# Education

## Budget Brief 2025

## 1 Introduction

Ghana has made significant progress in expanding access to education, yet foundational learning outcomes remain low. Over 60% of children fail to achieve basic literacy and numeracy by the end of primary school, with large proportions of learners in both Primary 4 and Primary 6 performing below basic proficiency in English and Mathematics[1]. Despite a national average of 11.6 years of schooling, Ghana's effective learning years are just 5.7, underscoring the urgent need for reforms. Persistent challenges such as undertrained teachers, inadequate infrastructure, and limited use of digital tools continue to hinder progress, especially in rural and disadvantaged areas.

Inclusive education remains central to Ghana's constitutional and policy commitments, but implementation gaps are stark. Children with disabilities, girls in disadvantaged regions, rural learners, and those from poor households face entrenched barriers in participation and learning. Nearly 1.2 million children remain out of school, with poverty, disability, and geography being the strongest drivers of exclusion. The draft Inclusive Education Policy, revised in 2024 and pending Cabinet approval, provides a solid roadmap towards improved learning outcomes and progress towards the country's SDG 4 commitments. The adoption, financing, and implementation of this roadmap need to be hastened for its aims to be realized.

This Budget Brief focuses its analysis on three strategic and interconnected priorities that are critical to accelerating equitable learning outcomes for all children in Ghana, strengthening foundational learning, prioritising and protecting financing for basic education while improving efficiency, and scaling up inclusive education. Prioritising these areas in the national budget is essential to improve learning outcomes and reducing inequities to meet the country's commitments under SDG 4.

**Over 60% of children fail to achieve basic literacy and numeracy by the end of primary school**

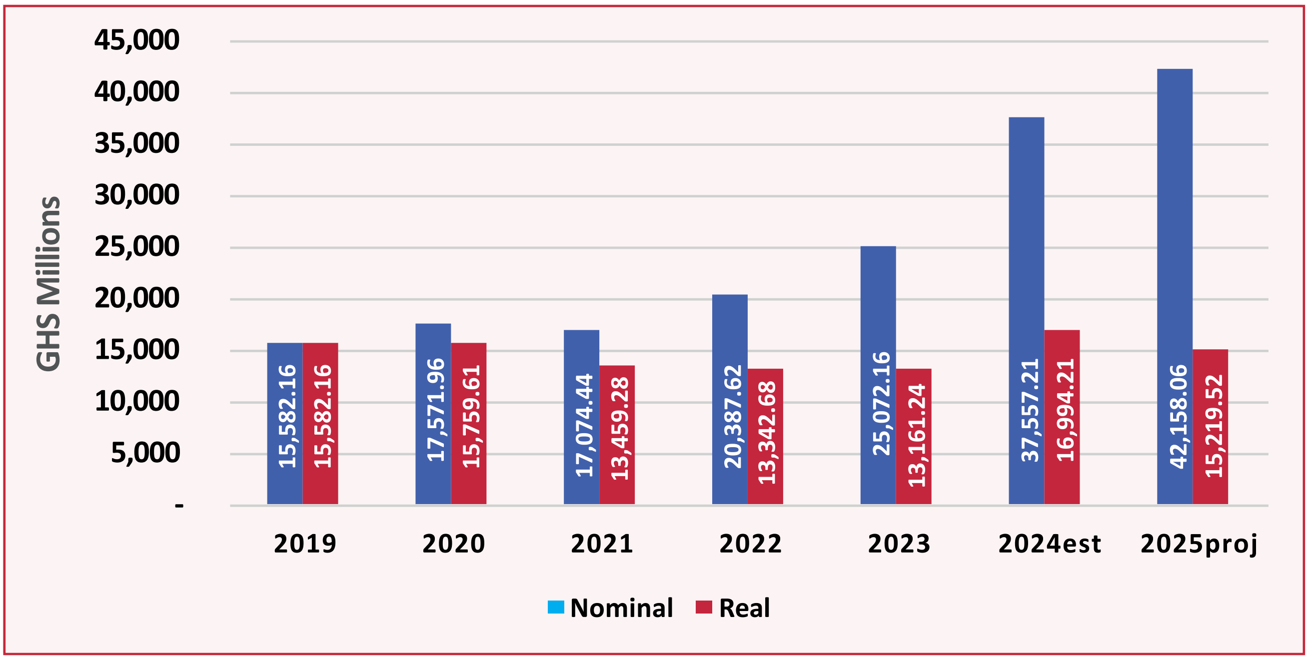
1 UNICEF and World Bank, Learning Poverty Estimates, 2023

# 2 Overview of Total Education Sector Budget

## 2.1 Overall Education Budget Trends (2019–2025)

Total education financing, including Ministry of Education and Ghana Education Trust Fund (GETFund) in 2025, is projected at GHS 42.2 billion, representing a 12.5% nominal increase over the estimated expenditure of GHS 37.6 billion in 2024. However, after adjusting for inflation, real spending on education is projected to decline to GHS 15.2 billion in 2025, which is about 10.4% lower than the estimated GHS 16.9 billion in 2024.

