

DI Meet the Press

1. Ladies and Gentlemen of the Press, good afternoon and welcome to the Danquah Institute once again. Thank you for your presence here. This is the second edition of our planned monthly encounter with the media for this year.
2. Today's discussion is titled: Profiling & Analysis of Ghana's Debt from 2009 to 2023.
3. The chosen topic has become necessary because, within local commentary, contrasting viewpoints have emerged to explain the country's debt situation.
4. While one perspective attribute Ghana's mounting debt to factors such as corruption, incompetence, and mismanagement, casting blame on COVID-19, Russian-Ukraine War, and Excess Energy Capacity Payments, another faction has directed criticism towards current government and alleging that Government has resorted to borrowing to fulfil populist campaign promises.
5. These promises include initiatives such as the implementation of Free Senior High School (SHS), the restoration of Trainee allowances for teachers and nurses, the reduction or abolishment of 'nuisance' taxes, the provision of free or subsidized utilities (water and electricity) during the Covid-19 pandemic, and what some perceive as the ambitious Agenda 111 project aimed at constructing numerous hospitals across the country.
6. This dichotomy in viewpoints underscores the complexity of Ghana's debt situation and the various factors contributing to it – prompting ongoing debate and scrutiny within the public sphere.
7. As stated during the maiden edition of our press series, the Danquah Institute remains steadfast in our conviction that a thorough examination and discussion of facts, supported by rigorous research and data, are

essential in providing the citizens of Ghana with enhanced clarity, information, and context regarding pertinent national issues.

8. Through our commitment to evidence-based discourse, we strive to foster a more informed and enlightened public discourse that promotes transparency, accountability, and progress in Ghana's socio-political landscape.
9. Therefore, today's encounter aims to offer additional insights and clarity regarding Ghana's debt situation, addressing potential gaps created by misinformation and false propaganda.
10. Friends from the media, a debt-to-GDP ratio of 60% is quite often noted as a prudential limit for countries.
11. The 60% figure was one of a handful targets European governments set at the start of the 1990s to prepare for economic and monetary union and the eventual formation of the euro zone. The IMF endorses 60% debt-to-GDP ratio limit.
12. However, the West African Monetary Institute (WAMI) advises that countries within its zone do not go beyond a debt-to-GDP ratio limit of 70%.
13. Governments borrow because revenue projections are made during the beginning of the fiscal year, during the reading of the annual budget statement.
14. However, these revenues do not flow in at a rate to match the rate of expenditures. These in-year fluctuations are managed through short-term debt financing.
15. Ladies and Gentlemen, following the attainment of the HIPC completion and external debt relief, Ghana witnessed a remarkable decline in our public debt to GDP ratio; from 182% in 2000, to 32% by the end of 2008.
16. The public debt, which was recorded at \$8.07 billion in 2008, skyrocketed to \$29.2 billion by 2016, indicating a more than threefold

increase. This surge propelled the debt-to-GDP ratio to 73.1% by the close of 2016.

17. This represents a growth rate, or an increase of about 261.83% in the total public debt stock under the NDC, from 2009-2016.
18. Friends from the media, this rate of change indicates that on average, the NDC government added 32.75% debt to Ghana's debt stock every year between 2009 to 2016.
19. This trajectory, was even worst between 2012 to 2016. The public debt which stood at \$15.3 billion in 2011, increased to \$29.2 billion by the end of 2016, indicating a growth rate of 90.85% from 2012 to 2016.
20. Friends from the media, this astronomical increase in the debt stock represents one of the worst management of the public debt in recent times.
21. The public debt which stood at \$29.2 billion in 2016 has increased to \$51.04 billion as at the end of 2023.
22. Contrary to public perception, this marks a little over one and half increase in the overall public debt stock under the NPP.
23. This rate of change, represents an increase of about 74.79% in the total public debt stock, compared to a growth of 262% from 2009 to 2016.
24. Unlike the trajectory between 2009 to 2016, the NPP on average, has added about 10.68% to Ghana's debt stock every year between 2017 to date. A rate far lower than the 32.75% witnessed under the NDC.
25. We employ the US dollar in our analysis due to its status as the world's primary reserve currency, and its widespread usage in international trade.
26. Furthermore, the US dollar is recognized for its stability, maintaining its unit of account and purchasing power consistently over extended periods.
27. Friends from the media, another important take away from this analysis is that, foreign currency debt carries an exchange rate risk.
28. This implies that the debt stock in local currency terms, could even rise with no new borrowings.

29. For example, the public debt of \$29.2 billion in 2016 would have been the equivalent of about GHc380 billion today without any additional borrowing.

Table 1: Public Debt Stock from 2011-2023

Year	Public Debt as % of GDP	Pubic Debt (in billions USD)
2008	32	\$8.07
2009	36	\$9.30
2010	38	\$11.90
2011	40	\$15.30
2012	48	\$19.15
2013	56	\$24.46
2014	71	\$24.78
2015	71.6	\$26.40
2016	73.1	\$29.20
2017	69.3	\$31.60
2018	68.2	\$35.90
2019	62.4	\$39.40
2020	76	\$50.80
2021	76.6	\$58.60
2022	73.1	\$53.60
2023	72.5	\$52.40

Source: MoFEP & BoG

30. For many countries including Ghana, it is one of the principal risks in a government debt portfolio. This stems from a country's inability to borrow enough in its own currency to meet its financing needs.

31. Most countries in Africa including Ghana, have a bigger chunk of their debts denominated in US dollars and find their debt-to-GDP ratio increasing for the same stock of debt, when their currency weakens against the US dollar.

32. It then requires more of the local currency to service the same amount of debt.

33. Recall that Ghana's debt stock increased by 67 billion Ghana cedis (\$7.9bn) as at the end 2022 due to the depreciation of the cedi, without government necessarily going to the capital market to borrow.
34. The question someone would ask is, how did this happen? Isn't the government supposed to check this?
35. Friends from the media, I will explain the "why" to you.
36. Numerous events unfolded between 2020 and 2022 that may have contributed to this.
37. Firstly, the onset of the Covid-19 pandemic precipitated the shutdown of economies, disrupted revenue streams, and exacerbated public debt burdens via high shipping cost, increase in crude oil price, amongst others.
38. To illustrate the impact of high shipping cost amid the pandemic, let's examine the Freightos Baltic Index (FBI) Global Container Freight Index. This index serves as a measure of shipping cost on major routes worldwide.
39. Comparing data from February 2020 to September 2021, the index surged astronomically, increasing by a staggering eightfold. In February 2020, shipping costs per container were approximately \$1300. This soared to a peak of around \$11,000 by September 2021.
40. Increase in shipping cost had widespread implications on consumer prices, primarily by impacting import prices directly. This is because the local prices of imported goods tend to rise proportionately with the increasing shipping costs.
41. Secondly, the Russia-Ukraine war sparked a crisis in four critical areas—fuel, food, fertilizer, and financing—leading to widespread economic strain. This conflict also fuelled inflationary pressures, currency depreciation, and heightened tensions in public financing, particularly due to rising global inflation and imported inflation, which contributed to the depreciation of the Cedi.

42. Additionally, the emergence of a "Balanced" Parliament altered the power dynamics of veto players, resulting in delays in government business and policy enactment.
43. Various arguments have been proposed to address our nation's debt situation, with expenditure cuts emerging as a predominant suggestion. Many believe that reducing spending is the most effective remedy for restoring fiscal stability.
44. Criticism often targets the current government for allegedly lacking prudence in comparison to its predecessor. However, this narrative is misleading.
45. Contrary to popular belief, the present administration has demonstrated prudent management of expenditure compared to the previous NDC government. For instance, the highest government expenditure as a percentage of GDP, reaching 26.8%, was observed in the fiscal year ending 2012.
46. In contrast, the highest expenditure-to-GDP ratio recorded under the current government was 24.6% in 2020. Remarkably, since 2009, the lowest levels of expenditure relative to GDP have been achieved under the current administration, with figures of 19.1% in 2017, 18.9% in 2018, and 19% in 2019, respectively.
47. Ladies and gentlemen, we have so far looked at debt to GDP ratio and its composition.
48. However, an important question a lot of Ghanaians ask every day is, why do we need to borrow. Is it even necessary at all? This leads us to our next discussion on fiscal deficit.
49. Friends from the media, upon Ghana's independence in 1957, there was a transition from the private to the public sector as the primary driver of economic growth.

