MINISTRY OF FINANCE

FISCAL NEWSLETTER

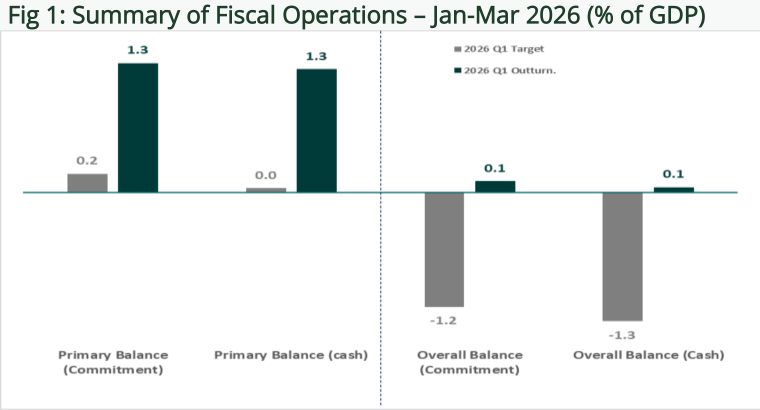
Jan-Mar (Q1) 2026

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

SUMMARY

TARGET	INDICATOR	ACTUAL
0.2% (of GDP)	*Primary Balance Surplus (Commitment)*	1.2% (of GDP)
-1.2% (of GDP)	Overall Fiscal Balance (Commitment Basis)	0.1% (of GDP)
0.05% (of GDP)	Primary Balance Surplus (Cash)	1.1% (of GDP)
-1.3% (of GDP)	Overall Fiscal Balance (Cash)	0.1% (of GDP)
3.8% (of GDP)	Total Revenue and Grants	3.6% (of GDP)
4.9% (of GDP)	Total Expenditure (Commitment Basis)	3.5% (of GDP)

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



2026 Fiscal Targets

The key annual fiscal targets as approved in the 2026 Budget are:

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

Based on annual fiscal targets and prevailing macroeconomic conditions, this newsletter presents fiscal performance for Jan-Mar(Q1) 2026 relative to the set targets.

Summary of Fiscal Operations

Fiscal outcomes in the first quarter of 2026 were broadly on track, underpinned by continued expenditure restraint and resilient revenue performance relative to programmed targets:

- The primary balance (commitment basis) recorded a surplus of 1.2 percent of GDP against a target of 0.2 percent of GDP.
- On a cash basis, the primary balance recorded a surplus of 1.1 percent of GDP, against the target of 0.05 percent of GDP.
- The overall fiscal balance (commitment basis) recorded a surplus to 0.1 percent of GDP against a target deficit of 1.2 percent of GDP.
- On a cash basis, the overall balance recorded a surplus of 0.1 percent of GDP compared to a target deficit of 1.3 percent of GDP.
- Total revenue and grants reached 3.6 percent of GDP against a target of 3.8 percent of GDP, reflective of prevailing macroeconomic conditions on oil and trade-related revenues.
- Total expenditure amounted to 3.5 percent of GDP below the target of 4.9 percent of GDP, reflecting below-target outturns across expenditure lines.

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Highlights of the Performance

Revenue Performance

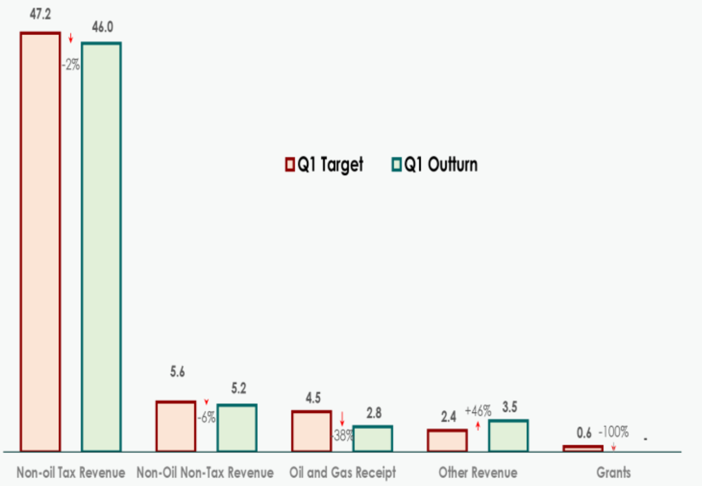
Total Revenue and Grants for Q1 2026 was GH¢57.5bn (3.6% of GDP) against a target of GH¢60.2bn (3.8% of GDP), a shortfall of 4.5% but a growth of 32.9% over Q1 2025.

Key Drivers

- Crude Oil Receipts fell short of target by 37.6%, due to lower average realized price below the benchmark price.
- Excises recorded a shortfall of 23.0%, from weaker petroleum tax and excise duty collections.
- GETFund Levy, NHIL, and VAT were all below target by 29.9%, 29.9% and 6.5% respectively.
- Import Duties fell short by GH¢1.0bn (14.0%), reflecting lower CIF import values.

