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Ghana's Financial Institutions & Capital Markets 2025 Outlook

Content

Introduction

This report explores the key projected government policies and regulatory interventions which may impact financial services, capital markets and regulated funds in 2025. The insights in this report are intended to provide a useful outlook to assist market participants navigate the evolving environment. The insights here are built on the key analysis of our 2024 report, taking into account the significant events and shifts that have occurred over the past year.

2024 Review - Reflections

2024 Elections Outcome and New Policy Objectives

The country went to the polls in December 2024 to elect a new president and members of parliament. The National Democratic Congress (NDC) led by John Dramani Mahama won both the presidential and parliamentary elections.[1] The New Patriotic Party (NPP) had been in power for the last 8 years, with a parliamentary majority which had reduced to a slim majority after the 2020 elections.[2] President Mahama was sworn into office on 7 January 2025. The President is in the process of forming his government.

As the new administration takes shape, the economy remains a critical focus and analysts are closely monitoring how President Mahama's administration will address the pressing challenges facing the economy. The Minister for Finance is expected to present the 2025 budget statement and economic policy to Parliament latest by end-March 2025. In the meantime, analysts are looking to the NDC's 2024 campaign manifesto titled "Resetting Ghana" (the NDC Manifesto) for the new government's policy direction. The NDC Manifesto indicates that the new government's key fiscal policy objectives will include enhancing revenue mobilisation, reducing government expenditure, reducing public debt to sustainable levels, increasing capital investments to spur economic growth and job creation, and reducing the fiscal deficit progressively. See the key highlights of the manifesto under '2025 Outlook - The Year Ahead" below.

2024 Economic Overview

Context to 2024 Performance

Ghana's macroeconomic performance in 2024 must be viewed in the context of the economic upheavals of the previous 2 years.

According to the International Monetary Fund (IMF), the impact of external shocks (such as the COVID-19 pandemic, the Russia-Ukraine war and tightening global financial conditions) worsened Ghana's pre-existing fiscal and debt vulnerabilities. Unfortunately, the government's fiscal policy response was insufficient to maintain investor confidence in the economy.

[1] The NDC won an overwhelming majority of 183 out of the 276 parliamentary seats. Of the remaining 93 seats, NPP holds 88, independent candidates hold 4, and 1 has not yet been declared as at the date of publication of this report.

[2] The NPP won 169 of the 275 parliamentary seats in 2016 but the 2 parties took 137 seats each in 2020. The sole independent candidate joined the NPP caucus, giving the NPP a one-seat majority.

This resulted in the loss of access to the international capital market in late 2021, restricted domestic financing and reliance on Bank of Ghana financing. Between 2022 and 2023, the economy was in crisis reflecting in debt distress, dwindling international reserves and high inflation as indicated below:

Indicator	2021	2022	2023	2024
GDP growth	5.1%	3.8%	2.9%	7.2%
Public debt (as a % of GDP)	79.6%	92.7%	83%	72.2%
International reserves [3]	USD 7 billion (3.2 months cover)	USD 1.4 billion (0.7 months cover)	USD 3.7 billion (1.6 months cover)	USD 6.4 billion (2.9 months)
Inflation rate	12.6%	54%	23.2%	23.8%
GHS depreciating rate	4.1%	30%	27.8%	19%

Source: IMF/Bank of Ghana

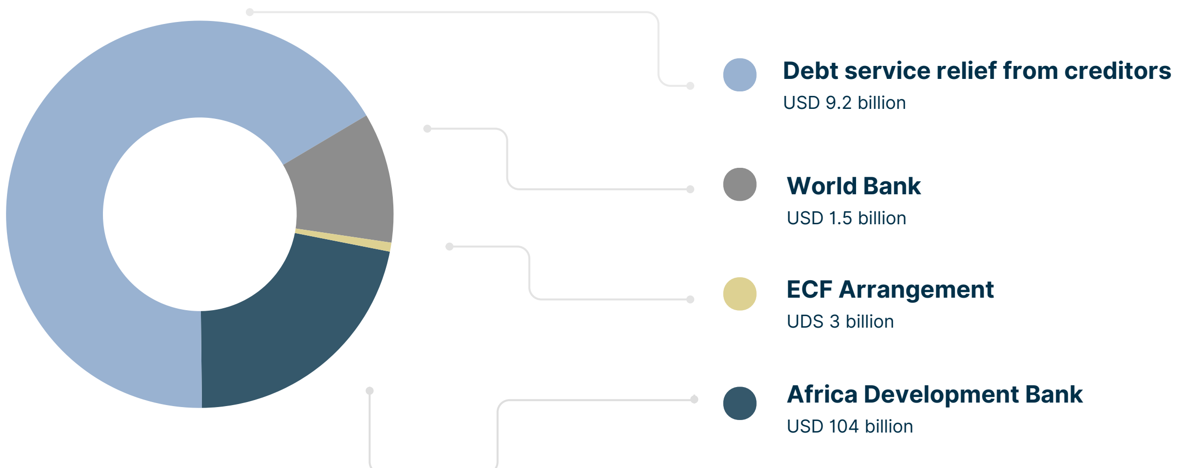
[3] This is the gross international reserves excluding encumbered assets and the petroleum fund.

