

**CRITICAL POLICY ACTIONS  
OF THE JOHN DRAMANI MAHAMA ADMINISTRATION**

**September to December 2012**

**INTRODUCTION**

1. Mr. Chairman, my very good friend PV, distinguished guests, our development partners, fellow Ghanaians representing the private sector, civil society, and academia, my message to you today is simple: Ghana, our motherland, is getting more united, stronger, and we have come too far to turn back now.
2. Today is exactly 40 days, in traditional Ghanaian computation, since the passing of our beloved President Professor John Evans Atta-Mills, and in that tradition, 40 days is the time to take stock and to announce the decisions that have been made for the future. While we continue to keep the memory of our dear president in our hearts and minds, the surest way to immortalise him is to recommit ourselves to his agenda to create a Better Ghana for all.
3. My task in the four months left of the unexpired term of this administration is to ensure effective completion of the agenda set by the Government of the Late President whom I had the honor of serving as Vice President. The commitment to invest in people, to build a strong economy, to develop infrastructure and to ensure transparency and accountability in governance were the building blocks of the Better Ghana Agenda and I remain steadfast in pursuing that commitment. While this presentation might appear lengthy, I wish to point out that this is not a State of the Nation address and therefore not meant to comment on every sector of national life. What I intend this to be is a policy guide to the nation so that we can together fully maximize our resources and energies towards consolidating the gains that we have made over the last 4 years.
4. Among the priorities that were set for this final year of the first term are:
  - a. Consolidating our achievements in holding down inflation and maintaining macro-economic stability;
  - b. Maintaining discipline in government expenditure so as to avoid unbudgeted expenditure that can distort the economy;
  - c. Effectively implementing the single spine salary structure for public services so that improved remuneration for our public servants can lead to increased productivity in their performance;

- d. Stimulating growth in our agriculture and industry with a view to generating jobs, especially for the youth of our country;
- e. Accelerating infrastructure development;
- f. Ensuring wise utilization, in a transparent manner, of oil and gas revenues and resources;
- g. Ensuring proper governance of our other natural resources; and
- h. Ensuring local content as a cross-sectoral imperative.

I will also address a number of other subjects, specifically;

- i. Social development, particularly health, education, sanitation and social interventions;
- j. Governance and anti corruption;
- k. Peace, security, discipline and Election 2012;
- l. Our relations with development partners; and
- m. Foreign Policy.

## **A. MACRO-ECONOMIC STABILITY**

5. We have made tremendous strides in bringing down the rate of inflation to single digits. Increased productivity and more value-addition in agriculture and improvements in road infrastructure, especially in rural areas, have meant more stable prices of food with positive consequences for inflation. However, we remain a net importer as a country, a situation which has consequences for our foreign exchange resources.
6. In the first half of this year we have had concerns about the depreciation of the cedi. This has resulted from a combination of factors. Last year we spent twice as much foreign exchange on non-oil imports as the year before. This put pressure on our reserves of foreign exchange as our import bill continued rising. This must give us pause for thought. Globally, the situation of currency volatilities led to the near-collapse of the Eurozone and affected the fiscal stability of most emerging economies, including India.

7. Mr. Chairman, thankfully, with timely measures put in place under the aegis of the Economic Advisory Council and the Economic Management Team we have arrested the decline in the value of the cedi and it is gradually stabilizing against major foreign currencies. The measures that the Bank of Ghana has instituted in respect of foreign capital movements are a legitimate and long-overdue exercise, and full compliance from all financial institutions would establish a more stable and predictable regime for the stability of the cedi.
8. I have instructed the Economic Management Team, to take immediate steps to consolidate and sustain our achievements in maintaining macro-economic stability by executing the following without delay:
  - a. Continue to hold down inflation;
  - b. Continue to halt the depreciation of the cedi against the major currencies; and
  - c. Maintain discipline in government expenditure so that we do not incur unplanned expenses, especially in an election year.
9. In order to strengthen the functions of the Economic Management Team, a formal cooperative mechanism will be established in the next 3 weeks between the Ministry of Finance and the Bank of Ghana in a manner that harmonizes the implementation of fiscal and monetary policy and readily addresses any bottlenecks.
10. In a recent assessment of other critical measures to be adopted, I have directed renewed emphasis on the following critical initiatives by various Government institutions:
  - a. Support for the Ghana Revenue Authority (GRA) in implementing ongoing tax office and process reforms that aim to broaden the tax base and collect our taxes efficiently and fairly from taxpayers;
  - b. Completion by the MOFEP of the comprehensive database for all MDA contracts to improve the management of central government commitments (which is part of the ongoing structural reform to establish an integrated budget and expenditure system called GIFMIS to improve preparation of the Budget and Public Accounts);
  - c. Completion of the inter-ministerial study of the formula for utility and fuel pricing to allow for judicious balance between cost recovery and profitability and subsidies for vulnerable groups;

- d. Improved coordination with Chief Executives and Boards of Directors in utilizing the earmarked funds such as the District Assembly Common Fund (DACF), the GETFund, and the National Health Insurance Levy (NHIL); and
- e. With the completion of the migration and payment of arrears under the Single Spine Pay Policy (SSPP) by the end of the year, I have directed the Minister of Finance to recommend short and medium-term measures to restore the balance among government expenditures on personal emoluments, goods and services, and capital and infrastructure development that is consonant with our middle income status.

These urgent actions are directives from the Office of the President. They will have verifiable outcomes which will be reported to my office on a monthly basis. Performance against these will be verifiable.

- 11. Ladies and Gentlemen, let me now turn to some of the most visible challenges that we have witnessed in the last year, so that we can devote our remaining four months to establishing decisive delivery on those issues.

