



REPUBLIC OF GHANA

**MINISTRY OF FINANCE**

# Macroeconomic Performance Report 2019

Economic Strategy and Research Division

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# Acronyms and Abbreviations

ABFA	Annual Budget Funding Amount
BoG	Bank of Ghana
CAPI	Carried and Participating Interest
CAR	Capital Adequacy Ratio
CARES	Coronavirus Alleviation, Revitalisation, and Enterprise Support
CSOs	Civil Society Organizations
CST	Communication Service Tax
DACF	District Assemblies Common Fund
DMBs	Deposit Money Banks
ECF	Extended Credit Facility
EMDEs	Emerging Market and Developing Economies
ESPV	Electronic Salary Payment Voucher
EU	European Union
FDI	Foreign Direct Investment
GCX	Ghana Commodity Exchange
GDP	Gross Domestic Product
GETFUND	Ghana Education Trust Fund
GFIM	Ghana Fixed Income Market
GIFMIS	Ghana Integrated Financial Management Information System
GNPC	Ghana National Petroleum Corporation
GNGC	Ghana National Gas Company
GoG	Government of Ghana
GPFs	Ghana Petroleum Funds
GRA	Ghana Revenue Authority

GSE	Ghana Stock Exchange
GSE-CI	Ghana Stock Exchange Composite Index
GSE-FSI	Ghana Stock Exchange Financial Stocks Index
GSF	Ghana Stabilisation Fund
GSS	Ghana Statistical Service
ICM	International Capital Market
IGF	Internally Generated Fund
IMF	International Monetary Fund
IPP	Independent Power Producers
M2+	Broad Money Supply
MDBS	Multi Donor Budget Support
MFIs	Microfinance Institutions
MoF	Ministry of Finance
MPR	Macroeconomic Performance Report
MTDS	Medium-Term Debt Management Strategy
NBFIs	Non-Bank Financial Institutions
NDA	Net Domestic Assets
NDF	Net Domestic Financing
NFA	Net Foreign Assets
NHIF	National Health Insurance Fund
NHIL	National Health Insurance Levy
NPL	Non-Performing Loan
NPRA	National Pensions Regulatory Authority
OPEC	Organization of Petroleum Exporting Countries
PCOA	Put Call Option Agreement
PFM	Public Financial Management

PHF	Petroleum Heritage Fund
PRMA	Petroleum Revenue Management Act
RCBs	Rural and Community Banks
SGN	Sankofa-Gye Nyame
SOEs	State-Owned Enterprises
SSNIT	Social Security and National Insurance Trust
TEN	Tweneboa-Enyenra-Ntomme
VAT	Value Added Tax
WEO	World Economic Outlook

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## FOREWORD

The Economic Strategy and Research Division (ESRD) of the Ministry of Finance (MoF) is responsible for conducting macro-fiscal policy analysis and research to contribute towards the fulfilment of the Ministry's mandate. The Division coordinates the preparation of the annual Macroeconomic Performance Report (MPR) series. The 2019 MPR is the seventh to be produced under the annual MPR series which was first introduced and produced in 2014 with the publication of the 2013 MPR.

The publication of the MPR is now a statutory deliverable of the Ministry of Finance as outlined in Section 3 (2) (j) (i) of the 2019 Public Financial Management (PFM) Regulations, which calls for the publication of an annual MPR not later than 31st August of each financial year.

The Report is expected to serve, among others, as a reliable source of current macroeconomic information on the economy for research institutions, scholars, the private sector, think-tanks, civil society organizations (CSOs), development partners, and other public sector agencies.

Macroeconomic performance in 2019 was generally impressive. Fiscal operations broadly remained on track within an environment of sustained macroeconomic stability for the period under review, with the fiscal balance ending the year with a deficit of 4.8 percent of GDP compared to a deficit of 3.9 percent in 2018. The primary balance for the period recorded a surplus of 0.8 percent of GDP. The trade account also registered a surplus mainly due to a significant increase in gold and cocoa beans exports.

While the report was prepared with inputs from major stakeholders, we still encourage readers to provide the Ministry of Finance with comments, enquiries, and suggestions to ensure continuous improvement of the report and its relevance to stakeholders as well. Please direct all such contributions to:

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*The Director  
Economic Strategy and Research Division  
Ministry of Finance*

## EXECUTIVE SUMMARY

1. The global economy recorded economic growth rate of 2.9 percent in 2019, compared to 3.6 percent in 2018 (IMF, April 2020 WEO). This was mainly driven by the escalation in the US-China trade tensions together with a decline in growth in China, the introduction of new emission standards in Germany which disrupted car production, fiscal pressures in Italy which affected investment as sovereign spreads widened, and softening of external demand, especially from emerging markets in Asia.
2. On the domestic front, overall real GDP growth was 6.5 percent in 2019, up from the 6.3 percent recorded in 2018. Non-oil sector growth, however, moderated from 6.5 percent in 2018 to 5.8 percent in 2019. The growth performance in 2019 was broad-based across the three major sectors of the economic. The Services Sector recorded the highest growth of 7.6 percent, followed by the Industry and the Agriculture Sectors with 6.4 percent and 4.6 percent growth rates, respectively.
3. The disinflation process continued with headline inflation trending down in 2019, and within the medium-term inflation target band of  $8\pm 2$  percent, supported by the relatively tight monetary policy stance maintained throughout the year by the Bank of Ghana (BoG). Headline inflation for the period averaged 7.9 percent in 2019, compared with 9.4 percent in 2018 and was largely attributed to the both lower non-food and food inflation rates.
4. Fiscal operations for the period indicate that total revenue and grants amounted to GH¢53,379.61 million, which was 10 percent lower than the programmed target of GH¢58,896.53 million. On the other hand, total expenditures (including arrears clearance and discrepancies) amounted to GH¢70,271.45 million, 5.8 percent below the budget provision of GH¢74,611.71 million.
5. The overall budget balance recorded a cash deficit of GH¢16,891.84 million, equivalent of 4.8 percent of GDP, which was financed from both domestic and external sources. The companion fiscal indicator, the primary balance, recorded a surplus of GH¢2,877.41 million (0.8 percent of GDP) in 2019.
6. Total public debt stock at the end of 2019 was GH¢217,990.7 million (62.4% of GDP), up from GH¢173,102.2 billion (57.6% of GDP) at the end of 2018. This was made of GH¢112,509.4 million and GH¢105,481.2 million for external and domestic debt, respectively. Excluding the financial sector bailouts, the provisional public debt-to-GDP ratio at end-December 2019 was 59.4 percent, below Government's target threshold of 60.0 percent of GDP. The share of external and domestic debt in the public debt portfolio was 51.7 percent and 48.3 percent respectively.

7. Growth in broad money supply (M2+), saw a significant increase on a year-on-year basis. Broad money supply (M2+) recorded an annual growth of 21.7 percent in December 2019 compared with 15.4 percent in the previous year. This was mainly driven by increased deposits as a result of the boost in confidence in the banking sector after the clean-up process.
8. Credit to the private sector grew by 18.3 percent year-on-year to GH¢44.5 billion in December 2019, compared with 10.6 percent in December 2018.
9. The trade balance recorded a provisional surplus of US\$2,257 million (3.4% of GDP) compared with a surplus of US\$1,809 million (2.8% of GDP) for the same time in 2018. This was driven on the account of improvements in exports receipts mainly from gold and cocoa beans and products.
10. The Current account balance recorded a deficit of US\$1.864 billion (2.8% of GDP) in 2019 compared to a deficit of US\$2.044 billion (3.1% of GDP) in 2018.
11. Development in the balance of payments resulted in a jump in Gross international Reserves to US\$8,418 million (4.0 months of import cover) at the end of 2019, from the end-December 2018 stock position of US\$7,025 (3.6 months of import cover).

## **CHAPTER ONE: INTRODUCTION**

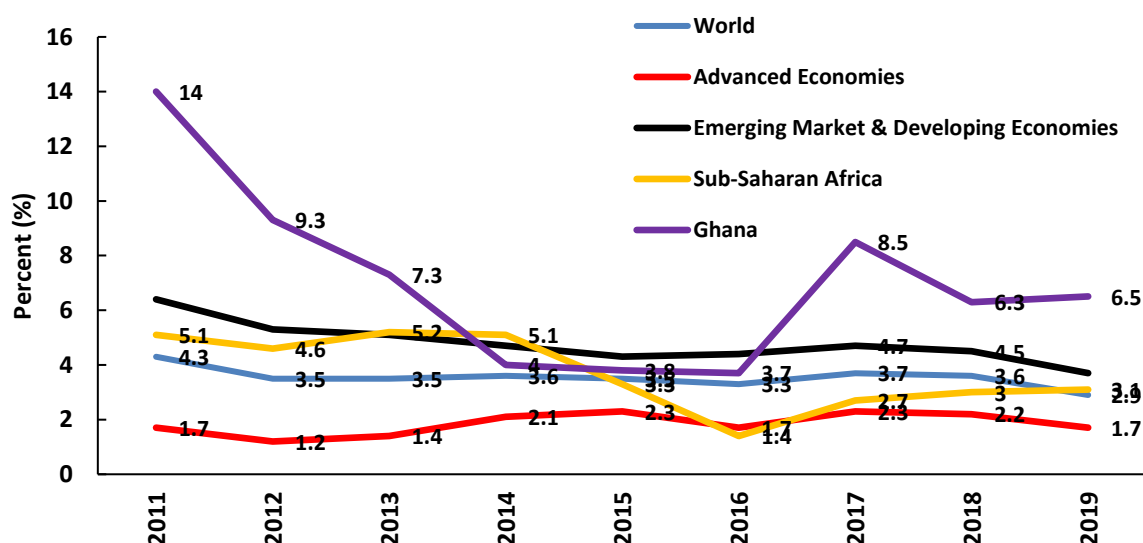
12. The 2019 Macroeconomic Performance Report (MPR) presents the overall macroeconomic performance of Ghana for the 2019 fiscal year, and also provides an updated outlook of the economy over the short to medium-term. Government employed a mixture of fiscal, monetary, and financial reforms to reduce structural and institutional rigidities to improve the country's growth potential, enhance domestic revenue mobilization, improved expenditure control systems and improved debt management, as espoused in the 2019 Budget Statement and Economic Policy.
13. The macroeconomic fundamentals remained strong as evidenced by the sustained gains made in macroeconomic stabilisation and the growth momentum. Fiscal consolidation remained on track as the country successfully completed the IMF-supported Extended Credit Facility (ECF) programme early in the year in April 2019. The programme, which started in April 2015, and was originally scheduled to be completed in 2018, had to be extended for one year due to the challenges encountered in 2016.
14. Overall real GDP growth rate was 6.5 percent in 2019, up from the 6.3 percent recorded in 2018. Non-oil GDP growth rate was 5.8 percent in 2019, a slowdown from 6.5 percent in 2018. The slowdown in the non-oil GDP growth rate was attributed to the significant decline in the growth in non-oil Mining and Quarrying activities in 2019 compared to 2018. Contractions in the Forestry & Logging, Water & Sewerage, and the Construction sub-sectors also contributed to the slowdown in the non-oil GDP growth in 2019.
15. Headline consumer price inflation moderated downwards, registering its lowest rates in recent times, and was contained within the medium-term target band of  $8\pm 2\%$ , reflecting relative stability in the general price level. The completion of the recapitalization and regulatory reforms in the financial sector significantly improved the financial performance of the banking industry by end-December 2019. This reflected in the growth in balance sheet size and profitability of banks, as well as improvement in key financial soundness indicators.
16. The report is structured as follows: Chapter Two presents global economic developments, while Chapter Three highlights real sector developments. Monetary and financial sector developments are discussed in Chapter Four, followed by an account of developments in the external sector in Chapter Five. Fiscal developments, and the utilisation of petroleum receipts, are addressed in Chapters Six and Seven, respectively. Chapter Eight focuses on developments in public debt, while Chapter Nine looks at the macroeconomic outlook and potential risks to the outlook. The report ends with a conclusion in Chapter Ten.

## CHAPTER TWO: GLOBAL ECONOMIC DEVELOPMENTS

### 2.1 Growth

17. The global economy recorded a growth rate of 2.9 percent in 2019 as compared to an outturn 3.6 percent in 2018 (IMF, April 2020 WEO), reflecting a confluence of factors that affected major economies. These include the escalation of US-China trade tensions, which took a toll on business confidence and worsened financial market sentiments with financial conditions tightening for vulnerable emerging markets, thereby affecting global demand. Also, the decline in China's growth following the regulatory tightening to rein in shadow banking, the introduction of new emission standards in Germany which disrupted car production, fiscal pressures in Italy which affected investment as sovereign spreads widened, and softening of external demand, especially from emerging Asia, contributed to the reduction in global growth.

**Figure 1: Global Growth Rates, 2011-2019**



Sources: IMF, April 2020 WEO; GSS, Provisional 2020 Annual GDP

18. Economic growth in Advanced Economies was 1.7 percent, a decline from 2.2 percent recorded in 2018. Growth declined widely across advanced economies with the exception of the Japan and UK economies, which remained relatively robust, recording 0.7 percent and 1.4 percent growth rates, respectively.
19. Growth in Emerging Market and Developing Economies (EMDEs) also slowed down from 4.5 percent in 2018 to 3.7 percent in 2019.

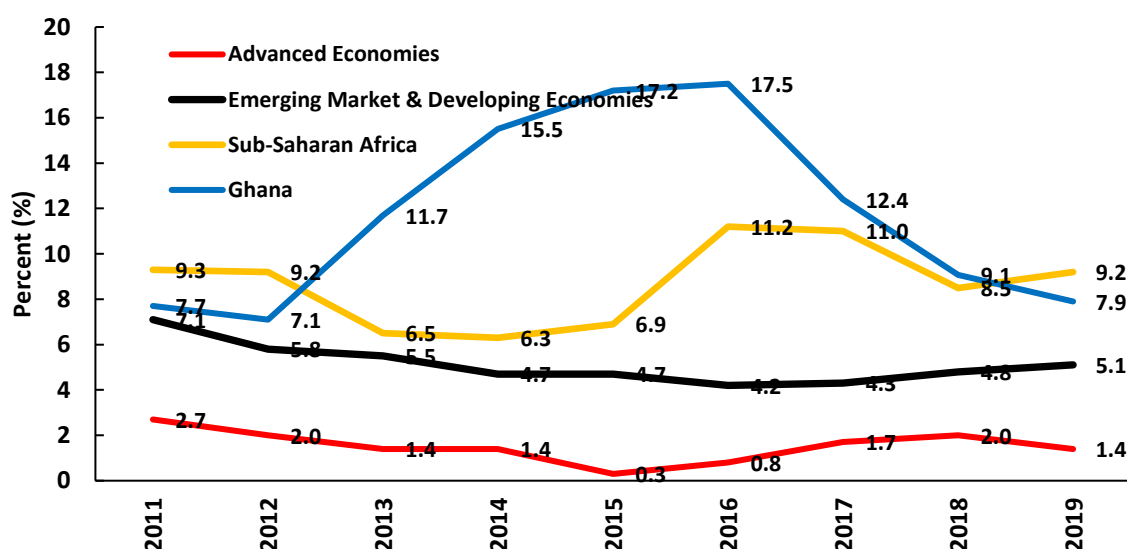
## Annual Macroeconomic Performance Report, 2019

20. Growth in Sub-Saharan Africa experienced a decline from 3.3 percent in 2018 to 3.1 percent recorded in 2019. This marginal decrease was largely on account of the recession in South Africa where growth slowed down from 0.8 percent in 2018 to 0.2 percent in 2019, while Nigeria recorded a marginal increase in growth to 2.2 percent in 2019 compared to 1.9 percent in 2018.

## 2.2 Inflation

21. Inflation inched upwards in Advanced Economies from 2.0 percent in 2018 to 1.4 percent in 2019. In Emerging Markets and Developing Economies, it rose from 4.8 percent to 5.0 percent over the same period. For Sub-Saharan Africa, inflation also increased from 8.5 percent in 2018 to 9.2 percent in 2019.