IMF Programme

In July 2022, the government approached the IMF for a 3-year arrangement backed by USD 3 billion under the existing extended credit facility (the ECF Arrangement). The IMF approved the request in May 2023. The key policies under the ECF Arrangement (which aims to restore macroeconomic stability and debt sustainability) include:

- fiscal consolidation supported by structural reforms in respect of tax policy, revenue administration, and public financial management and addressing weaknesses in the energy and cocoa sectors
- tight monetary and flexible exchange rate policies to bring inflation back to single digits and rebuild international reserves
- preserving financial stability
- reforms to encourage private investment and growth (including by improving governance, transparency and public sector efficiency)

According to the IMF, Ghana's balance-of-payments gap for 2023 to 2026 is about USD 14 billion. The gap is expected to be financed as follows:



Source: IMF

Debt Restructuring

On domestic debt, the government launched a domestic debt exchange programme (DDEP) in early December 2022 asking holders of its debt instruments (issued locally but excluding treasury bills), debt instruments issued by ESLA Plc and Daakye Trust Plc, cocoa bills and Bank of Ghana non-marketable instruments, to swap them for lower-coupon and longer maturity bonds. The DDEP was completed in 2023.

On external debt, the government declared a moratorium on its international debt and further technically defaulted in February 2023. Since then, the government has undertaken the following:

- G20 common framework debt treatment – in June 2024, Ghana and its creditors in the G20 countries and the Paris Club (under the G20 common framework for debt treatment) formalised the terms of a debt treatment in a memorandum of understanding. The debt treatment provides a full debt service relief (over the ECF Arrangement period) from all bilateral claims committed and disbursed before December 2022. The rescheduled debt service will be capitalised and accrue additional interest rate until repayment in years 16 and 17 after the original due date. The terms of the debt treatment will be implemented through bilateral agreements expected to be signed by June 2025 with each creditor;

- Eurobond debt restructuring – Ghana completed the restructuring of USD 13 billion Eurobonds in October 2024. Most bondholders received new bonds maturing in 2029 and 2035, with nominal haircut and increased coupon rate. Others opted for bonds maturing in 2037, with no haircut but a lower coupon rate. All bondholders received a downpayment bond maturing in 2026 and a post-default interest bond maturing in 2030; and

- Other commercial creditor debt restructuring – the government is negotiating a debt restructuring agreement with its residual external commercial creditors.

2024 Performance

The economy showed modest recovery in 2024, largely due to the technical guidance provided (and the implementation of policies and reforms) under the ECF Arrangement. The disbursement of an aggregate of USD 1.92 billion, debt restructuring, and debt service relief under the ECF Arrangement unlocked further financial support and created much needed fiscal space.

6.2%	27%	4.8%
GDP Growth Rate	Monetary Policy Rate	Fiscal Deficit

Key figures

There was significant growth across various sectors. Economic reports indicate that GDP grew by 6.2% by the third quarter of 2024 (2.6% for the same period in 2023), exceeding the projected 4%. The key drivers for the growth were the industry (including oil and gas, mining and construction), services and agriculture sectors.

Inflation in 2024 (23% by November 2024) was relatively lower than in 2022 and 2023. To manage inflation, the Bank of Ghana held the monetary policy rate at 27% for the last quarter of 2024 (a reduction from 29% for the previous 3 quarters).

The GHS continued to depreciate but at a lower rate than 2022 and 2023, (a depreciation rate of 22.7% by December 2024).

The 2024 budget and economic policy indicated that the fiscal deficit narrowed to 4.8% of GDP, down from 11.8% in 2022, reflecting improved revenue mobilisation and stricter expenditure controls. According to the Bank of Ghana, Ghana's total public debt stood at GHS 736.9 billion, representing 72.2% of GDP by November of 2024.

The external sector also recorded marked improvements. The Bank of Ghana indicates in in its summary of economic and financial data (January 2025) that Ghana’s trade balance showed a surplus of USD 4.98 billion by December 2024, driven by strong export performance. Trade surplus accounted for 5.9% of GDP. Gold exports generated USD 20.22 billion, while cocoa exports brought in USD 11.64 billion, buoyed by favourable global commodity prices and an increase in demand for gold. This improved export performance strengthened Ghana's external position. Gross international reserves increased to USD 6.4 billion, providing 2.9 months of import cover.

