



# SPEECH

## Mid-Year Fiscal Policy Review

of the 2025 Budget Statement  
and Economic Policy of the  
Government of Ghana.

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Presented to Parliament by  
**DR. CASSIEL ATO FORSON (MP)**  
**MINISTER FOR FINANCE**  
on Thursday July 24, 2025

On the Authority of  
**HIS EXCELLENCY JOHN DRAMANI MAHAMA**  
**PRESIDENT OF THE REPUBLIC OF GHANA**

**THEME:** Resetting The Economy For The Ghana We Want



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In accordance with Section 28 of the  
Public Financial Management Act, 2016 (Act 921)

## **INTRODUCTION**

1. Rt. Hon. Speaker, I am back to the House today with a deep sense of duty and optimism to present the Mid-Year Fiscal Policy Review of the 2025 Budget Statement and Economic Policy of government, on behalf of His Excellency President John Dramani Mahama.
2. This presentation is in line with Section 28 of the Public Financial Management Act, 2016 (Act 921).
3. Mr. Speaker, I respectfully request that the entire Mid-Year Fiscal Policy Review be captured in the Hansard while I present the highlights.
4. Mr. Speaker, before I proceed with the Mid-year review, I will like to pay tribute to former President, Professor John Evans Atta Mills, whose unfortunate demise occurred on this very day 13 years ago.
5. This review is more than a fiscal update. It is an account of what we inherited and the positive results of our stewardship in the last 198 days.
6. Mr. Speaker, following his re-election with an overwhelming mandate, President John Dramani Mahama inherited an economy in deep distress, far worse than we had imagined.
7. The economy was marked by large fiscal imbalances, with huge Ministries Departments and Agencies (MDAs) arrears, massive debts, weakened institutions and heightened public anxiety.
8. Since 2023, the debts in the cocoa and energy sectors have in particular posed significant fiscal risk to the Ghanaian economy.
9. The Ghanaian private sector and the business community looked on in despair.
10. Public trust was completely eroded, the national spirit was broken and the foundations of our economy had sunk, even deeper.
11. The budget deficit had ballooned because of reckless commitments and wasteful spending.
12. The indebtedness of the government had culminated into state insolvency.
13. The impaired balance sheets paralyzed almost every single state-owned enterprise.
14. High cost of living and inflation impoverished large segments of the population, eroding the real value of incomes and savings.

15. Mr. Speaker, the mismanagement of our public finances by the previous administration led to devastating haircuts through the Domestic Debt Exchange Programme (DDEP) which denied pensioners and the middle-class their life-time savings, livelihoods and dignity.
16. Eurobond holders also suffered painful haircuts severely affecting Ghanaian individuals and financial institutions.
17. Soaring interest payments crowded out essential spending on education, health and infrastructure.
18. The Ghana Cedi depreciated against all major currencies to levels never seen before, making it the worst-performing currency in the world.
19. Public sector corruption reached an all-time peak and as President Mahama said, the whole of Ghana was a crime scene.
20. Investor confidence waned considerably, significantly reducing investment inflows.
21. Public debt reached unsustainable levels.
22. The unemployment situation worsened which made it difficult for Ghanaian to find decent jobs.
23. Many Micro, Small and Medium Enterprises (MSMEs) collapsed under the weight of the economic mismanagement.
24. To compound all these, the country suffered credit rating downgrades by all 3 major credit rating agencies, placing Ghana firmly in default, junk territory never seen in the history of Ghana.
25. Mr. Speaker, to further illustrate the enormity of the economic burden, we inherited:
  - i. an IMF programme which had derailed and completely gone off-track, with key targets missed, putting our economic recovery programme in jeopardy.

In the words of the Deputy Managing Director of the IMF, Mr. Bo Li, ***"the programme had deviated substantially from its targets by the close of 2024"***;
  - ii. weak commitment control systems and irresponsible spending left arrears of about GH¢67 billion and contract commitments of over GH¢194 billion;

- iii. a bleeding energy sector with annual financing shortfalls in excess US\$1.5 billion;
  - iv. a debt-ridden cocoa sector with liabilities of GH¢32 billion;
  - v. a weak financial sector with significant non-performing loans (NPLs) despite pumping over GH¢30 billion into a so-called financial sector clean-up;
  - vi. steep debt repayment humps in 2026 (GH¢20 billion), 2027 (GH¢50.3 billion) and 2028 (GH¢45.8 billion), as well as significant short-term treasury bill maturities of GH¢137 billion;
  - vii. depleted buffers needed to cushion us against fiscal and external shocks with empty Sinking Fund; and
  - viii. stalled projects, about 55 of them tied to bilateral debt restructuring with about US\$3 billion in undisbursed loans.
26. Mr. Speaker, the root of our 2022 economic crisis can be traced directly to an overbearing fiscal dominance marked by reckless spending and corruption, compounded by poor leadership of the previous administration.
27. The worsened fiscal situation spilled over into the monetary and external sectors causing a rapid depreciation of the Ghana Cedi.
28. Monetary financing by the Bank of Ghana reached an all-time high, driving inflation to levels never seen in decades.
29. There was a complete lack of coordination between the Ministry of Finance and the Bank of Ghana signaling the highest levels of incompetence in the management of the economy.
30. Mr. Speaker, in the face of this dire inheritance bequeathed by the Akufo-Addo/Bawumia administration, the government of President John Dramani Mahama made a conscious decision not to make excuses, but to reset the country.
31. We chose the path of structural reforms and transformation. We set out to reset the economy, restore good governance and policy credibility.
32. We renewed our social contract with the Ghanaian people and redefined national priorities by being deliberate in both our policy choices and approach to economic management.
33. At the very onset we organized a National Economic Dialogue and a National Education Forum.

34. We held direct engagements with key groups and stakeholders including market women, trade unions, youth organizations and traditional leaders.
35. Mr. Speaker, you may recall that clear policy measures were outlined in the 2025 budget presented to this House in March this year.
36. In our new economic management model, we tightened fiscal discipline without compromising social investments.
37. Mr. Speaker, the recent IMF Executive Board affirmed this new economic management model, noting that, ***"faced with large policy slippages and reform delays at end-2024, the new administration has taken bold corrective actions to maintain the program on track"***.
38. The IMF further noted that these corrective actions, combined with continued structural reforms and an improved external sector, are expected to result in economic stability, resilience and inclusive growth.
39. We streamlined and increased investment in education, health, agriculture, infrastructure and employment.
40. In fulfilment of a major manifesto pledge, we established the Ghana Gold Board, through Act 1140, to accumulate foreign exchange to support the stability of the Ghana cedi.
41. We have restored coordination between the Ministry of Finance and the Bank of Ghana to ensure a cohesive and integrated approach to economic policymaking across all relevant institutions.
42. Mr. Speaker, in less than 200 days we have brought back clarity, certainty, stability and purpose to our economic policy direction.
43. We have made significant progress. The signs of recovery are obvious, evident, noticeable, visible, tangible and being felt.
44. Mr. Speaker:
  - i. Ghana's fiscal position has significantly improved. The primary balance on commitment basis posted a surplus of 1.1% of GDP at the end of June 2025, beating the ambitious 0.4% surplus target;
  - ii. Overall fiscal deficit on commitment basis was 0.7% of GDP, outperforming the target of 1.8% at the end of June 2025;

- iii. Inflation has reduced significantly from 23.8% at the end of December 2024 to 13.7% at the end June 2025. This is the lowest since December 2021 and marks six months of continuous decline;
- iv. Interest rates are declining with a drastic drop in treasury bill rates.
  - The 91-day T-bill rate has reduced from 27.73% in December 2024 to 14.73% in June 2025, a decline of over 1300 basis points.
  - The 182-day T-bill rate has reduced from 28.43% in December 2024 to 15.34% in June 2025, a decline of over 1300 basis points.
  - The 364-day T-bill rate has reduced from 29.95% in December 2024 to 15.76% in June 2025, a decline of over 1400 basis points.
- v. Gross International Reserves has significantly improved. The Bank of Ghana accumulated US\$11.12 billion covering 4.8 months of imports as at the end of June 2025 compared to US\$8.98 billion, covering 4 months of imports as at end-December 2024.
- vi. Mr. Speaker, the Ghana Cedi has demonstrated exceptional resilience and strength in recent months.
- vii. As at the end of June 2025, the Cedi appreciated by 42.6% against the US Dollar, 30.3% against the British Pound, and 25.6% against the Euro.
- viii. This is a significant reversal compared to same period in 2024 when the Cedi depreciated by 18.6%, 17.9%, and 16.0%, respectively.
- ix. Mr. Speaker, so far, we have almost reversed all the Cedi depreciation in 2022, 2023 and 2024.
- x. Mr. Speaker, it is the first time that this level appreciation has been recorded in the 60-year history of the Ghana Cedi.
- xi. Rating agencies, which once classified our sovereign creditworthiness as junk, are beginning to upgrade our ratings.
- xii. Fitch Ratings upgraded Ghana's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'B-' with a stable outlook from 'Restricted Default' (RD) on 17th June 2025.