## **B. GOVERNMENT EXPENDITURE MANAGEMENT**

- 12. We are determined to break the cycle of over-spending, especially in an election year. Strict instructions have already gone out to all sectors against any unbudgeted expenditures. No new projects are allowed to be undertaken without strict adherence to the discipline of the national budget. Each sector minister has to give an account of their compliance with this directive. I am convening a Cabinet meeting next week to receive briefings from each sector on this directive. On the basis of these briefings, the Minister of Finance will also brief Cabinet on the outlook for government expenditure over the remainder of this year.
- 13. Steps such as the introduction of biometric processes to identify all who are on the public payroll and to check fraud in respect of these payrolls have also been undertaken and have already begun to yield results. We are, therefore, close to eliminating the age-old problem of “ghost names” that inflated public expenditure. The Minister of Finance and the Controller and Account-General are required to ensure completion of the biometric records of public servants throughout the country by the end of the year. This might entail some inconvenience to public sector employees in the form of delayed payments and I crave their indulgence so that we can ensure successful completion of this all important national exercise.

14. We recognize that expenditure controls that are undertaken in an *ad hoc* manner sometimes rather escalate the cost of projects and create financial problems for contractors who have fulfilled their obligations, but find payments from the state slow in coming. This also creates problems for the financial institutions who extend credit to the contractors. We will, therefore, avoid these *ad hoc* approaches. Contractors who have completed their projects will be duly paid without any further delay and I have instructed the Minister of Finance to provide Cabinet with a detailed presentation of any arrears owed to contractors this month and to indicate the steps being taken to effect payments forthwith.

### **C. SINGLE SPINE SALARY STRUCTURE**

15. We are committed to improving the conditions of service for public servants in the country. We know the sacrifices that our teachers, doctors, nurses make to educate our children and take care of us when we fall ill. We also know the dedication of our civil servants, of our policemen, of our soldiers, of all our security services, of our Judicial Service and of our public servants generally. Our government did not hesitate to implement the single spine salary structure that was passed on from the previous administration despite the limitations in resources. With all the challenges, the implementation of the single spine salary structure is almost complete and most of our public servants are enjoying the benefits of improved remuneration.
16. I am directing the Fair Wages and Salaries Commission to take the remaining steps towards completion of the single spine salary structure by the end of this year. I ask our public servants to appreciate that this is a major reform initiative and that a few glitches have arisen for which we need the patient understanding of all. All the concerns that pockets of the public services have expressed regarding the exercise will be duly addressed in the next few months.
17. As you are well aware, a major part of our current fiscal crises has been as a result of the doubling of our wage bill in just one year. Ladies and gentlemen, please let us ask ourselves a very sobering question. ARE WE GETTING VALUE FOR MONEY. Government has kept faith with public servants. Every time we are negotiating migration onto single-spine, workers threaten to go on strike. However, when their wishes are granted, most of them go back to their old ways. Ordinary citizens are now paying over 6 billion cedis to public servants, but they continue to be mistreated in hospitals; they continue to get poor or NO water supply services; when they try to access services in the Ministries, they are met with a very hostile, unfriendly and unkind services outlook. The service attitude of the Police has improved, but we all know that drivers are still paying bribes on the roads, and they in turn behave with

impunity, knowing an arrest will go nowhere. My point is, increased pay is supposed to come with increased and better productivity that will satisfy citizens. Let me say emphatically to our public servants and public services, the public does not believe that it is receiving value for the money it uses to remunerate us. The positions we occupy are meant to serve the public and not to Lord it over them. That is why we are called PUBLIC SERVANTS.

18. I am directing the Public Service Commission to furnish me with a revised framework for performance in all public service institutions, which must be completed at least quarterly. I am also inviting organized civil society to get involved in assessing how our public services – health, education, water supply, sanitation services, electricity and services from Ministries are responding to citizens' aspirations. Government will partner with you in this, because, you the citizens are the ones who must receive more value for the increased wages you are paying.

#### **D. AGRICULTURE**

19. The Youth in Agriculture Program (YAP) was introduced by government to attract the youth into agriculture, increase productivity and output in the sector and create jobs for the youth. The program entails encouraging the youth to form groups to gain support from government by way of mechanized services; access to improved seeds and agricultural inputs; as well as extension services. So far a significant number of youth has benefitted from the program.
20. More significant, there is a strong emergence of Public-Private Partnerships in agriculture. Agricultural investors, both domestic and international, are creating farms that operate an out-grower system where thousands of small holders are gaining access to technology and markets, through nucleus farming. This is happening in pineapple and mango production and in the case other food crops. I have directed that more resources be channelled to accelerate this process. We have just concluded a multi-million dollar Commercial Agriculture Facility involving MoFA and multiple donors. I have directed that this initiative move into high-gear immediately.
21. In all of these, whether youth or commercial agriculture, the implementation of the program so far has shown that land acquisition is becoming a bottleneck for expanded access to the program. I am therefore instructing the Minister of Food and Agriculture to review the program for a possible inclusion of delivery of serviced agricultural plots for onward leasing to interested youth and commercial farmers who are willing to go into agriculture.

22. The Savannah Accelerated Development Authority (SADA) also has agriculture as a key part of its agenda. In the spirit of Public-Private Partnership, SADA has facilitated partnerships to establish three agro processing factories-a sheanut processing factory at Buipe, a rice mill at Nyankpala near Tamale and a vegetable oil mill at Tamale. The Produce Buying Company is currently raising the capital to begin shea nut purchases to feed the factory. This will benefit tens of thousands of poor women in the savannah zone of this country. Out growers are being registered to meet the requirements of these factories. Last year, SADA supported 6,000 farm families and another 16,000 farmers this year with farm inputs, including fertilizers, improved seeds and provided 100 tractors for land preparation services. SADA through its greening the Northern Savannah ecological zone agenda, has partnered with a private sector group to grow and nurture 5 million trees in the next 12 months.