Despite these positive signals, the macroeconomic environment remains fragile. Inflationary pressures, currency volatility, and the burden of debt repayment obligations still present ongoing challenges. The IMF has indicated that Ghana is still at high risk of debt distress due to imminent breaches of the IMF’s debt sustainability analysis thresholds but Ghana is expected to reach moderate risk of debt distress in the medium term since all debt sustainability targets will be met by 2028.

Review of Key Developments and Updates to our 2024 Legal and Regulatory Outlook

In the 2024 report, we anticipated significant shifts in the regulatory and financial landscapes, driven by improving macroeconomic conditions, enhanced policy initiatives, and evolving global and domestic challenges. Now, with the benefit of hindsight and data from 2024, we assess our expectations against the key developments in the following areas: securities and investments; banking and finance; insurance; payments; tax; and insolvency, restructuring, and administration.

Securities and Investments

Capital Markets

We anticipated continuous growth for the equity capital market to be fuelled primarily by rights issues and additional listing of shares by banks seeking to raise funding to meet prudential requirements. The Ghana Stock Exchange (the GSE) was Africa's best performing market in 2024. It recorded an all-share index growth of 56.17%, its strongest performance in 10 years. The market capitalisation grew by 50.7% (a significant increase to the 14.6% in 2023). The value of transactions grew from GHS 818 million in 2023 to GHS 2.2 billion in 2024. The shares of MTN Ghana were the most traded and valuable in 2024 followed by financial services companies like CalBank Plc, Ecobank Ghana Plc, GCB Bank Plc and Enterprise Group Plc.

We also expected the corporate bonds market to pick up in 2024. The volume of trade increased from GHS 1.7 billion in 2023 to GHS 2.3 billion. The value of trade increased from GHS 1.5 billion in 2023 to GHS 2 billion. These were as a result of issuances by Kasapreko Plc, Bayport Savings and Loans Plc, and Letshego Savings and Loans Plc.

Regarding regulatory interventions, the Securities and Exchange Commission (the SEC) issued guidelines regulate the issuance of and investments in green bonds.

See our brief on Securities and Exchange Commission Issues Guidelines to Govern the Issuance of Green Bonds here

The GSE also introduced a commercial paper market to facilitate the issuance, admission and trading of commercial paper as well as the first regulated over-the-counter (OTC) market in Ghana.

We provide brief insights on the rules for these markets below

Ghana Stock Exchange Issues Rules on Commercial Paper Issuance and Admission

Ghana Stock Exchange Issues Rules on Commercial Paper Issuance and Admission

Alternative Investments

We expected some changes to the regulatory framework for private funds. The SEC commenced a broader overhaul of the legal framework for the securities market and regulated funds. This is still work in progress.

Additionally, we anticipated an increase in the licensing of the new private funds to boost M&A activity and increased debt financing sources. The SEC licensed 2 new private funds, bring the total number of licensed private funds to 9 at the end of 2024. According to the SEC, the funds under management of the private funds increased marginally from GHS 758 million in 2023 to GHS 776 million.

The SEC licensed 2 crowdfunding platforms and 1 crowdfunding intermediary. It also issued guidelines on crowdfunding as anticipated. The guidelines regulate equity and debt (peer-to-peer) crowdfunding models which involve fund investments and provide for the licensing and operation of crowdfunding, licensing of crowdfunding intermediaries, issuer eligibility requirements, and capital raising requirements. The Bank of Ghana introduced the Ghana Gold Coin (the GGC), allowing potential investors to purchase 3 available sizes of pure gold coins as a hedge against local currency fluctuations and other periods of economic turbulence. The GGC is traded locally through commercial banks, priced based on the London Bullion Marketing Association (LBMA) Auction PM Price on the prevailing GHS-USD exchange rate, and readily redeemable through the commercial banks and the Bank of Ghana.

Banking and Finance

We expected increased capital raising efforts in the banking sector, as the banks got ready to implement their regulatory capital restoration plans. The expectation was borne out by a number rights issue and private placement transactions in the banking sector.

Listed banks such as CalBank Plc and Agricultural Development Bank Plc undertook rights issue and additional listing of shares on the GSE while some private banks such as Consolidated Bank Ghana Limited were also recapitalised by their shareholders.

We also anticipated that government would increase its stake within the banking industry. For the purposes of the recapitalisation of the banks and under the Ghana Financial Stability Fund, government increased its stake in some of the banks. For instance, government's interest in CalBank Plc (held by the Social Security and National Insurance Trust) increased from 33% to 56%. Government's direct holding in Agricultural Development Bank Plc increased from 21.5% to 83.5%. While this hugely propped up the recapitalisation drive and may boost government revenue through dividend payouts, it may also be quite disheartening for those who advocate against government shareholding in the financial services sector and its potential for weak regulatory supervision.

