

GHANA

Around 30% of people were living in extreme poverty (defined in notes) at the last count, 10 years ago. Income distribution is unequal with the people in the top 20% of the income distribution holding half of total income.

- FDI is the largest international flow to Ghana; ODA is the third largest flow, accounting for 15% of inflows
- Taxes provide most non-grant revenue, half of which comes through direct tax
- Gross ODA fell 17% in 2014; IDA is the largest provider to infrastructure and other key sectors

Overview

HOW MANY OF THE
POOREST 20% OF PEOPLE
GLOBALLY LIVE IN GHANA?

6
million

WHAT RESOURCES ARE
AVAILABLE?

Domestic public
US\$6.6bn
International
US\$8bn

HOW MUCH DOES THE
GOVERNMENT SPEND
PER PERSON?

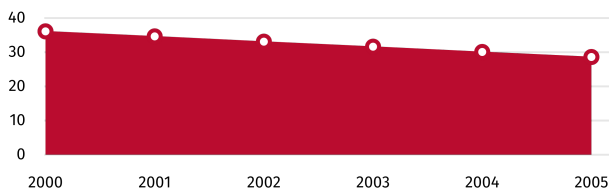
PPP\$1,096
See Notes

HOW DEEP IS POVERTY?

6%
Depth of poverty

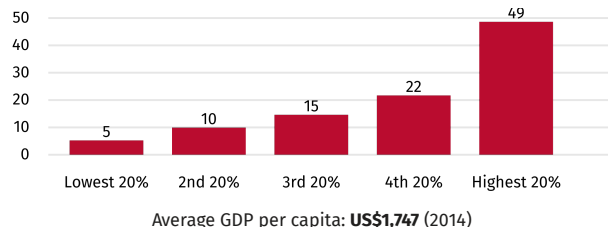
29% of people were living in extreme poverty at the latest available estimates, in 2005

2000-2014, % of population living on under \$1.25 per day



The richest 20% of Ghana's population has nine times the income of the poorest 20%

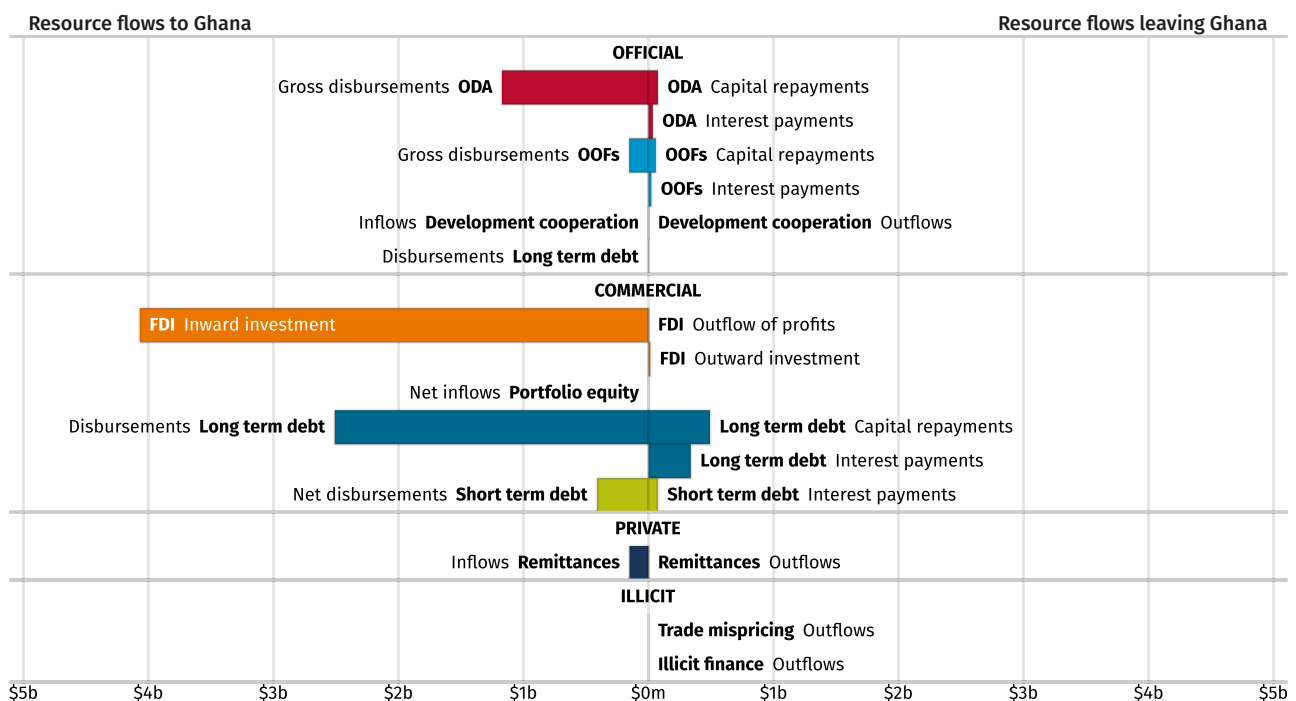
2014, share of income of bottom 20% of population



