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INTERNATIONAL MONETARY FUND AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

REPUBLIC OF GHANA

Enhanced Heavily Indebted Poor Countries (HIPC) Initiative Completion Point Document

Prepared by the Staffs of the International Monetary Fund and
the International Development Association

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EXECUTIVE SUMMARY

In February 2002, the Executive Boards of the IMF and the IDA agreed to support a comprehensive debt reduction package for the Republic of Ghana under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative. At that time, a set of floating triggers was agreed for Ghana to reach the completion point under the Initiative. This paper assesses Ghana's progress in meeting those triggers, and seeks the Boards' approval of the completion point, including a waiver of one of the completion point triggers.

At the decision point, debt relief required under the enhanced HIPC Initiative to lower the net present value (NPV) of debt-to-government revenue ratio to 250 percent was estimated to be US$2,186 million. This relief represented a 56.2 percent reduction in debt, in NPV terms, after the full use of traditional debt relief mechanisms.

In the view of the staffs of the IMF and the IDA, Ghana has made satisfactory progress on the implementation of the conditions for reaching the floating completion point:

- A Poverty Reduction Strategy Paper was prepared, and has been implemented over the past year;
- Macroeconomic stability has been maintained; and
- All but one of the key structural reforms and social measures monitored under the framework have been met. The trigger that was not met relates to the implementation of an automatic adjustment formula for petroleum pricing.

In light of additional information received from creditors and a new reconciliation of external debt to end-2003, the staffs have revised the DSA that was presented at the time of the decision point for Ghana. This new reconciliation exercise revealed the need for a minor change to update the database used for the decision point, but this does not imply a need to revise the common reduction factor of 56.2 percent. As of May 2004, satisfactory financing assurances with respect to creditor participation in enhanced HIPC assistance for Ghana have been obtained.

The revised DSA shows that Ghana's external debt is likely to:

- remain sustainable over the projection period (2004-2023), with the NPV of the external debt-to-exports ratio showing a steep decline from levels above 200 percent at end-2003 to fairly stable levels below 125 percent, and the NPV of external debt-to government revenue declining from 350 percent to 118 percent over the same period; and
- remain robust to moderate country-specific shocks, even of a persistent nature. However, the sensitivity analysis also suggests that if Ghana were affected by permanent adverse shocks, or a combination of shocks, debt sustainability could once again be compromised.

Overall policy implementation by the Ghanaian authorities since the decision point has generally been satisfactory, although the nonobservance of the trigger on the automatic adjustment of petroleum prices signals a weakness in structural policies. However, the staffs believe that the fundamental reform of petroleum pricing to which the authorities have committed will address the problems in this area, most importantly, by eliminating the government's involvement in the price-setting process.

I. INTRODUCTION

1. **In February 2002, the Executive Boards of the International Monetary Fund (IMF) and the International Development Associations (IDA) agreed to support a comprehensive debt reduction package for the Republic of Ghana under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative at the decision point.**[1] At that time, a set of floating triggers was established for Ghana to reach the completion point. This paper assesses Ghana's progress in meeting those triggers, and seeks the Boards' approval of the completion point, including a waiver of one of the completion point triggers.

2. **At the decision point, debt relief required under the enhanced HIPC Initiative to lower the net present value (NPV) of debt-to-government revenue ratio to 250 percent was estimated to be US$2,186 million.**[2] This relief represented a 56.2 percent reduction in debt, in NPV terms, after the full use of traditional debt relief mechanisms. The Boards also agreed to provide Ghana with interim assistance to cover part of the debt service falling due to the IMF and IDA until Ghana reached the floating completion point. The IMF provided interim debt service relief in an amount equivalent to SDR 25.1 million in nominal terms between February 2002 and May 2004, while IDA provided interim relief amounting to US$ 98 million over the same period. In addition, both the AfDB and the EU/EIB provided interim relief in the amount of US$ 52 million and EUR 4.7 million, respectively.

3. The rest of the paper is organized as follows. Section II discusses Ghana's performance in observing the requirements for reaching the floating completion point under the framework, including implementation of the national poverty reduction strategy. Section III describes the delivery of debt relief and longer-term debt sustainability, while the conclusions are summarized in section IV. Section V presents some issues for discussion by Executive Directors in considering the staffs' proposal to bring Ghana to the completion point.

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[1] See http://www.imf.org and http://www.worldbank.org/hipc, Ghana—Enhanced Heavily Indebted Poor Countries (HIPC) Initiative Decision Point Document, February 2002.

[2] In April 1997, the fiscal revenue/openness criteria were established to allow for the possibility that, for countries such as Ghana with a high export base, reaching the debt-to-export criteria targets may still leave the country with an unsustainable external debt burden relative to government revenue. In order to qualify for this window, a country must have an export-to-GDP ratio of at least 30 percent, and a fiscal revenue-to-GDP ratio of at least 15 percent, using an average of the last three years of actual data. With an export-to-GDP ratio of 37 percent and a fiscal revenue-to-GDP ratio of 17 percent, Ghana qualified for debt relief under the fiscal revenue/openness criteria, which provides significantly more relief than using the debt-to-exports ratio.

II. Assessment of Conditions for Reaching the Completion Point

4. **Ghana has made satisfactory progress on the implementation of the conditions for reaching the floating completion point (Box 1).** To reach this point under the framework, Ghana committed to: prepare a Poverty Reduction Strategy Paper and satisfactorily implement the strategy for at least one year; maintain macroeconomic stability; and undertake key structural reforms and social measures monitored under the Initiative, as agreed at the decision point. As detailed below, all but one of the specified triggers have been met. The trigger that was not met relates to implementation of an automatic adjustment formula for petroleum pricing. This is an important structural measure, and the case for proceeding to the completion point despite its non-implementation is set out in section II.C.

Box 1. Ghana: Status of Triggers for the HIPC Floating Completion Point

Triggers	Status
PRSP. Preparation of a full PRSP and satisfactory implementation for at least one year, as evidenced by the joint staff assessment of the country's annual progress report.	Met. The full PRSP was finalized and sent to the IMF and IDA in February 2003 and discussed by the IMF and IDA Boards in May 2003. The 2003 PRSP Annual Progress Report was completed in May 2004 and the Joint Staff Assessment submitted to the Boards in June 2004.
Macroeconomic stability. Continued maintenance of macroeconomic stability as evidenced by satisfactory implementation of the PRGF-supported program.	Met. A new-three year PRGF arrangement was approved in May 2003 and the first review completed in December 2003. The second review is planned to be completed in June 2004.
Use of budgetary savings. The use of budgetary savings from interim debt service relief have been used in the priority areas and monitored in the framework for poverty reduction expenditures. Information on the use of these savings and on poverty expenditures has been published in time to be considered in a public review of GPRS implementation, as input to the annual progress report on the GPRS. The increase in total spending on these priorities must equal or exceed HIPC relief (less relief used for domestic debt reduction) during the interim period.	Met. The tracking system is in place and HIPC relief is additional to budgetary spending, mostly on basic infrastructure and social sectors. The 2003 PRSP Annual Progress Report provides information on use of the resources and on poverty-related expenditures.
Governance	
• Procurement reform. Regulatory and oversight body to implement new procurement code has been established.	Met. In December 2003, Procurement Act was passed by parliament. Members of the Public Procurement Board were appointed by the President and their inauguration is planned for June 2004. The position of Chief Executive of the Secretariat of the Board has already been advertised and selection to fill the position is expected by the end of July

	2004. MOEFP has already instructed public procurement bodies to form Entity Tender Committees.
• Internal audit. Operational internal audit capacity has been established through full staffing of existing internal audit positions.	Met. Existing positions are fully staffed, but quality of internal audit remains weak. Internal Audit Act, approved in December 2003, aims to improve quality and management of audit function. Members of the Internal Audit Agency Board were appointed by the President and their inauguration is planned for June 2004. The position of Director General of the IAA has already been advertised and selection to fill the position is expected by the end of July 2004.
Public expenditure management • Reports on cash expenditures and commitments by MDAs, classified by function, have been published monthly in the government gazette, following implementation of new reporting system. • A computer-based financial management information system to underpin the new expenditure reporting system has been installed on a pilot basis in the Ministry of Finance, CAGD, and at least two key sector ministries.	Met. New cash management and commitment control system implemented in all ministries by end-December 2003. New reporting system implemented and reports are published in the monthly gazette. Met. System has been installed on a pilot basis at the MOF, CAGD and the Accra-based operations of the ministries of health, education, and roads and transport (albeit with partial functionality). The system will be rolled out to another four MDAs by early 2005.
Decentralization of government functions • Devolution of responsibilities to local districts, as evidenced by (i) submission to Parliament of a local service bill to enable the decentralization of human resource management to local authorities; and (ii) development of District Composite Budgets in pilot districts.	Met. Local Government Services Act was passed by parliament in December 2003. District composite budgets prepared in three pilot districts (Dangme East, Dangme West, and Akwapim North).
Education • The primary gross enrollment rates for girls has increased from 72 percent in 2000 to 74 percent.	Met. In the 2002/2003 academic year, the primary gross enrollment rate for girls reached almost 78 percent.
Health • The percentage of households with access to safe water has increased from 40 percent in 2000 to 46 percent in rural areas. • Recurrent health expenditures at district and lower level governments have risen from 42 percent of the total recurrent health budget in 2000 to 45 percent.	Met. Rural water coverage is estimated at 46.4 percent in 2003. Met. Estimated share of recurrent health expenditures at district and lower levels reached 49.6 percent in 2003.

Energy Sector • An automatic price adjustment mechanism has been put in place and implemented monthly to reflect changes in international market prices in local currency in the petroleum sector, and includes all taxes incorporated into the adjustment formula at end-March 2002.	Not met. Pricing formula was put in place in 2003 but has not been implemented. A new regulatory regime that will give freedom to oil marketing companies to set prices (according to a prescribed formula), and that credibly removes government influence over pricing decisions, will be announced by Cabinet in June 2004. The new regime is expected to become effective on February 15, 2005.
• A strategy for achieving full economic pricing in the electricity sector, including lifeline pricing to ensure affordability for low income users, has been implemented.	Met. Strategy established and implemented since August 2002.

A. Ghana's Poverty Reduction Strategy

5. **Following extensive consultations with civil society and other stakeholders, the authorities finalized the Ghana Poverty Reduction Strategy (GPRS) in February 2003.** Based on its analysis of the determinants and linkages to poverty, the GPRS set out five pillars—macroeconomic stability, production and employment, human resource development, special programs for the vulnerable and excluded, and governance—on which the government would base its strategy for poverty alleviation. The joint staff assessment (JSA) of the GPRS concluded that the policies contained in the GPRS provided a sound framework for implementing the government's anti-poverty agenda.[3]

6. **Implementation of the GPRS was broadly satisfactory during 2003, as described in the Annual Progress Report (APR).**[4] The APR was prepared by the government with technical assistance from bilateral donors, and actively involved national inter-agency poverty monitoring groups. Using a wide set of financial, economic and social indicators, the APR suggested that good progress was made on several fronts, while noting weaker performance in some others. The report highlighted, in particular, improved macroeconomic performance, and increased alignment of the GPRS with the budget formulation. The report acknowledged, however, the continuation of costly quasi-fiscal activities (in petroleum and utility pricing), the poor delivery of some social services, and the deterioration of some health

[3] See www.imf.org and www.worldbank.org, Ghana—Joint Staff Assessment of the Poverty Reduction Strategy Paper, March 2003.

[4] See Ghana—Joint Staff Assessment of the Annual Progress Report of the Poverty Reduction Strategy Paper, June 2004, EBD/04/60 and IDA Report No. 29181-GH.

indicators (infant, and under 5-mortality rates). In these areas, the APR recommended mid-course policy corrections, in the context of the overall strategy.[5]

7. **Poverty-related expenditure in Ghana has been significantly increased since the GPRS was established (Box 2).** Such spending in 2003 was 2 percent of GDP higher than in 2001, exceeding the annual amount of HIPC relief provided.[6] Spending for basic education and health care expanded the most rapidly, confirming the strategy's emphasis on social service delivery in deprived regions and for vulnerable groups.

8. **Looking ahead, the authorities have stated their intention to extend the GPRS analytical framework, and if necessary augment future poverty spending, with a view to achieving the Millennium Development Goals (MDGs).** Ghana appears poised to meet many of its MDGs, although an updated analysis of the incidence of poverty, and an investigation into factors underlying an apparent deterioration in key health care indicators, need to be undertaken.[7] Ongoing work to cost the MDGs, along with a review of the medium-term health expenditure strategy, will form inputs for a possible expansion of health care spending from 2005 onward; an increase of around 1 percent of GDP could be accommodated within the existing macroeconomic framework, even without additional donor assistance.

B. Macroeconomic Performance, 2002-03

9. **Macroeconomic performance has strengthened since the decision point (Table 1).** The rate of economic growth in 2003 was 5.2 percent (one percentage point higher than in 2001) and real per capita incomes increased at the fastest pace in a decade. Near-record cocoa production has been the driving factor behind recent activity, highlighting the economy's ongoing reliance on this commodity for economic prosperity. Inflation developments have been uneven over the past year, largely on account of a one-time adjustment of petroleum prices, but they have been more favorable recently. By April 2004, 12-month CPI inflation slowed to 11.2 percent from over 23 percent at end-2001. The external sector has performed well over the two-year period, with a surplus emerging in the current account (including official grants) in 2002, and reaching 1 ¾ percent of GDP in 2003. Strong foreign inflows from cocoa and gold exports, and personal remittances, have brought gross international

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[5] For details, see Table 1.4 in the Annual Progress Report of the GPRS.

[6] HIPC relief is measured as total relief provided less that portion that Ghana would have received under traditional mechanisms. As indicated in the decision point document, 20 percent of HIPC relief, so defined, would be used to reduce domestic debt and 80 percent to raise poverty-related spending.

[7] Ghana's progress towards meeting the MDGs is detailed in Chapter 9 of the Annual Progress Report of the GPRS.

reserves to about 4 months of imports at the end of last year, compared with only 1.2 months at the end of 2001.

Box 2. Ghana: Poverty-Related Expenditure, 2001-2004
(In percent of GDP, unless otherwise specified)

	2001 Act.	2002 Est.	2003 Prov.	2004 Proj.
Total poverty-related expenditures	4.5	4.8	6.5	6.9
(As a percent of total government expenditure)	13.9	18.3	22.3	24.5
Basic education	2.8	2.8	3.6	3.3
Primary health care	0.7	0.6	1.0	1.5
Agriculture, poverty-focused	0.1	0.2	0.2	0.2
Rural water	0.0	0.1	0.1	0.2
Feeder roads	0.2	0.3	0.5	0.4
Rural electricity	0.0	0.1	0.1	0.2
Other poverty-related expenditure	0.6	0.7	1.2	1.0
HIPC relief not yet allocated	0.0	0.0	0.0	0.1
Memorandum items:				
HIPC relief 1/	...	1.2	1.4	1.5
Total government expenditure (billions of cedis)	12,451	12,753	19,157	22,307
Nominal GDP (billions of cedis)	38,071	48,862	66,158	78,650

Sources: Ghanaian authorities; and staff estimates and projections.

1/ Excluding 20 percent of relief that is allocated to domestic debt reduction.

10. **Macroeconomic stabilization reflects, in large part, the strong fiscal consolidation in 2003.** During 2002, weaknesses in control over the wage bill and petroleum subsidies led to fiscal overruns. Fiscal discipline improved markedly in 2003, however, and net domestic borrowing by the government was eliminated. This implied a sharp reduction of domestic debt relative to GDP (from almost 27 percent at end-2001, to below 20 percent), in line with a central anchor of the poverty reduction strategy. Efforts to consolidate the fiscal position have been supported by rising tax revenue, with improved administration and several new measures. Significantly higher than expected tax revenue has a favorable impact on Ghana's debt sustainability (see below). Monetary policy continues to aim at price stability, and assuming continued fiscal discipline, is on track to reach the authorities' inflation target of around 7 percent by the end of this year.

11. **On balance, Ghana's performance under the PRGF-supported arrangement has been satisfactory, and the Fund staff is recommending completion of the second review under the arrangement.** All but one of the program's quantitative performance criteria at end-December 2003 were observed. Two structural performance criteria were not implemented, relating to the automatic adjustment of petroleum and utility prices. The problems with electricity and water tariffs have been technical in nature, and the government remains committed to the full implementation of the formulas for adjustment of electricity and water tariffs. The difficulties with petroleum pricing, by contrast, have been more severe, culminating in a government decision in early 2004 to refrain from any price increase ahead of the general election in December, over concern for political unrest and social instability.

The institutional weaknesses that have contributed to poor policy implementation in this area, and the authorities' proposals for addressing those weaknesses, are discussed in the next section. As far as the 2004 budget is concerned, the nonadjustment of petroleum prices generates a substantial bill for unplanned subsidies (equivalent to a projected 1.4 percent of GDP). The fiscal costs of these subsidies are being met through higher revenue, a lower debt repayment this year, and spending cuts. These adjustments can be accommodated in the program without compromising the medium-term domestic debt reduction and poverty-related expenditure targets. However, the fiscal position is vulnerable to rising oil prices, and a loss of discipline ahead of the December election.