Finally, we expected banks to increase their extension of credit to the private sector, following the slight uplift in the macroeconomic indicators. The banking sector in 2024 demonstrated significant recovery and growth, with the following key financial soundness indicators showing marked improvement:

Indicator	2021	2024
Total assets (value)	GHS 275 billion	GHS 368 billion
Total assets (% growth)	34.6%	33.8%
Total deposits (value)	GHS 215 billion	GHS 276 billion
Total deposits (% growth)	34.6%	28.8%
Total advances (value)	GHS 77 billion	GHS 96 billion
Total advances (% growth)	13.8%	24.3%
Average capital adequacy ratio	13.9%	14%
Avergage non-performing loans ratio	20.6%	21.8%
Profit after tax	34.2%	30.8%

Source: Bank of Ghana

Although there was about 25% increase in the aggregate value of loans advanced by the banks, there is still room for improvement. The World Bank estimates that there is a financing gap of about USD 6.1 billion for MSMEs in Ghana (as at 2017). This gap may have increased by now and any meaningful gap closing efforts would require the banks to disburse more. However, non-performing loans (NPLs) remain a systemic issue and a hindrance to the extension of credit to the private sector (including MSMEs). According to the Bank of Ghana, the private sector accounted for over 96% of the NPLs (as at October 2024). As a result of this and other relevant issues, the banks are more inclined to invest in government securities.

Insurance

The insurance sector was stable within the year of review, recovering from the effect of the COVID-19 pandemic and the impact of the DDEP. Selected insurers obtained capitalisation or liquidity funds under the Ghana Financial Stability Fund.

The National Insurance Commission (NIC), as part of its efforts to sustain fairness and efficiency in the insurance industry, directed insurers against engaging in premium undercutting offering clients unrealistically low premiums for the sake of competitive advantage. The NIC also issued a directive on the underwriting of insurance bonds which requires insurers to use approved standardized wordings for all the types of bonds and comply with the minimum bond rates.

Payments

The payments industry continued to dominate as the fastest growing sector in financial services. The aggregate value of mobile money payments stood at GHS 335 billion by end of 2024, continuing its dominance over all other forms of payment in Ghana. This represented 68% growth over the 2023 aggregate value of GHS 199 billion. The number of registered mobile money accounts increased by about 7 million from 66 million to 73 million.

Cheques and internet banking were the next most valuable forms of payment. The aggregate value of cheque and internet banking payments stood at GHS 34 billion and GHS 38 billion, respectively.

The Bank of Ghana re-affirmed its commitment towards the issue of the e-cedi (Ghana’s central bank digital currency) by 2026. The completion of the 12-week eCedi Hackathon produced innovative solutions covering areas such as agriculture, government payments, business transactions and taxation. We are expectant to see the next steps in the issue of the e-cedi and its prospective impact on financial inclusion and digitalisation.

Tax

We indicated in the 2024 report that the Ghana Revenue Authority (GRA) would continue its aggressive domestic revenue mobilisation drive which would likely result in more legislative and administrative steps to increase existing tax rates, introduce or operationalise taxes, and/or encourage tax compliance. We expected the existing tax operationalising to include a practice note for the implementation of the concept of minimum chargeable income under section 2A of the Income Tax Act. We also indicated that the tax compliance measures would include operationalising the GRA's special voluntary disclosure programme (SVDP) in 2024.

The government did not introduce any new taxes or increase tax rates. However, the GRA (for the purposes of operationalising existing taxes) issued guidelines on double tax relief in March 2024, guidelines on VAT supply by an estate developer and supplier of immovable property for rental purposes in March 2024, and guidelines on certified invoicing system (e-VAT) in June 2024. The GRA also issued a practice note in May 2024 for the implementation of the minimum chargeable income concept, which became fully operational in 2024. The practice note aims to guide matters such as the scope of application of the concept and the determination of the minimum chargeable income for businesses.

Regarding encouraging tax compliance, the GRA fully operationalised the SVDP. This initiative encourages taxpayers to declare undisclosed offshore accounts, assets, and income in exchange for relief from penalties. The GRA's heightened revenue mobilisation in 2024 paid off. The GRA has reported that it raked in GHS 154 billion in tax revenue, surpassing its target by GHS 7.5 billion (a 35% increase over the 2023 tax revenue). This affirmed the effectiveness of the tax revenue mobilisation measures.

