

CPIA Detailed Report

Pays: Ghana

Année de l'exercice: CPIA Exercise 2023

Currency: Ghanaian Cedi (GHS)

Ville: Accra

Groupe de revenu: Lower middle income

Catégorie de prêt: IDA

Score CPIA final: 4.159

(A) Economic Management

Score du cluster: 3.667

01. Fiscal Policy

Score du critère: 4

1. Fiscal Policy

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Fiscal policy has remained consistent with macroeconomic stability and debt sustainability, but occasional slippages exist. Fiscal balance is sometimes reached at the expense of public goods provision. Fiscal

policy response to shocks is reasonably rapid. The quality of public goods provision is in many areas sufficient to support growth most of the time. Due to fiscal consolidation, the fiscal deficit narrowed from 9.2% in 2021 to 8.7% in 2022. It was financed from domestic (85.2%) and foreign (14.8%) sources. To react to macroeconomic imbalances due mainly to the compounded negative hysteresis impact of COVID-19 and the negative effect of Ukraine's invasion by Russia, the Government of Ghana (GoG) is implementing a post-COVID-19 programme economic and growth (PC-PEG) which is a set of macroeconomic measures aiming at addressing the imbalances and building a resilient path for macroeconomic indicators.

The Consolidated End-Year Report on Budget Performance for the 2022 Fiscal Year found that the total revenue and grants for 2022 amounted to GH¢96,651 million (15.7% of GDP). This figure is in line with the target of GH¢96,842 million (15.7% of GDP) and represents an execution rate of 99.8%, with an annual growth of 36.3%. Total Domestic Revenue amounted to GH¢96.5 billion (15.5% of GDP), representing an annual growth of 37.0% and constituting 99.8% of Total Revenue and Grants. The main drivers of this growth are:

- In Ghana, Non-Oil Tax Revenue, which includes taxes on Non-oil Income and Property, Domestic Goods and Services, and International Trade, reached GH¢68,797 million, accounting for 11.4% of the country's GDP. This is 1.2% higher than the GH¢68,797 million target set, making up 72.0% of domestic revenue. The improved performance is attributed to better monitoring of VAT, price effects, and increased currency depreciation. However, the implementation of the proposed revenue measures experienced some delays.
- The revenue generated from sources other than oil and taxes, such as MDAs' IGF Retention, IGF Lodgement, Fees & User Charges, and Dividend from the non-oil sector, amounted to GH¢8,454 million, which is 1.4% of GDP. Unfortunately, this falls below the target of GH¢9,502 million, which is 1.6% of GDP, by 11.0 percent. The reason for this shortfall is primarily due to lower MDAs Retention.
- Revenue from upstream oil and gas activities for the period amounted to GH¢12,062 million, achieving 99.8% of the target, with YoY growth of 146.1%.
- Other revenues, which include SSNIT's contribution to NHIL and earnings from the Energy Sector Levies (ESL), totalled GH¢5,423 million. This exceeded the target of GH¢5,267 million by 3.0 percent. The increase was due to the rising crude oil prices, which had a positive impact on the Energy Sector Levies
- Development Partners disbursed grants totalling GH¢1,119 million, which accounts for 0.2 percent of GDP. This amount is 5.9 percent lower than the GH¢1,188 million target. The grants were solely from Project Grants as there were no anticipated Programme Grants for the 2022 fiscal year.

In 2022, total expenditure, including arrears clearance and discrepancy, amounted to GH¢147,148 million (24.1% of GDP), 8.4% above the budgetary provision of GH¢135,742 million (22.0% of GDP). Most of the critical expenditure lines exceeded their respective targets except for Other Expenditures and Use of

Goods and Services, which remained within target. Compensation of Employees amounted to GH¢39,434 million (6.5% of GDP), exceeding the target of GH¢37,949 million (6.4% of GDP) by 3.9%. This was due to higher payments for wages and salaries, which constituted 89.8% of total compensation. Expenditure on Use of Goods and Services was GH¢7,926 million (1.3% of GDP), which is within the target of GH¢5,867 million (1.0% of GDP). This reflects the consolidation and additional expenditure cut measures of discretionary spending for the 2022 fiscal year. Grants to Other Government Units, including Statutory Funds and Earmarked Funds, amounted to GH¢24,553 million (4.0% of GDP), exceeding the programmed target GH¢23,684 million (4.0% of GDP) by 3.7%. Interest Payments for the period amounted to GH¢45,687 million (7.5% of GDP), against the target of GH¢41,362 million (7.0% of GDP), due to the higher cost of borrowing and the adverse impact of currency depreciation on external interest. Capital Expenditure amounted to GH¢18,689 million (3.1% of GDP), exceeding the target of GH¢13,700 million (2.3% of GDP). Domestic Capex amounted to GH¢6,333 million, which is 33.9% of Capital Expenditure, exceeding the target of GH¢4,207 million, while foreign-financed Capex amounted to GH¢12,355 million.

02. Monetary Policy

Score du critère: 4

2. Monetary Policy

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Based on statistics from the Bank of Ghana, the amount of money in circulation (M2) experienced significant growth in December 2022. This growth was mainly due to an increase in the assets owned by depository corporations in the domestic market, although it was partially offset by a decrease in foreign assets. M2 increased to 33.0 percent in December 2022, up from 12.5 percent in December 2021. When looking at annual growth rates, foreign assets decreased by 261.1 percent in December 2022, compared to a 59.8 percent decrease in December 2021. Meanwhile, domestic assets grew by 50.3 percent, up from 25.8 percent in the same period. The headline inflation rate increased significantly in December 2022, rising to 54.1 percent compared to 12.6 percent in December 2021. This was mainly due to the adjustment in ex-pump petroleum product prices, caused by high global crude oil prices and the depreciation of the local currency. The increase in transport costs led to higher prices of food and non-food items, resulting in a rise in both food and non-food inflation. Food inflation rose to 59.7 percent from 12.8 percent in December 2021, while non-food inflation increased to 49.9 percent from 12.5 percent in the same period.

The prices of both local and imported components in the consumer price basket influenced the increase in food and non-food inflation. The highest contributors to inflation were housing, water, electricity, gas, and other fuels, furnishings, household equipment, and routine household maintenance, transportation, and personal care, social protection, and miscellaneous goods and services.

However, inflation declined in 2023, from 54.1% in December 2022 to 38.1% in September 2023, due to a decline in both food and non-food inflation, tight monetary policy, relative exchange rate stability and stable ex-pump fuel prices. In July 2023, during the monetary policy committee review meeting, the Bank of Ghana increased its monetary policy rate from 29.5% to 30%, as inflation remained outside the target band of 6% to 10%. The rate was 14.5% in January 2022. At the end of December 2022, the Gross International Reserves (GIR) stock was US\$6.24 billion, which is equivalent to 2.7 months of import cover. In comparison, at the end of December 2021, the stock position was US\$9.70 billion, enough to provide for 4.3 months of import cover. This decrease in GIR stock can be attributed to the downgrades in sovereignty, lack of access to international markets, portfolio reversals, and heightened foreign exchange demands that put pressure on the Ghana cedi throughout the year. In October 2022, the currency depreciated significantly due to negative sentiments surrounding the Domestic Debt Exchange Programme (DDEP). However, the Ghana cedi rebounded in December 2022 as the country reached a Staff Level Agreement (SLA) with the IMF. Throughout the year, the Ghana cedi depreciated by 30.0 percent, 21.2 percent, and 25.3 percent against the US dollar, pound sterling, and euro, respectively. This is in comparison to an appreciation of 3.5 percent against the euro and depreciation of 4.1 percent and 3.1 percent against the US dollar and pound, respectively, in 2021.

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The amount of money in circulation (M2), grew significantly in December 2022. This growth was mainly due to an increase in the assets owned by depository corporations in the domestic market, but it was partially offset by a decrease in foreign assets. M2 increased to 33.0 percent in December 2022, up from 12.5 percent in December 2021. When looking at annual growth rates, foreign assets decreased by 261.1 percent in December 2022, compared to a 59.8 percent decrease in December 2021. Meanwhile, domestic assets grew by 50.3 percent, up from 25.8 percent in the same period. In December 2022, the headline inflation rate increased year-on-year to 54.1 percent, which is a significant rise from the 12.6 percent recorded in December 2021, by 41.5 percentage points. The increase in headline inflation is due to the persistent adjustment in ex-pump petroleum products prices, as a result of high global crude oil prices and the local currency depreciation. This adjustment led to higher transport costs, which in turn increased the prices of food and non-food items in the consumer basket. In December 2022, food inflation rose significantly to 59.7 percent from 12.8 percent in December 2021. Non-Food inflation also increased to 49.9 percent from 12.5 percent recorded in the corresponding period of 2021. The increase in food and non-food inflation was influenced by the prices of both local and imported components in the consumer price basket. Housing, water, electricity, gas, and other fuels led with 82.3 percent, followed by furnishings, household equipment, and routine household maintenance (71.5%), transportation (71.4%), and personal care, social protection, and miscellaneous goods and services (60.9%). At the end of

December 2022, the Gross International Reserves (GIR) stock was US\$6.24 billion, which is equivalent to 2.7 months of import cover. In comparison, at the end of December 2021, the stock position was US\$9.70 billion, enough to provide for 4.3 months of import cover. This decrease in GIR stock can be attributed to the downgrades in sovereignty, lack of access to international markets, portfolio reversals, and heightened foreign exchange demands that put pressure on the Ghana cedi throughout the year. In October, the currency depreciated significantly due to negative sentiments surrounding the Domestic Debt Exchange Programme (DDEP). However, the Ghana cedi rebounded in December 2022 as the country reached a Staff Level Agreement (SLA) with the IMF. Throughout the year, the Ghana cedi depreciated by 30.0 percent, 21.2 percent, and 25.3 percent against the US dollar, pound sterling, and euro, respectively. This is in comparison to an appreciation of 3.5 percent against the euro and depreciation of 4.1 percent and 3.1 percent against the US dollar and pound, respectively, in 2021.

03. Debt Policy

Score du critère: 3

3. Debt Policy

Type de score	Valeur
Score de brouillon	3.0
Score révisé	3.0
Score de deuxième brouillon	3.0
Score final	3.0

Notes du pays:

Since the beginning of 2022, Ghana has suffered seven (7) credit rating downgrades from S&P, Fitch and Moody's on the back of liquidity and debt sustainability difficulties and the increased risk of default. On 5th August, 2022, S&P downgraded Ghana from 'B-' to 'CCC+' with a negative outlook. Fitch, on 10th August, 2022, also downgraded Ghana's LTFC IDR to 'CCC' from 'B-'. Moody's, on 30th September, 2022, downgraded Ghana's Long-Term Issuer and Senior Unsecured bond ratings to 'Caa2' from 'Caa1'. Consequently, this downgrades triggered the closure of Ghana's access to the International Capital Market; tightening domestic financing conditions; and increasing cost of borrowing. The public debt level remains unsustainable and in response, the Government is pursuing a debt restructuring aimed at achieving debt sustainability.

The GoG is pursuing fiscal consolidation and debt sustainability anchored on a positive primary balance backed by domestic revenue mobilization and expenditure rationalization including an announcement of cut in budgeted expenditure for 2022. These efforts have been interrupted by shocks (e.g., the invasion of Ukraine by Russia and tight liquidity in the international financial market) with macroeconomic consequences. Therefore, amid limited policy spaces and market access, authorities reached a Staff-Level Agreement with the International Monetary Fund (IMF) for a USD3 billion Extended Credit Facility Program, pending that the Government of Ghana is fully financed under the IMF assurance policies.

After experiencing a rapid build-up in public debt until 2015, Ghana managed to stabilize it all throughout 2016-2018, it jumped to a new high level in 2019 until the COVID-19 pandemic unfolded. In 2019, currency depreciation, below-the-line financing needs and real interest rate levels pushed the debt burden to 62.4% of GDP.

In 2020 the severe disruptions caused by the COVID-19 pandemic, together with the expansionary fiscal policies run to mitigate its effect on the domestic economy, led to a large budget deficit funded with Government debt. Consequently, the debt to GDP ratio escalated to 74.4% by end of 2020 with 33.6% of the public debt stock contracted within the same year. Domestic debt which used to constitute 40% of the total debt stock in 2015 has now overtaken the external debt after a 42% expansion in 2020 to now account 51.4%. Despite the dominance of domestic debt in total debt, external debt continued to increase with an expansion of 11.4% in 2017 and 21.3% in 2020. Public debt reached 90% of GDP in 2022.

The main emerging financing issues relate to the effect of the pandemic and the Ukraine crisis on revenues and on the cost of borrowing. Weak domestic revenue mobilization poses a challenge in financing short tenure and high-cost domestic debt. In addition, given the high external debt and relatively large foreign participation in domestic debt (25%), adverse market sentiments could exert further financing pressure. Similarly, this heightened exposure to external factors pose significant exchange rate risks that could further undermine refinancing capacity. Over the period 2019-2022, revenue to GDP ratio stagnated around 15%, interest payments increased from 37% to 44.6% of revenue, while exchange rate depreciation continue to raise the value of public debt.

Ghana's debt has evolved rapidly in composition to expensive and short maturing loans. The share of the domestic debt in total public debt increased from 30.7% in 2019 to 34% in 2022. In 2022, the surge was caused by urgent financing needs to meet Russia invasion of Ukraine related expenditures and high cost of interest payments on domestic loans. The banking sector, consisting of commercial banks and the central bank, has consistently been the major holder of domestic debt. Compared to external debt, the domestic debt is characterized by high interest rates and shorter tenures.

By creditor category, as at end 2020, commercial lenders accounted for 22% of the total debt followed by MLT domestic 29%, multinational 16% and bilateral 16%. Eurobond issuances made up 19.5% of the total debt stock and 37% of the external public liabilities.

Ghana successfully issued 9 Eurobonds between 2007 and 2021. These successive issuances fetched USD15.50 billion from commercial private creditors. The country has progressively succeeded in extending the maturity period of the issuances from 15 years in 2015 to 41 years in 2020. At the same time, the average time to maturity (ATM) increased from 10 years to 12.9 years. In February 2020, Ghana became the first African country to issue a 41-year bond, raising \$3billion from three tranches. However, the coupon rates have only marginally decreased over the years.

In March 2021, Ghana became the first Sub-Saharan African Sovereign to issue USD bonds since the onset of the Covid-19 pandemic. The country raised US\$3 billion from four tranches, including a first-time issuance of Zero-Coupon USD bond. Proceeds from the issuance are expected to be used to partly finance the deficit, and to pay-off some maturing and more expensive short-term debts.

Fiscal risks (e.g., primary fiscal deficit) and debt management related risks are important observable indicators for tracking debt build-up and debt vulnerabilities in Ghana. Since 2015, the contribution of primary deficit to debt vulnerability has declined subsequent to the enactment and enforcement of Government's Fiscal Responsibility Act in 2018. However, gaps in debt management continue to contribute to the increase in debt vulnerability. The primary fiscal deficit accounted for 32% of the change in public debt over the period 2013-2018. After stabilizing in 2019, it picked up again in 2020 and 2021. On the other hand, the automatic debt dynamic indicators (e.g., interest rate, exchange rate depreciation and GDP growth) accounted for 40% of the increase in public debt over the same period. After a slight respite in 2019, its contribution to debt accumulation increased to 62% in 2020. The increased role of automatic debt dynamics is explained by widening gap in the interest rate-growth differential (as growth in real interest rates exceeded real GDP growth) and due to significant weakening of the local currency.

Primary fiscal deficit: Low tax revenues and expanding fiscal commitments explain Ghana's primary fiscal deficit. Ghana's tax revenue as a percentage of GDP was at 14.7% in 2021 and is one of the lowest of its peers in Africa. In 2020 revenue and grants constituted only 14.3% of GDP. On the expenditure side, primary deficit is driven by employee compensation, and energy and financial sector bailout costs.

Compensation of employees make up government's first largest expenditure category with a sharp increase after the 2011 salary scale reform. Between 2019 and 2020, provisional data shows that employee compensation which accounts for 25.9% of 2020 expenditure has increased by 24.4%. In addition, rising commitment to energy sector and costs of banking sector bailout have become important drivers of fiscal deficit. The financial sector clean-up together with the state-owned energy sector financial resolution resulted in significant contingent liabilities which constituted 5.5% of public debt in 2018, increasing to 8.4% in 2020.

The Government of Ghana (GoG) is committed to the fiscal rules of the 2018 Fiscal Responsibility Act which envisages to limit the overall fiscal deficit to 5% of GDP and maintenance of a positive primary balance. Ghana enforced the fiscal deficit rule in 2019 but had to suspend it in 2020 due to the Covid-19 pandemic. The country is expected to return to the implementation of the rule by 2024 by pursuing fiscal consolidation anchored on debt sustainability and positive primary balance. Therefore, to create the needed fiscal space, on the revenue side, growth friendly Domestic Resource Mobilization (DRM) remains important. Accordingly, fiscal measures are being considered to further narrow the primary deficit without resorting to debt accumulation. The 2022 Budget proposed several revenue measures that are expected to raise additional resources equivalent to 4.5% of 2021 tax revenues. On the expenditure side, the Government has introduced budget limits on both concessional and non-concessional loans.

In addition to measures being considered by GoG, improving the tax administration system to reduce the compliance gap and enhancing the current tax policy framework in search of low hanging fruits (e.g., reducing the expenditure gap by streamlining the list of exemptions among others) could contribute to government's fiscal objectives. In line with this, the Government is set to intensify the Revenue Assurance and Compliance Enforcement (RACE) initiative to plug revenue leakages in 2022. On the expenditure side, Government is continuing with the implementation of the Earmarked Funds Capping and Realignment Act to reduce budget rigidities and create fiscal space to fund growth-enhancing expenditures as has been done since 2017. Areas of reform to strengthen could include Public Finance Management (PFM) reforms to increase public investment efficiency to reduce leakages in public expenditure (e.g., fighting corruption) and increasing return on public capital to avoid explosive public debt.

Interest rate/growth differential and exchange rate depreciation: While Ghana has maintained high GDP growth rates averaging more than 5% in five years preceding COVID-19, high effective interest rates has limited the effect of GDP growth in slowing debt accumulation. The 'interest rate-growth differential' remained positive and wide, making it harder to stabilize public debt. Interest expenditures have become the second largest expenditure category, fuelling a rapid increase in the debt burden. Interest payment escalated by 32.1% and constitutes 29.5% and 45.6 % of central government expenditures and revenue respectively in 2021.

Higher interest rate reflects shifts in the public debt portfolio towards expensive and short maturing loans. The share of domestic debt in total public debt increased relative to external debt. This is expected to contribute to the debt burden because domestic loan costs 17% in interest compared with external loan whose weighted average interest rates was 5.1% in 2019 up from 4.3% in 2017 caused by declining share of concessional financing. Further, the average time to maturity for domestic debt is lower than external debt; it decreased to 4.8 years in 2020 from 7.2 years in 2017. And the share of domestic debt maturing in 1 year has decreased from 29.5% in 2017 to 28.8% in 2020. All these point to the fact that public debt portfolio is shifting towards expensive and short maturing loans resulting in cost escalation risks and refinancing risks thus contributing to solvency and liquidity risks.

Whether the increase in the domestic financing of deficit would result in dual challenges of decrease in private sector credit growth (crowding out of private sector investment in the short and the longer-term) and debt explosion depends on the purpose to which the domestic debt is used. While it is obvious that increase in domestic debt will result in the crowding-out of private sector investment in the short run, its impact on private sector investment and overall debt level in the long-run will depend on the efficiency of public investment and return on capital of the public capital financed using the domestic debt.

Depreciation of the local currency: With a large share of external debt, depreciation of the Cedi contributes to debt build up thus offsetting the public debt reducing impact of the interest rate-growth differential. In 2021, measures to sustain the reserve buffer of the Bank of Ghana had paid-off paid off resulting in the strengthened against the US Dollar with a depreciation of 1.8 percent in September 2021, compared with 3.9 percent in 2020, thanks to Eurobond issuances that increased international reserves from U S\$ 8.6

billion (4.0 months of imports) in 2020 to US\$ 10.7 billion (4.9 months of imports) in September 2021. Ghana did not return to the international capital market for Eurobond issuance due to adverse reactions tumbling of Ghana's sovereign dollar bonds on international capital markets following recent deterioration in credit ratings by credit rating agencies and lower liquidity international financial market. The latter caused by shifts in monetary policies in advanced economies. The foreign exchange reserve declined to \$6.6 billion as at end September 2022 against \$10.7 billion a year ago. The weak external position is reflected in the weak local currency which depreciated by 53.8% against the USD in the same year. Exchange rate depreciation alone contributed for over 62% of the debt build up in 2022.

Ghana's primary balance has been well below its debt stabilizing level since 2018 implying long-run fiscal unsustainability. The baseline scenario projects an average annual primary deficit of about -0.10% of GDP between 2023-2027. Assuming the baseline scenario holds, reducing the public debt to 55% of GDP by 2027 entails an average annual primary surplus of 6.2% of GDP between 2023-2027. This means that achieving a debt to GDP target of 55% by 2027, relative to the baseline scenario fiscal path, would require on average a fiscal adjustment cost of 6.3% of GDP per year between 2023 and 2027. The required fiscal adjustment to achieve the debt target is significant (not feasible without adversely impacting growth) and thus reinforces the case for pursuing comprehensive reforms, debt reprofiling and external financial support.

The government has put in place a debt management strategy that is also being implemented through the 2022/23 annual budget. In line with its debt restructuring plans to reduce rollover and refinancing risks, the GoG has introduced measures to replace riskier and costlier debts in the portfolio. The strategy also seeks to use domestic markets to address short-term liquidity challenges. This may be helpful in bridging the financing gap as domestic debt markets offer the flexibility that meets government's immediate financing needs. However, it is important to factor in the consequence of expensive and short-maturing domestic debt accumulation on debt vulnerability in general in the short to the medium term. This implies that embarking on domestic debt restructuring initiatives should also top the public debt management agenda.

In the external front, the government has imposed a cap on borrowing (US\$5 billion from ICM of which US\$3.5 billion for liability management) and a cap on concessional and non-concessional loans (US\$2.5billion) to finance growth-oriented projects.

On the fiscal risk management front, reforms seek application of Energy Sector Recovery Levy (Delta Fund) targeting the payment of contingent liabilities emanating from the sector. The Medium-Term Debt Strategy seeks to keep under close watch, contingent liabilities that may materialize from the financial and energy sectors.

(B) Structural Policy

Score du cluster: 4.222

04. Policies and Institutions for Economic Cooperation, RI and Trade

Score du critère: 4.167

4.a. Regional Integration and Economic Cooperation

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Regional integration and economic cooperation have always been important agenda for the Ghana. Ghana is West Africa's best performer in the 2019 Africa Regional Integration Index and the 7th most integrated economy in Africa.