C. Key Structural Policies, Social Sector Reforms, and Floating Completion Point Conditions

12. **Over the past two years, the authorities have made generally satisfactory progress in structural and social sector reform, as detailed in the Annual Progress Report of the GPRS, as well as in the President's Report for the Ghana Poverty Reduction Support Credit.**[8] In addition to developing and implementing a full PRSP for at least a year, and maintaining macroeconomic stability under a Fund-supported program, the authorities observed all but one of the completion point triggers (Box 1 above):

- **Governance**: The establishment of a procurement regulatory and oversight body, and the development of an internal audit capacity laid the foundation for improving governance and transparency in the use of public resources. In the area of procurement, a strengthening of the legal framework (Public Procurement Law), and stepped up enforcement of rules and regulations (by the Public Procurement Board that is to be inaugurated in June 2004) will promote value for money, and accountability of public institutions. The preparation of new standard tender documents and a training manual has begun, and entities engaged in public procurement have been instructed to form Entity Tender Committees and start processing all procurement in accordance with the new law. The potential for enhancing the quality and capacity of internal auditing was advanced through the passage of the Internal Audit Agency Act. This legislation creates an institution with the mandate to coordinate and raise the standard of internal audit activities in government ministries, departments and agencies (MDAs). The position of Director General of the new Internal Audit Agency Board has already been advertised and is expected to be filled by the end of July 2004.

- **Public expenditure management:** The tracking of poverty-related expenditures (including those funded from HIPC relief) and the monitoring of GPRS

[8] See the President's Report for the Ghana Second Poverty Reduction Support Credit (PRSC 2), IDA-29177-GH.

implementation have been facilitated by enhancements to public expenditure management. The key innovations relate to cash and commitment control of budgetary expenditures in all MDAs; the reconciliation of fiscal and banking records on a routine basis; and a computer-based financial management information and reporting system (Budget and Public Expenditure Management System, BPEMS). The implementation of BPEMS has been slower than expected, but progress is now well in hand. The Ministry of Finance and the Controller Accountant General's Department migrated to BPEMS in mid-2003. The configuration and setup of BPEMS in the Accra-based operations of the ministries of health, education, and roads and transport has been completed, and three of the five modules are now fully functional. The installation of BPEMS in another four MDAs will be finalized early next year.

- **Decentralization:** The passage of a Local Government Service Law in December 2003 devolved human resource management responsibilities to local districts, increasing the authority and accountability of local governments, and providing for civil society participation. The process will continue under a National Decentralization Action Plan, recently endorsed by cabinet, that seeks ultimately to transfer key responsibilities from central MDAs to the Regional Coordinating Councils and District Assemblies. The composite budgets, developed recently on a pilot basis in three district assemblies (Akwapim North, Dangme East and Dangme West), will gradually be extended nationwide, with a view to increasing the transparency of aggregate expenditures at the district level.

- **Education:** Performance in raising the gross enrollment rate for girls in primary education exceeded what was called for under the completion point trigger. Effective targeting of policy interventions also reduced regional disparities in girls' education, with particularly marked improvements in the three most under-served regions (Northern, Upper East and Upper West). In general, the favorable outcomes reflect the removal of financial barriers in access to education, and improvement in the intra-sectoral resource allocation. Implementation of the recently approved Education Strategic Plan will contribute to Ghana's achievement of the MDGs and "Education for All" goals.

- **Health:** Attainment of the completion point triggers for health signals progress in policy implementation, although some health sector outcomes have failed to meet expectations, notably infant- and under-5 mortality rates. Recent policy initiatives have sought to refocus health resources on under-served regions, including through community-based health planning and services, launching of regional delivery programs to reduce under-five and maternal mortality rates, and implementation of a needs-based formula to guide the intra-sectoral allocation of resources.

13. **Progress in tackling the structural problems relating to the energy sector has not been as strong as in other areas.** In the power sector, the strategy for achieving full cost

recovery with lifeline provisions, to facilitate access to electricity by low-income customers, was launched in 2002. To ensure that electricity tariffs are aligned with current market conditions, an automatic adjustment mechanism is in place. The Public Utilities Regulatory Commission (PURC) has been charged with the responsibility of administering the mechanism, and it has done so, albeit with occasional delays. Progress has also been made in laying the foundations for a more stable and efficient supply of electricity, through the implementation of a power reform project approved by cabinet in August 2003.

14. **The completion point trigger requiring the implementation of the automatic adjustment formula for petroleum prices was not met.** At the time of the decision point, the authorities had adopted a pricing formula as a means to ensure automatic adjustment of prices, with the intention of depoliticizing such decisions. However, when the formula called for price increases in late 2002, the government postponed the adjustments until it became clear that the subsidy cost had become unsustainable. In January 2003, petroleum prices were raised by an average of 90 percent and, recognizing that the mechanism was not functioning as intended, the government turned over responsibility for calculating and implementing monthly price changes to a newly independent National Petroleum Tender Board (NPTB). This limited reform also failed, however, as the government intervened in late 2003 to block required prices increases, and then decided (in early 2004) that owing to concerns about possible social instability, no adjustment could be made ahead of the December 2004 elections.

15. **These experiences led the authorities to conclude that a more fundamental reform was required, to convince the public that government was no longer responsible for adjustments in petroleum prices.** They announced the broad elements of a petroleum sector deregulation strategy in the 2004 budget statement, and have since elaborated on the new pricing regime they intend to implement. They considered full price liberalization, with anti-trust mechanisms to address concerns over collusive behavior on the part of the private oil marketing companies (OMCs). This option, however, was rejected because of the lack of capacity to create anti-trust legislation and institutions. They therefore decided to give OMCs full authority to make price adjustments without prior approval of any governmental or quasi-governmental agency, but (to address the risk of collusion) required that adjustments be made according to a prescribed formula. Under this regime, the decisions of the OMCs would be subject only to ex post review, by an oversight body on which the government would be represented, so as to reassure the public that the pricing formula is being properly implemented.[9]

16. **In June 2004, Cabinet is expected to endorse and announce publicly the key features of the new pricing regime, and the details are to be incorporated in a**

[9] It is envisaged that the oversight body and the OMCs would also periodically review the parameters of the formula, which could be modified by mutual consent.

comprehensive petroleum sector deregulation bill to be presented later this year. The new regime is expected to be implemented by mid-February 2005 at the latest, following the election and inauguration of the new administration, at which time the political context for the reform should be more favorable. It is critically important that the new regime be implemented as announced, and on schedule. In this regard, completion of the third review under the Fund-supported program will not take place until after the new regime is fully implemented. The interests of the low-income consumers of these products will be taken into account in setting the structure of petroleum taxes, which will replace the inefficient and ineffective system of implicit cross-subsidization that now exists. The setting of the taxes will be informed by the findings of a poverty and social impact analysis of petroleum pricing which is expected to be completed shortly.

17. **The staffs believe that the new and potentially more robust pricing regime will address effectively the weaknesses of previous failed mechanisms,** and will provide strong assurances that future budgets will be insulated from world oil price fluctuations. On this basis, in view of the strong performance in other policy areas, and given the conditionality for completion of the third review under the Fund-supported program, the staff recommends a waiver of the related completion point trigger.

III. Delivery of Debt Relief and Longer-Term Debt Sustainability

A. Data Reconciliation

18. **In light of additional information received from creditors and a new reconciliation of external debt to end-2003, the staffs have updated the DSA that was presented in the decision point document for Ghana.**[10] This new reconciliation exercise revealed the need for minor changes to the database used for the decision point but this does not imply a need to revise the common reduction factor of 56.2 percent.[11] The total relief envisioned under the enhanced HIPC Initiative will, therefore, remain at the decision point level, US$2,186 million in NPV terms.

19. **At end-2003, Ghana's debt stock in NPV terms was US$ 5.5 billion, before the use of traditional debt-relief mechanisms (Table 7).** Multilateral creditors accounted for 60 percent of the overall NPV, with claims of the IDA and the IMF amounting to 43 and 7 percent, respectively. Paris Club creditors represented 34 percent of the total outstanding debt, and non-Paris Club and commercial creditors 5 percent. Compared with the DSA performed at the decision point, this structure shows an increase in the share of multilateral

[10] Approximately 91 percent of the total debt stock can be considered reconciled, compared with 86 percent at the time of the decision point DSA.

[11] At end-2003, US$ 14 million in loans had not been previously reported by two bilateral creditors.

debt of about 10 percentage points, reflecting the predominance of multilateral creditors in new borrowing since then.

B. Status of Creditor Participation

Multilateral Creditors

20. **Required debt relief from multilateral creditors under the enhanced HIPC Initiative, as estimated in the decision point document, amounts to US$ 1,102 million in 2000 NPV terms (Table 4).** The IMF, IDA, AfDB, and the EU/EIB have provided interim assistance. Other creditors, namely the OPEC Fund, BADEA, NDF and IFAD, have committed themselves to providing their share of relief once Ghana reaches its completion point. Debt relief from multilateral creditors represents 50 percent of the total, and at the completion point, breaks down as follows:

- **IDA**, the largest multilateral creditor, is expected to provide relief amounting to US$ 782 million in NPV terms, via a 67 percent debt service reduction during 2002-2022. IDA provided US$ 98 million in interim nominal relief;

- Debt relief from the **IMF** amounts to US$ 112 million in NPV terms, and is expected to be delivered via grants targeted for debt service reduction. The Fund provided SDR 25.1 million in interim nominal relief;

- Debt relief from AfDB is expected to amount to US$ 131 million in NPV terms. During the interim period **AfDB** provided US$ 52 million in nominal relief, mainly delivered through debt service reduction financed through the HIPC Trust Fund;

- The **EU/EIB** is expected to provide US$ 41 million of relief in NPV terms, and provided EUR 4.7 million in interim nominal relief;

- As for the other multilateral creditors, the **OPEC Fund** is expected to disburse a US$ 6 million loan (on concessional terms) at the completion point, to partially refinance existing loans; **IFAD and NDF** are expected to provide 100 percent debt service cancellation for a period until their NPV target relief of US$ 18 million and US$ 5.4 million, respectively, is achieved; and the precise modalities for delivery of **BADEA's** relief of US$ 7.1 million (in NPV terms) are yet to be established.

Bilateral and Commercial Creditors

21. **Paris Club creditors have agreed in principle to provide assistance under the enhanced HIPC Initiative of US$ 829 million in NPV terms.**[12] Bilateral agreements have

[12] After the decision point, Paris Club creditors decided to change their cutoff date for Ghana from January 1983 to June 1999. This change significantly increased the pool of debt eligible for debt relief.

(continued...)

been already signed with ten Paris Club creditors. Under the terms of those agreements, Germany, Italy, the Netherlands, the United Kingdom, and the United States have already committed to provide 100 percent flow relief during the interim period. Japan and Spain provided 100 percent rescheduling and Canada 95 percent cancellation. Agreements are pending with France, Japan, Norway, and Sweden, but negotiations are well advanced, and these countries have been providing interim relief along with the rest of the Paris Club. Most Paris Club creditors have indicated their willingness, at the completion point, to provide debt relief beyond that required under the HIPC Initiative. This would provide additional relief of about US$ 0.6 billion in end-2003 NPV terms (Tables 6 and 15).

22. **Non-Paris Club bilateral and commercial creditors are expected to provide treatment comparable to that of Paris Club creditors, with assistance under the enhanced HIPC Initiative amounting to US$ 256 million in NPV terms.** All official bilateral creditors have indicated their commitment to provide relief under the enhanced HIPC initiative. China has signed an agreement with Ghana that effectively cancelled several loans and the Saudi Development Fund has signed a Memorandum of Understanding indicating their intention to provide relief after the completion point. (During the interim period they provided flow rescheduling on Naples terms.) The Kuwait Development Fund has provided stock relief on Naples terms only. Korea and India are still in negotiations with Ghana, although the latter's outstanding claims are minimal.

23. **Concerning commercial creditors, the Ghanaian authorities continue their best efforts to obtain full HIPC relief in accordance with the principles of the enhanced Initiative.** Some commercial creditors' loans have been taken over by the official agencies of their respective countries and their debts will be treated under the Paris Club. One Korean commercial creditor (Samsung Corporation) has not agreed to provide debt relief. The loans outstanding, which amounted to US$ 130.3 million at end-2000, are fully collateralized by proceeds from foreign exchange receivables that are being deposited in an off-shore account. During the interim period debt service to this creditor was paid in a timely manner. The DSA assumes that relief will be provided on these loans. However, since Ghana's debt-to-government revenue ratio after enhanced HIPC relief is well below the threshold, other creditor's contributions to the overall debt relief should not change if this relief is not provided.

24. **As of May 2004, satisfactory financing assurances with respect to creditor participation in enhanced HIPC assistance for Ghana have reached 89.6 percent of the**

The new cutoff date allowed Paris Club creditors to provide the necessary relief to the country during the interim period. In line with this change, the relevant HIPC calculations in the updated DSA are based on the 1999 cutoff date, and the traditional relief scenarios use the 1983 cutoff date. As a consequence, the decision- and completion-point NPVs are not comparable. The change in the cutoff date does imply debt service that is more back loaded, but the total relief to be delivered at completion point in NPV terms remains the same.

total assistance approved in February 2002, and are sufficient for granting irrevocable relief from the IMF and IDA at the completion point. Multilateral creditors have given assurances to participate, representing 50.4 percent of total debt relief in NPV terms, as calculated in the decision point document. Furthermore, Paris Club creditors representing 37.9 percent of the targeted assistance have provided assurances of their participation. A number of non-Paris Club creditors have also agreed to participate but have not signed any formal agreements so far. The Ghanaian authorities are actively seeking the official endorsement of the remaining creditors.

C. Updated Debt Sustainability Analysis

External Debt Situation at End-2003

25. **The DSA performed at the decision point has been updated jointly by the Ghanaian authorities and the staffs of the IMF and IDA, on the basis of loan-by-loan data for nominal debt disbursed and outstanding at end-2003.** The exchange rates and discount rates used for calculating Ghana's nominal and NPV debt as of end-2003 are presented in Table 5.

26. **Based on the reconciled debt data, Ghana's nominal stock of external debt before relief reached US$ 7.5 billion at end-2003, compared with US$ 6 billion at end-2000.** The new external borrowing after the decision point (amounting to US$ 1 ½ billion) is concessional, with most being provided by multilateral creditors.

27. **In NPV terms, after the assumed application of traditional debt relief, Ghana's external debt at end-2003 is estimated at US$ 5.0 billion, equivalent to 321 percent of government revenue (Table 6).** The increase over what was projected at the decision point is more than accounted for by a reduction in discount rates and depreciation of the US dollar. Holding these parameters constant, the NPV of debt would be lower than at the decision point, since there has been 3 percent less net borrowing than was projected.

28. **After the completion point, Ghana's debt is expected to remain below the NPV of debt-to-government revenue threshold established under the HIPC framework.** Assuming full delivery at end-2003 of current debt relief committed under the HIPC Initiative, the NPV of debt would be expected to fall to US$ 2.9 billion, equivalent to 189 percent of government revenues and 109 percent of exports of goods and services (Table 10, panel III). After the completion point, Ghana expects to be granted additional relief as indicated by bilateral creditors; after such additional relief, the NPV of external debt would be reduced further to US$ 2.4 billion, equivalent to 152 percent of revenues and 88 percent of exports of goods and services. Baseline projections show that the NPV of external debt (after bilateral relief beyond HIPC) will rise gradually to US$ 9.1 billion at end-2023 but remain well within sustainable levels (Tables 6, 9, and 10, panel V).

Debt Sustainability, 2004-2023

29. **The long-term macroeconomic framework for the completion point DSA is broadly in line with the earlier projections at the decision point (Box 3).** Real GDP growth is projected to stay at 5 percent per annum, while inflation is expected to fall to around 5 percent by 2006 and remain there for the projection period.[13] Export volumes are expected to grow by almost 4 percent on average, with central government tax revenue remaining at its current level of about 21 percent of GDP.

Box. 3 Ghana: Macroeconomic Assumptions Underlying the Debt Sustainability Analysis at the Completion Point

The baseline assumptions for the period 2004-23 include the following:

Real GDP growth of 5 percent per annum;
Inflation averaging 5 percent per annum;
Export volume growth of 3.8 percent per annum, while **import volumes** expand by about 4.5 percent;
Central government tax revenue is stable at about 21 percent of GDP;
Non-interest expenditure is projected to average 12 percent of GDP;
Current account deficit (including grants) of about 1.4 percent of GDP;
Gross borrowing and official grants are projected to remain below 5 percent of GDP, on average, with about one-third of external financing in the form of grants, and the rest from concessional lending.

30. **The debt sustainability analysis shows that Ghana's external debt will remain sustainable during the projection period**. The trajectory of the NPV of the external debt-to-exports ratio shows a steep decline from levels above 200 percent before the completion point, to fairly stable levels below 125 percent after the completion point. Over the same period, the NPV of external debt-to-government revenue is projected to decline steadily from 350 percent to 118 percent (Table 10). Although nominal debt will gradually build up at approximately US$ 320 million per year on a net basis, it is expected that these new loans will be on concessional terms.