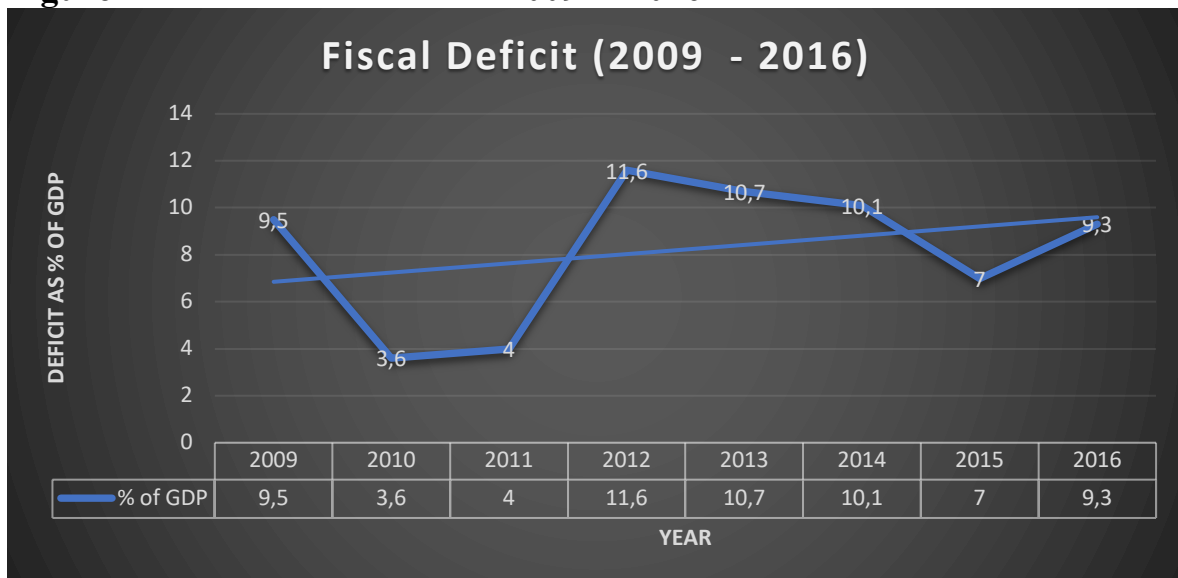
50. This shift was motivated by a strong aspiration to rapidly advance and modernize the country.
51. Consequently, the government pursued expansionary policies, heavily investing in import substitution industries alongside extensive infrastructure projects.
52. Just two years after gaining independence, Ghana experienced its first fiscal deficit in 1959. Since then, fiscal deficits have remained a significant challenge in Ghana's economic management history.
53. Fiscal deficit arises when the expenditure of government is more than the revenue generated by the government in a given fiscal year.
54. The fiscal deficit is determined by deducting the total revenue (excluding borrowing) acquired by the government in a fiscal year from the total expenditures it incurred during the same period.
55. A fiscal deficit occurs as a result of factors such as a significant increase in capital expenditure or a deficit stemming from revenue. It acts as a gauge of the government's effectiveness in managing its finances.
56. Ladies and gentlemen, fiscal deficit as a percentage of GDP saw significant improvement from 9.7 percent in December 2000 to 2.7 percent at end of December 2005.
57. However, by December 2006 the fiscal deficit had increased to 7.8 percent due to non-recurring expenditures such as the CAN 2008, Golden Jubilee celebrations, among others.
58. Nevertheless, the fiscal deficit further increased to 9.5% of GDP in 2009; and declining to 3.6% in 2010, and 4% in 2011.
59. Surprisingly, by the end of 2012, the fiscal deficit which stood at 4 percent in 2011, had astronomically increased to 11.6%!
60. Friends from the media, I know you are all wondering why this quantum jump occurred? And I'll tell you why.

61. As is common during election years, the government increased spending significantly, resulting in a fiscal deficit of 11.6% of GDP, nearly double the projected 6.7% deficit announced during the 2012 mid-year budget review.
62. Friends from the media, the IMF, in its 2013 report, highlighted that the substantial rise in the fiscal deficit in 2012 was financed by a significant increase in net credit to the government by the Bank of Ghana, far surpassing the statutory limit of 10% of revenue for total central bank financing (IMF, 2013).
63. Ladies and Gentlemen, the notable expansionary fiscal policy implemented in 2012, which saw the fiscal deficit nearly triple compared to 2011, marked the beginning of the macroeconomic instability witnessed in the country post-2012 (refer to Figure 1).
64. The double-digit fiscal deficit observed in 2012 persisted in both 2013 and 2014. In 2013, the country recorded a fiscal deficit of 10.7% and 10.1% in 2014 respectively.
65. To address the fiscal imbalance, starting from 2013, the government implemented several austerity measures, including the removal of subsidies on fuel products and utilities.
66. As crude oil prices surged and the value of the cedi depreciated, a larger portion of the heightened costs of energy production was transferred to the general public.
67. Despite these austere measures, fiscal consolidation between 2012 and 2014 fell short of the established targets. The deficit target for 2013 was set at 5% of GDP; however, as previously mentioned, the actual outcome was double that figure at 10.7%.
68. There was only a marginal improvement in 2014, with the overall deficit remaining high at 10.1% of GDP (International Development Association, IDA, 2017).

69. With the government going to the IMF for assistance; that is, the Extended Credit Facility arrangement in April 2015, additional fiscal consolidation measures were implemented.

70. Even though these measures contributed to reducing the deficit to 7% of GDP in 2015. However, excessive spending amid insufficient revenues, notably in the run-up to the December 2016 election, resulted in a significant increase of the deficit to 9.3% of GDP in 2016, surpassing the programmed target of 5.2% (IDA, 2017).

Figure 1: Fiscal Deficit between 2009 to 2016



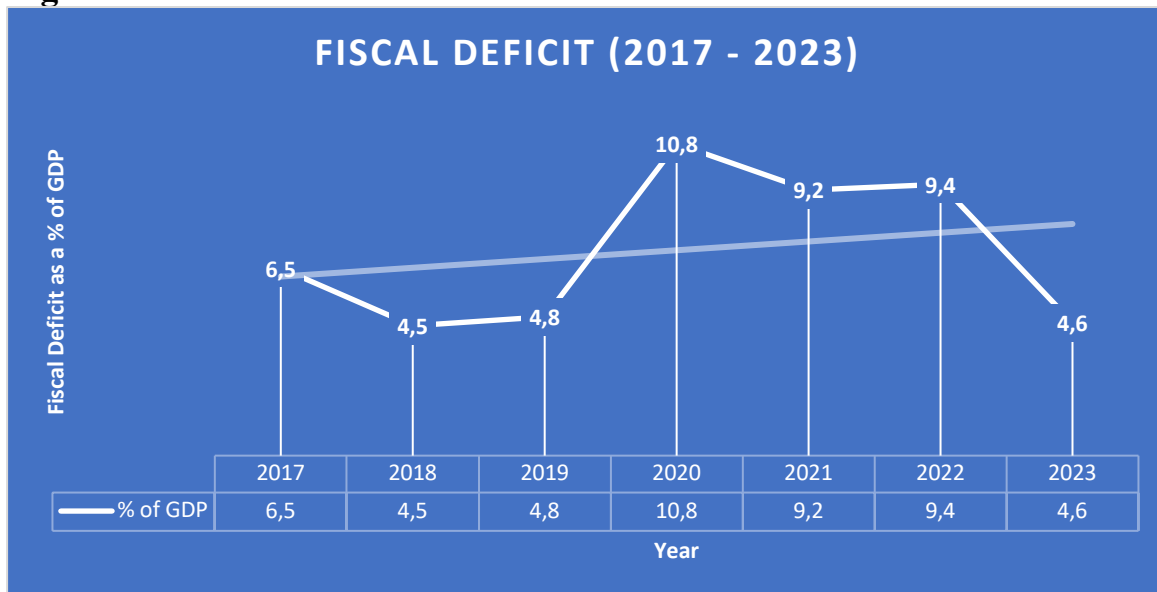
Source: Author's calculation using BoG & MoFEP data

71. Friends from the media, as part of measures to curb the fiscal deficit, the NPP government passed the Fiscal Responsibility Act, 2018 (Act 982), which charges the Government to ensure that the overall fiscal balance on cash basis for a particular year does not exceed a deficit of 5 percent of the Gross Domestic Product (GDP) for that fiscal year.