- xiii. The IMF programme is back on track with the successful conclusion of the fourth review by the IMF Executive Board on 7th of July 2025, which immediately triggered a disbursement of US\$367 million.
45. Rt. Hon. Speaker, beyond the numbers, this is a story of sound leadership, better economic management and a restoration of hope to a nation once in despair.
46. Let me, on behalf of President John Mahama, sincerely thank the people of Ghana for their trust, patience and continued support.
47. We do not take your sacrifices for granted.
48. Rt. Hon. Speaker, this government did not come to simply manage the decline. We came to reverse it and reset our country.
49. The gains of these first six months are just the beginning.
50. Mr. Speaker, these early successes only encourage us to stay the course, stay disciplined and continue to do more for the people of Ghana.
51. There is still a long road ahead. But our steps are now steadier, our direction clearer and the national spirit has been lifted with the gradual restoration of hope in our democracy.
52. We have moved from promises to purpose, from ineptitude to action and from distress to relief.
53. We have established policy credibility and restored creditworthiness.
54. Mr. Speaker, the rest of my presentation will provide updates on the following:
- i. macroeconomic performance for the first six months of 2025;
  - ii. progress on the implementation of the IMF Programme;
  - iii. the status of Ghana's debt restructuring programme; and
  - iv. the status of implementation of key Government programmes.



## **MACROECONOMIC PERFORMANCE FOR JANUARY-JUNE 2025**

55. Mr. Speaker, the first half of 2025 has demonstrated our government's commitment to economic recovery.
56. Through prudent fiscal management, sound monetary policy, effective structural reforms and strategic investments, we are laying a solid foundation for sustainable growth and shared prosperity.
57. To put the assessment of the economy in the first half of 2025 in a proper perspective, it will be useful to restate the ambitious, yet attainable, macroeconomic targets we set for ourselves:
- Overall Real GDP growth of at least 4.0%;
  - Non-Oil Real GDP growth of at least 4.8%;
  - End-year inflation rate of 11.9%;
  - Primary balance on commitment basis at a surplus of 1.5% of GDP; and
  - Gross International Reserves covering not less than three months of imports.

## **REAL SECTOR PERFORMANCE**

58. Mr. Speaker, despite global economic uncertainties, Ghana's economy demonstrated robust growth.
59. In the first quarter of 2025, the economy expanded by 5.3%, up from 4.9% in the same period of 2024, marking the highest first quarter growth since 2020.
60. The agriculture sector led this growth with a remarkable 6.6% increase, about three times the growth in first quarter of 2024.
61. The agriculture sector growth contributed 26.4% of the overall first quarter growth. The fishing sub-sector grew the most at 16.4%.
62. The services sector, constituting the largest share of the economy at 46.8%, grew by 5.9% and contributed 47.9% to the overall first quarter growth, with Information and Communication Technology (ICT) leading the growth in the sector at 13.1%.
63. Industry grew by 3.4% in the first quarter of 2025, contributing 20.6% to the overall first quarter growth. Manufacturing also posted an impressive growth of 6.6%.

64. Mr. Speaker, non-oil GDP growth also picked up strongly, growing at 6.8% in the first quarter of 2025 compared to the growth rate of 4.3% in the same period in 2024.
65. The non-oil GDP growth is the highest since 2018.
66. It is expected that with the introduction of the 24-Hour Economy Policy, the Big Push Programme and the Agriculture for Economic Transformation Programme, the GDP growth will be sustained and possibly exceed the targeted rate of 4% for 2025.

## **PRICE DEVELOPMENTS**

67. Mr. Speaker, we pledged to pursue the following to reduce inflation:
- i. implement aggressive fiscal consolidation drive aimed at reducing the fiscal deficit and borrowing;
  - ii. stabilize the exchange rate to reduce inflation on items that rely on the exchange rate for pricing such as fuel, transportation, imported sugar, rice and cooking oil;
  - iii. implement policies that target items with large weights in the CPI basket such as transportation and utilities to reduce their prices;
  - iv. BoG to implement an appropriate monetary policy stance and use its liquidity management interventions to support the disinflation process; and
  - v. implement the Agriculture for Economic Transformation Agenda to reduce food inflation.
68. Rt. Hon. Speaker, it is instructive to note that these intentional policies announced in the 2025 Budget to tame inflation are yielding massive results.
69. Inflationary pressures have eased significantly. The drastic fall in inflation is not by chance or sheer luck but as a result hard work and deliberate policies.
70. Consumer price inflation has reduced from 23.8% in December 2024 to 13.7% in June 2025. This represents a massive 10.1 percentage points decline.
71. Similarly, producer price inflation saw a sharp decline from 26.1% in December 2024 to 5.9% in June 2025, representing a steep decline of 20.2 percentage points in six months.
72. Food inflation declined from 27.8% in December 2024 to 16.3 percent in June 2025, representing an encouraging 11.5 percentage points reduction.

73. Non-Food inflation also declined from 20.3% in December 2024 to 11.4% in June 2025, representing 8.9 percentage points reduction.
74. Inflation for locally produced goods and services declined from 26.4% in December 2024 to 14% in June 2025.
75. Inflation for imported items decreased from 18.0% in December 2024 to 12.5% in June 2025.
76. These improvements are reflective of the effective fiscal consolidation, tight monetary policy, strong central bank reserves and the appreciation of the cedi.
77. Mr. Speaker, with this trend, we are focused and determined to achieve our end-December 2025 inflation target of 11.9% ahead of schedule.
78. Mr. Speaker, let me assure this House and the people of Ghana that things can only get better in the coming days.

## **INTEREST RATE MOVEMENTS**

79. Interest rates have declined, reflecting improved macroeconomic conditions.
80. The 91-day treasury bill rate reduced by 13 percentage points from 27.7% in December 2024 to 14.7% in June 2025.
81. Similar trends were observed in the 182-day and 364-day bills.
82. The 182-day treasury bill rate decreased by 13.1 percentage points from 28.43% in December 2024 to 15.34% in June 2025.
83. The 364-day treasury bill rate declined by 14.19 percentage points from 29.95% in December 2024 to 15.76% in June 2025.
84. The average lending rate decreased from 30.3% in December 2024 to 27.0% in June 2025.
85. The Ghana Reference Rate fell from 29.31% in December 2024 to 24.0% in June 2025.
86. Rt. Hon. Speaker, we have saved GH¢4.9 billion on domestic interest payment as at end June 2025 due to our prudent debt management policies.

**FISCAL PERFORMANCE**

87. Mr. Speaker, our fiscal discipline has yielded remarkable results so far.
88. We have delivered below-target deficits on both cash and commitment basis.
89. We have delivered a greater-than-anticipated primary surplus, the core fiscal anchor.
90. We have delivered a strong expenditure and commitment control.
91. We have delivered robust tax revenue performance.
92. Mr. Speaker, provisional data shows that the primary balance on commitment basis (the fiscal anchor) as at end of June 2025 recorded a surplus of 1.1% of GDP, surpassing the targeted surplus of 0.4% of GDP.
93. The overall fiscal deficit on a commitment basis was a deficit of 0.7% of GDP, better than the deficit target of 1.8% of GDP.
94. Mr. Speaker, on cash basis, the overall balance recorded a deficit of 1.1% of GDP. This is significantly better than the projected deficit target of 2.4% of GDP.
95. The primary balance on cash basis turned surplus at 0.7% of GDP, against a projected deficit of 0.2% of GDP.
96. The Non-Oil Tax Revenue (net) exceeded target by about GH¢787 million.
97. Corporate Income Tax exceeded target by GH¢555.3 million, representing 2.9% above target.
98. Mineral royalties exceeded its target by GH¢143 million.
99. Import duties fell short of target by GH¢1.6 billion.
100. Expenditures were contained at GH¢109.7 billion or 7.8% of GDP. This was 14.3% below the programmed amount of GH¢128.0 billion or 9.1% of GDP, reflecting strong expenditure control.
101. Primary Expenditure or non-interest expenditures on commitment basis amounted to GH¢84.3 billion or 6.0% of GDP.
102. This is an improvement of about GH¢13.3 billion over the target of GH¢97.5 billion, which is 7.0% of GDP.
103. Mr. Speaker, Interest Payments amounted to GH¢25.4 billion, which is 1.8% of GDP.

