

AFRICA RISK CONSULTING

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Ghana Summary 13 August 2025

Ghana's defence and environment ministers die a helicopter crash, leading President John Mahama (2025-present) to appoint acting ministers in these portfolios. The Bank of Ghana (BoG) (central bank) Monetary Policy Committee (MPC) implements a sharp 300-basis point interest rate cut in response to falling consumer price inflation in the country. The positive economic trends, which contributed to the lower inflation rates, also help reduce Ghana's fiscal deficit. Mahama orders the deployment of additional security forces to Upper East Region after armed gunmen attack a school in an incident believed to be connected to the ongoing chieftaincy dispute in the area.

Helicopter crash kills eight, including two minister

On 6 August, a helicopter transporting eight people from Accra to **Obuasi (Ashanti Region)**, including two cabinet ministers, [crashed](#) in Ashanti, killing all those on board. Officials are still [investigating](#) the cause of the crash, and the helicopter's back box has been recovered; however, it has been noted that there was poor weather at the time of the incident, including low temperatures and fog.

Among those killed were defence minister **Edward Omane Boamah** and environment minister **Ibrahim Murtala**. Also among the victims were **Alhaji Mohammad Muniru Limuna**, deputy national security coordinator and former agriculture minister, and **Samuel Sarpong**, the ruling **National Democratic Congress (NDC)** party's vice-chairman. The officials were believed to be travelling to Obuasi to inspect the ongoing anti-galamsey (illegal mining) operations in the area.

The accident was a major blow to President **John Mahama** (2025-present) on both a personal and a professional level as the victims included close friends and political allies. In addition, Boamah and Murtala were two senior cabinet ministers and central to some of Mahama's governing priorities, including combating galamsey operations in Ghana. In response to the accident, Mahama ordered that national flags be flown at half-mast and authorised a [state funeral](#) for Boamah and Murtala for 15 August.

More practically, Mahama [appointed](#) finance minister **Cassiel Ato Forson** as acting defence minister and lands and natural resources minister, **Emmanuel Kofi Armah Buah**, as the acting environment minister on 7 August. The fact that Mahama appointed these senior ministers to an acting capacity within 24 hours of the accident underscores the importance with which Mahama views the defence and environment portfolios. Mahama is expected to appoint permanent replacements soon after the 15 August state funeral.

The acting ministers are not expected to make any major policy or personnel changes to the defence and environment ministers. Instead, they will maintain the department's current operations and projects and will only intervene if any urgent matters require their attention.

Central bank sharply reduces interest rates as fiscal deficit narrows

The **Bank of Ghana (BoG)** (the central bank) **Monetary Policy Committee (MPC)** [elected to cut](#) the main monetary policy interest rate by 300 basis points on 30 July from 28% to 25%, a sharp reduction in Ghana's interest rate and could potentially lead to a positive boost to the economy.

The MPC elected to implement such a steep rate cut due to the rapid decline in consumer price inflation in the country. **Ghana Statistical Service (GSS)** [confirmed](#) on 6 August that annual consumer price inflation fell to 12.1% in July from 13.7% in June. Inflation has now [fallen](#) by 1,170 basis points since December 2024, when GSS estimated consumer price inflation was 23.8%. The MPC would have been aware of the decline in inflation in July ahead of its meeting on 30 July.

Inflation has fallen significantly as a consequence of the BoG and government's tighter monetary and fiscal policy over the past three years. This has resulted in inflation declining from a five-year high of 54.1% in December 2022. Deflationary efforts have been further boosted by the [appreciation](#) in the cedi in the first half of 2025. Ghana's currency has been bolstered by numerous factors, including the strong export revenue related to high gold prices, improved cocoa exports, greater economic stability, and increased investor confidence.

These lower levels of inflation and a stronger exchange rate made the BoG's 28% interest rate unsustainable. The 300-basis-point interest rate cut should measurably increase the amount of credit in Ghana's economy and fuel increased consumer spending and investment. Such a sharp reduction in the interest rate has the potential to be a positive economic shock, driving increased economic activity across sectors. Such an increase in economic activity does risk fuelling demand-pull inflation, but this should be mitigated by the combined effects of the stronger cedi and the fact that 25% is still objectively a very high interest rate. Ghana's interest rate is currently the eighth-highest in the world and the fourth-highest in Africa. As such, it will continue to apply strong deflationary pressure and constrain credit in the market, even accounting for the positive effects of the recent cut.

The BoG continues to have significant room for further cuts if consumer price inflation continues to decline and there is a strong possibility that the BoG will implement further cuts in the coming months. However, the MPC is expected to adopt a more cautious approach to further cuts, given the current uncertainty in the global economy around the potential inflationary impact of the **United States' (US)** trade tariffs.

