

I. COUNTRY REFORM PROGRESS

Ghana is an established mining and petroleum producer, but it needs to ensure that it remains an attractive destination for investment. It must also ensure the fiscal regimes are flexible enough so that the country benefits from good price scenarios without relying on changes to the fiscal regimes. Assistance from the IMF's Fiscal Affairs Department (FAD) focused on consolidating and modernizing the elements of the fiscal regime for both mining and petroleum, ensuring both regimes are robust in tax planning, progressive and internationally competitive through a new Extractives Industries Fiscal Regime Act (EIFRA) that was very close to completion. While the Minister of Finance voiced his full support for the EIFRA, new mining royalties (proposed by a different ministry) were passed in March 2026 that are not consistent with FAD recommendations. Therefore, additional capacity development (CD) support is needed to reconcile the draft EIFRA with the legislated mining royalties and finalize the EIFRA. On the petroleum side, there are no divergences. CD has also been delivered to build Ministry of Finance (MoF) staff capacity to forecast petroleum revenues; staff are now able to update and use the model on their own and include revenue projections in the budget. Looking forward, it is important to keep building staff capacity on using the revenue model and developing a similar model for the mining sector. A recent Fiscal Transparency Evaluation conducted for Ghana discovered significant gaps in transparency in the mining sector, which will also be addressed in future CD.

The authorities reviewed the value-added tax (VAT) law in collaboration with the IMF's African (AFR) and Legal (LEG) Departments, assessed VAT compliance with the support of the IMF's second Regional African Technical Assistance Center for Western Africa (AFW2), and adopted a VAT compliance action plan. Procurement constraints affecting the integrated tax administration system (ITAS) were resolved, and implementation is going relatively well, with stronger governance, improved senior management buy-in and stronger accountability. Coordination with development partners continued through collaboration with AFW2 and included engaging with development partners during missions, providing updates on scope and outcomes of the missions, and participating in Development Partner Group meetings organized by the United Kingdom's Foreign Commonwealth & Development Office (FCDO). All key stakeholders of revenue reforms were met during missions, including the civil society organizations community, chambers of commerce, taxpayer agents and customs clearing agents.

II. PROJECT DELIVERY HIGHLIGHTS

RM I: Revenue Module I – Tax Policy

Key Progress in FY26: FAD CD on extractives continued to enjoy good traction with authorities, with good engagement from technical staff and support from high-level staff, including the MoF. On petroleum revenue forecasting, CD to assist in the calculation of the 2026 petroleum Benchmark Revenue calculations was delivered and the calculation was sent for inclusion as part of the 2026 budget. On mining sector support, FAD and authorities have discussed the next steps for developing a mining sectoral model, but the main roadblock continues to be the lack of data available from the Minerals Commission. This model would support authorities in mining revenue forecasting, in identifying risk in mining tax administration and compliance, and in analysis and design of mining tax policy. CD was delivered to bring the new EIFRA very close to completion. The EIFRA will centralize and modernize all fiscal elements for mining and petroleum activities. The new Minister has voiced his full support for the EIFRA, but new mining royalties were passed

in March 2026, not consistent with FAD recommendations – an in-person mission planned for June 2026 will try to reconcile the EIFRA with the legislated mining royalties and finalize the draft EIFRA.

Previous Progress: FAD assistance was delivered previously under a MNRW-funded project. CD was delivered to progress the EIFRA and to assist in petroleum revenue forecasting. Authorities are now able to update and use the revenue forecasting model on their own, with minimal FAD assistance, but it is important to continue building capacity of additional staff to prepare for staff turnover. Revenue projections are included in the annual budget.

Next Steps: FAD will continue to provide assistance in finalizing the EIFRA, drafting supporting documents, and producing implementing regulations and practice notes. FAD will also continue to assist in updating the petroleum revenue forecasting model and in building capacity of key staff in using and updating it. FAD will continue to drive toward the creation of the mining sectoral model.

RM II: Revenue Module II – Revenue Administration

Key Progress in FY26: The VAT law was reviewed by FAD teams, in collaboration with AFR and LEG. The authorities also carried out an assessment of VAT compliance and adopted an action plan for enhanced VAT compliance with support from the project in collaboration with AFW2. Issues related to procurement of an ITAS were resolved and its implementation is ongoing under improved governance arrangements and better top management buy-in. The project also helped the authorities to engage with key stakeholders to the revenue reforms, including civil society organizations, chambers of commerce and industry and trade organizations, taxpayer agents and customs clearing agents and freight forwarders.

