



REPUBLIC OF GHANA

MINISTRY OF FINANCE

UPDATE ON THE ECONOMY

19th December, 2022



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1. Good Afternoon.
2. I am once again delighted to update you on progress we are making to address the economic challenges facing the country.
3. Ladies and Gentlemen, after presenting the 2023 Budget to Parliament on 24th November 2022, Parliament worked tirelessly to provide “policy” approval of the Budget on Tuesday, 6th December 2022. On behalf of H.E. President Nana Addo Dankwa Akufo-Addo, I wish to use this occasion to express our sincere gratitude to Right Hon. Speaker, the leadership of Parliament and all members of Parliament for working hard beyond official hours and over weekends to approve the policies underpinning the 2023 Budget.
4. This approval is the first step in the approval process. The next stage, which is currently ongoing, is for Parliament to consider and approve the budget estimates of individual MMDAs. In addition, Parliament is also considering for approval, the fiscal measures, both revenues and expenditures, and their related legal instruments underpinning the 2023 Budget.
5. This second stage will culminate in approval of the Appropriation Bill which will enable the implementation of the 2023 Budget. We are, therefore, calling on the Parliament to favourably consider the fiscal measures in the 2023 Budget as they are an integral part of the package for addressing the economic challenges facing the country and will facilitate the approval of an IMF Programme by the Board.
6. As you know, the Fund Programme consists of three important components
 - Attaining a stable macroeconomic environment
 - Obtaining debt sustainability and
 - Seeking financing assurances.
7. Ghana’s domestic debt exchange programme was launched on Monday 5th December 2022. The objective of the Programme is to reduce Ghana’s current debt burden and its servicing implications on our economy. The programme is designed to achieve this in the most orderly, transparent, efficient, and expedited manner. It is critical to restoring macroeconomic stability and debt sustainability.
8. The Government has continued to dialogue extensively with various stakeholders including regulators and representatives across the Pensions, Banking, Asset Management, and Insurance Sectors. We have discussed with them the rationale behind the domestic debt exchange programme, understood their perspectives and taken their feedback.

9. Ultimately, confidence and the active participation of all stakeholders are the essential elements for the success of this debt exchange programme. As such, Government is committed to laying out a path toward attaining debt sustainability informed by sound technical analysis and broad stakeholder engagement.
10. Following the launch and as part of the broader macroeconomic and structural reforms, the IMF and Government signed off a Staff-Level Agreement on 13th December, 2022 for a US\$3 billion Extended Credit Facility.
11. Government's engagement with the IMF is anchored on the Post Covid Programme for Economic Growth (PC-PEG) which aims to restore macroeconomic stability and debt sustainability, for a stronger and inclusive recovery.
12. So far, we have all witnessed the gains of the Cedi over the past week, as well as the attainment of this Staff Level Agreement in near record time. These are results of our collective efforts. As 1 Samuel 30:19 says, "Nothing was missing, great or small." We must and we will, collectively recover all.
13. Ladies and Gentlemen, in order to recover all, we still have a lot of work to do before the end of year in order to gain the full benefit of the Debt Exchange Programme.
14. Following the stakeholder engagements, Government has agreed to extend the expiration date for the domestic debt exchange to 30th December 2022, to allow for key concerns raised by stakeholders to be accommodated in some form.
15. The launch of the debt exchange programme, coupled with the signing of the Staff Level Agreement with the International Monetary Fund, have aided our stability efforts and have in particular contributed significantly to the rebound of our currency. While accommodating the inputs of stakeholders, we must do all we can to sustain the gains of these initiatives keeping in sight the urgency of obtaining IMF Board approval in Q1 2023. The cost of this not succeeding will be too huge for our economy.
16. That is why we urge Parliament to support us in getting the Appropriations Bill for the 2023 Fiscal Year passed. We also urge Parliament to support in particular new revenue measures outlined in the 2023 budget which aim to improve revenue mobilization. We cannot afford to repeat the mistakes of 2022.
17. Our "end game" as a government has always been to achieve a Ghana Beyond Aid- a Wealthy, Inclusive, Sustainable, Empowered, and Resilient society (a WISER Ghana).
18. The necessary pre-condition for this is a stable macroeconomic environment. Viewed within that lens, restructuring our debt is only but a necessary part of our story.

19. The ensuing years will focus on building an entrepreneurial and export driven economy as we grow the economy to protect and create jobs, tackle inflation, and strengthen our currency. Importation of food should soon be a thing of the past.
20. We cannot afford to lose this essence of forward momentum for our economy as we navigate toward stability, predictability and growth.
21. 2023 must be our “comeback” year. A year in which we put in place stronger foundations that would allow us to change our country for the better and in a way that is enduring, inclusive and transformational.
22. We all have a role to play. And I urge us all to work together with the Government and support the various interventions being implemented to kick-start our recovery in a determined, bold and courageous way!
23. Above all, I urge us all to maintain an unshakeable sense of optimism about Ghana in the days and years ahead. Indeed, “the LORD is the Lifter of our heads” (Psalm 3:4), as we all witness a new confidence in our currency and the prospects of the certainty of an IMF Board approval of our Staff Level Agreement.
24. I wish each and every one a Merry Christmas, a Christ-Centered season and the best of this holiday season.
25. Thank you, and God Bless us all and our homeland Ghana.