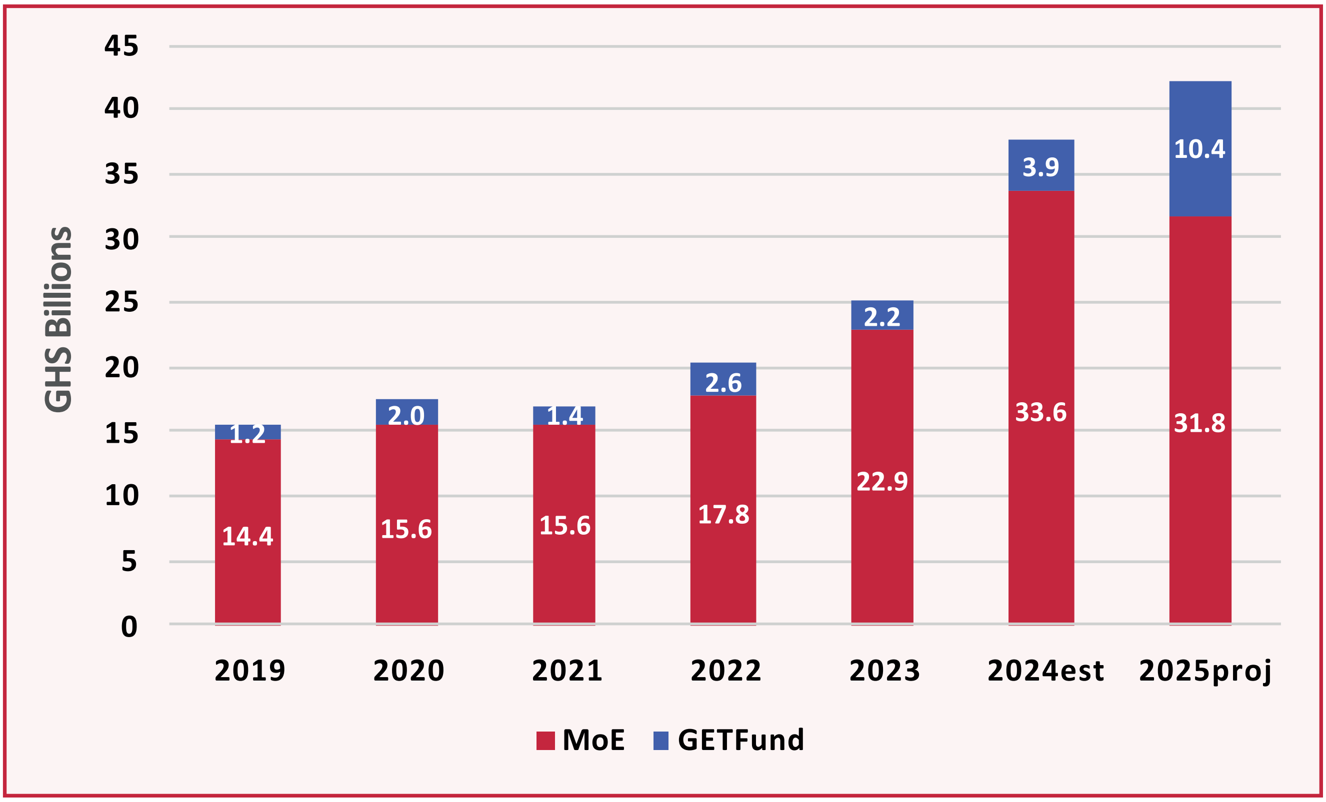
Figure 1: Trends in total education expenditure (nominal vs real)




Source: MoF Economic Policy and Budget Statements (2019-2025); real values calculated using 2019 prices.

Spending through MoE remains the main source of education financing, with GHS31.8 billion allocated in 2025, a 5.5% reduction from the estimated expenditure of GHS33.6 billion in 2024. The Government is commended for removing the cap on GETFund imposed in 2017, which now allows the Fund to receive the full proceeds from the 2.5% GETFund earmarked levy. Consequently, uncapping of the GETFund enabled the Ministry of Finance to allocate the full amount projected to be collected from the 2.5% VAT (GETFund Levy). For 2025 these proceeds are projected at GHS8.6 billion, bringing total GETFund resources to GHS10.4 billion in 2025 from an estimated GHS3.9 billion in 2024 (Fig. 2).

Figure 2: Trends in total education expenditure (MoE and GETFund)



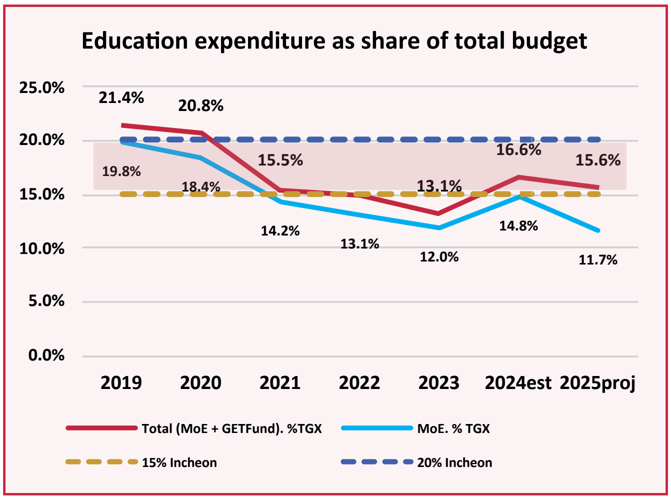

Source: MoF Economic Policy and Budget Statements, (2019-2025)

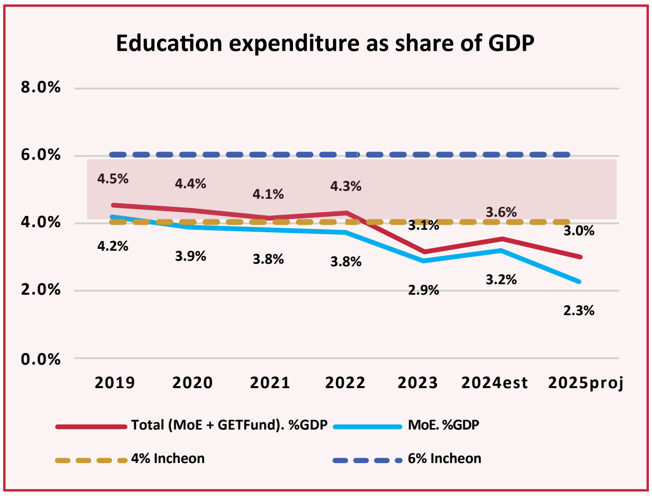
The decline in the MoE budget allocation for 2025 raises concerns that Government may be compensating the fiscal impact of the GETFund's uncapping by reducing allocations to the MoE. Such a substitution effect risks diluting the reform's intent and limiting the expansion of fiscal space for education, hence the need to ensure that GETFund resources supplement rather than substitute MoE financing.