Previous Progress: The authorities approved and published a medium-term revenue strategy (MTRS) in FY24, launched MTRS implementation governance arrangements, procured an ITAS, and agreed new priorities for CD to enhance revenue mobilization. The project collaborated with AFW2 to ensure joint IMF support and coordinated participation in the Development Partner Group meetings organized by the FCDO to better organize CD support.

Next Steps: Future CD support will focus on MTRS implementation, in particular, the resuscitation of MTRS Steering Committee and Secretariat, which were not properly onboarded in the new government

III. LOGICAL FRAMEWORK

Country – Ghana		
RM I: Objective – Improve Tax Policy Design – TPD		Rating - 3
Outcome	Rating	Narrative
Increased economic efficiency by minimizing economic distortions or addressing externalities or market failures	3 Largely Achieved	Ghanaian authorities continue to benefit from FAD assistance. The Minister of Finance has voiced his full support for the EIFRA, but new mining royalties were passed in March 2026, not consistent with FAD recommendations – an in-person mission planned for June 2026 will try to reconcile the EIFRA with the legislated mining royalties and finalize the draft EIFRA. The authorities

		have signaled their intentions of tabling the EIFRA to Parliament in late 2026.
RM I: Objective – Strengthen Policy Monitoring, Evaluation, and Institutions – TPM		Rating - 3
Outcome	Rating	Narrative
Improved structures (e.g., tax policy units) or capacity (e.g., models and tools) related to tax policy advice and analysis.	3 Largely Achieved	FAD delivery has continued to be well received by authorities from Ghana. FAD has continued to assist in improving petroleum revenue forecasting, in particular in updating the Benchmark Revenue calculations. Encouragingly, most of the update work is done by MoF staff. However, further CD needs to be delivered to build capacity of additional staff. Work on developing a mining sectoral model is expected to become more important once the EIFRA is passed.
RM II: Objective –Strengthened revenue administration management and governance arrangements (SDG 17.1) – RAM		Rating - 2
Outcome	Rating	Narrative
Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	2 Partially Achieved	MTRS was approved in September 2023, and Steering Committee and MTRS Secretariat were formed. A mission in January 2026 observed that these governance measures were not effectively transitioned into the new government. Steering Committee lost members with the change of government, the Secretariat lost key personnel, and the role is now assumed by the Revenue Policy Division. Authorities have been guided on resuscitating the MTRS governance arrangements and keeping them effective.

IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
External Climate/Conditions		
RM I: Risk that external events create a more challenging environment to implement reforms	Low	Ensure sufficient flexibility in program execution across countries and allow for ability to adjust activities in the case of adverse events
RM II: Climate change instances increasing need for higher public spending	Very High	Support authorities to achieve MTRS revenue goals. Also strengthen risk management to ensure business continuity in case of climate related disasters.
Political Support		
RM I: Not enough support from high-level authorities for the mission's outcomes	Medium	Ensure that meetings with high-level authorities are included in the mission

Description	Rating	Mitigation Measures
RM II: Inadequate support and political interference in revenue administration reforms and operations	Very High	Authorities guided on strengthening MTRS high-level sponsorship. Implementing agencies guided on engaging political stakeholders for continued MTRS support.
Management and Technical Staff Support and Commitment		
RM I: Potential staff turnover and lack of specific capacities hinder adoption of policy recommendations	Low	Ensure junior staff are included in CD activities early on.
RM II: Frequent changes at Ghana Revenue Authority (GRA) executive management	Very High	Government advised reviewing entire GRA governance and HR regime and to ensure stability at the GRA top management level.
Resource Adequacy		
RM I: Insufficient technical capacity and human resources necessary to implement reforms are limited.	Medium	Ensure CD plans include sufficient capacity building and training elements
RM II: Inadequate resources provided for MTRS reforms	High	Authorities encouraged and guided to cost and prioritize MTRS initiatives.
Other Risks		
RM II: Weak governance arrangements for implementation of MTRS	Medium	Authorities encouraged to promote a whole-of-government approach to implementation and to establish and ensure effective functioning of the Steering Committee, Technical Committees, and the MTRS Secretariat.

V. PROJECT MANAGERS: CONTACT INFORMATION

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