## **E. INDUSTRY AND PRIVATE SECTOR DEVELOPMENT**

23. This is the area of my utmost passion. Our country has consolidated some of our economic fundamentals, and we are at the threshold of transition from Lower Middle Income to middle-income status. This phase has been largely led by Government. The next phase of transformation must be led by the private sector.

24. In this connection, I am charging the National Development Planning Commission (NDPC) and the Ministry of Trade and Industry to extract from the Ghana Shared Growth and Development Agenda (GSGDA) and the trade statistics (especially on imports), all potential manufacturing activities and review same with the respective ministries, the Association of Ghana Industries and the Private Enterprise Foundation. Thereafter, a transparent program will be instituted to market the manufacturing opportunities to Ghanaian businesses, who will be encouraged to adopt and implement them with the active facilitation and support of Government. I expect the identification of the potential manufacturing activities to be completed this week and for the discussions with industry to commence next week.

25. I am ready, here and now, to walk the talk. I am inviting our private sector partners to join me next week in inaugurating the Private Sector Advisory Council, a body that will serve as the apex of all strategic issues affecting private sector development. As chair of the Council, I will have direct oversight for engaging the capacities of the private sector. The days of public sector bureaucracy stifling private sector efforts must be over. Within the framework of the Private Sector Advisory Council, I will institute a hot-line system, which will receive complaints of bureaucratic impediments

to accelerated private sector operations, for both domestic and foreign investors. These complains will be investigated and actions taken forthwith.

26. I have further directed the Minister of Trade and Industry to accelerate the implementation of the Private Sector Development Strategy II, in a manner that allows the instrumental role of the private sector in our transition to middle-income status is realised more speedily.

27. I am also announcing the creation of a Trade Enforcement Unit that will be charged with investigating unfair trading practices in this country. There will be more inspections to prevent counterfeit or unsafe goods from crossing our borders. Government will make sure that no foreign company has an undue advantage over Ghanaian manufacturing when it comes to accessing financing or new markets.

## **F. JOB CREATION**

28. Government continues to invest in skills development to bring structure to our largely informal sector and reduce the number of our young men and women parading the streets selling everything and nothing. Job creation is one of the critical pillars of our agenda for a Better Ghana and we have made some significant progress. Over the last couple of years, we have created thousands of jobs through projects such as the National Youth Employment Programme (NYEP) and the Local Enterprise and Skills Development Program (LESDEP). A special government initiative under SADA has created over 5000 jobs in the last few weeks alone. Even as we seek more job opportunities for Ghanaians in the oil and gas industry as well as in mining, there is no doubt that agriculture and industry remain key areas for employment generation.

29. But this is not enough. I am directing the Ministry of Employment and Social Welfare to provide my office with a comprehensive list of all job-creation initiatives that are scattered all over the government system. We will begin the process of harmonizing all these into a more coherent, predictable and verifiable agency for job creation. In the interim I have asked the Minister of Finance to release monies to pay the arrears of youth currently engaged in the NYEP.

Again, by accelerating GDP growth and nurturing expansion of our SME sector, we expect the economy to throw up hundreds of thousands of sustainable jobs over the next few years.

## **G. ACCELERATING INFRASTRUCTURE DEVELOPMENT**

30. We have a huge infrastructure deficit in our country. This serves as a brake on our national development and we must aggressively continue improving our infrastructure and find the resources needed for this. We succeeded in obtaining the US\$3billion facility from China which is helping us to rebuild railroad infrastructure in the Western Region as well as build new infrastructure for oil and gas. In sourcing and applying all such loan facilities we will, on behalf of Ghana, rigorously seek value for money and police the implementation of projects so that high quality of work is obtained by the country.
31. Realistically though, not much can be done about transforming the infrastructural base of the country within the next 4 months. To have any chances of success, any new policy options must be founded on a detailed analysis of the state of affairs, including a critical evaluation of policies and programmes instituted by governments over the past 2 -3 decades to address the problem.
32. On the broader infrastructure front, the focus over the next 4 months will be to identify priority projects amongst all ongoing projects and bring the weight of the Presidency to bear on managing an agreed plan to guarantee that percentage completion is visibly increased over the period. Beyond admonishing contractors to deliver works on roads and other ongoing infrastructural projects that lead to delays and inconvenience to the citizenry, I have instructed the relevant ministries to secure additional capacities for strictly monitoring timelines for completion of various stages of the projects and within budget. These include the Accra-Suhum road, the Tetteh Quarshie-Adenta road; the Tema-Asikuma-Hohoe-Jasikan-Yendi-Nalerigu-Kulungugu road; the Bamboi-Bole-Wa-Hamile road; the Fufulso-Sawla road and the eastern corridor road. I am directing the Minister in charge of roads to manage an agreed plan to guarantee that percentage completion is visibly increased over the period. Other critical roads that have seen bottlenecks and created extreme inconvenience would be tackled. The ministry of roads has already compiled a list of such roads in the budget and the Ministry of Finance has released money for work to go on.
33. We have seen how the transformation of our telecommunications infrastructure has been of benefit to our lives. There is still work to be done to improve quality in this sector and to ensure that there is good service provided to customers consistently.
34. Government will also play its part. I have instructed the Minister for Communications to expedite work on completing the eastern corridor rural fibre optic backbone link to provide national data center facilities that connect all public institutions to a single

shared communication and computing infrastructure and the installation of capacities for a reliable energy efficient digital terrestrial television system.