The government announced plans to reintroduce the integrated property tax system, a major policy intervention aimed at addressing historical underperformance in property tax collections. By consolidating property data from local assemblies, the Lands Commission, and the Electricity Company of Ghana, the system aims to create a unified property database for accurate assessment and improved compliance. The government also announced plans to reintroduce road tolls in 2025. Unlike previous manual collection methods, the new system will rely on digital payment platforms to reduce revenue leakages and increase collection efficiency.

Insolvency, Restructuring and Administration

We anticipated that subsidiary legislation for the Corporate Insolvency and Restructuring Act, 2020 (Act 1015) (CIRA) would be finalised and enacted in 2024 to aid the deployment of the new legal tools introduced under the CIRA to rescue businesses and liquidate insolvent businesses. This did not happen in 2024. We understand that the subsidiary legislation to be issued under CIRA was placed before the last Parliament. It is expected to come into force in 2025.

We also expected the enactment of the Chartered Institute of Restructuring and Insolvency Practitioners Bill (which was undergoing parliamentary review at that time) in 2024. The law was passed in July 2024. It established the Chartered Institute of Restructuring and Insolvency Practitioners, Ghana (CIRIP Ghana) which will serve as the professional body for, among others, promoting the study of insolvency, training and certification of insolvency practitioners. The establishment of CIRIP Ghana marks a significant transition from the role of the Ghana Association of Restructuring and Insolvency Advisors (GARIA), which assisted the Office of the Registrar of Companies on the training and licensing of insolvency practitioners. CIRIP Ghana is expected to play a vital role in fostering a rescue culture for businesses, enhancing public confidence in the insolvency process and maintaining the integrity and professionalism of insolvency practice in Ghana.

The Year Ahead – Legal and Regulatory Outlook for 2025

The recent change in government (on the back of the ongoing ECF Arrangement and other global issues such as new US policies in the Trump era) introduces fresh dynamics into Ghana's economic trajectory.

It may have significant implications for fiscal policy, investor confidence, and regulatory reform especially in the financial services sector and the capital markets.

2025 Forecast at a Glance

Macro Economy

Macroeconomic stability and debt sustainability to be the key goals for 2025.

Investments

We expect increased activity on both the equity and debt markets including the GSE's commercial paper market as a reflection of increased investor confidence and the introduction of alternative investments.

Banking & Finance

We anticipate a moderate decline in the NPL ratio as banks tighten credit approval processes and prioritise loan recovery efforts.

Payments & Fintech

Continued expansion in Ghana's fintech sector, driven by increasing digital adoption, financial inclusion efforts, and deeper integration of financial services with emerging technologies.

Tax

Ghana's fiscal policy in 2025 will prioritise fiscal consolidation and revenue-enhancing measures, driven by the demands of the ECF Arrangement.

Macroeconomy

We expect macroeconomic stability and debt sustainability to be the key goals for 2025. Towards that, the new government is expected to continue implementing the relevant policies and reforms under the ongoing ECF Arrangement. This will be alongside the fiscal policy objectives of the new government under the NDC Manifesto, which include the reduction of government expenditure, fiscal deficit and public debt to sustainable levels as well as enhanced revenue mobilisation and capital investments to spur economic growth and job creation. Investors and analysts will be waiting to see how the 2025 budget statement addresses these key points.

Securities and Investments

Capital Markets

We anticipate that the proposed Securities Industry Bill to overhaul the legal framework for the securities market will be finalised and passed by the end of 2025. The overhauling is intended to align the legal framework with international best standards and, among others, and address some of the issues affecting the capital markets including inadequate disclosure requirements for issuers and lack of product diversity and innovation. Market participants and stakeholders have reviewed the drafts and are largely aligned on the new concepts. The proposed bill, which aims to build a strong legal structure, is essential to the development of the capital market and so we hope that it is given the required push.

Still on legal and regulatory intervention, our understanding of the NDC Manifesto is that, subject to any tweaks under the 2025 budget statement or any official government policy, the new government intends to restore investor confidence in the capital markets (especially after the DDEP) by undertaking the following:

- update the capital markets master plan introduced by the SEC in 2021
- attract more issuers (including state-owned enterprises) to list on the GSE to enhance market liquidity and growth opportunities
- exempt dividend tax for individuals regarding listed securities
- revise capital duty to lower the cost of raising capital

Beyond legal and regulatory intervention, we expect increased activity on both the equity and debt markets later in the year as a reflection of increased investor confidence in the markets. We also expect growth on the GSE's new markets, especially the commercial paper market as prospective issuers get ready to implement their pipeline deals.

