

**STATE OF THE NATION ADDRESS BY
HIS EXCELLENCY JOHN EVANS ATTA MILLS,
PRESIDENT OF THE REPUBLIC OF GHANA**

Madam Speaker,

Thank you for receiving me in this august House to present my first State of the Nation address to Parliament as President of the Republic of Ghana.

Madam Speaker,

As the first Lady Speaker of Parliament, you occupy a unique position in our Nation's history. It is a position of which you and indeed all women of Ghana should be justifiably proud. You exemplify the fulfillment of my wish to see Ghanaian women rise to assume even more prominent positions in our land. I wish you well Madam.

I greet you Honorable Members of both sides of the House, new members as well as returning members.

Together you constitute a blend of experience and new perspectives that should inure to the benefit of this House.

The measure of the accomplishments of this House must be the degree to which its results benefit the Nation.

Ghana expects that you will work in the National Interest.

In a real sense your work meets expectations only to the extent that it helps us build **A Better Ghana**.

Madam Speaker,

Last December, the People of Ghana sat in judgment and ruled in favour of the NDC and our agenda for A Better Ghana. And so I remind my Brothers and Sisters of the Majority in this House of our obligation to keep faith with the people at all times. We should never forget the men and women whose worries stretch from pay day to pay day.

I extend a hand of friendship to our brothers and sisters of the Minority.

We must work together to fashion the requisite legislation that will help this country face and overcome her many challenges in these times of domestic and global uncertainty.

In this quest consensus-building is vital and time is very precious.

True collaboration in this House must produce solutions that address Ghana's challenges in a qualitative and timely manner.

Madam Speaker,

Permit me to acknowledge my predecessors; President Jerry John Rawlings and President John Agyekum Kufuor. Ghana is indeed grateful to them for their service to our Nation. We are also grateful to them for moving our democracy further along the path to maturation. As the third President in Ghana's Fourth Republic I will play my part to add to their legacy.

We will learn as a Nation to add to what is working, and to change course only when it is in the National Interest to do so. We will depart from the practice of undoing the valuable contributions of our predecessors. A house that is constantly rebuilding its foundation is doomed to remain stuck to the foundation level, never to reach completion and decoration, let alone occupation.

Ghana deserves better.

Madam Speaker,

Let me also acknowledge our first President, Osagyefo Dr. Kwame Nkrumah, that illustrious Founder of our nation. His selfless leadership serves as a point of reference in our determination to build a better Ghana.

Incidentally, this year marks the 100th anniversary of Dr. Nkrumah's birth and as a Country we should commemorate the event in an appropriate and befitting manner.

Among others, we intend to honour Dr. Nkrumah's memory with a National holiday to be known as Founder's Day and we will be presenting legislation to Parliament to this effect.

GOVERNANCE

Madam Speaker,

All too often, we celebrate successful elections and cherish the growth and maturity of our democracy. However, we tend to invest far less in the development of our democratic governance than we reap from it. Under my administration, we will take seriously into account the needs of our governance institutions.

Our 1992 Constitution established a number of institutions to foster effective balance of powers, provide ample expression for the representatives of people, guarantee access to Justice, Human Rights, Independence of the media and the right of the citizens to be empowered with knowledge about civic education. While these institutions have performed relatively well, they are under resourced, their leaders and staff poorly motivated and their institutions thinly spread, such that ordinary citizens in remote areas are unable to access many of their services. We will engage these independent governance institutions in a peer review of their conditions and together with them define the solutions that will propel them to fulfill their Constitutional mandates, within reasonable limits of our national resource endowments.

Madam Speaker,

Transparency in government and the fight against corruption are cardinal for sustainable development. During this administration, we will address transparency through a three dimensional approach

- 1 Ensuring the passage of the Freedom of Information Act
- 2 Expediting the passing of a National Broadcasting Law
- 3 Elaboration of a Code of Conduct in Government that includes key information disclosure, ethics and anti-corruption measures.

Together these measures will enable both citizens and statutory Constitutional bodies to access the needed information to demand accountability from office-holders in the public and private sectors.

Madam Speaker,

We promised many things in our Governance Reform Agenda in our Manifesto and we shall systematically work to fulfil these. For this year, we have already delivered on our promise to establish a lean but effective government by realigning and reducing the number of Ministries. For the rest of the year, we plan for the following areas of our Governance agenda most of which will actually be commenced next year when we would have known the true state of the nation that we have inherited.

Regarding Parliament and Parliamentarians, we will embark on the following:

- 1 The construction and furnishing of a standard “Member of Parliament Duty Post Office” in each of the 230 constituencies and the payment of an Administrator appointed by the Member of Parliament to man the office;
- 2 The establishment of a “Member of Parliament Constituency Development Fund separate and apart from the District Assemblies Common Fund in order to release the District Assemblies Common Fund for the exclusive use of the District Assemblies and to remove one of the sources of tensions between the District Chief Executives and the Members of Parliament ;
- 3 The assignment of National Service graduates to Members of Parliament as Research Assistants.