72. Unlike the trajectory between 2012-2016, the fiscal deficit witnessed a substantial decline between 2017 to 2019; 6.5% in 2017, 4.5% in 2018 and 4.8% in 2019 respectively (see Figure 2).

73. However, a double digit fiscal deficit was recorded in 2020, that is, a deficit of 10.8%.
74. The rise in the fiscal deficit stemmed from the fact that revenue mobilization fell significantly below the target, primarily due to adverse domestic and external conditions. The impact of the COVID-19 pandemic and plummeting crude oil prices exerted considerable pressure on both tax and non-tax revenues.
75. For example, the Total Revenue and Grants for the first six months of 2020 stood at GH¢22 billion, accounting for 5.7% of GDP, significantly lower than the target of GH¢29.7 billion, which represented 7.7% of GDP.
76. This outcome indicated a year-on-year decline of 5.8%, in contrast to the 10.5% growth observed during the same period in 2019. Throughout the review period, domestic revenue totalled GH¢21.6 billion, equivalent to 5.6% of GDP, considerably below the target of GH¢29.02 billion, representing 7.5% of GDP.
77. However, the fiscal deficit marginally declined to a single digit of 9.2% in 2021, and slightly to 9.4% in 2022.
78. With the extensive fiscal consolidation measures implemented by the government, the World Bank forecasts a deficit of 4.6% of GDP in the just ended 2023 fiscal year, which is notably lower than the 9.4% deficit recorded in 2022.

Figure 2: Fiscal Deficit between 2017 to 2023



Source: Author's calculation using BoG & MoFEP data

79. Friends from the media, one of the arguments been bundled around is that, the low deficit is as a result of the fact that this government has received more revenue than its predecessors.

80. Ladies and Gentlemen, contrary to this misconception, the available data from the Ministry of Finance proves otherwise.

81. In fact, the highest total revenue and grants as a percentage of GDP received by any government within the last 15 years was recorded in 2012, reaching 20.9% of GDP under the NDC!!

82. Astonishingly, this was the same year that a fiscal deficit of 11.6% of GDP was recorded.

83. Contrary, the highest revenue and grants as a percentage of GDP so far recorded under the current government is 15.8% in 2022.

84. Friends from the media, we have so far analysed public debt as a percentage of gross domestic product (GDP), and provided a thorough explanation on the fiscal deficit.

85. Nonetheless, one important question that begs for answer is, what has government used the money borrowed for?

86. Like I have said before, even though in normal political discourse in Ghana public debt gets a negative press. It is however an important economic tool and the source of investment financing for governments all over the world.
87. Available data for the period, 2017 to 2023, show that the present government has added about \$21.1 billion to the stock of public debt.
88. However, it is instructive to note that the NPP government has judiciously expended the funds and there are significant tangible testimonies that account for the resources.
89. In line with this, we provide a comprehensive data on loans signed since the NPP government assumed power in 2017 to 2022, and the projects it has been used for:

Loans Signed in 2017 – \$506 million

S/N	Creditor	Project/Financing Title	Sector	Terms	USD Equivalent
<i>Non. Concessional Loans</i>					<i>394,557,750.0</i>
1	Banco Santander of Spain (ECA Facility)	Development of Kumasi International Airport	Ministry of Transport	Interest: 6M Euribor + 1.30% p.a. Grace period: 2 years Tenor: 12 years Commitment fee: 0.70% p.a. Structuring fees: 1.50% flat	9,703,125.0
2	Deutsche Bank Ag. and Banco Santander of Spain (Tied Loan Facility)	Development of Kumasi International Airport	Ministry of Transport	Interest: 6M US LIBOR + 5.05% p.a. Grace period: 2 years Tenor: 5 years Commitment fee: 2.00% p.a. Structuring fee: 1.50% flat Risk mitigation: 2.00% p.a.	81,296,875.0
3	Deutsche Bank S.p.A. (ECA Facility)	Development of the University of Environment and Sustainable Development	Ministry of Education	Interest: CIRR + 2.15% p.a. Structuring fee: 0.50% flat Arrangement fee: 1.50% flat Commitment fee: 1.25% p.a. Grace period: 2 years Tenor: 12 years	48,423,437.5
4	Deutsche Bank S.p.A. (Tied Loan Facility)	Development of the University of Environment and Sustainable Development	Ministry of Education	Interest: 1.25% p.a. Service fee: 0.75% p.a. Commitment fee: 0.5% p.a. Grace period: 5 years Tenor: 25 years	8,545,312.5
5	World Bank	Additional Financing for Sustainable Rural Water and Sanitation Project	Ministry of Water and Sanitation	Interest: 1.25% p.a. Service fee: 0.75% p.a. Commitment fee: 0.5% p.a. Grace period: 5 years Tenor: 25 years	45,000,000.0
6	World Bank	Macro Economic Stability and Competitiveness	Ministry of Finance	Interest: 1.25% p.a. Service fee: 0.75% p.a. Commitment fee: 0.5% p.a. Grace period: 5 years Tenor: 25 years	201,589,000.0
<i>Concessional Loans</i>					<i>100,039,500.0</i>
7	African Development Bank	The Public Financial Management and Private Sector Competitiveness Support Programme Phase II	Ministry of Finance	Interest: 1.00% p.a. Service fe: 0.75% p.a. Commitment fee: 0.5% p.a. Grace period: 5 years Tenor: 30 years	49,350,000.0
8	African Development Bank	Greater Accra Sustainable and Livelihood Improvement Project	Ministry of Sanitation	Interest: 1.00% p.a. Service fe: 0.75% p.a. Commitment fees: 0.5% p.a. Grace period: 5 years Tenor: 35 years	50,689,500.0
<i>Domestic Standard loans</i>					<i>12,250,000.0</i>
9	Société Générale Ghana Limited	Purchase of 275 vehicles for Members of 7th Parliament during the Parliamentary Life of 2017-2020	Government Machinery	Interest: 5.50% p.a. Grace period: N/A Tenor: 3.5 years	11,250,000.0
10	Société Générale Ghana Limited	Purchase of 24 Vehicles for Members of the Council of State	Government Machinery	Interest: 5.50% p.a. Grace period: N/A Tenor: 3.5 years	1,000,000.0
Total					506,847,250.0