Since independence in 1957, Ghana has been at the forefront of regional integration. Ghana's first president, Dr. Kwame Nkrumah, was instrumental in the formation of the Organisation of African Unity (OAU) in 1963, which later merged with the Economic Community of Africa (ECA) and became the Africa Union (AU) in 2002. Ghana was a founding member of the Economic Community of West African States (ECOWAS) in 1975. Ghana's commitment to ECOWAS is further underscored with its ratification of various ECOWAS treaties including the ECOWAS Trade Liberalization Scheme (ETLS) as well as the Protocol on free Movement of Goods and persons. In pursuance of regional integration, Article 73 of Ghana's 1992 Constitution setup the Ministry of Foreign Affairs and Regional Integration to facilitate the country's role in ensuring regional integration. With renewed constitutional efforts at regional integration, Ghana was the first country to undergo the African Peer Review Mechanism (APRM) in accordance with the New Partnership for Africa's Development (NEPAD). The NEPAD blueprint with its attendant APRM demonstrates Ghana's willingness to pursue regional integration on the terms of globally accepted democratic norms. In 2006, Ghana joined the Community of Sahel-Saharan States (CEN-SAD), which aims to achieve economic unity through the implementation of the free movement of people and goods in order to make the area occupied by member states a free trade area.

The country continued to demonstrate its sustained commitment to regional integration Ghana was among the first group of countries to ratify the agreement on 10 May 2018, following the 21 March 2018 signature of the Agreement in Kigali, Rwanda by 44 AU member states The Agreement entered into force on 30

May 2019 after ratification by the required 22 AU member states. In line with its commitment to region integration and economic corporation in ECOWAS, Ghana has ratified at least 80% of all ECOWAS protocols and agreements and consistently paid its Community Levy contribution to ECOWAS. contributions to Ghana paid about \$508,577 million to ECOWAS as its Community Levy contribution in the last 16 years. Ghana's payment is the second largest payment and represents 17.45% of the total sum of the total payment of \$2,913,088,908 payment made by all the 15 member states. Nigeria's payment represents 40.42 per cent.

Ghana and Kenya became the first two countries that deposited the instrument of ratification of the Agreement establishing the African Continental Free Trade Area (AfCFTA) following the adoption of the AfCFTA by the Assembly of Heads of State at its 10th Extra-ordinary Session, in March 2018, in Rwanda. At the 12th Extra-ordinary Session held on 7th July 2019 in Niamey, Niger and per its decision Ext/Assembly/A.U./Dec.2 (XII) of the Assembly of Heads of State and Government, wherein the Assembly decided that the Republic of Ghana shall host the AfCFTA Secretariat and further requested the Commission, in collaboration with the Republic of Ghana, to finalise the host country agreement following the Executive Council Decision Ex. CL/195(VI) Rev. I of July 2005 on hosting Organs of the African Union. Ghana, pursuant to Article 75(2) of the 1992 Constitution executed the Host Country Agreement between government of Ghana and the African Union Commission for the establishment of the Secretariat of the African Continental Free Trade Area (AfCFTA) in Accra. In 2020, The Parliament of Ghana approved the agreement between the Government of Ghana and the African Union (AU) for the establishment of the African Continental Free Trade Area (AfCFTA) Secretariat in Accra. Under this agreement, Ghana accented to the general convention on the privileges and immunities of the OAU and the Vienna Convention on Diplomatic Relations shall be applicable to the Secretariat, its headquarters, properties, funds, assets, premises and facilities. In addition, key provisions of the agreement require that Ghana, as the host country, shall provide, at its own expense, a secure, equipped and furnished permanent premises for the secretariat.

In January 2021, Ghana became the first country to export under the AfCFTA's framework. Ghana freighted its first consignments of goods under the African Continental Free Trade Agreement (AfCFTA), Two local firms, Kasapreko Company Limited, a local manufacturer of alcoholic products, and Ghanadour Cosmetics Limited, exported their products via air and sea freights, respectively, to countries on the continent. Ghana was the first country to harmonise customs under AfCFTA. Currently, it is one of three countries, the other two being Egypt and South Africa that has a suite of ready border and custom facilities that meet the AfCFTA's trade terms. This is expected pave way for Ghana's increased integration in global value chains. The AfCFTA provides the opportunity for Africa to create the world's largest free trade area, with the potential to unite 1.3 billion people, in a \$2.5 trillion economic bloc and usher in a new era of development. The operational phase of the African Continental Free Trade Area (AfCFTA) was launched in Niamey, Niger on 7th July 2019 at the African Union's Extraordinary Summit, with a transition period up to 1 July 2020 when trading will begin under the deal. Ghana was selected as the country to host the secretariat of the African Continental Free Trade Area (AfCFTA), making it responsible for the overseeing the implementation of the agreement. The country has committed to donate \$10 million for the operationalisation of the AfCFTA Secretariat. Following up on this, the government on 17th August 2020, commissioned and handed over a fully furnished building to the African Union to be used as the Permanent Secretariat of the African Continental Free Trade Area Agreement (AfCFTA). In addition, a furnished residential accommodation, to be used as the official residence of the AfCFTA Secretary-General, was also handed over to the African Union.

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The African Continental Free Trade Area (AfCFTA) provide a huge opportunity for Ghana to increase intra Africa trade and pursue an export-led economic growth and improve on its balance of payment position. Ghana's Coordination Office has led the coordination and implementation of AfCFTA. Progress to date includes Ghana being one of the pioneers of the Guided Trade Initiative, to kickstart trading under the AfCFTA. The National AfCFTA Policy Framework and Action Plan, leverages on existing programmes and initiatives such as the Government's Coordinated Programme for Social and Economic Development Policies and the 10 Pillar Industrial Transformation Agenda with its 1D1F flagship, Strategic Anchor Industries, and Industrial Parks and Special Economic Zones, among others. Priorities have been placed on the auto industry, textiles, agriculture, value addition efforts and, in partnership with development finance institutions of Ghana, developing innovative financing mechanisms for trade under the AfCFTA. A policy dedicated to the MSMEs sector, the Enterprise Agency Bill, is also being developed and it includes a dedicated Fund to support MSMEs. The NDPC has also developed implementation guidelines for use at the sub-national level to fully harness the benefits of the AfCFTA. The National Framework also identifies the need for a Special Purpose Window for financing export companies and the need for risk insurance to provide back-up financing for banks and others. Challenges identified in the stakeholder consultations include capacity challenges and constraints on NCO, inadequate and uneven coordination amongst some government ministries and agencies, particularly on policy and the need to streamline, review, revise and harmonize legal frameworks critical to business, trade and investment facilitation. The private sector also bemoaned the lack of a regular engagement platform between them and the government, to discuss opportunities and challenges around the AfCFTA and facilitate improved advocacy and sensitization. Key emerging priorities include Efforts will need to be placed on addressing identified weaknesses. Issues of capacity, coordination processes, prioritizing implementation by optimizing resources use and well targeted actions/activities that yield quick wins are key. The NCO will look for the Bank support. Ghana's first president, Dr. Kwame Nkrumah, was instrumental in the formation of the Organisation of African Unity (OAU) in 1963, which later merged with the Economic Community of Africa (ECA) and became the Africa Union (AU) in 2002. Ghana was a founding member of the Economic Community of West African States (ECOWAS) in 1975. Ghana's commitment to ECOWAS is further underscored with its ratification of various ECOWAS treaties including the ECOWAS Trade Liberalization Scheme (ETLS) as well as the Protocol on free Movement of Goods and persons. In pursuance of regional integration, Article 73 of Ghana's 1992 Constitution setup the Ministry of Foreign Affairs and Regional Integration to facilitate the country's role in ensuring regional integration. With renewed constitutional efforts at regional integration, Ghana was the first country to undergo the African Peer Review Mechanism (APRM) in accordance with the New Partnership for Africa's Development (NEPAD). The NEPAD blueprint with its attendant APRM demonstrates Ghana's willingness to pursue regional integration on the terms of globally accepted democratic norms. In 2006, Ghana joined the Community of Sahel-Saharan States (CEN-SAD), which aims to achieve economic unity through the implementation of the free movement of people and goods in order to make the area occupied by member states a free trade area.

Furthermore, Ghana's commitment to regional Integration and economic cooperation is evidenced by its commitment to the he implementation of the ECOWAS monetary union process (common currency policy). Ghana has contributed to facilitating technical preparations of establishing the West African

Central Bank (WACB) and the introduction of a single currency by hostin the West African Monetary Institute (WAMI) in Accra. In addition, Ghana has in cecent times achieved several of the convergence criteria monetary union including single digit inflation and 5 percent fiscal deficit.

4.b. Trade restrictiveness

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The evaluation for 2021 remains the same, and there have been no structural modifications. According to officially recognized sources, Ghana's trade accounted for 52.55% of its GDP in 2022. Ghana performs quite well in trade openness, following the implementation of the ECOWAS CET that has enhanced the stability and predictability of Ghana's tariff. In addition to the customs tariff, numerous other duties and charges are levied on imports, although they are bound at zero on most products which makes border taxes and levies complex according to WTO. Trade logistics competence, customs and infrastructure performed below the overall average Logistics Performance Index (LPI) of 2.5 which placed Ghana in the 97 position out of 167 countries in 2022. Ghana has modified several features of its transit system since its last Trade Policy Review (TPR) by the World Trade Organization (WTO) in 2014. As a result, transit flows have nearly doubled, showing that traders respond rapidly and favorably to appropriate trade facilitation measures. However, considerable efforts are still required for trading across borders, to bring import and export procedures into conformity with the standards of a modern economy. Specific issues include very slow clearance procedures; defective scanners or inefficiencies in their use; multiple destination inspection agencies that duplicate the work of customs officers; and frequent physical inspection of goods. In addition, port operations are congested and expensive, resulting in long cargo backlogs and additional port charges, while numerous compliance-checking agencies slow procedures further and add to their costs. These problems currently constitute a major bottleneck to Ghanaian companies' competitiveness, as witnessed by the relatively slow growth in cargo operations in recent years. (WTO Trade Policy Review 2014). Few restrictions to market access are in place in the services sector, mainly in certain maritime transport, trading, and certain retail activities. The liberal environment in road transport has helped promote trade and attract investment. Similarly, a liberal regime also prevails in air transport, whereby several routes from Ghana to other countries are served by carriers from third countries, which in no small part explains the dynamism of the subsector. Ghana subscribes to the ECOWAS ETLs enabling all qualifying goods sourced from approved producers in the other ECOWAS member states to be imported into Ghana duty-free. Goods imported from CEN-SAD countries, which are not ECOWAS member states (including Egypt, Morocco, Somalia and Tunisia) and the rest of Africa are levied the MFN applied duty. The MFN applied duty is the ECOWAS CET. The ECOWAS CET has five tariff bands – 0%, 5%, 10%, 20% and 35% and there are no specific import duties. Exports and importations of Ghana have a frequency ratio of 24.14% and 41.27% respectively for non-tariff measures (WITS, 2020). Major non-tariff

barriers are licensing or permit requirements to export, registration requirement for importers for TBT reasons and labelling requirements. In financial services, a number of new foreign banks have joined the Ghanaian banking industry since 2007, and state participation has been reduced, as has the related incidence of non-performing loans. (WTO Trade Policy Review 2014).

Key government initiatives to promote trade openness through ports efficiency birthed three directives towards improving trade in the country effective 1st September, 2017. First, removal of all customs barriers in the country's transit corridor; second, joint inspection by all border agencies; and third, the implementation of a paperless transaction system at the ports. The paperless transaction system has been duly implemented, but with challenges. There are reported complaints from the trading public that the new system has not made significant improvements in the clearing time. On the government side however, there are indications that the paperless system has improved revenue collection (about 50%) and they seem satisfied.

The overall aim of the government is to improve overall ease of doing business. It has started implementing a Business Regulatory Reform (BRR) programme as part of its 10-Point Agenda for Industrial Transformation. Among other things, the BRR programme aims to adopt good regulatory practices to remove bottlenecks to business growth by identifying and creating an electronic inventory of all regulations that affect businesses and creating an electronic consultation portal. It also intends to undertake a rolling review of regulations using the guillotine principles and a public-private dialogue platform for ongoing engagement on regulatory issues.

4.c. Customs/trade facilitation

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The evaluation for 2021 remains the same, and there have been no structural modifications. Ghana is pursuing a custom reform and modernisation to increase trade facilitation. The country adopted a sealing system for transport containers as well as non-containerized trucks to ensure that trucks could undertake transit journeys without discharging cargo inside the country and no need to be monitored by customs officers throughout the journeys. Ghana made the choice to authorize a selected set of transporters in

exchange for operators providing some guarantees that agents participating in transit were well-trained and following guidelines. Policymakers have implemented a faster documentation system for transit documents issued at the start of transit journeys to be accepted by transport and customs authorities along transit corridors, having a direct impact on quicker exits of transit consignments. The system was later completed by a satellite tracking of goods. According to the IMF, the collected customs tariff rate (collections cost as a percentage of imported value) has dropped from 7.9% to 2.4 % in 10 years, lowering the transit cost for enterprises, which is one of the lowest rates in Africa.

Ghana became the 104th World Trade Organization (WTO) member to ratify the Trade Facilitation Agreement (TFA), on January 4, 2017. The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. The roll out of the Electronic Single window at the Tema Port is complete with new electronic channels for classification and valuation of imports, which represents a major improvement in customs procedures.

There is a National Trade Facilitation Committee (NTFC) formed prior to Ghana's ratification of the WTO Trade Facilitation Agreement that provides the platform for discussion and implementation of reforms for improved trading environment in the country. The NTFC is chaired by the Ministry of Trade and Industry and constituted by a cross-section of ministries, agencies and departments falling under trade, health, agriculture, finance, transport and aviation, and justice. There are also private sector representatives, including the Association of Ghana Industries, Federation of Associations of Ghana Exporters, Ghana Union of Traders Association, Custom Brokers Association of Ghana and Ghana Institute of Freight Forwarders. The NTFC also has representation from private and quasi-public sector companies involved in the port clearance processes, such as Ghana Community Network (GCNET) and Westblue Consulting, both operating the Ghana National Single Window with customs.

Ghana undertook a needs assessment exercise in 2013 to ascertain the country's needs in line with the various categories. The National Trade Facilitation Committee, made up of all the relevant stakeholders in the industry, met a number of times to deliberate and come out with the right position of Ghana, especially with the three categories and their appropriate measures.

For category A, Ghana is complaint in 6 measures, constituting 17% in terms of readiness to implement. The measures identified included Penalty Disciplines;, Movement of goods under Customs intended for imports; Common Border procedures and requirements and uniforms and documentation relating to clearance; Rejected goods; and Temporary admission of goods/inward and outward processing.

For Category B, Ghana is again complaint in 6 areas, also constituting 17%, and these measures are: Detentions; Pre-arrival processing; Separation of Release from final determination of customs duties, taxes, fees and charges; Acceptance of copies; Use of international standards; and Pre-shipment inspection.

Under Category C, Ghana is non-compliant in 24 measures, constituting 66% and needs Capacity and Technical Assistance, these include Publication; Information available through the Internet; Enquire points Notification, Opportunity to comment and information before entry into force; Consultation; Advance Rulings; Right to Appeal or Review; Notification for enhanced controls or inspections; Test procedures; General disciplines on fees and charges imposed on or in connection with importation and exportation; Electronic payment; Risk Management; Post-clearance audit; Establishment and Publication of average

release time; Trade Facilitation measures for authorized operators; Expedited shipments; Perishable goods; Border Agency Cooperation; Formalities and Documentation requirements; Single window; Use of custom brokers; Freedom of transit; and Customs cooperation.

Coincidentally, in March 2019, Heads of States of African countries approved the African Continental Free Trade Area (AfCFTA) Agreement. Ghana is the host of the secretariat of the AfCFTA, which will be operational in January 2021. As a host to the AfCFTA, Ghana has demonstrated a strong commitment to the facilitation of trade in the sub-region. In addition, the country has already accented to the protocols on trade in goods, trade and services, and settlement of disputes, while fully adopting and implementing these protocols. The protocol on trade in goods, for instance, highlights the broad areas of customs, transit and tariffs. Ghana trades with neighboring African countries mainly through its four-border post in Aflao, Elubo, Hammele and Paga and with the rest of the world through its sea and airports.

Ghana continues to play a significant role in regional integration both in the ECOWAS sub-region and Africa as a whole. The country's strategic location is vital for the movements of imports and exports to and from the landlocked countries of Burkina Faso, Mali and Niger. In this regard, the country has recently implemented measures to facilitate transit from Tema Port to those countries. Ghana launched the Paperless Port initiative in September 2017 with the activation of automated clearance of goods and risk-based inspection of cargo to ensure a seamless process. The country has also streamlined and improved its trade regulations by removing all roadblocks along the main trade corridors and pre-arrival assessment inspection at the origin of imported products, effective September 2017. In addition, transit guarantees are now released immediately on arrival at Ghanaian border crossings. In addition to being the first country to ratify the AfCFTA and hosting the AfCFTA headquarters in Accra, the country has developed a soon to be launched national framework for successful participation in the AfCFTA. Since the launch of trade under the AfCFTA, focus has now shifted from preparation to implementation, which will be driven by the national implementation framework. Ghana's AfCFTA commitment and implementation readiness ranked at 6th overall in the continent in the Year Zero Report of 2020.

Over the last two years, logistics performance has deteriorated, with indications that cost of logistics is one of the main sources of trade restrictiveness. Overall, the 2020 Logistics Performance Index ranked Ghana 101 out of 167 countries compared to the last position of 88th in 2016. The LPI shows that customs and infrastructure have suffered losses. With regards to the Prevalence of Trade Barriers, the Global competitiveness Report places Ghana at 112th out of 141 countries and 76th out of 141 for Burden of Customs Procedures. Ghana's ranking has declined in the World Bank Ease of Doing Business 2020 report in which Ghana ranked 118 with a score of 60 compared with a rank of 114 with a score of 60.4 in 2019. Despite the Country's efforts to improve customs and trade facilitation services, Ghana dropped 4 places in ease of doing business mainly due to the introduction of a five percent straight levy in 2018, comprising the Ghana Education Trust Fund (GETFund) and the National Health Insurance Levy (NHIL) straight levies at 2.5% rate each. The establishment of the Africa Continental Free Trade Area (AfCFTA) Secretariat in Ghana has awakened has invigorated policy discussions on the potentials of the AfCFTA to facilitate trade beyond the current level. Ghana needs to urgently address existing bottlenecks in customs and infrastructure that limit the seamless flow of goods and services.

In 2022, the Country ranked 72nd on the global Corruption Perception Index (CPI,2022), with a score of 43 out of 100. In 2012 the country was ranked 64th out of 176 countries and in 2021 it was ranked 73rd

out of 180 countries in the world according to the latest CPI, an indication of a worsening situation. A recent report of the UN suggests that 26.7 per cent of the adult population paid a bribe to a public official in 2021, with tertiary education holders being the most likely group to pay bribes. The report also suggests that most bribe payers were salaried workers in the private sector

05. Financial Sector Development

Score du critère: 4

5.a. Financial stability

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana's financial sector continued to grow between 2016 and 2021, with total financial sector assets rising from GHS129.7 billion (US\$30.4 billion) in 2016 to GHS260.43 billion (US\$42.14 billion) in 2021. The banking sector remained profitable and liquid in the first three quarters 2022 in spite of a challenging economic environment, which was predominantly influenced by the COVID-19 pandemic, high national debt levels, and inflationary pressures, resulting in higher market interest rates and weakening macro fundamentals.

In the third quarter of 2022, a strong US Dollar and increasing US interest rates made it increasingly difficult for the government to service its debt. Having been locked out of the international financial markets in late 2021, the Ministry of Finance (MoF) eventually, in December 2022, had no option but to announce a suspension of payments on selected external debts and then launched the Domestic Debt Exchange Programme (DDEP).

The DDEP was a voluntary invitation to holders of selected GoG debt instruments to voluntarily surrender them in exchange for new bonds issued at new rates and maturities. As the largest holder of the government's domestic debt the implementation of the DDEP had significant implications for the banking sector. The industry suffered total impairments on government securities and other GoG-related exposures of GH¢16.3 billion as of end-December 2022, following the launch of the DDEP in December 2022.

To help mitigate the impact of the GoG debt operation on the financial sector, GoG is establishing the Ghana Financial Stability Fund (GFSF) to provide solvency and liquidity support for the financial sector as needed, as well as to address legacy issues in the sector.

The conclusion of Phase 2 of the DDEP and the Eurobond restructuring later in the year is expected to further impair the financial statements of banks and other participating financial institutions. At the same time, a recent spike in non-performing loans owing to the lagged effect of 2022 macroeconomic downturn on the real sector, could potentially lead to even more losses for banks and deepen solvency impacts of the Government debt restructuring exercise.

Whilst early indicators point to a positive and relatively rapid recovery for the financial sector, the full extent of the impact of the DDEP will only become clear once all the debt restructuring is finalised and the FSF is operational.

After the lockdown caused by the Covid-19 pandemic in 2020, the industry has shown resilience, with growth in all sub-sectors. Total financial sector assets grew from GHS129.7 billion (US\$30.4 billion) in 2016 to GHS260.43 billion (US\$42.14 billion) in 2021. The banking sector has consistently maintained a share of around 70% of financial sector assets although all subsectors have more than doubled in size in local currency terms between 2016-2021.

In 2022, deposit growth in the banking sector (31.3%) was more than double that recorded in 2021 (12.1%). The significant increase in total deposits was influenced by aggressive deposit mobilization strategies during the year and the development of digital finance. It could also be due to customers' loss of confidence in government instruments and greater trust in the banking sector.

Implementation of DDEP negatively impacted the banking sector with a total loss of GHC 6.6 billion in 2022 against a profit of GHC 4.8 billion in 2021. Data from the Association of Banks of Ghana shows that net impairment losses on the sector's assets jumped from GH?1.43 billion in 2021 to a GH?19.5 billion in 2022 due to the expected credit losses on the old bonds. The industry's solvency situation, as measured by the Capital Adequacy Ratio (CAR) in December 2022, was greater than the prudential minimum of 13 percent, but it dropped to 16.6 from 19.6 percent in December 2021. The CAR fell due to bank losses on mark-to-market investments, as well as an increase in risk-weighted assets due to the depreciation of the Ghana cedi and growth in actual credit over the year. Recently due to the DDEP regulatory measures introduced by the Bank of Ghana for participants such as reduced capital conservation buffer from 3% to zero, effectively reducing CAR to 10% and the cash reserve ratio was reduced from 14% to 12% in December 2022.

The Securities and Exchange Commission, Ghana (SEC) is the agency of the GoG mandated to regulate and promote development of Ghana's capital markets. Consistent with its mandate, the SEC developed the ten-year (2019-2028) Ghana Capital Markets Master Plan (CMMP). The CMMP has identified four pillars: (i) creating diversity of investment products and liquidity of securities markets; (ii) increasing the investor base; (iii) strengthening infrastructure and improving market services; and (iv) improving regulation, enforcement and market confidence. The CMMP pillars are aligned with the GoG's ambition and plans to modernize and make Ghana the financial hub of the West African sub-region. Both the SEC and the Ghana Stock Exchange (GSE) work collaboratively with other stakeholder to promote new financial products and capital market development. The Ghana Stock Exchange Composite Index (GSE-CI) fell to 2,443.91 points in December 2022 from 2,789.34 points the previous year. This corresponds into a 12.4 percent year-on-year loss in December 2022, compared to a 43.7 percent gain in December 2021. The GSE-Financial Stocks Index (GSE-FSI) closed at 2,052.6 points, representing a 4.6 percent loss compared to a 20.7 percent gain over the same time in previous year. Uncertainty caused by inflation and exchange rate pressures, as well as portfolio reversals, is ascribed to the year-on-year loss. At the end of May 2023, there were total 38-listed companies on the Bourse with 32 equities listed on the main market of the GSE while six were on the Ghana Alternative Market (GAX). Total market capitalization was GH64.51 billion at the end of December 2022, reflecting a 0.02 percent increase compared to an 18.6 percent.