104. This is below the target of GH¢30.5 billion, which is 2.2% of GDP. This was mainly due to lower domestic interest payments.
105. Domestic Interest payments amounted to GH¢21.6 billion, against a target of GH¢26.5 billion, representing a reduction of GH¢4.9 billion, mainly on account of lower than planned domestic borrowings and the decline in T-bill rates.
106. External Interest Payments amounted to GH¢3.8 billion, against a target of GH¢4.0 billion, due mainly to the appreciation of the Cedi.
107. Other Expenditure, mainly comprising Energy Sector Levies (ESL) transfers and Energy Sector Payment Shortfalls, amounted to GH¢11.4 billion or 0.8% of GDP.
108. This was 12.7% below the target of GH¢13.1 billion or 0.9% of GDP for the period.
109. Mr. Speaker, Arrears Clearance amounted to GH¢4.8 billion.
110. It is important to note that there was no build-up in arrears payable during the period under review, signaling strong commitment control and fiscal discipline.
111. Mr. Speaker, the fiscal balance on cash basis was a deficit of GH¢15.1 billion or 1.1% of GDP.
112. The deficit was largely financed from domestic sources with Net Domestic Financing (NDF) of GH¢13.1 billion, well below the GH¢18.7 billion target.
113. Net Foreign Financing was GH¢2.8 billion, mostly from the utilization of GH¢4.5 billion IMF loan disbursement, from the 1st to the 6th of January 2025 before the Mahama administration took office.
114. Project loan disbursements was GH¢2.4 billion.
115. Mr. Speaker, even though Ghana is relying on the domestic market for financing, we have borrowed less than we planned, signifying strong expenditure control and fiscal discipline.
116. This is a strong signal to the investor community and all other stakeholders that the needed fiscal consolidation is happening here in Ghana and will be sustained.

**EXCHANGE RATE DEVELOPMENTS**

117. Mr. Speaker, government committed to implement the following measures to stabilize the exchange rate:
- i. establish the Ghana Gold Board to enhance the generation and accumulation of foreign exchange to support the stability of the cedi;
  - ii. pursue strong fiscal consolidation through the reduction in public sector spending and the fiscal deficit to reduce pressures on the exchange rate;
  - iii. implement appropriate FX forward auctions to support the stability of the Cedi; and
  - iv. implement the 24-Hour Economy and Accelerated Export Development Programme to boost local production and reduce reliance on imports.
118. Rt. Hon. Speaker, let me state emphatically that these deliberate policies announced in the 2025 Budget to stabilize the Ghana cedi are yielding massive results.
119. The results we are witnessing are not by chance. They are the fruits of hard work, discipline and intentional policies.
120. Mr. Speaker, the cedi's performance in the first half of this year has been impressive!
121. The Ghana Cedi experienced significant appreciation against all major trading currencies in the first six months of 2025.
122. I am happy to inform the House that our precious cedi, which once upon a time was trading at about GH¢17.0 to the US Dollar, was trading at about GH¢10.4 as at yesterday, 23rd July, 2025.
123. Similarly, the cedi, which was once trading at GH¢21.0 to the Great British Pound, was trading at about GH¢14.1 as at yesterday, 23rd July, 2025.
124. Mr. Speaker, as of end-June 2025, the Cedi appreciated by 42.6% against the US Dollar, 30.3% against the British Pound, and 25.6% against the Euro.
125. This is a significant improvement over the cedi's depreciation of 18.6%, 17.9%, and 16.0% against the US Dollar, Great British Pound and Euro, respectively in the same period in 2024.
126. Mr. Speaker, I repeat, so far, we have almost reversed all the Cedi depreciation in 2022, 2023 and 2024.

127. This level of appreciation of the Ghana Cedi has never happened in the history of our nation.
128. Mr. Speaker, colleagues, Ghanafo, cedi no apicki! Apicki apicki apicki!!!
129. Mr. Speaker, these gains are largely due to strong fiscal consolidation, tight monetary policy, improved external sector balances, renewed investor confidence, positive market sentiments, credit rating upgrades and successfully securing staff level agreement and subsequent Board approval on the 4th Review of the IMF programme.
130. The cedi's rebound signals that Ghana's economic foundations are once again beginning to firm up.
131. Sustaining this stability will require continued fiscal discipline, supportive monetary policy, strong liquidity sterilization, robust reserve accumulation supported by activities of the GoldBod and credible implementation of structural reforms.

## **EXTERNAL SECTOR PERFORMANCE**

132. Mr. Speaker, our external sector has shown remarkable improvement in the last six months.
133. Gross International Reserves reached US\$11.12 billion by June 2025, covering 4.8 months of imports, up from US\$8.98 billion in December 2024, equivalent to 4.0 months of import cover.
134. Mr. Speaker, in just 6 months, even before the IMF and World Bank disbursements, in fact without external borrowing, we have added US\$2.14 billion to the country's Gross International Reserves.
135. The trade surplus increased from US\$1.37 billion in June 2024 to US\$5.57 billion in June 2025, representing 306.6% increase.
136. This was driven by strong exports, particularly in gold and cocoa, and controlled imports.
137. The current account surplus improved significantly to a provisional value of US\$3.44 billion by June 2025, from US\$283.11 million in June 2024.
138. Provisional net capital and financial inflows reached US\$937.58 million in June 2025, indicating renewed investor confidence.

## **MONETARY AND FINANCIAL SECTOR DEVELOPMENTS**

- 139. Mr. Speaker, monetary indicators point to a sustainable monetary expansion.
- 140. Credit to the private sector increased by about 31.3% in June 2025.
- 141. Reserve money growth moderated, and M2 growth remained consistent, supported by increased deposit mobilization and improved net foreign assets.
- 142. Net Domestic Assets growth slowed, while Net Foreign Assets surged, indicating a shift in liquidity drivers towards external inflows.

## **RECAPITALIZATION OF NATIONAL INVESTMENT BANK (NIB)**

- 143. Rt. Hon. Speaker may recall that I updated this House during the 2025 Budget presentation on the restructuring and recapitalization of National Investment Bank (NIB) as one of the critical reforms in the financial sector that should have been delivered in 2024.
- 144. Unfortunately, after spending a whopping GH¢30.3 billion in a so-called financial sector clean-up exercise, the previous NPP administration left NIB in dire straits, with a Capital Adequacy Ratio of negative 53.13% by the end of 2024.
- 145. Mr. Speaker, we have successfully recapitalized the National Investment Bank (NIB) by implementing an ambitious and credible Plan to return NIB to profitability and sustainability.
- 146. Rt. Hon. Speaker, we have taken the following steps:
  - i. injected a total of GH¢450.00 million in cash;
  - ii. issued marketable bonds with a face value of about GH¢1.5 billion to National Investment Bank (NIB); and
  - iii. transferred the GH¢500 million Government of Ghana's shares in Nestle Ghana Ltd to the National Investment Bank.
- 147. These transfers have significantly improved the Capital Adequacy Ratio from negative 53.13% at the end of 2024 to positive 23% in May 2025.
- 148. Mr. Speaker, by taking these major steps:
  - i. we have preserved depositor's funds valued at GH¢6.4 billion;
  - ii. we have saved over 900 direct jobs at the National Investment Bank; and
  - iii. we have preserved an indigenous Ghanaian bank.