Source: 2017 annual public debt management report

Loans Signed in 2018 – \$971 million

S/N	Creditor	Project/Financing Title	Sector	Terms	USD Equivalent
Non-Concessional Loans					845,098,742.9
1	Deutsche Bank Ag	Rehabilitation of Selected Hospitals in the Eastern Region (Mampong, Atibie, Aburi and Kyebi)	Ministry of Health	SACE Supported Facility Facility Amount: up to €34.00 million (inclusive of estimated UKEF premium of 13.00% flat of facility amount) Interest Rate: CIRR+0.95% p.a. Commitment Fee: 1.00% p.a. Arrangement Fee: 1.25% flat of facility Structuring Fee: 0.50% flat of facility Grace Period: 2 years Repayment Period: 10 years Tenor: 12 years Commercial Facility Loan Amount: up to €6.00 million Interest Rate: 6ME + 5.00% p.a. Commitment Fee: 1.00% p.a. Arrangement Fee: 1.25% flat Structuring Fee: 0.50% flat Grace Period: 1 year Repayment Period: 4 years Tenor: 5 years	49,200,000.0
2	Deutsche Bank AG (ECA facility)	Bekwai Hospital Rehabilitation	Ministry of Health	Interest Rate: 6ME + 1.90% p.a. Commitment Fee: 1.00% p.a. Structuring Fees: 0.50% flat Arrangement Fees: 1.00% flat Grace Period: 1.5 years Tenor: 10 years	24,027,396.7
3	Deutsche Bank AG (Tied Commercial Loan)	Bekwai Hospital Rehabilitation	Ministry of Health	Interest Rate: 6ME + 5.00% p.a. Commitment Fee: 1.00% p.a. Structuring Fees: 0.50% flat Arrangement Fees: 1.00% flat Grace Period: 0.5 years Tenor: 5 years	5,739,049.6
4	EXIM Bank China	Upgrading of Polytechnics, Technical and Vocational Training Centres	Ministry of Education	Loan Amount: \$119,101,946 Interest Rate: 2.00% p.a. Commitment Fee: 0.25% p.a. Management Fee: 0.25% flat Grace Period: 5 years Repayment Period: 15 years Tenor: 20 years	119,101,946.0
5	HSBC Bank Plc	Obetsebi Lamptey Drainage Network and Interchange	Ministry of Roads and Highways	Interest Rate: 6ML + 2% p.a. Commitment Fee: 0.80% p.a. Structuring Fee: 1.75% flat Arrangement Fee: \$185,000 flat Grace Period: 2 years Tenor: 12 years	22,000,000.0
6	HSBC Bank Plc	Obetsebi Lamptey Drainage Network and Interchange	Ministry of Roads and Highways	Interest Rate: 6ML + 4.95% p.a. Commitment Fee: 1.95% p.a. Structuring Fees: 1.75% flat Administration Fees: \$70,000.00 Grace Period: 1.5 years Tenor: 5 years	17,200,000.0
7	KFW Ipex Bank	Development of Tamale Airport-Terminal Building and Related Infrastructure Phase	Ministry of Transport	Interest: 6ML + 5.00% p.a. Grace Period: 1 year Tenor: 5 years Structuring Fee: 1.25% flat Commitment Fees: 1.60% p.a.	24,000,000.0
8	KFW Ipex Bank with support from UKEF			Interest: 6ML + 1.75% p.a. Grace Period: 2 years Tenor: 10 years Structuring Fee: 1.50% flat Commitment Fees: 0.70% p.a.	56,000,000.0
9	World Bank	Additional Financing for the Secondary Education Improvement Project	Ministry of Education	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	40,000,000.0

10	World Bank	Ghana Transport Sector Improvement Project	Ministry of Roads and Highways	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	154,476,309.9
11	World Bank	Ghana Commercial Agriculture Project (Additional Financing)	Ministry of Food and Agriculture	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	50,000,000.0
12	World Bank	Financial Sector Development Project	Ministry of Finance	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	29,960,000.0
13	World Bank	Tourism Development Project	Ministry of Tourism	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	39,060,000.0
14	World Bank	Ghana Secondary Cities Support Programme	Ministry of Local Government & Rural Dev't	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	99,540,000.0
15	World Bank	Public Sector Reform for Results Project	Ministry of Special Initiatives	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 year Repayment: 25 years Tenor: 30 years	35,000,000.0
16	World Bank	Ghana Energy Sector Transformation Initiative Project	Ministry of Energy	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	19,880,000.0
17	World Bank	Productive Safety Net Project	Ministry of Local Government & Rural Dev't; Ministry of Gender & Social Protection	Interest Rate: 1.25% p.a. Service Fee: 0.75% p.a. Commitment Fee: 0.5% p.a. Grace Period: 5 years Repayment: 25 years Tenor: 30 years	59,914,040.7
Concessional Loans					126,541,504.1
18	African Development Bank	Savannah Zone Agricultural Productivity Improvement Project	Ministry of Agriculture	Interest Rate: 1.00% p.a. Service Charge: 0.75% p.a. Commitment Fee: 0.50% p.a. Grace Period: 5 years Repayment Period: 25 years Tenor: 30 years	39,296,700.0
19	Bank Austria Ag	Implementation of the Photovoltaic based Street Lighting Programme at Hazardous (black spot) Locations in Selected Communities within Ghana	Ministry of Roads and Highways	Facility Amount: €7,500,000 Repayment Period: 14 years Graced Period: 7.5 years Tenor: 21.5 years Interest Rate: 0.9%p.a. Commitment Fee: 0.5% p.a. Management Fee: 0.5% flat	9,225,000.0
20	ING Bank/ Government	Improving Access to Quality Health	Ministry of Health	Facility Amount: €17,088,777 ORIO Grant Amount: €9,201,651.00	21,019,195.7

	of Netherlands	Care in the Western Region		Interest Rate: Euribor + 1.95% p.a. Commitment Fee: 0.80% p.a. Management Fee: 0.85% flat Grace Period: 2 years Repayment Period: 10 years Tenor: 12 years	
21	Government of Republic of Germany	Establishment of Deposit Protection Scheme	Ministry of Finance	Loan Amount: €13,000,000 Grant Amount: €1,000,000 Interest Rate: 0.75% p.a. Commitment Fee: 0.25% p.a. Grace Period: 10 years Repayment Period: 30 years Tenor: 40 years	15,990,000.0
22	Government of the Netherlands	Upper East Water Supply Project	Ministry of Sanitation and Water Resources	Loan Amount: €25,341,958 ORIO Grant Amount: €12,341,308 Grace Period: 3 years Tenor: 12.5 years Interest Rate: 6ME + 1.95% p.a.	31,170,608.3
23	Unicredit Bank Austria	Nationwide Water Network Management Project	Ministry of Sanitation and Water Resources	Interest Rate: 1.00% p.a. Management Fee: 0.50% flat Repayment Period: 13 years Grace Period: 8 years Tenor: 21 years	9,840,000.0
TOTAL					971,640,246.9

