

## Ghana

Ghana's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
<b>Macroeconomic framework</b>		
<u>Macroeconomic stability</u>		
<b>2018</b>		
Constrain expenditures within budgetary limits to reduce expenditure overruns.	Fiscal deficits below 5% in 2018 and 2019, in line with fiscal rule. Higher fiscal deficit (excluding Energy and Financial sector related costs) of 11.5% of GDP in 2020 reflects the revenue shortfall due to severe economic impact of Covid-19 and the increase spending to protect lives and livelihoods as a result of the COVID-19 pandemic. The 2021 end year fiscal deficit (excluding Energy and Financial sector related costs) was 9.2% of GDP compared with the target of 9.4% of GDP. This representing fiscal consolidation of 2.3percentage points in just one year. In 2022, the Government reports: The fiscal consolidation achieved is in line with the fiscal path that will ensure a return to the Fiscal Responsibility threshold of a deficit of 5% of GDP by 2024.	Ongoing: IMF support for:  i. Article IV consultations  ii. Establishment of the Fiscal Risk Unit in MoF  iii. Preparation of Fiscal Risk Statement and  iv. Technical assistance on Government Finance Statistics
Pursue a primary surplus in order to reduce the rate of debt accumulation.	Primary surpluses of 1.9 and 0.9 % of GDP in 2018 and 2019, respectively. However, primary deficit of 5.2% recorded in 2020 reflects the fiscal impact of the COVID-19 pandemic. The 2021 end year primary deficit (excluding energy was 1.9 % of GDP, below the year target of 2.0% of GDP). In 2022, the Government reports that to ensure debt sustainability in the medium-term, the fiscal consolidation path is aimed at achieving a primary surplus in the year 2022.	
Pursue domestic debt re-profiling to lengthen the maturity profile, reduce rollover risks and cost of credit.	Debt was 59% and 63.2% of GDP in 2018 and 2019, respectively. 1. As at end Q2, Debt-to-GDP ratio was 67.0%. 2. Domestic short-term debt is 25.54% of total domestic debt. As a percentage of total debt, it is 6.04%	Ongoing: World Bank DPO Series and GEMS-TA to improve debt management and transparency
<b>New Reform Commitments/Initiatives</b>		
Improve debt transparency and, particularly, SOE debt.	Under the World Bank SDFP, some performance and policy actions (PPAs) have been agreed upon to improve debt transparency and particularly of SOE debt.	
<u>Domestic Revenue Mobilization</u>		
<b>2018</b>		
Develop and publish simplified versions of the five major tax laws (Customs Duty Act, VAT Act, Income Tax Act, Excise Duty Act, Revenue Administration Act).	Simplified (abridged) versions of the Excise Tax Stamp Act, 2014 (Act 873), Excise Duty Act, 2014 (Act 878), Customs Act, 2015 (Act 981), Income Tax Act, 2015 (Act 896) and Value-Added Tax Act, 2013 (Act 870) published on GRA website. The abridged version of the Excise Tax Stamp Act replaced the Revenue Administration Act.	Ongoing: i. DFID - Ghana Revenue Reform Program and Business Enabling Environment Program ii. Germany - Governance for Inclusive Growth, development of abridged versions of tax laws, upgrade of customs laboratory, Construction of IT training institute iii. USAID - Governance Program
Improve domestic revenue mobilization	Under the World Bank SDFP, performance and policy actions (PPAs) have been agreed upon to improve domestic revenue mobilization, including reforms to strengthen voluntary disclosure and promote self-declarations to expand the tax base and enhance confidence in the tax system and thus improve compliance and collection; improve the oversight and monitoring of tax exemptions; and amend	

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Provide simplified record-keeping systems for the determination and payment of taxes and filing of returns.	the "benchmark policy" which was reducing collection of import duties on various goods. The record keeping has been combined with the calculation and submission of returns in the 'iTAPS' application. It has been launched for computation of taxes and the filing of returns.	iv. World Bank - GEMS-TA for improved taxpayer database and data warehouse and PFM PforR operation in preparation
Provide software to taxpayers for tax calculation	Provide software to taxpayers for tax calculation	
Improve access to systems for filing of returns and payment of taxes by introducing one-stop shop stand-alone customer service facilities.	See above (The development and use of the iTAPS replaced this)	
Provide additional specialized cargo examination bay	This was suspended due to unavailability of partner support.	
<b>New Reform Commitments/Initiatives</b>		
Reforms to establish a data warehouse to enhance revenue administration, including business intelligence.	Reforms to establish a data warehouse to enhance revenue administration, including business intelligence.	
<b>Public Investment Management (procurement, PPPs, SOEs, utilities)</b>		
<b>2018</b>		
Implement and maintain a Public Investment Management (PIM) framework.	Passage of State Interest and Governance Authority (SIGA) bill into law (June 2019) ensuring SOEs adhere to good corporate practices to promote growth of industry and commerce.	Ongoing World Bank under the GEMS Project and PFM PforR operation in preparation World Bank support for drafting of PPP Bill
Enact the Public Private Partnership (PPP) Law and develop Regulations for the operationalization of the PPP Act after its passage.	The PPP Bill was passed into Law in December 2020. The PPP ACT 1039 now regulates all activities within the PPP domain in Ghana.	
Diversify the power generation sources to include renewables to ensure security, reliability, and affordability in a sustainable manner.	Total renewable energy generation (excluding Hydro) has almost doubled from 22.6MW at the beginning of 2018 to 42.6MW in 2020. However, its share of total generation has only increased from 0.5% to 0.8% over the same period.	Ongoing: i. AfDB - Electricity Distribution System Reinforcement and Scaling-Up Renewable Energy Program (SREP) Investment Plan ii. Germany - Reform and Investment Partnership, Pilot Photovoltaic Project, Renewable Energy and Energy Efficiency for the Public Sector (REEEPublic), Market Entry Into RE and EE for the Productive Sector, iii. World Bank - DPO support and Technical Assistance Future: i. Germany - Government Goes Solar, Green Credit Line

