

Ghana: Current Overview

Ghana is one of the most stable and institutionally developed countries in West Africa. In the December 2024 general elections, the National Democratic Congress (NDC) party won decisively, continuing a decades-long tradition of alternating power with the New Patriotic Party (NPP) in peaceful contests. The NDC won a clear majority in parliament, securing 183 out of 276 seats and providing newly elected president John Dramani Mahama with a robust policy-making platform. That said, Mahama will need to push his policy agenda forward relatively swiftly as he is limited to a single four-year term in office after serving as president from 2012-17. In parallel, the NDC campaigned on easing cost-of-living concerns, including tackling high inflation and withdrawing several consumer and business taxes issued over the past few years. The Mahama administration will be under significant pressure to deliver on these promises, or risk renewed anti-government protests.

GDP growth is expected to reach about 5% in 2025 and 4.5% in 2026 owing to stable domestic agricultural and service sector performance and aided by external funding. In a reversal from Ghana's previous policy stance to limit foreign financing, in July 2022 the government requested support from the International Monetary Fund (IMF) due to an increasingly fragile domestic economy undermined by the pandemic and the impact of the Russia-Ukraine conflict on global commodity prices. Public debt reached roughly 90% of GDP in 2022, and Ghana defaulted on its external debt in December 2022. In May 2023, the IMF approved a three-year, \$3-billion credit program. Progress on debt restructuring agreements, including both commercial and bilateral agreements, paves the way for full disbursement of the program. The Mahama administration is maintaining the commitment to fulfill IMF requirements and has introduced measures to reduce government spending and improve tax compliance, particularly from companies.

E&P activity has been limited over the past year, although Eni's July 2025 declaration of commerciality for the 2021 Eban-Akoma field is a sign of renewed investor interest. Facilitating project development, particularly the Tullow-operated Jubilee Southeast and Teak and the Pecan Energies-operated Pecan, is likely to be a near-term focus for the government. In February 2025, the new government withdrew the controversial 2020 unitization directive for the Sankofa and Afina fields — operated by Eni and domestic company Springfield respectively — potentially signaling a less interventionist approach to upstream project development. In parallel, the Mahama administration has announced that it will review the regulatory framework to improve the country's upstream competitiveness, attract new investment and mitigate the risk of stranded assets.

Ghana: 5-Year Outlook

Due to Ghana's well-developed system of governance, overall political stability is expected to be maintained. Significant shifts in policy direction are unlikely, despite the recent change of power, not least because the Mahama administration is expected to complete the full IMF program with economic and fiscal policies aligned with those targets. However, the decrease in voter engagement in the 2024 elections could signal a more volatile political context over the outlook period, particularly ahead of the next election cycle in 2028. Regardless of pledges to reduce economic pressures, the government will likely continue to face criticism over economic and social policies, sustaining the risk of violent anti-government protests,

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particularly in view of increasing youth unemployment.

Strengthening the economy will remain a priority. The IMF credit program has been crucial to stabilize the economy, and the significant and broad debt restructuring brings substantial debt relief: Public debt is expected to decline to under 60% of GDP in 2027, down from over 93% in 2022. However, the country's economic position will remain challenging in the near to medium term, and dependent on increased hydrocarbon production and stable export markets for cocoa and gold.

Ghana's longer-term hydrocarbon sector focus is to encourage further exploration both onshore and offshore, as output from already producing fields is declining. This will likely involve shifting exploration away from the western offshore as well as making investor-friendly adjustments to upstream terms to encourage new investment. The November 2022 National Energy Transition Framework and the complementary 2023 Energy Transition and Investment Plan (ETIP) include a renewed focus on domestic gas utilization, outlining possible fiscal incentives to facilitate gas commercialization. Enabling greater gas commercialization will hinge on the government's ability to put in place a clear gas pricing regime and improve the financial and operational viability of state-owned domestic offtakers and end users. The ETIP also outlines ambitious emissions reductions targets in the upstream sector, projected to be realized partly through reduced production post-2030, sending mixed signals to upstream investors over government priorities in the medium to long term.