Source: 2018 annual public debt management report

Loans Signed in 2019 - \$1.6 billion

S/N	Project/Financing Title	Sector	Creditor	Date Signed	Curr	Loan Amount	USD Equivalent
1	Support to Basic Education in Five Regions Project	Education	Arab Bank for Economic Development (BADEA)	18-Oct-19	USD	13,500,000.0	13,500,000.0
2	Rehabilitation and Upgrading of Potable System in Yendi	Water Supply	Export-Import Bank of India	5-Apr-19	USD	30,000,000.0	30,000,000.0
3	Strengthening of Agricultural and Mechanisation Services Centre (AMSECs)	Food and Agriculture	Export-Import Bank of India	5-Apr-19	USD	150,000,000.0	150,000,000.0
4	Dome-Kwabanya-Kitaase Trunk Road	Roads and Highways	Kuwait Fund for Arab Economic Development	13-Sep-19	KWD	7,000,000.0	24,000,000.0
5	Additional Funding for Bolgatanga Regional Hospital - Phase III	Health	Saudi Fund for Development	4-Sep-19	USD	20,000,000.0	20,000,000.0
6	Ghana Incentive Based Risk Sharing System for Agricultural Lending (GIRSAL) Project	Food and Agriculture	African Development Fund	12-Mar-19	USD	14,600,000.0	14,600,000.0
7	Integrated National Security Communications Enhancement Network Project	Communications and Technology	Export-Import Bank of China	4-Dec-19	USD	199,413,626.1	199,413,626.1
8	Design, Construction and Commissioning of a potable water infrastructure Project	Sanitation and Water Resource	Deutsche Bank AG, London	23-Dec-19	EUR	43,007,886.0	47,248,463.5
9	First Africa Higher Education Centers of Excellence for Development Impact Project	Education	World Bank	18-Oct-19	XDR	42,900,000.0	60,000,000.0
10	Supply of 300 sets of Global Multipurpose Mini Tractors and 220 Compact (CABRIO I and II) Tractors	Food and Agriculture	Gov't of Czech Republic	14-Feb-19	EUR	10,000,000.0	11,025,222.1
11	Expansion of University of Ghana Hospital-Phase II	Health	Bank Hapoalim	7-Mar-19	EUR	45,623,656.0	50,301,093.9
12	Modernisation of the Komfo Anokye Teaching Hospital and associated buildings in the Ashanti region of Ghana	Health	Deutsche Bank, Frankfurt	8-Nov-19	EUR	153,809,224.1	169,578,085.3
13	Design, Fabrication, Supply and Installation of 50 No. Composite Bridges and Related Civil Works	Roads Highways	Gov't of Czech Republic	2-Apr-19	EUR	47,500,000.0	52,369,804.9
14	Execution and Completion of the Military Housing units for the Ghana Armed Forces	Housing and Urban Development	Poly Changda Overseas Eng.	24-May-19	USD	100,000,000.0	100,000,000.0

15	Overall upgradation and modernization of the vocational education system in Ghana	Education	ING Bank/ Government of Netherlands	1-Jul-19	EUR	123,287,931.7	135,927,682.6
16	Rehabilitation and auxiliary infrastructure of Kumasi Inner Ring Road and adjacent streets	Roads Highways	Deutsche Bank, Frankfurt	12-Jul-19	EUR	55,000,000.0	60,638,721.4
17	Phase 3 of the Kumasi Airport redevelopment in the Republic of Ghana	Aviation	Deutsche Bank, Frankfurt	8-Nov-19	EUR	64,477,065.7	71,087,396.8
18	Accra Intelligent Traffic Management System project	Transport	China Development Bank	17-Apr-19	USD	210,660,000.0	210,660,000.0
19	Construction of Eleven Coastal Fishing Landing Sites Project	Food and Agriculture	China Development Bank	17-Apr-19	USD	185,570,000.0	185,570,000.0
TOTAL							1,605,920,096.7

Source: 2019 annual public debt management report

Loans Signed in 2020 - \$3.9 billion

S/N	Project/Financing Title	Sector	Creditor	Date Signed	Curr.	Loan Amount	US\$ Equivalent
Concessional Loans							1,738,759,795.0
African Development Bank							113,410,874.8
1	Savannah Investment Programme (SIP)	Economic	African Development Bank	14-Jan-20	UA	20,000,000.0	27,818,991.5
2	Eastern Corridor Road Development (Phase I)	Roads	African Development Bank	29-Jan-20	UA	58,300,000.0	81,092,360.3
3	Strengthening Institutional Capacity for Domestic Resource Mobilization and Economic Management Project	Economic	African Development Bank	17-Jul-20	UA	3,200,000.0	4,499,523.0
World Bank Loan							1,557,745,713.2
4	Ghana Economic Transformation Project (GETP)	Trade and Industry	World Bank	17-Jan-20	XDR	144,400,000.0	198,448,986.7
5	Greater Accra Resilient and Integrated Development Project (GARID)	Works and Housing	World Bank	17-Jan-20	XDR	144,100,000.0	198,036,696.5
6	Ghana Accountability for Learning Outcomes Project	Education	World Bank	17-Jan-20	XDR	107,900,000.0	148,287,019.8
7	Strategic Climate Fund-Forest Investment Program	Lands	World Bank	17-Jan-20	XDR	7,000,000.0	9,620,103.2
8	Ghana Development Finance Project	Economic	World Bank	12-Mar-20	USD	250,000,000.0	250,000,000.0
9	Ghana COVID-19 Emergency Response Project	Health	World Bank	3-Apr-20	XDR	25,500,000.0	34,762,075.3
10	Harmonizing and Improving Statistics in West Africa	Economic	World Bank	24-Apr-20	XDR	109,000,000.0	148,590,831.6
11	Ghana Job and Skills Project	Economic	World Bank	26-Aug-20	USD	200,000,000.0	200,000,000.0
12	eTransform Ghana Project-AF	Communication	World Bank	24-Sep-20	USD	115,000,000.0	115,000,000.0
13	Greater Accra Metropolitan Area Sanitation and Water Project-AF	Works and Housing	World Bank	12-Nov-20	USD	125,000,000.0	125,000,000.0
14	Ghana COVID-19 Emergency Response Project-AF	Health	World Bank	12-Nov-20	USD	130,000,000.0	130,000,000.0
OPEC Fund for Economic Development (OFID)							20,000,000.0
15	Eastern Corridor Road Development (Phase I)	Roads	OFID	28-Feb-20	USD	20,000,000.0	20,000,000.0
KfW, Frankfurt am Main (Government of the Federal Republic of Germany)							47,603,207.0
16	Reform Financing within the Framework of the Reform Partnership for Investment Promotion and Good Financial Governance	Economic	Govt of the Republic Germany	16-Dec-20	EUR	40,000,000.0	47,603,207.0
Non-Concessional Loans							2,254,442,247.2
17	The Tema-Mpakadan Single Standard Gauge Railway Line Construction Project (Formerly Tema-Akosombo)	Railway	Exim-India	24-Mar-20	USD	48,843,490.0	48,843,490.0
18	Establishment of the State-of-the-Art Technical and Vocational Education and Training (TVET) Centres - Facility A	Education	ING Bank, Hong Kong	26-Mar-20	EUR	142,481,741.3	156,986,383.6
19	Establishment of the State-of-the-Art Technical and Vocational Education and Training (TVET) Centres - Facility B	Education	ING Bank, Hong Kong	26-Mar-20	EUR	25,143,836.7	27,703,479.5
20	Ghana Rural Telephony and Digital Inclusion Project	Communication	Exim-China	13-May-20	EUR	140,814,285.1	155,669,402.0
21	Ghana Rural Telephony and Digital Inclusion Project	Communication	ABSA Bank	16-May-20	EUR	24,117,661.4	26,661,939.4
22	Construction of Takoradi Market in Ghana	Economic	Deutsche Bank S.p.A.	20-May-20	EUR	37,283,001.3	41,216,148.7
23	Construction of Takoradi Market in Ghana	Economic	Deutsche Bank S.p.A.	20-May-20	EUR	16,000,000.0	17,687,910.2
24	Expansion and Rehabilitation of Keta Water Supply System	Water and Sanitation	SACE S.p.A	21-May-20	EUR	84,417,649.8	93,323,238.1
25	Expansion and Rehabilitation of Keta Water Supply System	Water and Sanitation	Deutsche Bank S.p.A.	21-May-20	EUR	12,766,928.1	14,113,767.4
26	Elmina Fishing Port Rehabilitation and Expansion Project	Transport	Rabobank U.A/ Commerzbank	28-May-20	EUR	96,696,000.0	106,896,885.4

