlling solid waste. This is essential for rural areas that depend on rivers for domestic and agricultural purposes.



GHANA 2025 BUDGET

Citizens' Role in Budget Monitoring

Citizens' Role in Budget Monitoring

8.0

8.1 Importance of Citizens' Engagement in the Budgeting Process

Citizen engagement is essential to fostering transparency and accountability in budgeting. Active public participation ensures that national priorities reflect actual community needs, strengthens democratic governance, and improves trust in public institutions.

Informed citizens are better positioned to track how resources are allocated and demand improvements in services such as healthcare, education, and infrastructure. Participation also deters corruption and promotes collaborative governance involving civil society, media, and state institutions.

8.2 How to Track Budget Spending

Tracking government spending is a fundamental task of responsible citizens. Budget tracking in Ghana commences with the understanding of the national budget cycle, from proposal to approval to implementation and audit. The Ministry of Finance publishes the budget documents, including the Annual Budget Statement, Mid-year Budget Review Reports, and the Fiscal Risk Statements, providing details of

the allocations and the actual spending. These reports can be viewed on the Ministry's website and the Ghana Open Budget Portal.

Citizens can track spending by:

- Citizens can track spending by comparing budgeted versus actual expenditures in sectoral reports (e.g., education, health, and agriculture).
- Following projects listed in the Annual Development Plan or District Composite Budgets and visiting implementation sites.
- Using tools like the GIFMIS (Ghana Integrated Financial Management Information System), which records public financial transactions and is being opened progressively for public observation.

8.3 Platforms for Public Participation

Public participation is essential to democratising the budget process and ensuring that fiscal decisions reflect grassroots needs. In Ghana, several institutional and civil society-driven platforms empower citizen involvement:

- **Town Hall Meetings:** The Ministry of Finance and local governments organise forums for citizens to provide input during budget formulation and feedback during implementation stages.
- **District Planning Units:** Citizens can engage with District Assemblies through Zonal Councils and Unit Committees to influence Medium-Term Development Plans and local budget priorities.
- **Civil Society Monitoring Networks:** Organisations like BudgIT Ghana, SEND Ghana and ISODEC help citizens to have timely information about the budget. BudgIT Ghana, with its signature Tracka Platform and Oxfam in Ghana's community scorecards and public expenditure tracking surveys (PETS) to validate service delivery against financial allocations.

Digital engagement is increasing as well. The Ghana Open Budget Survey, social media campaigns, and mobile platforms enable people to speak out about issues or support proposals, particularly from the youth and urban dwellers.

8.4 Advocacy for Budget Transparency & Accountability

Advocacy remains a cornerstone for promoting fiscal discipline and inclusive governance. Citizens, civil society groups, media, and academia play vital roles in: Demanding the timely publication of budget execution data.

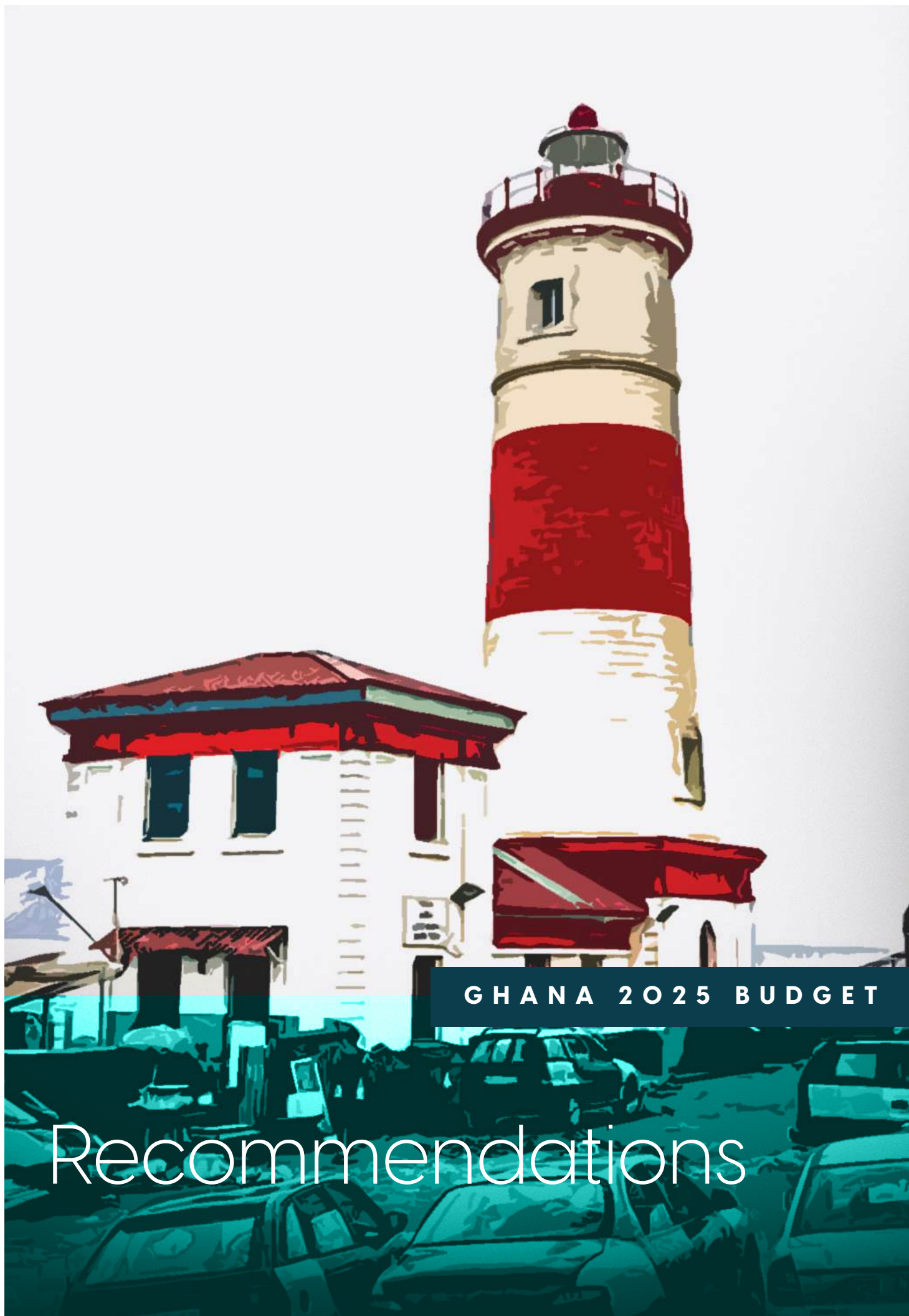
Promoting legislation such as the Right to Information Act, which facilitates access to fiscal information.