Ghana: Overall Rating

	Current	5 Year Outlook
	6.66 C	6.49 C
Politics	7.00 B	6.75 C
Economics	4.60 D	4.85 D
Hydrocarbon Sector Entry	7.50 B	7.20 B
Hydrocarbon Sector Operations	5.75 C	5.75 C
Hydrocarbon Sector Shocks	8.05 B	7.58 B

Ghana: Politics

	Current	5 Year Outlook
	7.00 B	6.75 C
<p>State Capacity</p> <p>Although Ghana’s state capacity is relatively high for a sub-Saharan African country, the effectiveness of state institutions is constrained by the lack of professionalism in the civil service ranks. While capacity is on an upward trajectory, it is not expected to increase significantly in the medium term.</p>	5.00 C	5.00 C
<p>Political Legitimacy</p> <p>A significant majority of Ghanaians accept the government as legitimate, as evidenced by the country’s open and competitive political system — there have been several democratic changes of the party in power — and the relatively high voter turnout in elections at around 70% in the 2008, 2012, and 2016 polls, and over 78% in the 2020 elections. However, voter turnout declined sharply in the 2024 elections to around 61%, signaling increasing discontent with the political elite.</p>	8.00 B	7.00 B
<p>Political Violence</p> <p>Political violence in Ghana is rare. While there were some isolated clashes relating to the two latest elections, the overall election processes are generally calm with peaceful transitions of power. The country’s track record of relative calm is expected to continue through the forecast period.</p>	9.00 A	9.00 A
<p>Geopolitical Risk</p> <p>There is some risk of violence and instability emanating from neighboring countries, particularly in the wake of the deteriorating security situation and political flux in the Sahel. Terrorism is also a concern following the 2016 attack by Al-Qaeda in the Islamic Maghreb (AQIM) on Grand Bassam, Côte d’Ivoire, which is less than 80 km from Ghana, compounded by the porous northern border with Burkina Faso and the volatile Sahel. Ghana and Togo remain in amicable discussions to resolve the issue of their maritime boundary, prompted by the 2017 granting of an E&P license for the East Keta block in Ghana’s eastern offshore near the Togolese border. It appears that the two states have agreed to manage the transboundary area jointly on a provisional basis until a binding resolution can be reached, although there is no timeline for the conclusion of the negotiations. In general, the risk of Ghana becoming embroiled in international disputes or interstate war is low.</p>	6.00 C	6.00 C

Ghana: Economics

	Current	5 Year Outlook
	4.60 D	4.85 D
<p>Non-Payment Risk</p> <p>Ghana's foreign-exchange reserves currently provide about three months of import cover, improving from just over a month of import cover in 2023, but reserves remain under pressure owing to the country's dependence on imported goods. Reserves are expected to remain at low levels through the outlook period. In the near term, the risk of restrictions on capital transfer is mitigated by the 2023 IMF credit program.</p>	2.00 F	2.00 F
<p>Primary Fiscal Balance</p> <p>Ghana's primary fiscal account is projected to reach a surplus of 1.5% of GDP annually in 2025 and 2026, and remain at that level through the outlook period. The economic impact of the COVID-19 pandemic put further pressure on Ghana's already sizeable structural deficit brought on by high recurrent spending obligations on wages, debt service, and statutory payments. Reneging on a promise to move away from foreign financing, the government negotiated a three-year, \$3-billion credit program with the IMF, which was approved in May 2023.</p>	7.00 B	7.00 B
<p>Real Per Capita GDP Growth</p> <p>Real per capita GDP is expected to expand by about 2% in 2025 and 2.5% in 2026, with annual growth further accelerating to 3% at the end of the forecast period. Solid trade, transport, real estate, and agriculture performance continue to form the foundation of the economy. Nevertheless, Ghana's future economic growth remains heavily dependent on gold, crude oil and cocoa exports as well as foreign financing, and it will remain vulnerable to external shocks for the foreseeable future. Improved power supply should also help to underpin GDP growth over the medium to long term.</p>	7.00 B	8.00 B
<p>Level of Development</p> <p>Ghana is one of the more developed sub-Saharan African countries, mostly because of its relatively strong governance. However, the country's development trend has plateaued, and is not likely to improve significantly over the outlook period. Ghana ranks in the second-lowest quintile according to the UN's Human Development Index.</p>	3.00 D	3.00 D

Ghana: Hydrocarbon Sector Entry

7.50 B	7.20 B
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7.20 B	8.00 B
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International Openness

Access to prime upstream acreage in Ghana has been unrestricted and is expected to remain that way — for the most part — over the medium term. The country’s 2018-19 bid round, its first, included six offshore blocks: three for competitive bidding, two for direct negotiation and one reserved for the national oil company (NOC), the Ghana National Petroleum Corporation (GNPC). The reservation of acreage exclusively for GNPC is likely to be repeated in the future for some shallow water and onshore blocks and represents a slight reduction in access for IOCs. The 2018-19 bid round received only three bids and resulted in two license awards: one to Eni and Vitol for deepwater Block 3 and one to Nigerian independent First Exploration & Production Development Company for the mixed shallow and deepwater Block 2. However, the government terminated negotiations over both blocks in early 2023 without finalizing awards. Ghana may organize another competitive tender over the forecast period. In the interim, and in addition to the five offshore blocks in the Tano Basin and Keta Basin that the authorities have been formally promoting since September 2022, investors are free to make unsolicited offers for open acreage on a direct negotiation basis. However, the authorities will likely be inclined to reserve the most prospective open blocks for auction.