Other revenues however, exceeded target by 45.5% on account of strong Energy Debt Recovery Levy collections, while Corporate Tax and other direct taxes also outperformed their targets by 7.0% and 11.5% respectively.

Figure 2: Revenue Performance, Q1 2026

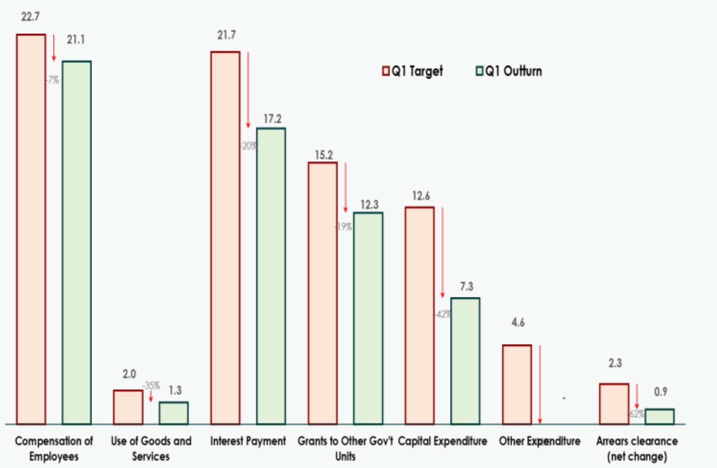


Expenditure Performance

Total Expenditure (commitment) was GH¢55.8bn (3.5% of GDP), 29.2% below the target of GH¢78.8bn (4.9% of GDP). Primary expenditure was GH¢38.6bn against a target of GH¢57.2bn, with all spending lines within target.

- Capital Expenditure was GH¢7.3bn, 41.9% below the target GH¢12.6bn. reflecting the delays in project disbursements particularly foreign financed capex.
- Compensation of Employees was GH¢21.1bn, 6.8% below the target of GH¢22.6bn, reflecting the payroll audit impact.
- Goods and Services was GH¢1.2bn against GH¢1.9bn, on account of strong commitment controls.
- Grants to Other Government Units were GH¢12.3bn against a target GH¢15.2bn due to underperformance of revenue base.
- Interest Payments were GH¢17.2bn, 20.4% below target of GH¢21.7bn, due to lower rates and a relatively stable cedi.

Figure 3: Expenditure Performance (GH¢bn)

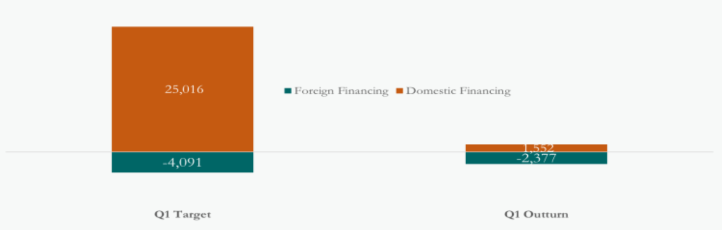


Financing Operations

Fiscal operations resulted in an overall cash surplus of GH¢0.8bn (0.1% of GDP), well below the programmed deficit of GH¢20.9bn (1.3% of GDP).

The surplus was as a result of Net Foreign Financing repayment of GH¢2.3bn, while Domestic Financing was a net borrowing of GH¢1.5bn.

Figure 4: Financing Operations



Key Observations

Observations

- Ghana's fiscal position was strong, with the primary balance (commitment basis) recording a surplus of 1.2 percent of GDP against a programme target of 0.2 percent of GDP, with all fiscal balance targets met.
- Revenue grew by 32.9 percent over the same period in 2025 but fell modestly short of its programme target, reflecting below-target performance across all major revenue categories. This was partially offset by strong outturns in Company Taxes, the Growth and Sustainability Levy, and the Energy Debt Recovery Levy.
- Expenditure was 29.2 percent below the programme target, primarily due to lower than programmed foreign-financed capital expenditure, external interest payments, and grants to other government units.