Resource flows to and from Ghana

FDI is the largest international resource inflow, totalling US\$4.1 billion in 2014

2014, international resource inflows and outflows (US\$ billions, constant 2012 prices)



Notes: We define extreme poverty as measured using the \$1.25 (PPP 2005) extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the \$1.25 a day poverty line. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2014. Across countries in sub-Saharan Africa the richest 20% of the population have 10 times the income of the poorest 20% on average. Acronyms: FDI: foreign direct investment; IDA: International Development Association; ODA: official development assistance.

Domestic resources

Non-oil revenue provides 87% of government revenue, with grants accounting for 4%. Financing plays an important role in the overall resource bundle (36%). Capital expenditure makes up 19% of total spending, most of which (79%) is funded by foreign sources.

Taxes provide 89% of total non-grant revenue, almost half of which comes through direct tax

2013, latest year of actual revenue (US\$ billions, constant 2012 prices)

| | | |
|---|-------------------------------------|---|
| Total Revenue and grants 100% of total US\$5.3bn | Revenue 96% of total US\$5.1bn | Other revenue 10% of total US\$0.5bn |
| | | Taxes 86% of total US\$4.5bn |
| | | |

The government's financing mix includes similar levels of domestic and international finance

2013, latest year of actual financing (US\$ billions, constant 2012 prices)

| | | |
|--|--|--|
| Financing 100% of total US\$2.9bn | Net External Finance 51% of total US\$1.5bn | Amortization -12% of total US\$-0.3bn |
| | | Loans 62% of total US\$1.8bn |
| | Net Domestic Finance 49% of total US\$1.4bn | |

22% of government spending is on interest payments, primarily for domestic debt

2013, latest year of actual expenditure (US\$ billions, constant 2012 prices)

| | | | |
|---|--|---|---|
| Total Expenditure 100% of total US\$8.2bn | Recurrent Expenditure 81% of total US\$6.6bn | Compensation of employees 34% of total US\$2.8bn | Wages And Salaries 29% of total US\$2.4bn |
| | | Purchases of Goods and Services 5% of total US\$0.4bn | |
| | | Other Expense 11% of total US\$0.9bn | |
| | | Interest 22% of total US\$1.8bn | |
| | Capital Expenditure 19% of total US\$1.5bn | Externally Financed 15% of total US\$1.2bn | |

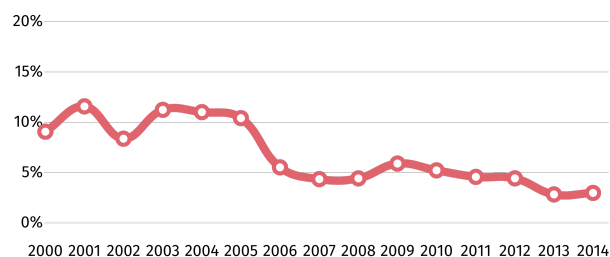
Notes: Year of data refers to the 2014 fiscal year running from January 2014 to December 2014. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub for more details.

ODA

Gross ODA to Ghana totalled US\$1.2 billion in 2014, down 17% from 2013. Loans and equity account for almost 40% of ODA with IDA, the largest provider in total, AfDF and France the largest creditors. Infrastructure receives the most among sectors, with almost two-thirds going to road projects. Health is the second largest sector, and is funded primarily by mixed project aid and cash grants. Half of health ODA goes to basic health, with malaria control the largest area of focus. The US is the largest provider of health ODA while IDA is a key provider for many other sectors.