31. **In line with the significant stock of debt decline, the debt service-to-export and debt service-to-revenue ratios will reach comfortable levels after completion point.** Debt service after HIPC relief is expected to average 4.7 percent of exports and 6.2 percent of revenue over the period 2004-23, both with stable profiles. These compare favorably with the 10-year average pre-HIPC debt service levels (on a commitment basis) of 21 and 30 percent, respectively.

[13] The growth projection, which is unchanged from the decision point document, may be on the conservative side in the near term, given recent economic performance.

D. Sensitivity Analysis and Long Term Debt Sustainability

32. **This section assesses Ghana's debt sustainability sensitivity under less favorable circumstances.** Three scenarios are considered: a deterioration in the terms of trade, related to a drop in cocoa prices; a significant decline in grant financing; and a lower growth outlook, in line with historical performance.

Scenario 1: Terms of trade shock

33. Ghana's long-term debt sustainability is sensitive to a sustained decline of the price of cocoa. Cocoa accounts for about one-third of Ghana's total exports. In this scenario, a persistent price drop is assumed to occur in late 2004, affecting the (pre-sale) of cocoa exports in 2005. The assumed decline is equivalent to one standard deviation of historical price levels of the past 20 years, and is assumed to continue through the projection period.

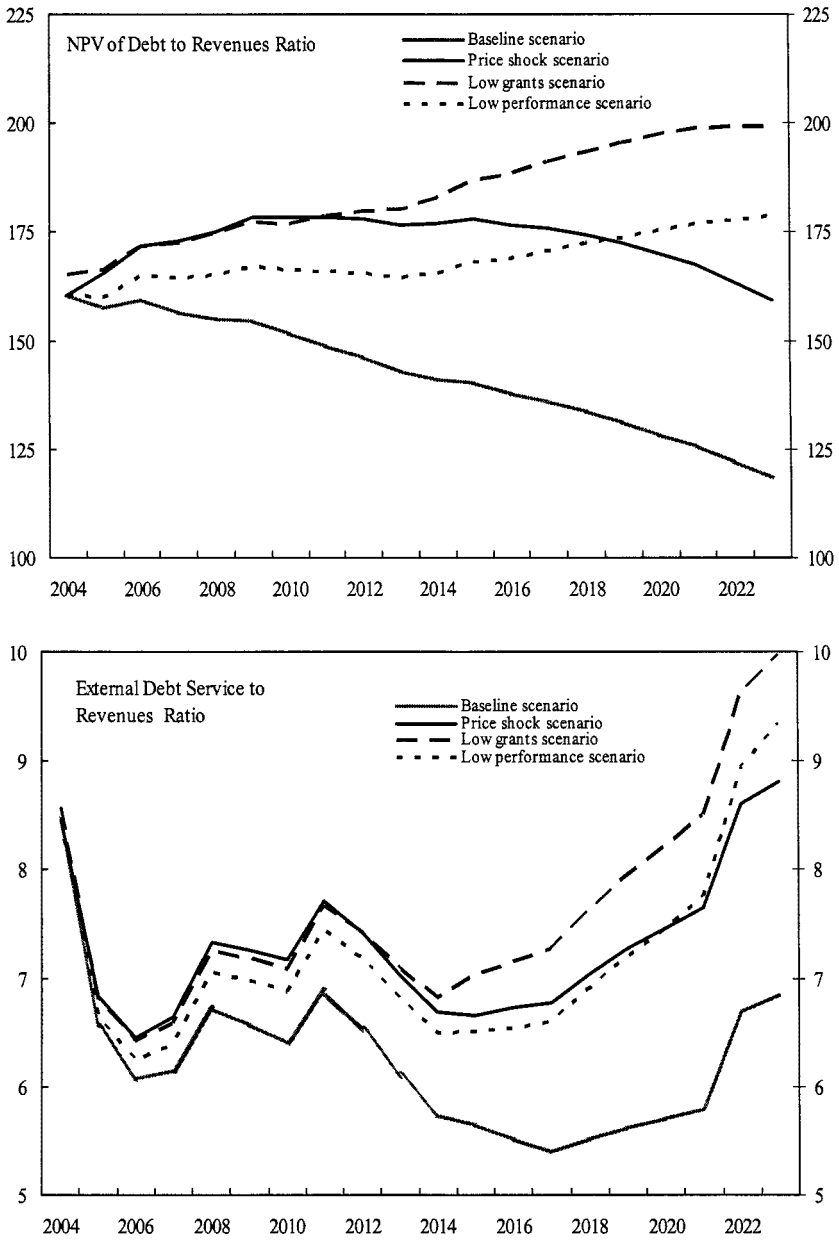
34. As a result of the lower cocoa prices, total exports would fall by US$ 280 million per annum (5 percent) and government revenue would decline by 0.3 percentage points of GDP per annum, on average. If the financing gap generated by this shock were filled with additional debt on concessional terms, the terms of trade deterioration would lead to an NPV of debt in 2023 that is about US$ 3.2 billion higher than the baseline, and hence, higher debt service as percent of revenue (Figure 1). Although the trajectory of the debt stock indicators would remain below HIPC threshold levels, the trend in debt service during later years would have a rapidly increasing slope.

Scenario 2: A reduction of external grants

35. **The second scenario shows Ghana's external vulnerability to a significant reduction in grants as a source of financing.** This "shock" is assumed to reduce the grant component in gross financing from about one-third to 10 percent, over the projection period. The financing gap created by this assumption is filled instead by additional borrowing on concessional terms. The grant shock would increase the debt stock by approximately US$ 6.7 billion in NPV terms in 2023, compared with the baseline, and the NPV of debt-to-fiscal revenue ratio by 81 percentage points to 199 percent and maintain a positive slope throughout the period.

36. **This sustained reduction of grants would raise debt service by more than 1 percent of government revenue to 7.6 percent over the projection period**. Likewise, debt service as a share of exports would increase by 1.2 percent to 5.9 percent. Most importantly, in this event, debt service levels after 2015 would trend rapidly towards unsustainable levels.

Figure 1. Ghana Sensitivity Analysis, 2004-2023
(in percent)



Sources: Ghanaian authorities; and staff estimates.

Scenario 3: Lower growth

37. **Compared with the baseline, a scenario of lower growth implies a much more limited reduction of its debt burden, with debt service ratios gradually increasing over the projection period.** This scenario assumes a growth path (4 percent per annum) that is broadly consistent with economic performance over the past decade, compared with 5 percent in the baseline. Lower growth in turn affects government revenue, creating an average of 1 percent of GDP in additional financing needs per annum. Three-quarters of this gap is assumed to be filled by additional external borrowing, and the remainder by adjustment.

38. **Lower economic growth would lead to an average increase in debt service of almost 1 percentage points of revenue, and 1.1 percentage points of exports.** The NPV of debt would also increase by US$ 3.3 billion at the end of the projection period, compared to the baseline, but throughout the period would still remain almost flat and below the HIPC sustainability thresholds (Figure 1).

IV. Conclusions

39. **Debt relief expected at the completion point will help Ghana reach debt sustainability, provided the country follows sound economic policies.** The updated debt sustainability analysis shows that the amount of debt relief estimated at the decision point will be sufficient to bring the country's debt burden indicators to manageable levels and keep them on a sustainable path during the next 20 years.

40. **The sensitivity analysis shows that, after completion point, Ghana's debt sustainability would be robust to moderate country-specific shocks, even of a persistent nature.** However, the scenarios also suggest that if Ghana were affected by permanent adverse shocks, or a combination of shocks, debt sustainability could once again be compromised.

41. **Policy implementation by the Ghanaian authorities since the decision point has been generally satisfactory.** All but one of the completion point triggers were observed. The condition that was not met—i.e., that relating to petroleum pricing—signals an important weakness in structural policies over the past two years. But the staffs believe that the fundamental reform of petroleum pricing to which the authorities have committed will, by removing government altogether from the price-setting process, address the root cause of past problems. Because of the impending elections, implementation of this reform was deemed infeasible before early 2005, raising the issue as to whether the completion point should have been delayed until the new regime was in place. The staffs considered that the roughly one year's delay that would have been required in this case was disproportionate in light of the otherwise strong policy performance, and given that implementation of the new pricing regime has been established as a strict condition for the completion of the third review under the PRGF arrangement with the Fund.

V. Issues for Discussion

The staff seeks guidance from Directors on the following points:

- Do Directors agree that Ghana should reach the completion point at this time? Do Directors agree that the authorities' stated commitment to a new petroleum pricing regime provides a sufficient budgetary safeguard against rising world oil prices, and hence warrants a waiver of the related completion point trigger that was not observed?

- Do Directors agree that sufficient assurances have been given by Ghana's other creditors to commit enhanced HIPC Initiative resources to Ghana, as approved at the decision point, on an irrevocable basis?

- Do Directors agree that Ghana's poverty reduction strategy and expenditure-tracking system provide a satisfactory basis for ensuring that enhanced HIPC Initiative assistance and other resources will continue to promote poverty reduction?

Ghana: Debt Management Assessment

A. Introduction

1. Responsibility for external debt management resides in the Aid and Debt Management Unit (ADMU) of the Ministry of Finance and Economic Planning (MOEFP), with other divisions in the ministry concerned with negotiating and contracting external public- and publicly-guaranteed debt. ADMU maintains the debt database and ensures prompt servicing of external obligations. While ADMU does not prepare independent reports on debt, it does provide key inputs on debt and debt service obligations to the Bank of Ghana (BOG) for its various reports, to the Controller and Accountant General's office, and to other government agencies requiring this information. Since 2003, ADMU has established a system to track and record grant flows to Ghana, given their importance in overall aid flows. Information on project and program grants is received from donors on a quarterly basis. ADMU chairs the Aid and Debt Sub-Committee, which meets periodically to discuss policy issues related to external debt management.

2. At the time of decision point, ADMU maintained data relating to central government or government-guaranteed debt, but had little information on loans made to public enterprises where there was no explicit government guarantee. Recently, state-owned enterprises have started seeking approval from MOFEP before contracting external debt, even if a formal guarantee is not required. Creditors also tend to inform the MOFEP before negotiating such credits. ADMU maintains a record of such debt when it is signed. The Bank of Ghana and MOFEP are jointly responsible for the technical work relating to the granting of state guarantees.

3. While ADMU's focus has been external debt, the agency has also made attempts to track domestic debt, which until recently, was exclusively the purview of the Bank of Ghana. (MOFEP received technical assistance from the US, which has focused on enhancing the reporting of domestic debt, as well as on strengthening cash management and forecasting systems. Japan has provided technical assistance for external debt management.)

B. Debt Recording and Reporting

4. Ghana has used the Commonwealth Secretariat's database system, CS-DRMS since 1989, and sufficient staff have been trained and are proficient in its use. The database is accurate in the case of multilateral debt, on which information regarding payments falling due and payments made, are regularly updated by ADMU's staff. In the case of bilateral debt, gaps have appeared in the recording of debt service charges as a result of Paris Club agreements.

C. Debt Management and Borrowing Strategy

5. New borrowing must be strictly limited to concessional loans with a grant element of 35 percent or more. This policy covers government and parastatal loans with a government guarantee. ADMU is the only government entity authorized to contract or guarantee external debt. Training on the legal aspects of debt management has been provided with the help of UNITAR (United Nations Institute for Training and Research). While ADMU coordinates with BOG with respect to maintaining the database, there is need for further coordination with respect to a forward-looking borrowing strategy, which is based on a common view of the macroeconomic outlook.

D. Analytical Capacity

6. While the technical staff of ADMU are experienced in handling the day-to-day issues of debt management, awareness of debt restructuring options and sustainability analyses tends to be concentrated in a few individuals. Progress is being made with training in the software Debt-Pro, but there is a need for further technical assistance both to ensure a wider dispersion of the skills of debt sustainability analyses throughout the staff, and to assist in integrating debt simulations with macroeconomic projections. ADMU is preparing a policy paper on post-HIPC debt sustainability which it plans to share with key policymakers shortly.

Table 1. Ghana: Selected Economic and Financial Indicators, 2001-23

	2001	2002	2003 Est.	2004 Prog.	2005 Proj.	2006 Proj.	2007 Proj.	2008 Proj.	2009-2015 Average	2016-2023 Average
	(Annual percentage change, unless otherwise specified)									
National income and prices										
Real GDP	4.2	4.5	5.2	5.2	5.0	5.0	5.0	5.0	5.0	5.0
Consumer price index (annual average)	32.9	14.8	26.7	10.8	6.0	5.0	5.0	5.0	5.0	5.0
External sector										
Exports, f.o.b.	-3.6	10.2	20.1	8.1	7.0	6.2	3.9	4.3	5.3	5.4
Imports, f.o.b.	2.6	-4.1	20.1	11.0	8.5	6.1	4.4	4.9	5.7	5.5
Export volume	-1.3	-2.1	-6.8	10.8	6.2	6.3	3.4	3.4	3.7	3.8
Import volume	10.0	-6.8	6.9	5.7	11.4	6.6	4.1	4.5	4.7	4.5
Terms of trade	4.8	9.4	14.8	-7.0	3.3	0.4	0.2	0.5	0.6	0.6
Government budget										
Domestic revenue (excluding grants)	43.5	27.5	56.2	32.3	13.6	9.9	10.9	9.8	10.6	11.5
Total expenditure	65.5	2.4	50.2	17.5	4.4	7.2	9.8	8.2	10.5	11.0
Current expenditure	50.5	28.8	35.7	15.1	-5.5	4.9	9.0	8.3	10.5	11.0
Capital expenditure and net lending	95.7	-38.7	98.4	22.3	25.2	10.9	10.9	8.1	10.5	11.4
Money and credit										
Net domestic assets 1/	13.5	22.9	-18.6	2.4	1.1	...	...	...	...	...
Broad money (excluding foreign currency deposits)	48.4	49.6	40.9	19.2	13.0	...	...	...	...	...
Reserve money (excluding foreign currency deposits)	31.3	42.6	33.4	20.5	12.9	...	...	...	...	...
Velocity (GDP/end-of-period broad money)	4.8	4.1	4.0	4.0	4.0	...	...	...	...	...
	(In percent of GDP, unless otherwise specified)									
Investment and saving										
Gross investment	26.6	19.7	23.2	23.1	23.8	24.0	24.1	24.2	24.7	26.6
Gross national saving	21.3	20.2	24.9	23.5	23.3	23.8	23.8	23.8	23.3	24.7
Government budget										
Total revenue	18.1	18.0	20.8	23.1	23.2	22.9	22.8	22.4	21.7	21.1
Grants	6.9	3.1	4.7	4.3	3.5	3.2	2.9	2.7	1.9	1.3
Total expenditure	32.7	26.1	29.0	28.6	26.3	25.4	25.0	24.3	23.4	22.3
Overall balance (including grants) 2/	-9.0	-6.8	-4.5	-1.6	-0.9	-0.6	-0.4	-0.7	-1.5	-1.8
Domestic primary balance	3.8	2.0	2.2	1.6	1.8	1.2	1.3	0.9	1.6	1.6
External sector										
Current account balance 3/	-5.3	0.5	1.7	0.3	-1.0	-1.0	-1.0	-1.1	-1.9	-2.0
	(In millions of U.S. dollars, unless otherwise specified)									
Gross international reserves (end of period)	344	635	1427	1541	1747	1972	2106	2232	2953	4919
(in months of imports of goods and services)	1.2	1.9	3.9	3.9	4.2	4.5	4.6	4.6	5.0	5.7

Sources: Ghanaian authorities; and Fund staff estimates and projections.

1/ In percent of broad money at the beginning of the period.
2/ After domestic arrears clearance and including contingency funds.
3/ Including official grants.