Madam Speaker,

Several areas of our governance agenda require legislative intervention. Fortunately, The IEA-sponsored “Ghana Political Parties Programme” which is made up of all the political parties with representation in Parliament has agreed on several draft Bills that will respond to this need. Consequently, the Government will consider these draft Bills for possible Parliamentary enactment in order to fill the void. The Bills are:

- 1 Public Financing of Political Parties Bill, including the creation of an Election Fund for political parties and guaranteed funding for the Electoral Commission;
- 2 A new Political Parties Bill; and

3 A Presidential Transition Bill.

As promised in our Manifesto, we shall also introduce a Bill to amend the Public Office Holders (Declaration of Assets and Disqualification) Act, 1998, Act 550, in order to make it more functional and effective in ensuring probity and accountability.

In our desire to safeguard the guaranteed constitutional independence of these institutions, I would urge this august House, through an appropriate amendment of its Standing Orders, to consider permitting the leadership of these important national institutions to appear in person on the floor of the House at least to defend their own Budgets. That way, the criticism of the Executive starving them of funds will be a thing of the past.

Madam Speaker,

Regarding the Judiciary, we will ensure adequate collaboration without sacrificing the independence of the Judiciary and encourage their work such as to assure expeditious dispensing of justice to all.

In this vein Government will support such developmental projects, law reform and anticorruption initiatives, as will promote the dignity of our Judiciary.

In preparation for the new District Assemblies to be established after the District Assembly elections of 2010, we will implement programmes to deepen local level democracy, accelerate decentralization and empower the people for local development. These will require major amendments to the Local Government Act, 1993 and the Local Government Service Act, 2003. To ensure that there is national consensus on the direction and scope of these amendments, we will organise a broad National Stakeholders' Conference on Decentralization this year to mark the 20th anniversary of the coming into existence of the District Assemblies and to make proposals for the amendments.

We believe also that a National Constitutional Review Conference is the surest way to ensure that our Manifesto promises as well as those of some of the other political parties which require constitutional amendments see fruition in a consensual manner. In preparation towards this Conference, we shall this year establish a Constitutional Review Committee to collate views on amendment proposals and to work towards the Conference.

Madam Speaker,

Law and order, human safety and security and protecting the people remain the cornerstone of our internal security policy. For far too long, Governments have sought to provide for the security of the people without the involvement of the agencies responsible for security.

We will be holding a series of durbars with the officers and men of the Ghana Armed Forces, the Police Service, the Prisons Service and the CEPS to elicit from them directly and at first hand what their concerns and needs are.

The feedback will assist in the present conditions of work for Officers and Men in order to boost morale and improve efficiency.

Madam Speaker,

I made a firm commitment to stamp out drug trafficking. In line with this, we will review the Narcotics Drugs Control, Enforcement and Sanctions Law of 1990 (PNDC LAW 236). We aim to create a more potent drug enforcement agency that will collaborate more effectively with International drug enforcement agencies to arrest and prosecute offenders. We will bring to closure investigations into the numerous high profile drug trafficking cases of recent years and bring to book all those involved.

The law-enforcement agencies must be uncompromising in their pursuit of those who violate the human rights of others. Justice must therefore be brought to bear on those who took the lives of the Ya Na and many of His elders, Issa Molbilla and the over 30 women whose murder still remains a national mystery to mention a few.

Madam Speaker,

We will continue to respect the diversity and independence of the media and in shaping opinion in our democracy. A credible media is reflected in the quality of information they process for the consumption of the public and as a Government, we recognize our responsibility to be accessible to the media in order to bridge the information gap. In the course of the year, I will begin a monthly radio broadcast to the nation as part of measures to enhance

communication with the citizenry.

In as much as we all value accountability of government and free expression, we expect the media to look at its own inadequacies and endeavour to reconnect with the mass of citizens and to live by the tenets such as its own ethical code and the constitutional obligations enshrined in the 1992 Constitution.

CHALLENGING GLOBAL ECONOMIC ENVIRONMENT

Madam Speaker,

I have assumed office at a time of heightened anxiety and insecurity in the global economy. As we speak, the whole world has been gripped by the severe global economic downturn and associated recession. Millions of jobs have been lost in many countries.

The financial meltdown has defied logic and economic rationality. As things fall apart, institutions of global economies and financial management are under enormous stress. Such is not the gravity of the crises that no nation can traverse these hard times alone, nor can we blame anyone person or government for causing this. The world needs a radical re-thinking of the rules, institutions and processes for global, social and economic management.