Exposing misappropriation through investigative journalism, whistleblowing, and parliamentary petitions.

Supporting budget literacy campaigns to build community understanding of taxes, allocations, and rights.

Active advocacy has achieved significant victories in Ghana, including the release of extractive sector contracts, the elimination of regressive taxes like the E-Levy, and the incorporation of gender-responsive allocations in the national budget.

Citizens who are empowered are the best guardians of national resources. When citizens monitor budgets, demand transparency and engage actively, they help reduce corruption, secure equity, and foster development that satisfies their genuine needs. Ghana's financial and political terrain will benefit the most when budget accountability becomes a general civic culture and not just a government duty.



GHANA 2025 BUDGET

Recommendations



9.1 Recommendations to Government for Enhanced Efficiency and Service Delivery

1. *Strengthen Budget Implementation Oversight*

The government should mandate quarterly public disclosures of expenditure by Ministries, Departments, and Agencies (MDAs), especially in priority sectors like health, education, and infrastructure. This will ensure transparency and address the issue of leakages in various MDAs.

2. *Digitize and Decentralize Budget Monitoring Tools*

Expand access to platforms such as GIFMIS, MyAssembly.gov.gh, and the Ghana Open Budget Portal, particularly in local languages and rural areas, to empower community-led monitoring.

3. *Enhance Value-for-Money Audits*

The Ghana Audit Service should conduct more frequent performance audits and publish simplified summaries. Specialised audits on capital projects (e.g., roads, water) would improve infrastructure quality and accountability.

4. *Institutionalise Participatory Budgeting at the District Level*

District Assemblies should adopt annual citizen budgeting forums where community members prioritise spending and track development outcomes, especially in deprived regions.

5. *Protect Social and Gender Budget Allocations*

Social protection and gender-targeted budgets (e.g., LEAP, School Feeding, Women's Bank) must be ring-fenced from political interference and delays. Performance indicators should be tracked and publicised.

9.2 Conclusion

The 2025 Budget of Ghana represents a strategic initiative aimed at realigning national priorities with a focus on resilience, equity, and sustainable transformation. The government's focus on social protection, health access, youth employment, industrial rehabilitation, and infrastructure development reflects a significant understanding of the country's critical needs. The simultaneous implementation of tax reforms, enhancement of public sector

accountability, and the integration of gender budgeting indicate a developing fiscal framework that seeks to achieve both growth and equity.

However, achieving these ambitions will require more than budget lines. It takes efficient delivery, institutional responsibility, and vigilant civic oversight. The existing disparity between policy objectives and actual outcomes, across sectors such as education, water and sanitation, food security, and job creation, can only be reconciled through collaborative engagement among citizens, civil society, the private sector, and government as co-stewards of the development process. This entails not only the efficient allocation of resources but also the transparent exercise of oversight, accurate reporting, and the ability to swiftly adjust in order to rectify any inconsistencies.

Ghana is currently facing a range of domestic challenges alongside global uncertainties. The 2025 Budget presents an opportunity to rebuild confidence in public institutions, reaffirm economic integrity, and enhance initiatives aimed at achieving the Sustainable Development Goals. The effectiveness of the budget is contingent upon a unified national commitment to the principle that public resources should not merely be expended, but rather allocated in

a manner that ensures equitable, transparent, and accountable benefits for all Ghanaians.

9.3 Call to Action: How Citizens Can Engage with the Budget

- **Understand It:** Read simplified summaries of the national and local budgets through civic groups, media, or the Ministry of Finance portals.
- **Track It:** Use tools like BudgIT Ghana's Tracka Platform and the Open Budget Portal; attend town hall meetings and join CSO budget tracking initiatives in your district.
- **Advocate for Fairness:** Mobilise your community around issues like school funding, LEAP payments or local project delays and contact your assembly person or MP.
- **Vote Wisely:** Budget outcomes are shaped by political choices. Stay informed and hold leaders accountable through your vote and voice.

It is critical to recognise that public budgets belong to the people, and it is our civic responsibility to monitor them, question them, hold public officials accountable, and ensure they work for all Ghanaians.