Table 2. Ghana: Balance of Payments, 2000-2023
(In millions of U.S. dollars, unless otherwise specified)

	2000	2001	2002 Prel.	2003 Prov.	2003 Prov.	2004 Proj.	2005 Proj.	2006 Proj.	2007 Proj.	2008 Proj.	2009-15 Average	2016-23 Average
Exports f.o.b.	1,936	1,867	2,057	2,277	2,471	2,672	2,859	3,035	3,153	3,288	4,063	6,013
Cocoa beans and cocoa products	437	381	463	772	818	927	904	925	952	980	1,154	1,560
Gold	705	618	689	770	830	929	1,037	1,076	1,120	1,167	1,483	2,301
Timber and timber products	175	169	182	176	174	184	196	214	233	247	314	488
Others	619	699	723	560	649	632	722	821	848	894	1,112	1,665
Imports, f.o.b.	-2,759	-2,831	-2,714	-3,189	-3,259	-3,617	-3,925	-4,165	-4,348	-4,561	-5,741	-8,589
Non-oil	-2,239	-2,314	-2,206	-2,582	-2,696	-2,955	-3,277	-3,510	-3,673	-3,866	-4,819	-7,041
Oil	-520	-517	-508	-608	-563	-662	-648	-655	-675	-694	-922	-1,547
Trade balance	-823	-964	-657	-912	-788	-944	-1,066	-1,130	-1,195	-1,273	-1,678	-2,575
Services (net)	-246	-182	-214	-285	-280	-304	-314	-307	-300	-300	-310	-405
Of which: interest payments	-109	-106	-124	-119	-110	-124	-118	-112	-108	-105	-116	-155
Private transfers (net)	496	600	680	783	801	875	932	990	1,040	1,093	1,336	1,933
Current account balance, excluding official transfers	-573	-546	-190	-413	-266	-372	-448	-447	-455	-480	-652	-1,047
Official transfers (net)	154	263	221	385	393	401	369	359	361	367	380	533
Of which:HIPC grants	0	0	62	79	81	113	122	113	122	115	90	68
Current account balance, including official transfers	-419	-283	30	-28	127	29	-79	-88	-94	-113	-272	-514
Capital account	163	192	-65	129	161	43	89	116	154	196	403	809
Official capital (net)	97	104	-115	54	86	-26	31	55	89	126	270	537
Medium and Long-term loans												
Inflows	513	391	195	337	370	319	359	359	366	393	512	838
Amortization	-416	-288	-309	-283	-284	-345	-327	-304	-277	-267	-242	-301
Private capital	65	88	50	75	75	69	57	61	66	70	133	273
Other capital and errors and omissions	134	107	75	101	214	-205	-62	-44	-35	-37	0	0
Overall balance	-123	17	40	202	502	-134	-53	-15	25	46	131	295
Change in arrears	27	34	-61	0	0	0	0	0	0	0	0	0
Financing	96	-50	21	-202	-502	134	53	15	-25	-46	-131	-295
Debt deferral	0	150	-35	-35	-35	-35	-35	-35	0	0	0	0
Net international reserves (negative is increase) 1/	96	-200	-158	-378	-675	-100	-181	-188	-196	-192	-232	-336
Of which: Use of Fund credit	-2	1	54	52	53	-5	24	37	-61	-67	-38	-14
Disbursements (PRGF)	35	67	68	73	74	39	78	78	0	0	0	0
Repayments (PRGF)	-37	-66	-14	-21	-21	-44	-54	-41	-61	-67	-38	-14
Change in reserves (negative is increase)	52	-79	-292	-460	-792	-114	-206	-225	-135	-126	-193	-322
Exceptional financing 2/	0	0	214	212	208	269	269	238	170	146	100	41
Memorandum items:												
Gross international reserves												
End of period (US$ millions)	264	344	635	1095	1,427	1,541	1,747	1,972	2,106	2,232	2,953	4,919
In months of imports of goods and services	0.9	1.2	2.0	3.2	3.9	3.9	4.2	4.5	4.6	4.6	4.9	5.6
Cocoa exports												
Volume (in thousands of tons)	389	370	367	468	403	560	560	566	583	600	677	845
Price (in US$ per ton)	1,092	1,021	1,266	1,650	1,950	1,650	1,600	1,620	1,610	1,605	1,694	1,843

Sources: Bank of Ghana; and Fund staff estimates and projections.

1/ Definition changed from Net Foreign Assets to Net International Reserves at the end of 2000.
2/ Includes interim HIPC relief from Paris Club creditors comprising Naples and Cologne flow terms.

Table 3. Ghana: Central Government Budgetary Operations and Financing, 2000-2023 1/

	2000	2001	2002	2003 Prov.	2004	2005	2006	2007	2008	2009-15 Average	2016-23 Average
					Projections						
					(In percent of GDP)						
Total revenue and grants	19.8	25.0	21.1	25.5	27.4	26.7	26.0	25.7	25.1	23.6	22.4
Revenue	17.7	18.1	18.0	20.8	23.1	23.2	22.9	22.8	22.4	21.7	21.1
Tax revenue	16.3	17.2	17.5	20.2	21.3	21.2	20.9	20.8	20.4	19.8	19.2
Nontax revenue 2/	1.5	0.9	0.5	0.6	1.4	0.8	0.8	0.8	0.8	0.8	0.8
2004 revenue measures	...	...	...	...	0.4	1.1	1.1	1.1	1.1	1.1	1.1
Grants	2.1	6.9	3.1	4.7	4.3	3.5	3.2	2.9	2.7	1.9	1.3
Project grants	1.2	4.1	1.0	1.6	1.3	1.1	1.0	1.0	0.9	0.9	0.8
Program grants	0.9	2.8	1.1	1.9	1.6	1.1	1.0	0.9	0.8	0.4	0 2
HIPC assistance (multilateral)	0.0	0.0	1.0	1.2	1.3	1.3	1.1	1.1	1.0	0.6	0.2
Total expenditure	27.7	32.7	26.1	29.0	28.6	26.3	25.4	25.0	24.3	23.4	22.3
Recurrent expenditure	18.5	19.9	20.0	20.0	19.4	16.2	15.2	14.9	14.5	14.0	13.3
Noninterest	11.1	12.1	13.8	13.8	15.0	13.1	13.2	13.0	12.8	12.7	12.5
Interest	7.5	7.8	6.1	6.2	4.4	3.0	2.0	1.9	1.7	1.3	0.8
Domestic (accrual)	5.3	6.1	4.5	4.9	3.1	2.0	1.1	1.1	1.0	0.6	0.3
External (accrual)	2.2	1.8	1.6	1.2	1.2	1.0	0.9	0.8	0.7	0.7	0.5
Capital expenditure (total)	9.2	12.8	6.1	8.9	9.2	10.2	10.1	10.1	9.8	9.5	9.1
Road arrears (clearance)	-1.2	-0.1	-0.4	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other domestic payment arrears	-0.6	-1.2	-1.3	-0.7	-0.2	-0.1	-0.1	-0.1	0.0	0.0	0.0
VAT Refunds	0.0	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1
Contingency 3/	0.0	0.0	0.0	0.0	0.0	-0.9	-1.0	-0.8	-1.3	-1.6	-1.7
Overall balance (modified cash basis after arrears clearance)	-9.7	-9.0	-6.8	-4.5	-1.6	-0.9	-0.6	-0.4	-0.7	-1.5	-1.8
Overall balance from below the line	-9.5	-7.8	-6.1	-4.6	-2.0	-0.9	-0.6	-0.4	-0.7	-1.5	-1.8
Discrepancy between above and below line data 4/	0.1	1.2	0.7	-0.1	-0.4	0.0	0.0	0.0	0.0	0.0	0.0
Divestiture receipts	1.2	0.0	0.0	0.6	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Total non-divestiture financing	8.3	7.7	6.1	4.0	1.5	0.9	0.6	0.4	0.7	1.5	1.8
Foreign (net)	0.5	3.8	-1.6	0.6	-0.6	0.1	0.3	0.5	0.7	0.8	0.8
Project loans	3.7	5.2	2.4	2.8	2.0	2.0	1.8	1.7	1.7	1.6	1.4
Program loans	3.0	2.8	0.3	1.7	1.2	1.1	1.1	1.0	0.9	0.7	0.4
Amortization due	-6.2	-4.2	-4.3	-3.9	-3.7	-3.0	-2.6	-2.2	-1.9	-1.5	-1.0
Exceptional financing	-0.7	1.7	2.5	2.7	3.1	3.2	2.6	1.9	1.7	1.3	0.9
External payment arrears	-0.7	-1.2	-0.9	0.0	0 0	0.0	0.0	0.0	0.0	0.0	0.0
Additional donor financing	0.0	0.0	0.0	0.0	0.0	0.4	0.3	0.3	0.4	0.7	0.8
Traditional rescheduling	0.0	3.0	3.0	2.2	1.9	1.5	1.0	0.6	0.4	0.2	0.0
HIPC assistance (non-multilateral)	0.0	0.0	0.5	0.5	1.2	1.4	1.3	1.0	0.8	0.5	0.1
Savings due to inflation indexed bonds	0.0	0.0	0.4	0.7	0.3	0.2	0.1	0.0	0.0	0.0	0.0
Domestic (net) 5/	8.5	2.3	4.8	-0.1	-1.4	-2.6	-2.5	-2.0	-1.7	-0.6	0.0
Banking system	8.5	-2.6	2.0	-1.5	-0.8	-1.3	-1.4	-1.3	-1.1	0.0	0.0
Nonbanks	0.1	4.8	2.7	1.4	-0.6	-1.3	-1.1	-0.7	-0.6	-0.6	0.0
Stock of domestic debt	24.1	26.8	26.2	19.6	17.2	13.1	11.1	10.0	8.9	5.7	2.5
Excluding recapitalization bonds 6/	24.1	26.8	26.2	19.6	15.4	11.5	9.6	8.6	7.7	4.9	2.1
Memorandum items:					(in billions of cedis)						
Gross domestic product	27,153	38,071	48,862	66,158 0	78,650	89,243	99,341	110,633	123,275 0	194,634	444,367
Total revenue and grants	5,385	9,532	10,333	16,862 0	21,537	23,806	25,848	28,418	30,972 0	45,810	99,243
Tax revenue	4,415	6,557	8,542	13,346 0	16,761	18,888	20,731	22,988	25,208 0	38,448	85,125
Total expenditure	7,525	12,451	12,753	19,157 0	22,505	23,499	25,193	27,659	29,938 0	45,447	98,911
Current expenditure	5,034	7,578	9,763	13,245 0	15,251	14,415	15,116	16,479	17,848 0	27,059	58,781
Capital expenditure	2,491	4,873	2,990	5,912 0	7,254	9,085	10,077	11,180	12,089 0	18,388	40,130
Overall balance (modified cash basis after arrears clearance)	-2,624	-3,433	-3,313	-3,006 0	-1,253	-765	-555	-453	-807 0	-3,119	-7,682

Sources: Ghanaian authorities; and Fund staff estimates and projections.

1/ From 2001 onward, above-the-line data for domestic recurrent and capital expenditure are presented on a cash basis (payment vouchers); arrears not reflected in line expenditures.
2/ Prior to 2002, nontax revenue included positive balances on committed accounts outside the consolidated fund.
3/ Indicates scope for additional expenditure and tax cuts (if negative) or expenditure cuts and tax increases (if positive).
4/ Projected discrepancy in 2004 reflects float.
5/ Domestic debt stock estimates exclude non-interest bearing perpetual BoG revaluation stocks.
6/ In 2004 for BOG and Tema Oil Refinery.

Table 4. Ghana: HIPC Initiative—Assistance Under a Proportional Burden-Sharing Approach 1/ 2/
(In millions of U.S. dollars, unless otherwise indicated)

NPV of debt-to-revenue-target (in percent)	Total	Bilateral 3/	Multilateral	Common Reduction Factor 4/ (Percent)
	(In NPV terms at end 2000)			
250	2,186	1,084	1,102	56.2
Memorandum items:				
NPV of debt 5/	3,893	1,931	1,962	
Paris Club Creditors	1,473			
Non-Paris Club Creditors	60			
Commercial Creditors	398			
Central government revenues 6/	683			
NPV of debt-to-revenue ratio (Percent)	570			

Sources: Ghanaian authorities and staff estimates and projections.

1/ The proportional burden sharing approach is described in "HIPC Initiative--Estimated Costs and Burden Sharing Approaches" (EBS/97/127, 7/7/97 and IDA/SEC M 97-306, 7/7/97).

2/ Includes a hypothetical stock-of-debt operation on Naples terms (December 2000) and comparable treatment by other official bilateral creditors.

3/ Includes official bilateral creditors and commercial debt.

4/ Each creditor's NPV reduction in percent of its exposure at the decision point.

5/ Based on end-2000 data after full application of traditional debt relief mechanisms.

6/ Excludes grants.

Table 5. Comparison of Discount Rate and Exchange Rate Assumptions at end-2000 and end-2003

	Discount Rates 1/ 2/ (In percent per annum)		Exchange Rates (Currency per U.S. dollar)	
	At Decision point	At Completion point	At Decision Point	At Completion Point
Currency				
Austrian Shillings	6.25	4.63	14.79	10.89
Belgian Franc	6.25	4.63	43.35	31.94
Canadian Dollar	7.00	5.18	1.50	1.29
Chinese Yuan	6.09	4.20	8.28	8.28
Danish Kroner	6.73	4.77	8.02	5.96
Deutsche Mark	6.25	4.63	2.10	1.55
Euro	6.25	4.63	1.07	0.79
Finnish Markaa	6.25	4.63	6.39	4.71
French Franc	6.25	4.63	7.05	5.19
Great Britain Sterling	6.73	5.37	0.67	0.56
Irish Punt	6.25	4.63	0.85	0.62
Italian Lira	6.25	4.63	2080.89	1533.07
Japanese Yen	2.03	1.70	114.90	107.10
Korean Won	9.41	5.74	1264.50	1192.60
Kuwaiti Dinar	6.09	4.47	0.31	0.29
Netherland Guilders	6.25	4.63	2.37	1.74
Norwegian Kroner	8.02	5.30	8.85	6.68
Portugese Escudo	6.25	4.63	215.46	158.73
Saudi Arabian Ryal	6.09	4.20	3.75	3.75
South African Rand	6.09	4.20	7.57	6.64
Spanish Peseta	6.25	4.63	178.81	131.74
Special Drawing Rights	6.09	4.20	0.77	0.67
Swedish Kroner	6.20	5.00	9.54	7.19
Swiss Franc	5.33	3.21	1.64	1.24
United States Dollar	7.19	4.47	1.00	1.00
Memorandum item:				
Paris Club cutoff date is January 1, 1983.				

Sources: OECD; and IMF, *International Financial Statistics.*

1/ The discount rates used are the average commercial interest reference rates (CIRRs) for the respective currencies over the six-month period ending in December 2003 for the completion point and 2/ For all Euro area currencies, the Euro CIRR is used. For the Kuwaiti Dinar, the US dollar CIRR is used for completion point calculations (compared to the decision point calculations, when the SDR CIRR was used), in accordance to the explicit peg of the Dinar to the US dollar in the beginning of 2003. For all other currencies for which the respective CIRRs are not available, the SDR discount rate is used as a proxy.

Table 6. Ghana: Comparison of Net Present Value of External Public Debt Between Decision Point and Completion Point
(In millions of U.S. dollars; unless otherwise indicated)

	Stock at end-2000		Stock at end-2003				
	Decision Point DSA 1/		Decision Point DSA (Proj.) 1/		Completion Point DSA 2/		
	After traditional debt relief	After enhanced debt relief	After traditional debt relief	After enhanced debt relief	After traditional debt relief	After enhanced debt relief	After additional bilateral relief 3/
NPV of debt using end-2000 parameters	3,893	1,706	3,889	2,154	3,782	2,017	1,575
Multilateral	1,962	860	2,546	1,502	2,341	1,292	1,292
Official bilateral and commercial	1,931	846	1,343	653	1,440	724	283
NPV of debt using end-2003 parameters	...	...	...	...	5,000	2,937	2,370
Multilateral	...	...	...	...	3,277	2,042	2,042
Official bilateral and commercial	...	...	...	...	1,723	895	327
NPV of debt-to-revenues ratio 4/							
Using end-2000 parameters	570	250	319	177	...	...	...
Using end-2003 parameters	...	...			321	189	152
Memorandum items:							
NPV of enhanced HIPC assistance 5/							
Using end-2000 parameters	...	2,186			...	...	...
Using end-2003 parameters	...	...			...	2,063	...
Central government revenues 6/							
Decision point	683	683	1,218	1,218	...	...	...
Completion point	...	...			1,555	1,555	1,555

Sources: Ghanaian authorities; and staff estimates.

1/ Based on stock of debt reconciled as of end-December 2000, assuming full (hypothetical) delivery of enhanced HIPC assistance.
2/ Based on stock of debt reconciled as of end-December 2003, assuming full (hypothetical) delivery of enhanced HIPC assistance.
3/ After debt relief beyond HIPC offered by some of the Paris Club creditors on a voluntary basis.
4/ Revenue is defined as central government revenue, excluding grants.
5/ The value of assistance under the enhanced HIPC framework was determined at decision point using end-2000 parameters (exchange rates and discount factors). The corresponding values for enhanced HIPC relief expressed as of end-2003 are provided for information only.
6/ Excludes grants.

