

# Assessing Ghana's Recovery and Governance Direction

What the 2026 State of the Nation  
Address Gets Right—and What It  
Leaves Unanswered





# Assessing Ghana's Recovery and Governance Direction

What the 2026 State of the Nation Address Gets Right—  
and What It Leaves Unanswered

**Prepared by:** Hamid Abdel-Mumuni and  
Jennifer Addochoe Moffat

**Creative Development:** Ayomide Ilesanmi



# Introduction

Ghana's 2026 State of the Nation Address (SONA), delivered by President John Dramani Mahama on 27 February 2026, outlines the government's assessment of its first year in office following a period of severe economic instability.

The address highlights progress in stabilising the economy, restoring fiscal discipline, and advancing reforms across key sectors. However, beyond these headline achievements lies a critical question: are these improvements translating into tangible, inclusive, and accountable outcomes for citizens?

This position paper assesses the government's claims, examines key areas of progress, and identifies gaps that must be addressed to ensure that Ghana's recovery is both sustainable and equitable.



## Ghana's Economic Recovery: Progress and Limits

The SONA highlights the major macro-economic resurgence achieved in 2025. Ghana's Gross Domestic Product (GDP) increased to 113 billion US Dollars in 2025 from 83 billion US Dollars in 2024, making Ghana one of the ten largest economies in Africa. The average GDP growth rate for the first three quarters of 2025 averaged 6.1%.

The fiscal management aspect showed an improvement, with the government attaining a primary surplus of 2.6% of GDP, which is above the target of 1.5%. At the same time, the fiscal deficit decreased to 3.1%, which is lower than the projected 3.8%.

The management of the country's debt also saw significant improvement, with Ghana's public debt reducing by GH¢82.1 billion. As a result, the country's debt-to-GDP ratio decreased from 61.8% to 45.3%. Additionally, the government made an early repayment of the US\$709 million Eurobond, which is part of the US\$1.4 billion debt repayment that the country had projected for 2025.

The government reports strong macroeconomic gains in 2025, with Ghana's GDP increasing from \$83 billion in 2024 to \$113 billion in 2025, and an average growth rate of 6.1% across the first three quarters. We also noted improved fiscal performance. The primary surplus was 2.6% of GDP, exceeding the target of 1.5%, while the fiscal deficit declined to 3.1%, which is below the projected 3.8%.

The public debt has been reduced by **GH¢82.1 billion**, lowering the debt-to-GDP ratio from 61.8% to

45.3%. The early repayment of a \$709 million Eurobond reflects improved fiscal positioning.

These indicators suggest that Ghana is making significant progress towards strengthening its economy. However, this growth must be assessed against job quality, income distribution, and cost of living to determine whether it reflects real improvements in citizen welfare. The sustainability of this progress hinges on maintaining fiscal discipline and ensuring that growth translates into broad-based economic opportunities.



## Inflation is Falling— But Are Living Costs Improving?

Ghana also saw significant improvements in its monetary and fiscal coordination as inflation drastically fell from a peak of 54.1% in 2022 to 3.8% in January 2026.

Food inflation has dropped by 26.6 percentage points, while inflation for domestically produced goods has decreased by 22.6 percentage points. The Ghanaian cedi has also appreciated considerably, strengthening by over 40% against the US dollar.

Fuel prices have followed this trend, with petrol prices falling from GH¢15.20 to GH¢10.70 per litre, and diesel from GH¢15.40 to GH¢11.30.

Although these trends are encouraging, they do not necessarily result in decreased household hardship. The extent to which declining inflation is enhancing purchasing power, particularly for low- and middle-income households, remains uncertain. Real relief for citizens may continue to be restricted by persistent structural challenges in food systems, wages, and employment quality.