**Figure 2: Global Trends in Inflation**



Sources: IMF, April 2020 WEO; GSS, Provisional 2020 Annual GDP

## 2.3 Commodity Prices

22. The average price of crude oil in 2019 decreased to US\$64.15 per barrel, compared to the US\$71.36 previous year. The decline in crude oil price was as a result of prolonged US-China trade tension and increased US shale crude oil production, which distorted demand and supply dynamics. However, deeper production cuts by the Organization of Petroleum Exporting Countries (OPEC) and its allies moderated the decline in crude oil price.
23. Gold prices continually trended upwards largely on account of stronger demand and rising real rates of interest. Gold prices averaged US\$1,480 per troy oz in 2019, up from US\$1,269 per troy oz in 2018.



### ***Annual Macroeconomic Performance Report, 2019***

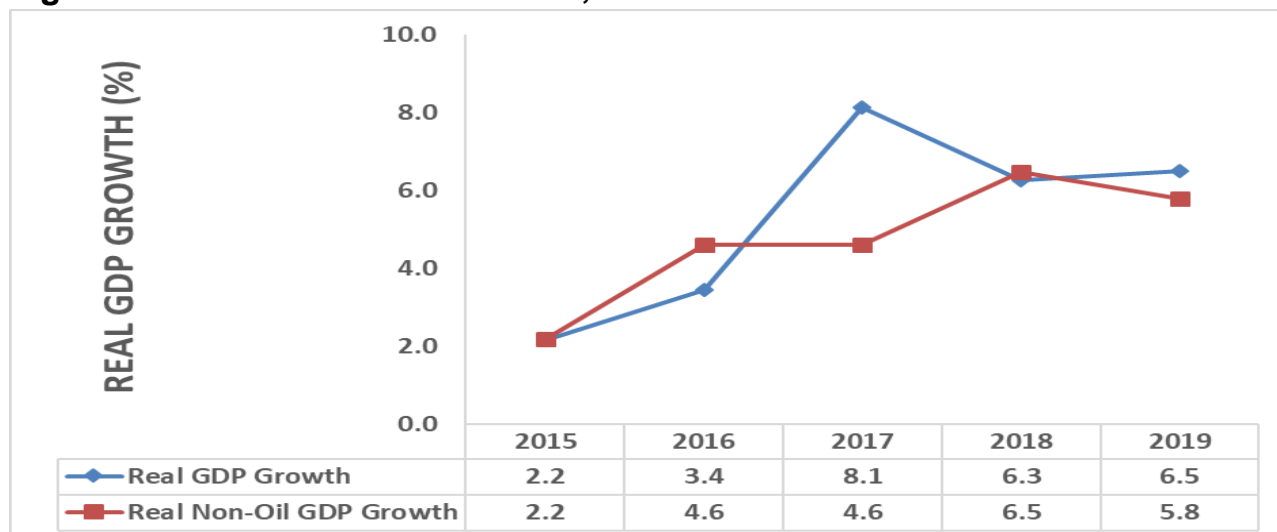
24. Price of cocoa beans experienced an uptick due to news of dry weather conditions in the two top producing countries, Ivory Coast and Ghana. World cocoa prices increased to US\$2,466 per metric ton in 2019, from US\$2,290 per metric ton in 2018.

## CHAPTER THREE: REAL SECTOR DEVELOPMENTS

### 3.1 GDP Growth

25. The overall annual real GDP growth at constant 2013 prices for 2019 was 6.5 percent, compared with an outturn of 6.3 percent in 2018 as shown in Figure 3.1. Non-oil annual GDP growth rate declined from 6.5 percent in 2018 to 5.8 percent in 2019.

**Figure 3: Annual Real GDP Growth, 2015-2019**



Sources: MoF, GSS

### 3.2 Sectoral Performance

26. The Services sector's GDP growth rate increased from 2.7 percent in 2018 to 7.6 percent in 2019 and contributed 2.8 percentage points (43.4%) to the 2019 annual growth rate of 6.5 percent. The Industry sector grew by 6.4 percent in 2019, down from 10.6 percent in 2018, contributing 2.4 percentage points (37.5%) to the 2019 annual GDP growth rate. The Agriculture sector followed with a growth rate of 4.6 percent in 2019 compared to a growth rate of 4.8 percent in 2018, as shown in Table 1.

**Table 1: Annual Real GDP Growth by Sector**

SECTOR	2015	2016	2017	2018	2019*
Agriculture	2.3	2.9	6.1	4.8	4.6
Industry	1.1	4.3	15.7	10.6	6.4
Services	3.0	2.8	3.3	2.7	7.6

Source: GSS, 2020

\*Provisional

### 3.2.1 Agriculture

27. The Agriculture sector grew by 4.6 percent in 2019 compared to a growth rate of 4.8 percent in 2018. All sub-sectors in the Agriculture Sector recorded positive growth rates in 2019 with the exception of the Forestry and logging sub-sector which contracted by 1.7% compared to recorded 2.4 percent growth in 2018. Livestock (with 5.4% growth) and Crops (with 5.3% growth) were the best growth performers, having benefitted from the Government's flagship programmes of Rearing for Food and Jobs and Planting for Food and Jobs, respectively.

**Table 2: Growth Performance (Percent) in Agriculture**

Sector/Sub-Sectors	2015	2016	2017	2018	2019*
<i>Agriculture</i>	2.3	2.9	6.1	4.8	4.6
<i>Crops</i>	1.7	2.2	7.2	5.8	5.3
<i>o/w Cocoa</i>	-8.0	-7	9.2	3.7	5.4
<i>Livestock</i>	5.2	5.4	5.7	5.4	5.4
<i>Forestry &amp; Logging</i>	-3.9	2.9	3.4	2.4	-1.7
<i>Fishing</i>	8.5	3.1	-1.4	-6.8	1.7

Source: GSS, 2020

\*Provisional

### 3.2.2 Industry

28. The Industry sector contributed 2.4 percentage points to the 2019 annual GDP growth rate, and its share of GDP at basic prices increased by 0.2 percent to 34.2 percent in 2019, from 34.0 percent in 2018. The main driver of 2019 Industry GDP growth was the Mining and Quarrying sub-sector, which recorded a growth rate of 12.6% and contributed 2.0 percentage points to overall GDP growth in 2019. There was contraction of 4.4 percent in both the Construction sub-sector and the Water, Sewerage, Waste Management & Remediation Activities sub-sector, as shown in Table 3.

**Table 3: Growth Performance (Percent) in Industry**

Sector/Sub-Sectors	2015	2016	2017	2018	2019*
<b><i>Industry</i></b>	1.1	4.3	15.7	10.6	6.4
<i>Mining and Quarrying</i>	-8.3	-0.2	30.8	23.3	12.6
<i>o/w Petroleum</i>	2.0	-15.6	80.3	3.3	15.1
<i>Manufacturing</i>	3.7	7.9	9.5	4.1	6.3
<i>Electricity</i>	17.7	-5.8	19.4	5.5	6.0
<i>Water and Sewage</i>	13.9	-11.8	6.1	-3.6	-4.4
<i>Construction</i>	9.5	8.4	5.1	1.1	-4.4

Source: GSS, 2020

\*Provisional

### **3.2.2 Services**

29. The Service sector's growth rate increased from 2.7 percent in 2018 to 7.6 percent in 2019. The Information and Communication sub-sector recorded the highest growth of 46.5 percent in the Services sector in 2019 from 13.1 percent in 2018. This was followed by the Real Estate sub-sector and the Health and Social Work sub-sector which recorded growth rates of 19.9 percent and 10.4 percent, respectively. The Financial and Insurance Activities sub-sector showed a recovery 1.6 percent in 2019 after it contracted by 8.2 percent in 2018. All the other sub-sectors in this sector recorded positive growths as shown in Table 4.

**Table 4: Growth Performance (Percent) in Services**

<b>Sector/Sub-Sectors</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019*</b>
<b>Services</b>	3.0	2.8	3.3	2.7	7.6
<i>Trade; Repair Of Vehicles, Household Goods</i>	0.5	-0.4	8.2	2.8	3.7
<i>Hotels and Restaurants</i>	4.1	2.3	7.6	3.2	6.0
<i>Transport &amp; Storage</i>	2.6	1.1	8.9	1.1	4.3
<i>Information &amp; Communication</i>	11.9	5.6	4.2	13.1	46.5
<i>Financial &amp; Insurance Activities</i>	12.9	8.0	-17.7	-8.2	1.6
<i>Real Estate</i>	3.1	3.2	3.8	-6.5	19.9
<i>Professional, Administrative &amp; Support Service activities</i>	1.4	-4.2	2.9	0.3	5.1
<i>Public Administration &amp; Defence; Social Security</i>	-2.6	8.9	4.2	4.3	3.7
<i>Education</i>	-0.5	2.3	6.3	3.9	9.4
<i>Health &amp; Social Work</i>	-4.4	4.0	14.1	22.6	10.4
<i>Community, Social &amp; Personal Service Activities</i>	2.7	-0.1	5.3	3.1	2.6

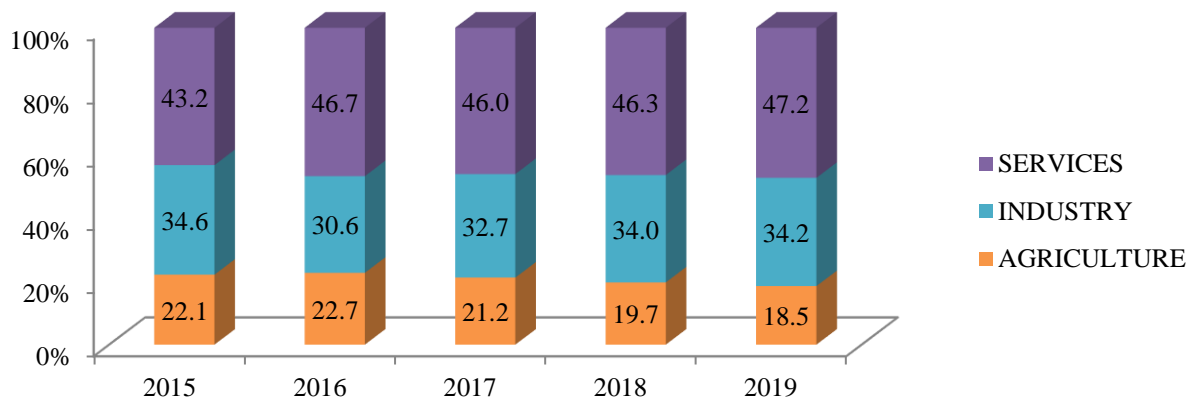
Source: GSS, 2020

\*Provisional

### **3.3 Structure of the Economy**

30. The Services Sector remained the largest sector with its share of GDP increasing from 46.3 percent to 47.2 percent. This was followed by the Industry sector whose share increased marginally by a 0.2 percentage point to 34.2 percent in 2019 from 34.0 percent in 2018, and the Agriculture sector with a decrease in share to 18.5 percent from 19.7 percent in 2018.

**Figure 4: Sectoral Distribution of GDP, 2015-2019**

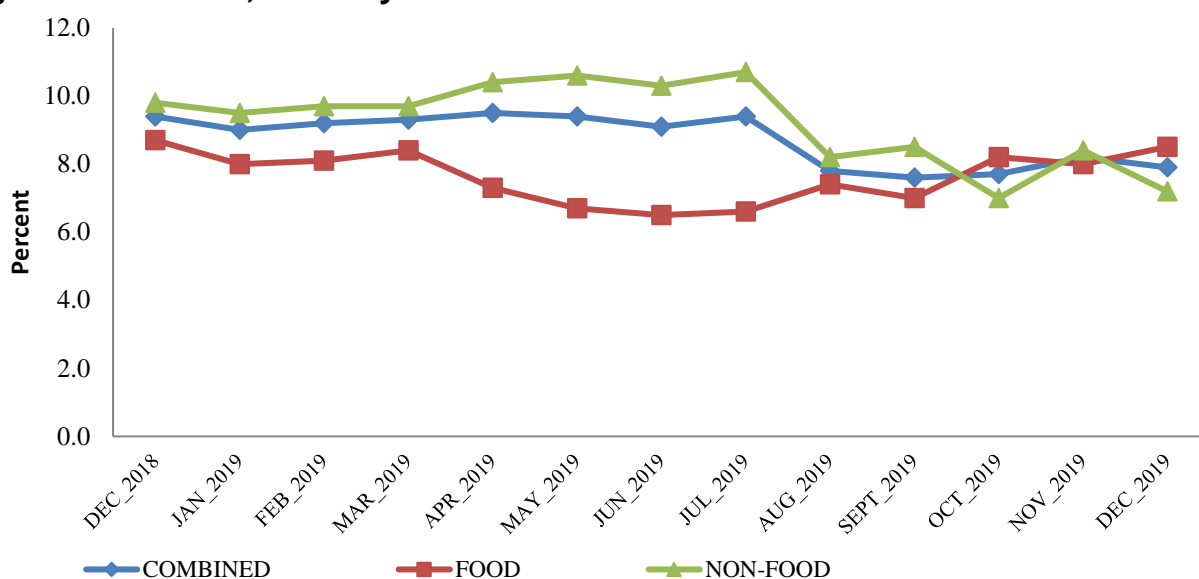


*Source: GSS, 2020*

### **3.4 Consumer Price Inflation**

31. The year-on-year inflation rate declined from 9.4 percent at the end of 2018 to 7.9 percent at the end of 2019, which was close to the mid-point of the end-year target of  $8\pm 2\%$ . The fall in the inflation rate was attributed to both lower non-food and food inflation. Food and non-alcoholic beverages remained the main drivers of inflation. At the regional level, three regions, namely Greater Accra (12.0%), Volta (9.5%), and Upper West (8.6%), recorded inflation rates above the national average of 7.9 percent at the end of 2019. Ashanti region recorded the lowest year-on-year inflation rate (5.0%). The downward trend in inflation was supported by Bank of Ghana's tight monetary policy stance, a relatively stable exchange rate, and strong commitment to fiscal consolidation.

**Figure 5: Inflation, January 2018-December 2019**

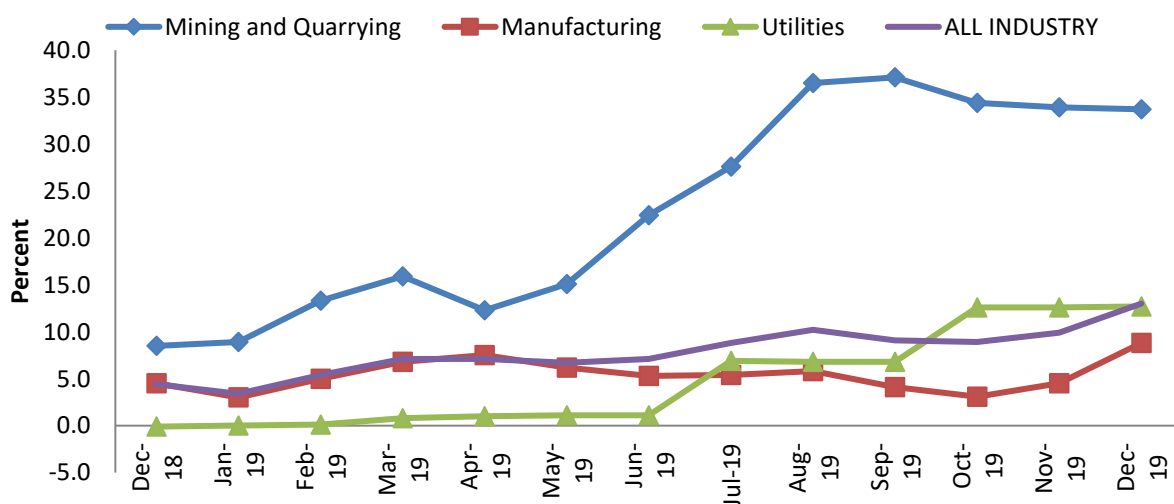


Source: GSS, MoF, 2020

### 3.5 Producer Price Inflation

32. The year-on-year producer inflation rate for all industries increased to 13.0 percent. The producer inflation for the Manufacturing sub-sector, which constitutes more than two-thirds of total industry output, increased by 4.3 percentage points to record 8.8 percent. Five out of the sixteen major groups in the manufacturing sub-sector recorded inflation rates higher than the sector average of 8.8 percent. The producer price inflation in the Mining and Quarrying sub-sector in 2019 was 33.7 percent compared to 8.5 percent in 2018. Manufacture of machinery and equipment recorded the highest inflation rate of 24.7 percent, while Manufacture of wood and of products of wood and cork recorded the least inflation rate of 0.8 percent, as shown in Figure 6.