Table 7. Ghana: Nominal and Net Present Value of External Debt at Completion Point, End-2003 1/
(in millions of US dollars)

	Legal Situation 2/		After Full Application of Traditional Debt Relief 3/	
	Nominal Debt	NPV of Debt	Nominal Debt	NPV of Debt
Total	**7,548.9**	**5,541.6**	**7,033.3**	**5,032.1**
Multilateral	5,176.1	3,277.0	5,176.1	3,277.0
IDA	3,964.6	2,376.5	3,964.6	2,376.5
IBRD	3.9	4.0	3.9	4.0
African Development Bank Group	500.8	324.8	500.8	324.8
IMF	453.1	381.2	453.1	381.2
BADEA	23.4	21.9	23.4	21.9
European Investment Bank	50.9	48.7	50.9	48.7
European Union	36.1	27.5	36.1	27.5
IFAD	92.1	56.6	92.1	56.6
Nordic Development Bank	33.4	19.4	33.4	19.4
OPEC	17.7	16.4	17.7	16.4
Official bilateral	**2,106.0**	**1,967.4**	**1,656.0**	**1,539.2**
Paris Club	1,976.3	1,869.6	1,552.1	1,458.2
Austria	70.7	52.4	55.1	47.1
Belgium	3.6	3.0	1.0	0.8
Canada	3.2	3.0	11.7	12.0
Finland	2.5	2.9	2.1	2.1
France	143.1	124.5	121.8	106.1
Germany	249.7	144.0	217.3	128.2
Italy	50.6	44.4	26.9	24.7
Japan	1,057.9	1,112.1	817.8	868.7
Netherlands	92.2	94.4	80.0	79.2
Norway	7.3	7.0	7.3	7.1
Spain	64.9	48.5	59.3	44.6
Sweden	40.5	34.3	24.7	21.6
United Kingdom	103.5	105.5	100.3	86.9
United States	86.6	93.5	26.8	29.0
Other official bilateral	129.7	97.8	103.9	81.0
China	64.6	55.9	55.0	41.1
Kuwaiti Fund	32.9	19.4	17.9	17.1
Korea	25.0	18.0	20.4	13.7
Saudi Fund	7.3	4.5	10.6	9.0
Commercial creditors 4/	**266.8**	**297.2**	**201.3**	**216.0**
Germany	3.3	3.2	7.9	7.8
Korea (Samsung Corp.)	152.5	182.0	99.9	118.0
United Kingdom	47.0	45.1	30.2	28.2
United States	19.5	20.2	8.3	8.4
South Africa	42.7	44.8	29.5	30.8
Others	1.9	1.9	25.5	22.7

Sources: Ghanaian authorities; and staff estimates.

1/ Figures are based on data as of December 31, 2003.
2/ Reflects the external debt situation as of end-2003, including a Paris Club flow rescheduling on Cologne terms. Since most of Ghana's contracted after the original cut-off debt of January 1, 1983, the Paris Club fixed a new cut-off debt of June 20, 1999 to deliver interim assistance and recalculate burden sharing amongst its members.
3/ After full use of traditional debt relief mechanisms including for non-Paris Club members, using the original cut-off date of 1983.
4/ Several commercial creditors belonging to France, Belgium, Netherlands, the United Kingdom and Japan are now classified as bilateral debt, as a result of their debt being included in Paris Club agreements.

Table 8. Ghana: External Debt Service After Full Implementation of Debt-Relief Mechanisms, 2004-2023
(In millions of U.S. dollars)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2004-13 Averages	2014-23 Averages
I. After traditional debt-relief mechanisms (incl. new debt) 1/	469.8	486.9	451.3	433.1	409.9	378.9	374.3	396.3	403.4	393.6	384.0	395.6	404.7	412.6	437.6	461.1	482.5	514.1	542.6	577.7	419.8	461.2
Existing debt	464.3	475.5	433.9	409.4	379.6	341.4	321.1	319.2	302.4	283.7	264.5	258.9	256.5	252.7	249.8	243.8	233.4	230.8	222.4	220.0	373.1	243.3
Multilateral	185.5	201.9	194.0	215.7	227.1	208.2	201.7	210.4	195.8	186.2	176.3	179.0	181.3	183.6	183.3	185.0	184.1	186.0	186.8	186.1	202.7	183.2
World Bank Group	88.4	95.8	101.3	108.5	115.5	123.0	128.9	137.6	146.4	150.5	153.9	158.2	160.8	163.5	163.4	165.1	166.0	167.9	168.3	167.7	119.6	163.5
IMF	46.2	55.8	43.4	62.5	67.8	57.6	47.5	47.3	23.7	11.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	46.4	0.0
African Development Bank	29.7	29.4	28.0	24.7	24.3	14.0	12.1	12.7	13.4	14.7	13.9	12.7	12.6	12.7	13.0	13.6	12.2	12.6	13.1	13.1	20.3	12.9
Others	21.3	20.9	21.4	20.1	19.6	13.6	13.2	12.8	12.2	9.0	8.5	8.1	7.9	7.4	6.9	6.3	6.0	5.5	5.4	5.3	16.4	6.7
Official bilateral	278.8	273.6	239.8	193.7	152.5	133.2	119.4	108.9	106.6	97.5	88.2	79.9	75.1	69.1	66.5	58.8	49.3	44.8	35.5	33.9	170.4	60.1
Paris Club	188.3	181.6	158.8	138.8	116.8	105.1	93.9	86.2	85.2	83.4	80.4	77.4	73.7	68.0	65.6	58.0	48.4	43.9	34.7	33.0	123.8	58.3
Of which: ODA	87.3	91.7	90.2	92.2	87.3	86.0	82.6	81.3	81.2	79.7	76.9	74.0	72.4	66.7	64.4	56.8	47.3	42.9	33.7	32.5	86.0	56.8
Other official bilateral and commercial	90.5	91.9	81.1	55.0	35.7	28.0	25.5	22.6	21.4	14.0	7.8	2.5	1.4	1.1	0.9	0.9	0.9	0.9	0.9	0.9	46.6	1.8
Of which: ODA	9.0	12.3	11.2	9.9	9.1	8.6	8.4	7.8	7.6	6.5	6.2	1.6	1.4	1.1	0.9	0.9	0.9	0.9	0.9	0.9	9.0	1.5
II. After enhanced HIPC assistance (incl. new debt)2/	164.6	140.9	139.2	151.8	177.0	183.7	193.7	223.8	228.6	231.3	233.4	245.7	260.1	274.2	302.5	333.2	365.5	403.7	507.1	563.7	183.5	348.9
Existing debt	159.0	129.4	121.8	128.2	146.8	146.1	140.5	146.8	127.6	121.3	113.9	109.0	111.9	114.2	114.7	115.9	116.5	120.5	186.8	206.0	136.8	131.0
Multilateral	72.9	80.1	81.2	93.2	112.5	117.4	115.2	120.1	101.5	95.7	88.3	90.8	93.5	95.7	96.2	97.7	97.0	99.4	165.9	186.6	99.0	111.1
World Bank Group	39.6	42.7	44.3	48.2	51.3	54.8	57.6	62.5	67.0	69.2	71.2	73.2	74.8	76.9	77.1	78.1	78.9	80.9	147.0	167.7	53.7	92.6
IMF	14.7	26.3	26.3	35.1	46.9	55.9	47.5	47.3	23.7	11.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.6	0.0
African Development Bank	9.5	10.3	9.8	9.1	9.0	3.2	5.6	5.9	6.4	13.2	13.9	12.7	12.6	12.7	13.0	13.6	12.2	12.6	13.1	13.1	8.2	12.9
Others	9.1	0.8	0.8	0.8	5.2	3.5	4.4	4.4	4.4	1.4	3.2	4.9	6.1	6.2	6.1	6.0	6.0	5.9	5.8	5.8	3.5	5.6
Official bilateral	86.1	49.3	40.6	35.0	34.3	28.7	25.4	26.6	26.1	25.6	25.6	18.2	18.4	18.5	18.5	18.2	19.5	21.0	20.9	19.5	37.8	19.8
Paris Club	44.4	46.4	37.6	32.0	31.3	25.7	22.3	23.4	22.6	21.9	21.3	13.7	13.5	13.4	13.1	12.4	13.2	14.3	13.7	11.8	30.8	14.0
Of which: ODA	5.2	6.4	6.7	7.4	9.7	9.8	11.4	12.9	12.6	12.3	12.2	12.1	12.0	11.9	11.6	10.9	11.7	12.9	13.0	11.8	9.5	12.0
Other official bilateral and commercial	41.7	3.0	3.0	3.0	3.0	3.0	3.1	3.3	3.5	3.7	4.3	4.6	4.8	5.1	5.5	5.8	6.3	6.7	7.2	7.7	7.0	5.8
Of which: ODA	5.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.7
III. After bilateral debt relief beyond HIPC (incl. new debt) 2/ 3/	161.6	135.1	133.2	145.4	169.8	176.4	185.1	213.9	218.9	221.8	224.0	236.4	250.9	265.0	293.4	324.6	355.8	392.9	496.1	552.6	176.1	339.2
Existing debt	156.0	123.7	115.7	121.8	139.5	138.9	131.9	136.8	117.9	111.8	104.5	99.7	102.7	105.1	105.6	107.3	106.8	109.6	175.9	195.0	129.4	121.2
Multilateral	72.9	80.1	81.2	93.2	112.5	117.4	115.2	120.1	101.5	95.7	88.3	90.8	93.5	95.7	96.2	97.7	97.0	99.4	165.9	186.6	99.0	111.1
Official bilateral	83.1	43.6	34.5	28.6	27.1	21.4	16.8	16.7	16.4	16.1	16.2	8.9	9.1	9.4	9.5	9.6	9.8	10.2	9.9	8.4	30.4	10.1
Paris Club	41.4	40.6	31.6	25.6	24.1	18.4	13.7	13.4	12.9	12.4	11.9	4.4	4.3	4.2	4.0	3.7	3.5	3.5	2.7	0.7	23.4	4.3
Of which: ODA	2.2	0.7	0.7	1.0	2.5	2.5	2.7	2.9	2.9	2.9	2.8	2.8	2.7	2.7	2.5	2.2	2.0	2.0	2.0	0.7	2.1	2.3
Other official bilateral and commercial	41.7	3.0	3.0	3.0	3.0	3.0	3.1	3.3	3.5	3.7	4.3	4.6	4.8	5.1	5.5	5.8	6.3	6.7	7.2	7.7	7.0	5.8
Of which: ODA	5.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.7
Memorandum items:																						
Debt service of new debt	5.6	11.4	17.5	23.6	30.2	37.6	53.1	77.1	101.0	109.9	119.5	136.7	148.2	159.9	187.8	217.3	249.0	283.3	320.2	357.7	46.7	218.0
Multilateral	1.8	3.4	5.1	6.9	8.9	11.0	21.1	39.2	57.2	59.8	62.7	62.0	54.3	46.7	55.0	63.9	73.4	83.9	95.2	106.9	21.4	70.4
World Bank Group	1.6	3.4	5.1	6.9	8.9	11.0	13.3	15.8	18.2	20.8	23.7	30.8	38.7	46.7	55.0	63.9	73.4	83.9	95.2	106.9	10.5	61.8
IMF	0.2	0.0	0.0	0.0	0.0	0.0	7.8	23.4	39.0	39.0	39.0	31.2	15.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.9	8.6
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Official bilateral	3.8	8.1	12.3	16.7	21.4	26.5	32.0	37.9	43.8	50.1	56.9	74.7	93.9	113.2	132.8	153.4	175.6	199.4	225.0	250.8	25.3	147.6
Nominal HIPC relief																						
Under the enhanced HIPC initiative	305.3	346.0	312.1	281.2	232.8	195.2	180.6	172.5	174.8	162.3	150.6	149.9	144.5	138.4	135.1	127.9	117.0	110.4	35.5	14.0	236.3	112.3
Multilateral	112.6	121.8	112.9	122.5	114.7	90.8	86.6	90.3	94.3	90.4	88.0	88.2	87.8	87.9	87.1	87.3	87.2	86.6	20.9	...	103.7	80.1
Official bilateral	192.7	224.2	199.3	158.7	118.1	104.5	94.0	82.2	80.5	71.9	62.5	61.7	56.8	50.5	48.0	40.6	29.8	23.8	14.6	14.4	132.6	40.3

Sources: Ghanaian authorities; and staffs estimates and projections.

1/ Assumes a stock-of-debt operation on Naples terms (67 percent NPV reduction) at end-2000 with a January 1983 cut-off date, and at least comparable action by other bilateral creditors.
2/ Using a June 1999 cut-off date.
3/ After debt relief beyond HIPC offered by some of the Paris Club creditors.