Investments

The SEC, in line with its existing capital markets master plan, continues to express its commitment towards diversifying investment products and trading options. We envisage the introduction of rules on asset backed securities, securities lending and borrowing, margin trading, market making, derivatives and digital assets including cryptocurrencies. The SEC issued guidelines on crowdfunding in 2024. We hope this will lead to positive developments in SME investments through the provision of alternative sources of attractive and long-term financing.

We expect the SEC to issue more crowdfunding intermediary licences in 2025 to foster a competitive environment for equity and debt (peer-to-peer) crowdfunding. We also envisage that the Bank of Ghana would clearly delineate its crowdfunding regulatory powers through directives or guidelines for rewards-based or donations-based crowdfunding activities to prevent any overlaps with the SEC.

The NDC Manifesto indicates that the new government intends to strengthen the private equity ecosystem and reform the Ghana Venture Capital Trust Fund. If implemented, these will undoubtedly boost regulated funds business and provide the private sector with much needed capital pipeline.

Banking & Finance

We are cautiously optimistic for the banking sector based on the ongoing stabilisation of the macroeconomic environment under the ECF Arrangement and potential policy shifts under the new government. We expect to see enhanced stability and improved credit conditions.

The recapitalisation of the banking sector is expected to continue in 2025, with particular focus on enhancing the CAR beyond the regulatory minimum. In line with the ECF Arrangement, the Bank of Ghana is expected to sustain the cash reserve ratio policy, compelling banks to maintain a high level of liquid assets to meet regulatory requirements. As a result, we foresee an increase in cash and bank balances as a share of total assets, with a moderate decline in investment portfolios as banks prioritise liquidity over long-term investments.

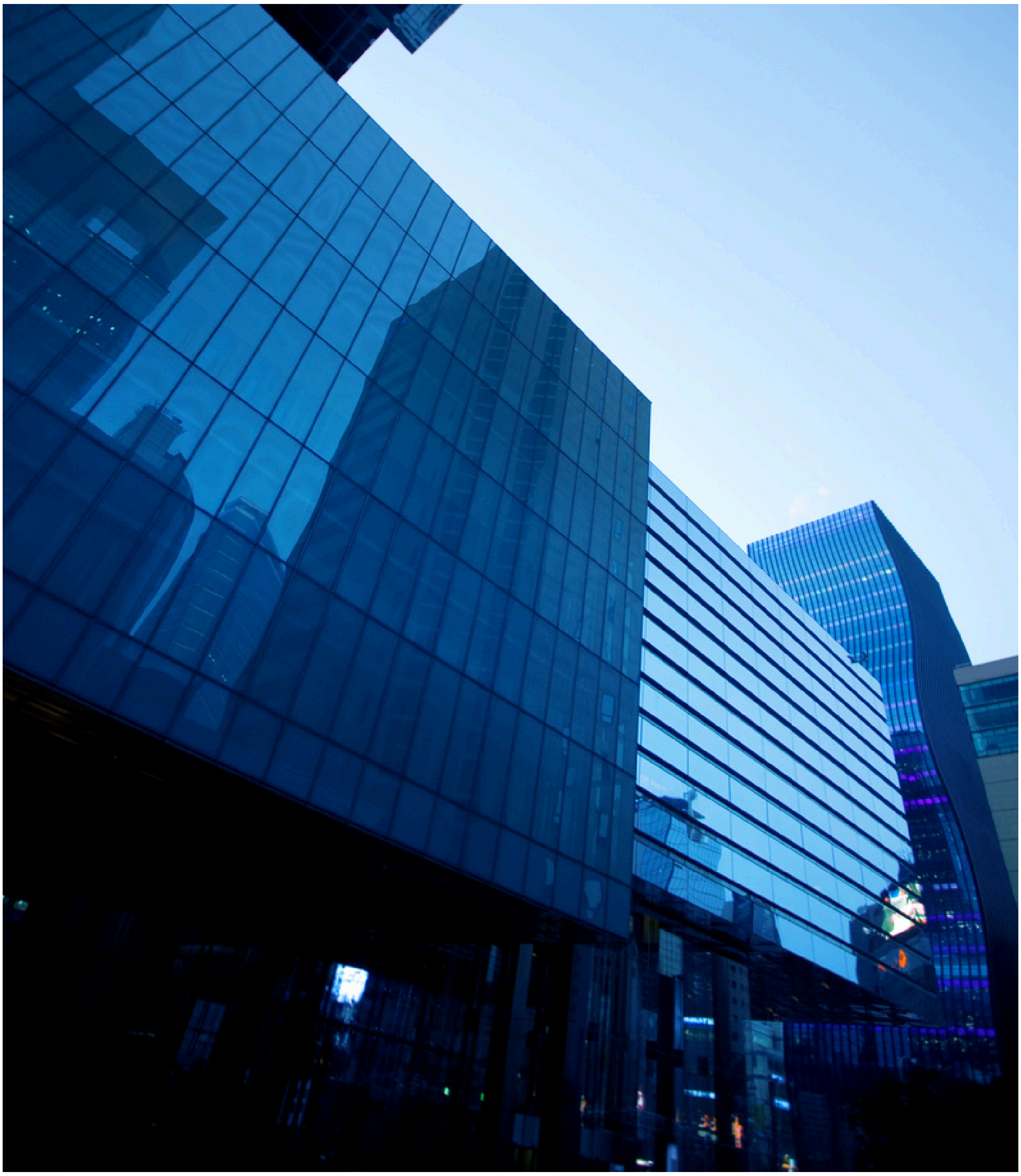
Credit extension to the private sector is projected to strengthen as macroeconomic stability boosts consumer and business confidence. We expect banks to increase lending to the private sector, reversing the current risk-averse posture. However, tighter credit underwriting standards are anticipated due to the elevated NPL ratio. Banks are likely to enhance credit risk assessment processes and focus on recovery strategies to reduce loan impairments. Notwithstanding these challenges, we project gross loans and advances to grow at a steady pace, driven by increased demand for credit from SMEs and sectors prioritised in the new government’s policy agenda.