For the developing world, the initial impact has been volatility in commodity prices, reductions in foreign aid and in remittance flows from citizens working abroad who have lost their jobs. There is imminent danger of substantial reduction in economic growth.

While the exact impact of these changes on our economies are yet to be determined, it must be understood that the world as we know it has changed beyond recognition and we should not, and cannot, bank on previous arrangements, such as the generosity of donors, for our national survival.

Madam Speaker,

Over the last one month of assuming office, an economic management team has been reviewing our situation thoroughly. The reality as we have found out calls into question previous assertion that Ghana is doing well in spite of

the global economic crisis.

Let me highlight the fundamentals of our current economic status and predicament.

- 1 The **fiscal deficit**, meaning the *excess of expenditure over revenue*, was GH¢ 2.5 Billion in 2008. This figure is over 15% of Gross Domestic Product. In layman's terms, we have spent a great deal more than what we earned.
- 1 The **external deficit** or balance of payments for 2008 is estimated at GH¢3.42 Billion, or 18% of GDP. Here too, it means that we owe our foreign creditors far more than is fiscally prudent for an erstwhile HIPC country.
- 2 The **rate of inflation** accelerated from 12.7 percent at the end of 2007, to 18.1 percent at the end of December 2008.
- 3 In the space of two years i.e. between 2006 and 2008, our stock of external debt increased from US\$2.2 billion to US\$3.9 billion. This contributed to an increase in the overall national debt to US\$7.6 billion in 2008, from US\$5.3 billion in 2006. This is in spite of the over US\$5.0 billion debt write off enjoyed by the nation from 2001.
- 4 Over the last few months the cedi has lost substantial value with respect to the US dollar which is attributed to the delayed effect of excessive spending and trade imbalances we have experienced since 2006. We have used up foreign exchange resources which have accrued from various debt relief arrangements to shore up the value of the cedi.

In recent months as the foreign exchange inflows have dried up the cedi has come under enormous pressure. Indeed, the decline in the value of the cedi is negating benefits which could otherwise have accrued from low world crude oil prices.

We are resolved to achieve an early restoration of stability in the foreign exchange market. This requires that we expand our exports, cut down our import bill and manage our finances carefully and live within our means.

Honourable members must join me in managing this period of economic

difficulty. I assure you that we shall all benefit when the good times come, as they surely will. I am optimistic that the burden of sacrifice, if properly shared, will result in great opportunities and progress for the people of this country. I am committed to bringing the fiscal excesses under control. Without it, this country cannot pursue the aim of creating prosperity for our people.

We are working on a number of measures and the Finance Minister will announce in detail the specific measures aimed at achieving macro-economic stability in the budget statement to be presented shortly. The measures will include:

- 1 Reducing State Protocol budget by half.
- 2 Reducing Official foreign travel budget by half.
- 3 Reducing Official seminars and workshops budget by half.
- 4 Close monitoring of targets and dividends of state-owned companies and enterprises
- 5 Reviewing the exemptions regime.
- 6 Increasing efficiency in revenue collection.
- 7 Negotiating the single spine wages and salaries regime. And here Madam Speaker, permit me to commend organized labour, which obviously aware of the economic realities, is calling for broader consultation on the implementation of the single spine salary

structure.

I am making sure that expenditure at the Presidency does not constitute an undue burden on the Ghanaian taxpayer

I will impose austerity measures throughout the Government machinery, to ensure that we realize significant savings. As part of these measures we will review the decision to purchase two executive Presidential aircrafts. Ghana simply cannot afford the expenditure at this time and we certainly do not need two Presidential Jets.

This is the beginning of a rescue plan for building A Better Ghana.

PRIVATE SECTOR DEVELOPMENT

Madam Speaker,

Whilst we face these challenges our resolve should be to ensure that we continue to drive economic growth to provide opportunities for the poor. A lot of this growth will be provided by the private sector. A vibrant, globally competitive private sector must play a key role in the economic transformation and social development of Ghana

My administration therefore sees the private sector as an active partner in our development. It is largely the private sector, formal and informal, indigenous and foreign, that will be central in creating jobs and increasing government revenue through taxation which in turn will fund the social investments such as roads, schools and clinics that the NDC Government is deeply committed to delivering. It is the men and women in the private sector that my administration intends to partner, develop and grow, not only for the near term but in the longer term to secure the future and well-being of our people.

We want this partnership to be built on a shared responsibility where Government provides the conditions necessary for private sector growth and where the private sector becomes a pro-active partner in development; is socially responsible and innovative so that together we can generate growth and employment and provide incomes especially for the poor. My pledge to the private sector is clear. My administration will build a robust economy and address the challenges which the private sector faces in investing, growing and expanding.

