MINISTRY OF FINANCE

REPUBLIC OF GHANA

FISCAL NEWSLETTER

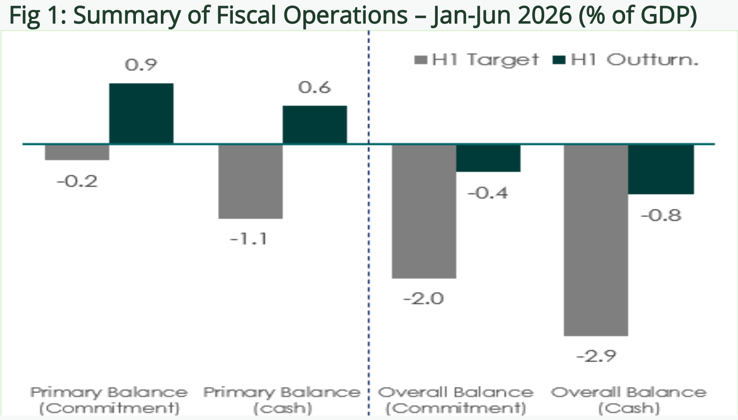
Jan-Jun (H1) 2026

From Stability to Growth: Ghana's Fiscal Performance in 2026

SUMMARY

TARGET	INDICATOR	ACTUAL
-0.2% (of GDP)	*Primary Balance (Commitment)*	0.9% (of GDP)
-2.0% (of GDP)	Overall Fiscal Balance (Commitment Basis)	-0.4% (of GDP)
-1.1% (of GDP)	Primary Balance (Cash)	0.6% (of GDP)
-2.9% (of GDP)	Overall Fiscal Balance (Cash)	-0.8% (of GDP)
7.9% (of GDP)	Total Revenue and Grants	7.8% (of GDP)
9.9% (of GDP)	Total Expenditure (Commitment Basis)	8.2% (of GDP)

Fig 1: Summary of Fiscal Operations – Jan-Jun 2026 (% of GDP)



2026 Fiscal Targets

The key annual fiscal targets as approved in the 2026 Budget and Mid-Year Review are:

- Overall Fiscal Balance Deficit (Commitment basis) of 2.2 percent of GDP.
- Overall Fiscal Balance Deficit (Cash) of 4.0 percent of GDP
- Primary Balance Deficit (Cash) of 0.4 percent of GDP.
- Primary Balance Surplus (Commitment) of 1.5 percent of GDP.
- Total Revenue & Grants of 16.8 percent of GDP.
- Total Expenditure (Commitment basis) of 18.9 percent of GDP.

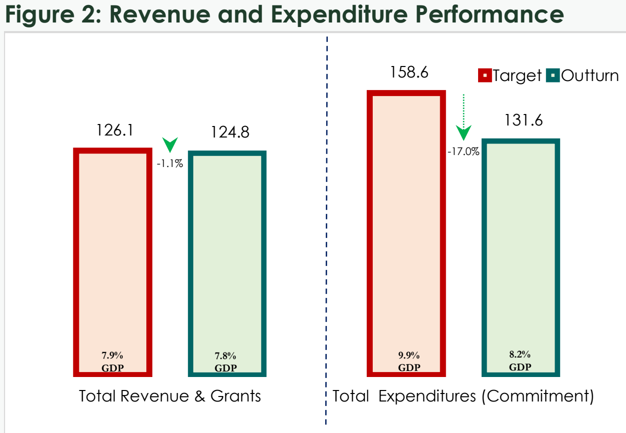
Based on annual fiscal targets and prevailing macroeconomic conditions, this newsletter presents fiscal performance for Jan-Jun(H1) 2026 relative to the set targets.

Summary of H1 2026 Fiscal Operations

Fiscal performance for the first half of 2026 remained broadly aligned with programmed targets, supported by sustained expenditure discipline and a resilient revenue base:

- The primary balance (commitment basis) recorded a surplus of 0.9 percent of GDP against a target deficit of 0.2 percent of GDP.
- On a cash basis, the primary balance recorded a surplus of 0.6 percent of GDP, against the target deficit of 1.1 percent of GDP.
- The overall fiscal balance (commitment basis) recorded a deficit of 0.4 percent of GDP against a target deficit of 2.0 percent of GDP.
- On a cash basis, the overall balance recorded a deficit of 0.8 percent of GDP compared to a target deficit of 2.9 percent of GDP.
- Total revenue and grants accrued to 7.8 percent of GDP against a target of 7.9 percent of GDP.
- Total expenditure amounted to 8.2 percent of GDP below the target of 9.9 percent of GDP.