**Figure 6: Producer Price Inflation, December 2018-December 2019**



Source: GSS, MoF, 2020

## **CHAPTER FOUR: MONETARY AND FINANCIAL SECTOR DEVELOPMENTS**

### **4.1 Monetary Aggregates**

33. Annual growth in broad money supply (M2+) was 21.7 percent in 2019, compared to 15.4 per cent in 2018. This was driven by increased accumulation of NFA by the Bank of Ghana resulting from proceeds from Euro bond issuance. The stock of broad money supply (M2+) at end December 2019 was GH¢92.91 billion. Reserve money grew by 33.6 per cent compared to a marginal 0.2 per cent growth in 2018.

### **4.2 Credit Developments**

34. Total outstanding credit as at the end of 2019 stood at GH¢52.28 billion, compared with GH¢42.72 billion at the end of December 2018. The represented a nominal annual growth of 22.4 percent, compared with 12.9 percent at end-December 2018.
35. Total outstanding credit to the private sector at the end of 2019 stood at GH¢44.49 billion, compared with GH¢37.59 billion at the end of 2018, representing 18.3 percent nominal growth compared with 10.6 percent in the previous year. In real terms, credit to the private sector grew by 9.7 percent compared to 1.1 percent in 2018. Credit distribution was broad-based, with almost all the key economic sectors recording higher growth in 2019 relative to 2018. The main beneficiary sectors were Services (24.1%), Commerce and Finance (20.9%), and Manufacturing (10.9%). The private sector's share in total outstanding credit decreased to 85.0 percent in 2019 from 88.0 per cent in 2018.

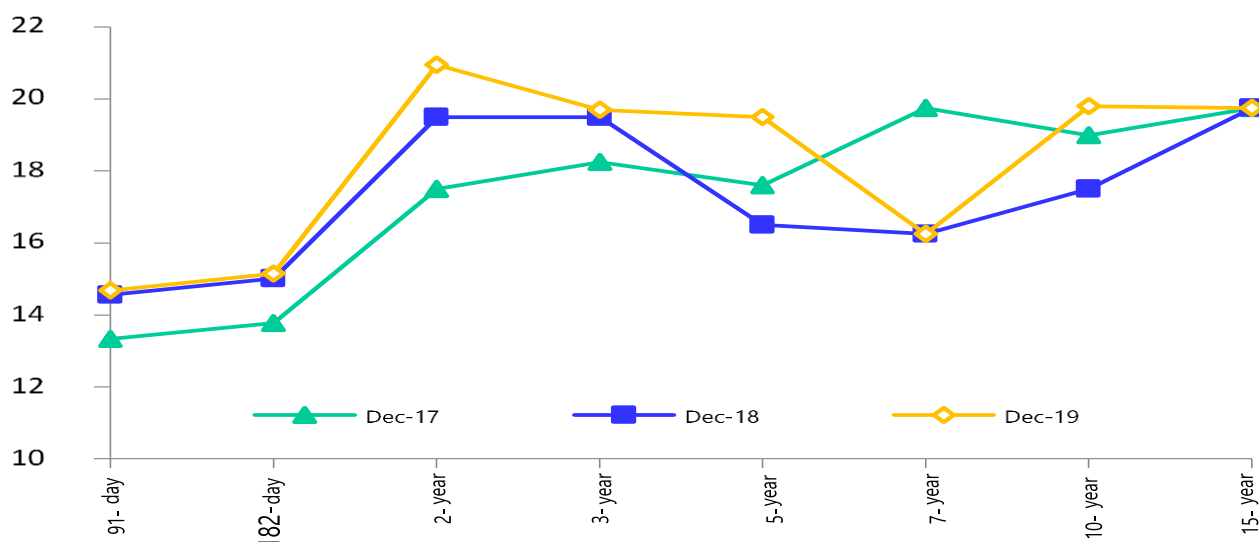
### **4.3 Interest Rate Developments**

36. Interest rates increased marginally across the various maturities of the yield curve, except for the 7- and 15-year bonds. The 91-day Treasury bill rate and the Interest rates on the 182-day instrument moved up marginally to 14.7 percent and 15.2 percent in December 2019, respectively.
37. Yields on the 7-year and 10-year bonds edged up slightly to 21.37 percent and 21.77 percent, respectively, in December 2019 from 21.04 percent and 21.23 percent in December 2018. Yield on the 15-year bond also edged up marginally to 21.56 percent in December 2019, from 21.36 percent in December 2018.
38. The monetary policy rate, which was maintained at 17 percent at the end of 2018, was reduced in January 2019 by 100 basis points and maintained at 16 percent throughout 2019. This was underpinned by easing inflationary pressures. The rate remained unchanged for the rest of the year due to heightened external pressures and tightening

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financing conditions in the global market. Average lending rate of banks declined to 23.59 percent in 2019 from 23.96 percent in 2018.

**Figure 7: Yield Curve (percent)**



Source: BoG, 2020

### 4.4 Exchange Rate Developments

39. The foreign exchange market experienced some volatility during the year under review due to both internal and external factors. Increased foreign exchange demand by the corporate sector to meet external financing obligations caused a sharp depreciation of 5.2 percent of the cedi against the US dollar in the first quarter of the year compared to an appreciation of 0.3 percent during the first quarter of 2018.
40. The sharp depreciation in the first quarter was, however, corrected and reversed, influenced largely by reversal in investor sentiments on the outlook, the successful completion of the IMF-ECF programme, and improvement in the country's reserve buffers following the US\$3.0 billion Eurobond inflows.
41. Overall, in the year to December 2019, the Ghana cedi cumulatively depreciated by 13.0 percent against the US dollar, compared with 8.4 percent depreciation at end-December 2018.
42. Against the British pound and the European euro, the Ghana cedi cumulatively depreciated by 15.7 percent and 11.2 percent, respectively, compared with 3.3 percent and 3.9 percent over the same period in 2018.
43. On the forex bureaux market, the local currency depreciated marginally by 0.2 percent against the U.S. dollar and appreciated by 9.8 percent against the pound sterling, and



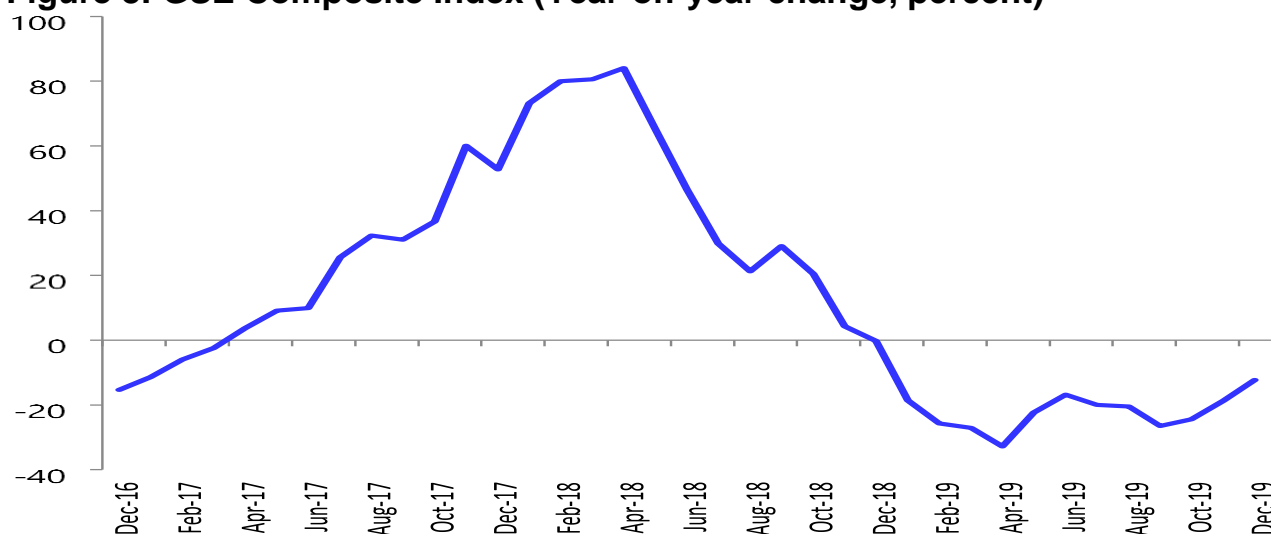
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3.6 percent against the euro. In the corresponding period of 2018, the cedi depreciated by 4.7 percent against the U.S. dollar, 8.9 percent against the pound sterling and 3.4 percent against the euro.

### 4.5 Capital Market Developments

44. The year-to-date change in the GSE Composite Index (GSE-CI) and GSE Financial Stock Index (GSE-FSI) as at end-December 2019 recorded a decline of 12.25 percent and 6.23 percent respectively. This was attributed to the clean-up exercise to sanitize the financial system.
45. Market capitalization declined from GH¢61.14 billion as at end-December 2018 to GH¢56.79 billion as at end-December 2019. Volume traded significantly increased to 3.82 million shares as at end-December 2019, from 200,577.88 shares in December 2018. Value traded, however declined to GH¢624.2 million as at December, 2019 from GH¢659.4 in December, 2018.
46. On the Ghana Fixed Income Market (GFIM), the total value of Government bills, notes, and bonds listed was GH¢54.1 billion and about GH¢80 billion as of December 2018 and December 2019, respectively. Total value of bonds listed on the GFIM was GH¢60.7 billion in December 2018 and GH¢73.1 billion in December 2019.
47. The Ghana Commodity Exchange (GCX), which became operational in November 2018, currently trades in 5 agricultural produce, namely white maize, yellow maize, soya, sesame and sorghum. There are over 60 Collective Investment Schemes managed by various fund managers with a total market size of GH¢3.82 billion as at the end of 2019.

**Figure 8: GSE Composite Index (Year-on-year change, percent)**



Source: BoG, GSE, 2020

## **4.6 Pensions**

48. The state pension fund, Social Security and National Insurance Trust (SSNIT), continues to be the largest non-bank financial institution in the country. Other non-bank financial institutions include insurance companies, privately managed pension funds, discount houses and mortgage finance companies. Employees in Ghana's formal sector, both public and private, participate in a Government-sponsored social security system managed by SSNIT.
49. Pension funds in 2019 recorded a nominal growth of 16.44 percent with total asset of about GH¢26.2 billion (including the Tier 1 fund managed by SSNIT). Growth of private pensions (Tiers 2&3) was GH¢17.4 billion in 2019. Private pension funds are invested in various approved asset classes with Government of Ghana bonds constituting about 62 percent in 2019.

## **4.7 Insurance**

50. Total assets of the insurance industry grew at 17 percent to GH¢7.3 billion in 2019 from GH¢6.2 billion in 2018. This comprises GH¢3.82 billion from the Life insurance sector (a 22% year-on-year growth), and GH¢2.72 billion from the Non-Life sector (a 14% year-on-year growth), as well as the Reinsurance sector with assets of up to GH¢754 million at end-December 2019, representing a fairly conservative growth of 4 percent from GH¢730 million in 2018. The total industry premium in 2019 amounted to GH¢3.5 billion. This represents a year-on-year growth of about 22 percent.

## **4.8 Banking Sector Developments**

51. The performance of the banking industry improved significantly in 2019, following the successful completion of the banking sector reforms. This reflected in the growth of banks' balance sheet size and profitability, as well as improvement in key financial soundness indicators in line with Government's expectations. The banking sector can now be characterized as well-capitalized, solvent, liquid, and more profitable.
52. The banking sector recorded a strong growth in total assets funded mainly by deposits, which signalled renewed confidence in the sector. The increase in deposits, together with increased capital levels, resulted in a strong credit growth during the period under review. Profitability also improved relative to last year, with banks posting a stronger profit outturns in December 2019. The total number of banks after the recapitalisation reforms declined from 34 to 23 banks.
53. Total assets of the banking sector increased from GH¢107.34 billion in December 2018 to GH¢129.06 billion in December 2019, representing a 22.8 percent year-on-year growth, compared with 12.3 percent growth in 2018.

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54. Total deposits recorded a 22.2 percent growth in December 2019, against 17.3 percent growth in December 2018, driven mainly by similar growth in domestic deposits (22.4%, up from 17.5%), and signifying sustained confidence in the sector following the reforms. Credit growth rebounded strongly with a 23.8 percent increase in gross loans and advances to GH¢45.17 billion in December 2019, a reversal of the 3.5 percent shrinkage in 2018.
55. Annual growth in Long-term investments (in securities) normalised to 30.1 percent (GH¢33.03 billion) in December 2019 from 115.8 per cent in 2018, due to long-term bond resolutions issued to Consolidated Bank Ghana (CBG). Growth in short-term investments (bills) picked up by 21.1 percent to GH¢14.98 billion as at end- December 2019.

### **4.9 Specialised Deposit-Taking Institutions (SDIs) and Other Licensed Institutions**

56. The Specialised Deposit-Taking Institutions (SDIs) sector, comprising Savings and Loans Companies (S&Ls), Finance Houses (FHs), Mortgage Institutions (MIs), Leasing Companies (LCs), Rural and Community Banks (RCBs), and Microfinance Institutions (MFIs) has a combined assets of GH¢12.32 billion at end-December 2019, down from the previous position of GH¢16.50 billion, and represented 8.7 per cent of the entire banking industry's assets, down from 13.5 percent a year earlier. The total assets of Non-Bank Financial Institutions (NBFIs) was GH¢6.85 billion, a 39.9 percent (year-on-year) decline from GH¢11.4 billion recorded in the previous year.
57. This decline was attributed to the clean-up exercise, which resulted in the revocation of the licenses of 347 microfinance companies, 23 savings and loans companies and finance house companies; 29 microcredit companies and 2 Non-Bank Financial Institutions (NBFIs).

### **4.10 Rural and Community Banks**

58. The total number of licensed Rural and Community Banks (RCBs) stood at 144 as at the end of December 2019. The sector recorded total assets of GH¢4.69 billion as at December 2019, reflecting an increase of GH¢550 million over the end-December 2018 position.
59. The Capital Adequacy Ratio (CAR) of RCBs improved to 12.7 per cent at end-December, 2019, from 10.5 percent at end-December 2018, and above the prudential threshold of 10 percent. RCB industry NPL ratio declined marginally to 11.5 percent at end-December 2019, down from 12.7 percent in 2018.

## **4.11 Microfinance**

60. The total number of licensed Microfinance Institutions (MFIs) at end December 2019 was 180, following the revocation of the licenses of 386 institutions.
61. The Capital Adequacy Ratio (CAR) of the deposit-taking MFIs was 31.0 percent at end December 2019, compared to the CAR of 8.0 per cent at end December 2018. The Microfinance sector recorded significant improvements in CAR, with the post-resolution ratio well above the prudential limit of 10.0 per cent. As at 31 December 2019, total deposits of the microfinance sector stood at GH¢164.69 million indicating confidence in the system. Total loans by the MFIs also stood at GH¢183.41 million.

## **4.12 Mobile Money Services**

62. Mobile money transactions increased to GH¢309.35 billion in 2019 from GH¢223.21 billion in 2018. The total number of registered mobile money accounts at the end of December 2019 was 32.5 million, compared with 32.6 million at end December 2018, representing a marginal decline of 0.3 percent. The declines resulted from the harmonisation of the Airtel-Tigo Mobile Money Platform.
63. The number of active registered mobile money accounts stood at 14.46 billion at end December 2019. Despite the decline in registered mobile money accounts and agents, the number of active registered mobile money accounts increased by 10.7 percent.