## Employment, Poverty Reduction, and Youth Development

According to the Ghana Statistical Service, employment levels were boosted by over one million persons between the first and third quarters of 2025, while about 950,000 persons were also lifted from multidimensional poverty during the period. Programmes specifically for the youth have also been expanded. Under the Adwumawura entrepreneurship programme, for instance, 10,887 youth were trained in 2025, while it is expected that 10,000 youths will benefit from the programme in 2026. The National Apprenticeship Programme has commenced with 14,000 youths, aiming to reach 100,000 young people in the future. Furthermore, 86,000 young people were engaged through the Youth Employment Agency programmes in 2025.

These interventions demonstrate a strong commitment to youth inclusion. However, the key question remains whether these jobs are sustainable, productive, and capable of improving long-term living conditions. Without clear data on job quality, income levels, and long-term outcomes, the full impact of these programs is difficult to assess.

## Infrastructure, Social Protection, and Sectoral Investments

The government has made significant commitments to infrastructure and social programmes.

The Big Push Infrastructure Programme has started work on 50 road projects that cover 1,144 kilometres at an estimated cost of **GH¢50 billion**. Another 23 road projects, spanning 573 kilometres, are being completed at a cost of **GH¢15 billion**. In housing, the government reported a national housing shortage of 1.8 million units. Ongoing efforts include building 1,000 affordable housing units in Ho, 800 units under the Kpone Affordable Housing Project, and 1,010 resettlement units for victims of the Akosombo Dam spillage, with 251 already under construction.

The government has also set aside **GH¢6.3 billion** for the District Assemblies Common Fund to aid development across 261 Metropolitan, Municipal, and District Assemblies. The Ghana School Feeding Programme currently serves 4,231,059 pupils and employs around 34,000 caterers nationwide. Additionally, the LEAP programme reached about 1.5 million beneficiaries in 2025.

While these investments are substantial, their effectiveness will depend on the quality of execution, transparency in procurement, the ability of citizens to monitor these projects, and an equitable distribution across regions.



## Governance, Transparency, and Institutional Reform

The SONA outlines several governance and anti-corruption initiatives. The Economic and Organised Crime Office recorded recoveries over GHS 600 million from financial crime investigations, with 462 cases investigated and 15 currently under prosecution as of December 2025. Reforms to institutions include the Value for Money Office Bill, which seeks to curb overpriced contracts and wastage; the Public Officers Code of Conduct Bill, which seeks to improve ethical standards in the public service; and measures to restrict sole-sourced contracts except under exceptional circumstances.

We applaud Ghana's government for its commitment to improving transparency and accountability; however, in order to achieve real results, it must prioritise consistent application, transparency in reporting, and independent oversight.

## The Need for Enhanced Transparency and Inclusive Governance

Despite the positive developments highlighted in the SONA, the sustainability of the country's progress demands improvements in transparency and citizen participation in governance. The government should publish timely, accessible, and citizen-friendly budget execution reports to enhance public oversight.

The economic reforms must be supported by improved parliamentary oversight, access to government information, and more effective engagements with civil society, as well as more inclusive approaches to formulating policies. The proposed Value for Money Office should be operationalised with clear mandates, independence, and public reporting mechanisms.

Also, inclusive governance will make sure that everyone in the country benefits from its economic growth, with a focus on women, young people, and rural areas.

The government should prioritise inclusive growth by ensuring its economic policies target vulnerable populations, particularly youth, women, and rural communities with measurable and trackable outcomes.

Lastly, President Drahmani's administration must enhance parliamentary oversight on its fiscal and monetary management, empowering them to scrutinise borrowing, spending and the procurement process for accountability.

### A Recovery Worth Sustaining

The 2026 State of the Nation Address in Ghana makes a strong case for changes to the economy and the way the government works. The improvements in macroeconomic indicators, fiscal discipline, and social interventions indicate that the country is on the verge of stabilisation.

However, economic recovery alone will not be enough to sustain these gains. It will depend on deepening transparency, increasing institutional accountability, and ensuring that progress translates into meaningful improvements in citizens' lives.

Without these, current gains risk being temporary rather than transformational.