ODA relative to GDP has fallen since the mid 2000s

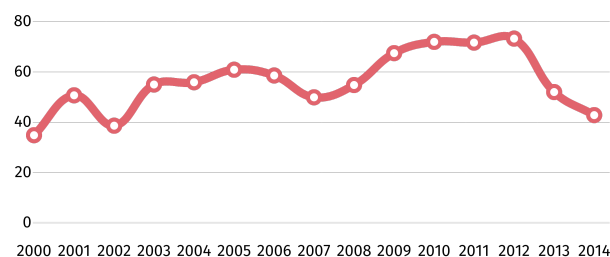
Gross ODA % of GDP



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

ODA per capita has declined since 2012, falling below US\$50 for the first time in 2014

ODA per person living under \$1.25 a day



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

Loans and equity account for almost 40% of ODA, grants a further 21%

2014, gross disbursements

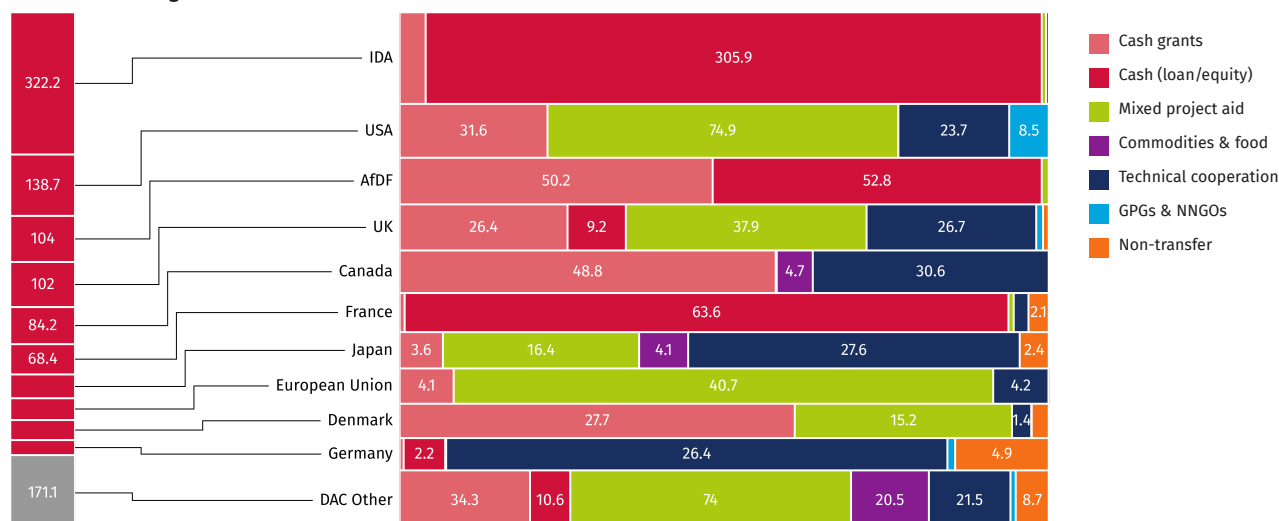


Note: GPGs, global public goods; NNGOs, Northern non-governmental organisations.

IDA provides over a quarter of total ODA, primarily as loans and equity

2014, US\$ millions, gross disbursements

Aid from the ten largest donors



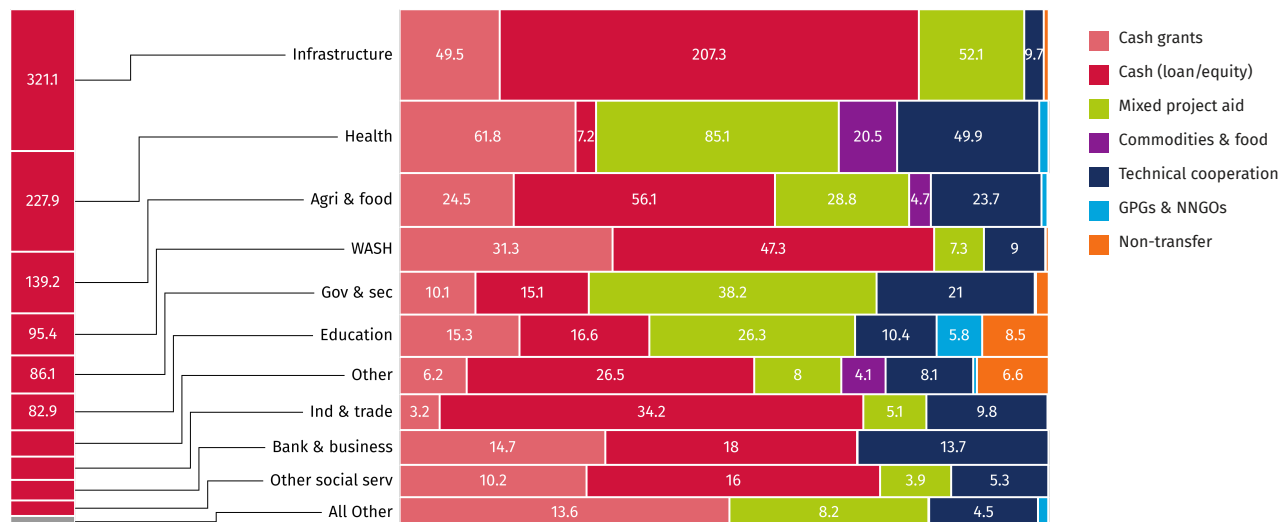
Note: ODA is equivalent to 0.64% of GDP in all developing countries and 2.6% in sub-Saharan Africa in 2014. ODA per capita is equivalent to US\$47 in sub-Saharan Africa. Acronyms: AfDF: African Development Fund

What is aid spent on?