## **CHAPTER FIVE: EXTERNAL SECTOR DEVELOPMENTS**

### **5.1 Balance of Payments**

64. External sector performance remained resilient in 2019, supported by a larger trade surplus, a modest current account deficit, and improvements in the capital and financial account, mainly due to the Eurobond issuance and an increase in FDI inflows.
65. The trade balance in 2019 recorded a larger surplus of US\$2.3 billion (3.4 percent of GDP) compared with US\$1.8 billion (2.8 percent of GDP) in 2018.
66. The trade surplus together with developments in the services, income, and transfer accounts resulted in a current account deficit of US\$1,712 million (2.5% of GDP) over the year 2019 compared to a deficit of US\$2,044 million (3.1% of GDP) for the same period of 2018.
67. Total merchandise exports amounted to US\$15,634 million in 2019, representing a year-on-year increase of 4.6 percent. This increase was as a result of the increase in Gold exports to US\$6,230 million, representing 14.6 percent growth in year-on-year terms and exports of cocoa beans and products which amounted to US\$2,249 million compared with the US\$2,180 million recorded in 2018. Crude oil exports recorded a marginal decline to US\$4,493 million from US\$4,573 million in 2018, on account of a drop in prices.
68. Total value of merchandise imports for 2019 amounted to US\$13,336 million, representing a year-on-year increase of 1.5 percent. Non-oil imports rose by 4.2 percent to US\$10,992 while oil and gas imports fell by 9.2 percent to US\$2,344 million compared with US\$2,581 million recorded in 2018.
69. The capital and financial account recorded a significant net inflow of US\$3,120 million in 2019 compared to an outturn of US\$1,500 million net inflows for the same period in 2018. This was driven mainly by higher Foreign Direct Investment and net portfolio investment inflows, mainly as a result of proceeds from the Eurobond issuance in the year. These developments resulted in an overall Balance of Payments (BOP) surplus of US\$1.34 billion in 2019 compared to a deficit of US\$673 million in 2018.

### **5.2 International Reserves**

70. Net International Reserves (NIR) recorded a stock position of US\$5,192 million at the end of December 2019, compared with a stock position of US\$3,851 million at the end of December 2018. Gross International Reserves increased to US\$8,418 million (4.0 months of import cover) at the end of 2019 from the end December 2018 stock position

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of US\$7,025 (3.6 months of import cover) as a result of a significant boost by the balance of payment surplus, as shown in Table 5.

**Table 5: Gross and Net International Reserves, 2015-2019 (US\$ millions)**

Indicators	2015	2016	2017	2018	2019
Net International Reserves	3,184	3,431	4,522	3,851	5,192
Gross Reserves Assets (excl. oil Funds Encumbered)	4,403	4,862	5,491	5,317	6,607
Gross International Reserves	5,885	6,162	7,555	7,025	8,418
Months of Import Cover	3.5	3.5	4.3	3.6	4.0
Months of Import Cover (GIR – excl. Oil Funds, Encumbered Assets)	2.6	2.8	3.1	2.7	3.2

*Source: BoG*

## **CHAPTER SIX: FISCAL DEVELOPMENTS**

### **6.1 Introduction**

71. Government's fiscal policy focused on adopting swift measures to mitigate risks emanating mainly from the underperformance in revenue mobilization and the crystallization of energy sector contingent liabilities (IPP payments) and also maintaining fiscal discipline and debt sustainability without compromising on economic growth.
72. A number of fiscal policy measures were introduced after the 2019 Mid-Year Budget and Economic Policy Review to minimize the effects of the fiscal pressures experienced in the first and second quarters.
73. These fiscal measures included the following:
  - a) Upward adjustment of the Communication Service Tax (CST) rate from 6 percent to 9 percent; and
  - b) Upward adjustments of the Energy Sector Levies (ESL), particularly with respect to the Power Generation and Infrastructure Support Levy, the Road Fund Levy, and the Price Stabilization & Recovery Levy.
74. Fiscal operations for the period indicated that the fiscal deficit was 4.8 percent of GDP on cash basis compared to a programmed deficit target of 4.5 percent of GDP.
75. The higher fiscal deficit resulted largely from revenue underperformance, with revenues recording a performance rate of 89.9 percent compared to the programmed target for the period. Although expenditures were also below target, the expenditure execution rate of 93.4 percent exceeded the revenue performance rate.

### **6.2 Summary of Fiscal Performance from January to December 2019**

76. Provisional fiscal data for 2019 show that the overall cash-basis fiscal deficit (including discrepancy) was 4.8 percent of GDP compared to a programmed deficit target of 4.5 percent of GDP for the period, resulting largely from revenue underperformance and faster execution of expenditures, as shown in Table 6.

**Table 6: Summary of Central Government Operations and Financing – 2018-2019**

No.	Indicator	2018		2019		2019				% change over 2018
		Prov. Outturn		Revised Budget		Prov. Outturn				
		Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Dev. GH¢mn	% Dev.	
1	Total Revenue & Grants	47,637	15.9	58,897	17.0	53,380	15.3	-5,517	-9.4	12.1
2	Total Expenditure & Arrears Clearance	59,310	19.9	74,612	21.6	68,586	19.6	-6,026	8.1	15.6
3	Overall Fiscal Balance (Cash incl. discrepancy)	-11,673	-3.9	-15,715	-4.5	-16,892	-4.8	-1,177	7.5	44.7
4	Total Financing	11,673	3.9	15,715	4.5	16,892	4.8	1,177	7.5	44.7
5	o/w Domestic Financing	8,949	3	7,477	2.2	11,851	3.4	4,373	58.5	32.4
6	Primary Balance	4,149	1.4	3,883	1.1	2,877	0.8	-1,006	-25.9	-27.0

Source: MoF, 2029

## 6.3 Revenue Performance

77. Total revenue and grants for the period recorded an outturn of GH¢53,379.61.14 million (15.3 percent of GDP), which was lower than the target of GH¢58,896.53 million (17.0 percent of GDP). This outturn in nominal terms represented a per annum growth of 12.1 percent, despite the 9.4 percent shortfall relative to the revised target. Domestic Revenue for the period, which comprises of all revenues except Grants received from Donor Partners, constituted about 98.1 percent and amounted to GH¢51,988.01 million compared to a target of GH¢57,786.66 million. The recorded shortfall in Domestic Revenue was mainly due to shortfall in non-oil tax revenue driven by weak performance of all tax handles for the period.
78. Total Tax Revenue, representing about 79.9 percent of Domestic Revenue amounted to GH¢42,774.60 million for the period. This was 6.3 percent below the target of GH¢45,639.4 million, as shown in Table 7.



**Table 7: Summary of Central Government Revenues and Grants – 2018- 2019**

No.	Indicator	2018		2019		2019				% change over 2018
		Prov. Outturn		Revised Budget		Prov. Outturn				
		Amt.	% of	Amt.	% of	Amt.	% of	Dev. GH¢mn	%	
		GH¢mn	GDP	GH¢mn	GDP	GH¢mn	GDP		Dev.	
1	Total Revenue & Grants	47,636.7	15.9	58,897	17.0	53,380	15.3	-5,517	-9.4	12.1
2	Domestic Revenue	46,501.9	15.6	57,786	16.7	51,988	15.0	-5,798	10.0	11.8
3	Total Tax Revenue	37,784.2	12.6	45,639	13.2	42,775	12.2	-2,865	-6.3	13.2
4	Non-Oil Tax Revenue	35,835.3	12.0	43,098	12.5	40,597	11.6	-2,501	-5.8	13.3
5	Total Non-Tax Revenue	6,523.7	2.2	9,022	2.6	7,568	2.2	-1,454	-16.1	16.0
6	Non-Tax Revenue (excl. oil)	3,981.1	1.3	5,888	1.7	4,857	1.4	-1,031	-17.5	22.0
7	Social Contributions	377.3	0.1	494.2	0.1	153.3	0.0	-340.9	-69.0	-59.4
8	Other Revenue (ESLA)	1,816.7	0.6	2,631.4	0.7	1,898	0.5	-733.4	-27.9	4.5
9	Grants	1,134.8	0.4	1,110	0.3	986	0.3	-124	-11.1	-13.1

Source: MoF, 2019

79. Non-Oil Non-Tax Revenue, which comprises MDAs' IGF Retention, IGF lodgements, fees and user charges, Dividends from SOEs, and other Non-Tax sources, amounted to GH¢4.9 billion. The outturn was 17.5 percent below the programmed target of GH¢5.9 billion.

80. The shortfall is mainly due to the general under performance by

- a) IGF-generating institutions which affected the expected yield from the capping of the MDAs IGFs.
- b) Non-materialisation of programmed fees from Mineral Exports.

81. Grants disbursements by development partners fell short of the target by 11.1 percent (and 13.1% below the 2018 outcome), largely attributed to the delayed disbursements for key grant funded projects.

**Table 8: Summary of Central Government Tax Revenues – 2018-2019**

No.	Indicator	2017		2018		2018				% change over 2017
		Prov. Outturn		Revised Budget		Prov. Outturn				
		Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Dev. GH¢mn	% Dev.	
1	Total Tax Revenue	37,784	12.6	45,639	13.2	42,775	12.2	-2,865	-6.3	13.2
2	Taxes on Income & Property	18,776	6.3	22,674	6.6	22,683	6.5	9	0.0	20.8
3	o/w Personal Income Tax	6,270	2.1	7,544	2.2	7,313	2.1	-231	-3.1	16.6
4	o/w Company Taxes	8,528	2.9	10,072	2.9	10,567	3.0	495.7	4.9	23.9
5	o/w Company Taxes on Oil	736	0.2	1,364	0.4	925.6	0.3	-438	-32.1	25.8
6	Taxes on Domestic Goods & Services	15,030	5.0	18,640	5.4	17,152	4.9	-1,488	-8.0	14.1
7	o/w VAT	8,893	3.0	9,916	2.9	9,330	2.7	-586	-5.9	4.9
8	o/w Excise	3,661	1.2	4,233	1.2	3,919	1.1	-313.7	-7.4	7.0
9	o/w NHIL	1,501	0.5	1,983	0.6	1,745	0.5	-238	-12.0	16.3
10	o/w GETFund	555	0.2	1,983	0.6	1,744.8	0.5	-238	-12.0	214.4
11	o/w CST	420		524.45	0.15	412.34	0.1	-112.1	-21.4	-1.8
12	International Trade Taxes	6,102	2.0	6,356	1.8	5,410	1.5	-946	-14.9	-11.3
13	o/w Import Duties	6,102	2.0	6,359	1.8	5,410	1.5	-945.8	-14.9	-11.3

Source: MoF, 2019

## 6.4 Expenditure Performance

82. Total Expenditures (incl. Arrears clearance & discrepancy) amounted to GH¢70,271 million (20.1% of GDP) compared to the target of GH¢74,611.71 million (21.6% of GDP). This was generally below the Budget appropriation by 6.6 percent for the period.
83. Expenditure on Wages and Salaries for the period amounted GH¢19,521.34 million, about 1.2 percent lower than the target of GH¢19,766.88 million. Payments in respect of Social contributions also were below the budget provision by 18.2 percent, mainly from savings realised on the back of lower than programmed outlays for Pensions and Social Security obligations.
84. Interest Payments were 0.9 percent above the target and amounted to GH¢19,756.06 million (5.7% of GDP) compared to the target of GH¢19,598.38 million (5.7% of GDP). The higher than programmed Interest Payments emanated from Domestic Interest payments partly due to the frontloading of the financing requirements to meet certain critical Government expenditures and other debt service obligations, including settlement of uncovered Government auctions following substantial revenue shortfalls. Capital Expenditure for the period amounted to GH¢6,151.84 million, 20.2 percent below programmed amount of GH¢7,711.15 million. Domestically-financed capital expenditure was GH¢2,528.50 million (41.1% of the total) while foreign-financed expenditure

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constituted GH¢3,623.33 million (58.9% of the total). There was a significant improvement in the allocation for domestically-financed capital expenditure which was up by 29.8 percent on a per annum basis, despite being 30.1 percent below the budget provision.

85. Expenditure on Goods and Services for the period amounted to GH¢6,169.60 million against the target of GH¢6,938.40 million. The outturn was 11.1 percent less than the budget provision. On a year-to-year basis, the outturn recorded an increase of 20.3 percent and this was due to one-off security-related expenditure in the year and also the funding of full complement of the Free SHS programme.
86. Grants to Other Government units, which includes transfers to the District Assemblies Common Fund (DACF), the Ghana Education Trust Fund (GETFund), the National Health Insurance Fund (NHIF), among others, fell short of the budget provision by 18.6 percent, recording an amount of GH¢11,423.6 million against a budget of GH¢14,034.2 million. Transfers to statutory funds, which form part of the Grants to Other Government Units were below their respective budget provisions mainly due to the underperformance in revenue sources which they depend on, as shown in Table 9.

**Table 9: Summary of Central Government Expenditures – 2018-2019**

No.	Indicator	2018		2019		2019				% change over 2018
		Prov. Outturn		Revised Budget		Prov. Outturn				
		Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Amt. GH¢mn	% of GDP	Dev. GH¢mn	% Dev.	
1	Total Exp. & Arrears Clearance	59,310	19.9	74,612	21.6	70,271	20.1	-4,340	-5.8	18.5
2	Total Exp.	58,197	19.5	73,882	21.1	67,856	19.4	-6,026	-8.1	16.6
3	Comp of Empl.	19,612	6.6	22,838	6.6	22,219	6.4	-619	-2.7	13.3
4	o/w Wages & Salaries	17,213	5.8	19,767	5.7	19,479	5.6	-288	-1.5	13.2
5	Use of Goods & Services	5,128	1.7	6,938	2.0	6,170	1.8	-769	-11.1	20.3
6	Interest Pay'ts	15,822	5.3	19,598	5.7	19,769	5.7	171	0.9	24.9
7	o/w D'tic Int.	12,494	4.2	15,025	4.3	15,209.5	4.4	184.5	1.2	18.1
8	Subsidies	125	0	180	0.1	124	0.0	-56	-31.1	0.8
9	Grants to Other Gov't Units	10,789	3.6	14,034	4.1	11,424	3.3	-2,611	-18.6	5.9
10	Social Benefits	166	0.1	130	0.0	100	0.0	-30	-22.7	-39.8
11	Other Exp. (ESLA)	1,817	0.6	2,451.2	0.7	1,898.1	0.5	-553.1	4.5	4.5
12	Capital Exp	4,738	1.6	7,711	2.2	6,152	1.8	-1,559	-20.2	29.8
13	o/w Dom'tic	1,683	0.6	3,617	1.0	2,529	0.7	-1,089	-30.1	50.3
14	Arrears Clearance (Net)	-859	-0.3	-730	-0.2	-730	-0.2	0	0.0	-15.0
15	Discrepancy	-254	-0.1	0	0.0	-1,685	-0.5	-1,685	-0.5	563

Source: MoF, 2019

## **6.5 Overall Budget Balance and Financing Operations**

87. The overall Budget Balance on cash basis recorded a deficit of GH¢16,726.72 million (4.8% of GDP) against the revised target of GH¢15,715.18 million (4.5% of GDP) for 2019 and the 2018 outturn of 3.9 percent of GDP. The deficit was financed mainly from domestic sources, which amounted to GH¢11,889.03 million (3.4% of GDP), while foreign financing amounted to GH¢4,837.69 million (1.4% of GDP).
88. The primary balance for the period recorded a surplus of GH¢3,029.34 million (0.9% of GDP), compared to a targeted surplus of GH¢3,883.20 million (1.1% of GDP).

## CHAPTER SEVEN: PETROLEUM RECEIPTS AND UTILISATION

### 7.1 Inflows to the Petroleum Holding Fund in 2018

89. According to the fiscal regime of the Petroleum Agreements, Government is entitled to oil royalties on gross production equivalent to 5 percent from the Jubilee and TEN Fields and 7.5 percent from the SGN Field. The Petroleum Agreements also grant Ghana Carried and Participating Interests (CAPI) of approximately 13.64 percent and 15 percent in the Jubilee and TEN Fields, respectively. The CAPI for SGN is 20 percent. Corporate Income Tax on upstream and midstream petroleum companies is 35 percent, as shown in Table 10.