## 2.2 Total Education Expenditure against International Benchmarks

Despite the nominal increase in the total education allocation, overall education spending remains below international benchmarks. In 2025, the sector's share of the national budget is projected at 15.6%, with the allocation to the MoE accounting for 11.7% of the total budget, significantly below the 20% Incheon target. Similarly, total education expenditure as a share of GDP has been on a downward trend, declining from a peak of 4.5% in 2019 to an estimated 3.6% in 2024, and projected to decline further to 3.0% in 2025. The allocation to the MoE is also expected to decrease marginally, from 3.2% of GDP in 2024 to 2.3% in 2025 (Fig. 3). This trend poses significant risks to sustaining progress on equitable learning outcomes, particularly for the most disadvantaged children, and underscores the need to prioritize and protect education spending within the national budget.

Figure 3: Education spending against global expenditure benchmarks



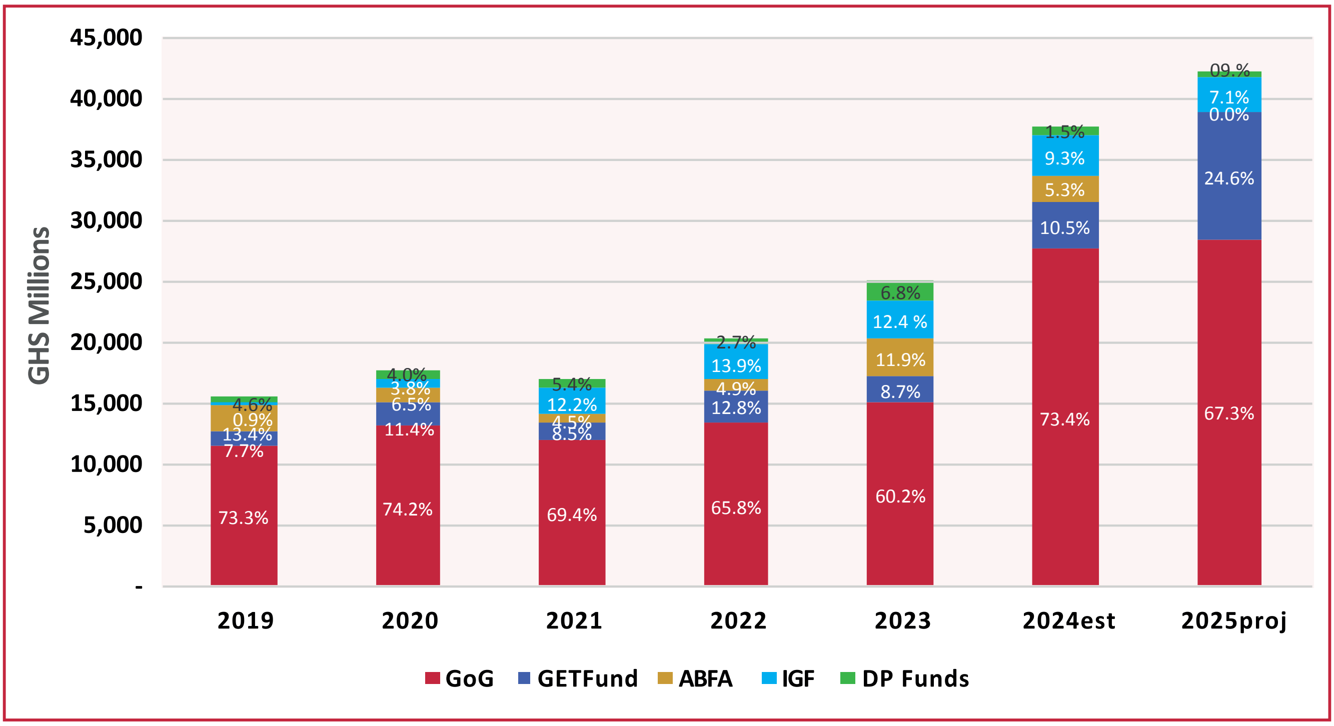




Source: MoF Economic Policy and Budget Statements, (2019-2025)

## 2.3 Sources of Education Financing

Domestic resources remain the dominant source of education financing. In 2025, 99.1% of total education expenditure is projected to be funded through domestic sources, comprising 67.3% from Government of Ghana central resources, 24.6% from GETFund, and 7.1% from Internally Generated Funds (IGF). Reflecting the constrained international aid environment, development partner support is expected to contribute only 0.9% of total education expenditure in 2025, down sharply from a peak of 6.8% in 2023 (Fig. 4). This experience validates the Government's long term efforts to reduce aid dependence and shift more broadly to fiscal self-sufficiency.