Summary of First Quarter 2026 Fiscal Performance

No	Item	2024 Outturn	2025 Outturn	2026 Budget	Jan-Mar 2026 Prog	Jan-Mar 2026 Outturn	2024 Outturn	2025 Outturn	2026 Budget	Jan-Mar 2026 Prog	Jan-Mar 2026 Outturn
		% of GDP					GhC Million				
1	Total Revenue & Grants	15.8	15.7	16.8	3.8	3.6	186,593	224,884	268,091	60,253	57,531
2	Domestic Revenue	15.6	15.6	16.6	3.7	3.6	184,878	223,059	265,025	59,646	57,531
3	Non-Oil Tax Revenue (Gross)	12.6	13.1	14.1	3.1	2.9	148,987	187,915	225,125	49,115	46,680
4	Non-Oil Tax Revenue (Net)	11.9	12.5	13.5	3.0	2.9	140,983	179,157	216,120	47,150	46,011
5	Non-Tax Revenue (non-oil)	1.5	1.7	1.3	0.3	0.3	18,071	23,990	20,947	5,582	5,228
6	Oil Revenue	1.7	0.6	0.9	0.3	0.2	19,834	8,711	13,600	4,532	2,826
7	Other Revenue	0.5	0.8	1.8	0.5	0.4	5,989	11,202	28,164	7,868	6,181
8	Grants	0.1	0.1	0.2	0.0	0.0	1,716	1,825	3,066	606	0
9	Total Expenditure (Commitment, Discrepancy)	22.7	16.3	18.9	4.9	**3.5**	**268,099**	**233,779**	**302,456**	**78,831**	**55,822**
10	Primary Expenditure (Commitment)	18.7	12.8	15.3	3.6	2.6	221,306	183,888	244,744	57,156	42,101
11	Compensation of Employees	5.7	5.5	5.7	1.4	1.3	67,189	78,970	90,760	22,690	21,144
	o/w Wages and Salaries	5.1	4.9	5.1	1.3	1.2	60,352	70,988	81,421	20,355	18,991
12	Use of Goods and Services	1	0.4	0.8	0.1	0.1	11,509	6,090	13,162	1,974	1,277
13	Grants to Other Gov't Units	3.9	4	4.0	1.0	0.8	46,426	57,720	63,554	15,243	12,335
14	Capital Expenditure	2.5	1.4	3.6	0.8	0.5	29,389	20,235	57,529	12,645	7,345
	o/w Domestic	1.2	1	2.8	0.5	0.4	14,733	14,823	45,493	7,337	6,722
	o/w Foreign	1.2	0.4	0.8	0.3	0.0	14,656	5,412	12,036	5,308	623
15	Other Expenditure	2.1	1.5	1.2	0.3	0.0	24,939	20,873	19,739	4,603	0
16	Other Outstanding Expenditure Claims	3.3	-	-	-	-	39,097	-	-	-	-
17	Statistical Discrepancy	-0.2	0	0.0	0.0	0.2	-2,758	-4,961	0	0	3,522
18	Interest Payment	4	3.5	3.6	1.4	1.1	46,792	49,891	57,711	21,675	17,243
	o/w Domestic	3.4	2.9	3.1	1.2	1.1	40,058	41,318	50,097	18,711	16,989
	o/w Foreign	0.6	0.6	0.5	0.2	0.0	6,734	8,573	7,614	2,965	255
19	Primary Balance (Commitment)	-2.9	2.5	1.5	0.2	1.2	-34,713	36,035	23,346	3,097	18,952
20	Overall Balance (Commitment)	-6.9	-1	-2.2	-1.2	0.1	-81,505	-13,856	-34,365	-18,579	1,709
21	Arrears clearance (net)	1.7	-2.1	-1.9	-0.1	-0.1	20,095	-29,544	-29,827	-2,346	-885
	o/w Clearance of Arrears	-3.1	-1.3	0.0	0.0	0.0	-36,279	-18,068	0	0	0
	o/w IPP legacy Arrears		-0.8	-0.3	0.0	0.0		-11,476	-4,760	0	0
	o/w Payables build-up	4.8	0	0.0	0.0	0.0	56,374	0	0	0	0
22	Overall Balance (Cash)	-5.2	-3	-4.0	-1.3	0.1	-61,411	-43,400	-64,192	-20,924	824
23	Primary Balance (cash)	-1.2	0.5	-0.4	0.0	1.1	-14,618	6,491	-6,481	751	18,067
24	Financing	5.2	3	4.0	1.3	-0.1	61,411	43,400	64,192	20,924	-824
25	Foreign (net)	1.8	0.4	-0.4	-0.3	-0.1	21,817	6,012	-6,562	-4,091	-2,377
26	Domestic (net)	3.3	2.6	4.4	1.6	0.1	39,594	37,388	70,755	25,016	1,552
	Memorandum items:										
27	Non-oil Domestic Revenue	14	14.9	15.7	3.5	3.4	165,044	214,348	251,425	55,114	54,706
28	Non-oil primary balance (Commitment)	-4.6	1.9	0.6	-0.1	1.0	-54,547	27,324	9,747	-1,435	16,126
29	Total Expenditure (Cash)	21	17.9	20.8	5.1	3.5	248,004	256,808	332,283	81,177	56,707
30	Primary Expenditure (Cash)	17	14.4	17.2	3.7	2.5	201,212	206,917	274,572	59,501	39,464
31	Nominal GDP						**1,182,799**	**1,434,115**	**1,597,457**	**1,597,457**	**1,597,457**