Ghana's improved economic conditions has also led the government to narrow its 2025 fiscal deficit target. Forson announced on 24 July, during his mid-year budget review in parliament, that the finance ministry [now expects](#) Ghana to record a fiscal deficit of 3.8% of GDP in 2025, down from a 4.1% deficit forecast in March. The fiscal deficit has also shrunk due to Ghana's strong gold and cocoa exports, as well as the recent appreciation in the value of the cedi. The stronger cedi has reduced Ghana's external debt repayment burden, as this debt is denominated in foreign currencies.

Ghana also recorded economic growth of 5.3% year-on-year in the first quarter of this year. This potentially indicates that the country may exceed the **International Monetary Fund's (IMF)** [current](#) 2025 growth forecast of 4% of GDP. However, Ghana remains vulnerable to external shocks and is heavily exposed to fluctuations in commodity markets, especially gold. Forson also [highlighted](#) threats to Ghana's fiscus, including a potential shortfall in customs revenue, growing public sector wage pressures, and the illicit trafficking in Ghana's marine gas oil.

Soldiers deployed to Upper East Region following recent attacks

Mahama [authorised](#) the deployment of additional soldiers to the towns of **Bawku** and **Nalerigu (Upper East Region)** on 28 July in response to recent attacks connected to the ongoing chieftaincy dispute in the region. These heightened security measures were ordered following an [armed attack](#) on 26 July on a high school in Nalerigu in which three students were killed. In addition to deploying additional soldiers, officials [ordered](#) a 14:00 to 06:00 (local time) curfew in Bawku and Nalerigu between 28 and 31 July. This strict curfew was ordered to facilitate the evacuation of numerous students in Bawku and Nalerigu out of fears that further school attacks could take place. The curfew was [moderated](#) on 30 July when officials reimposed the 18:00 to 06:00 (local time) curfew.

The attack on the school is the latest in a series of violent incidents believed to be connected to the chieftaincy dispute in Bawku and its surroundings. This conflict is rooted in an ongoing dispute over the local paramount chieftaincy between the **Kusasi** and **Mamprusi** ethnic groups. Both communities

claim that they have the inherent right to the chieftain's throne and the related lands and resources. It should be noted that this dispute goes back decades and has its origins in the **United Kingdom's** colonial-era practice of appointing local chiefs as regional leaders. These traditional leaders have been maintained as a form of local governance in Ghana.

A 2003 supreme court ruling found that the Kusasi held the right to chieftaincy, but the Mamprusi community not been accepted this, leading to the perpetuation of the dispute. In 2023, the Maprusi anointed a local leader, **Alhaji Seidu Abagre**, as a chieftain, leading to the emergence of a clear pretender to the throne and thus escalating the intercommunal tensions.

Repeated efforts to bolster security in Bawku, including the deployment of over 1,000 soldiers in 2023, have failed to end the intercommunal violence. Similarly, the ongoing [mediation effort](#) led by Ghana's most senior traditional leader, **Otumfuo Osei Tutu II**, known as the Asantehene, has made little real progress. In fact, the conflict is threatening to expand beyond Bawku or even the region to other Kusasi and Maprusi communities in Ghana. Indicative of this was [the murder](#) of a Kusasi chief in the Ashanti on 22 July by unidentified assailants. Although this incident is still under investigation, it is believed to be motivated by the Bawku dispute.

The additional security deployment is unlikely to have a meaningful impact on ending the cycle of violence in Bawku and the surrounding towns. Increased community mediation efforts are required, as well as a review of the structure of the chieftaincy system in Ghana, which aggravates intercommunal tensions in the country.

Planner

15-18 Sep 2025 **Accra (Ghana)** Africa Oil Week;
8-10 Oct 2025 **Accra (Ghana)** Africa Fintech Summit

Chronology

11 Aug 2025 **Accra (Ghana)** *GBC*. The central bank, the **Bank of Ghana (BoG)**, latest treasury bill auction is undersubscribed by 22.12%;

10 Aug 2025 **Accra (Ghana)** *Graphic*. **Ghana Health Service (GHS)** reports 18 new cases of mpox, raising the total number of confirmed infections to 346 as of 7 August;

8 Aug 2025 **Accra (Ghana)** *GNA*. The **South African**-headquartered **Stanbic Bank** calls on Ghana's government to implement structural reforms to secure Ghana's recent foreign exchange gains;

7 Aug 2025 **Accra (Ghana)** *Ghanaian Times*. The **National Communications Authority (NCA)** notifies **South African** satellite television provider **MultiChoice** that it will suspend its subsidiary **MultiChoice Ghana's** licence to operate a pay television service due to a dispute over the provider's pricing model;