149. Mr. Speaker, unlike the previous administration, we chose to spend to save a bank than spend to collapse a bank.
150. Rt. Hon. Speaker, we have also prepared a Forward-Looking Overarching Restructuring Plan for the National Investment Bank to put the bank on a sustainable path of profitability.
151. The plan also aims to enhance board independence and objectivity, strengthen risk management, promote accountability and transparency, prevent insider dominance and improve strategic decision-making.
152. Mr. Speaker, this plan will, among others:
- i. strengthen corporate governance framework and systems;
  - ii. improve enterprise risk management and controls;
  - iii. establish a modern business model;
  - iv. revamp operational strategy;
  - v. improve financial performance;
  - vi. institute enhanced supervisory measures; and
  - vii. eventually list NIB on the Ghana Stock Exchange.
153. Rt. Hon. Speaker, NIB now has total Paid-Up capital of GH¢3.4 billion and a Capital Adequacy Ratio of 23%.
154. Mr. Speaker, on behalf of the President, I want to use this opportunity to assure the people of Ghana and depositors that our indigenous bank, the National Investment Bank, is now prime for business.
155. More importantly, Mr. Speaker:
- i. NIB is back!
  - ii. NIB is now liquid!
  - iii. NIB is now safe!
  - iv. NIB is now fully capitalized!
156. We, therefore, encourage all and sundry to do business with the revitalized National Investment Bank.

**CREDIT RATING UPDATES**

157. Mr. Speaker, the progress we are making in our economic reforms and debt restructuring efforts has been recognized internationally.
158. On 16th June 2025, Fitch Ratings upgraded Ghana's Long-Term Foreign-Currency Issuer Default Rating to 'B-' with stable outlook from 'Restricted Default', the first time since 2021.
159. Fitch cited significant exchange rate appreciation, declining debt levels, strong nominal GDP growth, increased reserve accumulation and normalized relations with external creditors as key drivers.
160. Mr. Speaker, to sustain these gains, we will, among other things:
- i. maintain fiscal discipline through continued implementation of prudent policies to promote fiscal and debt sustainability;
  - ii. continue the aggressive revenue mobilization by strengthening tax collection systems and broadening the tax base to increase domestic revenues without overburdening citizens;
  - iii. accelerate structural reforms in public financial management, including transparency and accountability measures, to improve efficiency and reduce corruption;
  - iv. strengthen monetary policy framework by BoG to complement the fiscal consolidation programme to control inflation and support economic stability;
  - v. diversify the economy through investments in sectors beyond traditional exports to reduce vulnerability to commodity price shocks; and
  - vi. continue to maintain strong relationships with international financial institutions and development partners to support ongoing reforms and access technical assistance.
161. It is expected that the other rating agencies, namely S&P and Moody's will follow suit given the remarkable progress we are making in ensuring economic stability and promoting inclusive growth.
162. Mr. Speaker, this is just the beginning. We are determined to do better than the B- rating. Ghana deserves better.

## **UPDATE ON FISCAL POLICIES**

### **REVENUE**

#### **VAT REFORMS**

163. Mr. Speaker, in the 2025 Budget Statement, we reaffirmed our commitment to the people of Ghana and the business community to undertake comprehensive Value Added Tax (VAT) reforms this year.
164. These reforms are aimed at addressing the distortions and cascading effects inherent in the current VAT structure.
165. To support this effort, we also committed to seeking technical assistance from the International Monetary Fund (IMF) and engage the Ghanaian people.
166. Mr. Speaker, I am pleased to report that we have successfully completed our engagement with the IMF.
167. Currently, the Ghana Revenue Authority, together with the Ministry of Finance, is undertaking a nationwide consultation process to sensitize key players in the trade and business sectors on the VAT reforms and solicit feedback from them.
168. Rt. Hon. Speaker, the Ministry of Finance hopes to complete this process by September 2025, prepare a new VAT bill by October 2025 and submit same to Parliament as part of the 2026 Budget Statement.
169. Mr. Speaker, I would like to reassure Ghanaians that under the reforms, at the minimum:
- i. COVID-19 Levy will be abolished;
  - ii. the effective VAT rate will be reduced;
  - iii. the punitive cascading effect of the GETFund and NHIS levies will be removed;
  - iv. VAT flat rates will be removed and a unified VAT rate will be implemented;
  - v. the VAT registration threshold will be increased to exempt small and micro businesses; and
  - vi. compliance will be improved through public education, awareness creation and the introduction of fiscal electronic devices.

## **EXPENDITURE**

### **UPDATE ON PAYROLL AUDIT**

170. Mr. Speaker, as part of the fiscal consolidation strategy, we have taken measures to sanitize public sector payroll and rid it of ghost names.
171. Subsequently, we engaged the Ghana Audit Service to undertake a nationwide payroll audit across all 16 regions of the country.
172. Mr. Speaker, the Ghana Audit Service has completed 91% of the payroll audit.
173. So far:
- i. The Audit Service has not been able to identify and verify over 14,000 workers
  - ii. Again, they have identified 53,311 separated staff.
  - iii. Separated staff are staff who are either on retirement, resigned, terminated, leave without pay or deceased, and yet remain on government payroll; and
  - iv. The Audit Services expects to recovery GH¢150.4 million of unearned salaries from the separated staff over the 2023 and 2024 period.
174. Mr. Speaker, going forward, we will enforce the monthly payroll validation process and strictly apply sanctions to all who validate “ghosts” for payment of salaries.
175. Rt. Hon. Speaker, let me use this opportunity to strongly caution those who validate “ghosts” across the public service that they will be personally liable for the loss of public funds.
176. The Ministry of Finance will continue to monitor the payroll and put in place measures to prevent “ghost names” on our payroll.

### **UPDATE ON AUDIT OF ARREARS, PAYABLES, AND COMMITMENTS**

177. Mr. Speaker, in the 2025 Budget, we announced the launch of an audit of arrears and payables as at end-2024.
178. The Ghana Audit Service partnered with EY and PWC to undertake the audit.
179. Mr. Speaker the Audit Service was tasked to audit and validate GH¢68.7 billion of arrears.

180. So far, 87% of the audit has been completed.
181. The preliminary results show that:
- i. A total of GH¢28.3 billion has been validated for payment;
  - ii. an amount of GH¢3.6 billion has been rejected because of errors, duplications, and non-compliance with PFM and Procurements Rules.
  - iii. an amount of GH¢562.6 million is without adequate supporting documents; and
  - iv. GH¢27.3 billion is pending validation.
182. Mr. Speaker, the audit is expected to be completed by end-August 2025. Once finalized, we will update the House on the findings and outcomes.

### **UPDATE ON IMF PROGRAMME**

183. Mr. Speaker, Ghana remains on track on the implementation of the IMF Programme.
184. A staff-level agreement was reached during the fourth review mission in April 2025 and we received Executive Board approval on 7th July 2025
185. This unlocked US\$367 million disbursement, bringing total disbursements under the programme to US\$2.3 billion.
186. The 5th Review which is scheduled for September 2025 will be based on end-June 2025 data. Preliminary data shows that Ghana is on course to achieving most of the targets for the 5th Review.

### **PUBLIC DEBT DEVELOPMENTS**

187. Mr. Speaker, our commitment to fiscal discipline, prudent debt management and exchange rate appreciation has resulted in significant improvement in Ghana's debt profile.
188. Public debt reduced from GH¢726.7 billion as at end-December 2024 to GH¢613 billion as at end-June 2025.
189. Ghana's public debt reduced by GH¢113.7 billion in six months.
190. For the first time in Ghana's history, there is a negative 15.6% rate of debt accumulation.

191. Ghana's public debt-to-GDP ratio as at end-June 2025 was 43.8%, from 61.8% at the end of 2024.
192. Ghana's public debt as a percent of GDP reduced by 18% in six months.
193. Ghana's foreign debt, as a percentage of total public debt, declined from 57.4% as at end-December 2024 to 49% by end-June 2025.
194. This has significantly improved Ghana's debt sustainability.

## **UPDATE ON DEBT RESTRUCTURING**

195. Mr. Speaker, Government remains committed to restructuring our bilateral and commercial debts under the G-20 Common Framework.
196. On 24th June 2025, this House approved the indicative terms of the Memorandum of Understanding (MoU) between Ghana and the Official Creditor Committee (OCC).
197. On behalf of H.E. the President, I wish to thank this House for the swift action which has enabled government to begin negotiations for the signing of bilateral agreements with each of the countries.
198. We are ready to sign the agreements with two countries. It is expected that four agreements will be signed by the end of July 2025.
199. Mr. Speaker, on the commercial debt restructuring, we have signed Non-Disclosure Agreements (NDAs) with some Commercial lenders.
200. In line with Government's strong commitment to honouring its debt service obligations, we made two debt service payments of about US\$700 million to our Euro bondholders.
201. Mr. Speaker, on the domestic front, Government continues to meet its commitment towards the Domestic bondholders.
202. For the first half of 2025, a total of GH¢9.8 billion was paid as coupon to DDEP bondholders, of which GH¢3.6 billion was capitalised.
203. For the non-tendered bondholders, government paid a total of GH¢1.1 billion. This was the outstanding debt service as at 2024.
204. Mr. Speaker, for the second half of 2025, an amount of GH¢10.2 billion is due as coupons on the DDEP bonds and GH¢724.1 million as debt service for the non-tendered bondholders.