The three-tier pension fund system is a potentially important source of investment capital growth and increased by 18% between 2020 and 2021, reaching GHS 33.5 billion (USD 5.4 billion) in nominal terms in 2021. At the end of 2021, about 84% of private pension funds, or more than GHS 23 billion (USD 3.7 billion) were invested in government bonds and securities, contributing to the crowding out problem associated with government borrowing. Less than 12% of pension fund investments are made in other investment categories. In this context, the sector will be significantly impacted by Phase 2 of the DDEP, which could encourage asset owners to diversify away from government bonds.

5.b. Sector's efficiency, depth, and resource mobilization strength

Type de score	Valeur
Score de brouillon	3.5
Score révisé	3.5
Score de deuxième brouillon	3.5
Score final	3.5

Notes du pays:

Overall, the Financial Soundness Indicators (FSIs) remained solid, bolstered by regulatory policy measures and reliefs. Bank profitability was largely sustained in 2021, as evidenced by key profitability measures.

The industry remained well capitalized, liquid, and profitable, and it supported the return of economic growth. Profitability measures particularly return on equity (RoE) and return on assets (RoA) which largely showed an upward trend between 2018 and 2020.. A total of GH?15.7 billion in DDEP impairment charges reduced profitability, resulting a banking sector loss of GH?6.6 billion, in 2022 against a profit of GH? 4.8 billion in 2021.

The banking sector's liquidity has been decreasing since 2018 . However, in 2022 the core liquid assets to total deposits ratio rose from 29.7 percent in December 2021 to 38.8 percent in December 2022, while the core liquid assets to total assets ratio increased from 20 percent to 27.7 percent over the same time. Cost control measures in addition to higher investment income contributed to the consistent rise in profits (Bank of Ghana, 2021).[1] Asset quality of the banks also improved given the reduction in Non-Performing Loans (NPLs) in 2020. The asset quality of the industry improved in 2022, as the NPL ratio fell from 15.12 percent in December 2021 to 14.8 percent in December 2022. During the review period, the NPL ratio decreased due to a faster increase in total loans (29.8% year-on-year growth) relative to the NPL stock (26.1% year-on-year growth). The industry's solvency situation, as measured by the Capital Adequacy Ratio (CAR) in December 2022, was greater than the prudential minimum of 13 percent, but it dropped to 16.6 from 19.6 percent in December 2021. The CAR fell due to bank losses on mark-to-market investments, as well as an increase in risk-weighted assets due to the depreciation of the Ghana cedi and growth in actual credit over the year. Recently due to the DDEP regulatory measures introduced by the Bank of Ghana for participants such as reduced capital conservation buffer from 3% to zero, effectively reducing CAR to 10% and the cash reserve ratio was reduced from 14% to 12% in December 2022.

[1] <https://www.bog.gov.gh/wp-content/uploads/2021/03/Banking-Sector-Developments-January-2021.pdf>

5.c. Access to financial services

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The Ministry of Finance, in collaboration with financial sector regulators and other key stakeholders, have developed a National Financial Inclusion and Development Strategy (NFIDS 2018-2023) to address the fundamental barriers preventing the underserved population from accessing financial products and services that would enable them to generate income, build assets, manage financial risks, and become economically empowered. The National Financial Inclusion Development Strategy (NFIDS 2018-2023) outlines the government's comprehensive reform agenda structured around five mutually reinforcing pillars of financial sector development: (a) Financial Stability; (b) Access, Quality, and Usage of Financial Services; (c) Financial Infrastructure; (d) Financial Consumer Protection; and (e) Financial Capacity.

Ghana's financial inclusion has seen significant growth in recent years, according to the 2021 Financial Services Demand-Side Survey Report. The survey found that 96 percent of the adult population in Ghana have access to financial services, exceeding the targetted 85 percent for 2023. This marks a significant increase from the 41 percent reported in the 2010 FinScope Survey and 58 percent reported in the Financial Inclusion Insight Survey of 2015.

The Demand-Side Survey Report offers a comprehensive understanding of access, usage and quality of formal and informal financial services and products among the Ghanaian adult population. It found that 95 percent of adults in Ghana use a combination of formal and informal mechanisms to manage their financial needs, a significant increase from the 40.7 percent reported in 2010.

According to the World Bank's 2013 Enterprise Survey, 72 percent of small and 52 percent of medium-sized firms cited access to finance as a major constraint to their growth, which is almost double the average for Africa (43 percent and 36 percent, respectively). Only 21 percent of firms used banks to finance investments, compared with a global average of 25 percent; moreover, only 23 percent of firms had a bank loan or line of credit relative to a global average of 34 percent. Increasing SME's access to financial services is critical for supporting greater financial inclusion in Ghana and contributing to broad-based growth and job creation. Ghana still lags behind other African frontier countries in terms of financial inclusion, including Seychelles (95 percent), Mauritius (88 percent), South Africa (85 percent), Kenya (75 percent), and Botswana (68 percent).

Available recent data (Findex 2022) shows that the percentage of Ghanaians with registered financial accounts increased to 68.2 percent in 2021, while the percentage with mobile money accounts increased from 13 to 59.7 percent between 2014 and 2021. However, Access to financial services is heterogeneous across regions and key demographics. In terms of regions, the five poorest regions (Upper West, Northern, Volta, Upper East, and Brong Ahafo) remain the most financially excluded, despite having had the largest gains in financial inclusion. Similarly, rural residents and women have less access to banks than do their urban and male counterparts. Rural residents, women, and the poor rely more heavily on NBFIs and informal financial services than do urban residents, men, and the nonpoor. Furthermore, rural residents, women, and the poor overall use mobile money and NBFIs more than they use banks.

To leverage on the opportunities presented by the advancements in internet connectivity, mobile technology, data portability, advanced computing and artificial intelligence, government approved a new Digital Financial Services Policy. The DFS Policy complements the NFIDS in a charting way for the government's objective of transformative digital payment systems and financial inclusion.

The government also released the Ghana Digital Payment Roadmap to provide guidance on the rollout of the inclusive digital payment system. The Roadmap dubbed Towards a Cash-Lite Ghana Building an Inclusive Digital Payment Ecosystem is an extension of government's E-Transform project that initiative that promoting the use of ICT in government services.

Advances in mobile money technology is quickly transforming the financial inclusion landscape in Ghana. Since the passage of Electronic money Issuers and Agents Guidelines in July 2015, mobile money has been growing rapidly. The country's over 37 million mobile subscribers had nearly 24 million mobile money accounts, 11 million active accounts that conducted about Billion transactions in 2017.

Bank of Ghana policies that successfully led to the linkage of mobile money services to the Banking system and the operationalization of the interoperability among different mobile money operators have eased transactions and lowered the cost of financial intermediation. While the financial inclusion gap is being narrowed through increased access and ownership of formal bank accounts, the rapidly expanding mobile money industry is bringing a lot more of the excluded population into the financial service industry. According to the BoG, from January to October 2020, number of mobile money transactions increased to 278 million, up from 188 million the same time last year. In terms of values, total mobile money transactions more than doubled to GH¢58 billion, from GH¢28.4 billion last year. [speech of Governor of BoG]

The Bank of Ghana took several actions to improve the financial inclusion rate that including promoting digital payments at the onset of thepandemic, reducing mobile money transaction fees, digitizing government and utility payments, increasing proximity to financial access points, promoting digital crowdfunding, switching to a receiver-pay model, piloting a digital currency, and introducing QR payment codes. (IMF reports, 2020/2021)⁴

06. Business Regulatory Environment

Score du critère: 4.5

6.a. Regulations affecting entry, exit, and competition

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The Government of Ghana has rolled out a Business Regulatory Reform (BRR) initiative in 2019 with the intention to improve the overall business environment, the. The 3-year initiative of the Government coordinated by the Ministry of Trade and Industry is implemented in partnership with various stakeholders. A key component of the BRR is the electronic registry (e-Registry) designed to improve the business regulations affecting entry, exit, and competition and make Ghana one of the best countries to do business in Africa. The e-Registry is the approved, whole-of-government website for Ghanaian Government legislation and related documents. It contains the full text of laws as well as details of the life cycle of individual laws and the relationships between them. It will provide businesses with an easily accessible, one-stop repository of up-to-date information on all business regulations (laws, directives, procedures, forms and fees) in force in Ghana.

However, in the retail business, Government maintains stiff entry requirements for non-Ghanaian citizens. The law requires a minimum capital requirement of one million Dollars (USD1,000,000.00) for non-citizens intending to do retail business in Ghana. It should also be noted that these entry requirements exist by law but are not always fully enforced, especially in informal sectors of the economy. While most of the sub-indicators in the Starting Business subcomponent of doing Business 2020 has remained unchanged, the median duration (days) to complete all procedures required to start and operate a business has dropped by a day to 13days.

Ghana's score on "resolving Insolvency" has progressively increased over the past three years through it's ranking on this sub-indicator is below the country's overall ranking in Doing Business report 2020. Ghana enacted a new Companies Act 2019 (Act 992). This new act replaces the country's obsolete companies Act 1963 (Act 179). Among others, the new Act provides for private liquidation as an option which allows solvent companies to opt for a private liquidation or administration as a means of corporate restructuring or dissolution. Reforms in the insolvency framework ease entry and exit, which ensures that resources go to the most productive firms in the economy.

Ghana's laws promote free and fair competition among businesses. The Government however battles in balancing this stand with the emerging protectionist position that seeks to cushion local businesses against foreign competitors in the petroleum industry. Since the promulgation of the Local Content Act L.12204 in 2013, Government continues to prioritize local participation in the oil industry.

6.b. Regulations of ongoing business operations

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Since 2019, the Business Regulatory Reform (BRR) has been implemented in Ghana to enhance transparency and efficiency in the regulatory services. The BRR aims to simplify existing regulations, remove those that impede business growth, and improve the quality of new regulations as well as the effectiveness of enforcement regimes. The guiding principle is to ensure that regulations are simple, transparent, and predictable. In 2019, Ghana passed the new Company Act 992 to replace the obsolete and restrictive Companies Act 1963 (Act 179). The new Act improves the business regulatory regime by establishing an autonomous Office of a Registrar to register and regulate businesses and corporate bodies operating in the country. Unlike the Companies Act 1963 (Act 179), the new Act 992 grants companies the option to file a registered constitution upon registration with the Registrar of Companies. It also offers flexibility for companies to add new products or domains to their business other than what was initially stated in their incorporation document. Compared to five years ago, businesses in Ghana now enjoy a more stable supply of electricity due to the presence of many Independent Power Producers, which have boosted electricity generation capacity beyond the country's peak demand levels. In the World Bank's Doing Business Report 2020, Ghana is ranked 8th out of 54 African countries in terms of ease of access to electricity. However, the high cost of energy remains a challenge for many enterprises, and access to credit remains highly constrained due to high domestic interest rates and collateral requirements for small-scale businesses. Ghana's worst ranking among its African peers in the 2020 Doing Business report is in the resolution of insolvencies. While the country stands out in terms of the time it takes to complete insolvency processes (less than 2 years), the strength of the legal framework is considered weak. No clear reorganization procedures and creditor participation is often lacking. In terms of paying taxes, Ghana is ranked 29th among its 43 peer African countries in the 2020 Doing Business ranking. While Ghana's profit tax rate of 10 percent is lower than in many African countries, the processes and procedures involved are relatively less efficient. In 2020, the World Bank Doing Business report found over 35 different tax and contribution payments or filings per year, more than 225 hours of tax preparation, filing, and payment, and a total tax and contribution rate of 55.4 percent of commercial profits. To address these challenges and further improve the business regulatory environment, the government has embarked on an economy-wide digitalization initiative. The electronic transformation intervention aims to change the way the government provides services. The government is already at an advanced stage in the issuance of national identification cards that also serve as tax identities (TIN) as part of the digitalization initiative and to broaden the tax base. The incidence of bribery tends to be prevalent, especially in obtaining licenses, construction permits, and electrical connections. According to the Enterprise Survey, bribes are often given to speed up the process and occasionally, as the only way to get things done. Harnessing information technologies, the Internet, and mobile computing to transform service operations for a number of government agencies could address most of these challenges. According to the US Department of State, investors may convert and transfer funds associated with investments, provided there is documentation of how the funds were acquired. Ghana's investment laws guarantee that investors can transfer several transactions in convertible currency out of Ghana, including dividends or net profits attributable to an investment, loan service payments where a foreign loan has been obtained, fees and charges with respect to technology transfer agreements registered under the GIPC Act, and the remittance of proceeds from the sale or liquidation of an enterprise or any interest attributable to the investment. According to the US Department of State, most of Ghana's major sectors are fully open to foreign capital participation. Foreign investments are subject to the following minimum capital requirements: GHS 500,000 for joint ventures with a Ghanaian partner, who should have at least 10 percent of the equity; GHS 1,000,000 for enterprises wholly owned by a non-Ghanaian; and USD 1 million for trading companies (firms that buy or sell imported goods or services) wholly owned by non-Ghanaian entities. Since 2019, the implementation of the BRR includes regulations for ongoing business operations focused on making regulatory services more efficient and transparent by simplifying existing regulations, removing those that unnecessarily impede business growth, improving the quality of new regulations and the effectiveness of enforcement regimes. The guiding principle is to ensure that regulations are simple,

transparent and predictable. In 2019, Ghana passed a new company Act 992 to replace an obsolete and restrictive companies Act 1963 (Act 179). The new Act enhances the Business regulatory regime by Establishment of an autonomous Office of a Registrar to register and regulate businesses and corporate bodies operating in the country. Unlike the Companies Act, 1963 (Act 179), the new Act 992 grants companies the option to file a registered constitution upon registration with the Registrar of Companies. It also offers flexibility for companies to add new products or domains to their business other than what was initially stated in their incorporation document. Relative to five years ago, Businesses in Ghana enjoy a relatively more stable supply of electricity thanks to many Independent Power Producers which has boosted electricity generation capacity beyond the country's peak demand levels. In World Bank's Doing Business Report 2020, Ghana's best performance among its African peers is in the ease of getting Access to electricity where it ranks 8th out of 54 African Countries. Despite this significant progress in the supply of electricity, the high cost of energy remains a stumbling block for many enterprises. Similarly, access to credit remains highly constrained by high domestic interest rates and collateral requirements for small scale businesses. Ghana's worst ranking among its African peers in the 2020 Doing Business is in the resolution of insolvencies. While the country stands out in terms of the time it takes to complete insolvency processes (less than 2 years), the strength of the legal framework is considered weak. No clear reorganization procedures and creditor participation is often lacking. In terms of paying taxes, Ghana is ranked 29th among its 43 peer African countries in 2020 doing Business ranking. While Ghana's profit tax rate of 10 percent is lower than in many African countries, the processes and procedures involved are relatively less efficient. In 2020, WB Doing Business reported over 35 different tax and contribution payments or filings per year, more than 225 hours of tax preparation, filing and payment, and a total tax and contribution rate of 55.4 percent of commercial profits. To address these challenges and further improve business regulatory environment, the Government has embarked on an economy-wide digitalization initiative. The electronic transformation intervention is aimed at changing the way government provides services. Already Government is at an advance stage in the issuance of national Identification Cards that double as Tax identities (TIN) as part of the digitalization initiative and to broaden the tax base. The incidence of bribery tends to be prevalent especially in obtaining licenses, construction permits, and electrical connections. According to the Enterprise Survey, bribes are often made to speed up the process and occasionally, as the only way to get things done. Harness information technologies, the Internet, and mobile computing to transform service operations for a number of government agencies could address most of these challenges.

6.c. Regulations of factor markets (labor and land)

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

LABOUR

The Labour Act No 651 of 2003 consolidates and updates the various pieces of former legislation, and introduces provisions to reflect ratified ILO Conventions. The Labour Act covers all employers and employees except those in strategic positions such as the Armed Forces, Police Service, Prisons Service and the Security Intelligence Agencies. Major provisions of the Labour Act include establishment of public and private employment centres, protection of the employment relationship, general conditions of employment, employment of persons with disabilities, employment of young persons, employment of women, fair and unfair termination of employment, protection of remuneration, temporary and casual employees, unions, employers' organisations and collective agreements, strikes, establishment of a National Tripartite Committee, forced labour, occupational health and safety, labour inspection and the establishment of the National Labour Commission.

Section 12 of the Labour Act requires a written contract of employment for work done for a period of 6 months or for a number of working days equivalent to 6 months or more within a year. The contract shall express in clear terms the rights and duties of the parties. Particulars are listed in Schedule 1 to the Act, namely names of parties, date of first appointment, job title, pay (including overtime rates), hours of work, holidays, sickness and work-related injury entitlements, social security or pension scheme, termination notice and disciplinary rules/grievances. The contract must be signed by both parties and dated. The government introduced teacher and nursing allowances in 2020 which significantly increased the take-home pay of the largest public employment sectors in the economy. Relative to 2018, this may have contributed to the observed reduction in labor related strike actions. Labor agitation pressures from teachers in 2018 over unpaid salaries has also been largely addressed.

The law makes provision for the establishment and maintenance of a National Tripartite Committee (NTC). The NTC's role include determination of national daily minimum wage and provision of advice on employment and labor market issues, including labor laws, international labor standards, industrial relations and occupational safety and health. At sub-national levels, the NTC supports the establishment of Regional and District Tripartite Committees to extend its roles at regional levels. In 2009, the NTC negotiated an increment of the National minimum wage to 2.65 Cedis. Since then it has increased to 10.65 Cedis in 2019 and 11.82 Cedis in 2020.

In 2020, the National Labor Commission facilitated the resolution of 445 out of 530 complaints filed by individuals, trade unions, workers' associations, employers and employer organizations. as a means of decentralizing the Commission's activities it has established two Regional Offices in the Western and Ashanti Regions to manage and deal with industrial disputes in those communities.

Labor laws make provision for women, including a fully paid statutory maternity leave of 6 weeks. The law also provides for the extension of this period by at least two weeks in case of abnormality or multiple births to a woman.

LAND

Ghana's new Land Act, 2020 (Act 1036) ("the Land Act") brings innovation to the land administration in the country by helping to inform the public about their rights and interests in acquiring and possessing land; by improving the tenure security of interests in land ownership; and by enhancing public accountability in land administration. The new Act consolidates the existing laws on land and land administration into a single Act. The implementation of the new Act is expected to enhance the administrative framework of land registration, security, and governance in Ghana

The formal law governing land rights includes: the 1992 Constitution of Ghana; the State Property and Contracts Act of 1960; the State Lands Act of 1962; the Land Title Registration Act of 1986; the Office of the Administrator of Stool Lands Act of 1994; the Lands Commission Act of 2008; and the Marriage Ordinance of 1884. The Constitution vests all public land in the President, and all customary holdings in stools, skins, or appropriate families or clans

The government of Ghana Passed a Legislative Instruments (LIs) for the Land Use and Spatial Planning Act, 925 (2016) in April 2019 and fully operational. The Land Use and Spatial Planning Authority (LUSPA) trained all the 260 MMDAs on the Geographic Information System (GIS). The Regional Spatial Committees of the Greater Accra and Eastern Regions were inaugurated and made fully functional.

In the effort to improve effectiveness and efficiency in the delivery of Land for socio-economic development, the Lands Commission developed Guidelines for Large Scale Land Transactions in Ghana. The guidelines provide clarity among customary landowners and resource users, investors and other decision-makers on standard due processes to follow in acquiring land on a large-scale (50 acres and above but with exceptions) for investment purposes.

Since the passage of the Minerals and Mines (Amendment) Act 900 in December 2015, to provide for the regulation to be made to prescribe the manner for the payment of royalties, and the provision to confiscate equipment used in illegal small scale mining, the The government has stepped up measures to curtail illegal mining. In both 2019 and 2020 Budgets, the Ministry of Lands and Natural resources was resourced to undertake anti-Galamsey operations.

Land acquisition and registration processes are being improved through the digitization of land records, an initiative announced in March 2018 by the Government to make land searches and registration easier. The interlinkage between this initiative and the National Digital Property Addressing System, the national biometric identity card and the establishment of regional community information centers is building an ecosystem that enhances documentation of land.

The Ministry of Lands and Natural Resources manages Ghana's land, forest, wildlife and mineral resources to allow for socioeconomic growth and development. The Ministry also oversees the Land Administration Project Two (LAP-2), an initiative to improve land administration and land security. The project (LAP-2) has aided land sector agencies, particularly the Lands Commission to become more responsive to clients and cut down on the cost and time of transacting land businesses. The second phase of the project has invested into the Judicial Service to expand specialized land courts to resolve land disputes in all regions by building capacity of judges and legal staff. Lastly, LAP-2 has aided in the establishment of ten additional customary land secretariats. The Lands Commission launched in October 2015 a Client service Access Unit (CSAU) in Accra, to improve land service delivery and management in the country. The CSAU was established to help the Commission remain customer-oriented, competitive, enhance its image and re-position itself as the most desired public organization for the delivery of quality land services.

The Customary Land Secretariats hold authority to record and manage allocations and transactions of land by customary authorities. Additional institutions with varying degrees of responsibility to support land administration, rights, and development include: the Regional Houses of Chiefs which manages disputes arising from customary law; the Ministry of Women and Children's Affairs (and specifically the Women's

Development Fund which supports women in small-scale business via micro-credit); the District Assemblies' Common Fund (a Constitutionally guaranteed pool of resources that allocates some funds to women farmers); and the Commission on Human Rights and Administrative Justice. However, the land market in Ghana has high levels of uncertainty, related in large part to the predominance of informal, overlapping land rights claims.

(C) Policies for Social Inclusion/Equity

Score du cluster: 4.247

07. Gender Equality

Score du critère: 4

7.a. Promotion of equal access for men and women to human capital development opportunities

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Females in Ghana have longer life expectancy than males (females 66 years and male 62 years), lower average years of educational attainment (females 11.5 and males 11.8); and significantly lower control over economic resources (GNI per capita of USD 3,349 for females and USD 4,849 for males). The country is among the top three world economies that has one of the largest shares of women-owned businesses worldwide, with 37.2% of the country's businesses owned by women attesting to the resilient and entrepreneurial nature of Ghanaian women (Ghana Country Gender Equality Profile, 2022). Though Ghanaian women are entrepreneurial, they operate mainly in the informal sector running mostly micro and small businesses. They are more likely to go out of business than their male counterparts and less likely to create employment and wealth. They lack the necessary support including access to land, finance and financial literacy to grow their businesses. This results in Ghana being one of the only two sub-Saharan countries where women's income is less than 30% of that of men (WEF, 2021). The 2021 Census reveals that women are concentrated in low-income occupations such as service and sales workers; agriculture and fishery workers, and elementary occupations. Moreover, women spend more time providing unpaid services to the family and community than men. The last GSS time use survey (2009) shows that women spend twice more time on unpaid domestic work and three times more time on unpaid care services to

household members than their male counterparts. The unequal distribution of unpaid domestic and care work constrains women's ability to advance in their careers, grow their businesses or further their education indicating that it is a major obstacle to women's economic empowerment.