5 Aug 2025 **Accra (Ghana)** *GNA*. **South African** retailer **Shoprite** confirms plans to divest from Ghana;

4 Aug 2025 **Accra (Ghana)** *News24*. Ghana increases the cocoa producer price by around 62.6% from \$3,100 per tonne to \$5,040 per tonne;

1 Aug 2025 **Accra (Ghana)** *GNA*. President **John Mahama** hands over 40 metric tonnes of cocoa products as humanitarian aid for **Gaza**;

31 Jul 2025 **Accra (Ghana)** *GNA*. The opposition **New Patriotic Party (NPP)** council of elders in **Bono Region** expresses support for maintaining former vice president **Mahamudu Bawumia** as the party's flagbearer ahead of the 2028 general election;

31 Jul 2025 **Accra (Ghana)** *Business Insider Africa*. Foreign minister **Samuel Ablakwa** hosts **Nigeria's** state minister of state for foreign affairs, **Bianca Odumegwu-Ojukwu**, in an effort to ease social tensions between the two countries;

30 Jul 2025 **Accra (Ghana)** *MyJoyOnline*. **Bank of Ghana** (central bank) reports that gold exports reaches a record \$8.3 billion in the first half of 2025, surpassing total imports for the first time in a decade and accounting for 64% of the country's total exports;

28 Jul 2025 **Accra (Ghana)** *Business Day*. Ghana cancels a \$1.2 billion bauxite mine lease with the Accra-based **Rocksure International** in favour of pursuing a partnership with a foreign investor;

25 Jul 2025 **Accra (Ghana)** *Ghanaian Times*. The opposition **New Patriotic Party (NPP)** stages a walkout of parliament in protest of the political violence that marred a recent run-off election in the **Greater Accra Region**;

25 Jul 2025 **Accra (Ghana)** *GNA*. President **John Mahama** nominates eight new ambassadors to serve in **Namibia, South Korea, Hungary, Italy, Democratic Republic of Congo (DRC), Saudi Arabia, Burkina Faso, and Kenya**;

25 Jul 2025 **Accra (Ghana)** *GNA*. Finance minister **Cassiel Ato Baah Forson** signs a EUR 87.7 million (\$75.55m) debt relief agreement with **France** under the **Official Creditor Committee (OCC)** arrangement;

25 Jul 2025 **Accra (Ghana)** *GNA*. Parliament ratifies five mining lease agreements for gold and mineral projects, as well as 131 timber contracts;

24 Jul 2025 **Accra (Ghana)** *GNA*. Finance minister **Cassiel Ato Baah Forson** reveals that Ghana saved GHS 4.9 billion (\$463.18m) in domestic interest payments after a decline in treasury bill rates this year;

23 Jul 2025 **Accra (Ghana)** *MyJoyOnline*. Government notifies the **International Monetary Fund (IMF)** that it will cap public sector wage increases at 10% in 2025 as part of efforts to control spending under its economic reform programme;

23 Jul 2025 **Accra (Ghana)** *GNA*. Officials reveal that at Ivorian authorities have rescued over 200 Ghanaian nationals who had been trafficked in Cote d'Ivoire;

22 Jul 2025 **Accra (Ghana)** *Ghanian Times*. Health officials confirm the first mpox death of the year but do not disclose the location of where the fatality occurred, although it most likely occurred in the **Western** or **Western North** regions, where the current mpox outbreak is most severe;

21 Jul 2025 **Accra (Ghana)** *MyJoyOnline*. Auditor-General's 2024 report reveals that Ghana lost over GH¢870m (\$72.5m) due to widespread contract irregularities, primarily from public institutions failing to enforce contract terms and pay contractors on time;

21 Jul 2025 **Accra (Ghana)** *GNA*. Defence minister **Edward Omane Boamah** outlines a plan for \$1 billion investment to modernise the **Ghana Armed Forces (GAF)**;

20 Jul 2025 **Accra (Ghana)** *MyJoyOnline*. President **John Mahama** reportedly suspends **National Cyber Security Authority** director general **Divine Selasi Agbeti** amid an investigation into allegations over his unauthorised use of a military officer as a personal bodyguard;

20 Jul 2025 **Accra (Ghana)** *GNA*. **Bank of Ghana (BoG)** (central bank) governor **Johnson Pandit Asiamah** seeks to calm concerns over a potential shortage of **United States (US)** dollars in Ghana;

17 Jul 2025 Accra (Ghana) *Graphic Online*. Former **National Petroleum Authority (NPA)** CEO **Mustapha Abdul-Hamid** denies allegations of extorting GH¢280m (\$20m) from oil marketing companies;

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