35. We face challenges with our electricity distribution infrastructure as the pace of replacing age-old infrastructure has not been at par with our growing needs as a nation and we must increase the efforts to make the needed investments towards this. Regrettably also, supply of natural gas from Nigeria has not been regular, giving rise to shortages in our generation capacity. Recently a disruption in the West Africa Gas Pipeline (WAGP) has knocked out 320MW of our generating capacity. This has led to a resumption of load shedding.
36. Government has taken immediate steps to address the load-shedding challenge. I have directed that an Inter-Ministerial committee chaired by the Minister of Energy must, with immediate effect, engage the critical consumers of electricity, in particular, health and water supply facilities and key private industry establishments, to implement measures that will ensure that the nation's strategic services and industry are not unduly disrupted.
37. While we are assured that there would be resumption of supply from the WAGP in next few weeks, we will redouble our efforts to make up the shortfall ourselves by speeding up projects we have been working on. We have galvanized every effort to increase our generating capacity, in order that the minimum demand by our industries is met. By the end of October, we will have an additional 300 megawatts of electricity production that will come online for distribution, and this should greatly reduce the inconvenience of load-shedding.
38. We have over the last 4 years accelerated our National Electrification Programme. At least 1608 communities have been connected and 5400 are at various stages of connection. A major constraint has been availability of meters. I have directed immediate release of funds to acquire meters for completion of these projects.
39. I am further directing the Public Utilities Regulatory Authority (PURC) to strengthen their citizen complaints unit, and publish what measures they have taken when citizens complain of poor service from electricity, water, telecommunications and other service providers.

## **H. OIL AND GAS**

40. Our country has begun to produce and export significant quantities of oil from the Jubilee field. There is also now a pipeline of oil and gas development projects from new discoveries in the past three and a half years. In addition to the Jubilee field, another eleven oil and gas discoveries have been made since President Mills

assumed office. The last discovery was made less than a week before the passing away of President Mills. These include discoveries by three other groups of companies apart from the group involved in the Jubilee field. There is already much progress in appraising these new discoveries and it is anticipated that development of at least one of them will begin before the end of the year. Additionally, further exploration activities are ongoing and new petroleum agreements are also about to be entered into. The prospects that Ghana has for even more oil production in the years ahead are extremely good. All this gives us a long-term horizon for securing revenues from these resources and planning our future with realistic expectations.

41. Let me stress that we do not see the prospects in this sector just in terms of revenues from oil exports. The natural gas resources that are associated with oil production are also extremely important for us. These are capable of becoming a fuel for transforming our economy by, for instance, reducing the cost of our power generation which has, unfortunately, become increasingly dependent on expensive imports of crude oil. We will address squarely the challenges that we have faced in respect of the gas project and ensure that gas from the Jubilee field begins to be monetized within the coming year. Once the gas processing plant is operational it will also enable us derive liquefied petroleum gas (LPG) from the Jubilee field to help avert the shortages of liquefied petroleum gas that we have been experiencing. Natural gas from our own field will also then become reliably available to fuel the thermal plants at Aboadze and Tema.
42. Our disappointments over the reliability of gas supply through the West African gas pipeline must not make us skeptical about the value of regional co-operation projects of this nature. We will initiate a dialogue with the Government of Nigeria as well as the Governments of Togo and Benin, who are all participants in this important initiative of regional co-operation, to address issues about the performance of the West African gas pipeline and how it can contribute to greater security of energy supply throughout our sub-region.
43. Another major thrust of our policy in respect of the oil and gas industry is ensuring integration into our national economy. This is why local content, including local job creation, is critical for us. We are going to hold companies to compliance with provisions in the agreements that they have entered into that require them to employ Ghanaians to the maximum extent possible in all aspects of their operations. Let me be quite blunt. We will not sit back and have qualified Ghanaians unemployed while companies bring in expatriates to fill positions that Ghanaians are perfectly capable of occupying. The targets that were set for employment of Ghanaians as well as their training in the Development Plan approved for the Jubilee field in July 2009 have to be adhered to. The Minister of Energy is communicating with the companies in respect of compliance with commitments they made which apply to all their

subcontractors as well. Companies must go out of their way to look for qualified Ghanaians to employ. Government is committed to facilitating this process of identifying qualified Ghanaians for engagement at all levels of oil and gas operations.

44. We expect that as further Development Plans for bringing the other fields into production are prepared, even higher levels of local employment and training will be provided for than there were in the Development Plan of the Jubilee field. Again, there already are provisions in our law and in the agreements with our partners for preference to be given to local goods and services in the procurement of what is needed for the oil and gas operations being undertaken in Ghana. Procurement practices of companies must explicitly reflect this local content preference. Based again on lessons from the Jubilee field development and the greater familiarity that companies investing in this sector must increasingly now have with available local capacity in manufacturing and provision of services, future field developments must have significantly more local content.
45. Ghanaian industrialists and entrepreneurs must also be proactive in positioning themselves for supplying the goods and services required by the oil industry. Government has engaged local industry in an extensive dialogue and is initiating capacity strengthening initiatives that will ensure greater preparedness of local industry for the requirements of the oil and gas sector.
46. We know that enormous amounts of risk capital are deployed in oil and gas ventures and investors who take such risks are entitled to their fair share of the results of success. But we also expect that these investors will pay the country its due as the resource owner. We expect accuracy and transparency in their accounting to us and we will ensure that they pay promptly and honestly various taxes they are required to pay to the country, whether corporate income tax or capital gains tax when they divest of their interest and obtain huge capital gains. Our national institutions, including the revenue agencies, will be given the necessary technical support to play their roles towards this end and we trust that our investor partners will readily comply with our laws.
47. We are paying particular attention to strengthening our national institutions so that we are not simply overwhelmed by powerful foreign companies. We do not share the view that some appear to have that our partnership with foreign partners in this sector should make us simply depend on their expertise and financial capacity while our national institutions are pushed back into a passive or secondary role. Experiences all over the world, whether in Brazil or Norway, whether in Malaysia or Qatar, whether in Trinidad and Tobago or in China - the examples are too numerous to mention individually - show clearly the vital role that strong national institutions

must play if we are to obtain the expected benefits of oil and gas production for Ghana.

