



GHANA ECONOMIC FORUM 2019

WELCOME STATEMENT

BY

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TANG PALACE HOTEL

ACCRA, GHANA



Your Excellency, Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana

Honourable Ken Ofori-Atta, Minister of Finance

Honourable Alan Kyeremanteng, Minister of Trade and Industry

Honourable Ministers and Deputy Ministers here present

CEOs and Representatives from the Financial Sector and Business Community

Distinguished Guests

Ladies and Gentlemen

Introduction

1. Good morning to you all and welcome to the 2019 **Ghana Economic Forum**. A few weeks ago I got a call from our senior citizen, Mr. Kwame Pianim, about B&FT and the Ghana Economic Forum and the need for sponsors for the programme. I agreed with him to become a strategic policy partner for this event, as the Bank of Ghana believes that such a forum will provide policymakers, industry experts, and the business community a platform to deliberate and offer solutions on pertinent issues affecting our economy. Therefore, before I proceed further, let me commend the Business and Financial Times (BFT) for their relentless efforts in organising this event over the past seven years. Also, let me express our appreciation to all the sponsors who have contributed resources to make this programme a success over the years.



2. We all acknowledge the busy schedule of our President and therefore deem it a great honour for His Excellency, the President to be with us this morning and to deliver the keynote address. Your Excellency, we very much appreciate your presence and support for this programme.

3. Your Excellency, Distinguish Ladies and Gentlemen, the theme for this year's Ghana Economic Forum is: "***Sustaining Financial and Economic Stability: the key Priorities***". This theme was carefully chosen against the background of developments in the economy over the last three years. We have achieved a good degree of macroeconomic stabilisation, under a fiscal and monetary regime oriented towards disinflation. This framework includes an independent monetary policy coordinated with a prudently set fiscal framework including strict public expenditure management.

4. This framework has delivered low inflation and well-anchored inflation expectations around our medium-term target which serves as the bedrock for private sector investments, business growth, structural transformation and overall economic expansion. It is incumbent on us, as policymakers to demonstrate strong commitment to this policy framework in the near-term to ensure that the gains achieved so far are sustained. Achieving macroeconomic stability takes deliberate policies, sacrifices and resources which if not sustained, can easily unravel. I believe



this is one of the reasons why we have gathered here to get a sense of the policy direction needed to sustain the stable macro environment, going forward.

- 5.** Your Excellency, I can report that under your leadership, the policies that we put into place in 2017 are yielding the right results. The economic indicators are good in terms of inflation, external account balances, reserves, GDP growth and business confidence. We have not only made significant gains in stability through prudent monetary and fiscal policies but also in regulatory and structural reforms, especially in the banking sector. This is key to unlocking the financial sector's capacity to intermediate efficiently with increased access to credit in support of the country's growth agenda. Indeed, the thrust of current debate is not only about sustainability but also about scaling up broad-based growth for poverty reduction and increased employment. What can be done to consolidate the gains we have made and transition to high and durable growth without putting stability at risk?
- 6.** I will not try to answer these questions but briefly note that sustaining macroeconomic stability, increasing access to credit, providing good infrastructure, having strong regulatory frameworks, and most importantly developing a skilled workforce are all necessary conditions that create the conducive environment for job creation and inclusive growth. Your Excellency, for us at the Bank of Ghana the outlook from the monetary policy perspective is to try to understand the nature of the trade-offs between monetary stabilisation, that is, stabilizing inflation at low



levels – perhaps reviewing our medium-term target to a lower level, and economic growth.

- 7.** Monetary policy will remain vigilant to deal with inflation pressures should they emerge. Further, the Bank of Ghana has taken steps to build reserve buffers, to address potential risks from the external or domestic sectors. Currently, the country's gross international reserves is estimated at around US\$8 billion and expected to increase with additional inflows from the cocoa syndicated loan. We are also deepening the foreign exchange market through the introduction of new products to improve liquidity and ensure stability in the local currency.
- 8.** Mr. President, Distinguished Ladies and Gentlemen, beyond these broad policy objectives, I believe some of the pertinent issues that should help entrench macroeconomic stability and allay fears of the investment community and private sector will be fully addressed during the plenary sessions. These include sustaining macroeconomic stability through election cycles; infrastructural development to support the productive sector and trade; digitisation of the economy to enhance efficiency; scaling up human capital development which is critical for sustainable growth and development, and last but not least, sustaining financial stability after the clean-up exercise. I believe that we will have fruitful deliberations from the distinguished panellists assembled for the various sessions.

Thank you.