**Table 10: Crude Oil Fiscal Regime for Jubilee, TEN and SGN Fields**

FIELD	ROYALTIES	CAPI	CIT
Jubilee	5.0%	13.64%	35.0%
TEN	5.0%	15.00%	35.0%
SGN	7.5%	20.00%	35.0%

Source: MoF, 2019

90. The Petroleum Revenue Management Act (PRMA), as amended, regulates the receipt of the proceeds from these and other sources of petroleum revenue. The PRMA establishes the PHF as a designated Public Fund to receive all petroleum receipts, as defined in the Law, and provides the framework for the collection, allocation, and management of the petroleum proceeds.
91. As at December 2019, GNPC had lifted thirteen (13) parcels of crude oil (that is, the 47th to 52nd from the Jubilee field, the 10th to 14th from the TEN field, as well as the 2nd and 3rd from the SGN field) on behalf of the State, and transported a total of 14,809 MMscf of gas to GNGC. An additional 20,406 MMscf of gas was transported from the SGN Field to various thermal plants for power generation. Total crude oil lifted was 12,743,158 barrels (5,871,303 barrels of Jubilee oil; 4,925,815 barrels of TEN oil, and 1,946,040 barrels of SGN oil), compared to 9,783,239 barrels (4,807,432 from Jubilee and 3,980,456 from TEN field and 995,351 barrels of SGN oil) for the same period last year. Total petroleum receipts (from 12 liftings) for the period up to December 2019 was US\$742.78 million (GH¢3,890.25 billion) comprising the 47th to the 52nd Jubilee liftings, 10th to 13th TEN liftings, and the 2nd to 3rd lifting from SGN. This compares with receipts of US\$977.12 million (GH¢4,529.68 million) in 2018.

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**Table 11: Details of Crude Oil Proceeds on Lifting Basis for 2019**

Item	Unit	1st Qtr				2nd Qtr		
		JUBILEE 47th Lifting	JUBILEE 48 <sup>th</sup> Lifting	TEN 10th Lifting	SANKOFA 2 <sup>nd</sup> Lifting	JUBILEE 49th Lifting	TEN 11th Lifting	TEN 12 <sup>th</sup> Lifting
<i>Date of Lifting</i>	dd/mm/yy	25-Jan-19	25-Mar-19	18-Jan-19	3-May-19	7-Jun-19	2-May-19	23-Jun-19
<i>Receipt Date</i>	dd/mm/yy	24-Feb-19	24-Apr-19	18-Feb-19	2-Jun-19	8-Jul-19	1-Jun-19	24-Jul-19
<i>Volume of lift</i>	barrels	948,122	994,251	994,389	996,223	993,641	995,076	995,956
<i>Selling Price</i>	US\$	60	67	54	70	65	63	65
<i>Pricing Option</i>		75,850	79,540	49,719	49,811	79,491	49,754	-
<i>Value of lift</i>	US\$	57,002,043	64,500,218	54,201,161	70,002,598	64,500,218	63,169,415	64,852,671
	GH¢	293,851,231	339,142,147	255,829,182	365,825,633	339,142,147	321,544,954	340,865,638

Source: MoF 2019

**Table 12: Details of Crude Oil Proceeds on Lifting Basis for 2019**

Item	3rd Qtr			4th Qtr		Total
	JUBILEE 50th Lifting	TEN 13th Lifting	Sankofa 3rd Lifting	JUBILEE 51 <sup>st</sup> Lifting	JUBILEE 52nd Lifting	
<i>Date of Lifting</i>	24-Jul-19	25-Oct-19	11-Dec-19	24-Oct-19	16-Dec-19	
<i>Receipt Date</i>	23-Aug-19	5-Dec-19	30-Dec-19	5-Dec-19	30-Dec-19	
<i>Volume of lift</i>	994,557	994,463	949,817	948,568	992,164	11,797,227
<i>Selling Price</i>	65	60	60	63	61	755
<i>Pricing Option</i>	79,565	-	47,491	75,885	79,373	666,479
<i>Value of lift</i>	64,229,486	59,545,461	57,487,674	60,105,063	60,839,827	742,782,094
	339,061,032	317,806,035	318,395,482	320,792,741	337,028,307	3,890,250,575

Source: MoF, 2019

## 7.2 Outflows from the Petroleum Holding Fund in 2019

92. The PRMA requires that not more than 70 percent of Government's net petroleum receipts are designated as ABFA, and not less than 30 percent designated as GPFs (Ghana Petroleum Funds). Out of the amount transferred into the GPFs, the GHF (Ghana Heritage Fund) receives not less than 30 percent, with the rest is transferred into the GSF. The 2019 petroleum receipts were allocated based on the provisions of the PRMA, as amended. Total revenue distributed was US\$925.04 million. At the end of 2019, an amount of US\$37.55 million received from Corporate Income Tax (CIT) was not distributed. This included an amount of US\$25 million paid by Anadarko as Corporate Income Tax, which was inadvertently credited to the Ghana Revenue Authority account

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instead of the Petroleum Heritage Fund (PHF) in December 2019. GNPC (the National Oil Company) was allocated a total of US\$260.56 million, made up of Equity Financing Cost of US\$155.37 million and its share of the net Carried and Participating Interest of US\$105.18 million.

**Table 13: Distribution of 2019 Petroleum Receipts (Jubilee)**

Item	Unit	JUBILEE					
		47th Lifting	48th Lifting	49 <sup>th</sup> Lifting	50 <sup>th</sup> Lifting	51st Lifting	52 <sup>nd</sup> Lifting
Transfer to GNPC	US\$	20,536,602	27,358,133	22,066,906	20,059,567	21,487,808	20,593,527
<i>o/w Equity Financing Cost</i>	US\$	11,710,085	18,410,730	11,577,418	8,793,514	12,109,339	10,604,569
<i>o/w Crude Oil Net Carried and Participation Interest</i>	US\$	8,826,518	8,947,403	10,489,489	11,266,053	9,378,469	9,988,959
ABFA and GPFs	US\$	67,717,206	55,248,395	42,703,033	84,455,411	39,026,570	40,246,300
<i>o/w Annual Budget Funding Amount</i>	US\$	47,402,044	38,673,877	29,892,123	9,728,840	27,318,599	28,049,760
<i>o/w Ghana Petroleum Funds</i>	US\$	20,315,162	16,574,519	12,810,910	74,726,571	11,707,971	12,196,540
<i>o/w Ghana Stabilisation Fund</i>	US\$	14,220,613	11,602,163	8,967,637	52,308,600	8,195,580	8,537,578
<i>o/w Ghana Heritage Fund</i>	US\$	6,094,549	4,972,356	3,843,273	22,417,971	3,512,391	3,658,962
Total Payments	US\$	<b>88,253,808</b>	<b>82,606,528</b>	<b>64,769,939</b>	<b>104,514,978</b>	<b>60,514,378</b>	<b>60,839,827</b>
	GH¢	<b>448,460,169</b>	<b>420,313,158</b>	<b>340,559,954</b>	<b>550,865,641</b>	<b>322,973,367</b>	<b>337,028,307</b>

Source: MoF, 2019

**Table 14: Distribution of 2019 Petroleum Receipts (TEN and SGN)**

Item	Unit	TEN				SGN	
		10th Lifting	11th Lifting	12th Lifting	13th Lifting	2nd Lifting	3rd Lifting
Transfer to GNPC	US\$	23,271,304	27,121,829	27,844,536	25,565,882	-	24,652,430
<i>o/w Equity Financing Cost</i>	US\$	16,049,175	18,704,710	19,203,129	17,631,643	-	10,580,182
<i>o/w Crude Oil Net Carried and Participation Interest</i>	US\$	7,222,129	8,417,119	8,641,408	7,934,239	-	14,072,248
ABFA and GPFs	US\$	106,435,169	36,047,585	37,186,599	33,979,579	70,360,384	51,071,125
<i>o/w Annual Budget Funding Amount</i>	US\$	74,504,618	5,083,442	26,030,620	23,785,705	49,252,268	35,749,787
<i>o/w Ghana Petroleum Funds</i>	US\$	31,930,551	30,964,144	11,155,980	10,193,874	21,108,115	15,321,337
<i>o/w Ghana Stabilisation Fund</i>	US\$	22,351,385	21,674,901	7,809,186	7,135,712	14,775,681	10,724,936
<i>o/w Ghana Heritage Fund</i>	US\$	9,579,165	9,289,243	3,346,794	3,058,162	6,332,435	4,596,401
Total Payments	US\$	<b>129,706,472</b>	<b>63,169,415</b>	<b>65,031,136</b>	<b>59,545,461</b>	<b>70,360,384</b>	<b>75,723,554</b>
	GH¢	<b>645,057,641</b>	<b>321,544,954</b>	<b>341,803,760</b>	<b>317,806,035</b>	<b>367,696,416</b>	<b>416,257,075</b>

Source: MoF, 2019

**Table 15: Total Distribution of 2019 Petroleum Receipts (Jubilee, TEN & SGN)**

Item	Unit	Total
<i>Transfer to GNPC</i>	US\$	260,558,526
<i>o/w Equity Financing Cost</i>	US\$	155,374,492
<i>o/w Crude Oil Net Carried and Participation Interest</i>	US\$	105,184,034
<i>ABFA and GPFs</i>	US\$	664,477,354
<i>o/w Annual Budget Funding Amount</i>	US\$	395,471,682
<i>o/w Ghana Petroleum Funds</i>	US\$	269,005,672
<i>o/w Ghana Stabilisation Fund</i>	US\$	188,303,970
<i>o/w Ghana Heritage Fund</i>	US\$	80,701,702
<i>Total Payments</i>	US\$	<b>925,035,880</b>
	GH¢	<b>4,830,366,476</b>

Source: MoF, 2019

93. A total of US\$269.005 million (GH¢2,019.87 million) was transferred into the GPFs in 2019, compared with US\$436.75 million (GH¢166.65 million) in 2018. Out of the amount transferred, the GHF received US\$80.70 million (GH¢605.31 million), against US\$131.02 million (GH¢50.00 million) in 2018, while the GSF received US\$188.303 million (GH¢1,412.43 million), against US\$305.72million (GH¢116.66 million) in 2018.
94. The total amount transferred in 2019 from petroleum lifting's and related proceeds to the ABFA was US\$395.47 million (GH¢2,175.085 million) against US\$235.10 million (GH¢1,293.05 million) in 2018.

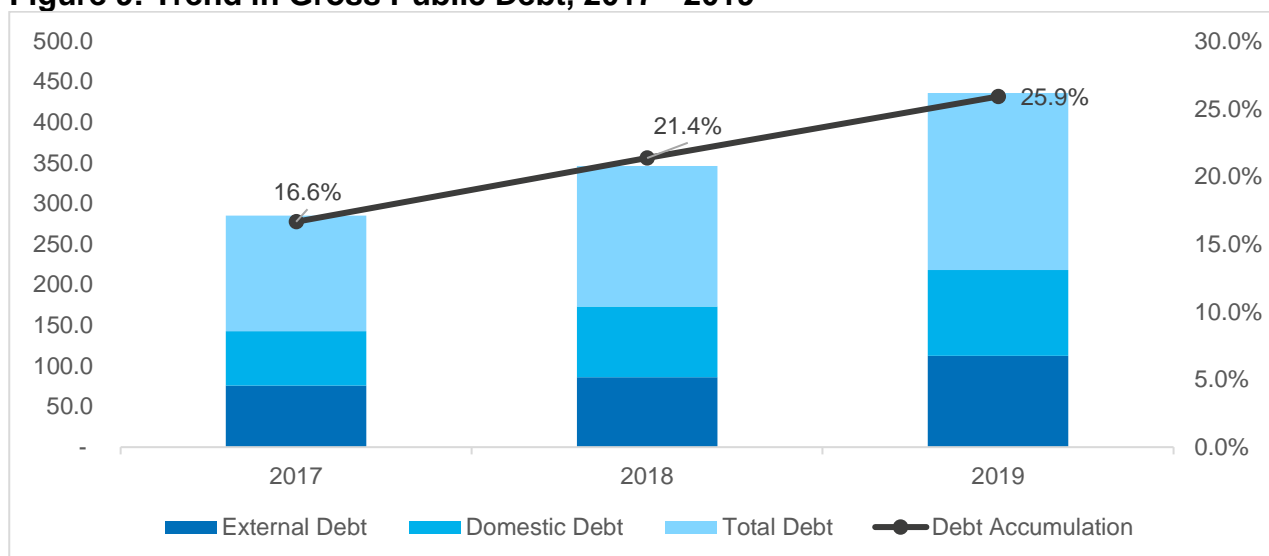


## CHAPTER EIGHT: DEVELOPMENTS IN PUBLIC DEBT

### 8.1 Developments in Public Debt in 201

95. Ghana's gross public debt stock in nominal terms as at the end of December 2019 was GH¢217,990.7 million (US\$39,344.2 million) up from the 2018 figure of GH¢173,102.2 million (US\$35,895.5 million). The nominal increase in the total portfolio was due to increases in both the external and domestic components of the debt stock. The total debt-to-GDP in 2019, including financial sector clean-up cost and energy sector debt stood at 62.4 percent at end-December 2019, compared to 57.6 percent at end-December 2018, and was 59.4 percent without those costs.

**Figure 9: Trend in Gross Public Debt, 2017 - 2019**



Source: MoF, 2019

### 8.2 External Debt Stock

96. Total external debt stock outstanding stood at GH¢112,509.4 million (US\$20,306.4 million) as at the end of December 2019, compared to GH¢86,202.5 million (US\$17,875.4 million) as at the end of December 2018, representing a year-on-year increase in nominal external debt to 30.5 percent in Cedi terms and 13.6 percent in US Dollar terms.

97. The increase was mainly contributed by Government's shift towards external financing, including borrowing from the ICM as part of its debt management strategy to reduce the cost of borrowing.

### 8.3 Currency Composition of External Debt

98. The external debt is exposed of two (2) major currencies—the USD and Euro (EUR), with other currencies in the portfolio being the Chinese Renminbi, Great Britain Pound,

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Japanese Yen, Korean Won, Kuwait Dinar and Saudi Riyal. The share of USD in the portfolio increased from 67.2 percent in 2018 to 70.8 percent in 2019, whereas that of the EUR declined from 18.6 percent to 16.6 percent.

### **8.4 Domestic Debt Stock**

99. The total stock of domestic debt in the public debt portfolio increased by 21.4 percent from GH¢86,899.7 million recorded in 2018 to GH¢105,481.2 million as at the end of December 2019. The increase in the stock can be partially attributed to a net domestic borrowing of GH¢16,921.0 million to fund the implementation of the 2019 budget.

### **8.5 Domestic Debt Stock by Holder**

100. The banking sector, consisting of commercial banks and the central bank held about of 44.3 percent of the total domestic debt stock at end 2019. The reason was mainly due to increased holdings of commercial banks in both short-term and medium-term instruments. Domestic debt holdings by local investors increased by 30.2 percent from GH¢60,823.5 million to GH¢79,188.9 million, while foreign investor holdings of domestic debt increased marginally by 0.8 percent from GH¢26,076.2 million to GH¢26,292.3 million.

### **8.6 Debt Management Strategies**

101. The 2019-2022 Medium-Term Debt Management Strategy (MTDS) was in line with Government's debt management objectives of borrowing at minimum cost, subject to a prudent degree of risk, while promoting the development of the domestic market, continuing with the ongoing liability management programme to manage the risks in the public debt portfolio, and seeking to diversify the currency and investor base of the debt portfolio. The strategy focused on reducing the refinancing risks embedded in the debt portfolio through liability management operations and development of domestic debt markets.
102. Government issued 3-year, 5-year, 6-year, 10-year, 15-year, and 20-year bonds using the book building process to further lengthen the maturity profile of the domestic debt. Tap-ins were also done on medium-term instruments and the domestic US Dollar Bond to build benchmark domestic bonds in 2019. Government further issued a total of GH¢1,490.0 million in bonds (representing 0.43 percent GDP) to cover the costs of the bailout of resolved financial institutions.
103. Government additionally issued a total of US\$3,000.00 million in three (3) tranches of 7-year, 12-year, and 31-year Eurobonds, priced at 7.88 percent, 8.13 percent, and 8.95 percent, respectively on the ICM.