48. Through the Petroleum Revenue Management Act 2011 (Act 815) and the establishment of the Public Interest and Accountability Committee we are seeking to institutionalise transparency and prudent management of resources from our oil revenues. We must institute a culture of rigorous adherence to the legislation and to best practices for ensuring that oil provides real and enduring benefits for us and future generations. We also intend to support the Public Interest and Accountability Committee with national resources so that it can operate effectively and independently of vested interests.

## **I. LOCAL CONTENT-A CROSS-SECTORAL IMPERATIVE**

49. Across all the sectors of our economy, we will put in place monitoring mechanism to ensure local content and give priority to Ghanaians in job opportunities and procurement practices. Government's own procurement processes must set an example of local content preferences. When we look at major sectors of investment in our country, such as in banking, industry, and the mineral sector we see large amounts of investments which must target local job creation as well as the development of local capacity. It is in the longterm interest of investors that there should be an increasing amount of local participation in all their investment activities. We will therefore engage with investors through the Ghana Investment Promotion Centre (GIPC), the relevant sector ministries and other institutions in setting and monitoring targets for achieving these increasing levels of Ghanaian participation.

## **J. SOCIAL DEVELOPMENT**

50. I have so far outlined certain priorities of the Better Ghana agenda which will engage our full attention in these next few months. Obviously, we will maintain the current momentum of investment in the educational and health sectors and complete the projects to eliminate schools under trees and provide health facilities nationwide. The expansion of the school feeding programme will also be accelerated.
51. The commitment to invest in people, to build a strong economy, to develop infrastructure and to ensure transparency and accountability in governance were the building blocks of the Better Ghana Agenda and we remain steadfast in pursuing that commitment.

52. Based on current forecasts and prices, oil revenues are not expected to be sufficient to fully replace current ODA levels. Ghana has secured additional external resources which is being applied to support the role of key sector programmes, especially for the social sectors. My understanding is that the implementation of some of these critical programmes in health, education, water supply and sanitation are stalled. I have directed the Ministry of Finance to engage our Development Partners in the next 2 weeks to re-prioritize the execution of critical projects, and release the counterpart funds needed for these to proceed in the next 3 months. I have further instructed the Economic Management Team to ensure prudent utilization and in a transparent manner of the additional resources from oil resources.
53. A large share of the population remains poor, and has become increasingly concentrated in the northern parts of the country – the Northern Savannah, where no significant poverty reduction has been recorded since 2000.
54. As we move towards a middle-income status, key areas of our economy remain poor and are far less integrated into the growth spurs that we are enjoying. The northern savannah zone is a typical one. The Western corridor, where a lot of our wealth in natural resources is created, also lacks significant infrastructure and services that will allow these extractions to be sustainable.
55. Ghana is also lagging behind in the attainment of several important MDGs, such as child and maternal mortality, as well as sanitation. Gender disparities, which mostly manifest themselves in unequal access to economic opportunities and high maternal mortality rates, remain high. The cost of environmental degradation (water, soils, forests, fisheries) and the effect that climate-change has on exacerbating poverty in the country are also significant. Combined with the rapid depletion of mineral resources, these could undermine Ghana's prospects of sustainable development unless the country manages to better protect its environment and convert the remaining part of its depleted natural resources into social, human and infrastructure capital, converting adversity to opportunities for sustained growth.
56. SADA is our first example of how development authorities can produce real results for our people. I will continue to support the SADA initiative and ensure the initiative provides the impetus for accelerated development.
57. Based on the example of SADA, I have directed a team in my office and the NDPC to work closely with the two Regional Coordinating Councils and relevant stakeholders towards establishing the Western Corridor Development Authority, comprising Western and Central regions. By the close of this year, a concept for the Authority will be finalised through a consultative mechanism.

## ***HEALTH***

58. Under health, the key concerns are access to health services to the poorest and enhancing health quality. There are challenges in delivery of quality health care arising out of some policy, operating systems and logistics challenges. There are too many avoidable deaths in this country. A small round table discussion with the right group of people should identify what is to be done in the short, medium and long term. Although there is not much that can actually be achieved in 4 months, critical actions taken today should communicate to everybody what is likely to be achieved in the medium term.

59. I have instructed the Minister for Health to coordinate with the various departments and agencies in the health sector to ensure the following:

- a. That the available medical personnel arrive at post on time and deliver qualitative services to Ghanaians, treating everyone with dignity and respect;
- b. That efforts be made to speed ongoing projects to improve critical infrastructure and logistical constraints that our health personnel face in their efforts to deliver quality healthcare services to Ghanaians;
- c. That mechanisms in place for the investigation of the death of persons who die in our health posts under suspicious circumstances are addressed;
- d. That the cost containment strategies of the National Health Insurance Authority (NHIA) are evaluated for their adequacy;
- e. Present to me this month, a list of additional sources of funding for the National Health Insurance Scheme (NHIS);
- f. Hasten preparations towards the nationwide rollout of the capitation programme of the NHIS;
- g. Engage critical stakeholders for an open consideration of options for the long term sustainability of the NHIS, including a discussion of the One Time Premium policy; and
- h. Commence, in this quarter, processes towards the issuance of NHIA Identity cards, based on a biometric database.