27	Design, Construction and Equipping of Eastern Regional Hospital at Koforidua with Teaching facilities - Phase I (UKEF Facility)	Health	Standard Chartered Bank, London	11-Jun-20	EUR	60,240,000.0	68,370,998.5
28	Design, Construction and Equipping of Eastern Regional Hospital at Koforidua with Teaching facilities - Phase I	Water and Sanitation	Standard Chartered Bank, London	11-Jun-20	EUR	17,669,512.0	20,054,485.0
29	Four Constituencies Water Supply Scheme	Water and Sanitation	Raiffesenbank International A.G	25-Jun-20	EUR	11,500,000.0	12,919,500.2
30	Construction of Phase I of the Tema-Aflao Road Project	Road	Mauritius Commercial Bank/ABSA Ghana	30-Jun-20	USD	25,000,000.0	25,000,000.0
31	Construction of Phase II of the Tema-Aflao Road Project	Road	UKEF	30-Jun-20	USD	92,091,631.2	92,091,631.2
32	Streets of Accra	Road	Intesa Sanpaolo S.P.A- EKN	2-Jul-20	EUR	41,613,847.0	46,863,650.3
33	Streets of Accra	Road	Intesa Sanpaolo S.P.A- Commercial	2-Jul-20	EUR	16,250,000.0	18,300,022.0
34	Expansion and Rehabilitation of Wenchi Water Supply System	Water and Sanitation	Belfius Bank	3-Jul-20	EUR	32,700,000.0	36,713,260.4
35	Rural Communities and Small Water Town Water Supply Project - Aqua Africa (UKEF Facility)	Water and Sanitation	HSBC-UKEF	10-Jul-20	EUR	30,901,599.6	36,367,621.6
36	Rural Communities and Small Water Town Water Supply Project - Aqua Africa	Water and Sanitation	HSBC	10-Jul-20	EUR	4,500,000.0	5,295,981.4
37	Supply of Night Vision Binoculars, Monoculars, Accessories and Training for Ghana Armed Forces	Defence	Financiere DUC, Luxembourg	17-Jul-20	USD	10,930,021.0	10,930,021.0
38	Self-Help Electrification Programme in Five Regions in Ghana - Phase II	Energy	ICBC/Bank of China	12-Aug-20	USD	95,375,020.4	95,375,020.4
39	Outgrower and Value Chain Fund - Phase III	Agriculture	Govt of the Republic Germany	24-Aug-20	EUR	19,690,000.0	23,432,678.6
40	Obetsebi Lamptey Interchange and Ancillary Works (Phase II)	Roads	HSBC-UKEF	14-Sep-20	EUR	67,181,214.3	79,951,031.2
41	Obetsebi Lamptey Interchange and Ancillary Works (Phase II)	Roads	HSBC Commercial	15-Sep-20	EUR	28,465,008.0	33,875,641.7
42	Streets of Tamale - Phase II	Roads	Standard Chartered Bank, London	16-Sep-20	EUR	39,596,561.7	46,723,942.8
43	Streets of Tamale - Phase II	Roads	Standard Chartered Bank, London	16-Sep-20	EUR	15,301,533.0	18,055,808.9
44	Construction of Twelve Polyclinics in Ashanti, Eastern, Greater Accra and Ahafo Regions of Ghana	Health	Erste Group Bank (Ceska Spotelina)	14-Nov-20	EUR	79,265,656.0	94,678,383.9
45	Construction and Equipping of a Urology and Nephrology Centre at Korle Bu Hospital	Health	SACE S.p.A	23-Nov-20	EUR	36,966,950.0	44,154,950.1
46	Construction and Equipping of a Urology and Nephrology Centre at Korle Bu Hospital	Health	Raiffesenbank ZentralBank Osterreich AG	23-Nov-20	EUR	5,700,000.0	6,808,330.6
47	Bechem-Techiman-Akomadan and Tarkwa-Agona Nkwanta Road Project	Roads	Deutsche Bank, Frankfurt	11-Dec-20	EUR	147,505,734.0	179,057,210.5
48	Development of Tema and Nkoranza Hospitals and construction of Medical Stores in Ghana Project	Health	Israel Discount Bank, ASHRA Facility	11-Dec-20	EUR	139,339,000.0	169,143,612.1
49	Development of Tema and Nkoranza Hospitals and construction of Medical Stores in Ghana Project	Health	Israel Discount Bank, Commercial Facility	11-Dec-20	EUR	21,000,000.0	25,491,900.0

50	Ghana Integrated Financial Management Information System ICT Upgrade Project	Economic	Exim-Korea	17-Dec-20	USD	7,000,000.0	7,000,000.0
51	Supply and Installation of Medical Equipment Project	Health	Exim-Korea	17-Dec-20	USD	7,000,000.0	7,000,000.0
52	Covid-19 Emergency Response Program - Exim Korea	Health	Exim-Korea	17-Dec-20	USD	30,000,000.0	30,000,000.0
53	Techiman Water Supply Project	Water and Sanitation	Exim-Korea	17-Dec-20	USD	100,000,000.0	100,000,000.0
54	Supply and Installation of Integrated E-learning laboratories in Senior High Schools in Ghana	Education	KBC Bank	18-Dec-20	EUR	3,866,425.2	4,736,529.7
55	Supply and Installation of Integrated E-learning laboratories in Senior High Schools in Ghana	Education	Belgium Gov't- State to State loan	18-Dec-20	EUR	8,000,000.0	9,800,328.7
56	Establishment of Development Bank Ghana	Economic	European Investment Bank (EIB)	28-Dec-20	EUR	170,000,000.0	207,257,066.1
57	Upgrading and Enhancement of Two Technical Institutes and Four Technical High Schools - Phase III	Education	Unicredit Bank AG	30-Dec-20	EUR	8,280,000.0	9,889,996.0

Source: 2020 annual public debt management report

Loans Signed in 2021 – \$2.6 million

S/N	Project/Financing Title	Sector	Creditor	Date Signed	CURR	Loan Amount	USD Equivalent
Concessional Loans							315,000,000.00
<i>International Fund for Agricultural Development</i>							15,000,000.00
1	Agricultural Financing for Resilient Rural Development Project (AAFORD)	MoFA	IFAD	15-Jan-21	USD	15,000,000.00	15,000,000.00
World Bank Loan							300,000,000.00
2	COVID-19 Emergency Preparedness and Response Project	MoF	World Bank	13-Jul-21	USD	200,000,000.00	200,000,000.00
3	Ghana Productive Safety Net Project_Additional Financing (P175588)	MGCSP	World Bank	9-Aug-21	USD	100,000,000.00	100,000,000.00
Non-Concessional Loans							2,325,888,967.29
4	Supply of armoured vehicles for the Ministry of Defence - Facility A	MoD	Israel Discount Bank	4-Feb-21	USD	74,120,000.00	74,120,000.00
5	Supply of armoured vehicles for the Ministry of Defence - Facility B	MoD	Israel Discount Bank	4-Feb-21	USD	12,000,000.00	12,000,000.00
6	Design and build contract for Tamale to Walewale Road (Savelugu to Walewale)- Phase 1	MRH	Exim India	13-Apr-21	USD	158,617,764.00	158,617,764.00
7	Construction of University of Environment and Sustainable Development, Somanya, Eastern Region- Phase 2 (Facility A)	MoEd	Deutsche Bank	14-Apr-21	EUR	41,358,082.50	48,856,302.86
8	Construction of University of Environment and Sustainable Development, Somanya, Eastern Region- Phase 2 (Facility B)	MoEd	Deutsche Bank	14-Apr-21	EUR	13,666,098.00	16,143,761.57
9	Supply of 45 intercity buses to the Ministry of Transport	MoT	Belfius	27-Apr-21	EUR	13,505,520.00	15,954,070.78
10	Supply of 45 intercity buses to the Ministry of Transport- State to State Loan	MoT	Gov't of Belgium	27-Apr-21	EUR	8,000,000.00	9,450,400.00
11	Facility for the financing of Obuasi and Anyinam hospitals in Ghana	MoH	Deutsche Bank	21-May-21	EUR	56,153,500.00	66,334,129.55
12	Delivery of 100 Ambulance Vehicles	MoH	Deutsche Bank	21-May-21	EUR	18,385,000.00	21,718,200.50
13	Construction of Bolga Bawku Road	MRH	Investec	4-Jun-21	EUR	46,475,256.38	54,901,220.36
14	Construction of Bolga Bawku Road (UKEF)	MRH	Investec-UKEF	4-Jun-21	EUR	34,925,040.00	41,256,949.75
15	Redevelopment and Modernisation of the Kumasi Central Market (Tranche 2 of Phase 2) - Facility A	MLGDRD	Deutsche Bank	8-Jun-21	EUR	145,402,298.85	171,763,735.63
16	Redevelopment and Modernisation of the Kumasi Central Market (Tranche 2 of Phase 2) - Facility B	MLGDRD	Deutsche Bank	8-Jun-21	EUR	39,500,000.00	46,661,350.00
17	Construction of sections of the Western and Central Railway lines.	MRD	Deutsche Bank	15-Jun-21	EUR	522,939,111.00	617,747,971.82