Figure 2: Revenue and Expenditure Performance



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Highlights of the Performance

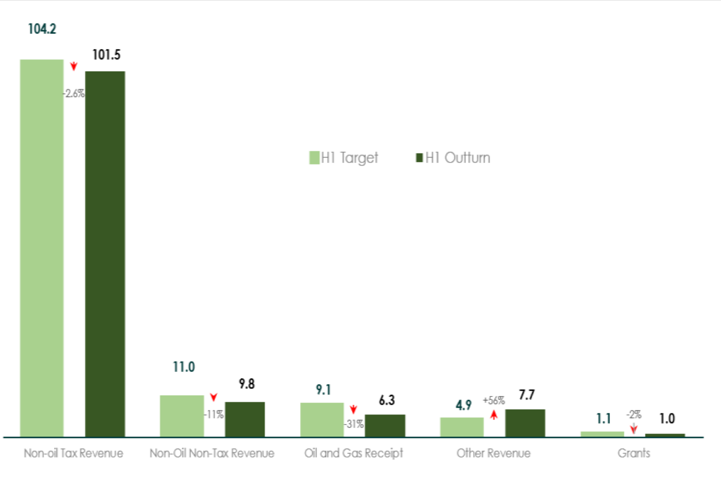
Revenue Performance

Total Revenue and Grants for H1 2026 was GH¢124.8bn (7.8% of GDP) against a target of GH¢126.1bn (7.9% of GDP), a shortfall of 1.1% but a growth of 25.9% over H1 2025.

Key Drivers

- Crude Oil Receipts fell short of target by 30.6%,
- Excises recorded a shortfall of 42.6%, from weaker petroleum tax and excise duty collections.
- NHIL, GETFund Levy, and VAT were below target by 27.0%, 27.0% and 9.1% respectively.
- Import Duties fell short of its target by **8.3%**
- Company Taxes exceeded target by **18.7%**, reflecting improved private sector profitability amid falling interest rates and a stable cedi.
- Energy Sector Levy proceeds exceeded target by **82.5%**, driven by strong Energy Debt Recovery Levy collections, contributing at least GH¢1bn a month

Figure 3: Revenue Performance, Q1 2026

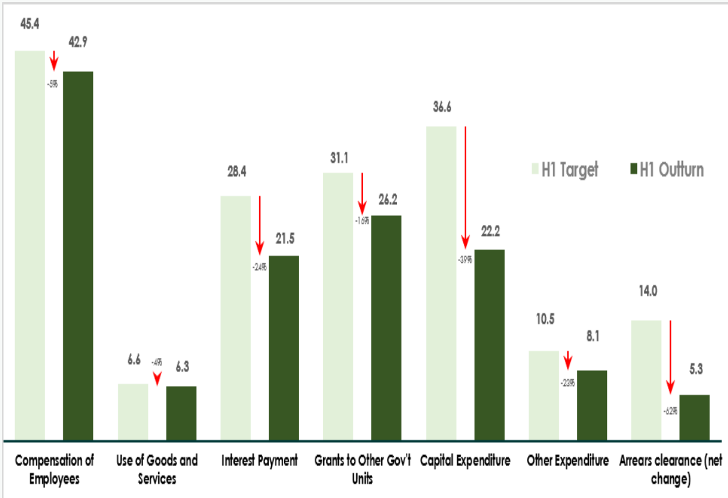


Expenditure Performance

Total Expenditure (commitment) was GH¢131.6bn (8.2% of GDP), 17.0% below the target of GH¢158.6bn (9.9% of GDP). Primary expenditure was GH¢105.7bn (6.6% of GDP) against a target of GH¢130.1bn (8.1% of GDP), with most spending lines within target.

- Capital Expenditure was GH¢22.2bn, 39.3% below the target of GH¢36.6bn. reflecting the delays in project disbursements particularly foreign financed capex.
- Compensation of Employees was GH¢42.9bn, 5.5% below the target of GH¢45.4bn, reflecting improved payroll controls and the elimination of ghost names and unauthorised allowances.
- Goods and Services was GH¢6.3bn against a target of GH¢6.6bn, on account of strong commitment controls and restrained discretionary spending.
- Grants to Other Government Units were GH¢26.2bn against a target of GH¢31.1bn, due to underperformance of revenue base.
- Interest Payments were GH¢21.5bn, 24.4% below target of GH¢28.4bn, reflecting lower interest rates and improved debt management.

Figure 3: Expenditure Performance (GH¢bn)

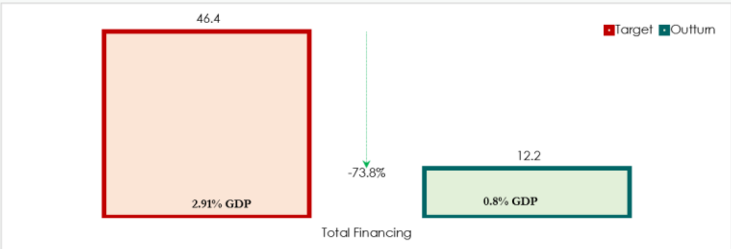


Financing Operations

Fiscal operations resulted in an overall cash deficit of GH¢12.2bn (0.8% of GDP), well below the programmed deficit of GH¢46.4bn (2.9% of GDP).