205. It is important to note that government remains committed to honouring its debt service obligations and has therefore made adequate preparations towards full settlement of all debt service in 2025 and beyond.

### **PRIORITY PROJECTS UNDER RESTRUCTURED BILATERAL DEBT**

206. Mr. Speaker, following Ghana's default on its external debt service obligation on 19th December 2022, creditors halted disbursements of 55 bilateral projects.
207. This resulted in several uncompleted projects scattered across the country and leaving a massive amount of US\$3 billion in undisbursed loans.
208. The IMF and Official Creditor Committee (OCC) annual disbursement ceiling of US\$250 million for official bilateral loans implies that it will take a minimum of 12 years to fully draw down on the undisbursed loans.
209. Under the MoU with the Official Creditor Committee (OCC), the Government of Ghana was required to submit a priority list to accommodate the US\$250 million annual disbursement ceiling.
210. Mr. Speaker, during the presentation of the 2025 Budget and Economic Policy of Government, I informed this House that we will engage to resolve the challenge.
211. Following extensive engagements, Government has submitted the priority list of 24 projects to the OCC and the IMF.
212. This is expected to trigger resumption of disbursements for projects on the priority list upon the signing bilateral agreements between Ghana and creditor countries.
213. We aim to ensure that all the priority projects are completed and commissioned by the end 2028.
214. Mr. Speaker, the priority projects are:
- i. New Bridge Across the Volta River at Volivo
  - ii. Construction of the Tema-Aflao Road Project- Phase 1;
  - iii. Tema Motorway Roundabout, through Ashaiman Roundabout to Atimpoku;
  - iv. Construction of 14 Pedestrian Bridges;
  - v. Kumasi Roads and Drainage Extension;

- vi. Paa Grant Interchange and Sekondi/Takoradi Township Roads- Phase 1;
- vii. Rehabilitation of Dome-Kitase Road;
- viii. Obetsebi Lamprey Interchange- Phase 2;
- ix. Bolgatanga-Bawku-Pulimakom Road;
- x. PTC Roundabout Interchange Project at Takoradi;
- xi. Construction of Drinking Water Facilities in Wenchi;
- xii. Sekondi-Takoradi Water Supply;
- xiii. Modernization of Komfo-Anokye Teaching Hospital;
- xiv. Construction of Central Medical Stores in Tema;
- xv. Effia Nkwanta Regional Hospital in Takoradi;
- xvi. Bolgatanga Regional Hospital;
- xvii. Establishment of the University of Environment and Sustainable Development at Bunso;
- xviii. Establishment of 9 State of the Art Technical and Vocational Education Training Centres;
- xix. Integrated E-Learning Laboratories in Senior High Schools;
- xx. Expansion and Development of Existing Senior High Schools;
- xxi. Renewable Energy Programme: Pilot Photovoltaic System;
- xxii. Renewable Energy and Energy Efficiency Programme;
- xxiii. Construction of the Takoradi Market; and
- xxiv. Kumasi Central Market Phase 2.

215. Mr. Speaker, the main criterion for the selection of these projects was closeness to completion.

216. As a result, projects which were over 70% complete were given priority.



217. The resumption of disbursements for the projects and its associated debt service are fully in line with our commitments under the bilateral debt restructuring and the IMF Programme.
218. Mr. Speaker, there is no room for an increase in the scope of work for any of the projects on the priority list agreed upon with the IMF and OCC.
219. Implementing agencies must take note and comply accordingly.
220. Mr. Speaker, it has come to the attention of the Ministry of Finance that a number of contractors implementing some of these 55 stalled projects have drawn down on the loans with no work done to match the amounts drawn down.
221. Again, some contractors have submitted additional costs in excess of what Parliament approved.
222. The Ministry of Finance has accordingly commissioned a forensic audit into these projects.
223. Mr. Speaker, we will apprise the House when this audit is completed.

#### **UPDATE ON SINKING FUND OPERATION**

224. Mr. Speaker, in the 2025 Budget Statement, Government announced that it will commence the operationalization of Sections 37 to 44 of the Public Financial Management Act, 2016 (Act 921), as amended, to build sufficient buffers in the Sinking Fund for prompt redemption of specified loan obligations of Government.
225. Government has set up a cedi Sinking Fund Account and a US Dollar Sinking Fund Account.
226. Beginning August 2025, the Ministry of Finance will commence the building of cash buffers to support the repayment of Ghana's domestic debt service obligations relating to the Domestic Debt Exchange Programme bonds which will fall due in 2027 and 2028.
227. Mr. Speaker, the Cedi Sinking Fund Account will specifically target the redemption of debt service humps in 2026 of GH¢20billion, 2027 of GH¢50.3billion and 2028 of GH¢45.75billion.
228. Similarly, the US Dollar Sinking Fund Account will also target Eurobond redemptions which will fall due from 2026 of US\$1.42 billion, 2027 of US\$1.17 billion, and 2028 of US\$1.14 billion.

229. Mr. Speaker, the implementation of the Sinking Fund will provide a reliable buffer that ensures timely and predictable redemption of designated public debt obligations.
230. This structured approach to debt servicing will enhance investor confidence and contribute to long-term debt sustainability.

### **LIABILITY MANAGEMENT OPERATIONS**

231. Mr. Speaker, Government has begun an implementation of an effective and efficient liability management programme to reduce embedded risk on the debt portfolio.
232. Our liability management operations will:
- reduce debt service costs and mitigate refinancing or rollover risks;
  - extend maturities to alleviate near-term refinancing pressures;
  - optimize the debt portfolio by rebalancing the mix of short-term vs. long-term instruments; and
  - strengthen market confidence.
233. Under our liability management operations, we will analyse the domestic bond market to assess suitability for bond buybacks.
234. We will carefully sequence issuances of benchmark securities and prioritize longer-dated tenors to establish a stable yield curve.

### **PRIMARY DEALERS AND BOND MARKET SPECIALIST SYSTEM**

235. Mr. Speaker, our debt management strategy is to use treasury bills for cash management purposes only.
236. We intend to reopen the domestic bond market to finance the budget deficit.
237. The reopening of the domestic bond market will aim at creating a more competitive primary market that can deliver the volume and pricing to enable the government lower its borrowing costs.
238. Mr. Speaker, beginning August 2025, we will commence the selection of new bookrunners to assist government in the reopening of the domestic market.
239. The selection of bookrunners will focus on banks and investment dealers with the ability to achieve a wider market distribution and advise on pricing and structuring.

## REVISED MACROECONOMIC FRAMEWORK

### MACROECONOMIC TARGETS

240. Mr. Speaker, economic developments in the first half of the year do not warrant a revision to the macroeconomic targets and the appropriations for 2025.
241. We maintain the following macroeconomic targets for 2025:
- i. Overall Real GDP growth of at least 4.0%;
  - ii. Non-Oil Real GDP growth of at least 4.8%;
  - iii. End-year inflation rate of 11.9%;
  - iv. Primary balance on commitment basis at a surplus of 1.5% of GDP; and
  - v. Gross International Reserves covering not less than three months of imports.
242. Although we have made significant progress, we are cautiously optimistic.

### REVISION TO THE 2024 FISCAL FRAMEWORK

243. Mr. Speaker, despite maintaining our macroeconomic targets for 2025, including the primary balance on commitment basis of a surplus of 1.5% of GDP, we are revising both revenue and expenditure projections to reflect the impact of the additional revenue from the Energy Sector Levies (Amendment) Act, 2025 (Act 1141).

### REVISIONS TO REVENUE

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244. As a result, Total Revenue and Grants have been revised upwards from the 2025 Budget target of GH¢227.1 billion to GH¢229.9 billion or from 16.2% of GDP to 16.4% of GDP. This represents a nominal increase of 1.3%.
245. Mr. Speaker, the additional revenue of GH¢2.9 billion will come from the increase in revenues from the amendment to the Energy Sector Levies Act.

### REVISIONS TO EXPENDITURES

246. Mr. Speaker, total expenditure on commitment basis has been revised downward to GH¢269.5 billion from the original budget projection of GH¢270.9 billion.
247. However, primary expenditure has been revised upwards to GH¢209.6 billion from the original budget projection of GH¢206.8 billion.