We anticipate a moderate decline in the NPL ratio as banks tighten credit approval processes and prioritise loan recovery efforts. The ECF Arrangement’s emphasis on enhancing financial sector resilience will likely drive regulatory measures to reduce NPLs. We also expect the Bank of Ghana to introduce stricter provisioning requirements for banks, compelling them to write off or restructure bad loans more proactively. This, combined with improved macroeconomic conditions, should ease asset quality pressures.

We expect bank profitability to improve, supported by higher lending volumes, cost containment measures, and greater operational efficiency. The expected growth in pre-tax and after-tax profits will be driven by increased income from lending activities, while cost rationalisation efforts will further improve profit margins. We expect banks to continue leveraging digital transformation and fintech partnerships to optimise operational efficiency. Regulatory adjustments aimed at curbing operational risks and promoting cost efficiency will likely feature prominently in the policy agenda for 2025. According to the NDC Manifesto, the new government may introduce differentiated minimum capital requirements for the banks and review the universal banking concept.

It may also create a regulatory framework for digital banking and non-interest banking. It is not yet clear if these will be implemented within 2025 but we assume that, at least, the review of universal banking concept and the introduction of non-interest banking may not occur within 2025 given the nature of consultation and legislative overhaul required.

There is also an intention to establish a National Women's Bank to support female entrepreneurs. The details (including whether it will be a universal bank or a microfinance institution and include technical support) are not yet clear but, if planned and implemented well, we expect that it will help close the financing gap in the MSME space.



Payment & Fintech

While we expect the payments sector to continue its strong growth, we look forward to a refinement of the existing legal framework to align with international standards and allow for more flexible regulation to meet the evolving landscape. This will be crucial in fostering a more resilient and adaptive ecosystem that accommodates emerging trends while ensuring consumer protection and financial stability.

According to the NDC Manifesto, the new government plans to introduce a Virtual Assets Service Providers (VASP) Law to establish a clear regulatory framework for virtual asset services, including cryptocurrencies, digital fiat currencies, tokens, and blockchain-based financial instruments. This law will empower the Bank of Ghana and the SEC to oversee virtual asset activities, mitigate risks associated with financial crimes, and promote responsible innovation.

Beyond regulation, the new government intends to leverage blockchain and other emerging technologies to enhance government service delivery, improve transaction efficiency, and foster trust in digital financial systems. If implemented effectively, these reforms could position Ghana as a leader in digital finance and virtual asset regulation within the region.

We anticipate continued expansion in Ghana’s fintech sector, driven by increasing digital adoption, financial inclusion efforts, and deeper integration of financial services with emerging technologies. However, sustaining this growth will require regulatory refinements that balance innovation with consumer protection and systemic stability. As fintech evolves, regulatory agility will be key to fostering competition, reducing costs, and enhancing security in digital financial services.

According to the NDC Manifesto, the new government will introduce new legislation for fintech to foster flexibility, innovation, and competition, making financial services more accessible and affordable. Additionally, the government aims to leverage advanced technology for improved risk management, establish a financial data exchange framework, and promote shared infrastructure for fintechs and financial institutions to drive efficiency, innovation, and seamless digital transformation across the financial services industry.

Artificial Intelligence

Ghana is (and may, for while, remain) more of a consumer than a developer of AI, with adoption primarily driven by financial services, e-governance, and cybersecurity. AI-powered automation, fraud detection, and digital customer engagement will expand, enhancing efficiency and inclusion. However, concerns around data privacy, bias, and regulatory oversight will require attention. According to the NDC Manifesto, the new government intends to develop a National Digital Policy to regulate the deployment and usage of AI, ensuring structured adoption while addressing ethical and security concerns.