Figure 4: Sources of total education financing

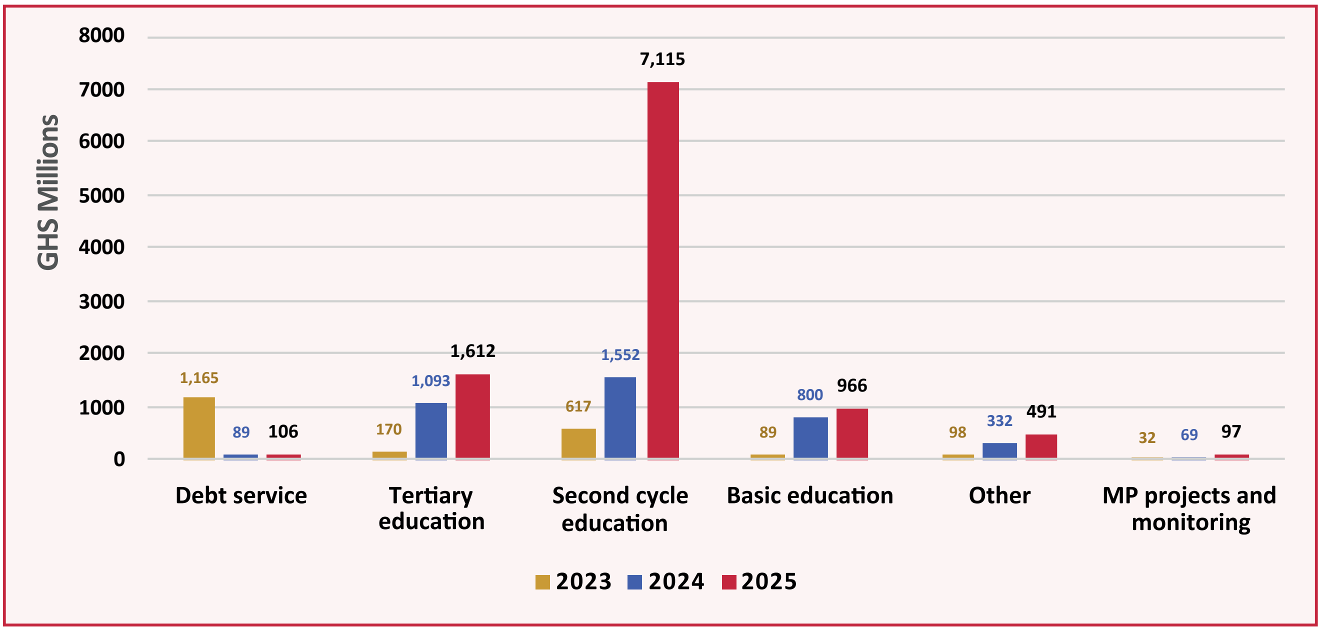



Source: MoF Economic Policy and Budget Statements, (2019-2025)

Growth in the 2025 total education budget (expressed in nominal cash terms) is largely driven by the uncapping of the GETFund. The GETFund is financed by a dedicated 2.5% VAT levy and its resources are earmarked primarily for capital and strategic investments, including school infrastructure, teaching and learning materials, and scholarships. The MoE is the primary channel for government education financing, covering recurrent expenditures such as teacher salaries, learning materials, and policy programmes. As such, GETFund complements the MoE's recurrent spending by supporting long-term education development. GETFund's contribution to total education expenditure is projected to rise sharply, from 10.5% in 2024 to 24.6% in 2025 (Fig. 4).

The increased allocation under the GETFund was channeled towards the second cycle programme, which was allocated GHS7.1 billion, accounting for 68.5% of the GETFund (Fig. 5). Of this, GHS3.5 billion ~ 33.7% of the total GETFund budget, was allocated towards free Senior High School (SHS) education. Tertiary education constitutes the second-largest share at 15.5% of projected 2025 GETFund expenditure, with an allocation of GHS1.6 billion.

Figure 5: Composition of GETFund Formula (2023-2025)




Source: GETFund Distribution Formular for 2025 Fiscal Year

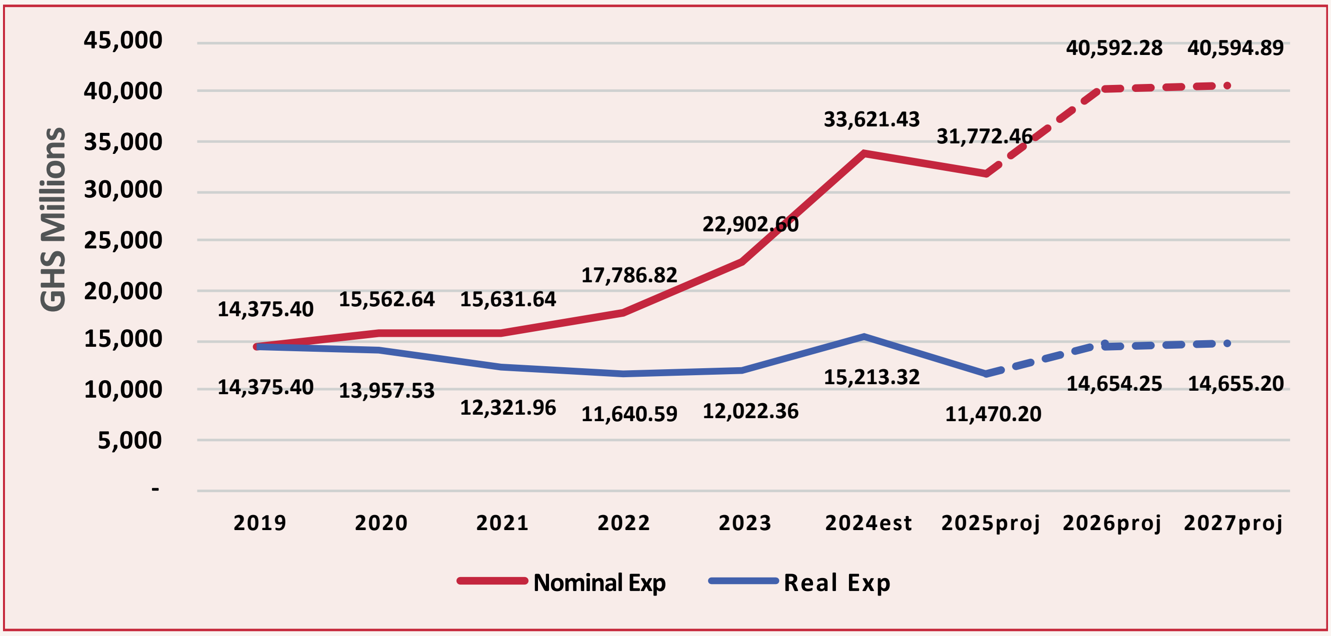
Of concern, however, is that basic education, the level that serves the poorest and most marginalised learners, and where foundational skills are built, is allocated only GHS966 million ~ 9.3% of the total GETFund allocation in 2025, compared to 68.5% for second cycle and 15.5% for tertiary education. This imbalance risks undermining efforts to strengthen foundational learning, which is critical for equity and long-term human capital development.

# 3 Trends In Ministry Of Education (MoE) BUDGET

## 3.1 Overall Trends in MoE Budget

The MoE's nominal budget increased steadily in cash terms each year from 2019 to 2025. However, the 2025 Budget Statement allocates a total of GHS 31.8 billion to the MOE, representing a 5.5% decline compared to the estimated GHS 33.6 billion in 2024. In real terms, projected 2025 expenditure of GHS 11.5 billion reflects a 24.6% reduction from the estimated GHS 15.2 billion in 2024 (Fig. 6). This reverses the 2024 budget achievement of restoring the real value of education financing to its 2019 level after several years in which education financing had not kept pace with price inflation.