## **CHAPTER NINE: MACROECONOMIC OUTLOOK AND RISK**

### **9.1 Introduction**

104. The COVID-19 pandemic has disrupted economic activity, created uncertainty, and weakened global growth conditions. The pandemic has caused disruptions in global supply chains, widespread supply shortages (including food, pharmaceutical, and manufactured goods), slowdown in investments, and mass lay-off of workers. The pandemic has further dampened economic activity, caused unprecedented volatility and collapse of stock markets (which were already recording all time low indices), tighter global financing conditions, and decline in the international price of crude oil with significant revenue loss to oil exporting countries. Consequently, in the latest update of the World Economic Outlook (WEO) published in June 2020, the IMF lowered its global output forecast for 2020 from a 3.4 percent growth to a contraction of 4.9 percent. Advanced countries are expected to contract by 8.0 percent. Growth in Emerging Market and Developing Economies is projected to contract by 3.0 percent while sub-Saharan Africa will contract by 3.2 percent.

#### **9.1 Macro-fiscal Impact of the Covid-19 Pandemic on the Ghanaian Economy**

105. On the domestic front, the COVID-19 pandemic has affected virtually all sectors of the Ghanaian economy. Although the partial lockdown lasted for just 3 weeks, the closure of the ports and the country's borders to movement of people and social distancing protocols to contain the spread of the pandemic are still in force. The sectors that have been heavily hit by the pandemic include the hospitality industry, FDI, Trade and Industry, Agriculture, Health, Transportation Services, Real Estates, Financial Services, and Education Services. In particular, households and businesses are hard hit with significant job losses in most sectors. Commodity prices, especially crude oil prices, have plummeted with significant shortfalls in export revenues. Financing conditions both in the domestic and external markets have tightened, despite measures instituted by the BoG to inject some liquidity into the system.

106. The slowdown in economic activities as a result of the pandemic has led to a downward revision of the growth projection for the economy. Preliminary assessment of the impact of the pandemic on the real sector indicates that overall real GDP growth will be 0.9 percent in 2020, down from the original budget projection of 6.8 percent. The non-oil real GDP growth will follow a similar trend, growing at 1.6 percent, down from the original estimate of 6.7 percent in 2020.

107. The fiscal cost of the pandemic on the Ghanaian economy is enormous. Revised fiscal estimates indicate that revenues are expected to fall short of the 2020 Budget target by GH¢13,632 million (3.5% of revised GDP), arising from shortfalls in Petroleum Receipts

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of GH¢5,257 million, Non-Oil Tax revenue of GH¢5,108 million, and Non-Oil Non-Tax Revenues of GH¢3,286 million. Expenditures, on the other hand, are expected to increase by GH¢11,660 million (3.0% of revised GDP), reflecting mainly expenditures associated with the implementation of the COVID-19 Preparedness & Response Plan, provision of Health Infrastructure (Agenda 111), Coronavirus Alleviation Programme, Capitalisation of National Development Bank, Security, Elections, and payment of outstanding claims. The combined fiscal impact of the shortfall in revenues and additional expenditures is estimated at GH¢25,291 million (6.6% of GDP). Consequently, the fiscal deficit has been revised upwards considerably from 4.7 percent of GDP to 11.4 percent of GDP in 2020, while the primary balance has been revised from a surplus of 0.7 percent to a deficit of 4.6 percent, breaching the fiscal responsibility thresholds for the aggregate fiscal indicators by wide margins.

### **9.3 Risks to the Outlook**

108. The novel coronavirus pandemic has no doubt posed significant fiscal risk to the Ghanaian economy. The heightened global uncertainty created by the pandemic is already causing upheaval in financial markets, which could trigger reversal of capital in emerging and frontier economies, including Ghana. Rapid capital flights will put pressure on the Ghana cedi, trigger exchange rate depreciation, and worsen Ghana's external debt position, thereby threatening external debt sustainability.
109. Although the Government has put in place measures and strategies to ensure a smooth return to the pre-Covid-19 growth and fiscal path within the shortest possible time, the success of this plan will depend on some downside risks. As noted in the recent IMF report on Ghana's Rapid Credit Facility programme, should these risks materialize simultaneously, they could amplify rollover risks and threaten debt sustainability. These risks, which require decisive mitigating policy measures can be summarized as follows:
- a) **Prolonged COVID-19 outbreak:** A more extensive and prolonged domestic COVID-19 outbreak would have severe human consequences and lead to a steep economic contraction in 2020 and lower recovery in 2021. Food insecurity would rise with disrupted trade and markets, and poverty would worsen. Globally, a slower-than-expected recovery could lead to further declines in oil and cocoa prices and a reversal of gold price increases.
  - b) **Rollover risks for Ghana's debt:** Rollover risks may be exacerbated by the higher financing needs in 2020, worsening investor confidence, and recent monetary policy easing. Non-resident investors currently hold about one-quarter of domestic government debt.
  - c) **Contingent liabilities:** Existing and new contingent liabilities could materialize. Energy sector costs could increase if the authorities do not implement the Energy

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Sector Reform Program. Financial sector clean-up costs may also increase, both because of existing risks—recapitalization of a troubled state-owned bank and fragilities in the non-bank sector—and potential new challenges, including an increase in non-performing loans due to the growth slowdown.

## **CHAPTER TEN: CONCLUSION**

110. Various indicators show that macroeconomic performance in 2019 was largely impressive. Overall growth remained robust, and non-oil growth continued to respond strongly to major interventions in the Agriculture and Industry sectors. Fiscal consolidation was on track, even though this was largely achieved through expenditure adjustments in response to lower-than-anticipated revenues. The Cedi substantially lost value against the US dollar in the latter part of the year but this had minimal impact on domestic consumer inflation, which generally trended downwards and was confined to a single digit and closer to central point of the target band of  $8\pm 2\%$ .
111. The economy remains exposed to major fiscal risks, including macroeconomic risks (exchange rate depreciation and commodity price shocks) and contingent liabilities from the energy and financial sectors, as well as the impact of the COVID-19 pandemic, which has disrupted economic activity and led to the tightening of global financial conditions.
112. Despite the downside risks, the outlook for the medium-term looks bright, given Government's efforts to contain the impact of the COVID-19 pandemic and return the economy to the pre-COVID-19 performance through the implementation of the Coronavirus Alleviation, Revitalisation, and Enterprise Support (CARES) programme.

## APPENDICES

### Appendix 1: Gross Domestic Product (GDP) at Constant 2013 Prices by Economic Activity (Ghc Million)

	2013*	2014*	2015*	2016*	2017*	2018*	2019*
<b>AGRICULTURE</b>	<b>25,290</b>	<b>31,086</b>	<b>36,526</b>	<b>45,116</b>	<b>50,554</b>	<b>54,924</b>	<b>60,482</b>
Crops	17,062	20,637	24,479	32,210	36,599	40,349	45,069
<i>o.w. Cocoa</i>	1,980	3,254	3,646	3,834	4,186	4,342	4,417
Livestock	4,354	5,572	6,052	6,524	7,100	7,528	8,050
Forestry and Logging	2,048	2,892	3,455	3,542	4,055	4,239	4,329
Fishing	1,826	1,985	2,539	2,841	2,800	2,808	3,035
<b>INDUSTRY</b>	<b>43,104</b>	<b>53,767</b>	<b>57,155</b>	<b>60,709</b>	<b>78,015</b>	<b>94,770</b>	<b>111,810</b>
Mining and Quarrying	15,933	21,705	17,131	16,831	25,917	37,999	48,532
<i>o.w. Oil &amp; Gas</i>	6,803	9,001	4,692	1,027	8,446	10,608	14,848
<i>o.w. Gold</i>	8,422	11,496	10,970	14,388	15,505	20,232	23,282
Manufacturing	14,523	17,605	20,506	23,922	26,860	31,441	36,474
Electricity	1,327	1,378	2,979	3,486	4,390	4,178	4,333
Water and Sewerage	680	896	1,183	1,305	1,415	1,470	1,458
Construction	10,641	12,183	15,357	15,165	19,433	19,683	21,013
<b>SERVICES</b>	<b>48,408</b>	<b>56,132</b>	<b>71,334</b>	<b>92,680</b>	<b>109,698</b>	<b>129,279</b>	<b>154,270</b>
Trade; Repair Of Vehicles, Household Goods	13,118	15,921	20,460	27,891	33,383	42,267	50,824
Hotels and Restaurants	4,577	4,488	5,781	7,261	9,254	10,580	12,211
Transport and Storage	6,979	7,718	9,950	13,118	17,109	20,858	23,278
Information and Communication	1,876	2,782	3,658	4,305	5,040	6,790	9,794
Financial and Insurance activities	5,953	7,195	9,550	13,519	12,018	11,752	12,788
Real Estate	1,145	1,335	2,174	3,470	5,563	6,113	8,790
Professional, Administrative & Support Service activities	1,612	2,115	2,664	3,115	3,679	4,133	4,840
Public Administration & Defence; Social Security	4,265	4,549	5,237	6,502	7,846	9,247	10,829
Education	4,693	5,189	6,279	6,898	8,046	8,880	10,712
Health and Social Work	2,612	3,108	3,438	3,977	4,934	5,803	6,996
Other Service Activities	1,579	1,732	2,142	2,625	2,826	2,856	3,208
<b>GROSS DOMESTIC PRODUCT at basic prices</b>	<b>116,802</b>	<b>140,985</b>	<b>165,015</b>	<b>198,505</b>	<b>238,267</b>	<b>278,973</b>	<b>326,562</b>
Net indirect Taxes	6,848	14,447	15,384	16,572	18,404	21,623	22,918
<b>GROSS DOMESTIC PRODUCT in purchasers' value</b>	<b>123,650</b>	<b>155,433</b>	<b>180,399</b>	<b>215,077</b>	<b>256,671</b>	<b>300,596</b>	<b>349,480</b>
ow informal GDP at purchasers' value	36,120	43,728	51,551	64,457	73,325	81,254	92,469

Source:

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### Appendix 2: Gross Domestic Product (GDP) at Current Market Prices by Economic Activity (Ghc Million)

AGRICULTURE	25,290	25,528	26,103	26,862	28,503	29,878	31,266
Crops	17,062	17,535	17,830	18,228	19,535	20,678	21,773
<i>o.w. Cocoa</i>	1,980	2,065	1,901	1,768	1,930	2,002	2,111
Livestock	4,354	4,576	4,816	5,074	5,362	5,650	5,956
Forestry and Logging	2,048	2,016	1,937	1,993	2,060	2,108	2,072
Fishing	1,826	1,401	1,520	1,567	1,546	1,441	1,466
<b>INDUSTRY</b>	<b>43,104</b>	<b>43,599</b>	<b>44,081</b>	<b>45,990</b>	<b>53,191</b>	<b>58,809</b>	<b>62,560</b>
Mining and Quarrying	15,933	16,789	15,403	15,366	20,092	24,776	27,898
<i>o.w. Oil***</i>	6,803	7,266	7,412	6,255	11,279	11,680	13,447
<i>o.w. Gold</i>	8,422	8,564	6,940	8,134	7,835	9,701	9,815
Manufacturing	14,523	14,150	14,668	15,829	17,336	18,054	19,195
Electricity	1,327	1,344	1,582	1,491	1,780	1,879	1,991
Water and Sewerage	680	721	821	724	768	741	708
Construction	10,641	10,595	11,607	12,579	13,216	13,360	12,768
<b>SERVICES</b>	<b>48,408</b>	<b>51,017</b>	<b>52,547</b>	<b>54,014</b>	<b>55,776</b>	<b>57,295</b>	<b>61,644</b>
Trade; Repair Of Vehicles, Household Goods	13,118	13,386	13,454	13,393	14,492	14,892	15,436
Hotels and Restaurants	4,577	4,646	4,835	4,946	5,324	5,494	5,824
Transport and Storage	6,979	7,384	7,577	7,664	8,350	8,442	8,808
Information and communication	1,876	2,432	2,723	2,875	2,995	3,388	4,964
Financial and Insurance Activities	5,953	7,226	8,159	8,811	7,251	6,656	6,761
Real Estate	1,145	1,142	1,178	1,215	1,261	1,179	1,413
Professional, Administrative & Support Service activities	1,612	1,722	1,746	1,673	1,721	1,725	1,813
Public Administration & Defence; Social Security	4,265	4,115	4,010	4,365	4,547	4,742	4,917
Education	4,693	4,679	4,658	4,765	5,065	5,264	5,759
Health and Social Work	2,612	2,682	2,563	2,666	3,042	3,728	4,117
Other Service Activities	1,579	1,602	1,644	1,643	1,730	1,784	1,831
<b>GROSS DOMESTIC PRODUCT at basic prices</b>	<b>116,802</b>	<b>120,144</b>	<b>122,731</b>	<b>126,866</b>	<b>137,471</b>	<b>145,981</b>	<b>155,469</b>
Net indirect Taxes	6,848	7,088	7,273	7,620	7,967	8,567	9,090
<b>GROSS DOMESTIC PRODUCT in purchasers' value</b>	<b>123,650</b>	<b>127,233</b>	<b>130,004</b>	<b>134,486</b>	<b>145,438</b>	<b>154,548</b>	<b>164,560</b>
Low informal GDP at purchasers' value	36,120	37,086	38,119	39,156	41,562	42,648	45,156

Source:



## Annual Macroeconomic Performance Report, 2019

### Appendix 3: Growth Rates Of Gross Domestic Product at Constant 2013 Prices (Percent)

	2014*	2015*	2016*	2017*	2018*	2019*
<b>AGRICULTURE</b>	<b>0.9</b>	<b>2.3</b>	<b>2.9</b>	<b>6.1</b>	<b>4.8</b>	<b>4.6</b>
Crops	2.8	1.7	2.2	7.2	5.8	5.3
<i>o.w. Cocoa</i>	4.3	-8.0	-7.0	9.2	3.7	5.4
Livestock	5.1	5.2	5.4	5.7	5.4	5.4
Forestry and Logging	-1.5	-3.9	2.9	3.4	2.4	-1.7
Fishing	-23.3	8.5	3.1	-1.4	-6.8	1.7
<b>INDUSTRY</b>	<b>1.1</b>	<b>1.1</b>	<b>4.3</b>	<b>15.7</b>	<b>10.6</b>	<b>6.4</b>
Mining and Quarrying	5.4	-8.3	-0.2	30.8	23.3	12.6
<i>o.w. Oil***</i>	6.8	2.0	-15.6	80.3	3.6	15.1
Manufacturing	-2.6	3.7	7.9	9.5	4.1	6.3
Electricity	1.3	17.7	-5.8	19.4	5.5	6.0
Water and Sewerage	5.9	13.9	-11.8	6.1	-3.6	-4.4
Construction	-0.4	9.5	8.4	5.1	1.1	-4.4
<b>SERVICES</b>	<b>5.4</b>	<b>3.0</b>	<b>2.8</b>	<b>3.3</b>	<b>2.7</b>	<b>7.6</b>
Trade; Repair of Vehicles, Household Goods	2.0	0.5	-0.4	8.2	2.8	3.7
Hotels and Restaurants	1.5	4.1	2.3	7.6	3.2	6.0
Transport and Storage	5.8	2.6	1.1	8.9	1.1	4.3
Information and communication	29.7	11.9	5.6	4.2	13.1	46.5
Financial and Insurance Activities	21.4	12.9	8.0	-17.7	-8.2	1.6
Real Estate	-0.3	3.1	3.2	3.8	-6.5	19.9
Professional, Administrative & Support Service activities	6.8	1.4	-4.2	2.9	0.3	5.1
Public Administration & Defence; Social Security	-3.5	-2.6	8.9	4.2	4.3	3.7
Education	-0.3	-0.5	2.3	6.3	3.9	9.4
Health and Social Work	2.7	-4.4	4.0	14.1	22.6	10.4
Other Service Activities	1.4	2.7	-0.1	5.3	3.1	2.6
<b>GROSS DOMESTIC PRODUCT at basic prices</b>	<b>2.9</b>	<b>2.2</b>	<b>3.4</b>	<b>8.4</b>	<b>6.2</b>	<b>6.5</b>
Net indirect Taxes	3.5	2.6	4.8	4.6	7.5	6.1
<b>GROSS DOMESTIC PRODUCT in purchasers' value</b>	<b>2.9</b>	<b>2.2</b>	<b>3.4</b>	<b>8.1</b>	<b>6.3</b>	<b>6.5</b>
<i>ow informal GDP at purchasers' value</i>	<b>2.7</b>	<b>2.8</b>	<b>2.7</b>	<b>6.1</b>	<b>2.6</b>	<b>5.9</b>