9.00 A	8.00 B
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8.00 B	5.00 C
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Government Take

The 2018-19 bid round provided investors with a better sense of the terms that the government is offering. Under the regulations and model contract prepared for the bid round, rental rates for upstream acreage increased, while royalties, signature and production bonuses, and state participation are biddable. However, GNPC’s mandatory minimum participation level was raised to 15% as set by the 2016 petroleum law. While these general terms are expected to remain in place for the next several years, the Mahama administration has signaled that it will review the regulatory framework, potentially also including changes to fiscal terms. As part of its efforts to stabilize the country’s economy and secure support from the IMF, the government enacted the Growth and Sustainability Levy Act in April 2023, which included a levy on upstream oil and gas companies of 1% of gross production for 2023-25. In April 2025, this levy was extended to

5.00 C	5.00 C
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5.00 C	
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	Current	5 Year Outlook
end-2028.		
Government Take: Oil	4.00 D	4.00 D
Government Take: Gas	6.00 C	6.00 C
<p>Expediuousness of Contract</p> <p>While licenses historically were awarded within 9 to 12 months of application and then enacted and signed within 3 months thereafter, the drawn-out process following the 2019/20 bid round — ending in the government terminating negotiations without finalizing any awards — indicates slower procedures going forward. Ghana’s limited experience in managing licensing processes over the past decade will likely also contribute to delays.</p>	7.00 B	7.00 B
<p>State/NOC Role</p> <p>While the 2020 forced unitization of the Sankofa and Afina fields reflected an assertive approach by the government of the time, the Mahama administration’s February 2025 withdrawal of the unitization directive could signal a more pragmatic attitude toward project development. Despite efforts to boost GNPC’s upstream capacity and to expand its mid- and downstream operations, the NOC’s overall working interest is less than 20% of the country’s total oil and gas output and has not increased appreciably over the last five years. GNPC had aimed to partner with an experienced foreign firm to help it develop greater operational capacity, but has not yet achieved this goal. While Ghana’s current debt woes and fiscal consolidation obligations under the 2023 IMF credit program mean that the NOC’s share of production is unlikely to expand in the near term, the previous government proposed that it acquire increased stakes in the Deepwater Tano/Cape Three Points (DWT/CTP) and South Deepwater Tano (SDT) licenses and develop the DWT/CTP Pecan Development (Phase 1) project and the Nyankom 1 discovery in the SDT block. The Mahama administration has stated its intention to boost the role of the GNPC, without further details.</p>	6.00 C	7.00 B
State/NOC Role: Oil	6.00 C	7.00 B

	Current	5 Year Outlook
State/NOC Role: Gas	6.00 C	7.00 B

Ghana: Hydrocarbon Sector Operations

	Current	5 Year Outlook
	5.75 C	5.75 C
<p>Sanctity of Contract</p> <p>While contract sanctity has not been a major issue in Ghana, there have been a few notable contract disputes. In 2010, the government blocked Kosmos from selling its stake in the Jubilee field, claiming that the company had not followed proper legal procedures. In 2018, a disagreement between GNPC and Clontarf Energy over the Tano 2A block was reportedly resolved through talks. In late 2020, the authorities directed the Eni-operated Sankofa field, which is in production, and the Springfield E&P-operated Afina field, which was then not appraised, to be unitized despite resistance from Eni and fellow license holder Vitol. In July 2024, an arbitration tribunal found in favor of Eni, stating that the government had breached the petroleum agreement with the operator by not following standard procedures to underpin a unitization. The Mahama administration formally withdrew the directive in February 2025, while stressing its right to issue unitization directives when required, including for the Sankofa and Afina fields. Creeping tax requirements such as the early-2023 additional levy for upstream oil and gas companies highlight possible unpredictable application of agreed terms. The Mahama administration has made a broad pledge to review contracts awarded under the previous government, although scrutiny will likely focus on public sector contracts.</p>	6.00 C	6.00 C
<p>Regulatory Burden</p> <p>The 2016 upstream law provided clearer, more up-to-date rules and regulations for the sector. Implementation of the 2013 local content law, which set a target of 2024 for 60-90% Ghanaian content in goods and services and 70-80% Ghanaian management and technical employees, will likely remain pragmatic to encourage continued E&P activity. The Petroleum Commission published an overall job role localization rate of around 90% at the end of 2023. Mahama highlighted local content as a priority area in his election manifesto, but it is unclear what, if any, additional targets the new government will establish. Tullow Oil's request</p>	6.00 C	6.00 C