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		ii. World Bank - DPO support and Program for Results (P4R)
Implement the Cash Waterfall Mechanism (CWF) for energy	Ongoing: World Bank - Ghana Energy Sector Transformation Initiative Project	Ongoing: World Bank - Ghana Energy Sector Transformation Initiative Project
Implement procurement auctions for future generation plants.	Given the oversupply of generation and capacity charges to be paid, there is still a moratorium on new IPPs. Procurement auctions would be implemented once the moratorium is lifted.	
<b>Business Framework</b>		
<u>Regulations and Institutions</u>		
<b>2018</b>		
Update Ghana's business legal and regulatory framework to reflect new trends in business practices.	Passage of Companies Act of 2019 (Act 992) streamlining business registration and operations as well as establish an autonomous Office of Registrar of Companies (ORC). Bill passed by Parliament. Corporate Restructuring and Insolvency Act, 2020 (Act 1015) assented by President on April 30, 2020. Trading Across Borders Technical Working Group recommendation report is yet to be enforced by GRA Customs, GPHA and others. A Committee has been setup by GRA Customs to conduct Cargo Time Release Study which will provide recommendation for areas to be streamline along the chain.	Ongoing: i. IFC - TA support ii. DFID - Business Enabling Environment Program (Support to Better Business Regulations Strategy)
Create the Ghana Business e-Registry that will serve as a complete repository of business and investment laws.	Ghana Business Regulatory Reforms Portal launched on August 26 2020 to improve transparency and inclusiveness as well as promote dialogue and feedback to enhance quality service delivery. The portal also has an e-Registry component which provides free access to business laws, regulations, administrative notices, directives, procedures as well as fees, forms, and charges. The URL is <a href="http://www.brr.gov.gh">www.brr.gov.gh</a> or <a href="http://www.bcp.gov.gh">www.bcp.gov.gh</a>	Ongoing: i. IFC - TA support ii. DFID - Business Enabling Environment Program (Support to Better Business Regulations Strategy)
Review and reduce the number of steps in the acquisition of the various business operating permits.	Development of an online system for the acquisition of Fire Permit and Certificates to reduce the time and cost burden on businesses Review of the EPA Act 1994 (Act 490) and the Regulations Upscaling of the Construction Permit Processing system in all MMDAs in Greater Accra. In 2022, the Government reported full automation of the fire permit acquisition processes	
<u>Investor protection and dispute resolution</u>		
<b>2018</b>		
Adoption of a new Investment Code	Adoption of a new Investment Code	
Development of the Regulations for the Corporate Insolvency and Restructuring Act 2020 (Act 1015) Conduct Cargo Time Release Study which will provide recommendation for areas to be streamline along the chain.	Approval of the Regulations for the Corporate Insolvency and Restructuring Act 2020 (Act 1015) and the Companies Act 2019 (Act 992)	
<b>Financing Framework</b>		
<u>Investment risk mitigation</u>		
<b>2018</b>		

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Develop de-risking instrument to leverage private investment including renewable energy (RE), energy efficiency, and agricultural lending (GIRSAL - Ghana Incentive-Based Risk-Sharing System for Agricultural Lending)	The minimum capital requirement for banks was increased to GH¢400 million from GH¢120 million (end 2018); The Corporate Insolvency Bill was passed by the Parliament in 2020; Ghana joined the Asian Infrastructure Investment Bank (AIIB) and the Africa Trade Insurance (ATI) as a way to leverage private capital for infrastructure development.	Ongoing: i. AfDB - Support to GIRSAL ii. Germany - Reform and Investment Partnership (Accompanying Measure) iii. AfDB - Support for GIRSAL iv. Germany - Reform and Investment Partnership (ATI subscription payment) Future: Germany - Reform and Investment Partnership (Green Credit Line)
<b>Mobilization of private and institutional investments</b>		
<b>2018</b>		
Normalize and extend the yield curve	The spread as at end September 2020 was positive. The yield curve had some inversions	
Enhance secondary market activities	As at end December 2020, volume of trades reported by CSD was 108.4 billion compared with 55.6 billion recorded in 2019 and 37.9 billion in 2018. The volume reported by Bloomberg was 5.56billion (as at end December 2020), which is lower than the 5.58billion recorded in 2019. In 2018 the volume was 3.60 billion.	
Introduce a wider spectrum of instruments	Concept Note and paper developed on green and SDG bonds. In 2020, 3, 5,6,7-, 10-, 15- and 20-year government bonds were issued.	
Build the capacity of all domestic debt market players in the pricing of bonds.	On-going	Ongoing: DFID support for development of Capital Market Master Plan The World Bank is providing support to market development under the programmatic multi-year GDRM program