Source: GSS

# Annual Macroeconomic Performance Report, 2019

## Appendix 4: Summary of Central Government Operations, 2015-2019 (GH¢ million)

Description (Ghs Million)	2015 Prov Outturn	2016 Prov Outturn	2017 Prov Outturn	2018 Prov Outturn	2019 Budget	2019 Revised Budget	2019 Prov Outturn
<b>I. REVENUES</b>							
<b>Total Revenue &amp; Grants</b>	<b>29,355</b>	<b>32,233</b>	<b>39,695</b>	<b>47,637</b>	<b>58,905</b>	<b>58,897</b>	<b>53,380</b>
(per cent of GDP)	16.3	15.0	15.5	15.8	17.1	17.0	15.3
<b>Domestic Revenue</b>	<b>26,666</b>	<b>31,092</b>	<b>38,160</b>	<b>46,502</b>	<b>57,795</b>	<b>57,787</b>	<b>52,393</b>
<b>Tax Revenue</b>	<b>21,455</b>	<b>24,283</b>	<b>30,424</b>	<b>37,784</b>	<b>45,270</b>	<b>45,639</b>	<b>42,775</b>
<b>Taxes on Income and Property</b>	<b>8,707</b>	<b>9,107</b>	<b>13,398</b>	<b>18,776</b>	<b>22,185</b>	<b>22,674</b>	<b>22,683</b>
Company Taxes	3,620	4,052	5,793	8,528	9,355	10,072	10,567
Company Taxes on Oil	45	42	225	736	1,254	1,364	926
Other Direct Taxes	5,042	5,013	7,381	9,513	11,576	11,239	11,190
<b>Taxes on Domestic Goods and Service:</b>	<b>9,927</b>	<b>12,231</b>	<b>13,345</b>	<b>15,030</b>	<b>18,240</b>	<b>18,640</b>	<b>17,152</b>
Excises	2,402	3,643	3,090	3,661	4,102	4,233	3,919
VAT	6,254	7,130	8,549	8,893	9,924	9,916	9,330
National Health Insurance Levy (NHIL)	1,019	1,119	1,376	1,501	1,895	1,983	1,745
GETFund Levy	0	0	0	555	1,895	1,983	1,745
Communication Service Tax	252	339	329	420	424	524	412
<b>International Trade Taxes</b>	<b>3,449</b>	<b>4,390</b>	<b>5,485</b>	<b>6,102</b>	<b>7,418</b>	<b>6,356</b>	<b>5,410</b>
Import Duties	3,078	4,122	5,485	6,102	7,418	6,356	5,410
Export Duties	371	269	0	0	0	0	0
Import Exemptions	2,058,650,020	0	0	0	0	0	0
<b>Tax Refunds</b>	<b>-627</b>	<b>-1,445</b>	<b>-1,803</b>	<b>-2,125</b>	<b>-2,572</b>	<b>-2,031</b>	<b>-2,470</b>
<b>Social Contributions</b>	<b>289</b>	<b>280</b>	<b>440</b>	<b>377</b>	<b>486</b>	<b>494</b>	<b>153</b>
SSNIT Contribution to NHIL	289	280	440	377	486	494	153
<b>Non-tax revenue</b>	<b>4,921</b>	<b>4,882</b>	<b>5,325</b>	<b>6,524</b>	<b>9,570</b>	<b>9,022</b>	<b>7,568</b>
<b>Other Revenue</b>	<b>0</b>	<b>1,646</b>	<b>1,970</b>	<b>1,817</b>	<b>2,469</b>	<b>2,631</b>	<b>1,898</b>
<b>Grants</b>	<b>2,689</b>	<b>1,141</b>	<b>1,535</b>	<b>1,135</b>	<b>1,110</b>	<b>1,110</b>	<b>986</b>
Project Grants	1,744	1,034	1,535	1,121	1,052	1,052	986
Programme Grants	945	106	0	14	58	58	0
<b>II. EXPENDITURE</b>	<b>38,115</b>	<b>51,191</b>	<b>51,939</b>	<b>59,309</b>	<b>73,441</b>	<b>74,612</b>	<b>70,271</b>
<b>Total Expenditure</b>	<b>36,592</b>	<b>50,438</b>	<b>50,183</b>	<b>58,197</b>	<b>72,711</b>	<b>73,882</b>	<b>67,856</b>
(percent of GDP)	20.3	23.5	19.6	19.4	21.1	21.4	19.4
Compensation of Employees	12,111	14,165	16,776	19,612	22,838	22,838	22,219
Wages & Salaries	10,556	12,110	14,445	17,213	19,437	19,767	19,479
(percent of GDP)	5.9	5.6	5.6	5.7	5.6	5.7	5.6
Social Contributions	1,555	2,055	2,331	2,399	3,401	3,071	2,740
Use of Goods and Services	1,388	3,221	2,482	5,128	6,333	6,938	6,170
Interest Payments	<b>9,075</b>	<b>11,529</b>	<b>13,572</b>	<b>15,822</b>	<b>18,646</b>	<b>19,598</b>	<b>19,769</b>
Domestic	7,313	9,225	11,039	12,494	14,505	15,025	15,209
External	1,762	2,304	2,533	3,328	4,141	4,574	4,560
Subsidies	25	0	0	125	180	180	124
Grants to Other Government Units	6,798	8,607	9,197	10,789	13,798	14,034	11,424
Social Benefits	61	0	23	166	96	130	100
Other Expenditure	0	203	1,801	1,817	2,288	2,451	1,898
Capital Expenditure	<b>7,134</b>	<b>7,678</b>	<b>6,331</b>	<b>4,738</b>	<b>8,531</b>	<b>7,711</b>	<b>6,152</b>
Domestic Financed	1,215	2,049	1,021	1,683	3,222	3,617	2,529
Foreign Financed	5,919	5,630	5,310	3,056	5,309	4,094	3,623
<b>Other Outstanding Expenditure Claims</b>	<b>0</b>	<b>5,036</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overall Balance (Commitment)</b>	<b>-7,237</b>	<b>-18,205</b>	<b>-10,488</b>	<b>-10,560</b>	<b>-13,806</b>	<b>-14,985</b>	<b>-14,476</b>
(percent of GDP)	-4.0	-8.5	-4.1	-3.5	-4.0	-4.3	-4.1
Road Arrears (net change)	-322	0	0	0	0	0	0
o/w ABFA	-322	0	0	0	0	0	0
Arrears clearance (net change)	-2,087	2,597	-1,758	-858	-730	-730	-730
Unpaid commitments	0	4,292	0	0	0	0	0
Outstanding payments	0	743	-511	0	0	0	0
o/w Statutory Funds	0	743	-506	0	0	0	0
Clearance of outstanding commitments	-2,087	-2,438	-1,247	-858	-730	-730	-730
o/w other outstanding payments/deferred pay	-1,545	-2,030	-814	-858	-730	-730	-730
o/w other outstanding claims	0	0	0	0	0	0	0
o/w Utilities	0	-36	0	0	0	0	0
o/w outstanding payments with ESLA	0	-1,259	-169	0	0	0	0
o/w wage arrears	-806	-458	0	-47	0	0	0
o/w DACF	-442	-191	-165	0	0	0	0
o/w GETF	-100	-217	-84	0	0	0	0
Tax Refunds	0	-1,445	0	0	0	0	0
<b>Overall Balance (Cash)</b>	<b>-9,647</b>	<b>-15,608</b>	<b>-12,246</b>	<b>-11,419</b>	<b>-14,536</b>	<b>-15,715</b>	<b>-15,206</b>
(percent of GDP)	-5.3	-7.3	-4.8	-3.8	-4.2	-4.5	-4.4
Discrepancy	886	1,686	1.4	-254	0	0	-1,685
<b>Overall balance (incl. Divestiture and Discr</b>	<b>-8,760</b>	<b>-13,922</b>	<b>-12,245</b>	<b>-11,673</b>	<b>-14,536</b>	<b>-15,715</b>	<b>-16,892</b>
<b>Financing</b>	<b>8,760</b>	<b>13,922</b>	<b>12,245</b>	<b>11,673</b>	<b>14,536</b>	<b>15,715</b>	<b>16,892</b>
<b>Foreign (net)</b>	<b>5,878</b>	<b>2,960</b>	<b>-47</b>	<b>2,724</b>	<b>9,748</b>	<b>8,238</b>	<b>5,041</b>
Borrowing	8,612	7,564	4,865	7,993	15,079	18,768	16,284
Project Loans	4,175	4,595	3,776	1,934	4,257	3,042	2,637
Programme Loans	822	0	1,090	889	1,203	2,080	0
Sovereign Bond	3,615	2,969	0	5,169	9,620	13,647	13,647
Amortisation (due)	-2,734	-4,604	-4,913	-5,269	-5,331	-10,530	-11,243
0.00%	-	-	-	0.0%	0.0%	0.0%	0.0%
<b>Domestic (net)</b>	<b>2,982</b>	<b>12,042</b>	<b>11,970</b>	<b>9,800</b>	<b>4,402</b>	<b>7,011</b>	<b>13,087</b>
Banking	-793	6,324	-6,438	5,401	2,665	2,871	2,788
Bank of Ghana	-201	3,151	-3,564	884	0	0	-5,890
Comm. Banks	592	3,174	-2,874	4,617	2,665	2,871	8,697
Non-banks	3,484	5,718	18,408	3,995	1,736	3,391	10,299
o/w Non-residents	0	0	0	411	0	0	216
Other Domestic	292	0	0	404	0	749	0
o/w Debt Repayment from Ghana Stabilisation F	0	0	0	404	0	0	0
<b>Other Financing</b>	<b>-223</b>	<b>-206</b>	<b>-327</b>	<b>-72</b>	<b>1,419</b>	<b>1,536</b>	<b>-92</b>
Other Programme Financing	0	0	0	0	1,443	1,560	0
Other Domestic Financing	-223	-206	-327	-72	-24	-24	-92
Divestiture Receipts	0	0	0	0	0	0	0
<b>Ghana Petroleum Funds</b>	<b>390</b>	<b>-113</b>	<b>-231</b>	<b>167</b>	<b>-310</b>	<b>-321</b>	<b>-148</b>
Transfer to Ghana Petroleum Funds	-172	-113	-231	-780	-1,033	-1,070	-965
o/w Stabilisation Fund	-147	-73	-98	-501	-723	-749	-610
o/w Heritage Fund	-25	-40	-133	-279	-310	-321	-355
Transfer from Stabilisation Fund	563	0	0	947	723	749	817
<b>Sinking Fund</b>	<b>-179</b>	<b>-761</b>	<b>880</b>	<b>-947</b>	<b>-723</b>	<b>-749</b>	<b>-996</b>
<b>Contingency Fund</b>	<b>-89</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Memorandum items</b>							
Domestic Revenue	26,666	31,092	38,160	46,502	57,795	57,787	52,393
(percent of GDP)	14.8	14.5	14.9	15.5	16.8	16.7	15.0
Domestic expenditure	20,712	26,559	31,299	39,574	48,756	50,189	46,149
(percent of GDP)	11.5	12.3	12.2	13.2	14.2	14.5	13.2
Domestic Primary Balance	5,954	4,534	6,861	6,928	9,039	7,597	6,245
(percent of GDP)	3.3	2.1	2.7	2.3	2.6	2.2	1.8
Primary Balance	315	-2,394	1,327	4,149	4,110	3,883	2,877
(percent of GDP)	0.2	-1.2	0.6	1.4	1.2	1.1	0.8
Non-oil Primary Balance	-1,116	-3,105	-1,080	-342	-1,320	-1,792	-2,011
(percent of GDP)	-0.6	-1.5	-0.4	-0.1	-0.4	-0.5	-0.6
Overall Balance (cash, discrepancy, excl. finsec cl	-8,760	-13,922	-12,245	-11,673	-14,536	-15,715	-16,892
(percent of GDP)	-4.9	-6.5	-4.8	-3.9	-4.2	-4.5	-4.8
Oil Revenue	1,431	711	2,408	4,491	5,430	5,675	4,888
(percent of GDP)	0.8	0.3	0.9	1.5	1.6	1.6	1.4
Non-Oil Revenue and Grants	27,924	31,522	37,287	43,145	53,475	53,222	48,492
(percent of GDP)	15.5	14.7	14.5	14.4	15.5	15.4	13.9
Benchmark Oil Revenue	963	446	1,478	3,099	3,443	3,566	3,948
(percent of GDP)	0.5	0.2	0.6	1.0	1.0	1.0	1.1
Annual Budget Funding Amount (ABFA)	1,063	312	1,035	2,169	2,410	2,496	2,764
(percent of GDP)	0.6	0.1	0.4	0.7	0.7	0.7	0.8
<b>Nominal GDP</b>	<b>180,399</b>	<b>215,077</b>	<b>256,671</b>	<b>300,596</b>	<b>344,455</b>	<b>345,946</b>	<b>349,480</b>
<b>Non-Oil Nominal GDP</b>	<b>175,707</b>	<b>214,050</b>	<b>248,226</b>	<b>289,988</b>	<b>327,279</b>	<b>332,229</b>	<b>334,632</b>

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### Appendix 5: Economic Classification of Central Government Revenue, 2015-2019 (GH¢ million)