Inequality between men and women is a major factor for Ghana's loss in human development. Female participation in the labor market is 64.5% compared to 72.2% for men (UNDP, 2021). When employed, women tend to work in low quality jobs that often lack benefits associated with decent work such as, social security and respect for fundamental rights. More than half of females (68.2%) who are currently employed are self-employed with a relatively small number working as paid employees. The largest gender gap in unemployment is among the 15-24 years age group - 36.7% for females compared to 29.3% for males (Ghana 2021 Population and Housing Census). Women with accounts in financial institutions in Ghana comprise 38% compared to 46% of men. The Government of Ghana has rolled out several interventions to address unemployment particularly under the current guiding policy, the Coordinated Program of Economic and Social Development Policies (2017-2024): An Agenda for Jobs - Creating Prosperity and Equal Opportunity for All. Some of these programs include the Ghana Social Opportunities Project (GSOP). Under GSOP, the government initiated the Labor-Intensive Public Works (LIPW) program which is intended to increase local employment while investing on local assets such as small earth dams and dugouts to improve supply of water for agriculture and rehabilitation of feeder roads. The project run from 2010 to 2018 reaching 168,000 beneficiaries of which women constituted 60%. The program offered flexible work arrangements and on-site childcare facilities for women. It also ensured women's participation in the management committee at all levels. At the sub-project level women constituted more than 50% of the labor force of each component. Another initiative is the government's drive to increase female labor force participation is the reinforcement of the policy to increase the number of women in the civil service. This resulted in 15.8% increase in female staff from 2019 to 2020.

Women constitute 52% of the total agricultural workforce, but they make only 28% of those employed in agriculture. This gap indicates that women in agriculture constitute a significant proportion of family labor without payment in cash or kind. Data collected across the country between 2011 and 2015 show that 74% of men compared to only 26% of women registered their lands. Strategies such as the National Gender Mainstreaming Strategy for the Fisheries Sector (2017- 2022) and the Gender and Agricultural Strategy II are being implemented to address gender gaps in agriculture.

The incidence of poverty between male and female headed households (MHH and FHH) in Ghana appears to show that FHH are better-off than MHH (GSS, 2018). According to the 2016/2017 Ghana Living Standard Survey incidence of poverty was 17.6% in FHHs as opposed to 25.8% in MHHs (GSS, 2018). The incidence of poverty among FHHs has declined from 55% in 1990 to 31% in 2005/6 and recently to 17.6% in 2016/2017 (GSS, 2018). While this is an encouraging trend, it fails to provide a full picture of poverty among women. First, in Ghana a significantly higher proportion of households are headed by men. The proportion of MHH was 69.5% in 2013 (GSS, 2014). Second, poverty measured by households does not disclose the poverty status of individual members. Women in male headed non-poor households may experience poverty due to socio-cultural factors that limit their access to critical resources such as land and finance that are needed to generate income and reduce poverty.

7.b. Promotion of equal access for men and women to productive and economic resources

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

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dugouts to improve supply of water for agriculture and rehabilitation of feeder roads. The project run from 2010 to 2018 reaching 168,000 beneficiaries of which women constituted 60%. The program offered flexible work arrangements and on-site childcare facilities for women. It also ensured women's participation in the management committee at all levels. At the sub-project level women constituted more than 50% of the labor force of each component. Another initiative is the government's drive to increase female labor force participation is the reinforcement of the policy to increase the number of women in the civil service. This resulted in 15.8% increase in female staff from 2019 to 2020.

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7.c. Men and women equal status and protection under the law

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana has signed various regional and international protocols with the aim of achieving equal status and protection for men and women under the law. Consequently, gender discrimination is prohibited in the 1992 Constitution (Article 17), which is supported by a National Domestic Violence Policy 2010. A Strategic Implementation Plan of the policy has been developed and at various stages of implementation.

Acknowledging the need to protect women from negative cultural practices, there has been an amendment of the Criminal Code Amendment Act 1998 (Act 554) that criminalizes Female Genital Mutilation. Currently, the Domestic Violence regulation has been finalized and passed (Domestic Violence, LI 2237). A domestic violence research report on the prevalence of Domestic Violence was launched and disseminated in 2016. National Dialogue on Improving Prosecution and Adjudication of Sexual & Gender-Based Violence Cases was organized by MOGCSP with funding support from DANIDA under the project Ending Sexual and Gender Based-Violence in Ghana. One (1) shelter for survivors of domestic violence was established in 2016 in addition to the 3 that was reported in 2015. Last year, it was reported that, this third Shelter was yet to be operational. There is no update and indication however that it is functional.

Ghana ratified the Convention on Elimination of All Forms of Discrimination against Women (CEDAW) on 2nd February 1986 and has made over three decades of progress in creating awareness on gender issues with improvements in the societal perception and concept for women and girls in national development. The Government has demonstrated its commitment to the tenets of the Convention by ensuring that the 1992 Constitution, new legislations and policies are consistent with CEDAW. Fundamentally, the Constitution of Ghana commits the country to the elimination of gender discrimination. It also provides the constitutional basis for gender mainstreaming and equality. The government of Ghana has continued to vigorously pursue institutional, administrative and legal reforms as well as formulated and implemented various policies to address issues of Gender Equality and Women's Empowerment. The Health and Education sectors are making strenuous efforts to improve coverage of basic services to children and women. Free antenatal and delivery services (through the exemption programme) have been extended to cover the whole country. The introduction of the free Senior High School policy in 2017 has given great impetus to school enrolment and attendance for girls with 18.31% increase for girls and 15.18% for boys.

08. Equity of Public Resource Use

Score du critère: 3.833

8.a. Poverty Measurement

Type de score	Valeur
Score de brouillon	3.5
Score révisé	3.5
Score de deuxième brouillon	3.5
Score final	3.5

Notes du pays:

Ghana Living Standard Survey (GLSS) is the most commonly used tool for the measurement of poverty and in the determination of progress over the years.

Ghana has experienced steadily increasing growth of over 7% per year on average since

2005. In fact, between 1992 and 2013 Ghana's national level of poverty fell by more than half (from 56.5% to 24.2%), The impressive growth culminated in Ghana attaining the middle-income country status in 2010 especially following the discovery of offshore oil reserves. Despite recorded, poverty and inequality remain prevalent in many areas. While headcount poverty had declined, the rate of decline between 2005/06 was slower than previously but hardly changed between 2012/13 and 2016/17. However, the outbreak of the COVID-19 pandemic in 2020 in particular, presented a real threat in reversing decades of efforts that had resulted in poverty reduction. GDP growth declined sharply from 6.5 percent in 2019 to 0.4 percent in 2020. Inflation increased from 7.9 percent in 2019 to 10.4 percent in 2020. Since 2020, headline inflation accelerated, hitting 13.9 percent in January 2022. By June 2022 inflation almost doubled to 29.8 percent and finally took a peak at 54.1 percent in December 2022. The Ghana Cedi depreciated by 30.0 percent, 21.2 percent and 25.3 percent against the US dollar, the Pound Sterling and the Euro, respectively followed by a surge in commodity prices. These developments generally threw national development programmes out of control, resulting in a general impoverishment of the population. World Bank 31st March 2023 update, overall "international poverty" rate was estimated at 20.5 percent in 2022.

Regional dimensions of poverty. What stands out for Ghana is that the highest levels of inequality are now registered within certain regions. The Upper West region has the highest level of inequality in the country and the largest increase in inequality since the 1990s. The lowest level of inequality is found in the Greater Accra region. This means that some Districts, communities or groups of people in certain regions, especially in the North are being left behind and are missing out on recent economic growth. At the regional level, the Northern, Upper East, and Upper West regions continue to have the highest poverty rates. Of great concern is the Northern region which saw its high level of poverty fall only marginally from 55.7% to 50.4%. Since the 1990s overall, the Northern region has seen the smallest progress in poverty reduction. This is a major issue for the country given that the Northern region now makes up the largest number of poor people of any of Ghana's ten regions (1.3 million). In the Volta Region, poverty had in fact increased from 33.8% to 37.3%, the Northern Region from 50.4% to 55.7%, the Upper East Region 44.4% to 54.8, and the Upper West Region 70.7% to 70.9%. The increases in poverty in the Volta Region and the marginal change in the Brong Ahafo was largely down to the increase in poverty in the Savannah areas of these regions.

Rural – urban poverty – multidimensionality. Poverty in Ghana is largely a rural Savannah problem. Indeed, the rural Savannah contributes 75.4% to Ghana's poverty incidence and 84.3% of extreme poverty in Ghana.[1] According to results from the 2020 Multidimensional Poverty Report, Ghana's multidimensional poverty was 45.6 percent while consumption expenditure poverty was 23.4 percent. There were also rural-urban differentials where 64.6 percent of the rural population compared to 27.0 percent of the urban was multidimensionally poor. As expected, the rural-urban differences are evident, with 64.6 percent of the rural population and 27.0 percent of the urban population being multidimensionally poor. The Northern Region recorded the highest rate of multidimensional poverty - with every eight out of ten persons being multidimensionally poor (80.0%), followed by the Upper East Region- with close to seven out of every ten persons being multidimensionally poor (68.0%). In terms of gender, more males than females lived in households that were deemed to be at risk of poverty.[2] There is significant gender disparity in access to land and credit and other productive resources. Women's reproductive and

productive roles also result in time constraints, greater risk of not accessing education and training as well as poor health and inability to network and access information has tendered to perpetuate women's lower socio-economic position.

Mechanisms for monitoring poverty reduction programmes are embedded in the Monitoring and Evaluation units of the Ministries, Departments and Agencies (MDAs), that implement poverty reduction programs together with the local governments in the at the district levels. Overall, the Ministry of Finance (MoF) has adopted the Program-Based Budgeting which enables the alignment of public expenditures with the poverty strategic priorities and programs. Furthermore, the MoF established a Monitoring and Evaluation Unit in 2016 to take the lead role in coordinating all M&E activities in support of effective delivery of the Ministry's mandate.

[1]The Ghana Poverty and Inequality Report: Using the 6th Ghana Living Standards Survey 2016

[2]Multidimensional Poverty – Ghana, 2020: *using the seventh round of the Ghana Living Standards Survey conducted between 2016/2017 survey periods.*

8.b. Public Expenditures: Priorities and strategies

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Public expenditure priorities and strategies are clearly-cut strategy for the reduction of poverty and vulnerability, and for addressing rising inequality through the implementation of the Ghana Productive Safety Net Project (GPSNP) 2019-2024 The GPSNP is in pursuit of the nation's commitment to strengthen social protection systems and improve the ability of poor people to be productive. Being rolled out in 80 of the most deprived districts, about 25,000 individuals are to benefit from the Productive Inclusion slot, 30,000 through public works and 350,000 households under Livelihood Empowerment Against poverty

(LEAP). In addition to the use of district level targeting, the beneficiaries being selected from these districts are the poorest communities and households in the participating districts. The government is also implementing targeted interventions including the Free Senior High School Programme (Free SHS), Teacher Trainee Allowances, Health Sector Interventions and Nursing Trainee Allowance, Nation Builders Corps (NABCo), and Ghana School Feeding Programme.

Majority of the poor earn their livelihood from the agricultural sector. Ghana has deliberately and progressively increased budgetary allocation to this sector through measures that enhance productivity in the sector. The main government intervention in the sector is the Investing for Food and Jobs (IFJ, 2018 - 2021). The IFJ is the overarching sector plan for transforming Ghana's agriculture by increasing agricultural productivity and output by enhancing farmers' access to inputs and markets with a focus on key crops such as maize, rice and soya. It is the sector's response to President's Coordinated Programme of Economic and Social Development Policies (CPESDP), named Agenda for Jobs: Creating Prosperity and Equal Opportunity for All (2018 – 2024). IFJ has three key flagship programmes: Planting for Food and Jobs; Rearing for Food and Jobs; and Planting for Expert and Rural Development. It also considers two crosscutting areas in mechanization and irrigation. The Government has been implementing the Planting for Food and Jobs (PFJ). Launched in 2017, PFJ seeks to The program reached is targeted to reach more than 1.5 million farmers in 2020.

The country continues to commit a substantial share of the Annual Budget Funding Amount, which is the allocation of resources from national petroleum resources to the Agriculture sector with the objective of accelerating poverty reduction through the latter. Therefore, while Ghana's public expenditure allocation is sensitive to equity matters and reflects priorities of the poor, the overall resource envelop falls short of the resources needed to close the wide poverty gap, persistent inequality and meet the SDG targets of zero poverty inequality reduction targets in 2030.

While the interventions are well targeted and being monitored through various funding partners, they represent a small fraction of the number of poor and vulnerable households and individuals identified by national poverty assessments. The main reason for such a shortfall in the coverage and implementation is the limited public resources. Government's budgetary allocation remains low relative to the identified the nationally identified poverty gap and inequity.

These social interventions are increasing in number and are involving wider participation of the poor through their effective roll out to local government administrations.

8.c. Regressive Tax

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana's tax system is progressive with the tax laws applied in a non-discriminatory manner. Effective 1st January 2020, Ghana has defined new tax brackets based on Income Tax Amendment Act 2019 (Act 1007). The amendments provide for more relief for lower income categories relative to high income categories. Personal income taxes are withheld using a "Pay As You Earn" (PAYE) for employees in formally registered businesses. The PAYE is made up of 6 distinct income brackets and increases with increasing levels of income. The zero-rated taxable income threshold was increased from GHS 3,132 to GHS 3,828 per annum. Similarly, the second bracket of income tax changed from a threshold of an additional GHS720 to GHS1200. To make the income tax even more progressive, the Act 1007 introduced an additional income bracket for those whose earnings are in excess of GHS20,000 and applied a higher rate of 35 percent. Individuals with disabilities are also entitled to 25% of their noninvestment assessable income as personal relief. The indirect taxes consist of a VAT rate which is also progressive.

Ghana restructured its VAT rate to 12.5% in Aug 2018. Ghana has split out the 2.5% National Health Levy from the combined current VAT rate. This means the new VAT rate will be 12.5% instead of the current consolidated 15%. VAT is charged on all taxable suppliers, as well as imports. In 2015, the government abolished the use of the VAT Relief Purchase Order (VRPO) in granting of relief. The Refund system has been beefed up to pay refunds when the request is duly vetted and certified. The provision in the law that government pays interest on overdue refunds beyond 90 days has ensured that such a system works well to the benefit of taxpayers. The income tax has been broadened while exemptions were streamlined and made time-bound. A more efficient refund system has been put in place to cover duty drawbacks, VAT refunds and corporate tax overpayments. The current VAT Refund Account, into which 5 percent of VAT revenue is paid, has been replaced with a General Refund Account into which up to 5 percent of GRA collection is being paid for tax and duty refunds. The government continued to implement new tax policy initiatives introduced in 2014 aimed at improving the taxation regime. Some of these initiatives are; increment in the withholding tax on Directors' remuneration from 10 percent to 20 percent, extension of the National Fiscal Stabilization Levy of 5 percent and special import levy of 1-2 percent to 2017 and the reversal of excise tax on petroleum from Ad Valorem to specific. Personal income taxes and VAT contributed the largest shares of 17% and 21% respectively to tax revenue in 2020.

09. Building Human Resources

Score du critère: 4.5

9.a. Health and nutrition services

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana passed a new National Health Policy in 2020. The new policy focused on a wider operational definition of health as being “a state of complete physical, mental and social wellbeing and not merely the absence of disease and infirmity”. The policy seeks to strengthen the healthcare delivery system to be resilient; encourage adoption of healthy lifestyles; improve the physical environment; improve the socio-economic status of the population; and to ensure sustainable financing for health.

In line with the policy, the Regenerative Health and Nutrition (RHN) Programme was initiated by the Ministry of Health (MOH) as a means to prevent and promote health care. It aims to transform the health, lives and socioeconomic development of Ghanaians. It is a logical policy programme after health insurance. Its long-term effect can bring about a reduction in the cost of lifestyle diseases such as Hypertension, Diabetes, Cancer, Gout and others which are currently on the increase. Lifestyle changes include what people eat and drink, and their physical activity levels, rest, and cleanliness. The main objective of the programme is to reduce the risk of occurrence of diseases and disorders for individuals, households and communities so as to contribute to the development of a healthier and productive population that can create wealth for itself and the country.

The MOH has also developed the Nutrition and Malaria Control for Child Survival Project for Ghana to improve utilization of selected community-based health and nutrition services for children under the age of two and pregnant women in the selected districts. The Ministry's MDG Acceleration Framework (MAF) focuses on improving maternal health at both community and health care facilities through the use of evidence-based, feasible and cost-effective interventions in order to achieve accelerated reduction in maternal and newborn deaths. The three key priority intervention areas identified are improving family planning skilled delivery emergency obstetric and newborn care. Based on the 2022 Demographic and Health Survey (DHS), 86% of livebirths and/or stillbirths took place in a health facility. In addition, the level of malnutrition is among the lowest in Africa (at 18.8% in 2014).

Ghana put up an impressive response program to the COVID-19 pandemic. Prior to the COVID-19, the government had procured and distributed 307 fully equipped ambulances for each of the 275 constituencies across the country. Following the outbreak of the coronavirus in early 2020, the Government realized the existence of structural gaps in the health delivery system. To better position the government to enforce social distancing protocols, the government triggered the imposition of Restrictions Act, 2020, (Act 1012) which was passed by the national assembly.

This was followed by introduction of the Phase I of Ghana COVID – 19 Alleviation and Revitalization of Enterprises Support Programme (Ghana CARES). Under this Phase, an Emergency Response Plan was developed. It sought to reduce the cost of basic services; ensure food security; protecting businesses and workers; and further strengthening the capacity in the health sector. The government also introduced the payment of allowances to nursing students which commenced even from 2017. An annual average of 50,000 nurses received such allowances between 2017 and 2020. From 2021 to 2022, the government introduced the Ghana CARES Phase II aimed at the Revitalization and Transformation of the economy. The phase II sought to enhance the productive sectors of the economy via competitive import substitution and economic diversification. To this extent, government launched a GHC 100 billion COVID – 19 Alleviation and Revitalization of Enterprises Support Programme (Ghana CARES). The CARES initiative

provided support to the private sector especially Small and Medium Scale Enterprises to enable them to revamp their businesses in order return the country to a sustained path of robust growth and to create a more resilient economy. Thus, Phase II represents a strategic and catalytic intervention that will foster a quicker recovery and boosts Ghana's post- COVID economic transformation.

Digitalization: The country has made strides in digitalization and ICT adoption, which has the potential to expand educational opportunities, enhance healthcare delivery, and stimulate economic growth.

9.b. Education, ECD, training and literacy programs

Type de score	Valeur
Score de brouillon	5.0
Score révisé	5.0
Score de deuxième brouillon	5.0
Score final	5.0

Notes du pays:

The Government approved the Education Strategic Plan (ESP 2018-2030) in May 2019. The New EPS replaced the old EPS 2010-2020. The new ESP ensures alignment with relevant targets and aspirations under the Sustainable Development Goals (SDGs). The ESP sets out three policy objectives of (i) improved equitable access to and participation in inclusive quality education for all; (ii) improved quality of teaching and learning and STEM at all levels; and (iii) sustained and efficient management, financing and accountability of education service delivery. The ESP is aligned to the four-year rolling Medium Term Development Plan (MTDP 2018-2021) prepared by the Ministry of Education to coincide with the budget cycle and the Medium-Term Expenditure Framework (MTEF) of Government. The ESP also aligns with Agenda 2063 of the African Union and the Sustainable Development Goal 4: To ensure inclusive education and equal opportunity for all and with the National Medium-Term Development Policy Framework (2018-2028) drafted by the National Development Planning Commission (NDPC).

Since 2018, the government started rolling out the Free Senior High School Program. This initiative makes Senior School education free for all Ghanaians. In 2019, the program increased senior school enrollment by 19.5 percent over the period 2016 to 2018, the program led to 43 percent in secondary school enrollments. Under the Education Sector reform law, the *Education Regulatory Bodies Act 1023*, of 2020; government established the Commission for Technical and Vocational Education and Training (CTVET) mandated to formulate national policies for skills development across the broad spectrum of pre-tertiary and tertiary education, formal, informal and alternative education. CTVET also coordinates and promotes industry-led occupational standards generation as well as collaborates with tertiary institutions and relevant agencies to implement competency-based training programmes on the National Technical and

Vocational Education and Training Qualifications Framework. The Strategic Plan for TVET Transformation 2018- 2022 seeks to align TVET programs with national development goal that seeks to transform Ghanaian economy through industrialization.

9.c. Prevention and treatment of HIV/AIDS, tuberculosis, and malaria

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

HIV

The Ghana AIDS Commission is a supra-ministerial and multi-sectoral body established by Act 2016, Act 938 of Parliament. The objective of the Commission is to formulate policy on the HIV and AIDS epidemic and to direct and coordinate activities in response to HIV and AIDS. The commission's Strategic Plan is due to expire in 2020.

National and Sub-National HIV and AIDS Estimates and Projections 2019 Report shows that the estimated adult (15 – 49 years) national HIV prevalence for 2017 is 1.70%, with the number of people living with HIV and AIDS estimated at 342,307 persons. This is made up of 316,352 adults (15+ years) and 25,955 children (0–14 years) living with HIV and AIDS representing 92.0% adults and 8.0% children respectively. The HIV adult incidence rate in 2019 is estimated at 0.68%, and there were 20,068 new infections (85.0% adults, 15.0% children) and 13,616 AIDS deaths. Annual AIDS death amongst children 0-14 years is estimated to be 2,441.

TB

According to the Ghana Country Coordinating Mechanisms help end tuberculosis, Ghana conducted the second national TB prevalence survey in 2013, 57 years after the first survey. The estimated national TB prevalence, 290 per 100,000 population, shows that the disease burden is four times higher than WHO estimates for the same year (71 per 100,000 population). The national TB case detection rate, calculated using these new figures, is 20.7% (2013). According to Center for Disease Control (CDC), Ghana's estimated TB Incidence rate is 152 per 100,000 persons in 2017. The overall TB treatment success rate is put at 85 percent in 2016, while mortality is at 36 per 100,00 persons. Over a quarter of all TB patients who know their HIV status are found to be HIV positive.

The Government has created an enabling environment by establishing laboratory equipment that included 48 digital X-ray and 128 GeneXpert machines in a bid to detect early and treat all unidentified TB cases and ensure that low TB mortalities. The government also enrolls TB patients on the National Health Insurance Scheme (NHIS) to ensure that all patients got comprehensive care to reduce risk of other morbidities and death (Ghana Ministry of Health).

The National TB Program has been implementing the Directly Observed Strategy for TB control and has been following the WHO strategies to achieve the global TB control goals along with addressing the TB/HIV challenges. The main funding source for TB control in the country is the Global Fund with the Government providing some financial resources.