18	Construction of sections of the Western and Central Railway lines.	MRD	Deutsche Bank	15-Jun-21	EUR	75,657,500.00	89,374,204.75
19	Construction of Eastern Corridor Lot 1 - Facility A	MRH	SCB	23-Jun-21	EUR	60,257,921.00	71,182,682.08
20	Construction of Eastern Corridor Lot 1 - Facility B	MRH	SCB	23-Jun-21	EUR	220,192,212.37	260,113,060.47
21	Rehabilitation of the Effia Nkwanta hospital and construction of a regional hospital in western region - Facility A	MoH	Investec	10-Aug-21	EUR	28,500,000.00	33,667,050.00
22	Rehabilitation of the Effia Nkwanta hospital and construction of a regional hospital in western region	MoH	Investec	10-Aug-21	EUR	185,888,582.00	219,590,181.92
23	Establishment of 9 Nos. of State of Art Technical and Vocational Education Training Centres in Ghana	MoEd	ING Bank NV and BNP Paribas	30-Dec-21	EUR	152,701,761.05	175,607,025.21
24	Establishment of 9 Nos. of State of Art Technical and Vocational Education Training Centres in Ghana	MoEd	ING Bank NV and BNP Paribas	30-Dec-21	EUR	23,835,190.95	27,410,469.59
25	Sekondi/Takoradi Water Supply (Facility A)	MSWR	Commerzbank	29-Dec-21	EUR	70,733,423.00	81,343,436.45
26	Sekondi/Takoradi Water Supply (Facility B)	MSWR	Commerzbank	29-Dec-21	EUR	10,500,000.00	12,075,000.00

Source: 2021 annual public debt management report

Loans Signed in 2022 - \$2.9 billion

S/N	Project Title	Sector	Creditor	Date Signed	CURR	Loan Amount	USD Equivalent
Non-Concessional							1,719,122,893.2
1	Sunyani Water Supply Expansion Project Phase 1	MSWR	Standard Chartered Bank	23-Feb-22	EUR	137,768,777.3	158,434,093.9
2	Sunyani Water Supply Expansion Project Phase 2	MSWR	Standard Chartered Bank	23-Feb-22	EUR	15,678,771.5	18,030,587.2
3	Tamale Water Supply Expansion Project	MSWR	Deutsche Bank AG	14-Feb-22	EUR	235,439,900.2	270,755,885.2
4	Korle Bu Teaching Hospital Project	MOH	Standard Chartered Bank	8-Mar-22	EUR	147,420,550.5	169,533,633.1
	Korle Bu Teaching Hospital Project	MOH	Standard Chartered Bank	8-Mar-22	EUR	16,772,474.3	19,288,345.5
5	Purchase of 55 Intercity Buses	MOT	Belfius Bank SAVNV	9-Feb-22	EUR	3,984,533.5	4,582,213.5
6	Construction of 5 General Hospital at Osiem, Assin Kuyea, Dormaa Akwamu Wawfie and Kutre	MOH	Commerzbank	24-May-22	EUR	67,500,000.0	77,625,000.0
7	Construction of 5 General Hospital at Osiem, Assin Kuyea, Dormaa Akwamu Wawfie and Kutre	MOH	Commerzbank	25-May-22	EUR	10,500,000.0	12,075,000.0
8	Construction of Bolgatanga Pulimakom Road Project- Tranche 2	MRH	HSCB Plc.	31-May-22	EUR	34,368,168.2	39,523,393.4
9		MRH	HSCB Plc.	31-May-22	EUR	25,229,014.3	29,013,366.4
10	37: Military Hospital Expansion	MOH	China Shipbuilding Trading Company	8-Jul-22	USD	84,994,050.0	84,994,050.0
11	Tarkwa Water Supply	MSWR	KBC Bank	1-Aug-22	EUR	74,145,500.0	85,267,325.0
12	Syndicated Term Loan Facility	MOF	Afreximbank	19-Aug-22	USD	750,000,000.0	750,000,000.0
Concessional Loans							1,250,164,410.0
World Bank							375,080,000.0
13	West Africa Food System Resilience (Program Preparation Advance)	MOFA	World Bank	25-Mar-22	USD	2,080,000.0	2,080,000.0
14	Ghana Landscape Restoration and Small-scale Mining Project	MLNR	World Bank	19-Jan-22	USD	78,000,000.0	78,000,000.0
15	Ghana Secondary Cities Support	MLNR	World Bank	5-Sep-22	USD	145,000,000.0	145,000,000.0
16	Gulf of Guinea Northern Regions Social Cohesion	MLNR	World Bank	22-Aug-22	USD	150,000,000.0	150,000,000.0
Bilateral							875,084,410.0
17	Establishment of Assembly Plant for Agricultural implements in Ghana	MOFA	EXIM India	16-Jun-22	USD	24,984,410.0	24,984,410.0
18	Green Credit Line	MOF	Federal Republic of Germany	29-Nov-22	EUR	20,000,000.0	23,000,000.0
19	Improvement of Volta Lake Transport System	MOT	Korea	31-Aug-22	USD	147,100,000.0	147,100,000.0
20	Northern Ghana Rural Electricity Infrastructure and Access	MoE	Korea	17-Mar-22	USD	680,000,000.0	680,000,000.0
TOTAL							2,969,287,303.2

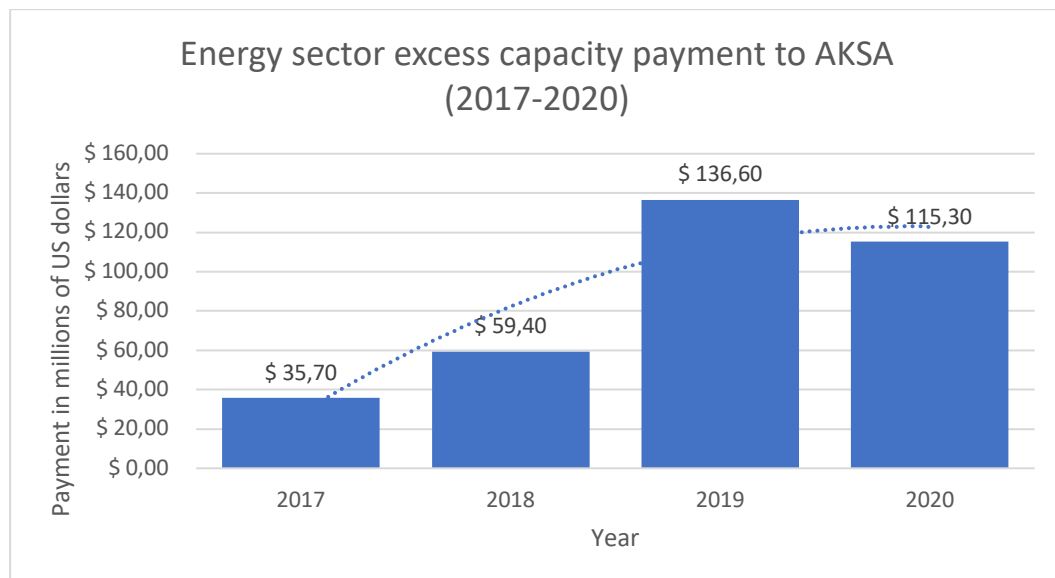
Source: <https://mofep.gov.gh/index.php/public-debt/annual-public-debt-report/2022>

90. In addition, between 2017-2020, the government spent \$937.5 million on energy and energy related expenses (the so-called take or pay arrangements with the independent power producers) to three independent power producers (IPPs).