Figure 6: Trends in MoE Budget (2019 – 2020)

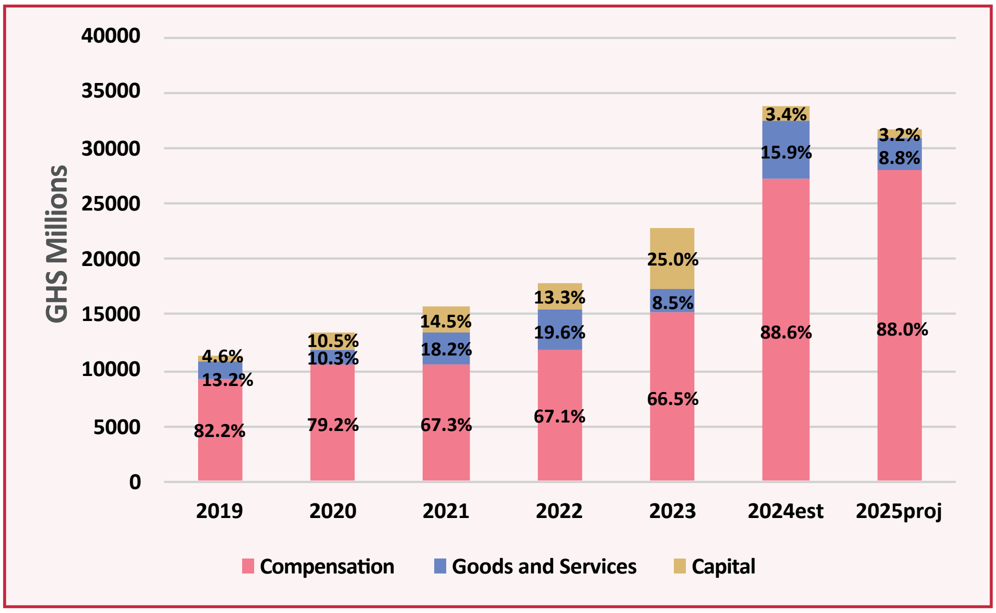



Source: MoF Economic Policy and Budget Statements, (2019-2025)

## 3.2 Trends in the Composition of MoE Budget

As in most countries, wage expenditure typically constitutes the largest expenditure line for the MoE. In 2025, compensation is projected to account for 88% of the MoE budget, up from an estimated 80.6% in 2024, (Fig 7). Other education inputs – goods and services (includes teaching and learning materials, teacher training) is projected to decline from 15.9% in 2024 to 8.8% in 2025, while the share of capital expenditure (equipment, vehicles, ICT infrastructure, or maintenance work) has fallen consistently, from over 10% of the MoE budget between 2020 and 2023, to 3.4% in 2024, and projected to further decline to 3.2% in 2025 (Fig. 6).

Figure 7: Trends in MoE Budget (2019 – 2020)



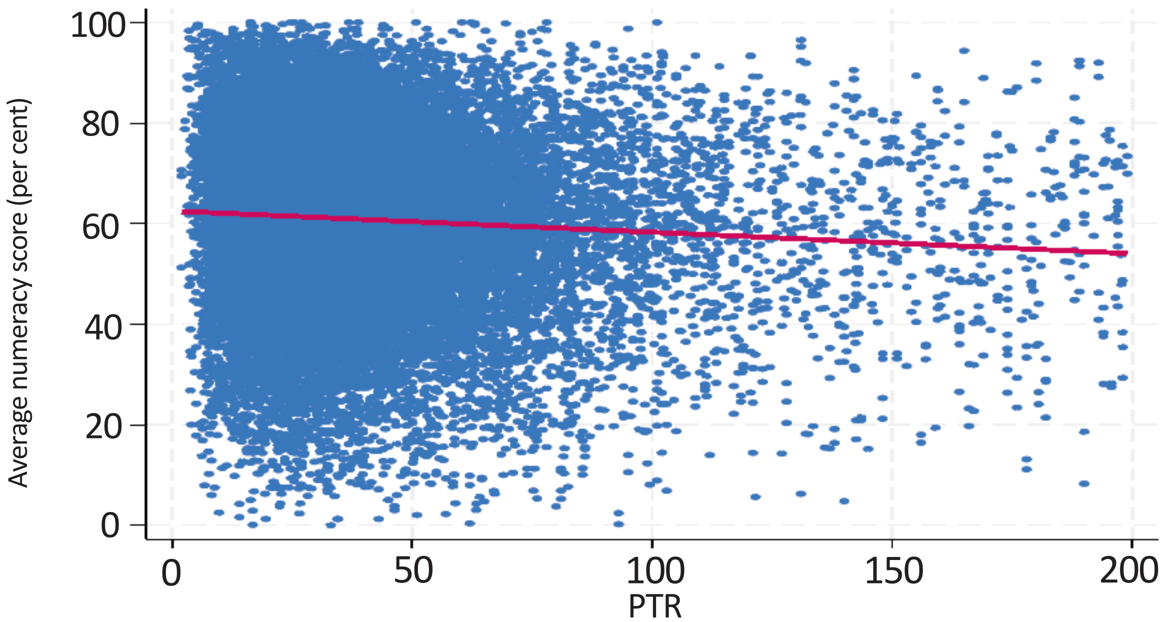

In **2025**, compensation is projected to account for **88%** of the MoE budget, up from an estimated **80.6%** in **2024**

Source: MoF Economic Policy and Budget Statements, (2019-2025)

Ensuring that the MoE's significant investments in compensation of employees yield optimal returns remains a critical policy priority, if education spending is to translate into improved learning outcomes. This is particularly important given the overwhelming body of evidence which suggests that teachers have the largest influence on learning outcomes[2]. Therefore, workforce management, including compensation of employees, must be central to increasing the efficiency of education spending, and pupils' effective learning.

Despite the prioritization of staff compensation within the MOE budget, the pupil teacher ratio (PTR) in Ghana remains relatively high, with over 14% of schools having a PTR above 50:1, albeit a national average of 32:1. Marginalised and rural districts, particularly those in the north of the country, face relatively higher class sizes[3]. Higher PTR is associated with lower learning outcomes, (Fig 8), reaffirming the importance of teacher allocation in improving learning outcomes.