Insurance

According to the NDC Manifesto, the new government intends to roll out a risk-based minimum capital regime to link minimum capital to the risks of an insurer as is within the powers of the National Insurance Commission under the Insurance Act, 2021 (Act 1061). Fixed capital standards typically do not address the differences in size and fundamental risks across insurers. The proposal is in accordance with the existing legislative framework and will bring some flexibility and strengthen insurance regulation.

There is also an intention to introduce localisation requirements for foreign insurance companies. This may be good for both local investors and the foreign insurers if the localisation requirements are crafted and implemented well. It may also some create M&A deals in the insurance market.

Pensions

According to the NDC Manifesto, the new government may review the legislative and regulatory framework for pensions to allow workers to use their tier 2 pension contributions as collateral for mortgage loans. This may apply to only workers who have contributed for a minimum of 15 years. This will be a good boost for the home mortgage financing market.

Tax

We expect that Ghana's fiscal policy in 2025 will prioritise fiscal consolidation and revenue-enhancing measures, driven by the demands of the ECF Arrangement. As the new Finance Minister has indicated ahead of the presentation of the 2025 budget statement, revenue is critical and the new government must prioritise domestic resource mobilisation.

The new government has signalled its intention to abolish certain taxes that have been the subject of widespread public debate. Key taxes that may be removed include the following:

COVID-19 health recovery levy	Its initial purpose has largely been achieved. It was introduced as a 1% levy on the supply of goods, services, and imports to support Covid-19-related expenditures
Electronic transfer levy (E-levy)	Significant public resistance when it was introduced at 1.5% before being reduced to 1% and has been a major point of contention
Betting tax	The 10% tax on winnings targeted the fast-growing betting sector
Emissions levy	Introduced as part of efforts to promote environmental sustainability by targeting vehicle and industrial emissions

While these proposed tax cuts may offer economic relief, they may have significant implications for Ghana's revenue mobilisation strategy under the ECF Arrangement. Increased domestic revenue mobilisation is a key pillar of the country's economic recovery and debt sustainability plan. The taxes proposed to be cut have played a crucial role in supporting the government's revenue targets. The abolition of these taxes may create a revenue shortfall, forcing the government to explore alternative revenue streams or increase enforcement of existing measures. This tension between political commitments to reduce the tax burden and IMF-backed fiscal consolidation efforts is likely to be a key policy challenge in 2025.

To address this potential revenue gap, the government may rely more heavily on administrative efficiency and compliance enforcement. The GRA is expected to intensify efforts in tax compliance, particularly through digitalisation and automation. The operationalisation of the e-VAT system and the expanded use of the modified taxation scheme for SMEs will continue in 2025. With a larger pool of taxpayers expected to be brought under the e-VAT regime, the GRA will increase its use of data analytics and cross-agency data integration to identify non-compliant taxpayers and enforce payment obligations. The introduction of electronic bookkeeping requirements will further strengthen compliance, promote financial transparency, and close informal sector leakages.

Contributors

Seth Asante
Managing Partner
Financial Institutions & Capital Markets
Energy and Infrastructure

Frank Akowuah
Partner
Financial Institutions & Capital Markets

Joel Telfer Jnr
Associate
Financial Institutions & Capital Markets

Martinson K.Y. Bediako
Associate
Financial Institutions & Capital Markets

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What drives us is our long-term commitment to providing legal services with the highest level of professionalism and quality, as well as building our teams to help our clients succeed and take advantage of the right opportunities. At Bentsi-Enchill, Letsa & Ankomah, we understand that our clients operate in increasingly challenging times and are committed to partnering with them to help them navigate these challenges and deliver the highest-quality advice and service.

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Awards & Rankings

Chambers Global 2024

Ghana Law firm of the year 2024

Corporate Commercial - **Band 1**

Disputes - **Band 1**

Projects & Energy - **Band 1**

International Financial Law Review (IFLR) 2024

M&A - **Tier 1**

Capital Markets - **Tier 1**

Projects - **Tier 1**

Banking - **Tier 1**

IFLR Africa Awards, 2024

Ghana law firm of the year

Financial Services Regulatory Firm of the Year: Regional

Africa - **Deal of the Year: M&A**

Africa - **Deal of the Year: Restructuring**

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BENTSI-ENCHILL
LETSA & ANKOMAH

+233.302.208888
+233.302.2221171
+233.302.2224612

4 Momotse Avenue, Adabraka
Accra - Ghana (GA-073-2077)
LinkedIn