Malaria

Malaria is endemic in all parts of Ghana and puts its population of 30.6 million at risk of malaria throughout the year. A new MIC survey released in July 2020 shows that malaria remains a major health concern in Ghana. Over 25 percent of households do not have access to Insecticide Treated Nets, and another quarter of households has at least one Bed Net that is not enough for members. Since 1999, Ghana has committed to a Roll Back Malaria (RBM) initiative and developed a strategic framework to guide its implementation. The Ghana RBM emphasizes the strengthening of health services through multi and inter-sectoral partnerships and making treatment and prevention strategies more widely available. The goal was to reduce malaria specific morbidity and mortality by 50% by the year 2010. A second strategic plan (2008-2015). After this, the government adopted the 2014–2020 Ghana strategic action plan aimed at reducing the burden of malaria by 75.0%

Malaria-related deaths has declined steadily from over two thousand in 2015 to about 600 in 2017. Malaria Case Fatality rate (CFR) has also declined among adults and children under five years of age. In both cases, CFR has reduced from above 0.5 to 0.2 and below though this remains slightly higher in the northern parts of the country.

10. Social Protection and Labor

Score du critère: 4.4

10.a. Social safety net programs

Type de score	Valeur
Score de brouillon	5.0
Score révisé	5.0
Score de deuxième brouillon	5.0

Notes du pays:

Ghana's National Social Protection Policy (2015) defines five core interventions as the social protection basket – LEAP, LIPW, NHIS, Education Capitation Grants, and GSFP. These interventions are the focus of government policy to drive scaling up of social safety net programs in the country. Following the COVID-19 pandemic, the government rolled out several interventions targeting vulnerable groups. First, during the partial lockdown, the government undertook an extensive distribution of food handouts for poor households within affected areas. The free access to water for all Ghanaian citizens relieved households with the burden of having to pay water bills for the whole year. In addition, the government has provided free electricity to all lifeline consumers throughout the country.

The Ministry of Gender, Children and Social Protection is directly responsible for the origination of social protection policy and is key to determining budget allocations and ensuring that these projects are all adequately funded and incorporated in the national medium-term plans. A

Ghana's social safety-net interventions are organized programs that are targeted, budgeted and evaluated for subsequent updating. Apart from those funded by International development partners such as LEAP (by world Bank) these interventions are an outcome of targeting through Ghana National Household Registry (GNHR) under the Ministry of Gender, Children and Social Protection (MoGCSP). The government of Ghana has an annual budget line dedicated to the financing of these interventions and are evaluated through the annual budget implementation process. Some of the Social SafetyNet programs included in the annual budget include: Free Senior High School Programme (Free SHS), Teacher Trainee Allowances, Health Sector Interventions and Nursing Trainee Allowance, Nation Builders Corps (NABCo), and the Ghana School Feeding Programme.

Ghana's range of Social Safety Net Programs include:

1. the Livelihood Empowerment Against Poverty (LEAP) program which provides cash grants to extremely poor households with particular emphasis on the elderly, disabled and OVCs,
2. Safety net programs in the education sector such as, a capitation program which provides free universal basic education to all children, a school feeding program and free school uniforms program for deprived children,
3. A labor-intensive public works program for poor, able-bodied adults during the agricultural off-season, and
4. free health insurance for the poor. The Government is committed to ensuring that these projects are efficient and scale up to reach the appropriate targets. As a result, the LEAP and LIPW interventions are leveraging technology for scale up activities including the use of electronic payments, biometric identification and the development of management information systems to adequately track project progress.

A Social Protection Rationalization Study conducted in 2013 established the need for a holistic National Social Protection Policy. To ensure accuracy in targeting social interventions, the government has created the Ghana National Household Registry (GNHR) under the Ministry of Gender, Children and Social Protection (MoGCSP) with the mandate to establish a single national household register from which social protection programs will select their beneficiaries in Ghana. Social Protection Bill has been developed and placed before Cabinet for approval and its subsequent passing into law by parliament to transform the social protection landscape and delivery.

10.b. Protection of basic labour standards

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana as a functioning democracy has ratified most conventions and passed much of the accompanying legislation. Relevant legislation includes the Workmen's Compensation Law (1987), the ratification of the Convention of the Rights of the Child (1990) and the Children's Act 1998 (Act 560).

In 2003, a National Labor Commission (NLC) was established under Section 135 of the Labor Act, 2003 (Act 651). Key among the functions of the Commission includes the settlement of industrial dispute through negotiations and other effective alternative methods of disputes resolution, such as mediation and arbitration.

In June 2015, a National Employment Policy, aimed at creating decent employment opportunities for the growing labor force of Ghana, was approved. Since the adoption of the National Employment Policy, the Ministry of Employment and Labor Relations (MELR) has been mandated to coordinate all employment and labor-related endeavors, including youth employment. Implementation of the policy is underway with support from the International Labor Organization (ILO). A National Youth Employment Act was also finalized in 2015. The Act established the National Youth Employment Authority (YEA).

Additionally, a Labor-Intensive Public Works policy was approved by Cabinet and launched in October 2016.

The Youth Employment Agency (YEA) was established under the Youth Employment Act 2015 (Act 887) to empower young people to contribute meaningfully to the socio-economic and sustainable development of the nation.

Various youth-focused programs and initiatives, like the Nation Builders Corps (NABCO) and the Youth Employment Agency (YEA), aim to provide employment and skills development opportunities for young people.

Sections 89 and 91 of the Children's Act (44) sets the minimum age for work at 15 and for hazardous works at 18. The 1992 constitution also prohibits forced labor and identifies hazardous activities as illegal for children. Similarly, Ghana has ratified several ILO and UN conventions including ILO C.138 on minimum age, ILO C182 Worst Form of Child labor UN CRC and UN CRC Optional Protocol on Armed Conflict.

Annual national jobs summits are organized by the relevant authorities, which brings together public and private sector stakeholders to promote productive employment and decent work.

The government of Ghana has ratified ILO Convention 182 on the Worst Forms of Child Labour and has made progress in implementing the convention in national law and policy. The government has also made progress in complying with the other ILO core conventions.

10.c. Labour market regulations

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The Ghana Labor Act 2003 (Act 651) guides labor relations in the country. The law makes provision for the establishment and maintenance of a National Tripartite Committee (NTC). The NTC's role includes the determination of national daily minimum wage and provision of advice on employment and labor market issues, including labor laws, international labor standards, industrial relations and occupational safety and health. At sub-national levels, the NTC supports the establishment of Regional and District Tripartite Committees to extend its roles at regional levels. In 2009, the NTC negotiated an increment of the National minimum wage to 2.65 Cedis. Since then, it has increased to 10.65 Cedis in 2019 and 11.82 Cedis in 2020.

The labor law is flexible, allowing for flexibility in hiring and firing. However, under section 65 of Ghana's an employer must notify the Chief Labor Officer and the trade union of the dismissal of any employee at least three months before termination —such a rule reduces the freedom of employers to adjust to shocks when they arise. Additionally, the Labor laws make provision for women, including a fully paid statutory maternity leave of 6 weeks. The law also provides for the extension of this period by at least two weeks in case of abnormality or multiple births to a woman. In 2021, the National Labor Commission continued to facilitate the resolution of complaints filed by individuals, trade unions, workers' associations, employers and employer organizations. as a means of decentralizing the Commission's activities it has established two Regional Offices in the Western and Ashanti Regions to manage and deal with industrial disputes in those communities.

Overall, Labour market regulations in Ghana are well-designed and effectively enforced. Active labour market programs (e.g., retraining, public works) are effective and reach a significant proportion of the unemployed.

10.d. Community driven initiatives

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The Local Government Act (Act 462) of 1993, for example, mandates local government planning and budgeting, which must be conducted in consultation with communities, including civil society organizations. There are also additional various legislations and policies to encourage or support communities and civil society involvement in the development initiatives and service delivery Citizens' participation, in national development issues have further been enhanced with the passing of the Right to Information bill in 2019. The right to information is enshrined in Ghana's 1992 Constitution but, for many years, the country, despite its stellar media landscape and democratic credentials, had struggled to pass the RTI law. The law will foster a culture of transparency and accountability in public affairs. Improved transparency and accountability are expected to expand opportunities for local people and civil society organizations (CSOs) to participate in a a manner that influence outcomes of services to communities.

Community engagements at decentralized levels have benefitted from information available to citizens and CSOs on government budgets and services at that level. Tthe Ghana Center for Democratic Development (CDD) a major CSO in Ghana has launched "Promoting Social Accountability through Citizens'

Participation in Local Governance” with the aim of increasing citizens’ participation in the planning and budgeting processes of Metropolitan, Municipal and District Assemblies (MMDAs). This is a three-year project supported by the Open Society Initiative of West Africa (OSIWA). Other private initiatives such as the Joy Ballot continues to increase community engagement by granting local communities an opportunity to express their development needs by ranking their development need.

At the program level, social accountability and citizenship engagement occurs in a more organized manner. For instance, the LEAP program includes third-party monitoring facilitated by CSOs. There also exists a Civil Society Platform for Social Protection which is highly engaged in the decision, making on social protection including the development of the Social Protection Policy and Implementation Plan.

The government is implementing several community initiatives including the operationalization of Community based Day Senior High Schools compounds as reported in the 2021 Budget Statement. Overall, the Ghanaian Government has a policy of community involvement in development initiatives, with some community involvement in planning and some allocation of resources to the community level.

10.e. Pension and old age savings programs

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The Social Security and National Insurance Trust (SSNIT) is a statutory public Trust charged under the National Pensions Act, 2008 Act 766 with the administration of Ghana’s Basic National Social Security Scheme. Its mandate is to cater for the First Tier of the Three-Tier Pension Scheme. Under the Act 766, out of the 18.5%, the employer remits 13.5% to SSNIT within 14 days of the ensuing month to the mandatory First-Tier Basic Social Security Scheme-SSNIT. Out of the 13.5% with SSNIT, 2.5% is remitted to the National Health Insurance (NHIS) towards the member Health Insurance. Employer pays the 5% to the Mandatory Second Tier Occupational Scheme which is privately managed by Trustees approved and licensed by the Board of National Pension Regulatory Authority (NPRA).

Tier 2 is a mandatory, fully funded and privately managed occupational scheme and Tier 3 is a voluntary fully funded and privately managed provident Fund and Personal pension Plan. Coverage remains low, with only 10% of the employed labor force and 10% of the population over the age of 60 in receipt of a contributory pension. Civil servants who joined prior to 1972 are not included in SSNIT, in addition to a number of other categories specified in the Constitution, such as the military. The Pension Scheme as administered by SSNIT has an active membership of over 1,622,748 million as at December 2019 with over 208,753 pensioners who regularly receive their monthly pensions from SSNIT. The Trust is currently

the largest non-bank financial institution in Ghana. The primary responsibility of the Trust is to replace part of lost income of workers in Ghana due to Old Age, Invalidity or Death of a member where dependants receive lump sum payment. It is also responsible for the payment of Emigration benefit to a non-Ghanaian member who is leaving Ghana permanently. SSNIT also established the SSNIT Informal Sector Pension scheme (SISF) in 2008. It has since been restructured and is registered as a private scheme under the 3rd Tier of the new pensions-regime and managed by National Trust Holding Company Trustees Ltd – an Investment Banking firm in Ghana.

Pensions and old age savings systems in Ghana cover most formal sector workers, provide some access for the informal sector and afford adequate income security. Long-term (multi-generational) fiscal sustainability is not fully assured, however, and effective strategies for extending old age and disability protection broadly to workers outside the formal sector have not been developed.

11. Environmental Policies and Regulations

Score du critère: 4.5

11. Environmental Policies and Regulations

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The National Environment Policy was established in Ghana's National Environmental Action Plan, which seeks to redirect development towards more environmentally sustainable practices. The main objective of the NEP is to improve the environment, living conditions and quality of life for all Ghana's citizens. It aims to reconcile economic development with conservation and seeks to promote the sustainable use and maintenance of Ghana's natural resources. The policy seeks to maintain ecosystem and ecological processes, ensure sound management of natural resources and the environment, adequately protect against harmful impacts and destructive practices and preserve biological diversity. It also aims to integrate environmental considerations into sectoral, structural and socio-economic planning at the national, regional, district and grassroots levels and to seek common solutions to environmental problems in West Africa, as well as in the African continent and the world as a whole.

The NEP is based on a number of principles that aim to ensure that the policy effectively achieves its objectives. These include the use of the most cost-effective means to achieve environmental objectives; the use of incentives in addition to regulatory measures; and that polluters should pay for the cost of preventing and eliminating pollution. The second of these is of relevance to the approach to REDD+ that incentivizes conservation and the sustainable management of forests.

The Ghana EPA is responsible for integrating environmental concerns into development projects in the country. These institutions include government ministries and associated agencies as well as academic/research institutions.

The Environmental Assessment Regulations of the EPA provides the legal framework for conducting Environmental Impact Assessments. This process is well established and most often complied with large infrastructure projects and programs. There are also industry-specific guidelines for 8 sectors (Transportation, Mining, Tourism, General Construction & Services, Energy, Manufacturing, Agriculture, and Health).

Implementation of climate change activities has been slow, but the government has made a concerted effort to integrate climate change objectives and priorities into sector-specific development plans in agriculture, transportation and energy to mainstream climate change strategies. Ghana submitted its first Nationally Determined Contributions (NDC) to the UNFCCC in September 2016.

In the petroleum sector, the Petroleum Revenue Management Act 2011 (Act 815), Amended Act 893) provides for the establishment of the Civil Society Engagement arm of government call the Public Interest and Accountability Committee (PIAC). PIAC is to ensure efficient, transparent and accountable management of petroleum revenues and investments to secure the greatest social and economic benefit for the people of Ghana through active engagement with the government and citizens. This is accomplished by maintaining a balanced stance, exhibiting high integrity and remaining independent of sectional influences. PIAC's functions include monitor and evaluate compliance with the Act by government and relevant institutions; facilitate public debates; and provide an independent assessment to parliament on the management and use of petroleum revenues.

Historic time series data for Ghana (since 1961), clearly shows a progressive rise in temperature and a decrease in mean annual rainfall in all the six agro-ecological zones in the country. Temperatures in Ghana increased by an average of 1oC between 1960 and 2000 while rainfall has reduced in all agro-ecological zones over the same period according to Ghana's National Climate Change Policy. Studies conducted as part of Ghana's First National Communication to the UNFCCC showed that sea level increase by 2.1mm per decade over the 1960-2000 period. The Ghana's National Climate Change Adaptation Strategy, stresses that climate change in Ghana will manifests through: (i) rising temperatures, (ii) declining rainfall totals and increased variability, (iii) rising sea levels and (iv) high incidence of weather extremes and disasters.

- Rising temperature trends in Ghana: for the six agro-ecological zones, average annual temperatures are expected to rise between 0.80C and 5.40C for the years 2020 and 2080 respectively. However, the highest temperature increased is expected to occur in the Sudanian agro-ecological zone where the rise is expected to reach 3.10C between 2020 and 2080.

- Declining rainfall patterns: according to analyses conducted as part of Ghana's 4th National Communication to the UNFCCC, rainfall patterns are expected to decline considerably across all the six agroecological zones of Ghana. The most drastic rainfall decline is expected to occur in the northern savannah zone where an average rainfall deficit of about 12% is projected. This is closely followed by the rainforest zone with anticipated decline of about 11.9%. However, for the entire country, the expected average annual rainfall reduction would range from -2.4% to -16.6% between 2020 and 2080.
- Expected rise in sea level: Sea level rise is projected to increase from less than 5.8cm in 2020 to over 34.5cm in 2080. However, the average annual rise for the country is projected at 18.9cm. Scientists have generally predicted a 1 m rise in sea-level globally by 2100. As highlighted in the country's Climate Change Adaptation Strategy, the major challenges affecting coastal communities in Ghana are coastal erosion and salt-water intrusion with the east coast of Ghana being the most affected coastal zone.
- Trends in weather extremes: Weather extremes such as flooding, droughts and high temperatures are predicted to increase in Ghana between 2020 and 2080 in all the six agro-ecological zones.

GHG emissions: Ghana ranks 151 of 188 countries for per capital emissions, contributing only 0.07% of global emissions. However, Ghana is highly vulnerable to global climate change. Ghana ranks 114 out of 181 countries in the ND-GAIN index (2023) for climate vulnerability. Ghana is the 76th most vulnerable country and the 127th most ready country – meaning that it is most vulnerable to but only moderately ready to combat the impacts of climate change. The country has both a huge need for investment and innovations to improve readiness to address climate change impacts and a great urgency to implement climate actions.

Climate Change Impacts across sectoral activities in Ghana

- Agricultural production and yields: The economy of Ghana relies heavily on climate sensitive sectors such as agriculture, energy, and forestry. Close to 70% of the population depends directly or indirectly on agriculture (fisheries, crop, and animal farming etc.). Any anomaly in the climate therefore affects the whole economy of Ghana, particularly those of small holders' who depend on rainfed agriculture with very limited adaptation capacity. It has been estimated that due to climate change, the maize and other cereal crop yields are likely to decline by 7% by 2050.
- Water scarcity: Water scarcity is on the rise in Ghana due to climate change arising from lower precipitation that determines the availability of both surface and underground water. Today, the noticeable reduction of a 10% change in precipitation is affected domestic water availability in major cities of Ghana including the generation capacity of the hydro-electric dams. Similarly, the occurrence of saltwater intrusion along coastal communities without centralized water systems deprives these communities of potable water for domestic and industrial uses.

- Natural resources: climate change in Ghana is expected to affect the nation's natural resources based, which is the backbone of the economy. These resources are crucial in terms of food and income generation, tourism, foreign exchange, and biodiversity needed for ecosystem services. The frequent occurrence of droughts in the Transition and Savannah zones pose enormous challenges to biodiversity loss. Approximately 40% of forest cover has been reported to reduce in these two zones between 1980 and 2014.

- Fisheries: seafood is an important part of the Ghanaian diet and economy, making up 40–60 percent of protein intake and contributing 4.5 percent to national GDP. The sector primarily comprises marine fisheries with some inland, freshwater fisheries in Lake Volta, Lake Botsumtwi and other reservoirs. Rising sea surface temperatures alter migratory patterns and reproductive cycles of key species such as anchovies, sardines, tilapia, and catfish. The decline in fisheries sector productivity from climate variability and overfishing forces Ghana to spend over \$200 million per year on seafood imports to satisfy domestic demand.

- Infrastructure: frequent occurrences floods, rainstorms and strong winds are predicted to damage critical infrastructures such as roads, dams, power distribution lines, homes, drains and all structures that life revolves around. This is mainly due to the lack of climate resilience factoring into the construction of critical infrastructures. Similarly, in coastal areas such as the east coast of Ghana, rising sea level has resulted to the loss of millions of dollars of investments in infrastructure.

National government strategies and policies

Implementation of climate change activities has been slow, but the government has made a concerted effort to integrate climate change objectives and priorities into sector-specific development plans in agriculture, transportation, and energy to mainstream climate change strategies. The National Environment Policy (NEP) provide strategic directions and co-ordinate issues of climate change in Ghana, as well as to help the country achieve sustainable development through equitable, low carbon economic growth.

Ghana submitted its first Nationally Determined Contributions (NDC) to the UNFCCC in September 2016. The NDC is aligned with Ghana's National Climate Change Master Plan (2015-2020), its national medium-term development plans (Ghana Shared Growth Development Agenda II -GSGDA2), the anticipated socio-economic transformational plan and the Sustainable Development Goals (SDGs). In its NDC, Ghana presents 31 programmes of action (20 mitigation programmes and 11 adaptation programmes), focusing on 7 priority economic sectors, to be implemented within a 10-year period (2020-2030). Ghana's priority sectors are: 1. sustainable land use, including food security; 2. climate proof infrastructure; 3. equitable social development; 4. sustainable mass transportation; 5. sustainable energy security; 6. sustainable forest management; 7. alternative urban waste management.

Ghana's submitted NDC provides a compelling climate narrative of the needed investment or resources needed within the 10 years to achieve climate action in the country in the 10-year period, implementation would require USD 22.6 billion in investments from domestic and international public and private sources to finance these actions. USD 6.3 billion is expected to be mobilized from domestic sources (unconditional contribution) and USD 16.3 billion will need to come from international support (conditional contribution). Out of the USD 22.6 billion investment, USD 9.81 billion (representing 45 % of the total investment) is needed for mitigation whereas the remaining USD 12.79 billion will be required for adaptation.

Adaptation and Mitigation priorities in Ghana

Ghana's INDC includes detailed descriptions of intended national programs to adapt to climate change.

Mitigation priorities in Ghana

Priority Sector

Sector-specific action

Energy

Scale up renewable energy penetration by 10% by 2030

- small-medium hydro installed capacity up to 150-300MW
- wind power capacity up to 50-150MW
- solar 55 mini-grids with an average capacity of 100kW which translates to

10MW

Promote clean rural households lighting

- Increase solar lantern replacement in rural non-electrified households to 2 million

Expand the adoption of market-based cleaner cooking solutions

- Scale up adoption of LPG use from 5.5% to 50% peri-urban and rural households up to 2030
- access and adoption of 2 million efficient cook stoves up to 2030

Double energy efficiency improvement to 20% in power plants

Scale up the 200,000 solar home systems for lighting in urban and selected nonelectrified rural households

AFOLU

Promote Sustainable utilization of forest resources through REDD+

- 10,000ha annual reforestation/afforestation of degraded lands
- enhancement of forest carbon stocks through 5,000ha per annum enrichment planting and enforcement of timber felling standards
- Wildfire management in the transition and savannah dry lands in Ghana
- 45% emission reduction through results-based emission reduction in cocoa landscape

Waste

Adopt alternative urban solid waste management

- Improve effectiveness of urban solid collection from 70% to 90% by 2030 and disposed all to an engineered landfills for phase-out methane recovery from 40% in 2025 to 65% by 2030
- Scale up 200 institutional biogas in senior schools and prisons double the current waste to compost installed capacity of 180,000tonne/annum by 2030

Industry

Double energy efficiency improvement to 20% in industrial facilities

- Scaling up of installation of power factor correction devices in 1,000 commercial and industrial facilities (capacitor banks)

Green Cooling Africa Initiative

- Abatement of fluorinated-gases from stationery air-conditioners

Adaptation priorities in Ghana

Ghana's primary adaptation priorities are focused on sustainable land use, through identification of sustainable approaches to utilizing forest products and building agricultural resilience. An overarching objective of Ghana's adaptation plans, which spans multiple sectors, is to establish resilient infrastructure in the built environment, including promotion of early warning and disaster risk planning, managing climate-induced health hazards, and implementing city-wide resilience planning

Priority Sector

Sector-specific action

AFOLU

Sustainable land use

- Agriculture resilience building in climate vulnerable landscapes
- Value addition-based utilization of forest resources
- Climate smart technologies for livestock and fish production
- Manage climate-induced and gender-related health risks

Water

- Integrated water resources management

Community based

- Resilience for gender and the most vulnerable

Institutional

- Early warning and disaster prevention
- City-wide resilient infrastructure planning

Health

Managing climate-induced health risk

Adequate capital flows to Ghana and skills development remain a barrier to meeting the NDC targets this can be done through the

- Development of the NDC implementation and investment plan to unlock the opportunities to mobilize public and private funds. Already, the country is developing the Climate Financing Strategy that will outline ways to mobilize climate actions.
- Supporting the private sector to scale up green finance across diverse economic sectors (communication, energy, infrastructure, agriculture forestry, transport Sector, waste and water resources) by providing financial incentives and de-risking instruments for investors. Ghana is also in the process of developing a Climate Prosperity Plan that will outline adaptation and mitigation investment in different sectors to attract investments by both public and private entities.
- Streamlining access to international climate finance to complement national funding by developing bankable proposals from the NDC actions mainly for international earmarked funds (GCF, GEF, GCCA+, Adaptation Funds etc). To this end, there is need to build capacity of Ghanaian public and private agencies on international climate change funds and their access modalities.
- Facilitating the accreditation of implementing entities as requirement for accessing public multilateral and bilateral climate change finance schemes will help the country to scale up green financing. To this end, there is need to harness the accreditation of the Ghana Infrastructure Investment Fund as a Direct Access Entity to enable the country access GCF resources for building climate resilient infrastructure.