## ***Education***

60. Ghana cannot eradicate poverty or guarantee a sustained contribution of a large proportion of the Ghanaian population to the growth and development of the economy if over 33% of our populace cannot read and write. It is my vision in the

next 10 years, through a carefully crafted strategy, for every child of school going age to have an education irrespective of where they live in the country and whether their parents are well to do or not. This is the only way that we can guarantee that most of Ghana's human capital in the next 15 years would be better equipped to play a key role in the growth and development of the country.

61. A preliminary assessment has shown that the challenges facing the educational sector can broadly be categorized into: falling standards; insufficient stock of high standard facilities for teacher training and inadequate numbers of quality trained teachers; funding of education at the tertiary levels; successful definition and implementation of a strategy to systematically increase facilities at all levels in line with the demands of population growth, amongst others. We know the problems, and the urgent challenge is the delivery of what we have planned, for which resources have been allocated.
62. Ladies and gentlemen, let me be clear in my vision. I believe, as does most Ghanaians, that education is a right, and must be free. Millions of Ghanaians, especially from deprived families got the benefit of fee-free education during the first Republic and, today, they are contributing meaningfully to the development of this nation. The modalities of expressing this shared-national vision of free education must first, ensure that we improve efficiencies and grant access to those who are in the system. As we speak, we have a huge un-fulfilled backlog of students who need to move from basic to secondary, to tertiary education; and significantly improving standards at the basic level remains a challenge.
63. Our argument is not about free secondary education. That vision has already been captured by the drafters of our 1992 Constitution. What the discussion should be on is what is practical and pragmatic at this stage of our development. We have already improved access at the basic level, to the point where Ghana has virtually achieved targets for primary enrollment under the MDGs. My plan is to accelerate access at the basic and secondary level, by ensuring that we build more schools, improve quality, teacher training and the facilities that promote healthy learning.
64. I have instructed the Minister of Education and the Minister for Finance to quickly review all outstanding payments to educational institutions and to begin making those payments by the close of next week. This will allow our children to resume school shortly, and for all outstanding commitments in our educational plans to be fully executed.

### ***Water Supply***

65. Coverage of rural water supply is improving considerably, but urban water supply production and distribution continues to be a management challenge. Citizens are

already paying considerable amounts for potable water, including patronizing very expensive “pure water” options. Poor rural residents, however, do not even have sufficient access or the resources to patronize these potable water sources. The coalition of NGOs in water has made good recommendations to address this situation.

66. Flowing from the above, I have directed the Minister for Water Resources, Works and Housing, the Ghana Water Company, and the Community Water and Sanitation Agency to, within the next 3 weeks, engage the non-governmental actors and private sector operators to provide an immediate solution to this challenge. I await the results of their deliberations for immediate actions.

### ***Sanitation***

67. Sanitation – solid waste, liquid waste, environmental sanitation and hygiene have been linked to water supply, both at the urban and rural levels. Yet, the science and practice of sanitation is not necessarily associated with water supply. This link between the two, both institutionally and practically has led to poor delivery of sanitation. Furthermore, Government policy has encouraged the decentralization of sanitation delivery, a good policy, but poorly coordinated. The institutional mechanism for sanitation delivery at the decentralized levels has not been guided by decisive policy and a strong institution.
68. By the close of next week, a National Sanitation Taskforce, led by the Ministry of Local Government and Rural Development (MLGRD), will roll out a national waste and sanitation programme. The Ministry of Environment Science and Technology, and representatives of the National Fire Service, the Ghana Police Service and the Ghana Armed Forces as well as waste management companies will be involved in the exercise.

### ***Social Interventions***

69. There are too many social protection policies run by virtually every ministry. In the next few weeks we will agree on protocols for consolidating these programmes, including LESDEP, LEAP, the School Feeding Programme, the one laptop per child policy, Free School uniform project, as the basis for a new initiative for Ghana's Social Protection Programme. This is to enhance coordination, effectiveness and targeting, coalesce all social protection programmes, and really improves people's lives. The initiative will also monitor closely progress in social protection, including measuring how many people get out of poverty.

70. Ladies and Gentlemen, I would now like to turn my attention to two very important subjects: 1. Corruption and 2. Election 2012.

## **K. GOVERNANCE AND ANTICORRUPTION**

71. The President of the Republic has a dual role: as leader of a Government and leader of a Nation. As leader of the Government I am announcing today the key policy initiatives that will move this country forward. As leader of the Nation, I will, in the remaining months to December 2012, work to galvanise the unity of purpose that existed in our Nation when we were faced with a national calamity in July this year. I will work to transform that unity of purpose into both concrete and expressive forms of inclusive governance. In the long-term, inclusive governance must ensure that the phenomenon of "winner takes all", which is the root cause of many of our governance problems, is effectively moderated and drastically reformed.

72. In this regard, I am directing the Department of State Protocol to immediately produce new protocols for the management of national events to include roles for key officials of all political parties and the awardees of national awards, no matter their political coloration. Our President (the Chief Executive of Ghana Incorporated) must also meet the leadership of Political Parties on the opposite side of government at least twice every calendar year to discuss matters of national interest which can best be handled on an all party basis. As I do not have the benefit of more than six months before the end of my current term of office as President, I will in this month wish to meet Political Party leaders at an ice-breaking meeting and set the new arrangement into motion, hoping that it will be continued by subsequent Presidents. I feel obliged to take the policy of "father for all" enunciated by our immediate past President, Prof John Evans Atta Mills, a step further.