Description (Ghs Million)	2015 Prov Outturn	2016 Prov Outturn	2017 Prov Outturn	2018 Prov Outturn	2019 Budget	2019 Revised Budget	2019 Prov Outturn
<b>TAX REVENUE</b>	<b>21,455</b>	<b>24,283</b>	<b>30,424</b>	<b>37,784</b>	<b>45,270</b>	<b>45,639</b>	<b>42,775</b>
<b>TAXES ON INCOME &amp; PROPERTY</b>	<b>8,707</b>	<b>9,107</b>	<b>13,398</b>	<b>18,776</b>	<b>22,185</b>	<b>22,674</b>	<b>22,683</b>
Personal	3,310	3,466	4,859	6,270	7,586	7,544	7,313
Self Employed	260	237	332	379	480	441	421
Companies	3,620	4,052	5,793	8,528	9,355	10,072	10,567
Company Taxes on Oil	45	42	225	736	1,254	1,364	926
Others	1,472	1,310	2,189	2,864	3,509	3,254	3,456
Other Direct Taxes	1,065	902	1,646	2,089	2,602	2,394	2,594
o/w Royalties from Oil	384	176	589	1,213	1,141	1,178	1,252
o/w Mineral Royalties	518	578	749	744	1,027	804	1,057
National Fiscal Stabilisation Levy	172	139	196	299	340	291	340
Airport Tax	235	269	347	476	568	569	521
<b>TAXES ON DOMESTIC GOODS AND SERVICES</b>	<b>9,927</b>	<b>12,231</b>	<b>13,345</b>	<b>15,030</b>	<b>18,240</b>	<b>18,640</b>	<b>17,152</b>
<b>Excises</b>	<b>2,402</b>	<b>3,643</b>	<b>3,090</b>	<b>3,661</b>	<b>4,102</b>	<b>4,233</b>	<b>3,919</b>
Excise Duty	239	297	339	319	632	555	387
Petroleum Tax	2,163	3,346	2,751	3,342	3,470	3,678	3,532
o/w Energy Fund levy	0	25	28	35	36	40	39
o/w Road Fund levy	0	1,002	1,058	1,331	1,514	1,600	1,541
<b>VAT</b>	<b>6,254</b>	<b>7,130</b>	<b>8,549</b>	<b>8,893</b>	<b>9,924</b>	<b>9,916</b>	<b>9,330</b>
Domestic	2,766	3,022	3,557	3,980	4,894	5,177	5,209
External	3,489	4,108	4,992	4,912	5,030	4,739	4,121
<b>National Health Insurance Levy (NHIL)</b>	<b>1,019</b>	<b>1,119</b>	<b>1,376</b>	<b>1,501</b>	<b>1,895</b>	<b>1,983</b>	<b>1,745</b>
Customs Collection	558	613	778	810	960	948	715
Domestic Collection	461	506	598	691	936	1,035	1,030
<b>GET Fund Levy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>555</b>	<b>1,895</b>	<b>1,983</b>	<b>1,745</b>
Customs Collection	0	0	0	289	960	948	714
Domestic Collection	0	0	0	267	936	1,035	1,030
<b>Communication Service Tax</b>	<b>252</b>	<b>339</b>	<b>329</b>	<b>420</b>	<b>424</b>	<b>524</b>	<b>412</b>
<b>TAXES ON INTERNATIONAL TRADE</b>	<b>3,449</b>	<b>4,390</b>	<b>5,485</b>	<b>6,102</b>	<b>7,418</b>	<b>6,356</b>	<b>5,410</b>
<b>Imports</b>	<b>3,078</b>	<b>4,122</b>	<b>5,485</b>	<b>6,102</b>	<b>7,418</b>	<b>6,356</b>	<b>5,410</b>
Import Duty	3,078	4,122	5,485	6,102	7,418	6,356	5,410
o/w EXIM	0	0	0	339	0	0	257
o/w AU Levy	0	0	0	46	0	0	70
<b>Exports</b>	<b>371</b>	<b>269</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	371	269	0	0	0	0	0
<b>Import Exemptions</b>	<b>2,059</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tax Refunds</b>	<b>-627</b>	<b>-1,445</b>	<b>-1,803</b>	<b>-2,125</b>	<b>-2,572</b>	<b>-2,031</b>	<b>-2,470</b>
<b>SOCIAL CONTRIBUTIONS</b>	<b>289</b>	<b>280</b>	<b>440</b>	<b>377</b>	<b>486</b>	<b>494</b>	<b>153</b>
SSNIT Contribution to NHIL	289	280	440	377	486	494	153
<b>NON-TAX REVENUE</b>	<b>4,921</b>	<b>4,882</b>	<b>5,325</b>	<b>6,524</b>	<b>9,570</b>	<b>9,022</b>	<b>7,568</b>
Retention	2,531	3,368	2,849	3,165	4,427	4,327	3,953
Lodgement	2,391	1,515	2,477	3,359	5,144	4,695	3,615
Fees & Charges	663	466	553	555	674	624	623
Dividend/Interest & Profits (Others)	726	556	331	139	85	85	106
Dividend/Interest & Profits from Oil	995	491	1,586	2,531	3,028	3,127	2,691
Surface Rentals from Oil/PHF Interest	6	3	8	12	6	6	19
Gas Receipts	2	0	0	0	0	0	0
Taxes on Property	0	0	0	0	150	0	0
Licences	0	0	0	0	0	520	0
Luxury Vehicle Levy/Environmental Levy	0	0	0	21	598	52	61
Cocobod	0	0	0	0	0	0	0
Fees from Mineral Exports	0	0	0	0	320	160	0
Yield from Capping Policy	0	0	0	101	282	120	115
<b>OTHER REVENUE</b>	<b>0</b>	<b>1,646</b>	<b>1,970</b>	<b>1,817</b>	<b>2,469</b>	<b>2,631</b>	<b>1,898</b>
ESLA Proceeds	0	1,646	1,970	1,817	2,469	2,631	1,898
Energy Debt Recovery Levy	0	1,320	1,293	1,072	1,610	1,711	1,665
Public Lighting Levy	0	23	180	119	248	248	63
National Electrification Scheme Levy	0	33	151	78	160	160	44
Price Stabilisation & Recovery Levy	0	326	346	548	451	513	125
<b>DOMESTIC REVENUE</b>	<b>26,666</b>	<b>31,092</b>	<b>38,160</b>	<b>46,502</b>	<b>57,795</b>	<b>57,787</b>	<b>52,393</b>
<b>GRANTS</b>	<b>2,689</b>	<b>1,141</b>	<b>1,535</b>	<b>1,135</b>	<b>1,110</b>	<b>1,110</b>	<b>986</b>
Project Grants	1,744	1,034	1,535	1,121	1,052	1,052	986
Programme Grants	945	106	0	14	58	58	0
<b>TOTAL REVENUE &amp; GRANTS</b>	<b>29,355</b>	<b>32,233</b>	<b>39,695</b>	<b>47,637</b>	<b>58,905</b>	<b>58,897</b>	<b>53,380</b>
<b>Memorandum items</b>							
Taxes on Income and Property (% of GDP)	4.8	4.2	5.2	6.2	6.4	6.6	6.5
Non-oil Taxes on Income and Property (% of non-oil)	4.7	4.2	5.1	5.8	6.0	6.1	6.2
Taxes on Goods and Services (% of GDP)	5.5	5.7	5.2	5.0	5.3	5.4	4.9
Taxes on International Trade (% of GDP)	1.9	2.0	2.1	2.0	2.2	1.8	1.5
Tax Revenue (% of GDP)	11.9	11.3	11.9	12.6	13.1	13.2	12.2
Non-Oil Tax Revenue (% of non-oil GDP)	12.0	11.2	11.9	12.4	13.1	13.0	12.2
Non-Oil Tax Revenue (% of GDP)	11.7	11.2	11.5	11.9	12.4	12.5	11.6
Non-Tax Revenue (% of GDP)	2.7	2.3	2.1	2.2	2.8	2.6	2.2
Domestic Revenue (% of GDP)	14.8	14.5	14.9	15.5	16.8	16.7	15.0
Non-Oil Domestic Revenue	14.4	14.2	14.4	14.5	16.0	15.7	14.3
Grants (% of GDP)	1.5	0.5	0.6	0.4	0.3	0.3	1.4
Total Revenue and Grants	16.3	15.0	15.5	15.8	17.1	17.0	15.3
Non-Oil Tax Revenue	21,026.6	24,065.9	29,610.0	35,835.3	42,874.8	43,098.0	40,597.2
Non-oil Taxes on Income and Property	8,277.9	8,889.3	12,583.9	16,827.6	19,789.8	20,133.0	20,505.7
Import Exemptions	2,058.7	998	1,341.70	2,048	2,815	2,815	2,209
Benchmark Oil Revenue	963	446	1,478	3,099	3,443	3,566	3,948
<b>Nominal GDP (rebased)</b>	<b>180,399</b>	<b>215,077</b>	<b>256,671</b>	<b>300,596</b>	<b>344,455</b>	<b>345,946</b>	<b>349,480</b>
<b>Non-Oil Nominal GDP (rebased)</b>	<b>175,707</b>	<b>214,050</b>	<b>248,226</b>	<b>289,988</b>	<b>327,279</b>	<b>332,229</b>	<b>334,632</b>

## Annual Macroeconomic Performance Report, 2019

### Appendix 6: Economic Classification of Central Government Expenditure, 2015-2019 (GH¢ million)

Description (Ghs Million)	2015 Prov Outturn	2016 Prov Outturn	2017 Prov Outturn	2018 Prov Outturn	2019 Budget	2019 Revised Budget	2019 Prov Outturn
<b>II EXPENDITURE</b>							
<b>Compensation of Employees</b>	<b>12,111</b>	<b>14,165</b>	<b>16,776</b>	<b>19,612</b>	<b>22,838</b>	<b>22,838</b>	<b>22,219</b>
Wages & Salaries	10,556	12,110	14,445	17,213	19,437	19,767	19,479
Social Contributions	1,555	2,055	2,331	2,399	3,401	3,071	2,740
Pensions	677	637	906	924	1,244	1,063	1,038
Gratuities	160	354	268	218	389	239	247
Social Security	719	1,063	1,157	1,257	1,769	1,769	1,455
<b>Use of Goods and Services</b>	<b>1,388</b>	<b>3,221</b>	<b>2,482</b>	<b>5,128</b>	<b>6,333</b>	<b>6,938</b>	<b>6,170</b>
o/w ABFA	182	57	310	421	723	749	574
<b>Interest Payments</b>	<b>9,075</b>	<b>11,529</b>	<b>13,572</b>	<b>15,822</b>	<b>18,646</b>	<b>19,598</b>	<b>19,769</b>
Domestic	7,313	9,225	11,039	12,494	14,505	15,025	15,209
External (Due)	1,762	2,304	2,533	3,328	4,141	4,574	4,560
<b>Subsidies</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>125</b>	<b>180</b>	<b>180</b>	<b>124</b>
Subsidies on Petroleum products	25	0	0	125	180	180	124
<b>Grants to Other Government Units</b>	<b>6,798</b>	<b>8,607</b>	<b>9,197</b>	<b>10,789</b>	<b>13,798</b>	<b>14,034</b>	<b>11,424</b>
National Health Fund (NHF)	1,132	1,102	1,106	1,473	1,693	1,725	1,317
Education Trust Fund	923	762	503	852	1,207	1,231	920
Road Fund	268	1,041	905	517	964	1,104	899
Petroleum Related Funds/Energy Fund	5	25	24	13	23	25	16
Dist. Ass. Common Fund	1,470	1,171	1,046	1,447	2,079	2,090	1,606
Retention of Internally-generated funds (IGFs)	2,531	3,368	2,849	3,165	4,427	4,327	3,953
Transfer to the National Oil Company from Oil Revenue	468	265	930	1,397	1,265	1,308	940
<b>Other Earmarked Funds</b>	<b>0</b>	<b>874</b>	<b>1,834</b>	<b>1,925</b>	<b>2,141</b>	<b>2,224</b>	<b>1,773</b>
Youth Employment Agency	0	211	265	289	216	260	166
Student's Loan Trust	0	4	0	0	3	3	1
ECOWAS Levy	0	152	0	0	0	0	0
Ghana EXIM Bank Ltd	0	158	384	285	224	328	88
Ghana Airport Company Ltd.	0	303	347	476	361	353	521
Mineral Development Fund	0	44	16	0	131	100	89
GRA Retention	0	0	822	876	1,206	1,180	908
<b>Social Benefits</b>	<b>61</b>	<b>0</b>	<b>23</b>	<b>166</b>	<b>96</b>	<b>130</b>	<b>100</b>
Lifeline Consumers of Electricity	61	0	23	70	96	130	100
Transfers for Social Protection	0	0	0	96	0	0	0
<b>Other Expenditure</b>	<b>0</b>	<b>203</b>	<b>1,801</b>	<b>1,817</b>	<b>2,288</b>	<b>2,451</b>	<b>1,898</b>
ESLA Transfers	0	203	1,801	1,817	2,288	2,451	1,898
Reserve Expenditure Vote	0	0	0	0	0	0	0
Tax Expenditure (Exemptions)	2,059	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>7,134</b>	<b>7,678</b>	<b>6,331</b>	<b>4,738</b>	<b>8,531</b>	<b>7,711</b>	<b>6,152</b>
<b>Domestic financed</b>	<b>1,215</b>	<b>2,049</b>	<b>1,021</b>	<b>1,683</b>	<b>3,222</b>	<b>3,617</b>	<b>2,529</b>
o/w ABFA	0	0	543	407	1,265	1,747	414.178702
<b>Foreign financed</b>	<b>5,919</b>	<b>5,630</b>	<b>5,310</b>	<b>3,056</b>	<b>5,309</b>	<b>4,094</b>	<b>3,623</b>
<b>Other Outstanding Expenditure Claims</b>	<b>0</b>	<b>5,036</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>36,592</b>	<b>50,438</b>	<b>50,183</b>	<b>58,197</b>	<b>72,711</b>	<b>73,882</b>	<b>67,856</b>
<b>APPROPRIATION</b>	<b>41,735.6</b>	<b>57,480.4</b>	<b>56,853.3</b>	<b>64,324.0</b>	<b>78,771.8</b>	<b>85,142.2</b>	<b>79,828.8</b>
<b>Total Expenditure</b>	<b>36,592.0</b>	<b>50,438.4</b>	<b>50,182.6</b>	<b>58,197.0</b>	<b>72,710.8</b>	<b>73,881.7</b>	<b>67,856.1</b>
<b>Road Arrears</b>	<b>322.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Arrears Clearance (net change)</b>	<b>2,087.2</b>	<b>2,438.2</b>	<b>1,758.1</b>	<b>858.5</b>	<b>730.0</b>	<b>730.0</b>	<b>730.0</b>
<b>Amortisation</b>	<b>2,734.1</b>	<b>4,603.7</b>	<b>4,912.7</b>	<b>5,268.6</b>	<b>5,331.1</b>	<b>10,530.5</b>	<b>11,242.7</b>
<i>Memorandum items:</i>							
Compensation of Employees	6.7	6.6	6.5	6.5	6.6	6.6	6.4
Wage and Salaries	5.9	5.6	5.6	5.7	5.6	5.7	5.6
Wage and Salaries (% of Tax Revenue)	49.2	49.9	47.5	45.6	42.9	43.3	45.5
Goods and Services	0.8	1.5	1.0	1.7	1.8	2.0	1.8
Interest Payments	5.0	5.4	5.3	5.3	5.4	5.7	5.7
Interest Payments (% of non-oil Tax Revenue)	43.2	47.9	45.8	44.2	43.5	45.5	48.7
Subsidies	0.0	0.0	0.0	0.0	0.1	0.1	0.0
Recurrent Expenditure	14.6	15.6	15.0	15.8	16.4	16.8	15.9
Capital Expenditure	4.0	3.6	2.5	1.6	2.5	2.2	1.8
Total Capital Expenditure (including those under Grants to other Gov't L	5.7	5.1	3.8	3.0	4.1	3.9	3.0
Total Expenditure	20.3	23.5	19.6	19.4	21.1	21.4	19.4
<b>Total Capital Exp (incl those under Grants to other Gov't L</b>	<b>9,642</b>	<b>10,289</b>	<b>9,058</b>	<b>8,119</b>	<b>12,962</b>	<b>12,318</b>	<b>9,657</b>
<b>Annual Budget Funding Amount (ABFA)</b>	<b>1,063</b>	<b>312</b>	<b>1,035</b>	<b>2,169</b>	<b>2,410</b>	<b>2,496</b>	<b>2,764</b>
<b>Benchmark Oil Revenue</b>	<b>963</b>	<b>446</b>	<b>1,478</b>	<b>3,099</b>	<b>3,443</b>	<b>3,566</b>	<b>3,948</b>
<b>Nominal GDP</b>	<b>180,399</b>	<b>215,077</b>	<b>256,671</b>	<b>300,596</b>	<b>344,455</b>	<b>345,946</b>	<b>349,480</b>
<b>Non-Oil Nominal GDP</b>	<b>175,707</b>	<b>214,050</b>	<b>248,226</b>	<b>289,988</b>	<b>327,279</b>	<b>332,229</b>	<b>334,632</b>

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### Appendix 7: Summary of Key Macroeconomic Variables

Variable	Unit	2015	2016	2017	2018	2019
<b>REAL SECTOR</b>						
Nominal GDP	GH¢ Billion	180.4	215.1	256.7	300.6	349.5
Real GDP Growth	%	2.2	3.4	8.1	6.3	6.5
Nominal Non-oil GDP	GH¢ Billion	175.7	214.0	248.2	290.0	334.6
Non-oil Real GDP Growth	%	2.2	4.6	4.6	6.5	5.8
<b>FISCAL AND DEBT</b>						
Fiscal Balance	% of GDP	-4.9	-6.5	-4.8	-3.9	-4.8
Primary Balance	% of GDP	0.2	-1.1	0.5	1.4	0.8
Gross Public Debt	GH¢ Billion	100.2	122.3	142.6	173.1	218.0
Debt to GDP ratio	% of GDP	55.6	56.8	55.5	57.6	62.4
<b>MONETARY SECTOR</b>						
Total Liquidity (M2+) Growth	%	26.1	22.0	16.7	15.4	21.7
Monetary Policy Rate (MPR)	%	26.0	25.5	20.0	17.0	16.0
Inflation	%	17.7	15.4	11.8	9.4	7.9
Interest rate (91-TB rate)	%	23.1	16.8	13.3	14.6	14.7
<b>EXTERNAL SECTOR</b>						
Current Account Balance	US\$ Billion	-2.8	-2.6	-2.0	-2.1	-1.9
Current Account Balance	% of GDP	-5.9	-4.7	-3.4	-3.2	-2.8
Gross International Reserves	US\$ Billion	5.9	6.2	7.6	7.0	8.4
Gross International Reserves	Months Imp. Cover	3.5	3.5	4.3	3.7	4.0
Depreciation rate (GH¢/US\$)	%	-15.7	-9.7	-4.9	-8.4	-12.9

Source: MoF, BoG, GSS