2. Climate Change Policy and Institutional Reforms during the CSP

Over 20019-2023, the Government of Ghana undertook several reforms. Key among them was the review and submission of Ghana's Updated National Nationally Determined Contribution (NDC) under the Paris Agreement. The Updated NDC outlines 34 mitigation measures including nine unconditional actions expected to reduce 8.5 MtCO_{2e} of GHG emissions by 2025 and a further 24.6 MtCO_{2e} by 2030; and 25 conditional measures expected to reduce 16.7 MtCO_{2e} of GHG emissions by 2025 and a further 39.4 MtCO_{2e} by 2030. The NDC also outlines 13 adaptation actions to build climate-resilience in different sectors of the Ghanaian economy. Implementation of the updated NDC is expected to result in absolute GHG emission reductions of 64 MtCO_{2e}, avoidance of at least 2,900 premature deaths per year from improved air quality; and the creation of over one million decent and green jobs. In terms of financing, Ghana requires between US\$ 9.3 and US\$ 15.5 billion of investment from 2020 to 2030 to implement the NDC. This includes US\$ 3.9 billion to implement the unconditional measures and US\$ 5.4 billion to implement the conditional measures. Another US\$ 3 million will be required biennially to support coordination actions and the regular international reporting on the NDC.

Ghana is also planning to implement other climate and environmental policy reforms. These include the development of Climate Financing Strategy to provide a framework for mobilizing finances for climate actions; development of the Climate Prosperity Plan (CPP) that will outline long-term emission reduction and adaptation strategies for each sector and a pipeline of projects to unlock climate financing; and development of an Environmental Fiscal Reform Policy to outline new taxes and levies to raise money for environmental actions. Ghana has also developed a Climate Budget Tagging System (ClimFinTrack) which is already facilitating tracking of climate-related public expenditure.

Lessons learnt

Lessons learned include the need to strengthen climate risk assessment and mitigation in Bank-financed operations, help the Government of Ghana to mobilize financial resources for climate and environmental actions through training of MDAs on climate finance and development of projects for co-financing from international climate and environmental funds such as GEF, CIF, among others; as well as training on modalities for accessing Trust Funds hosted by the Bank (such as the up-coming Climate Action Window). In line with these lessons, key climate change and green growth issues to be considered in the next CSP include:

- a. Supporting Ghana to mobilize international climate and environmental funds: As indicated above, Ghana needs US\$ 5.4 million to implement its conditional nationally determined contributions. Consultations with different ministries, departments and agencies indicated that for the government to effectively mobilize external public and private resources for climate action, capacity building on international climate finance architecture and access modalities is needed. The donors should support Ghana by building capacity of Ghanaian institutions (e.g., the Ministry of Finance, COCOBOD, MESTI, Forestry Commission, among others) on climate finance mobilization as well as climate finance opportunities at the Bank.
- b. Deepening climate resilience in agriculture: While the government projects have laid the foundation for building climate resilience of Ghana's agricultural systems, more investment in promoting climate-smart agricultural technologies, agricultural value addition and value chain development, and digital agriculture is needed. The Government should support promotion and adoption of climate-smart agriculture, development of agricultural processing capacity, and development of agricultural value chains. Water availability is a major factor limiting agricultural production especially in the face of erratic and unpredictable rains. The Bank should provide support to the water and sanitation through development irrigation schemes for dry season production, agro-processing. Government should also focus on improving water supply and sanitation infrastructure in urban areas to reduce the risk of outbreak of

contagious diseases.

c. In the transport, investments in the development of rural and urban roads, rail and water ways are needed to enhance farmers' access to markets for produce and inputs as well as to facilitate regional and international trade. As transport – along with energy – contribute as significant proportion of GHG emissions in Ghana. The donors should support development of multimodal transport systems (development / modernization of rail to move passengers and cargo to less polluting transport). This could be complemented with investments in bus rapid transport systems in the major cities. Through partnership with the Global Center on Adaptation (GCA), capacity of the Ghana Infrastructure Investment Fund (GIIF) in climate risk management in infrastructure has built. However, this needs to be scaled to other government and private sector agencies involved in infrastructure development and is an area where the Bank and its partners can play a role.

d. Many of the consulted agencies recommended that donors supports standalone climate change and environmental projects to address the myriad of environmental threats facing Ghana (loss of biodiversity, coastal erosion, pollution, etc.).

The Ministry of Environment, Science, Technology and Innovation (MESTI) has increased the institutional and technical capacity of the EPA in implementing environmental policies by equipping the EPA with the legal capacity to monitor and enforce actions.

(D) Public Sector Management and Institutions

Score du cluster: 4.408

12. Property Rights and Rule-based Governance

Score du critère: 4.5

12.a. Legal basis for secure property and contract rights

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The legal system recognizes and enforces secured interest in property. The process to get clear title over land is difficult, complicated, and lengthy. It is important to conduct a thorough search at the Lands Commission to ascertain the identity of the true owner of any land being offered for sale. Land records can be incomplete or non-existent and, therefore, clear title may be impossible to establish. Registration with the Land Title Registry is a reliable system of recording the transaction. Although the legal framework generally supports property ownership and private business activity, weaknesses in the rule of law, corruption, and an underregulated property rights system remain impediments (Freedom House, 2020). Bribery is a common practice when starting a business and registering property. The protection of intellectual property rights (IPR) is an evolving area of law in Ghana. Progress has been made in recent years to afford protection under both local and international law. The Government of Ghana launched a National Intellectual Property Policy and Strategy in January 2016, which aimed to strengthen the legal framework for protection, administration, and enforcement of IPR and promote innovation and awareness, although progress on implementation stalled. Enforcement remains weak, and piracy of intellectual property continues to take place. The property rights index -- which measures the degree to which a country's laws protect private property rights and the degree to which its government enforces those laws -- shows that between 2018 (49) and 2020 (53), Ghana experienced some significant gains on this front. The country is currently ranked 11th of 53 African countries. The present score of 53 indicates that there's a fairly good degree of legal protection of property and judiciary independence (Heritage Foundation, 2020). The quality of judicial processes (expressed as an index) in Ghana (6.5) is slightly lower than the regional average of 6.9 (World Bank Doing Business Report, 2020). The time to resolve a dispute through the judiciary system is also slower than the regional average. However, the cost of enforcing contracts is lower than the regional average. Despite issues with corruption in the property rights system, the World Bank's 2019 Doing Business index noted improvements in the process for acquiring construction permits and the ease of international trade in Ghana, and for that matter a score of 4.5 is about right. The Legal system provides for adequate protection of private properties in Ghana. The quality of the legal and judicial system continues to be relatively strong in the sub-region.

According to the 2020 World Justice Project Rule of Law Index Ghana ranked 51 globally out of 138 countries. Relative to its 2018 performance, the Country's ranking deteriorated by eight places. The main contributing factors to this deterioration include the absence of sufficient constraints on government powers such as the presence of independent audit and review processes, limited sanctions on government officials for misconduct. The country's civil justice system ranked 46th globally, but 6th among the 31 assessed the Sub-Saharan Africa countries.

The Rule of Law index of the World Governance Indicators reflect perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. Ghana ranked 94 out of 209 countries and territories in the Rule of Law index in 2020 Worldwide Governance Indicators. Relative to 2018, the recent performance signifies an improvement by 3 places.

The Economic Freedom index measures the degree to which the policies and institutions of countries are supportive of economic freedom and scored Ghana 59.4 points (ranked 104th globally out of 180 countries) in 2020 and classified the country in the 'mostly unfree' category. In the economic freedom index, Ghana improved both its score and ranking relative to 2018. The country's ranking improved by 19 places with the score registering a marginal improvement. Property rights in Ghana are recognized but government integrity and overall fiscal health remain the main challenges in the economy. Similarly, judiciary effectiveness, business freedom, and labor freedom scores remain below the overall average

score of the sub-index components.

Ghana ranks 108th position in 2017, 120th (out of 190) in the 2018 and 118th in 2020 Doing Business report, suggesting a mixed performance in the three years leading to 2020. In enforcing contracts, 2017, 2018, and 2020 rankings for Ghana are 114th, 116th and 117th respectively. Ghana takes 710 days to enforce contracts as compared with 658 days in African average, though with significantly lower cost as a percentage of the claim (23 percent in Ghana, 40 percent in Africa) for resolving a commercial dispute through a local first-instance court.

12.b. Predictability, transparency, and impartiality of laws affecting economic activity

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The quality of Ghana's legal and judicial system continues to be relatively strong. The judiciary is generally perceived as independent. According to the 2020 World Justice Project Rule of Law Index, Ghana's civil justice system scored 0.59 points. As in 2018, this score represents relatively a good ranking among Ghana's sub-Saharan African peers. The 2018 score ranked 41st globally, 2nd in the sub-Saharan Africa region. This is partly attributable to the justice system being relatively free from discrimination and improper government influence. Ghana also has alternative dispute resolution mechanisms that are relatively accessible, impartial, and effective. As an example, the Supreme Court has handled several electoral cases and peacefully, including the 2016 general elections, which has greatly enhanced faith in the court system and the rule of law in Ghana.

World Bank Doing Business 2020 ranked Ghana 117 Globally on contract enforcement. Within the African Continent, the country's ranking is mid-way among its peers at 23rd position. This ranking was largely affected by the adverse score on the time it takes to enforce a contract which remains high at 710 days. Similarly, the number of days it takes to conclude trials in respect of contract enforcement is 330days which ranks Ghana 28th among its African peers.

Notwithstanding these delays in contract enforcement, Ghana is ranked among Africa's top 10 countries in filing and enforcement of judgment. In fact, data shows that processes before the court and after a judgment is passed are relatively efficient. The period of judgment, especially the time it takes to pass judgment remains a major challenge in contract enforcement. In the February 2020 version of the Global

Integrity Report, the Africa Integrity Indicators scores Ghana 100 out of 100 in the independence of the judiciary. By extension, the 1992 Constitution of the Republic of Ghana, Chapter 11, Article 125, clauses (1-5); Article 126, clause (4); and Article 127, clauses (1-7) guarantee the independence of the Judiciary.

The Government of Ghana's policies on trade liberalization and investment promotion are guiding its efforts to create a clear and transparent regulatory system. Ghana does not have a standardized consultation process, but ministries and Parliament generally share the text or summary of proposed regulations and solicit comments directly from stakeholders or via public meetings and hearings. All laws that are currently in effect are printed by the Ghana Publishing Company, while the notice of publication of the law, bills or regulations are made in the Ghana Gazette. The Government of Ghana does not, however, routinely publish draft bills or regulations online, which inhibits transparency in the approval of laws and regulations (2020 Investment Climate Statements Report on Ghana). The High Court has jurisdiction in all matters, civil and criminal, other than those involving treason. There is a history of government intervention in the court system, although somewhat less so in commercial matters. The courts have, when the circumstances required, entered judgments against the government. However, the courts have been slow in disposing of cases and at times face challenges in enforcing decisions, largely due to resource constraints and institutional inefficiencies. Corruption cases are prosecuted, but proceedings are lengthy and convictions are slow. Notwithstanding, citizens and businesses can pursue claims against the state without fear of retaliation as evident in the country's growing judgement debt.

12.c. Difficulty in obtaining business licenses

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Ghana has made progress in easing the application and processing of business licenses. The registrar General's Department now operates an online platform to facilitate easy registration of businesses and documentation of business registration files. The platform provides E-certification and E-profiling for new businesses. In addition to business registration, the portal also offers a return filing service to all small and large businesses.

In the WB DB 2020, Ghana has maintained is a score in most of the components that are linked to challenges in obtaining licenses. While the overall score between 2019 and 2020 has marginally improved, two of the indicators (procedures for men and women) registered no change while the

remaining five indicators including 'time', 'cost' and 'paid-in minimum capital' registered a marginal decline in scores. However, relative to 2018, the decline in these five indicators is noticeable. In spite of this, Ghana performs better than the regional average on all relevant indicators associated with the ease of doing business with the exception of the number of procedures involved in starting a business.

In other related business opening activities such as dealing with construction permits, getting electricity and getting credit, Ghana ranks favorably ahead of its overall ranking in the DB2020. The country also registered significant improvement in these indicators in 2020.

Although registering a business is a relatively easy procedure and can be done online through the Registrar General's Department [RGD], businesses have noted that the process involved in establishing a business is lengthy and complex, and requires compliance with regulations and procedures of at least four other government agencies, including GIPC, Ghana Revenue Authority (GRA), Ghana Immigration Service, and the Social Security and National Insurance Trust (SSNIT). According to a survey conducted by the Private Enterprise Federation (PEF), majority of Ghanaians pay bribes to avoid delays while registering their business (source: <https://www.ghanaweb.com/GhanaHomePage/business/Survey-Ghana-loses-GH-12-billion-to-corruption-through-business-registration-859513>).

12.d. Crime and violence as an impediment to economic activity

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Ghana continued to gain ground on political stability, the relative absence of violence, and the effective management of crimes and violence. According to the African Development Fragility assessment 2020, Ghana's history of peaceful democracy and inclusive institutions are reflected in its high capacity scores for Inclusive Politics. Democratic institutions have steadily improved since the transition to multi-party rule in 1992. Peaceful election cycles and successful political transitions reflect the low-pressure scores for this dimension.

With low levels of conflict fatalities, collective violence, and violent crime, Ghana has low-security pressures within its borders. A source of stability for the region, Ghana has come out of periods of high political tension without any major security turmoil. Security is driven by the perceived trust and reliance on police by citizens to uphold law and order. Modest military expenditure reflects low-security pressures,

however, Ghana's contribution to global peacekeeping training and deployment underscores the professionalism of the military institution in Ghana.

As evidenced in Ghana's peaceful history, group-based polarization and conflict is not a salient issue. Ghana has a very high capacity for freedom of expression with a vibrant civil society and media landscape, reflecting national policies promoting unification since independence in 1957. Despite a relatively high capacity score in overall social cohesion, youth and gender marginalization remains a challenge for Ghana.

In 2018, Ghana became the first country in Africa to voluntarily subject itself for examination of its vulnerability, resilience and preparedness to prevent and mitigate civil conflicts. Conducted by the African Union, the report concluded that Ghana is well positioned to address its structural vulnerabilities, highlighting the important role of the country's traditional and religious leaders.

In addition, Ghana has formal and dedicated institutions whose role is to ensure peace in the country. The National Peace Council (NPC) is an independent statutory national peace institution established by the National Peace Council Act, 2011 Act 818. The core function of the Council is to prevent, manage, and resolve conflict and to build sustainable peace. At the Regional and District Levels, the NPC is comprised of Regional and District Peace Councils that coordinate the implementation of the NPC at various sub-administrative units.

Ghana offers a relatively stable and predictable political environment for investors. Ghana has a solid democratic tradition. On December 7th, 2020, Ghana successfully held its presidential and parliamentary elections. This followed seven consecutive peaceful presidential and parliamentary elections, including three instances of peaceful power transfer between the two main political parties, since 1992. While crime remains a serious concern in the country, especially in urban areas, the general atmosphere is one of overall security. The police are not generally as competent enough to tackle future challenges. Still, they have been able to instill a certain degree of law and order in most parts of the country with challenges especially in remote rural areas.

Peace and prevention of conflicts is supported by traditional, social and religious structures. Prior to the election, the National Chief Imam, the National Peace Council, National House of Chiefs, the Judiciary, the Institute of Democratic Governance (IDEG), Coalition of Domestic Election Observers (CODEO) and the political parties, play an important role in preserving peace in the periods leading to elections, on election day and in the post-election period.

The National Chief Imam and the Election Peace Pact on 4 December 2020 committed the New Patriotic Party (NPP) and National Democratic Congress (NDC) to a strong commitment to peace among parties. The spirit and intent of this Pact are for the parties to commit to a peaceful and non-violent election.

However, there have been isolated cases of violence, including fatalities in the post-election period. Generally, while homicide rates decreased between 2018 and 2019, the extent to which organized crime imposes costs on businesses worsened over the period (Global Competitiveness Report, 2019). Similarly, Safety and Crime Report, 2020 described the Ghana Police Service (GPS) as one that is mostly a reactive force with moderate proactive techniques and ability to deter crime.

13. Quality of Budgetary and Financial Management

Score du critère: 4.375

13.a. Comprehensive and credible budget

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

In 2021 and 2022, the CAGD submitted annual public accounts for the previous fiscal year on the Consolidated Fund to the Auditor General within the established legal timeframe (by the end of March). They used the International Public Sector Accounting Standards (IPSAS) cash basis of financial reporting as an output from the modified cash basis of accounting that the government maintains. The statements were presented in a consistent format and included a statement of the accounting policies applied in their preparation, along with a full set of notes and schedules that provided some disclosure of the accounting standards adopted. There was, however, a failure to incorporate some IGFs and other development partner funding in the approved budget, and the amendment to the Internal Audit Agency (IAA) Act to address all structural issues regarding internal auditor independence between the IAA and internal auditors assigned to Ministries, Departments & Agencies (MDAs) is still in progress. Despite this, the Auditor General's independent audit of public accounts continued to achieve good progress and strengthen the audit processes, with greater compliance with INTOSAI standards. While the focus was on regulatory and transaction audits, some performance audits and systems audits were also undertaken. The audit reports on the consolidated fund were produced timely – within three months of receipt of the draft accounts from the CAGD and within 6 months of the end of the fiscal year. The audits covered more than 90% of revenues and expenditures. As for the individual reports on the MDAs and MMDAs, the delivery times were uneven, usually ranging between 8 and 12 months after the end of the fiscal year. The Auditor General's reports were made available to the public through its Public Relations Office and to public libraries when the reports were presented to Parliament. The Audit Service Act, 2000 (ACT) 684 Section 30 established Audit Report Implementation Committees (ARICs) to pursue the implementation of matters in all audit reports endorsed by Parliament, as well as financial matters raised in the reports of the internal monitoring unit. There is also a financial tribunal established under the Financial Administration Act clause 64 to complement the work of the ARICs by enforcing recommendations of the Parliament's Public Accounts Committee (PAC) on the Auditor-General's report as approved by Parliament. The incentive to implement or enforce the recommendations outlined in the PAC report remained low, especially when the issues raised in the PAC reports indicted the Executive or were to be forwarded to another institution such as the Public Procurement Authority (PPA) for the necessary follow-up actions and/or to the Ghana Police Service for investigation and prosecution. In 2021 and 2022, the CAGD submitted annual public accounts for the previous fiscal year on the Consolidated Fund to the Auditor General within the established legal timeframe (by the end of March). They used the International Public Sector Accounting Standards (IPSAS)

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2.d - Clear and balanced assignment of expenditures and revenues to each level of government

The assignment of revenues between different levels of government is clear, and there is a good match of revenues and expenditures at each level of government. Budgeting processes are improving annually, and no significant structural changes could negatively impact this process. The budget classifies all Ministries, Departments, and Agencies (MDAs) into five sectors based on their economic and administrative functions. These sectors implement budget programs and sub-programs to achieve policy objectives, including good governance, public welfare and safety, sustainable economic and infrastructure growth to reduce poverty, and developing a healthy and informed population to promote social equity and development. The MDAs worked with the National Development Planning Commission (NDPC) to align their sector policies and plans with the national development plan. However, some MDAs, such as education, health, and transportation, created fully costed strategies that formed the basis of their annual budget estimates. Despite these efforts, budget planning faced challenges such as changes to MDA budget submissions without adequate review of expected outputs and outcomes and a budget mainly based on personnel emoluments. Sectors and District Medium Term Development plans were also submitted late to NDPC. Nonetheless, there was progress towards implementing a Program-based budgeting (PBB) system across all MDAs following its pilot launch in 2014. The government used PBB to elaborate the budget for the year 2022. This was rolled out to all 33 Ministries, covering all MDAs, and presented to Parliament in that format. All MDA staff were trained on PBB, and Coordinating Councils will be implemented in all MMDAs by the submission of the 2022 budget. The government also continued the implementation of the Human Resources Management Information System (HRMIS) to MDAs, which covers almost 70% of the public and civil service workforce. It was linked with the Ghana Integrated Financial Management Information System (GIFMIS) payroll. The PBB roll-out has connected individual programs and sector policy priorities. One of the key strengths in the PBB roll-out is that the costing of budget programs builds on the former bottom-up costing of activities developed under the traditional activity-based costing. However, the lack of timely release of budgeted funds, problems in cash forecasting, and weaknesses in implementing and managing comprehensive programs continue to undermine the potential gains from the full roll-out of the PBB framework across all MDAs.

13.b. Effective financial management systems

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

PFM reforms implemented over the past two decades have helped to build a strong foundation for accountable use of public resources. There have been tremendous improvements in various PFM areas since the 2012 PEFA, as confirmed by the 2018 PEFA report. Examples include better reflection of policies and priorities in the budget, improved internal controls through a progressive roll-out of GIFMIS, establishment of the Treasury Single Account (TSA), improved debt management, and issuance of Fiscal Risk Statements.

Most of the reforms appear to be underpinned by the passages of the PFM Act 921, harmonized and delivered through the PFM reforms coordination unit.

While GIFMIS is functional at the central government level, it has yet to be rolled out to all district management offices, including sectoral offices such as health, education, and agriculture. As a result, GIFMIS does not capture all Internally Generated Funds (IGFs) and donor funds. Other complementary laws were passed, including the Public Procurement - Amendment Act 914, the Special Prosecutor Act 959 and subsequent appointment, and actions of Civil Society Organizations, which collectively worked to tighten the PFM environment. However, there are challenges in the current reforms which could potentially pose critical fiduciary risks if not addressed. These include inter alia: interfacing GIFMIS with the system of GRA (Ghana Integrated Tax Management Information System (GITMIS)) to improve the seamless exchange of information to enhance transparent and accurate revenue forecasting and budgeting; eradicating violations of commitment controls on non-payroll expenditures to minimize arrears; continuously tightening internal controls over personnel and payroll records; amending the Internal Audit Agency (IAA) Act to address all structural issues bordering the relationship between IAA and internal auditors assigned to Ministries, Departments & Agencies (MDAs) regarding internal auditor independence; address issues of cash planning resulting in poor cash forecasting and management; enhance the capacity of the Audit Service staff to enable them to perform special audits in the areas of PPP arrangement, Revenue/ transfer pricing, performance, and procurement audits; improve executive follow up and timely implementation of audit recommendations; and ensure entities procurement operations are subject to regular internal and external audits.