248. This upward adjustment reflects an increase in allocation to support energy sector payments.
249. Mr. Speaker, Interest Payments have been revised downwards by GH¢4.3 billion, from the original budget projection of GH¢64.1 billion to GH¢59.9 billion.
250. Domestic Interest has been revised downward by GH¢5.1 billion mainly on account of gains from the reduction in the treasury bill rates, as a result of the implementation of our prudent debt management policies.
251. However, external interest payments have been revised upward by GH¢795 million to make additional provision for debt service due on post cut-off date disbursements made by our bilateral creditors since 2023.
252. Mr. Speaker, energy sector payments have also been revised upwards by GH¢2.9 billion, to provision for fuel purchases for power generation.

### **OVERALL BALANCE AND FINANCING**

253. Mr. Speaker, notwithstanding the revisions to revenue and expenditures, the primary balance on commitment basis remains unchanged at a surplus of 1.5% of GDP.
254. Based on the revisions to revenue and expenditures:
- i. the overall fiscal balance on cash basis improves from a deficit of 4.1% of GDP to 3.8% of GDP;
  - ii. the overall fiscal balance on commitment basis improves from a deficit of 3.1% to 2.8%; and
  - iii. the projected annual borrowing needs of government reduces by GH¢4.3 billion.

### **RISKS TO THE 2025 FISCAL FRAMEWORK**

255. Mr. Speaker, despite the robust fiscal performance, there are underlying risks which pose a threat to the 2025 fiscal framework. These risks are:
- i. shortfall in customs revenue;
  - ii. the smuggling of marine gas oil;
  - iii. mounting wage pressures; and
  - iv. pricing and award of contracts in foreign currency.

## **CUSTOMS REVENUE**

256. Mr. Speaker, customs revenue recorded a significant shortfall of GH¢1.6 billion, representing 12.7 percent, for the first half of 2025.
257. This underperformance is attributable to systemic revenue leakages at key customs collection points, notably the Tema Port, and the smuggling of goods across our land borders.
258. These developments pose risks to the attainment of our revenue target for the year.
259. To mitigate these risks, government is implementing the following measures to address existing operational challenges to safeguard revenue:
- i. adopt the use of Artificial Intelligence (AI) tools to minimize human interference in revenue assessment, supporting the validation of the country of origin, as well as the accuracy of classification and valuation of imported goods;
  - ii. roll out Advanced Cargo Information (ACI) system to ensure that the Ghana Ports and Harbours Authority (GPHA) and the Ghana Revenue Authority receive comprehensive shipment details at least 24 hours prior to vessel departure from the port of origin. This will enable pre-arrival risk assessment, reduce the need for documentation amendments and facilitate more accurate and timely duty assessments;
  - iii. implement a robust anti-smuggling surveillance programme targeting both inland and maritime borders; and
  - iv. review the institutional setup of the Customs Division of the Ghana Revenue Authority, including staff mobility, to facilitate the decentralization of Customs operational risk to enhance transparency and accountability of staff.

## **SMUGGLING OF MARINE GAS OIL (MGO)**

260. Mr. Speaker, the tax exemptions on marine gas oil (MGO) was introduced to support non-artisanal fishing fleet operating from Ghana.
261. Over the years, the tax exemptions have created incentives for abuse and smuggling of MGO onto the open market, resulting in revenue losses estimated at nearly half a billion Ghana cedis.
262. The government will withdraw the tax exemptions to curb smuggling and stem the erosion of tax revenue, thereby reducing the fiscal risks to the budget.

**WAGE AND SALARIES PRESSURES**

263. Mr. Speaker, we have seen some significant pressures on the compensation budget for the first half of 2025 mainly emanating from wages and salaries.
264. Wages and salaries exceeded the budget by GH¢1.3 billion for the first six months of the year.
265. The wage pressures were largely driven by last-minute recruitments undertaken by the previous government in the last quarter of 2024, especially in the education, health and security sectors.
266. In addition, ad-hoc reviews of conditions of service undertaken in previous years have distorted the Single Spine Pay Policy and further burdened the public wage bill.
267. Mr. Speaker, government is implementing the following measures to address the challenges:
- i. conduct regular nationwide staff payroll audit to sanitize government payroll;
  - ii. realignment of staff from overstaffed and defunct MDAs to areas with critical staffing needs;
  - iii. finalizing the processes for the establishment of the Independent Emoluments Commission (IEC) as part of broader efforts to reform and reset public sector pay; and
  - iv. issue an Executive directive mandating all MDAs to seek approval from the Minister of Finance before making any commitments with financial implications on the payroll.

**PRICING AND AWARD OF CONTRACTS IN FOREIGN CURRENCY**

268. Mr. speaker, the pricing of goods and services and the award of contracts in foreign currency pose significant risk to fiscal management with severe implications for the stability of our currency.
269. Unfortunately, foreign currencies are becoming the means of transacting business in Ghana. This trend if not checked, will erode the confidence in our currency, drive inflation, and result in the loss of value in the symbol of our sovereignty.
270. To curb this unfortunate development, President John Dramani Mahama has directed that beginning today 24th July 2025, no contract awarded by

government irrespective of source of funding should be denominated in foreign currency.

271. We also want to use this opportunity to remind the public that per the Foreign Exchange Act, 2006 (Act 723) companies, institutions and individuals are prohibited from pricing, advertising, receipting or making payments for goods and services in foreign currencies in Ghana without written authorization from Bank of Ghana.

## **UPDATE ON KEY POLICY INITIATIVES**

272. Mr. Speaker, I now present updates on key policy initiatives outlined in the 2025 Budget.

### **THE GHANA GOLD BOARD (GOLDBOD)**

273. Mr. Speaker, since its establishment in April 2025, the Ghana Gold Board (GOLDBOD) has initiated reforms to the licensing regime that governs the local gold trading sector and introduced new aggregation systems to effectively mop up gold from the artisanal, small-scale mining sector across the country.
274. These measures have already yielded tangible economic benefits within the short period of operation of the GOLDBOD.
275. In the first half of 2025 alone, gold exports from the small-scale sector stood at 51.5 tonnes, with an export value of approximately US\$5 billion.
276. This figure far exceeds the 26.4 tonnes with an export value of US\$1.8 billion from the small-scale mining sector over the same period in 2024.
277. Mr. Speaker, simply put, gold exports, in tonnes, from the small-scale mining sector for the first half of 2025 recorded about 100% increase, over what was recorded in the same period last year.
278. Similarly, the value of gold exports from small-scale mining increased by about 180% for the first half of 2025, over that of the same period in 2024.
279. Mr. Speaker, for the first time in Ghana's history, gold exports from the small-scale mining sector have exceeded gold exports from the large-scale sector.
280. The substantial foreign exchange inflows from the GOLDBOD's operations in the artisanal, small-scale mining sector, have significantly strengthened our reserves, improved our balance of payments and provided critical support to the Ghana Cedi.

281. Mr. Speaker, this tells a story. A story of a country which has been denied the full benefits of its gold resources.
282. A story of a country where illegal gold trade and smuggling have been allowed to fester to the detriment of the wellbeing of the people.
283. Rt. Hon. Speaker, on the 8th of July 2025, His Excellency the President inaugurated a task force to tackle illegal gold trade and smuggling.
284. I want to use this opportunity to reiterate that the government of President Mahama will deal ruthlessly with anyone found engaging in illegal gold trade and smuggling, as these nation-wrecking activities sabotage the progress of the people.

### **THE 24-HOUR ECONOMY AND ACCELERATED EXPORT DEVELOPMENT PROGRAMME**

285. Mr. Speaker, earlier this month, President Mahama officially launched the 24-Hour Economy and Accelerated Export Development Programme, Ghana's ambitious and integrated strategy to boost production, create sustainable jobs and modernize our economy.
286. The 24-Hour Economy and Accelerated Export Development Programme represents a national reset aimed at reducing import dependence, expanding domestic production, improving market access and building a competitive, skilled workforce for a dynamic economy.
287. The anchor of the 24-Hour Economy and Accelerated Export Development Programme is the Volta Economic Corridor, a transformational project to unlock the vast economic and environmental potential of the Volta Lake and its surrounding lands.
288. The Volta Economic Corridor revives and expands on Dr. Kwame Nkrumah's original vision of the Volta Project as a hub for agro-industry, trade and transportation, now re-imagined to fit today's economic realities and regional opportunities.
289. The Volta Economic Corridor will be executed through the following pillars of the 24-Hour Economy and Accelerated Export Development Programme:
- i. Grow24 will irrigate over 2 million hectares of farmlands for year-round farming instead of the traditional seasonal farming;
  - ii. Make24 will establish agro-industrial parks for textiles, pharmaceuticals, and food processing;



- iii. Show24 will develop tourism clusters and hospitality hubs along the lake; and
  - iv. Connect24 will turn the lake into a major inland transport route, cutting haulage costs and linking northern, southern, eastern, and western Ghana.
290. Mr. Speaker, to support this transformative programme, the Ministry of Finance will, in the 2026 Budget, outline targeted incentives for the Volta Economic Corridor.
291. These measures will be carefully designed to attract private capital, drive enterprise growth and create decent, well-paying jobs.
292. Mr. Speaker, the government will only facilitate, and not dominate, this ambitious new growth pole.