	Current	5 Year Outlook
in early 2023 to move to arbitration over revised tax assessments highlights uneven application of fiscal terms, an issue which is likely to persist given the unstable domestic economy.		
<p>Civil Society Risk</p> <p>Ghanaian civil society is relatively well-developed and is actively involved in debating and trying to shape energy policy, particularly relating to resource governance, revenue sharing and advocating for local content requirements. However, civil society activism against companies or specific projects has been limited.</p>	5.00 C	5.00 C
<p>Corruption</p> <p>While Ghana's hydrocarbon industry is not immune from corruption, it is perceived to be much less corrupt than other African oil-producing countries. Ghana ranks in the third quintile in Transparency International's Corruption Perceptions Index.</p>	6.00 C	6.00 C
<p>Rule of Law</p> <p>Ghana's rule of law is considered to be relatively well-developed compared to other countries on the continent. The World Bank Governance Indicators place Ghana in the middle quintile of countries globally for this measure.</p>	6.00 C	6.00 C

Ghana: Hydrocarbon Sector Shocks

	Current	5 Year Outlook
	8.05 B	7.58 B
<p>Market Access</p> <p>Export risk is not a significant issue in Ghana. However, piracy in the Gulf of Guinea warrants vigilance from IOCs over the medium term as does the possible revitalization or expansion of Ghana's refining capacity. In January 2024, the government commissioned the Sentuo refinery, with a nameplate capacity of 40,000 b/d and plans to expand to 100,000 b/d over the medium-to-long term. The Tema Oil Refinery (TOR) with a nameplate capacity of 45,000 b/d remains offline as of November 2025. In mid-2024, the government formally initiated a \$60 billion project regional</p>		

	Current	5 Year Outlook
<p>petroleum hub project, which would include a 300,000 b/d refinery in the first phase. The feasibility of the project appears low given uncertain financing, unclear parameters and declining domestic crude production. If this plan does come to fruition, the authorities would likely impose more stringent domestic market obligations on upstream producers. However, that is unlikely over the outlook period. On the gas front, while there is no prohibition on exports, the domestic market has been the sole means of commercialization — mainly for economic reasons — and will likely continue to be so going forward. The respective offshore projects currently connect to the Atuabo onshore gas-to-power plant; the Jubilee and TEN projects share one pipeline, separate from the Sankofa project. The West African Gas Pipeline connects Nigeria and Ghana, with long-standing but seemingly dormant plans for a westward extension to Côte d'Ivoire. The ambitious Nigeria-Morocco gas pipeline project, which would connect all West African countries to allow for potential export of gas to Europe via Morocco, remains a more uncertain prospect. The November 2022 National Energy Transition Framework highlights natural gas as a key resource to meet Ghana's energy demands through the 2050s, which could move the government to impose domestic market obligations for gas as well.</p>	7.00 B	6.50 C
Market Access: Oil	8.00 B	7.00 B
Market Access: Gas	6.00 C	6.00 C
<p>Facility and Personnel Violence While oil and gas facilities and personnel in Ghana have not been attacked or threatened, piracy in Ghanaian waters and the broader Gulf of Guinea, particularly offshore Nigeria, remains a concern. The number of incidents reported in the gulf has decreased since 2020, but the threat level remains high. That said, Ghana has one of the stronger and better equipped navies in the region, partially diminishing the potential risk from piracy.</p>	9.00 A	9.00 A
<p>Ministerial/Policy Volatility Ghana's hydrocarbon sector leadership does not change frequently — mainly when there is a switch of political party government control — mitigating the risk of ministerial volatility. Mahama has appointed new sector leadership in both the executive and the upstream regulatory body, the Petroleum Commission. The newly appointed Minister of Energy, John</p>		

	Current	5 Year Outlook
<p>Jinapor, was a junior minister in the 2012-2017 Mahama administration, and has in the meantime served as the NDC's spokesperson on mines and energy, maintaining a close relationship with the petroleum sector. The Mahama administration has signaled a potential review of the regulatory framework, but is unlikely to make significant changes given their stated goal of boosting production to contribute further to the economy. When ministerial reshuffles occur outside the election process, any changes have not tended to affect overall policy.</p>	8.00 B	8.00 B
<p>Labor Unrest Labor unrest in the oil sector has not typically been a significant issue in Ghana, but could become one in the future as local participation and domestic utilization increase. In particular, labor activism at the country's growing number of downstream facilities could create potential complications for the upstream projects serving them.</p>	9.00 A	7.00 B

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