The deficit was financed by a Net Foreign Financing repayment of GH¢3.1bn, while Domestic Financing was a net borrowing of GH¢15.3bn.

Figure 4: Financing Operations



Key Observations

Observations

- The primary balance (commitment basis) - the principal fiscal anchor - recorded a surplus of 0.9 percent of GDP against a programme target of 0.2 percent of GDP, keeping fiscal performance ahead of programme through the half-year.
- Revenue grew by 25.9 percent over the same period in 2025, though it came in modestly below its programme target, reflecting below-target performance in oil revenue and VAT-linked taxes. Company Taxes and Energy Sector Levy proceeds offset this, the latter driven by strong Energy Debt Recovery Levy collections.
- Expenditure was 17.0 percent below the programme target, led by lower capital expenditure and interest payments, with the latter reflecting improved debt management. No new arrears accumulated during the period.

Summary of H1 2026 Fiscal Performance

No	Item	2026 Budget	Jan-Jun 2026 Prog	Jan-Jun 2026 Outturn	2026 Budget	Jan-Jun 2026 Prog	Jan-Jun 2026 Prov. Outturn
		% of GDP			GhC Million		
1	**Total Revenue & Grants**	**16.8**	**7.9**	**7.8**	**268,091**	**126,145**	**124,775**
2	Domestic Revenue	16.6	7.8	7.7	265,025	125,076	123,726
3	Non-Oil Tax Revenue (Gross)	14.1	6.5	6.4	225,125	104,222	101,509
4	Non-Oil Tax Revenue (Net)	13.5	6.3	6.3	216,120	100,053	99,919
5	Non-Tax Revenue (non-oil)	1.3	0.7	0.6	20,947	11,036	9,831
6	Oil Revenue	0.9	0.6	0.4	13,600	9,064	6,291
7	Other Revenue	1.8	1	0.8	28,164	15,608	12,273
8	Grants	0.2	0.1	0.1	3,066	1,069	1,049
9	**Total Expenditure (Commitment, Discrepancy)**	**18.9**	**9.9**	**8.2**	**302,456**	**158,556**	**131,598**
10	Primary Expenditure (Commitment)	15.3	8.1	6.6	244,744	130,117	105,733
11	Compensation of Employees	5.7	2.8	2.7	90,760	45,380	42,896
	o/w Wages and Salaries	5.1	2.5	2.4	81,421	40,710	38,508
12	Use of Goods and Services	0.8	0.4	0.4	13,162	6,581	6,347
13	Grants to Other Gov't Units	4	1.9	1.6	63,554	31,102	26,211
14	Capital Expenditure	3.6	2.3	1.4	57,529	36,556	22,176
	o/w Domestic	2.8	1.7	1.2	45,493	27,151	19,809
	o/w Foreign	0.8	0.6	0.1	12,036	9,406	2,367
15	Other Expenditure	1.2	0.7	0.5	19,739	10,496	8,103
16	Other Outstanding Expenditure Claims	-	-	-	-	-	-
17	Statistical Discrepancy	0	0	-0.3	0	0	-4,363
18	Interest Payment	3.6	1.8	1.3	57,711	28,439	21,501
	o/w Domestic	3.1	1.5	1.3	50,097	24,556	20,397
	o/w Foreign	0.5	0.2	0.1	7,614	3,883	1,105
19	**Primary Balance (Commitment)**	**1.5**	**-0.2**	**0.9**	**23,346**	**-3,972**	**14,679**
20	**Overall Balance (Commitment)**	**-2.2**	**-2**	**-0.4**	**-34,365**	**-32,411**	**-6,823**
21	Arrears clearance (net)	-1.9	-0.9	-0.3	-29,827	-13,983	-5,343
	o/w Clearance of Arrears	0	-0.7	-0.3	0	-11,496	-5,343
	o/w IPP legacy Arrears	-0.3	-0.2	0	-4,760	-2,486	0
	o/w Payables build-up	0	0	0	0	0	0
22	**Overall Balance (Cash)**	**-4**	**-2.9**	**-0.8**	**-64,192**	**-46,394**	**-12,165**
23	**Primary Balance (cash)**	**-0.4**	**-1.1**	**0.6**	**-6,481**	**-17,955**	**9,336**
24	Financing	4	2.9	0.8	64,192	46,394	12,165
25	Foreign (net)	-0.4	-0.3	-0.2	-6,562	-4,046	-3,113
26	Domestic (net)	4.4	3.2	1	70,755	50,440	15,278
	Memorandum items:						
27	Non-oil Domestic Revenue	15.7	7.3	7.4	251,425	116,012	117,435
28	Non-oil primary balance (Commitment)	0.6	-0.8	0.5	9,747	-13,036	8,388
29	Total Expenditure (Cash)	20.8	10.8	8.6	332,283	172,538	136,941
30	Primary Expenditure (Cash)	17.2	9	7.2	274,572	144,099	115,439
31	**Nominal GDP**				**1,597,457**	**1,597,457**	**1,597,457**