Figure 8: Relationship between P2 numeracy test score and PTR[4]

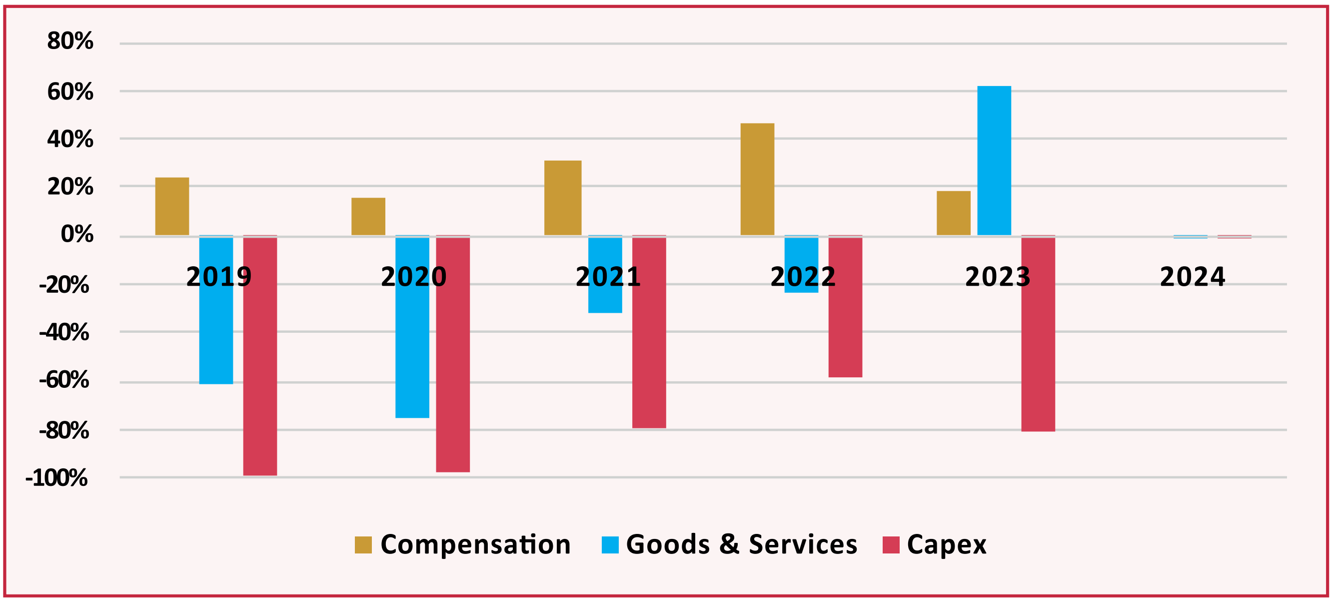



## 3.3 Trends in MoE Budget Execution

Overall, MoE budget execution has remained broadly within the ±5% PEFA thresholds[5], averaging 5.1% above the approved budget between 2019 and 2024. However, persistent employment cost overruns, averaging 22.9%, have consistently crowded out allocations for goods and services as well as capital expenditure. Execution challenges are particularly pronounced for the capital budget[6], with an annual average implementation rate of 69.7% of the allocated budget (Fig. 9), hence underspending of 30.3% annually.

2 UNICEF Office of Research-Innocenti, (forthcoming), Improving Equity in Teacher Deployment in Ghana
3 UNICEF Office of Research-Innocenti, (forthcoming), Improving Equity in Teacher Deployment in Ghana
4 Taken from UNICEF Office of Research-Innocenti, (forthcoming), Improving Equity in Teacher Deployment in Ghana
5 According to PEFA 2016 Framework, for a score of "A" reflecting sound budget credibility, actual expenditure deviation from the originally approved budget should be no more than 5% in at least 2 of the last 3 years.
6 This relates to MoE expenditure on equipment, vehicles, ICT infrastructure, or maintenance work.

Figure 9: Trends in MoE Budget: percentage deviation from allocation (2019 – 2020)




Source: Auditor-General Reports, CAGD Annual Reports; MOF Annual Budget Performance Reports

There is compelling evidence to prioritise capital investments in the MoE budget. In 2021, 40% of public primary students lacked seats and desks in their classrooms[7], underscoring the need to strengthen capital allocations and ensure that budgeted funds are fully and effectively spent.

# 4 Key Investment Priorities for 2026

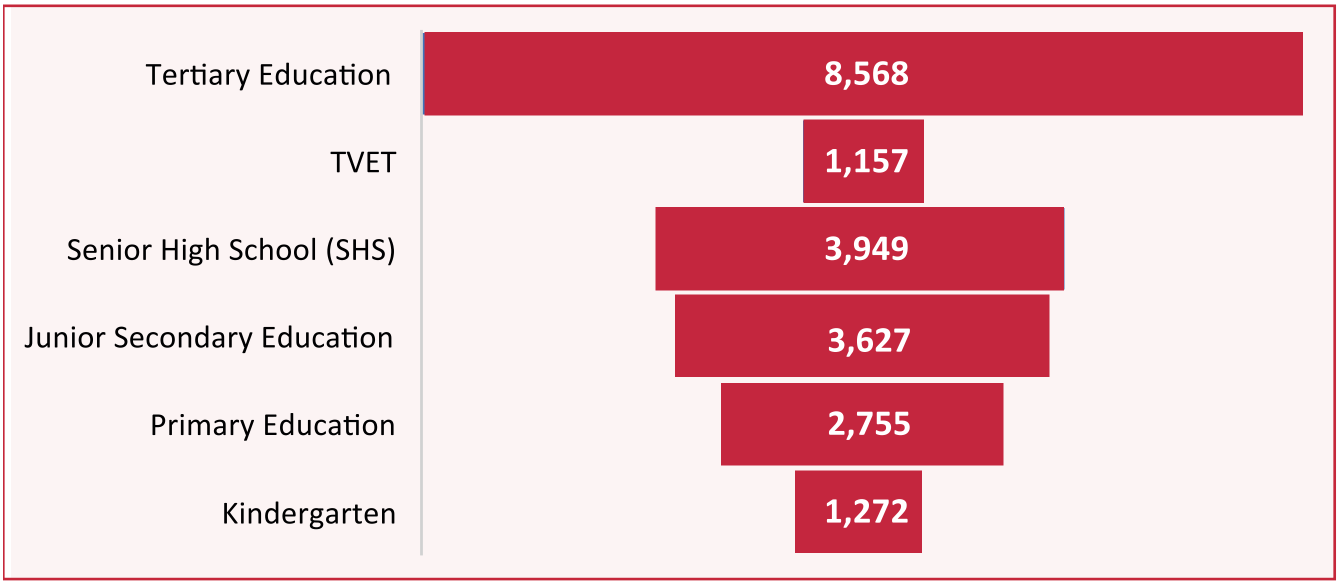
## 4.1 Strengthening Foundational Learning