### **THE BIG PUSH PROGRAMME**

293. Mr. Speaker, as part of the 2025 Budget we announced the commencement of the Big Push Programme, a flagship initiative of President John Mahama for massive infrastructure development.
294. Since then, the President has dedicated all Big Push budgetary allocations over the next two years to improve road infrastructure.
295. Mr. Speaker may recall Parliament approved that all oil revenues and mineral royalties accrued to the Budget be dedicated to the Big Push.
296. As a result, the amount of GH¢13.8 billion which was allocated in the 2025 Budget to the Big Push Programme will be used for road infrastructure.
297. Mr. Speaker, the Minister for Roads and Highways has spent the first six months of his time in office touring the whole country to assess, first hand, the state of roads in our country.
298. The Ministry of Roads and Highways has undertaken studies and prepared comprehensive engineering interventions and cost estimates for road projects under the Big Push Programme.
299. The Ministry of Finance has since issued commitment authorizations for the following road infrastructure projects under the Big Push Programme:
- i. Construction of a new bridge on the Oti River at Dambai;
  - ii. Rehabilitation of Wa - Han Road;

- iii. Upgrading of Tumu - Hamile Road;
- iv. Upgrading of Tumu - Han - Lawra Road;
- v. Reconstruction of Navrongo - Tumu Road;
- vi. Rehabilitation of Techiman - Nkonsia - Wenchi Road;
- vii. Rehabilitation of Wenchi- Sawla Road;
- viii. Construction of Sunyani Outer Ring Road;
- ix. Construction Of Kumasi Outer Ring Road (Eastern Quadrant);
- x. Rehabilitation of Gbintri - Nakpanduri Road;
- xi. Rehabilitation of Dodo Pepesu – Nkwanta Road;
- xii. Rehabilitation of Atimpoku - Asikuma Junction Road;
- xiii. Rehabilitation of Asikuma Junction - Anyirawasi Road;
- xiv. Reconstruction of Anyirawasi - Ho Tritrinu Road;
- xv. Upgrading of Akosombo-Gyakiti-Kudikope Road;
- xvi. Upgrading of Asikuma to Anum Boso-Kpalime Road;
- xvii. Upgrading of Adomi Bridge to Akwamufie Road;
- xviii. Rehabilitation of Ho - Kpetoe Road;
- xix. Rehabilitation of Kpetoe-Afiadenyigba Road;
- xx. Rehabilitation of Afiadenyigba - Penyi Road;
- xxi. Rehabilitation of Penyi - Aflao Road;
- xxii. Dualization of Winneba - Mankessim Road;
- xxiii. Dualization Of Cape Coast- Takoradi Road;
- xxiv. Rehabilitation of Mankessim-Ajumako-Breman Asikuma-Agona Swedru Road;
- xxv. Rehabilitation of Tema - Aflao Road (Section 1);
- xxvi. Reconstruction of Dodowa - Afienya-Dawhenya Road;

- xxvii. Upgrading Of Oyibi-Appolonia-Afienya Road;
  - xxviii. Construction of Enchi - Elubo Road;
  - xxix. Construction of Dadieso - Akontombra Road;
  - xxx. Upgrading of Adwofua – Oseikojokrom Road;
  - xxxi. Upgrading of Enchi - Kudjouru - Pekyi Road; and
  - xxxii. Upgrading of Bediako Junction - Camp 15 - Sefwi Adabokrom Road.
300. Rt. Hon. Speaker, as part of the Big Push Programme, we have also selected the following abandoned road projects, for which no dedicated funding was allocated by the previous administration:
- i. Rehabilitation and Upgrading of Kasoa - Winneba Road;
  - ii. Rehabilitation of Ofankor – Nsawam Road (Dual Carriageway);
  - iii. Dualization of Takoradi – Agona Junction Road;
  - iv. Construction of Suame Interchange and Local Roads;
  - v. Construction of National Route N18: Wa - Han Road;
  - vi. Upgrading of Tumu - Chuchuliga - Navrongo including construction of 36m span reinforced concrete bridge over Kanyibie River and 24m span reinforced concrete bridge over Bechelihu river;
  - vii. Reconstruction of Navrongo - Chuchuliga - Sandema Road;
  - viii. Rehabilitation of Tepa (Mabang) - Goaso Road;
  - ix. Rehabilitation of Hohoe - Jasikan Road;
  - x. Upgrading of Nkwanta - Oti Damanko Road;
  - xi. Reconstruction of Have - Hohoe Road;
  - xii. Dualization of Adenta - Dodowa Road; and
  - xiii. Reconstruction of Jinijini - Sampa Road.
301. Mr. Speaker, in line with Section 33 of the Public Financial Management Act and as part of this Mid-Year Fiscal Policy Review of the 2025 Budget Statement and Economic Policy, I am seeking approval for these multi-year commitments.

302. Mr. Speaker, government has also initiated comprehensive feasibility studies for four (4) projects which are currently at various stages of preparation, ensuring detailed assessments of their technical, economic and environmental viability.
303. The projects are:
- i. Accra – Kumasi Expressway on a completely new alignment;
  - ii. Accra Outer Ring Road;
  - iii. Kumasi Outer Ring Road; and
  - iv. Adawso – Ekye Amanfrom Bridge to connect the Afram Plains area.

### **REORGANIZATION OF THE ROAD FUND**

304. Rt. Hon. Speaker, this is not all. Government has also taken a decision to remodel the Ghana Road Fund and refocus it towards road maintenance.
305. As part of this Mid-Year Review, and on behalf of government, the Minister for Roads and Highways will be laying before this House a new Road Maintenance Trust Fund Bill.
306. When approved, the Road Maintenance Trust Fund will replace the Ghana Road Fund.
307. Mr. Speaker, the Road Maintenance Trust Fund will, among others, provide for a new governance architecture, provide a formular for a fairer allocation of resources and introduce more transparency in the utilization of the road fund levy and others.
308. Government has identified 166 constituencies in dire need of road infrastructure. In response, we have programmed to rehabilitate 10km of roads annually in each of these constituencies.
309. Mr. Speaker, this translates to about 5,000km of roads to be reconstructed in these 166 constituencies in dire need of road infrastructure over the next 3 years.

### **NURSING AND TEACHER TRAINEE ALLOWANCES**

310. Mr. Speaker, I am pleased to inform this House that we have paid all allowances due to nursing and teacher trainees from January to June 2025.
311. Mr. Speaker, from the end of this month, all nursing and teacher trainees will receive their allowances promptly, at the end of every month.

## CONCLUSION

312. Rt. Hon. Speaker, I conclude this Mid-Year Fiscal Policy Review with renewed hope and optimism.
313. The last six months have revealed our enduring spirit, what we can collectively achieve and our potential to rise from the brink.
314. Upon assumption of office in January this year:
- i. we were handed an economy in deep distress;
  - ii. a country with dispirited citizens;
  - iii. trust and faith in our leaders were at an all-time low;
  - iv. the fundamentals were not only weak, but broken; and
  - v. the misery and suffering were palpable.
315. In just 6 months, under the decisive leadership of President John Mahama, we have begun to change that story.
316. President Mahama's economic management model is working. The turnaround is in sight.
317. Mr. Speaker, the signs of economic progress are visible and measurable:
- i. first quarter economic growth is at a 5-year high;
  - ii. our debt-to-GDP ratio is at a 5-year low;
  - iii. inflation has declined to a 4-year low;
  - iv. our credit rating has improved from junk to B-, with stable outlook, a two-notch upgrade and a 4-year high;
  - v. we have almost reversed all the Cedi depreciation in the years 2022, 2023 and 2024.
  - vi. This level of appreciation of the Ghana Cedi has never happened in the history of our nation;
  - vii. prices of petrol and diesel at the pump have reduced significantly to the benefit of consumers; and
  - viii. prices of sugar, rice and cooking oil at a 4-year low.