The budget classification system is detailed and shows the activities according to their classification. Reforms have been put in place to manage public funds as underpinned by the PFM Act 921. There is no evidence of extrabudgetary spending and all funds are channelled through the budget. While deviations between budgeted and actual expenditure are around 10%, significant control-related challenges exist. This concerns both commitment controls and controls of budget implementation/expenditures.

Although GIFMIS has increased the rate of capturing, tracking and reporting on financial transactions related to Internally Generated Funds (IGFs), Statutory Funds (SFs) and Donor Funds (DFs), there are continuous improvements in GIFMIS deployment, further integration with other government systems, and other functionalities capable of addressing other challenges enumerated. Ghana is developing a new PFM strategy, which is expected to be launched in the first quarter of 2021, which would further steer the agenda of PFM reforms. The new strategy would address most of the challenges highlighted above while consolidating the gains of the previous PFM strategy. Furthermore, it is expected to improve the credibility of the medium-term expenditure framework (MTEF) and increase predictability and control of budget execution.

PFM reforms implemented over the past two decades have helped to build a strong foundation for accountable use of public resources. There have been tremendous improvements in various PFM areas since the 2012 PEFA, as confirmed by the 2018 PEFA report. Examples include better reflection of policies and priorities in the budget, improved internal controls through a progressive roll-out of GIFMIS, establishment of the Treasury Single Account (TSA), improved debt management, and issuance of Fiscal Risk Statements. Most of the reforms appear to be underpinned by the passages of the PFM Act 921, harmonized and delivered through the PFM reforms coordination unit. While GIFMIS is functional at the central government level, it has yet to be rolled out to all district management offices, including sectoral offices such as health, education, and agriculture. As a result, GIFMIS does not capture all Internally Generated Funds (IGFs) and donor funds. Other complementary laws were passed, including the Public Procurement - Amendment Act 914, the Special Prosecutor Act 959 and subsequent appointment, and actions of Civil Society Organizations, which collectively worked to tighten the PFM environment. However, there are challenges in the current reforms which could potentially pose critical fiduciary risks if not addressed. These include inter alia: interfacing GIFMIS with the system of GRA (Ghana Integrated Tax Management Information System (GITMIS)) to improve the seamless exchange of information to enhance transparent and accurate revenue forecasting and budgeting; eradicating violations of commitment controls on non-payroll expenditures to minimize arrears; continuously tightening internal controls over personnel and payroll records; amending the Internal Audit Agency (IAA) Act to address all structural issues bordering the relationship between IAA and internal auditors assigned to Ministries, Departments & Agencies (MDAs) regarding internal auditor independence; address issues of cash planning resulting in poor cash forecasting and management; enhance the capacity of the Audit Service staff to enable them to perform special audits in the areas of PPP arrangement, Revenue/ transfer pricing, performance, and procurement audits; improve executive follow up and timely implementation of audit recommendations; and ensure entities procurement operations are subject to regular internal and external audits.

The budget classification system is detailed and shows the activities according to their classification. Reforms have been put in place to manage public funds as underpinned by the PFM Act 921. There is no evidence of extrabudgetary spending and all funds are channelled through the budget. While deviations between budgeted and actual expenditure are around 10%, significant control-related challenges exist. This concerns both commitment controls and controls of budget implementation/expenditures. Although GIFMIS has increased the rate of capturing, tracking and reporting on financial transactions related to Internally Generated Funds (IGFs), Statutory Funds (SFs) and Donor Funds (DFs), there are continuous improvements in GIFMIS deployment, further integration with other government systems, and other functionalities capable of addressing other challenges enumerated. Ghana is developing a new PFM strategy, which is expected to be launched in the first quarter of 2021,

which would further steer the agenda of PFM reforms. The new strategy would address most of the challenges highlighted above while consolidating the gains of the previous PFM strategy. Furthermore, it is expected to improve the credibility of the medium-term expenditure framework (MTEF) and increase predictability and control of budget execution.

13.c. Timely and accurate fiscal reporting

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

In 2021 and 2022, the CAGD submitted annual public accounts for the previous fiscal year on the Consolidated Fund to the Auditor General within the established legal timeframe (by the end of March). They used the International Public Sector Accounting Standards (IPSAS) cash basis of financial reporting as an output from the modified cash basis of accounting that the government is maintaining. The statements were presented in a consistent format and included a statement of the accounting policies applied in their preparation, along with a full set of notes and schedules that provided some disclosure of the accounting standards adopted. There was, however, a failure to incorporate some IGFs and other development partner funding in the approved budget, and the amendment to the Internal Audit Agency (IAA) Act to address all structural issues regarding internal auditor independence between the IAA and internal auditors assigned to Ministries, Departments & Agencies (MDAs) is still in progress. Despite this, the Auditor General's independent audit of public accounts continued to achieve good progress and strengthen the audit processes, with greater compliance with INTOSAI standards. While the focus was on regulatory and transaction audits, some performance and systems audits were also undertaken. The audit reports on the consolidated fund were produced timely – within 3 months of receipt of the draft accounts from the CAGD and within 6 months of the end of the fiscal year. The audits covered more than 90% of revenues and expenditures. As for the individual reports on the MDAs and MMDAs, the delivery times were uneven, usually between 8 and 12 months after the end of the fiscal year. The Auditor General's reports were made available to the public through its Public Relations Office and to public libraries when the reports were presented to Parliament. The Audit Service Act, 2000 (ACT) 684 Section 30 established Audit Report Implementation Committees (ARICs) to pursue the implementation of matters in all audit reports endorsed by Parliament, as well as financial issues raised by the reports of the internal monitoring unit. There is also a financial tribunal established under the Financial Administration Act clause 64 to complement the work of the ARICs by enforcing recommendations of the Parliament's Public Accounts Committee (PAC) on the Auditor-General's report as approved by Parliament. The incentive to implement or enforce the recommendations outlined in the PAC report remained low, especially when the issues raised in the PAC reports indicted the Executive or were to be forwarded to another institution, such as the Public Procurement Authority (PPA) for the necessary follow-up actions and/or to the Ghana Police Service for investigation and prosecution.

2.d - Clear and balanced assignment of expenditures and revenues to each level of government

The assignment of revenues between different levels of government is clear, and there is a good match of revenues and expenditures at each level of government. Budgeting processes are improving annually, and no significant structural changes could negatively impact this process. The budget classifies all Ministries, Departments, and Agencies (MDAs) into five sectors based on their economic and administrative functions. These sectors implement budget programs and sub-programs to achieve policy objectives, including good governance, public welfare and safety, sustainable economic and infrastructure growth to reduce poverty, and developing a healthy and informed population to promote social equity and development. The MDAs worked with the National Development Planning Commission (NDPC) to align their sector policies and plans with the national development plan. However, some MDAs, such as education, health, and transportation, created fully costed strategies that formed the basis of their annual budget estimates. Despite these efforts, budget planning faced challenges such as changes to MDA budget submissions without adequate review of expected outputs and outcomes and a budget mainly based on personnel emoluments. Sectors and District Medium Term Development plans were also submitted late to NDPC. Nonetheless, there was progress towards implementing a Program-based budgeting (PBB) system across all MDAs following its pilot launch in 2014.

The government used PBB to elaborate the budget for the year 2022. This was rolled out to all 33 Ministries, covering all MDAs, and presented to Parliament in that format. All MDA staff were trained on PBB, and Coordinating Councils will be implemented in all MMDAs by the submission of the 2022 budget. The government also continued the implementation of the Human Resources Management Information System (HRMIS) to MDAs, which covers almost 70% of the public and civil service workforce. It was linked with the Ghana Integrated Financial Management Information System (GIFMIS) payroll. The PBB roll-out has established a connection between individual programs and sector policy priorities. One of the key strengths in the PBB roll-out is that the costing of budget programs builds on the former bottom-up costing of activities developed under the traditional activity-based costing. However, the lack of timely release of budgeted funds, problems in cash forecasting, and weaknesses in implementing and managing comprehensive programs continue to undermine the potential gains from the full roll-out of the PBB framework across all MDAs.

13.d. Clear and balanced assignment of expenditures and revenues to each level of government

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The assignment of revenues between different levels of government is clear, and there is a good match of revenues and expenditures at each level of government. Budgeting processes are improving annually, and no significant structural changes could negatively impact this process. The budget classifies all Ministries, Departments, and Agencies (MDAs) into five sectors based on their economic and administrative functions. These sectors are responsible for implementing budget programs and sub-programs to achieve policy objectives, including good governance, public welfare and safety, sustainable economic and infrastructure growth to reduce poverty, and developing a healthy and informed population to promote social equity and development. The MDAs worked with the National Development Planning Commission (NDPC) to align their sector policies and plans with the national development plan. However, some MDAs, such as education, health, and transportation, created fully costed strategies that formed the basis of their annual budget estimates. Despite these efforts, budget planning faced challenges such as changes to MDA budget submissions without adequate review of expected outputs and outcomes, and a budget mainly based on personnel emoluments. Sectors and District Medium Term Development plans were also submitted late to NDPC. Nonetheless, there was progress towards implementing a Program-based budgeting (PBB) system across all MDAs following its pilot launch in 2014.

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14. Efficiency of Revenue Mobilization

Score du critère: 4.5

14.a. Tax policy

Type de score	Valeur
Score de brouillon	4.5

Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

A significant amount of revenue is being generated by low-distortion taxes such as retail sales/VAT, property, etc. VAT has not been fully operational to include activities at the retail stage. Non-trivial amounts of revenue are generated from company and personal income taxes. Tax base is broad and exemptions are moderate and made time-bound, especially for promotion schemes. Trade taxes have few and low rates.

The Ghana Revenue Authority is made up of the three tax revenue agencies, namely, Customs Excise and Preventive Service (CEPS), Internal Revenue Service (IRS), and Value Added Tax Service (VATS) and the Revenue Agencies Governing Board (RAGB) Secretariat which were merged in accordance with Ghana Revenue Authority Act 2009, Act 791. GRA's mission is to mobilize revenue for national development in transparent, fair in an effective and efficient manner. This is intended to be achieved through; Professionalism and friendly client services, promotion of voluntary compliance, application of modern/recent technology, Effective border protection and a well- trained, disciplined and highly motivated staff. The existing and planned tax policy reforms being undertaken are aimed at widening tax base and ensuring ease of compliance with taxation laws. The tax laws and regulations are up to date and comprehensive with existing and planned tax policy reforms being undertaken to widen the tax base and ensure ease of compliance with taxation laws. The types of direct taxes that will assist with the policy objectives have been divided into corporate Income Tax, Pay as Your Earn (PAYE), Personal Income Tax (PIT), Mineral Royalty, Withholding Tax, National Fiscal Stabilization levies, Dividend Tax, Capital gains and gift taxes, Rent taxes and Airport Taxes. A new Customs Bill was passed in Parliament in 2015. The new Customs Act harmonized and consolidated the existing Customs Excise and Preventive Services Acts, into one legislation. The related regulations to provide a number of clarifications in core areas was passed on January 5,2017.

These regulations will further smoothen implementation. An Excise Act that was passed to exert punitive measures on persons who manufacture excisable goods in the country without registering with the Ghana Revenue Authority (GRA) is in force. The Excise Act, 2013, enjoins manufacturers to file their excise duty returns for each calendar month whether or not an excise duty is payable for the month to which the return relates. In 2015, the government has undertaken broad stakeholder consultation process on tax policy in order to get stakeholder buy-in to the tax reforms. Subsequently, two tax initiatives that were suspended in 2014 are now being implemented. These are the Vat on financial services and the conversion of the specific tax on petroleum to an ad valorem tax.

Ghana's tax base continues to slowly broadening through the introduction of modified taxation, broadening self-assessment to cover individuals and requirement of Tax Identification Number (TIN) in dealing with several institutions. Additional measures contributing to the widening of the taxation base have emerged from moving away from source to a more widened base, levying VAT on financial services, luxury vehicles (2019) as well as a rigorous move on taxes pertaining to real estate and domestic air transport. These efforts have been supplemented by other domestic indirect taxes which include Value Added Tax (VAT), National Health Insurance Levy, Communication Service Levy, Excise Tax, and special petroleum taxes.

The efficiency of revenue mobilization has been undertaken through designated offices in regions, modernization of Large Taxpayer Offices (LTO), risk profiling. Less effort was exerted on highly compliant taxpayers because they did register high voluntary compliance translating to an assured revenue collection of 76%. Ghana also happens to have a very large informal sector and an inefficient tax exemptions regime which makes tax collection inefficient. A “Tax Exemptions Bill” was submitted to the Parliament in 2019. However, it has not yet been adopted, undermining efforts to rationalize and streamline tax exemptions. In addition, Ghana fully exempts Free Zone Enterprises of CIT for a period of 10 years. The full relief from CIT in export processing zones creates unfair competition for domestic firms as free zone enterprises are allowed to sell up to 30 percent of their production domestically without subjecting any of their income to CIT during the 10-year tax holiday. Out of an estimated total of 26 million potential informal taxpayers where 6 million would be classified as informal, only 1.5 million are paying PAYE as an example. The GRA completed a compliance assessment gap exercise in 2017 as part of efforts to increase compliance across all sectors

According to the Consolidated End-Year Report on Budget Performance for the 2022 Fiscal Year, the total revenue and grants for the year amounted to GH¢96,651 million, equivalent to 15.7% of the country's GDP. This result is consistent with the target of GH¢96,842 million and represents an execution rate of 99.8%, with an annual growth of 36.3%. Total Domestic Revenue also increased by 37.0% to GH¢96.5 billion, accounting for 99.8% of Total Revenue and Grants. The growth in Non-Oil Tax Revenue, which includes taxes on Non-oil Income and Property, Domestic Goods and Services, and International Trade, contributed to this increase. It reached GH¢68,797 million, accounting for 11.4% of the GDP. This figure is 1.2% higher than the set target and makes up 72.0% of domestic revenue. Improved monitoring of VAT, price effects, and increased currency depreciation were the main drivers of this growth. However, the implementation of proposed revenue measures experienced some delays. Revenue generated from sources other than oil and taxes, such as MDAs' IGF Retention, IGF Lodgement, Fees & User Charges, and Dividend from the non-oil sector, amounted to GH¢8,454 million, which is 1.4% of GDP. Unfortunately, this falls below the target of GH¢9,502 million by 11.0 percent. The reason for this shortfall is primarily due to lower MDAs Retention. Revenue from upstream oil and gas activities for the period amounted to GH¢12,062 million, achieving 99.8% of the target, with YoY growth of 146.1%. Other revenues, which includes SSNIT's contribution to NHIL and earnings from the Energy Sector Levies (ESL), totaled GH¢5,423 million, exceeding the target of GH¢5,267 million by 3.0 percent. The increase was due to the rising crude oil prices, which had a positive impact on the Energy Sector Levies. Development Partners disbursed grants totaling GH¢1,119 million, accounting for 0.2% of GDP. This amount is 5.9% lower than the GH¢1,188 million target. The grants were solely from Project Grants as there were no anticipated Programme Grants for the 2022 fiscal year.

14.b. Tax administration

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Tax administration is solid, cost of revenue generation has been reduced and there are relatively few cases of corruption and political interference. Eligibility for preferential rates and exemptions is largely transparent. Tax administration was effective and carried out by the Ghana Revenue Authority that ensures tax laws are applied in a non-discriminatory manner. The Ghana Revenue Authority continued its public education initiatives in the year to inform the public about their tax liabilities and about the procedures required to meet them. Guidelines on filling tax forms, brochures public education materials on taxes are available on the GRA website and periodically published in selected newspapers of wide circulation. To make tax issues more user friendly, public education on tax issues are also undertaken on local televisions and on radio stations through talk shows in English and the main local languages to enable taxpayers understand the tax issues, liabilities and filing processes.

The automation and computerization of systems has supported efforts to increase the efficiency of tax collection operations. The GRA has replaced the Tax Identification Number (TIN) with the National Identification Numbers (Ghana Card Personal Identification Number (PIN)) in an effort to expand its tax base. The Domestic Tax Revenue Division continued deploying the Total Revenue Integrated System (TRIPS) in 12 offices. TRIPS has been linked up with the Ghana Customs Management System (GCMS) to share information and this enabled the GRA to monitor the activities of importers and put together their declared income with their volume of imports. The policy to segment taxpayers into large, medium and small is supported by a legal regime. This has helped the authorities to monitor the tax collection systems on regular basis. GRA has ensured it has effective segmented compliance management strategies to facilitate taxpayer adherence to their tax obligations. The Large Taxpayers Office (LTO) continued to play a significant role in revenue generation. The Government has implemented the digital property address system which aims among other things to help identify taxable businesses with the potential to expand the tax base including the informal sector and mobilize revenue from through proper tax administration. However, the current tax-to-GDP ratio of around 12.8 percent is not sufficient to support growth back to pre-COVID levels and tax administration systems need a significant revamp.

The Ghanaian tax administration system is also hampered by an inefficient tax exemptions regime. The Ministry of Finance had centralized and continued the vetting and approval of all exemption requests. The speed for granting exemptions have been administratively reduced and the process made more demanding to continue to deter taxpayers without appropriate justifications to avoid taking advantage of the system. A functional appeal mechanism exists for individuals and firms who are dissatisfied with their tax assessments. The appeal mechanism is effective and taxpayers who are still not satisfied after the appeal against their tax assessments have the opportunity if they so wish to resort to the commercial courts for further redress.

Audits and fraud programs are undertaken on selected activities based on clear risk assessment criteria. The special tax audits revealed that most companies under-declare production figures.

The Ghana Revenue Authority is currently implementing the GRA 3rd Strategic Plan (2019-2021). The Plan is modelled to enhance GRA's system of corporate governance, improve the efficiency and effectiveness of its internal processes and procedures through technological innovations, deepen the integration between Domestic Tax and Customs Divisions, and intensify staff professional development and, intimately increase GRA's revenue mobilization capacity in ways that are fair and transparent (reduce corruption). In 2020, digitization and greater use of technology transformed the tax revenue administration by making greater use of ICT to ensure technology-aided efficient and effective revenue administration services. The GRA made extensive use of digital channels to expand the taxpayer base, support voluntary

compliance and reduce corruption.

In 2022, GRA improved administrative efficiency by using the results from implementing their 3rd Strategic Plan (2019-2021), allocating resources to high-revenue areas.

In 2022, GRA benefited from implementing the GRA 3rd Strategic Plan (2019-2021), administrative efficiency has been improved through better use of resources and directing them towards areas that will produce the most revenue

.An assessment of Ghana's tax administration system was completed in May 2017 using TADAT. The TADAT assement has become a valuable baseline for tax administration reforms including the GRA 3rd Strategic Plan (2019-2021). The TADAT assessment highlighted GRA's strengths in the level of competence of the staff, delivery of taxpayer information through multiple delivery channels, existence of documented procedures across the core functions, and revenue analysis and forecasting through close collaboration with the Ministry of Finance. However the TADAT noted weaknesses in limited internal cooperation, and knowledge sharing and the unavailability of an integrated tax administration information technology.

The vision of the 4th Strategic Plan is to achieve a tax-to-GDP ratio of 17.5% and a minimum of B score for the 32 indicators of the nine Performance Outcome Areas (POAs) in the Tax Administration Diagnostic Assessment Tool (TADAT) by 2025. Transformation Pillars are:

CG – Service, Accountability: Driving the Authority to excellent service delivery with a sense of accountability towards our stakeholders; SSD – Talent, Processes, Digital: Aligning who we are, our working approaches, and what we work with to the holistic organizational performance outcomes. DTRD - Revenue Growth, Compliance and Enforcement, e-Services: Sustaining revenue growth with compliance and enforcement measures and taxation of emerging revenue sources; Customs - Revenue Optimization, Digital Trade Facilitation, Intelligence and Risk Management: Enhancing management of risk and digitalizing processes to improve trade and optimize revenue.

15. Quality of Public Administration

Score du critère: 4.167

15.a. Policy coordination and responsiveness

Type de score	Valeur
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Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Ghana became a Low middle-income country in 2015. Since then, the country has maintained policies that are consistent with its previous low-income classification. Policy coordination with development partners have been defined by the Aid coordination Policy. In 2019, the Government of Ghana initiated the development of a new development vision Ghana Beyond Aid. This vision provided a shift from Aid coordination to development policy cooperation. The main objective of the new development policy cooperation is to put emphasis on the coordination of development partners and to align their support with already defined development priorities of the Government. This shift in orientation has improved the overall coordination of public sector interventions.

Overall, policy coordination and planning are done in an organized manner. Policies mainly originate from the concerned ministries and are subject to public consultation before they are enacted by the national assembly. Representation of government ministries by a large array of agencies and departments across the country enhances representation effective in policy coordination.

While Ghana performs relatively well in policy coordination overall execution is hampered by a lack of resources at several levels of Government. In effect, a number of the initiatives rely on funding by development partners which is often unpredictable and unsustainable.

The Bertelsmann Transformation Index (BTI) 2020, provides the state of economic transformation measured in terms of seven criteria, which are based on a total of 14 indicators. BTI ranks Ghana 69 and assigns 'advance' status to the country's organization of markets and competition and also the state of property rights. As is the case for many African countries in the BTI, socioeconomic development and monetary and fiscal stability are assigned a 'very limited' and 'limited' status.

The core administration demonstrates modest capacity for ensuring quality in policy and regulatory management. Despite the existence of formal mechanisms for policy development and coordination, policymaking could be a long and arduous process and some policy decisions are not widely communicated and known, as well as followed up with implementation.

Whilst the government has been in the forefront in the identification of plausible initiatives, implementation of these initiatives have largely been delayed by either lack of financial or human resources for effective implementation. Cabinet and presidential decisions are occasionally left unimplemented, and the Cabinet Office lacks adequate capacity for policy coordination and follow-up on the implementation of Cabinet decisions with sector ministries. Data collection, analysis and reporting in the sectors continue to be weak

and, most importantly, the central role of the Ministry of Finance to ensure policy coherence and regulatory management is weakened by many ministries with seemingly duplicated responsibilities.

15.b. Service delivery and operational efficiency

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

In Ghana, service delivery and operational efficiency is correlated with election-year cycles. Relative to the beginning of a political term, years towards the end of the political term as often associated with improved service delivery. 2020 is an election year. Despite the COVID-19 pandemic, the government has accelerated and expanded the delivery of key services.

Despite these shortcomings, Ghana is favourably ranked in terms of overall service delivery relative to peer countries in the continent. In 2018, the government of Ghana launched a comprehensive free Senior High School education program that provided free education to all Senior Secondary schoolchildren. Ghana is recognised as one of the leading countries in sub-Saharan Africa in terms of access to electricity. The country embarked on several rural electrification initiatives that expanded access to electricity to 85 percent of the population. During the COVID-19 pandemic, the government rolled out free water to all residents, subsidized electricity during the peak months of the pandemic and continue to cover the cost of electricity bills for lifeline consumers.

To enhance operational efficiency in the health sector, the Government in 2019, procured and distributed 307 fully equipped ambulances for each of the 275 constituencies across the country. This complements an earlier commitment to attract more personnel into the sector by introducing the payment of allowances to nursing students to further strengthen capacity in the health sector. An annual average of 50,000 nurses received such allowances between 2017 and 2020.