Table 9. Ghana: Net Present Value of External Debt, 2003-2023
(In millions of U.S. dollars; unless otherwise indicated)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2003 - 13	2014 - 23
	Actuals	Projections																				Averages	
I. After traditional debt-relief mechanisms 1/																							
1. NPV of total debt (2+6) 2/	5032.1	4999.0	5018.0	5086.6	5118.1	5170.2	5278.0	5409.1	5537.9	5671.9	5848.0	6064.0	6297.1	6558.2	6845.5	7153.0	7482.6	7828.8	8233.3	8683.4	9166.5	5288.1	7431.2
2. NPV of outstanding debt (3+4)	5032.1	4777.5	4517.6	4301.6	4097.2	3893.1	3714.4	3546.3	3365.9	3202.7	3052.8	2915.9	2776.4	2636.0	2491.0	2348.9	2209.6	2070.5	1933.5	1792.2	1651.3	3954.6	2282.5
3. Official bilateral and commercial	1755.1	1549.9	1357.6	1203.9	1086.0	983.3	891.1	806.6	722.0	644.2	573.5	509.2	448.2	391.7	336.4	287.6	247.1	210.1	181.4	153.7	130.5	1052.1	289.6
Paris Club	1458.2	1287.2	1164.2	1056.8	967.8	887.8	816.7	751.4	685.7	620.1	556.1	493.5	433.0	376.9	321.8	273.0	232.7	195.9	167.4	139.8	116.9	932.0	275.1
Other official bilateral and commercial	297.0	262.7	193.4	147.1	118.2	95.5	74.4	55.2	36.4	24.0	17.4	15.8	15.1	14.8	14.7	14.5	14.4	14.2	14.0	13.8	13.6	120.1	14.5
4. Multilateral	3277.0	3227.7	3160.0	3097.6	3011.2	2909.8	2823.3	2739.6	2643.8	2558.5	2479.3	2406.7	2328.3	2244.3	2154.5	2061.3	1962.5	1860.4	1752.1	1638.5	1520.8	2902.5	1992.9
World Bank Group	2380.5	2392.3	2397.2	2396.8	2389.1	2374.1	2350.9	2320.9	2280.9	2230.4	2173.7	2111.2	2041.7	1966.7	1885.9	1801.8	1712.5	1618.5	1518.6	1414.1	1305.8	2335.2	1737.7
IMF	381.2	351.0	309.9	279.5	228.8	170.7	120.2	77.8	33.7	11.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	178.6	0.0
African Development Bank Group	324.8	306.9	288.6	271.3	256.8	242.3	237.7	234.8	231.2	226.8	220.9	215.7	211.4	207.1	202.6	197.5	191.7	187.1	181.9	176.0	169.9	258.4	194.1
Others	190.5	177.5	164.3	150.0	136.4	122.7	114.4	106.2	98.0	89.9	84.7	79.9	75.2	70.5	66.1	62.0	58.3	54.8	51.6	48.4	45.1	130.4	61.2
5. Nominal stock of total debt (incl. new loans)	7030.8	7031.6	7116.0	7243.9	7312.0	7408.0	7573.8	7770.0	7973.5	8178.4	8438.2	8748.8	9085.8	9461.8	9874.7	10318.5	10796.8	11302.9	11904.4	12584.5	13317.1	7552.4	10739.5
II. After conditional delivery of enhanced HIPC assistance 3/																							
1. NPV of total debt (2+6) 2/	5501.2	3124.2	3381.9	3652.0	3866.1	4080.8	4324.8	4585.1	4847.4	5114.9	5416.2	5750.7	6108.9	6492.5	6903.8	7330.8	7775.0	8234.0	8743.8	9236.1	9737.2	4354.1	7631.3
2. NPV of outstanding debt (3+4)	5501.2	2902.7	2881.5	2866.9	2845.1	2803.7	2761.2	2722.3	2675.4	2645.7	2621.0	2602.6	2588.2	2570.3	2549.2	2526.7	2502.0	2475.6	2444.1	2344.8	2222.1	3020.6	2482.6
3. Official bilateral and commercial	2264.6	848.6	822.2	803.3	788.9	774.4	764.7	757.8	749.3	740.8	732.3	723.4	721.4	719.1	716.4	713.6	710.8	706.6	700.6	694.3	689.2	913.4	709.5
Paris Club	1869.6	781.1	754.6	735.5	721.0	706.4	696.6	689.6	681.1	673.0	665.1	657.4	656.9	656.5	656.1	655.9	656.3	655.8	654.2	653.0	653.6	815.8	655.6
Other official bilateral and commercial	395.0	67.5	67.7	67.8	67.9	68.0	68.2	68.3	68.1	67.8	67.3	66.0	64.5	62.6	60.4	57.7	54.5	50.8	46.4	41.3	35.5	97.6	54.0
4. Multilateral	3236.6	2054.1	2059.3	2063.6	2056.2	2029.3	1996.4	1964.4	1926.2	1905.0	1888.7	1879.2	1866.8	1851.2	1832.8	1813.1	1791.2	1769.0	1743.5	1650.5	1532.9	2107.3	1773.0
World Bank Group	2357.3	1495.1	1515.2	1534.7	1550.9	1564.8	1575.8	1584.4	1588.5	1588.3	1585.8	1581.3	1574.5	1565.9	1554.8	1543.1	1529.9	1515.3	1498.1	1414.1	1305.8	1631.0	1508.3
IMF	375.1	263.6	248.4	232.5	207.2	169.0	120.2	77.8	33.7	11.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	158.1	0.0
African Development Bank Group	315.1	218.2	216.0	214.3	213.4	212.6	217.6	220.4	223.0	225.3	220.9	215.7	211.4	207.1	202.6	197.5	191.7	187.1	181.9	176.0	169.9	227.0	194.1
Others	189.2	77.3	79.7	82.1	84.7	82.9	82.8	81.9	80.9	80.0	82.0	82.3	80.9	78.2	75.4	72.5	69.6	66.6	63.5	60.4	57.2	91.2	70.7
III. After unconditional delivery of enhanced HIPC assistance 3/																							
1. NPV of total debt (2+6) 2/	2937.1	3124.2	3381.9	3652.0	3866.1	4080.8	4324.8	4585.1	4847.4	5114.9	5416.2	5750.7	6108.9	6492.5	6903.8	7330.8	7775.0	8234.0	8743.8	9236.1	9737.2	4121.0	7631.3
2. NPV of outstanding debt (3+4)	2937.1	2902.7	2881.5	2866.9	2845.1	2803.7	2761.2	2722.3	2675.4	2645.7	2621.0	2602.6	2588.2	2570.3	2549.2	2526.7	2502.0	2475.6	2444.1	2344.8	2222.1	2787.5	2482.6
3. Official bilateral and commercial	894.7	848.6	822.2	803.3	788.9	774.4	764.7	757.8	749.3	740.8	732.3	723.4	721.4	719.1	716.4	713.6	710.8	706.6	700.6	694.3	689.2	788.8	709.5
Paris Club	790.2	781.1	754.6	735.5	721.0	706.4	696.6	689.6	681.1	673.0	665.1	657.4	656.9	656.5	656.1	655.9	656.3	655.8	654.2	653.0	653.6	717.6	655.6
Other official bilateral and commercial	104.5	67.5	67.7	67.8	67.9	68.0	68.2	68.3	68.1	67.8	67.3	66.0	64.5	62.6	60.4	57.7	54.5	50.8	46.4	41.3	35.5	71.2	54.0
4. Multilateral	2042.3	2054.1	2059.3	2063.6	2056.2	2029.3	1996.4	1964.4	1926.2	1905.0	1888.7	1879.2	1866.8	1851.2	1832.8	1813.1	1791.2	1769.0	1743.5	1650.5	1532.9	1998.7	1773.0
World Bank Group	1472.7	1495.1	1515.2	1534.7	1550.9	1564.8	1575.8	1584.4	1588.5	1588.3	1585.8	1581.3	1574.5	1565.9	1554.8	1543.1	1529.9	1515.3	1498.1	1414.1	1305.8	1550.6	1508.3
IMF	267.1	263.6	248.4	232.5	207.2	169.0	120.2	77.8	33.7	11.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	148.3	0.0
African Development Bank Group	219.5	218.2	216.0	214.3	213.4	212.6	217.6	220.4	223.0	225.3	220.9	215.7	211.4	207.1	202.6	197.5	191.7	187.1	181.9	176.0	169.9	218.3	194.1
Others	83.0	77.3	79.7	82.1	84.7	82.9	82.8	81.9	80.9	80.0	82.0	82.3	80.9	78.2	75.4	72.5	69.6	66.6	63.5	60.4	57.2	81.6	70.7
IV. After bilateral debt relief beyond HIPC assistance 4/																							
1. NPV of total debt (2+6) 2/	5524.2	2534.4	2786.6	3051.3	3260.4	3470.8	3710.4	3967.6	4228.2	4493.7	4792.7	5124.8	5480.4	5861.4	6270.0	6694.2	7135.0	7591.6	8100.1	8591.2	9091.4	3801.8	6994.0
NPV of total debt after full delivery 3/	2369.6	2534.4	2786.6	3051.3	3260.4	3470.8	3710.4	3967.6	4228.2	4493.7	4792.7	5124.8	5480.4	5861.4	6270.0	6694.2	7135.0	7591.6	8100.1	8591.2	9091.4	3515.1	6994.0
Multilateral	2042.3	2054.1	2059.3	2063.6	2056.2	2029.3	1996.4	1964.4	1926.2	1905.0	1888.7	1879.2	1866.8	1851.2	1832.8	1813.1	1791.2	1769.0	1743.5	1650.5	1532.9	1998.7	1773.0
Bilateral	327.3	258.8	226.9	202.6	183.2	164.3	150.3	140.4	130.0	119.5	108.8	97.5	93.0	88.0	82.6	76.9	70.8	64.2	56.9	49.5	43.3	182.9	72.3
2. NPV of outstanding debt (3+4)	5524.2	2312.9	2286.2	2266.3	2239.4	2193.7	2146.8	2104.8	2056.2	2024.5	1997.5	1976.7	1959.8	1939.2	1915.4	1890.0	1862.0	1833.2	1800.4	1700.0	1576.2	2468.4	1845.3
3. Official bilateral and commercial	2287.6	258.8	226.9	202.6	183.2	164.3	150.3	140.4	130.0	119.5	108.8	97.5	93.0	88.0	82.6	76.9	70.8	64.2	56.9	49.5	43.3	361.1	72.3
Paris Club	1892.6	191.3	159.3	134.8	115.3	96.3	82.2	72.1	61.9	51.7	41.5	31.4	28.5	25.4	22.3	19.2	16.3	13.4	10.5	8.1	7.8	263.5	18.3
Other official bilateral and commercial	395.0	67.5	67.7	67.8	67.9	68.0	68.2	68.3	68.1	67.8	67.3	66.0	64.5	62.6	60.4	57.7	54.5	50.8	46.4	41.3	35.5	97.6	54.0
4. Multilateral	3236.6	2054.1	2059.3	2063.6	2056.2	2029.3	1996.4	1964.4	1926.2	1905.0	1888.7	1879.2	1866.8	1851.2	1832.8	1813.1	1791.2	1769.0	1743.5	1650.5	1532.9	2107.3	1773.0
Memorandum items:																							
6. NPV of new borrowing	0.0	221.5	500.4	785.0	1021.0	1277.1	1563.6	1862.8	2172.0	2469.2	2795.2	3148.1	3520.6	3922.2	4354.6	4804.1	5273.0	5758.4	6299.7	6891.3	7515.2	1466.8	5148.7
Official bilateral	0.0	95.9	204.4	313.5	425.2	545.7	679.8	822.5	976.2	1130.0	1296.9	1475.6	1655.3	1836.0	2018.2	2202.2	2388.8	2575.6	2782.1	3004.4	3233.2	590.0	2317.1
Multilateral	0.0	125.6	296.1	471.6	595.7	731.4	883.8	1040.3	1195.8	1339.2	1498.4	1672.5	1865.4	2086.2	2336.4	2601.9	2884.2	3182.7	3517.6	3886.9	4282.0	743.4	2831.6
Grant element in new borrowing	0.0	38.1	37.0	36.2	36.1	35.8	35.5	35.3	35.2	35.1	34.9	34.8	34.6	34.4	34.1	33.9	33.7	33.5	33.5	33.4	33.4	35.9	33.9

Sources: Ghanaian authorities; and staff estimates and projections.

1/ Refers to public and publicly guaranteed external debt only and assumes a stock-of-debt operation on Naples terms (67 percent NPV reduction) at end-2000 with a January 1983 cut-off date, and at least comparable action by other official bilateral creditors.

2/ Discounted on the basis of the average commercial interest reference rate for the respective currency, derived over the six-month period prior to the latest date for which actual data are available (December 2003).

The conversion of currency-specific NPVs into U.S. dollars occurs for all years at the base date (December 31, 2003) exchange rate.

3/ Using a June 1999 cutoff date, with completion point in July, 2004. For conditional delivery, NPV of total debt assuming HIPC assistance is delivered at completion point (July 2004).

For unconditional delivery, NPV of total debt assuming entire HIPC Initiative assistance is fully delivered as of end-December 2003.

4/ After debt relief beyond HIPC offered by some of the Paris Club creditors on a voluntary basis; calculated using a June 1999 cutoff date.

Table 10. Ghana: External Debt Indicators, 2003-2023 1/
(In percent, unless otherwise indicated)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2003-13	2014-23
	Actuals	Projections																				Averages	
I. After traditional debt relief mechanisms 2/																							
NPV of debt-to-GDP ratio	65.3	57.8	53.3	50.0	46.5	43.4	40.9	38.7	36.6	34.7	33.0	31.6	30.3	29.1	28.1	27.1	26.1	25.2	24.5	23.8	23.2	45.5	26.9
NPV of debt-to-exports ratio 3/ 4/	184.9	165.7	150.9	144.0	138.0	133.7	130.9	128.1	125.0	122.0	119.9	118.4	117.1	116.2	115.4	114.8	114.3	113.9	113.9	114.3	114.8	140.3	115.3
NPV of debt-to-revenue ratio 5/	321.5	256.8	233.6	221.8	207.2	196.3	188.6	178.8	170.1	162.0	154.2	148.8	144.7	139.2	134.7	130.4	126.1	122.1	118.2	114.5	111.2	208.3	129.0
Debt service-to-exports ratio	...	14.08	13.76	12.12	11.22	10.20	8.98	8.45	8.53	8.28	7.69	7.15	7.01	6.83	6.63	6.69	6.71	6.68	6.77	6.80	6.88	10.3	6.8
Debt service-to-revenue ratio 5/	...	24.14	22.66	19.68	17.53	15.56	13.54	12.37	12.17	11.52	10.38	9.42	9.09	8.59	8.12	7.98	7.77	7.52	7.38	7.16	7.01	16.0	8.0
II. After conditional delivery of enhanced HIPC assistance																							
NPV of debt-to-GDP ratio	71.2	36.1	35.9	35.9	35.1	34.2	33.5	32.8	32.1	31.3	30.6	30.0	29.4	28.8	28.3	27.7	27.1	26.5	26.0	25.3	24.6	37.2	27.4
NPV of debt-to-exports ratio 3/ 4/	201.5	103.6	101.7	103.4	104.3	105.5	107.3	108.6	109.4	110.0	111.0	112.3	113.6	115.0	116.4	117.7	118.8	119.7	121.0	121.6	121.9	115.1	117.8
NPV of debt-to-exports ratio (existing debt only)	201.5	96.2	86.7	81.1	76.7	72.5	68.5	64.5	60.4	56.9	53.7	50.8	48.1	45.5	43.0	40.6	38.2	36.0	33.8	30.9	27.8	83.5	39.5
NPV of debt-to-revenue ratio 5/	350.3	160.5	157.4	159.3	156.5	154.9	154.6	151.6	148.9	146.1	142.8	141.1	140.4	137.8	135.9	133.7	131.0	128.4	125.6	121.8	118.2	171.2	131.4
Debt service-to-exports ratio	...	4.9	4.0	3.7	3.9	4.4	4.4	4.4	4.8	4.7	4.5	4.3	4.4	4.4	4.4	4.6	4.8	5.1	5.3	6.4	6.7	4.4	5.0
Debt service-to-revenue ratio 5/	...	8.5	6.6	6.1	6.1	6.7	6.6	6.4	6.9	6.5	6.1	5.7	5.6	5.5	5.4	5.5	5.6	5.7	5.8	6.7	6.8	6.6	5.8
III. After unconditional delivery of enhanced HIPC assistance 6/																							
NPV of debt-to-GDP ratio	38.4	36.1	35.9	35.9	35.1	34.2	33.5	32.8	32.1	31.3	30.6	30.0	29.4	28.8	28.3	27.7	27.1	26.5	26.0	25.3	24.6	34.2	27.4
NPV of debt-to-exports ratio 3/ 4/	108.6	103.6	101.7	103.4	104.3	105.5	107.3	108.6	109.4	110.0	111.0	112.3	113.6	115.0	116.4	117.7	118.8	119.7	121.0	121.6	121.9	106.7	117.8
NPV of debt-to-revenue ratio 5/	188.8	160.5	157.4	159.3	156.5	154.9	154.6	151.6	148.9	146.1	142.8	141.1	140.4	137.8	135.9	133.7	131.0	128.4	125.6	121.8	118.2	156.5	131.4
IV. After conditional delivery of bilateral debt relief beyond HIPC assistance 7/																							
NPV of debt-to-GDP ratio	71.2	29.3	29.6	30.0	29.6	29.1	28.8	28.4	28.0	27.5	27.0	26.7	26.4	26.0	25.7	25.3	24.9	24.4	24.1	23.5	23.0	32.6	25.0
NPV of debt-to-exports ratio 3/ 4/	201.6	84.0	83.8	86.4	87.9	89.7	92.0	94.0	95.4	96.7	98.2	100.1	101.9	103.8	105.7	107.5	109.0	110.4	112.1	113.1	113.8	100.9	107.7
NPV of debt-to-exports ratio (existing debt only)	201.6	76.7	68.7	64.1	60.4	56.7	53.2	49.9	46.4	43.5	40.9	38.6	36.4	34.3	32.3	30.3	28.5	26.7	24.9	22.4	19.7	69.3	29.4
NPV of debt-to-revenue ratio 5/	350.5	130.2	129.7	133.1	132.0	131.8	132.6	131.1	129.9	128.3	126.4	125.7	125.9	124.4	123.4	122.0	120.2	118.4	116.3	113.3	110.3	150.5	120.0
Debt service-to-exports ratio	...	4.8	3.8	3.6	3.8	4.2	4.2	4.2	4.6	4.5	4.3	4.2	4.2	4.2	4.3	4.5	4.7	4.9	5.2	6.2	6.6	4.2	4.9
Debt service-to-revenue ratio 5/	...	8.3	6.3	5.8	5.9	6.4	6.3	6.1	6.6	6.2	5.8	5.5	5.4	5.3	5.2	5.4	5.5	5.5	5.6	6.5	6.7	6.4	5.7
V. After unconditional delivery of bilateral debt relief beyond HIPC assistance 8/																							
NPV of debt-to-GDP ratio	31.0	29.3	29.6	30.0	29.6	29.1	28.8	28.4	28.0	27.5	27.0	26.7	26.4	26.0	25.7	25.3	24.9	24.4	24.1	23.5	23.0	28.9	25.0
NPV of debt-to-exports ratio 3/ 4/	87.6	84.0	83.8	86.4	87.9	89.7	92.0	94.0	95.4	96.7	98.2	100.1	101.9	103.8	105.7	107.5	109.0	110.4	112.1	113.1	113.8	90.5	107.7
NPV of debt-to-revenue ratio 5/	152.4	130.2	129.7	133.1	132.0	131.8	132.6	131.1	129.9	128.3	126.4	125.7	125.9	124.4	123.4	122.0	120.2	118.4	116.3	113.3	110.3	132.5	120.0
Memorandum items (in millions of U.S. dollars):																							
NPV of debt after enhanced HIPC assistance	5449.0	3124.2	3381.9	3652.0	3866.1	4080.8	4324.8	4585.1	4847.4	5114.9	5416.2	5750.7	6108.9	6492.5	6903.8	7330.8	7775.0	8234.0	8743.8	9236.1	9737.2	4349.3	7631.3
Of which: existing debt only	5449.0	2902.7	2881.5	2866.9	2845.1	2803.7	2761.2	2722.3	2675.4	2645.7	2621.0	2602.6	2588.2	2570.3	2549.2	2526.7	2502.0	2475.6	2444.1	2344.8	2222.1	3015.9	2482.6
Debt service after enhanced HIPC assistance	...	164.6	140.9	139.2	151.8	177.0	183.7	193.7	223.8	228.6	231.3	233.4	245.7	260.1	274.2	302.5	333.2	365.5	403.7	507.1	563.7	183.5	348.9
GDP	7655.0	8644.7	9412.7	10178.4	11011.4	11919.2	12899.7	13962.5	15115.6	16365.9	17721.8	19192.5	20788.1	22519.6	24399.0	26439.2	28654.4	31059.7	33672.3	36493.6	39541.7	12262.4	28276.0
Exports of goods and services 3/	3101.4	3336.6	3538.3	3723.9	3860.5	4018.8	4217.8	4427.4	4645.4	4875.1	5117.1	5372.1	5641.0	5924.3	6223.1	6538.1	6870.2	7220.6	7590.1	7980.0	8391.4	4078.4	6775.1
Exports of goods and services (3-yr.mvg. avg.) 3/	2704.4	3017.0	3325.4	3532.9	3707.6	3867.8	4032.4	4221.3	4430.2	4649.3	4879.2	5121.5	5376.7	5645.8	5929.4	6228.5	6543.8	6876.3	7227.0	7596.9	7987.2	3851.6	6453.3
Government Revenue 5/	1555.3	1946.5	2148.5	2292.9	2470.1	2634.4	2798.1	3025.4	3255.4	3502.0	3792.9	4076.5	4351.9	4711.8	5081.2	5484.8	5934.1	6413.6	6962.8	7580.5	8240.8	2674.7	5883.8

Sources: Ghanaian authorities; and staff estimates and projections.

1/ All debt indicators refer to public and publicly guaranteed (PPG) debt and are defined after rescheduling, unless otherwise indicated.

2/ Reflect a hypothetical stock-of-debt operation on Naples terms at end-2000 for Paris Club creditors as calculated in the HIPC decision point Document.

3/ As defined in IMF, *Balance of Payments Manual*, 5th edition, 1993.

4/ Based on a three-year average of exports on the previous year (e.g., export average over 2001-2003 for NPV of debt-to-exports ratio in 2003).