Ghana continues to face significant challenges in foundational learning, with over 60%[8] of children failing to acquire basic literacy and numeracy skills by the end of primary school. National assessment results indicate that 38.4% of Primary 4 learners are below basic proficiency in Mathematics and 34.9% in English Language, while at Primary 6, 38.1% are below basic proficiency in Mathematics and 32.1% in English[9]. These learning gaps are partly linked to low and uneven investment at the foundational level, which limits children's ability to acquire the skills needed for progression through higher levels of education and for future employability.

Like many African countries, Ghana's education financing is disproportionately backloaded to the later stages of the education cycle, (Fig 10). According to the 2025 budget allocations, 40.2% of the allocations to the different levels of education will be spent on tertiary, compared to 35.5% for secondary education, 5.4% towards TVET and only 12.9% for primary education. Kindergarten, an essential foundation for lifelong learning and a critical entry point for the poorest and most marginalised children, was allocated only 6.0% of the MoE's budget.

7 World Bank, 2025 Policy Notes, Transforming Ghana in a generation, 2025.
8 UNICEF and World Bank, Learning Poverty Estimates, 2023
9 Ministry of Education (MoE), Ghana Education Service (GES) – National Education Assessment (NEA) 2022.

Figure 10: MoE's 2025 budget allocation by levels of education (GHS Billions)



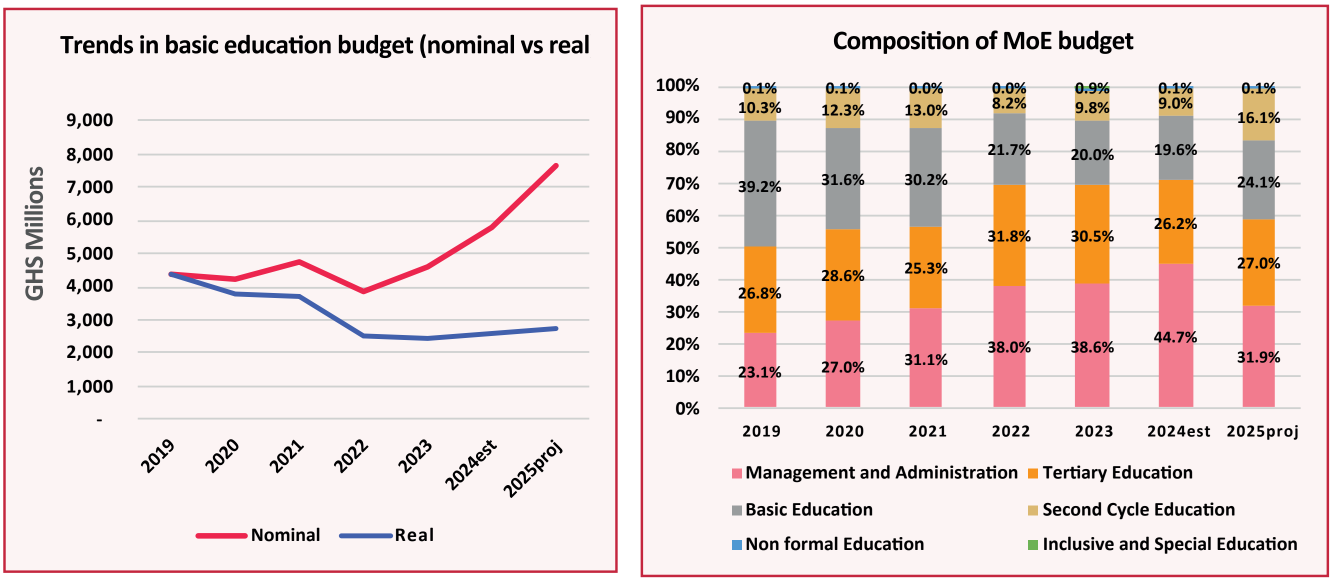

Source: MoE Programme Based Budget for 2025

## 4.2 Prioritising Basic Education

Spending on basic education has increased in absolute terms but is losing ground in relative priority within the education sector. In 2025, GHS 7.7 billion was allocated to basic education, representing a 32.5% nominal increase from the estimated GHS 5.8 billion in 2024. In real terms, the allocation is projected to grow by 6.7% to GHS 2.8 billion (Fig. 11). Despite this increase, the share of basic education expenditure declined to 19.6% in 2024, from a peak of 39.2% in 2019. However, in line with the government's policy thrust to prioritise basic education, where foundational skills are built and which is most accessible to poor and vulnerable children, its share of MoE budget is projected to increase to 24.1% in 2025.

Whilst this is commendable, spending on basic education accounts for a relatively small share of the MoE budget compared to tertiary education, which disproportionately benefits higher-income groups. This misalignment not only further undermines equity[10] but also limits the overall efficiency of education spending, as low investments in foundational learning compromise learning outcomes at higher levels of education and perpetuate inequalities.