- The price of a 25kg bag of royal aroma rice which used to be sold for GH¢650 in January is now being sold for GH¢356.
- The price of olonka of sugar which used to be sold for GH¢50 in January is now being sold for GH¢44.
- The price of a 25litres of cooking oil which used to be sold for GH¢980 in January is now being sold for GH¢640.
- The price of Kokonte (1 sack) which used to be sold for GH¢1,200 in January is now being sold for GH¢950.
- A tonne of iron Rods which used to be sold at GH¢9,400 in January is now being sold for GH¢7,500.
- Onion (1 Paint bucket) which used to be sold at GH¢120 in January is now being sold for GH¢95.
- POP Cement which used to be sold for GH¢115 in January is now being sold for GH¢90.
- Maize (1 sack) which used to be sold for GH¢1,600 in January is now being sold for GH¢1,450.
- The price of Yazz Sanitary Pad which was GH¢25 in January is now going for GH¢15.
- Palm fruits (1 Olonka) which used to be sold for GH¢40 is now being sold for GH¢25.

318. Mr. Speaker, this is the reset President Mahama promised.

319. It has been 6 months of hard work.

320. We have lessened the burden on households and businesses.

321. Rt. Hon. Speaker, contrary to the perception that we are not spending, we are indeed spending and spending at the right places. We are making the right investments:

- i. an amount of US\$700 million as Eurobond obligations has been paid;
- ii. an amount of GH¢10 billion to domestic bondholders has been paid;
- iii. an amount of GH¢2.9 billion to the District Assemblies Common Fund (DACF) has been paid;

- iv. an amount of GH¢2.7 billion to Social Security and National Insurance Trust (SSNIT) has been paid;
- v. an amount of GH¢9.1 billion to the energy sector for stable power supply has been paid;
- vi. an amount of GH¢5 billion of arrears has been paid;
- vii. an amount of GH¢4.6 billion to the Ghana Education Trust Fund (GETFund) has been paid;
- viii. an amount of GH¢1 billion to the free secondary education programme has been paid;
- ix. an amount of GH¢4.6 billion to the National Health Insurance Scheme has been paid;
- x. an amount of GH¢1.4 billion for National Health Insurance claims has been paid;
- xi. an amount of GH¢252 million for vaccines and essential medicines has been paid;
- xii. an amount of GH¢72.8 million as Capitation Grant has been paid;
- xiii. an amount of GH¢477 million to LEAP beneficiaries has been paid;
- xiv. an amount of GH¢895 million to the School Feeding Programme has been paid;
- xv. an amount of GH¢122.8 million for BECE registration has been paid;
- xvi. an amount of GH¢300 million to the No Fee Stress Policy has been paid;
- xvii. an amount of GH¢191.7 million as Teacher Training Allowance has been paid;
- xviii. an amount of GH¢462.6 million as Nursing Training Allowance has been paid;
- xix. an amount of GH¢25 million as Assembly Members allowance has been paid;
- xx. an amount of GH¢21 million for the National Apprenticeship Programme has been paid;

- xxi. an amount of GH¢34.5 million to the Adwumawura Programme has been paid;
  - xxii. an amount of about GH¢2 billion as Goods and Services to run effective and efficient Government Ministries, Departments and Agencies has been paid; and
  - xxiii. an amount of about GH¢2 billion to save the National Investment Bank (NIB) has been paid.
322. Mr. Speaker, non-interest expenditures of GH¢84.2 billion has been paid.
323. So far, Mr. Speaker, from January to June, total cash of GH¢114.5 billion has been paid from the Consolidated Fund.
324. Mr. Speaker, this is not all. We have also worked to:
- i. improve the fiscal situation;
  - ii. restore fiscal discipline;
  - iii. implement appropriate policies to reduce interest rates significantly thereby reducing the cost of borrowing; and
  - iv. save on domestic interest payments following the implementation of our prudent debt management policies.
325. Mr. Speaker, there is still more work to be done. President Mahama is determined to deliver.
326. Insha Allah, H.E. President John Mahama will deliver!!
327. Rt. Hon. Speaker, we are not out of the woods! It will be premature to make that pronouncement.
328. But the good news is that, today, hope is in sight and we are determined to navigate the country out of the terrible storm we inherited.
329. We need the support of the people of Ghana to weather this storm.
330. Mr. Speaker, to the farmer in Yendi and the fisherfolk in Sekondi and Shama; to the nurse in Sunyani and the teacher in Anum-Boso.
331. To the Ghanaian youth seeking decent work. To the elderly seeking better pension.
332. We see you. We hear you. And we are working for you.



333. The gains we have made so far are the result of your sacrifice, your patience and our belief that change was not only necessary, but crucial.
334. This Mid-Year Review is not just a technical report.
335. It is the story of the Ghanaian people. A story of a nation that refused to give up.
336. A story that channels Nelson Mandela, “it always seems impossible until it is done”.
337. Mr. Speaker, even as we look back at how far we have come, we are also looking ahead.
338. That is the essence of President Mahama’s leadership. He is focused and he will deliver.
339. President Mahama is honoring his promises to the Ghanaian people.
340. The second half of 2025 promises to be even better.
341. We expect inflation to continue its downward trend and reach our 2025 target ahead of schedule.
342. We will sustain the stability of the cedi through disciplined spending, targeted investment and continued reserve accumulation.
343. Growth will be further boosted by our strategic initiatives including the 24-Hour Economy programme, the Big Push infrastructure programme and the revitalization of agriculture through the Agriculture for Economic Transformation Programme.
344. Mr. Speaker may recall that during my vetting, when asked what I would like to be remembered for as Minister for Finance, I stated that I would like to be remembered for stabilizing the exchange rate, ensuring low prices and creating jobs.
345. Ahead of the presentation of the 2025 Budget, my engagement with traders at the Makola market revealed that price and exchange rate stability were the overriding concern for the business community.
346. Mr. Speaker, I wish to take this opportunity to thank our cherished traders at Makola for their valuable insights.

347. Mr. Speaker, the updates on the Cedi and the prices above clearly show that we have taken deliberate and decisive actions to ensure that the challenges with exchange rate and prices are tackled head on.
348. Mr. Speaker, let me assure all Ghanaians that the stability in the exchange rate and the lower prices we are experiencing will be sustained.
349. Government has worked hard to bring down and stabilize the exchange rate with deliberate policies. It is now time for businesses to bring down prices to reflect the new economic reality.
350. We understand businesses went through some sacrifices during the turbulent economic challenges but so did the ordinary Ghanaian.
351. It is now time for prices to come down to reflect the new economic realities for the benefit of all Ghanaians.
352. Mr. Speaker, as we look forward, more jobs will be created, confidence will deepen and the Ghanaian economy will stand tall again, not just in the sub-region, but on the global stage.
353. But to do this, Mr. Speaker, we must stay united as a people and eschew divisiveness.
354. We must continue to have faith in our country, Ghana!
355. Mr. Speaker, importantly, we must have faith in our currency, the Ghana Cedi.
356. For 60 years, through cycles of inflation, devaluation, redenomination and recovery, the cedi has remained the symbol of our sovereignty:
- i. it has endured;
  - ii. it has evolved; and
  - iii. it remains the only legal tender of our Republic.
357. Let us protect it. Let us trade with it.
358. Let us talk about it with pride, not as a burden, but as a badge of economic independence.
359. Mr. Speaker, I believe in the Cedi. Fellow country men and women, believe in the cedi.
360. To all of us who are privileged to serve in the leadership of our nation, let us unite and do this for ourselves, for our children and for our children's children.

- 361. It is our collective responsibility.
- 362. Ghana needs us now more than ever. Our people need us!
- 363. Mr. Speaker, I cannot conclude without expressing deep gratitude to H.E. President John Dramani Mahama, whose unwavering dedication and vision continue to anchor this national reset.
- 364. And to you, Mr. Speaker, Rt. Hon. Alban Sumana Kingsford Bagbin and Members of Parliament and the parliamentary service, I am extremely grateful.
- 365. Mr. Speaker, indeed #AbanPapaAba!!!
- 366. I thank you for your kind attention.