73. My office has concluded the modalities for a Constitution Review Implementation Committee to start work this week. I have noted various expressions of public anxiety on aspects of the Government White Paper on the CRC Report. These expressions are being documented, and will be reviewed. In the meantime, the implementation committee will proceed with some pertinent actions that impinge of the very unity that I have pledged to uphold. These include: the implementation of measures that will reduce the phenomenon of "winner takes all" in our governance, including granting a measure of de-concentration of central government using the Regional Coordinating Councils; and for reducing ethnicity, corruption and the over politicization of national processes.

74. As President I am committed to running a transparent and accountable government, devoid of corruption. My government will ensure that the taxes of Ghanaians, donor funds and all resources held in trust by us for the people of Ghana are used judiciously and effectively in order to better the lot of the ordinary Ghanaian. All forms of corruption and wastage of public resources will be confronted by my Government; from the payment of government monies to persons and institutions who do not deserve them to the misuse of government assets by officials of state. I need to immediately add that my government will not shirk its legitimate responsibilities in contexts where the private sector engages with government as a business partner.
75. Certain judicial processes against the government have occasioned significant state resources having to be paid out to those who have initiated those processes. Whist legitimate debts of the State must be paid, it would appear that in some instances payments have been made in circumstances that, were all the facts known, should not have happened. This is a problem that cuts across different administrations. I am directing the Attorney-General to ensure that no payments on account of judgment debts above a certain amount are made without clearance from me.
76. Our safeguards in this respect include not only the investigative machinery to look quickly and rigorously into any report of corruption but also the Judiciary which must have credibility in the eyes of all the citizenry and not be seen as part of the problem. I am aware of pronouncements that the Chief Justice has made in this regard and I am confident that all members of such an esteemed institution will uphold their honor.
77. As President, I am absolutely committed to addressing the aberrations in our national systems of payments. In this regard I am instructing the Minister for Justice and Attorney-General to take the following actions immediately:
- a. Ensure that all monies paid to persons and institutions who do not deserve them are retrieved through all legal means at the disposal of the State;
  - b. Create channels for all those with genuine cases for redress, in situations where they have dealt with government as a business partner, to be able to petition government;
  - c. Work with me to appoint a Sole Commissioner to thoroughly examine the judgment debt and negotiated settlements conundrum and recommend for immediate implementation, legislative and systems remediation. The overall purpose should be to refashion and systematise the procedures for negotiating, contracting, executing, monitoring and resolving disputes

involving business transactions where government is a party. In particular, Ghanaian fora must be the primary venue for the resolution of disputes over contracts that are performed in Ghana.

- d. Ensure that MOFEP and the Attorney-General's Department continue to improve both preventive and defensive methods for insulating government against these losses, including judgment debts (however, we will not disrupt the court processes or second-guess judges, the approach which even some who profess belief in the rule of law appear to urge government to adopt).

78. I am also instructing the Minister for Finance to institute more stringent procurement, pre-audit and financial due process requirements to complement the efforts of the Ministry of Justice and Attorney-General's Office to stem the tide of mounting judgment debts against government. The purpose of these policy proposals is to provide a pragmatic framework for resolving also the apparent intractable issues of compulsory acquisitions and occupation of lands and payment of the accumulated compensation and other financial obligations relating thereto in the country to promote fairness, equity, rational development and security of tenure to land.

79. Paradoxically, under the Fourth Republican Constitution, the management of both public and private lands has disintegrated into near chaos. Efforts are currently being made under the Land Administration Project to address these concerns. Cabinet has also approved a number of proposals for streamlining processes for the acquisition and disposal of public lands; the payment of compensation to persons whose lands have been so acquired; the return of public lands to the original owners in situations where the lands are not used for public purposes; and the resolution of transparency and conflict of interest situations in the disposition of public lands. I am instructing the Minister for Lands and Natural Resources to immediately accelerate the implementation of these Cabinet decisions to show results in the next few months. I am also instructing the minister to submit proposals to me by next week to review performance of the Lands institutions to inject greater transparency in the lands subsector without delay.

80. Mr. Chairman, one of the unique aspects of our evolving democracy is the prominence and effectiveness of organized civil society. Transparency and accountability in Government are only possible if members of civil society demand accountability and government develops the capacity to respond. My administration will ensure that these happen.

81. I took an oath of office on the 24th of July 2012 which enjoins me to be single-minded in the pursuit of the national interest. I intend to live by every word of that

oath. I recognize that corruption takes away from the collective and benefits only a few. It leaves us all poorer because we need all the resources that are available to undertake the development projects that will benefit us all. We must be serious about combating corruption at all levels of our national life. We will strengthen the institutions that investigate issues of corruption particularly among government officials. Corruption, whatever the political colour it wears, is a canker that we must root out. I intend to lead by example.

## **L. PEACE, SECURITY, DISCIPLINE AND ELECTION 2012**

82. Fellow country women and men, the maintenance of the internal and external security of the Nation is a prime area for my administration in this period leading up to the December elections. It is critical that we provide a safe and secure environment for socio-economic activities to thrive, even as we politic and vote. Life, limb and property must be safe and everyone must feel secure as they go about their business.
83. Peace and security implicates not only the National Security Council, the Ministry of Defence and the Ministry of Interior, it implicates all other ministries. In this regard I am instructing all Ministers to ensure that the security dimensions of their various mandates are addressed forthwith and that in particular they do not affect the conduct of peaceful elections in December. The Ministry of Lands and Natural Resources must address the security implications of the rising phenomenon of galamseys, multiple sales of lands, and land guards; the Ministry of Chieftaincy and Culture must work with the National House of Chiefs to address community insecurity arising from chieftaincy and ethnic conflicts; and the Ministry of Interior must work to address the insecurity posed by itinerant herdsmen. Whilst commending the National Peace Council for its efforts at maintaining peace thus far, I will urge them to proactively identify trouble spots ahead of the elections and address any security concerns in those places through dialogue and mediation. I will also soon be joining the National House of Chiefs for a special meeting to have a conversation with them on their vision for a united and prosperous Nation.
84. Fellow country women and men, let us all remember that peace and security is our collective responsibility as Ghanaians. The increasing indiscipline on our roads, which lead to regrettable loss of lives and incapacitation must stop, and law-abiding citizens must not be penalized for following road and safety regulations. I have charged the Inspector-General of Police to publicly outline a plan for the Police to rise up to their responsibilities and enforce existing regulations without fear or favor.