5/ Revenue is defined as central government revenue, excluding grants.

6/ Assuming unconditional/full delivery of HIPC assistance in end-2003.

7/ Assuming full delivery of HIPC assistance in July 2004.

8/ Some Paris Club creditors have agreed to extend additional debt relief beyond HIPC assistance.

Table 11. Ghana: Sensitivity Analysis, 2004- 2023 1/
(In percent; unless otherwise indicated)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2004-13	2014-23
	Projections																				Averages	
Baseline scenario																						
Debt service-to-exports ratio 2/	4.9	4.0	3.7	3.9	4.4	4.4	4.4	4.8	4.7	4.5	4.3	4.4	4.4	4.4	4.6	4.8	5.1	5.3	6.4	6.7	4.4	5.0
Debt service-to-revenue ratio 3/	8.5	6.6	6.1	6.1	6.7	6.6	6.4	6.9	6.5	6.1	5.7	5.6	5.5	5.4	5.5	5.6	5.7	5.8	6.7	6.8	6.6	5.8
NPV of debt-to-revenue ratio 3/	160.5	157.4	159.3	156.5	154.9	154.6	151.6	148.9	146.1	142.8	141.1	140.4	137.8	135.9	133.7	131.0	128.4	125.6	121.8	118.2	153.2	131.4
Memorandum items (in millions of U.S. dollars):																						
NPV of debt	3,124.2	3,381.9	3,652.0	3,866.1	4,080.8	4,324.8	4,585.1	4,847.4	5,114.9	5,416.2	5,750.7	6,108.9	6,492.5	6,903.8	7,330.8	7,775.0	8,234.0	8,743.8	9,236.1	9,737.2	4239.3	7631.3
Of which: new debt	221.5	500.4	785.0	1,021.0	1,277.1	1,563.6	1,862.8	2,172.0	2,469.2	2,795.2	3,148.1	3,520.6	3,922.2	4,354.6	4,804.1	5,273.0	5,758.4	6,299.7	6,891.3	7,515.2	1466.8	5148.7
Debt service	164.6	140.9	139.2	151.8	177.0	183.7	193.7	223.8	228.6	231.3	233.4	245.7	260.1	274.2	302.5	333.2	365.5	403.7	507.1	563.7	183.5	348.9
Of which: new debt	5.6	12.0	18.4	24.6	31.2	38.6	54.1	78.0	101.7	110.5	119.8	136.8	148.2	159.9	187.8	217.3	249.0	283.3	320.2	357.7	47.5	218.0
Exports of goods and services, 3-yr. avg.	3,017.0	3,325.4	3,532.9	3,707.6	3,867.8	4,032.4	4,221.3	4,430.2	4,649.3	4,879.2	5,121.5	5,376.7	5,645.8	5,929.4	6,228.5	6,543.8	6,876.3	7,227.0	7,596.9	7,987.2	3966.3	6453.3
Exports of goods and services, annual	3,336.6	3,538.3	3,723.9	3,860.5	4,018.8	4,217.8	4,427.4	4,645.4	4,875.1	5,117.1	5,372.1	5,641.0	5,924.3	6,223.1	6,538.1	6,870.2	7,220.6	7,590.1	7,980.0	8,391.4	4176.1	6775.1
Revenues	1946.5	2148.5	2292.9	2470.1	2634.4	2798.1	3025.4	3255.4	3502.0	3792.9	4076.5	4351.9	4711.8	5081.2	5484.8	5934.1	6413.6	6962.8	7580.5	8240.8	2786.6	5883.8
Sensivity analysis																						
Alternative scenario (price shock) 4/																						
Debt service-to-exports ratio 2/	4.9	4.3	4.2	4.4	5.0	5.0	5.1	5.6	5.6	5.4	5.3	5.3	5.6	5.8	6.1	6.5	6.9	7.3	8.5	9.0	5.0	6.6
Debt service-to-revenue ratio 3/	8.5	6.8	6.5	6.6	7.3	7.3	7.2	7.7	7.4	7.0	6.7	6.7	6.7	6.8	7.0	7.3	7.5	7.7	8.6	8.8	7.2	7.4
NPV of debt-to-revenue ratio 3/	160.5	165.5	171.7	173.1	175.3	178.5	178.4	178.4	177.9	176.6	176.8	178.2	176.8	176.0	174.6	172.4	170.1	167.3	163.3	159.2	173.6	171.5
Memorandum items (in millions of U.S. dollars):																						
NPV of debt	3,124.2	3,484.0	3,859.4	4,190.1	4,531.2	4,904.2	5,301.2	5,708.5	6,129.5	6,593.2	7,099.7	7,640.5	8,213.5	8,821.0	9,451.4	10,105.9	10,782.8	11,518.6	12,245.0	12,988.9	4782.6	9886.7
Of which: new debt	221.5	602.5	992.5	1,345.0	1,727.5	2,143.0	2,579.0	3,033.1	3,483.7	3,972.2	4,497.0	5,052.2	5,643.2	6,271.8	6,924.6	7,603.9	8,307.2	9,074.5	9,900.2	10,766.9	2010.0	7404.2
Debt service	164.6	143.7	145.0	160.8	189.3	199.4	213.0	246.8	255.5	262.2	268.6	285.4	312.4	339.3	381.4	426.6	473.4	526.8	645.8	718.7	198.0	437.9
Of which: new debt	5.6	14.9	24.2	33.5	43.5	54.3	73.4	101.0	128.6	141.4	155.0	176.5	200.5	225.1	266.7	310.7	357.0	406.3	459.0	512.7	62.0	307.0
Exports of goods and services, 3-yr. avg.	3,017.0	3,248.8	3,378.8	3,473.7	3,628.4	3,785.9	3,967.4	4,168.7	4,379.9	4,601.7	4,835.7	5,082.4	5,342.6	5,617.2	5,906.8	6,212.5	6,535.1	6,875.5	7,234.9	7,614.3	3765.0	6125.7
Exports of goods and services, annual	3,336.6	3,308.3	3,491.6	3,621.3	3,772.3	3,964.0	4,166.0	4,376.1	4,597.7	4,831.4	5,077.9	5,337.9	5,612.1	5,901.5	6,206.9	6,529.1	6,869.2	7,228.2	7,607.2	8,007.4	3946.5	6437.7
Revenues	1946.5	2104.8	2247.3	2421.2	2584.8	2746.7	2972.1	3200.3	3444.9	3733.8	4015.2	4288.4	4646.2	5013.3	5414.6	5861.6	6338.6	6885.1	7500.3	8157.9	2740.2	5812.1
Alternative scenario (low grants) 5/																						
Debt service to exports ratio 2/	5.0	4.1	4.0	4.2	4.8	4.8	4.8	5.4	5.3	5.3	5.2	5.4	5.7	5.9	6.4	6.9	7.3	7.8	9.1	9.8	4.8	7.0
Debt service to revenue ratio 2/	8.6	6.8	6.4	6.6	7.3	7.2	7.1	7.7	7.4	7.1	6.8	7.0	7.2	7.3	7.6	7.9	8.2	8.5	9.6	10.0	7.2	8.0
NPV of debt-to-revenue ratio 3/	165.2	166.2	172.0	172.7	174.7	177.4	176.9	178.7	180.0	180.3	182.7	186.8	188.5	191.2	193.6	195.5	197.5	199.0	199.2	199.4	174.4	193.3
Memorandum items: (in millions of U.S. dollars):																						
NPV of debt	3,215.0	3,571.9	3,943.6	4,266.8	4,601.0	4,964.1	5,352.2	5,817.2	6,302.2	6,837.1	7,448.9	8,128.4	8,881.2	9,713.9	10,619.1	11,602.5	12,667.4	13,855.4	15,100.8	16,435.9	4887.1	11445.4
Of which: new debt	312.3	690.3	1,076.7	1,421.7	1,797.3	2,202.9	2,630.0	3,141.7	3,656.5	4,216.1	4,846.3	5,540.2	6,310.9	7,164.7	8,092.3	9,100.4	10,191.8	11,411.4	12,756.0	14,213.8	2114.6	8962.8
Debt service	167.1	146.1	147.3	162.8	191.1	200.9	214.2	249.6	260.0	268.7	277.9	305.6	337.1	369.6	418.2	471.3	527.5	591.8	728.7	821.7	200.8	484.9
Of which: new debt	8.1	17.3	26.5	35.5	45.3	55.8	74.6	103.8	133.1	147.9	164.3	196.7	225.2	255.3	303.5	355.4	411.0	471.3	541.9	615.7	64.8	354.0
Exports of goods and services, 3-yr. avg.	3,017.0	3,325.4	3,532.9	3,707.6	3,867.8	4,032.4	4,221.3	4,430.2	4,649.3	4,879.2	5,121.5	5,376.7	5,645.8	5,929.4	6,228.5	6,543.8	6,876.3	7,227.0	7,596.9	7,987.2	3966.3	6453.3
Exports of goods and services, annual	3,336.6	3,538.3	3,723.9	3,860.5	4,018.8	4,217.8	4,427.4	4,645.4	4,875.1	5,117.1	5,372.1	5,641.0	5,924.3	6,223.1	6,538.1	6,870.2	7,220.6	7,590.1	7,980.0	8,391.4	4176.1	6775.1
Revenues	1,946.5	2,148.5	2,292.9	2,470.1	2,634.4	2,798.1	3,025.4	3,255.4	3,502.0	3,792.9	4,076.5	4,351.9	4,711.8	5,081.2	5,484.8	5,934.1	6,413.6	6,962.8	7,580.5	8,240.8	2786.6	5883.8
Alternative scenario (low growth performance) 6/																						
Debt service to exports ratio 2/	4.9	4.1	4.0	4.2	4.7	4.7	4.8	5.4	5.3	5.3	5.2	5.3	5.5	5.7	6.2	6.6	7.1	7.7	9.2	10.0	4.7	6.8
Debt service to revenue ratio 2/	8.5	6.6	6.2	6.4	7.1	7.0	6.9	7.5	7.2	6.8	6.5	6.5	6.5	6.6	6.9	7.2	7.5	7.8	9.0	9.3	7.0	7.4
NPV of debt-to-revenue ratio 3/	160.5	160.0	164.9	164.5	165.2	167.2	166.3	166.0	165.6	164.7	165.7	168.4	169.0	170.7	172.4	173.8	175.5	177.0	177.8	178.9	164.5	172.9
Memorandum items: (in millions of U.S. dollars):																						
NPV of debt	3,124.2	3,416.4	3,737.0	3,997.1	4,255.2	4,545.9	4,862.2	5,190.1	5,534.0	5,924.4	6,362.5	6,852.7	7,398.5	8,005.5	8,666.5	9,387.8	10,172.8	11,063.3	12,001.8	13,022.4	4458.7	9293.4
Of which: new debt	221.5	534.9	870.1	1,151.9	1,451.5	1,784.7	2,140.0	2,514.6	2,888.3	3,303.4	3,759.9	4,264.4	4,828.2	5,456.3	6,139.8	6,885.8	7,697.2	8,619.3	9,657.0	10,800.3	1686.1	6810.8
Debt service	164.6	141.8	141.6	155.5	181.8	189.7	201.2	233.0	239.7	244.7	249.5	265.2	286.5	309.6	347.5	388.6	432.6	484.8	604.3	679.7	189.4	404.8
Of which: new debt	5.6	13.0	20.8	28.2	36.0	44.5	61.6	87.1	112.8	123.9	135.9	156.3	174.6	195.3	232.8	272.6	316.2	364.3	417.5	473.6	53.3	273.9
Exports of goods and services, 3-yr. avg.	3,017.0	3,298.7	3,457.6	3,582.5	3,714.5	3,855.9	4,004.4	4,158.7	4,319.1	4,485.7	4,659.0	4,839.0	5,026.1	5,220.6	5,422.8	5,632.9	5,851.3	6,078.4	6,314.3	6,559.6	3789.4	5560.4
Exports of goods and services, annual	3,336.6	3,458.1	3,578.2	3,711.3	3,854.0	4,002.4	4,156.7	4,317.0	4,483.5	4,656.7	4,836.6	5,023.7	5,218.1	5,420.1	5,630.2	5,848.5	6,075.4	6,311.2	6,556.4	6,811.2	3955.5	5773.1
Revenues	1,946.5	2,135.8	2,265.9	2,429.3	2,576.4	2,719.4	2,923.0	3,125.9	3,341.5	3,597.1	3,840.4	4,070.2	4,378.5	4,689.3	5,026.8	5,401.4	5,796.5	6,250.5	6,751.4	7,280.3	2706.1	5348.5

Sources: Ghanaian authorities; and staff estimates and projections.

1/ All debt indicators refer to public and publicly guaranteed debt and are defined after rescheduling, unless otherwise indicated.

2/ Exports of goods and services as defined in IMF, *Balance of Payments Manual,* 5th edition, 1993. The NPV of debt-to-exports ratio is based on a three-year average of exports on the previous year; the debt-service ratio is based on current year exports.

3/ Revenues are defined as central government revenues, excluding grants.

4/ Terms of trade deterioration resulting from the reduction of cocoa prices by one standard deviation of historical prices for the next twenty years.

5/ Decrease in the grant composition of financing by 20 percentage points.

6/ GDP growth is one percent lower than baseline.

Table 12. Ghana: Delivery of IDA Assistance Under the HIPC Initiative, 2001-2022
(In millions of U.S. dollars, unless otherwise indicated)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
IDA debt service before HIPC relief	55.1	62.2	66.7	72.4	78.6	84.6	89.4	95.1	101.2	105.7	111.5
Principal	31.8	39.1	43.8	50.0	56.5	62.9	68.3	74.5	81.1	86.3	92.7
Interest	23.4	23.1	22.8	22.5	22.1	21.7	21.2	20.6	20.1	19.5	18.8
IDA debt service after HIPC relief	55.1	29.2	21.707	23.6	25.6	27.5	29.1	31.0	32.9	34.4	36.3
Principal	31.8	17.9	14.3	16.3	18.4	20.5	22.2	24.2	26.4	28.1	30.2
Interest	23.4	11.3	7.4	7.3	7.2	7.1	6.9	6.7	6.5	6.3	6.1
IDA assistance 1/	0.0	32.9	45.0	48.9	53.0	57.0	60.3	64.1	68.2	71.3	75.2
Principal	0.0	21.1	29.6	33.7	38.1	42.4	46.0	50.2	54.7	58.2	62.5
Interest	0.0	11.8	15.4	15.2	14.9	14.6	14.3	13.9	13.5	13.1	12.7
Memorandum item:											
IDA debt relief as percent of IDA debt service due (in percent)	0.00	0.53	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67
Interim assistance 2/	94.70										
Interim relief as percent of total	12.1										

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
IDA debt service before HIPC relief	117.7	120.5	122.7	126.1	127.5	128.5	128.0	128.9	129.2	129.0	128.0
Principal	99.6	103.2	106.1	110.4	112.6	114.4	114.8	116.6	117.7	118.4	118.3
Interest	18.1	17.3	16.6	15.7	14.9	14.1	13.2	12.3	11.5	10.6	9.7
IDA debt service after HIPC relief	38.3	39.2	39.9	41.1	41.5	41.8	41.7	42.0	42.1	42.0	106.6
Principal	32.4	33.6	34.5	35.9	36.7	37.2	37.4	38.0	38.3	38.6	98.7
Interest	5.9	5.6	5.4	5.1	4.9	4.6	4.3	4.0	3.7	3.4	8.0
IDA assistance 1/	79.4	81.3	82.7	85.0	86.0	86.6	86.3	87.0	87.1	87.0	21.4
Principal	67.2	69.6	71.5	74.4	75.9	77.1	77.4	78.6	79.4	79.9	19.6
Interest	12.2	11.7	11.2	10.6	10.1	9.5	8.9	8.3	7.7	7.1	1.7
Memorandum item:											
IDA debt relief as percent of IDA debt service due (in percent)	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.17

Sources: Ghanaian authorities; and IDA staff estimates.

1/ Total debt service reduction of US$1445.7 million in nominal terms corresponding to US$781.5 million in NPV terms, using end-2000 discount rates and exchange rates.
2/ In net present value (NPV) terms; assuming a Decision Point in February 2002 and a Completion point in July 2004.