Two sectors – infrastructure and health – account for almost half of total ODA

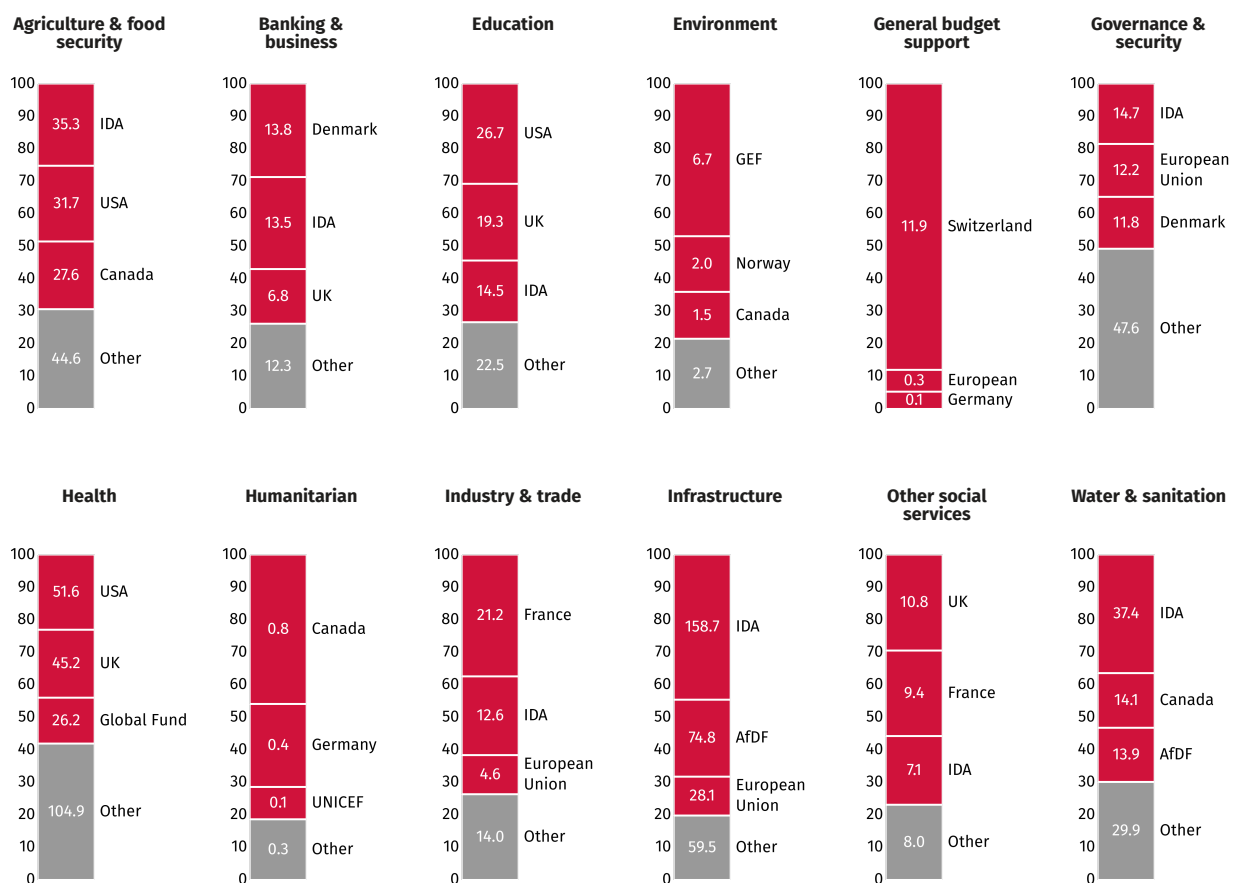
2014, US\$ millions, gross disbursements

Total aid by sector



The US is the largest provider of health ODA; IDA provides the most ODA to five sectors including infrastructure

2014, gross ODA, % of total (US\$ disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the United Nations Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure), Global Financial Integrity (illicit financing and trade mispricing). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2012 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: IMF: International Monetary Fund; OECD: Organisation for Economic Co-operation and Development; OOFs: other official flows.