85. We are heading into elections at the end of the year and no doubt there will soon be a resumption of campaigning after the pause following the passing away of President Mills. Let me express my appreciation and that of the widow and family of the late President to all political parties and their leaders for calling off campaign activities and exercising self-restraint after the death of our beloved President. As campaigns resume I want to emphasize the need for all of us to recognize that we are one people, one nation with a common destiny. Our diversity in political views and belonging to different parties should not diminish our passion for the unity of Ghana and for the wellbeing of all Ghanaians. Nor should different views lead us to insult each other on the airwaves and in the various media. The language that we read from Ghanaians in online comments on different news items is often frankly very un-Ghanaian.
86. I am fully committed to moving this country further and further away from the politics of vindictiveness and the winner takes all mentality. The resources of our country are meant to benefit us all not just to benefit people in my party. That is a conviction I have that I will never abandon. If we approach Election 2012 on this basis I am confident that Ghana will be the winner. The elections at the end of the year and the campaign process over the next few months should again project brand Ghana as a shining star in the world. I invite all our political leaders to rally for the nation, Ghana.
87. I will, in the coming weeks, carry this message to our National House of Chiefs, to representatives of religious bodies and all other cleavages that have central roles to play in maintain unity among our people.

## **M. DEVELOPMENT PARTNERSHIP AND EXTERNAL RELATIONS**

88. Let me now turn to critical issues in Ghana's foreign relations. Ghana's remarkable economic performance, social cohesion and democratic achievements are unparalleled, and these could not have been achieved without the support of our development partners. Our collective efforts have led to the establishment of a Compact to leverage the benefits of development cooperation over the next 10 years and ensure that Ghana becomes less aid-dependent in the next 5-10 years.
89. Our economic and governance achievements have made Ghana a unique center of stability and peace in West Africa. This puts Ghana in a position to continue the policy of assisting and supporting our neighbours to overcome any conflicts, and cooperate within ECOWAS to maximise the benefits of a West African union. At the

same time, we are witnessing destabilizing tendencies in a few countries. Ghana will maintain a strong arbitration and compassionate role, granting refuge to any who are legitimately seeking temporary abode due to humanitarian conditions in their home country. However, we will not allow this country to be used for any activities that may undermine our own peace, and our good standing as a good neighbour.

90. As a mark of appreciation and respect to the Heads of State, especially from all our neighbouring states, that joined us to mourn our beloved President Mills, I intend to pay a few visits shortly to our neighbours. I will seek continued peace and friendship between each of our neighbours and ourselves while expressing the gratitude of the nation and of the widow and family of President Mills for the attendance of the heads of state of all our neighbours at the funeral.

91. Touching tributes to President Mills were paid at the UN General Assembly and I intend also to convey the gratitude of our nation to the international community during the coming session of the General Assembly. The stature of Ghana has been rising in the international community as a result, among other things, of the great esteem in which President Mills was held. Earlier this year President Mills was in Addis Ababa for the unveiling of the memorial for our First President, Osagyefo Dr. Kwame Nkrumah. Ghana's pioneering role in the formation of the OAU, now AU, is well-known and respected. Preparations are currently underway for the celebration next year of the fiftieth anniversary of the formation of the African Union. As a nation, it is imperative that we make ourselves available to play our expected role in this celebration. We will, therefore, be in active consultations with the AU Secretariat in these next few months to ensure that the sacrifices that the Ghanaian people made for the liberation of the continent and for its projected unification are fully acknowledged and reflected in these celebrations.

### **MY COMMITMENT TO DELIVERY**

92. Let us make no mistake. The way we do business in Government must change; Ministries, Departments and Agencies need to change. Too often, our bureaucracy is slow, sometimes appearing not to be responsive to citizen's demands and needs. Targets set are either too low, or when the ministries plan these targets, they are not achieved. This is why I have already instructed some of the key Ministers, in particular those responsible for service delivery – health, education, water supply and electricity, to provide my office with a delivery plan for the commitments we are making today. I have accordingly established a Delivery Unit in the Office of the President that will guide the implementation of delivery and the review of performance on a bi-weekly basis.

## **CONCLUDING REMARKS**

93. As I conclude my remarks, I would like to remind all of us that Ghana is at a crossroads. We are well-poised for tremendous leaps forward; our economy is moving in the right direction and this is time to consolidate our gains and face the challenges we have with a common resolve. We are commanding international attention and much investor interest from all corners of the world. Yet dangers also lurk round the corner, especially if we do not conduct ourselves as a unified and peace-loving nation in the months ahead leading to Election 2012. I am very confident of the capacity of Ghanaians to rise to the occasion as we did these last few weeks. We will not just have peaceful elections but we will also scale the heights and, with God's favour, make our nation great and strong as we sing in our National Anthem.

94. Let us all individually and collectively as a nation pledge to stand together in this forward move of our nation. We have a common destiny and we must forge a united basis for pursuing that destiny even as we acknowledge some diversity in our quest for a Better Ghana.

**THANK YOU AND GOD BLESS YOU.**