To further enhance overall service delivery in the health sector in the midst of the COVID-19 pandemic, the Government waived personal income taxes for 137,000 health workers, offered an allowance of 50 percent of basic salary for about 10,000 frontline health workers, and provided them transportation for the duration of the lockdown.

To further enhance service delivery, the government is rolling out a digitalization initiative that seeks to automate several government services. In 2019, One Million Ghana Cedis was released to commence the process of digitization of records at the Public Records and Archives Administration Department (PRAAD).

Ghana's institutions are ranked well, although some specific institutions are lagging. The Global Competitiveness Report 2019 ranks Ghana's institutions and policies at 111th out of 141 countries. This ranking is five positions behind the country's 2018 rank of 106th/140 countries. The main contributing factors are the quality of institutions, capacity for innovation, and the potential market size. These aspects of the index ranked ahead of the country's overall ranking of 111th.

The African Development Bank's 2019 fragility assessment also noted Ghana as a thriving economy in the sub-region, has maintained strong economic institutions that are reasonably effective and accessible. The country however shows some emerging pressures from the unequal distribution of wealth. The regional analysis of both unemployment and poverty reveals significant spatial inequalities in the disfavor of the northern parts of the country. In particular, the northern parts are characterized by a relatively higher incidence of poverty, lower-quality jobs, and limited access to health and educational services.

15.c. Merit and ethics

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

Ghana has a legal framework for anti-corruption with legislation such as Whistleblowers Act, Conflict of Interest and Code of Conduct for Public Officers and National Anti-Corruption Action Plan (NACAP) which aims at strengthen the country's fight against corruption, improve prevention, education, investigation and enforcement in both private and public sectors.

The Public Procurement Act was amended to 663 in 2016 (the legislative instrument for the effective implementation of the new Public Procurement Act is currently being developed); provides the legal and regulatory framework for public procurement in Ghana. The country is in the process of strengthening the necessary legislative and other measures to enhance the capacity of the public/citizens and encourage them to report corruption without fear of victimization.

In 2017, Ghana established the office of Special prosecution, appointed a special prosecution, and equipped the department with resources to investigate and prosecute public officials who are involved in the embezzlement of public resources. This was a major step in the fight against corruption in Ghana. However, in November 2020, the Special prosecutors resigned from the position on the claimed that the office was not given the needed independence to fight corruption in the public sector. Transparency

International reported that the special prosecutor's resignation is linked to an unfavorable investigation of the Agyapa Royalties Deal the findings of which have been sent to the office of the president. The president has since referred the report to the parliament for further action. <https://www.transparency.org/en/blog/ghana-what-is-going-on-with-the-controversial-agyapa-gold-royalties-deal#>.

TI's 2019 Corruption Perception Index ranked Ghana 80th, out of 168 countries and 12th among 54 African countries. Relative to 2018, Ghana's global ranking has deteriorated by two places, but it has maintained the 12th ranking among its peers in the continent.

Ghana continues to implement economic policies that seek to entrench equal opportunity for all of its citizens. In October 2018, Ghana implemented a Nation Builders initiative that offered job placement programs for over a hundred thousand young people. In 2019, Free Senior High School was rolled out and in 2020 Government covered electricity bills of all lifeline consumers to minimize the impact of COVID-19 on these economically deprived households.

The role of the Public Service Commission provides for the maintenance of ethical standards and the observance of merit-based appointments and promotions. Article 196 of the 1992 Constitution mandates the Public Services Commission provide supervisory, regulatory and consultative functions, including the power to regulate, supervise entrance and promotion examinations, recruitment and appointment into or promotions in the public services,. It is also responsible of establishing the standards and guidelines on the terms and conditions of employment in the public services.

Similarly, Chapter 24 of the 1992 Constitution of Ghana requires public officers to avoid unethical behavior or conduct, such as conflict of interest, illicit enrichment and other improper conduct. The Codes of Conduct dictate that promotions, awarding contracts, or recommending individuals for rewards and benefits etc. should be based on merit.

The Ministry of Finance released over Four Million Ghana Cedis to enable the office of Head of Civil Services (OHCS) to undertake promotion-linked training and to conduct promotion assessment interviews for deserving civil service staff and also recruit new staff or replace existing staff. This move was designed to address problems associated with delayed promotions especially for staff who deserve it. This is the first of such intervention in more than fifteen years.

15.d. Pay adequacy and management of the wage bill

Aucune donnée de score disponible pour ce sous-critère.

16. Transparency, Accountability, and Corruption in the Public Sector

Score du critère: 4.5

16.a. Accountability of the executive to oversight institutions

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

Executive authority in Ghana is subject to constitutional limits and checks and balances which have proved to be somewhat effective. The Executive reports and is accountable to Parliament, and the President provides an annual State of the Nation address to the Parliament provides an opportunity to review performance and outline policy priorities for the coming year. The budget process has been reasonably transparent, with both the planned and actual expenditure data being published. The Ghana Audit Service (GAS), as the Supreme Audit Institution, plays an important role in confirming that internal controls are operating effectively and carries out annual external audits which are reviewed publicly by the Parliamentary Public Accounts Committee, whose proceedings are televised. There is also a Commission for Human Rights and Administrative Justice that investigates allegations of mal-administration and corruption.

There is an array of anti-corruption legislation and measures, and in 2014 the Parliament approved a National Anti-Corruption Action Plan (2012-20). However, despite these formal mechanisms, there was a perception of widespread corruption under the outgoing administration that caused Ghana to slip down in the Corruption Perception Index. In 2022, the Country ranked 72nd on the global Corruption Perception Index (CPI,2022), with a score of 43 out of 100. In 2012 the country was ranked 64th out of 176 countries and in 2021 it was ranked 73rd out of 180 countries in the world according to the latest CPI, an indication of a worsening situation. A recent report of the UN suggests that 26.7 per cent of the adult population paid a bribe to a public official in 2021, with tertiary education holders being the most likely group to pay bribes. The report also suggests that most bribe payers were salaried workers in the private sector. Despite the revelations of deeply entrenched corruption in the judiciary in 2015, citizens are able to bring claims against the state and legitimate claims are generally successful.

16.b. Access of civil society to information on public affairs

Type de score	Valeur
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Score de brouillon	5.0
Score révisé	5.0
Score de deuxième brouillon	5.0
Score final	5.0

Notes du pays:

The 2022 Mo Ibrahim Index of African Governance report marks Ghana 52.8/100 and ranks the country 8th out of 54 countries for the sub-criteria 'Access to Public Information'. Although Ghana declined three places since the previous CPIA, its score is the highest since 2012, demonstrating progress made in the area. Ghana has a vibrant and active media and civil society with close to 10 000 Civil Society Organizations (CSOs) registered with the Department of Social Development in 2019, monitoring and commenting on the government's performance.

New policy and regulation developments were implemented over the past years to ensure more transparency, inclusivity, and participation of civil society in public affairs. The Right to Information Act, 2019 (ACT 2019) passed by the Parliament of Ghana is a significant milestone in public governance, granting every citizen the statutory right to information regarding public sector affairs. The law is meant to foster a culture of transparency and accountability in public affairs, and to provide for the operationalization of the constitutional right to information from public officials. Positive effects were observed since then, with several important consultations of civil society held consecutively to the Bill such as the first-ever Request for public inputs into the 2021-2024 and 2022-2025 budget statements and economic policy.

The Ministry of Finance provides information on a more or less timely basis; some of this follows the requirements of development partners and some of its own volition. The annual budget statement provides key macroeconomic data and explains the assumptions underlying the budget, and a Citizen's Budget is produced to enable ordinary citizens to understand the national budget and economic policy and decision-making. Periodic updates on the payroll cleansing exercise being undertaken by the Controller and Accountant General's Department (CAGD) under the IMF-supported stabilization program, for example, are published on the Ministry's website. As already mentioned, Ghana also took the novel step of opening Parliamentary debates and hearings of the Public Accounts Committee to the media so that the issues being discussed are exposed to public scrutiny.

16.c. State captured by narrow vested interests

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0

Score final	4.0
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Notes du pays:

Ghana has well established systems to build political integrity and reduce undue influence in the policy-making process is to establish systems to detect and manage us of public office for private interests as well as related conflicts of interest. . In Ghana, the boundaries between public and private sectors are well-defined and special/vested interests, on the surface, are unable to use non-transparent means to influence policy decisions. Since the transition to multi-party democracy, public fora and consultations have become a routine way of dialogue with stakeholders and civil society on issues of public interest, particularly where major policy decisions are involved.

There is a Public Officials Asset Declaration Act which requires all public officials to declare their assets, but these are not subject to any access to information law that enables the media to scrutinize the declarations. Even the Auditor General who receives declarations of the assets is not allowed to open the sealed envelopes supposedly containing declared assets. There is no format for declaring assets and for key officials their asset base declared is not published. There is no office of asset declaration though the Auditor General performs the function.

Ghana has well-developed, free and vibrant media which is able to direct public scrutiny towards public officials and institutions without fear of reprisals. With the approval of the Right to Information Act in 2019, this will further enhance Media houses to operate beyond the pale of governmental or political interference and/or influence. There are over 300 authorized radio stations of which most are operational. The print media are diverse, largely independent and of relatively good quality, with over 100 newspapers and magazines. Both local and international television channels are readily accessible. Ghana was ranked at 3027 out of 180 countries on the 20210 World Press Freedom Index produced by Reporters Without Borders. Though this ranking represents deterioration by three places from 27 in 2019, Ghana remainsis the third most free country in the African Continent in 2020 according to the Reporters Without Borders.

(E) Infrastructure and Regional Integration

Score du cluster: 3.959

17. Infrastructure Development

Score du critère: 3.667

17.a. Sector strategy/policy

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The Ghana Infrastructure Plan 2018-2047 as outlined by the National Development Planning Commission lays out the key priority infrastructure development needs of the country. It puts emphasis on six strategic categories including ICT, Transportation, Water and Drainages, Waste Management, Housing and Energy. Ghana has integrated the SDGs into its development agenda, as reflected in the country's Coordinated Programme of Economic and Social Development Policies (CPESDP, 2017-2024) and its Long-Term National Development Plan (2018-2057).

Standalone sector strategies and policies provide detailed infrastructure plans but are mostly not up to date with contemporary developments in the respective sectors. National Energy Policy 2010 remains the main guiding document in the energy sector, Ghana integrated ICT for Accelerated Development (ICT4AD) Policy 2003 guides the vast evolving ICT industry. Exceptionally, a new Transport policy has been approved in 2020 to replace the 2008 policy and pave way to integrate emerging alternative means of transportation and logistics.

In 2020, the Government of Ghana through the Environmental Protection Agency developed an adaptation strategy and action plan for Ghana's water, energy, and transport infrastructure, in order to increase the sector's resilience to climate change. The adaptation strategy and action plan set out a plan for ensuring that the country's infrastructure is more resilient to climate change impacts.

In 2014, Act 877 established the Ghana Infrastructure Investment Fund (GIIF) and mandated it to mobilize, manage, coordinate and provide financial resources for investment in a diversified portfolio of infrastructure projects in Ghana for national development. GIIF is incorporated and wholly owned by the Republic of Ghana.

The African Infrastructure Development Index (AIDI) 2020 ranked Ghana 12th among 54 African countries. Despite a favorable ranking relative to 2017 when the country ranked 14th, the country's performance in subcomponents of the index such as Transportation and ICT have evolved much slowly when compared to other countries in the continent.

Ghana has a clear vision and strategy for the development of infrastructure in some key sectors.

*1/Transportation: Ghana's extensive road network is essential to the economy, carrying 96% of all passenger and freight traffic (GIPC, 2021). In addition to developing and maintaining road infrastructure, Ghana seeks to expand its rail networks, ports, inland water transport system, and aviation infrastructure

(GIP, 2019).

*2/Agriculture: Strengthen the agriculture value chain and increase productivity in the sector to meet growing demand by improving business linkages, investing in infrastructure and improving technological capacity (GIP, 2019).

*3/Energy:Ghana is well endowed with untapped renewable energy resources, including biomass, hydro, wind and solar. Renewable energy contributes 1% to the energy mix (Ministry of Energy, 2021); Ghana aims to increase this to 18% by 2047 (GIP, 2019).Expanding and maintaining electricity and oil and gas infrastructure are also priorities.

*4/Water, Wastewater and Sanitation: Enhance physical and institutional infrastructure to deliver piped drinking water for all Ghanaians, expand drainage and flood infrastructure for proactive disaster prevention, and develop integrated sanitation and waste management infrastructure systems (GIP, 2019).

Ghana's focus on transportation, energy, water, sanitation and agriculture demonstrates the broad range of socioeconomic impacts infrastructure development will create towards achieving the SDGs. For Ghana, implementing its national development agenda and achieving the SDGs (Sustainable Development Goals) are one in the same. Infrastructure is key to achieving the SDGs - infrastructure systems influence 92% of the 169 SDG targets, across all 17 Goals.

17.b. Legal and regulatory frameworks for infrastructure

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The Government of Ghana is the main provider of public infrastructure including ICT, Energy, Transportation and Water and Sanitation. Resources for public infrastructure financing largely come from the national budget which is proposed by the ministry of finance and approved by the parliament. Through this process, most of the infrastructure funding follow due processes in the identification of spending needs and the allocation of resources. A complementary source of infrastructure financing in Ghana comes from the country's development partners. Guided by well-established procurement processes and procedures, funds from development partners are adequately audited.

Successive Governments of Ghana continued seeking new instruments of financing for infrastructure. To this end, Ghana Infrastructure Investment Fund (GIIF) was established in 2014 by the GIIF Act 2014, Act 877. The objective of GIIF is to leverage its capital with private sector capital for financing infrastructure projects through debt, equity and other instruments. With the GIIF, Ghana recognizes the indispensable role of not only private sector investment, but also Public Private Partnerships (PPPs) in expanding infrastructure financing in Ghana. Also, the government has subscribed to co-financing infrastructure jointly with the government, DPs and / or the private. In addition to PPPs and co-financing, the government accepted the use of Policy-Based Guarantees to whet the appetite of the private sector for public sector risk, to expand finance for infrastructure in Ghana.

Ghana initiated in 2003 a comprehensive reform of its public management (Public Financial Management Reform Program) with the objective of improving public budgetary and financial management across the country. Certain shortcomings in the 1996 framework applicable to public procurement were thus identified: Lack of comprehensive regulation; Lack of a central authority with managerial and technical expertise in order to develop a coherent public procurement policy. This desire led to the promulgation of a law on public procurement in Ghana. They are now governed by Act 663 (2003 Public Procurement Code), which has since been subject to several modifications, notably in 2015 (Public Procurement (Amendment) Bill, 2015) and more recently in 2016 (THE PUBLIC PROCUREMENT (AMENDMENT) ACT 2016, ACT 914). Ghana has public procurement control institutions in Ghana: Public Procurement Authority (PPA).

Over the past year in Ghana, several new pieces of legislation that could impact the development and financing of projects have been enacted. These include the Borrowers and Lenders Act, 2020 (Act 1052), the Land Act, 2020 (Act 1036), the Corporate Insolvency and Restructuring Act, 2020 (Act 1015), the Development Finance Institutions Act, 2020 (Act 1032) and the Public Private Partnership Act, 2020 (Act 1039).

The enactment of these laws is expected to bolster the legal framework for contracting and implementing project finance transactions. The PPP Act (Act 1032) will Ghana take a PPP Act, 2020, December the 29th, which is an act which provide for the development, implementation and regulation of public private partnership arrangements between contracting authorities and private parties for the provision of infrastructure and services, to establish institutional arrangements for the regulation of public private partnerships, and to provide for related matters.

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basic social services by Ghanaian citizens, public sector will require sustained spending of at least US\$1.5billion per annum over decades which government and philanthropic or donor agencies cannot do it all by themselves.

Government of Ghana has embraced PPP as a means of leveraging public resources with private sector resource and expertise in order to bridge the infrastructural gap, by delivering public infrastructure and service for the betterment of it citizensCurrently, addressing Ghana`s infrastructural deficit and increase demand for basic social services by Ghanaian citizens, public sector will require sustained spending of at least US\$1.5billion per annum over decades which government and philanthropic or donor agencies cannot do it all by themselves.Government of Ghana has embraced PPP as a means of leveraging public resources with private sector resource and expertise in order to bridge the infrastructural gap, by delivering public infrastructure and service for the betterment of it citizens

17.c. Public resource management and accountability in the infrastructure sector

Type de score	Valeur
Score de brouillon	3.0
Score révisé	3.0
Score de deuxième brouillon	3.0
Score final	3.0

Notes du pays:

In Ghana, the Ministry of Finance (MoF) has the responsibility of financing infrastructure mainly through sovereign operations. The sources of infrastructure financing include both budgetary and non-budgetary resources. Budgetary resources are allocations for capital expenditure and earmarked statutory funds. Non-budgetary resources comprise retained Internally Generated Funds (IGFs) by various Ministries, Departments and Agencies (MDAs) as well as domestic borrowing and external non-concessional loans. Development partners (DP) also provide budgetary resources in the form of budget support and / or non-budgetary resources in the form of grants and concessional loans for infrastructure financing. Given the mix of available infrastructure financing instruments, the financing strategy for some infrastructure depends on available fiscal space and constraints in the medium term, borrowing space and DP's support.

Infrastructure development needs and their proposed financing needs are identified and included in the annual budget. As required by Article 179 of 1992 Constitution and Section 28 of the Public financial management Act, 2016 (Act 921), the Minister for finance presents a mandatory mid-year fiscal policy review of the budget to the Parliament, including use of budget resources in infrastructure investments, and any deviations therein. The Act (921) also requires that the annual budget include a schedule of all major investment projects by vote, taking account of total project costs and expected commitments of the annual budget and Medium-Term Expenditure Framework;In the course of providing public infrastructure through the State-Owned Enterprises (SOEs), the government is obliged to disclose the use of central government versus internally generated funds in those investments. Liabilities or debts contracted through these institutions are also reported as part of the national debt.

The Government is also building the capacity of the ministries for conducting project feasibilities and ensuring effective appraisals before the project implementation and tendering starts. Nevertheless, not much progress has been made on monitoring and managing the portfolio quality and performance of all active and pipeline projects at a macro level. Similarly, there is no effective asset management system that could ensure allocation of sufficient funds for the repair and maintenance of existing public assets/infrastructure before embarking upon the new projects

Although the financing program concluded with the IMF has been halted, the government has said that reforms aimed at fighting corruption, improving fiscal performance and private investment should be continued. Recurring power cuts have led the Ghanaian government to launch an energy diversification strategy, mainly by increasing the share of renewable energies and building nuclear power plants. The International Atomic Energy Agency (IAEA) pledged to offer technical assistance in March 2017, as the country established an independent nuclear regulator and enacted a nuclear law. In 2019/2020, several delayed projects, supported by the fund's main current investments, were severely affected by the economic disruptions linked to Covid-19. These include Ghana Airports Company Limited (GACL), born of the separation from the Ghana Civil Aviation Authority, the Airport City Pullman Hotel and the Maaha Beach complex. The construction of the Pullman hotel has been delayed and its completion is not expected before the end of 2021. As for the Maaha Beach resort, the project has obtained a postponement of the payment of interest (six months to one year), according to Solomon Asamoah, CEO of GIIF. (GIIF: PRIVATE INVESTMENT FUND with a board of directors drawn from the private sector and does not have a government representative. The Minister of Finance only sits on the fund's advisory committee. And the government is not considering s 'involve in individual investment decisions, but only at sector level).

18. Regional Integration

Score du critère: 4.25

18.a. Movement of persons and labor and right of establishment

Type de score	Valeur
Score de brouillon	4.5
Score révisé	4.5
Score de deuxième brouillon	4.5
Score final	4.5

Notes du pays:

The evaluation for 2021 remains the same, and there have been no structural modifications. As a member of ECOWAS, Ghana has taken additional actions to ensure that domestic laws on free movement of persons and the right of establishment are in conformity with those of ECOWAS protocols. In May 2009, the country together with several other West African Countries replaced its old passport with the standard ECOWAS passport. In a bid to towards creating a continent-wide zone of free movement, on the 1st of July 2016, Ghana implemented its new visa-on-arrival policy to all African nationals, allowing citizens of 54 African Union (AU) member states to get visas for up to 30 days upon arriving in the country. The Africa Regional Integration Index jointly published by the African Union and the African Development Bank, ranked Ghana ahead of all West African countries in terms of facilitation of free movement of people across borders. According to the Africa Regional Integration Index (IIRA) 2020 report, Ghana with a score of 0.667 ranks 4th out of 15 ECOWAS countries (0.733) in free movement of people. According to the Africa Visa Openness Index 2020 report, Ghana with a score of 0.667 ranks 4th out of 15 ECOWAS countries (0.733) in free movement of people and the country is ranked in the top 10 countries in the Index. In 2016, it was ranked 22nd, Ghana is also among the few countries which have agreed, so far, to join the Single African Air Transport Market and have signed up to the AU Protocol on the Free Movement of People. Ghana is also ranked in the top five West African countries in trade and infrastructure dimensions of the regional integration index. However, the right to the establishment by ECOWAS Nationals, mainly Nigerians have experienced challenges in implementation due to parallel and different regimes in the wholesale and retail markets. The country can improve the right to establishment by streamlining the two into one uniform regime.

18.b. Regional financial integration

Type de score	Valeur
Score de brouillon	4.0
Score révisé	4.0
Score de deuxième brouillon	4.0
Score final	4.0

Notes du pays:

The evaluation for 2021 remains the same, and there have been no structural modifications. Ghana has embraced steps to stimulate integration of the regional financial system by its membership to the West African Monetary Zone (WAMZ) and continuing to host of the West African monetary institute. Ghana and Nigeria initiated the “fast track” approach to regional integration with the aim to establish a Second Monetary Zone (SMZ) for financial cooperation in ECOWAS. Not only does Ghana have a score of 0.253 in terms of macroeconomic integration within ECOWAS according to IIRA (2020), it is also a member of ECOWAS and has ratified almost all financial integration agreements. In this regard, Ghana has succeeded in getting the West Africa Monetary Institute (WAMI) established and headquartered in Ghana, once again underscoring the fact that Ghana is very active in West African integration. Within the context of financial integration and the development of a payment system, in 2000 Ghana established the Real Time Gross Settlement (RTGS) system to enable the processing of large values and real time processing of payments. In addition, Ghana has adopted WAMZ cheque standard and e-payment system. In line with achieving a capital market integration within the zone, on January 18, 2013 the West African Capital Markets Integration Council (WACMIC) was inaugurated as the governing body for the integration of West

African capital markets. The over-arching objective of the Council is to establish a harmonized regulatory environment for the issuance and trading of financial securities across the region, as well as to develop a common platform for cross-border listing and trading of such securities in the sub-region. Ghana has commenced the preparatory work towards establishing an International Financial Services Centre (IFSC) in Accra, in order to act as a hub for financial sector in the region and expand its financial markets, thus catalysing financial system integration and complementing the establishment of the AfCFTA. This forms an integral part of the Government's overarching objective of improving regional integration; creating a business-enabling environment for private sector development; enhancing domestic resource mobilization; as well as repositioning Ghana as a Regional Hub for financial services.