



REPUBLIC OF GHANA

MINISTRY OF FINANCE

**OPENING STATEMENT READ ON BEHALF ON HIS
EXCELLENCY NANA ADDO DANKWA AKUFO-ADDO,
PRESIDENT OF THE REPUBLIC OF GHANA ON THE
OCCASION OF THE SECOND EXTRAORDINARY
SPECIALISED TECHNICAL COMMITTEE ON FINANCE,
MONETARY AFFAIRS, ECONOMIC PLANNING, AND
INTEGRATION**

**By Hon. Ken Ofori-Atta, Minister for Finance of the Republic
of Ghana**

17TH DECEMBER 2021



OPENING REMARKS

- **Your Excellency, Albert Mudenda Muchanga, Commissioner for Economic Development, Trade, Industry, and Mining;**
- **Honourable Ministers and Central Bank Governors**
- **Your Excellencies Ambassadors and Heads of Mission;**
- **Senior Officials from the Ministries of Finance and Central Banks;**
- **Distinguished Ladies and Gentlemen.**

1. I am honoured to welcome you to the Second (2nd) Extraordinary Session of the Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration.
2. I would like to express my heartfelt gratitude to **H. E Mr. Moussa Faki Mahamat, Chairperson of the African Union Commission**, the AU Commission and to all of you for your support and collaborative efforts to address the key issues bothering our continent.
3. **Ladies and Gentlemen**, the reality today is that, the world economy and our continent continues to grapple with the impacts of climate change and the COVID-19 pandemic, and what is more worrying is the discovery of new super-spreader variant called the OMICRON, for which Africa is being unfairly treated in attempt to contain the virus.



4. As at 16th December 2021, 7:44pm GMT, the Worldometer COVID-19 Dashboard, indicates that about **225,877** of lives have been regrettably lost to Africa due to COVID-19 since its emergence, while a very good number are still battling out with the deadly virus. Sadly, while advanced economies have achieved 60 percent full vaccination of their population, only 4 percent of the population in low-income countries have been vaccinated. Therefore, a lot more of people are contracting the virus on daily basis.

5. According to the October 2021 edition of the IMF World Economic Outlook, the world economy contracted by 3.1% in 2020 and the Sub-Sahara Africa contracted by 1.7 percent the worst recession in more than half a century. General Government Gross Debt for SSA increased from 50.4% in 2019 to 57.2% in 2020 due mainly to the impact of the Covid-19 pandemic. External Debt Service which was 6.5% of GDP is expected to end 2021 at 7.8%. Similarly General Government Revenue reduced from 17.0% GDP in 2019 to 15.6% in 2020.

6. IMF data also indicates that, the projected General Government Revenue for SSA for 2021 is US\$298.9bn. On the other hand, External Debt Service for the same is US\$143.9bn. This means that we use about 48.14% of our revenues to service our debt. This is simply not sustainable and calls for a global solution to take Africa out of this quagmire. We need to champion a global campaign for



debt suspension and relief so we can channel domestic resource mobilisation towards our prioritised development programmes rather than for debt service.

7. The AfDB's African Economic Outlook 2021 estimates that, 30 million Africans were pushed into extreme poverty in 2020 and about 39 million Africans could fall into extreme poverty in 2021 as a result of the pandemic.
8. **Honourable Ministers and Central Bank Governors**, it is however refreshing to note from recent reports that, the general macroeconomic situation of the continent is improving. According to the African Development Bank, Real GDP in Africa is expected to grow by 3.4 percent in 2021. This projected recovery will be underpinned by a resumption of tourism, a rebound in commodity prices, and the rollback of pandemic-induced restrictions.
9. The outlook is, however, subject to great uncertainty from both external and domestic risks that can derail the African recovery including a resurgence of COVID-19 infections, debt overhang, financial market volatility that impedes capital flows, low commodity prices, tourism and remittances, extreme weather events, and social tensions.



10. As we battle with the health and environment crisis, what we need to do is to collectively take bold steps for effective deployment of vaccines for COVID–19 on the continent, support the implementation of the Africa Continental Free Trade Agreement, support the African Union Financial Institutions and continue progress in structural transformation, including digitalization and home grown policies to boost our domestic economic activities.
11. We have to be financially resourced by looking-inward to fund our development programmes. It is, therefore, incumbent upon us to fast track the establishment of our **African Union Financial Institutions**, namely: *the African Central Bank, African Monetary Fund, African Investment Bank and the Pan-African Stock Exchange*. By setting up our African Union Financial Institutions, we would be creating strong foundations to internally generate resources to financing Africa’s development and economic transformation.
12. You will recall that, during our Workshop on African Union Financial Institutions (AUFIs), the Reallocation of the International Monetary Fund’s Special Drawing Rights, Vaccine Acquisition and Financing and the Establishment of the African Financial Stability Mechanism that was held on 3 November 2021, we recommended to the Commission the commissioning of a study to consider the



current economic and financial context of the Member States and to address all the technical issues surrounding the implementation of the AUFIs. The Experts have reviewed the terms of reference presented by the Commission and we will have the opportunity to make a final decision on the same. The study will go a long way in facilitating the work of H. E. Nana Addo Dankwa Akufo-Addo, the President of the Republic of Ghana and the Champion of the AUFIs.

13. The Experts also deliberated on the draft concept note for an In-Depth Study on positioning Africa to build back better and achieve the Goals and Targets Africa's Agenda 2063, Agenda 2030, and High 5s for Transforming Africa, anchored on attaining and sustaining 7 to 10% annual growth for all African countries. I believe this, is a noble initiative by H. E. Amb. Albert Muchanga, Commissioner for Economic Development, Trade, Industry, and Mining, with the support of the leadership of the African Union Development Agency (AUDA-NEPAD) and the African Development Bank.

14. Excellencies, on our agenda, we have the launch of the 2021 Revenue Statistics Report and the Smart Finance and Digital Banking for MSMEs. These are two initiatives that require our support as Ministers of Finance and Central Bank Governors.



15. I wish to conclude my remarks by emphasizing the significance of this meeting to realize the African vision, that the continent secures financial autonomy and strong economies.
16. It is with this perspective that I officially open this Workshop and look forward to deliberations that will improve the work of our experts.
17. I thank you all for your kind attention.