91. Friends from the media, between this period, AKSA was paid \$347 million, Karpower \$359 million and Cenpower \$251 million.

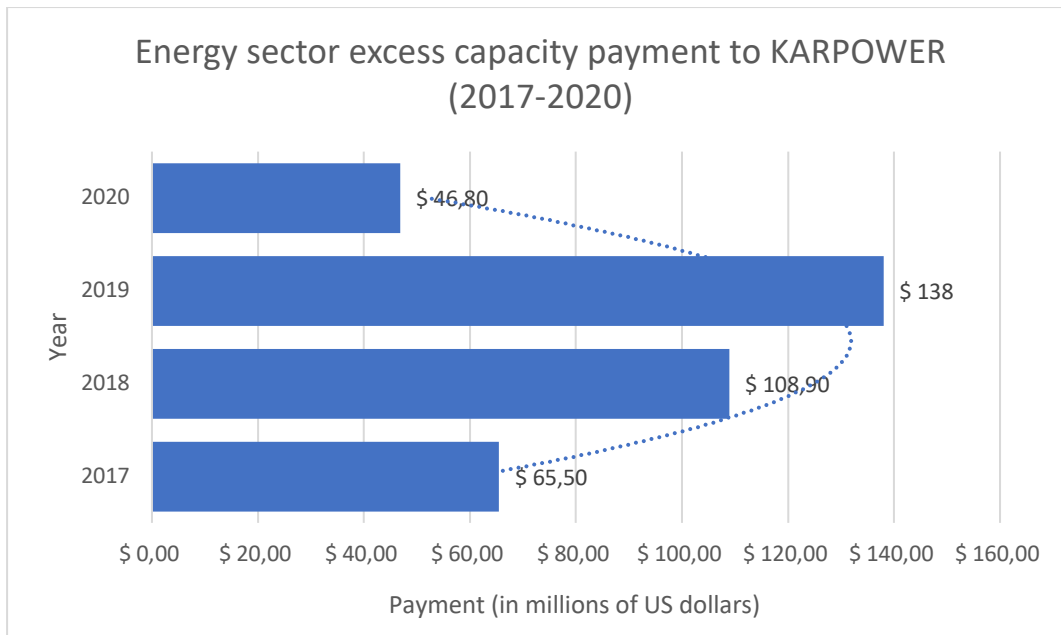
92. In particular, AKSA was paid \$35.7 million in 2017, \$59.4 million in 2018, \$136.8 million in 2019 and \$115.3 million in 2020.

Figure 1: Energy Excess Capacity Payment to AKSA



Source: Author's compilation using MoFEP data

93. In the case of Karpower, the company received \$65.5 million in 2017, \$108.9 million in 2018, \$138 million in 2019 and \$46.8 million in 2020.



Source: Author's compilation using MoFEP data

94. With regards to Cenpower, available data indicates that the company received no payment in 2017 and 2018 but was paid \$86.5 million in 2019 and \$144.8 million in 2020.

95. On financial sector clean up, the Government spent GH¢21 billion, equivalent to 5.58% of GDP, to fund the repayment of the deposits of affected depositors' including the establishment of a bridge bank (i.e. the Consolidated Bank Ghana Limited).

96. The Banking Sector Clean-up was aimed at ensuring orderly exit of insolvent institutions to protect depositors' funds and also ensure the safety and soundness of the banking sector which was in a state of distress.

97. Furthermore, the 4.5km reconstruction of Otanor-School Junction road has been completed; 6.90km rehabilitation of Kwabenya-Taifa road has been completed; 14km Obuasi Junction-Dunkwa road has been completed; 9km Kodie-Aduman road has been completed; 10.7km Asutiano-Dormaa Akotanim road has been completed; 20.25 Tinkon-Amanfrom road has been completed; 35km Bora Junction-Kpandai-lot 2 has been completed; 13km rehabilitation of Gambaga/Nalerigu town roads phase I has been

completed; 20.5km Kwabeng-Akropong road has been completed; 18km Princess Junction-Princess town road has been completed; 7km Bitumen surfacing of Kperisi-GUONO phase I has been completed; 7km rehabilitation of Kwaso area roads has been completed; 8.5km dualization of Kansawawrodo by-pass phase III has been completed; 11km rehabilitation of Bekwai-Asanso road has been completed; and 12km upgrading of Bekwai Town roads has been completed.

98. On Sinohydro Master Facility Agreement, 84km Accra inner city roads are ongoing; 100km Kumasi inner city roads are ongoing; 14km dualization of Adenta-Dodowa road is ongoing; and 38km rehabilitation of Ajumako-Afransie road is ongoing.

99. On Sports Infrastructure: The government has completed 6 new multi-purpose sports stadiums with 4 more ongoing in ten regions in Ghana; completed the University of Ghana stadium in Legon; the Borteyman sports complex; and the construction of more than 150 Astro-turf across Ghana.

100. In addition, the government has procured 3 helicopters and constructed hangars for the Ghana Police Service; procured 568 vehicles including 15 operational buses to the Ghana police service; and acquired 5 patrol boats for the security services.

Conclusion

Ladies and Gentlemen of the Press, as we draw to a close today's meeting, it's clear that the discourse surrounding Ghana's debt profile from 2009 to 2023 is both multifaceted and pivotal. The insights shared thus far have underscored significant trends in Ghana's debt trajectory, notably the substantial increase from \$8.07 billion in 2008 to \$29.2 billion by the close of 2016. This stark rate of debt accumulation reveals that, on average, the NDC government added 32.75% to Ghana's debt stock each year between 2009 and 2016.

In contrast, the trajectory under the NPP government, from 2017 to the present, has seen a far more modest addition to Ghana's debt stock, averaging about 10.68% annually. This rate, significantly lower than the previous administration, suggests superior economic management by the NPP, even amidst global economic challenges.

Furthermore, our discussion delved into fiscal deficits as a pivotal measure of government financial management. We highlighted how periods of fiscal consolidation were interspersed with challenges, notably the significant deficit experienced in 2012 under the NDC, primarily attributed to heightened spending during an election year. Regrettably, Ghana grappled with prolonged repercussions from this fiscal imbalance, enduring consecutive years of double-digit deficits from 2013 to 2014. The persistent fiscal challenges ultimately compelled the government to seek assistance through an IMF extended credit program in 2015.

In contrast, when assessing the NPP's performance, it's noteworthy that double-digit deficits were rare occurrences, with only one instance recorded in 2020 amid the global upheaval caused by the Covid-19 pandemic. This comparatively favourable fiscal track record underscores the NPP's commitment to prudent financial management.

More so, the analysis delves into the use of borrowed funds by the NPP government, making clear its expenditure trends from 2017 to 2023. At DI, we firmly advocate for a prudent fiscal policy that prioritizes investments geared towards generating long-term benefits for future generations. Despite misconceptions, it is important to highlight that these funds have been deployed judiciously, with tangible evidence validating their allocation.

From the analysis, substantial sums have been allocated to various sectors, including the energy sector and infrastructure development. Notable expenditures

include payments to independent power producers, construction of interchanges, road projects, railway expansion, construction of mini harbours and fishing landing sites, and investment in the healthcare sector through ambulance procurement. These investments signify a strategic approach to using funds for developmental projects aimed at enhancing economic growth and societal well-being.

Friends from the Media, the Danquah Institute will come your way every month with more of such analysis. Thank you for your attention.

God bless our homeland Ghana!!!

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