Table 13. Ghana: Delivery of IMF Assistance under the Enhanced HIPC Initiative 1/
(In millions of SDRs, unless otherwise indicated)

	Actual							
	2002	2003	2004	2005	2006	2007	2008	2009
Delivery schedule of IMF assistance (in percent of total assistance) 2/	8.2	14.9	20.0	16.6	6.6	18.6	14.4	0.9
Debt Service due on IMF obligations 3/	10.5	17.1	31.5	38.4	30.0	37.6	33.3	18.6
Principal	8.2	15.1	29.6	36.3	28.0	35.8	31.7	17.2
Interest	2.3	2.0	1.9	2.1	2.0	1.8	1.6	1.5
IMF assistance--deposits into Ghana's account								
Interim assistance	9.91	15.15						
Completion point assistance			64.987 4/					
IMF assistance--drawdown schedule 5/	7.3	13.5	21.2	19.9	11.5	18.4	14.0	1.2
IMF assistance without interest	7.3	13.4	18.1	14.9	5.9	16.7	12.9	0.8
Estimated interest earnings	...	0.1	3.1	5.0	5.6	1.7	1.1	0.4
Debt service due on IMF obligations after IMF assistance 5/	3.2	3.6	10.3	18.5	18.5	19.2	19.3	17.5
Share of debt service due on IMF obligations covered by IMF assistance (in percent) 5/	69.7	79.1	67.2	51.8	38.4	48.9	42.1	6.3
Proportion (in percent) of each principal repayment obligation falling due during the period to be paid by IMF assistance from the principal deposited in Ghana's account	89.3	89.1	60.8	41.1	21.0	46.6	40.8	4.9
Memorandum items: **(Based on debt service data and exchange rates as of end-2000)**								
Total debt service due (in millions of U.S. dollars) 6/ 7/	375	368	376	368	347	350	363	359
Debt service due on IMF obligations (in millions of U.S. dollars) 7/	15.4	20.6	39.5	48.0	37.0	33.3	27.8	8.7
Debt service due on current IMF obligations after IMF assistance 7/	8.0	7.1	18.3	28.1	25.5	14.9	13.7	7.5
(in percent of exports)	0.3	0.3	0.8	1.1	0.9	0.5	0.4	0.2
Share of total debt service covered by IMF assistance (in percent) 7/	2.0	3.7	5.6	5.4	3.3	5.3	3.9	0.3

Source: Fund staff estimates.

1/ Total IMF assistance under the enhanced HIPC Initiative is SDR 90.05 million calculated on the basis of data available at the decision point, excluding interest earned on Ghana's account and on committed but undisbursed amounts as described in footnote 6.

2/ While the IMF deposited 11 percent of enhanced assistance into Ghana's account after the decision point, the delivery schedule for 2002 shows the share (8.2 percent) of enhanced assistance applied to Ghana's principal repayment obligations falling due from mid-February to end-December 2002.

3/ Forthcoming obligations estimated based on rates and principal schedules in effect as of end-December 2001. Interest obligations include net SDR charges and assessments.

4/ A final disbursement of SDR 64.987 million (plus accrued interest) assumed to be disbursed into Ghana's account at the completion point in June 2004, which is reflected in the calculation of interest.

5/ Includes estimated interest earnings on: (1) amounts held in Ghana's account; and (2), up to the completion point, amounts committed but not yet disbursed. It is assumed that these amounts earn a rate of return of 5 percent in SDR terms; actual interest earnings may be higher or lower. Interest accrued on (1) during a calendar year will be used toward the first repayment obligation(s) falling due in the following calendar year except in the final year, when it will be used toward payment of the final obligation(s) falling due in that year. Interest accrued on (2) during the interim period will be used toward the repayment of obligations falling due during the three years after the completion point.

6/ After traditional debt relief mechanisms.

7/ Excludes charges in the SDR Department of the IMF.

Table 14. Ghana: Status of Creditor Participation Under the Enhanced HIPC Initiative

	Debt relief in NPV terms (US$ millions) 1/	Percentage of total assistance	Satisfactory reply	Modalities to deliver debt relief
IDA/IBRD	781.5	35.7	Yes	IDA relief is being provided over twenty years (2000-22). Interim assistance has been provided equivalent to a 67.4 percent reduction on Ghana's debt service to IDA, and totalled US$ 98 million as of end-May 2003. After completion point, assistance will resume in the same manner.
IMF	112.1	5.1	Yes	IMF assistance will be delivered through grants from the PRGF/HIPC Trust Fund to the member's umbrella account. These resources, plus accrued interest, will be used to reduce the amortization falling due. Interim assistance of about SDR 25.1 million has been delivered until May 2004.
AfDB/AFDF	130.9	6.0	Yes	As of end-June, interim assistance of US $51.8 million has been provided. Total assistance will cover 80 percent of the debt service falling due through 2013. The total of debt relief is expected to be delivered by January 2013.
EU	14.3	0.7	Yes	Interim relief was provided in the form of 100 percent debt service relief on eight outstanding EDF loans, and totalled EUR 2.2 mn as of June 2003. Modalities for the delivery of assistance after completion point remain to be specified.
EIB	27.0	1.2	Yes	As of June 2003, interim relief amounting to EUR 2.5 mn has been delivered. Assistance will most likely be provided in the form of a 100 percent reduction of the debt service on loans to the Volta River Authority. Modalities for this are still to be finalized and would require consent of the Government of Ghana.
IFAD	17.7	0.8	Yes	Assistance will be delivered at the Completion Point, through a reduction of debt service payments on eligible debt by up to 100 percent until the target of US$ 17.7mn in NPV terms is reached. Precise modalities for delivery of assistance remain to be specified. Preliminary estimates show that IFAD's relief could be delivered over 11 years.
OPEC Fund	5.8	0.3	Yes	The OPEC Fund will partially provide assistance after Completion Point by means of a new concessional US$6.0 million loan whose resources will be used to meet the debt service payments due to the OPEC Fund
NDF	5.4	0.2	Yes	NDF provides assistance after Completion Point through a reduction of debt service payments on eligible debt by up to 100 percent until the target of US$ 5.4 million in NPV terms is reached. Preliminary estimates show that a NDF's relief could be
BADEA	7.1	0.3	Yes	Assistance will most likely be provided through a rescheduling of principal payments and a reduction of interest rates. Precise modalities are still to be finalized.
Total multilateral	1101.8	50.4	n.a.	

Table 14. Ghana: Status of Creditor Participation Under Enhanced HIPC Initiative (concluded)

	Debt relief in NPV terms (US$ millions) 1/	Percentage of total assistance	Satisfactory reply	Modalities to deliver debt relief
Paris Club creditors	828.5	37.9	Yes	Interim assistance has been provided through a flow rescheduling under Cologne terms. Germany, Netherlands, Italy, USA and the UK have provided 100 percent flow cancellation, Japan and Spain provided 100 percent rescheduling, and Canada 95 percent cancell
Non-Paris Club creditors	32.8	1.5		
China	8.7	0.4	Yes	Some loans have been cancelled
India	0.0	0.0	No	Negotiations in progress. Amount falls under the *de minimis* crit
Korea	4.4	0.2	No	Negotiations are in progress
Kuwait Development Fund	10.9	0.5	Yes	Provided debt relief on Naples terms
Saudi Development Fund	8.7	0.4	Yes	Provided interim flow relief on Naples terms. Will consider additional relief at completion point.
Commercial creditors	223.0	10.2	No	Being contacted by Ghana
Total bilateral and commercial	1084.3	49.6		
Total	2186.1	100.0		

Sources : Ghanaian authorities; and Bank and Fund staff estimates.
1/ The amount of assistance is estimated using the exchange rates at the decision point.

Table 15. Paris Club Creditors' Delivery of Debt Relief Under Bilateral Initiatives
Beyond the HIPC Initiative

	Countries covered	ODA (in percent)		Non-ODA (in percent)		Provision of relief	
		Pre-COD	Post-COD	Pre-COD	Post-COD	Decision point (In percent)	Completion point
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Australia	HIPCs	100	100	100	100 1/	1/	1/
Austria	HIPCs (c-b-c)	c-b-c (100)	c-b-c (100)	c-b-c (100)	-	c-b-c	c-b-c
Belgium	HIPCs	100	100	c-b-c (100)	-	flow	Stock
Canada	HIPCs 2/	- 3/	- 3/	100	100	100 flow	Stock
Denmark	HIPCs	100	c-b-c (up to 100)	-	-	-	Stock
France	HIPCs	100	100	100	-	100 flow 4/	Stock
Finland	HIPCs	95	98	-	-	-	-
Germany	HIPCs	100	100	100	-	100 flow	Stock
Ireland	-	-	-	-	-	-	-
Italy	HIPCs	100	100 5/	100	100 5/	100 flow	Stock
Japan	HIPCs	100	100	100	-	-	Stock
Netherlands	HIPCs	100	100	100	-	90-100 flow 6/	Stock 6/
Norway	HIPCs	- 3/	- 3/	100	100 7/	100 flow	Stock
Russia	c-b-c	-	-	-	-	-	Stock
Spain	HIPCs	100	c-b-c	c-b-c	c-b-c	-	Stock
Sweden	c-by-c	- 3/	- 3/	c-b-c (100)	-	-	Stock
Switzerland	HIPCs	100 3/	- 3/	100 8/	c-b-c	100 8/	Stock
United Kingdom	HIPCs	100	100	100	100 9/	100 flow 9/	Stock
United States	HIPCs	100	100	100	100 10	100 flow	Stock

Source: Paris Club Secretariat

Note: Columns (1) to (7) describe the additional debt relief provided following a specific methodology under bilateral initiatives and need to be read as a ' each creditor. In column (1), "HIPCs" stands for eligible countries effectively qualifying for the HIPC process. A "100 percent" mention in the table mea debt relief provided under the enhanced HIPC Initiative framework will be topped up to 100 percent through a bilateral initiative. (Case-by-case, c-b-c)

1/ Australia: post-cutoff date non-ODA relief to apply to debts incurred before a date to be finalized; timing details for both flow and stock relief are to be
2/ Canada: including Bangladesh. Canada has granted a moratorium of debt service as of January 2001 on all debt disbursed before end-March 1999 for 1 of 17 HIPCs with debt service due to Canada. The debt will be written off at the completion point. The countries to be covered are: Benin, Bolivia, Came Ethiopia, Guyana, Honduras, Madagascar, Mali, Senegal, Tanzania, and Zambia.

3/ 100 percent of ODA claims have already been cancelled on HIPCs, with the exception of Myanmar's debt to Canada.

4/ France: cancellation of 100 percent of debt service on pre-cutoff date commercial claims as they fall due starting at the decision point. Once countries have reached their completion debt relief on ODA claims will go to a special account and will be used for specific development projects.

5/ Italy: cancellation of 100 percent of all debts (pre- and post-COD, ODA and non-ODA) incurred before June 20, 1999 (the Cologne Summit). At decisi point cancellation of the related amounts falling due in the interim period. At completion point cancellation of the stock of remaining debt.

6/ The Netherlands: ODA: 100 percent ODA: pre- and post-cutoff date debt will be cancelled at decision point; for non-ODA: in some particular cases (I Burkina Faso, Mali, Ethiopia, Nicaragua, and Tanzania), the Netherlands will write off 100 percent of the consolidated amounts on the flow at decision p other HIPCs will receive interim relief up to 90 percent reduction of the consolidated amounts. At completion point, all HIPC countries will receive 100 p cancellation of the remaining stock of the pre-cutoff date debt.

7/ On debt assumed before December 31, 1997.

8/ Switzerland: In principle 100 percent cancellation of Pre-cutoff date non-ODA debt. However, Switzerland claims the right at the decision point to for 90 percent in case of major political and/or political weaknesses.

9/ United Kingdom: "beyond 100 percent" full write-off of all debts of HIPCs as of their decision points, and reimbursement at the decision point of any paid before the decision point.

10/ United States: 100 percent post-cutoff date non-ODA treated on debt assumed prior to 06/20/99 (the Cologne Summit).

Table 16. HIPC Initiative: Status of Country Cases Considered Under the Initiative, end-May 2004

Country	Decision Point	Completion Point	Target NPV of Debt-to- Exports (in percent)	Target NPV of Debt-to- Gov. revenue (in percent)	Assistance Levels 1/ (In millions of U.S. dollars, present value) Total	Bilateral	Multi-lateral	IMF	World Bank	Percentage Reduction in NPV of Debt 2/	Estimated Total Nominal Debt Service Relief (In millions of U.S. dollars)
Completion point reached under enhanced framework											
Benin	Jul. 00	Mar. 03	150		265	77	189	24	84	31	460
Bolivia					1,302	425	876	84	194		2,060
original framework	*Sep. 97*	*Sep. 98*	*225*		*448*	*157*	*291*	*29*	*54*	*14*	*760*
enhanced framework	*Feb. 00*	*Jun. 01*	*150*		*854*	*268*	*585*	*55*	*140*	*30*	*1,300*
Burkina Faso					553	83	469	57	231		930
original framework	*Sep. 97*	*Jul. 00*	*205*		*229*	*32*	*196*	*22*	*91*	*27*	*400*
enhanced framework	*Jul. 00*	*Apr. 02*	*150*		*195*	*35*	*161*	*22*	*79*	*30*	*300*
topping-up	...	*Apr. 02*	*150*		*129*	*16*	*112*	*14*	*61*	*24*	*230*
Ethiopia											
original framework	Nov. 01	*Apr. 04*	150		1,275	482	763	34	463	47	1,941
topping-up		*Apr. 04*	150		707	155	552	26	369	31	1,334
Guyana					*591*	223	367	*75*	68		877
original framework	*Dec. 97*	*May 99*	*107*	*280*	*256*	*91*	*165*	*35*	*27*	*24*	*440*
enhanced framework	*Nov. 00*	*Dec-03*	*150*	*250*	*335*	*132*	*202*	*40*	*41*	*40*	*437*
Mali					539	169	370	59	185		895
original framework	*Sep. 98*	*Sep. 00*	*200*		*121*	*37*	*84*	*14*	*43*	*9*	*220*
enhanced framework	*Sep. 00*	*Mar. 03*	*150*		*417*	*132*	*285*	*45*	*143*	*29*	*675*
Mauritania	Feb. 00	Jun. 02	137	250	622	261	361	47	100	50	1,100
Mozambique					2,023	1,270	753	143	443		4,300
original framework	*Apr. 98*	*Jun. 99*	*200*		*1,717*	*1,076*	*641*	*125*	*381*	*63*	*3,700*
enhanced framework	*Apr. 00*	*Sep. 01*	*150*		*306*	*194*	*112*	*18*	*62*	*27*	*600*
Nicaragua	Dec. 00	*Jan-04*	150		3,308	2,175	1,134	82	191	73	4500
Niger											
original framework	Dec. 00	*Apr. 04*	150		521	211	309	28	170	54	944
topping-up		*Apr. 04*	150		143	23	119	14	70	25	246
Senegal	Jun. 00	*Apr. 04*	133	250	488	212	276	45	124	19	850
Tanzania	Apr. 00	Nov. 01	150		2,026	1,006	1,020	120	695	54	3,000
Uganda					1,003	183	820	160	517		1,950
original framework	*Apr. 97*	*Apr. 98*	*202*		*347*	*73*	*274*	*69*	*160*	*20*	*650*
enhanced framework	*Feb. 00*	*May 00*	*150*		*656*	*110*	*546*	*91*	*357*	*37*	*1,300*
Decision point reached under enhanced framework											
Cameroon	Oct. 00	Floating	150		1,260	874	324	37	179	27	2,000
Chad	May. 01	Floating	150		170	35	134	18	68	30	260
Congo, Democratic Rep. of	Jul. 03	Floating	150		6,311	3,837	2,474	472	831	80	10,389
Gambia, The	Dec. 00	Floating	150		67	17	49	2	22	27	90
Ghana	Feb. 02	Floating	69	250	2,186	1,084	1,102	112	781	56	3,700
Guinea	Dec. 00	Floating	150		545	215	328	31	152	32	800
Guinea-Bissau	Dec. 00	Floating	150		416	212	204	12	93	85	790
Honduras	Jul. 00	Floating	110	250	556	215	340	30	98	18	900
Madagascar	Dec. 00	Floating	150		814	457	357	22	252	40	1,500
Malawi	Dec. 00	Floating	150		643	163	480	30	331	44	1,000
Rwanda	Dec. 00	Floating	150		452	56	397	44	228	71	800
São Tomé and Príncipe	Dec. 00	Floating	150		97	29	68	-	24	83	200
Sierra Leone	Mar. 02	Floating	150		600	205	354	123	122	80	950
Zambia	Dec. 00	Floating	150		2,499	1,168	1,331	602	493	63	3,850
Preliminary HIPC document issued											
Côte d'Ivoire	Mar. 98 3/	...	141	280	345	163	182	23	91	6 4/	800
Total assistance provided/committed					**32,325**	**15,686**	**16,503**	**2,557** 5/	**7,669**		**53,416**
Preliminary HIPC document issued											
Côte d'Ivoire 6/	...	...	91	250	2,569	1,027	918	166	438	37	3,900

Sources: IMF and World Bank Board decisions, completion point documents, decision point documents, preliminary HIPC documents, and staff calculations.

1/ Assistance levels are at countries' respective decision or completion points, as applicable.
2/ In percent of the net present value of debt at the decision or completion point (as applicable), after the full use of traditional debt-relief mechanisms.
3/ Côte d'Ivoire reached its decision point under the original framework in March 1998. The total amount of assistance committed thereunder was US$345 million in NPV
4/ Nonreschedulable debt to non-Paris Club official bilateral creditors and the London Club, which was already subject to a highly concessional restructuring, is excluded from the NPVof debt at the completion point in the calculation of this ratio.
5/ Equivalent to SDR 1,721 million at an SDR/USD exchange rate of 0.6730, as of December 1, 2003.
6/ It is suggested that enhanced HIPC relief for Côte d'Ivoire overtake the commitments made under the original HIPC framework.