Figure 11: Trends in basic education spending and composition within MoE




Source: MoF Economic Policy and Budget Statements, (2019-2025)

10 UNICEF Education Budget Brief 2024, showed that children from the wealthiest households receive 72% more in education spending than those from the poorest households

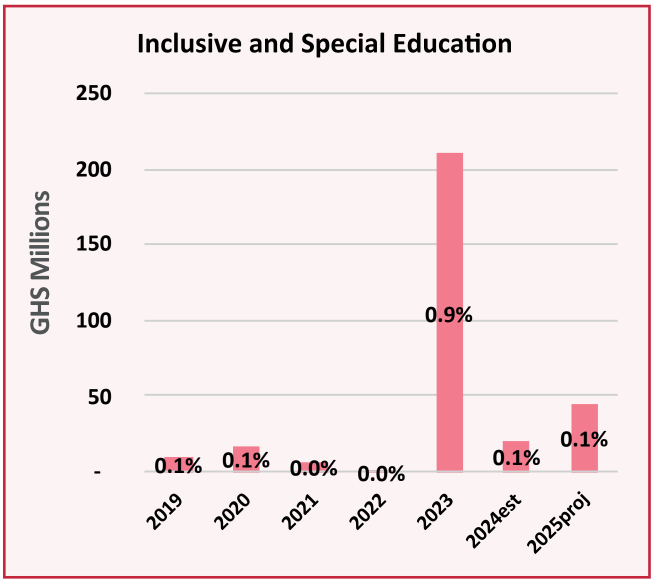
Spending on basic education, through MoE, is entirely absorbed by compensation. Critical non-wage expenditure, covering goods and services and capital investments, comes through GETFund, with an allocation of GHS965.5 million in 2025, equivalent to just 9.3% of total GETFund allocation. This is dwarfed by both second cycle (68.5%) and tertiary (15.5%) education. This expenditure mix raises concerns about the adequacy of financing for essential quality inputs such as teaching and learning materials, school infrastructure, and effective supervision, all of which are critical for improving learning outcomes at the foundational level.

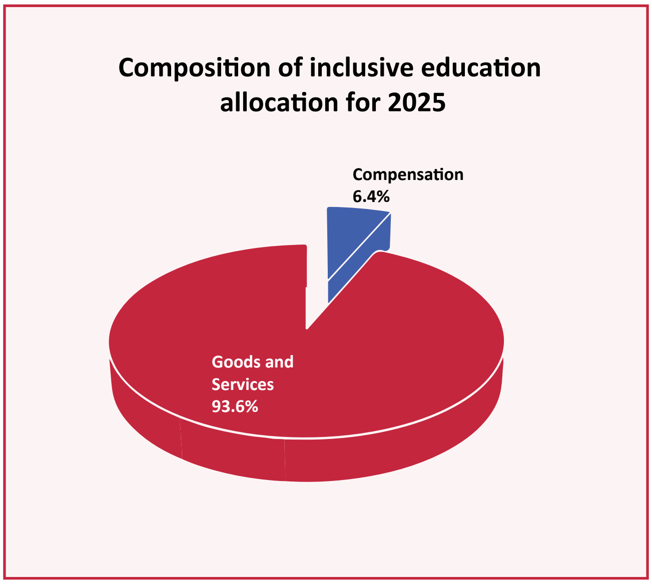
Furthermore, the risk remains that despite the free SHS policy, universal access to secondary education may not be achieved. Evidence suggests that countries where the ratio of per-student spending on secondary relative to primary education is greater than 3:1[11], risk not achieving universal secondary education, as limited funding at the basic level negatively affects student progress to the secondary level. In Ghana, this ratio stands at 4:1[12].

## 4.3 Inclusive Education

Ghana has a formal mandate for inclusive education, anchored in the 2015 Inclusive Education Policy (reviewed in 2024 and pending endorsement), the Children's Act, constitutional obligations, and its international commitment to SDG4.5 on equity. While progress has been made, implementation remains uneven, constrained by financing, teacher preparation, assistive technologies, and weak local capacity. Children with disabilities, girls in disadvantaged areas, rural learners, and minority language speakers face persistent barriers due to stigma, inaccessible infrastructure, limited assistive devices and inadequate special educators.

Figure 12: Trends and composition of allocation towards inclusive education




Source: MoF Economic Policy and Budget Statements, (2019-2025)

11 Mastercard Foundation, 2020. Secondary Education in Africa: Preparing Youth for the Future of Work. https://doi.org/10.15868/socialsector.35972

12 World Bank (2025), Ghana Public Finance Review, Building the Foundations for a Resilient and Equitable Fiscal Policy

In 2025, inclusive education was allocated GHS 44.4 million, representing 0.1% of the total MoE budget. Of this, goods and services account for 93.6%, while compensation makes up only 5.4% (Fig. 12). Averaging 0.2% of total MoE expenditure (over the period 2019 – 2024), inclusive education expenditure has remained below the 2% benchmark recommended in the Inclusive Education Policy. This persistent limited investment undermines efforts to deliver more inclusive outcomes and risks leaving behind children with disabilities and other marginalized learners, impacting on their ability to participation and achieve their full potential in life.

# 5 RECOMMENDATIONS

i. **Protect and expand education financing in line with international benchmarks.** With improvements in the fiscal space, Ghana should increase investments in education in line with international benchmarks, while enhancing spending efficiency to strengthen learning outcomes and accelerate progress towards SDG 4. The uncapping of the GETFund is a commendable reform that should complement, rather than substitute, MoE financing to fully realize its intended impact.

ii. **Invest more where it matters most, in building foundational learning skills at basic education.** There is the need to rebalance education financing by increasing the share of resources for basic education, raising from the current 9.3% of GETFund, to strengthen foundational learning and enhance equity of education financing. Narrowing the gap between primary and secondary per-student spending not only helps to strengthen foundational learning but also facilitates smoother progression to secondary education, supporting the goal of universal access.

iii. **Prioritise and sustain investments in inclusive education.** To enhance inclusive education, government ought to commit at least 2% of the MoE budget to inclusive education and ensure effective policy implementation through investment in trained specialists, early identification systems, accessible learning materials, and improved infrastructure, critical for closing participation gaps and achieving equity and SDG 4.5. Strengthening inclusive education systems yields both educational and economic returns, improving learning outcomes while reducing the significant social and fiscal costs of exclusion.

iv. **From pay to performance: ensuring Ghana's teacher investment delivers results.** With 88% of the MoE's budget absorbed by compensation of employees, Ghana ought to optimize this investment to achieve stronger returns by ensuring more equitable access to qualified teachers and progressively reducing the high pupil–teacher ratios observed in some regions to align with the national average. This includes measures to prioritise the recruitment and retention of qualified teachers in rural areas to improve equity of learning outcomes.

v. **Enhance execution of the development budget.** To enhance efficiency and improve education outcomes, Government of Ghana needs to prioritise full and effective execution of capital budgets to expand infrastructure, for improved quality of learning at all levels.