In view of the breadth of our challenges, we intend to build on the multi-sectoral strategic framework for the development of the private sector which should provide the vehicle for driving and delivering the changes so urgently required in making Ghana's private sector locally and globally competitive. Given the urgency of this, the private sector development agenda will be driven and monitored at the heart of Government business at The Presidency. This is a promise I made to the private sector and the Government will translate it into action.

Madam Speaker,

In my address to the Economic Retreat at Akosombo a few weeks ago, I argued the concept of *justifiable continuity*. This nation must stop the discontinuities in planning that result from changes in Governments. Too often new Governments have stopped without justification, projects or programmes which previous administrations have initiated. As a result there is a huge amount of money to be paid in respect of legal rulings both local and international against the Government of Ghana. In conducting the business of Government we will be guided by these experiences. Whenever we consider it to be in the national interest we will renegotiate agreements using laid down procedures.

Madam Speaker,

The National Youth Employment Program is essential to Ghana's overall national employment strategy, and it will be continued. However, the programme will be revised to extend employment eligibility to tertiary, vocational and other targeted groups.

AGRICULTURE

Madam Speaker,

The Government will address simultaneously the issues of food availability, access to food, response to crises situations and malnutrition. The Government will invest adequately to maintain the production level of those crops for which we have surplus production and put in measures to increase significantly the production level of those crops for which we have deficit production. We will also put in place measures to increase significantly the production level of the staple crops for which consumption demand exceeds domestic production.

The Aveyime Rice Project will be restored to boost rice production for internal consumption and for export.

We will move beyond rhetoric and execute a programme to rehabilitate existing irrigation schemes to ensure their efficient utilization.

We will construct additional dams, boreholes and other water harvesting facilities in areas with high agricultural potential.

The Accra Plains Irrigation Project will be vigorously pursued to make it available for all year round production. It will be the flagship of the agricultural revolution of this administration.

Madam Speaker,

Government will pursue a policy of direct intervention to make available production inputs for small farmers on credit. In addition to the credit

support, Government will continue the fertilizer subsidy programme.

To address the situation of cheap poultry and meat imports, large scale cultivation of maize and soybeans will be supported to drastically reduce the cost of feed for poultry production. Tariff and non-tariff barriers will be used to give local poultry production a competitive edge over cheap imports.

Government will review all existing agreements on fishing within Ghana's territorial waters to ensure that the livelihood and long-term interests of our fishermen and the residents of the coastal communities are guaranteed.

Government will also enforce the prohibition of the unorthodox fishing methods currently used by some foreign and local fishing trawlers which are leading to the depletion of our marine fish resources.

We will enhance the capacity and capability of the Ghana Navy and Air Force to enforce the prohibition.

We will also enforce regulations on pair trawling and we will enforce the ban on the use of light and explosives for fishing.

COCOA

Madam Speaker,

Government will aim to increase the yield of cocoa from 1,250kg to about 1,750kg per hectare through better farm management application of hi-tech production systems and better producer prices.

The current mass cocoa spraying exercise will be intensified and extended to include brushing, pest and disease control, shade management, pollination and fertilization.

In pursuance of the objective to process at least 60% of the cocoa produced locally, the NDC Government will begin negotiations for the establishment of a cocoa processing factory in the heart of the cocoa producing area of the Western Region. This will reduce the burden of transporting large quantities of cocoa beans to the ports.

TRANSPORT INFRASTRUCTURE

Madam Speaker,

Starting with our decision to merge all transportation-related Ministries except Roads and Highways under one Ministry of Transport, we are beginning the process of harmonizing our infrastructure development towards a common purpose of accelerating our national development effort with national unity and regional integration as twin-purposes.

To this end we propose to fast track

- 1 The West Africa Transport and Transit project which will improve sections of the Central Corridor from Kintampo to Paga.
- 2 The Eastern Corridor project which will improve the Tema – Yendi-Tamale road links.
- 3 Completion of the Bole-Bamboi road and continue work on the entire Western Corridor Project.
- 4 Implementation of the road projects supported by the Millennium Challenge Account.

We will also continue with programs such as the Urban Transport project which aims at providing mass transit facilities and services in metropolitan areas. The project will also provide the framework for better management of urban road transport services in Ghana.

Government will work to eliminate duplication and streamline the policy direction for mass transit to ensure that Ghana obtains the maximum benefits from these initiatives.

Madam Speaker,

The vehicle population is growing at about 8% per annum, with cars and buses contributing 30% and 8% respectively to the growth. In areas such as Accra and Kumasi, the dominant mode of transport is the car with occupancy levels of about 2 per car.

The vehicular volumes of about 55,000 per day on the Airport Road, 20,000 per day on the Spintex Road and 30,000 per day on the La-Teshie road make traffic congestion inevitable.

Consequently, our country is experiencing economic losses in terms of loss of productivity, high cost of transport services and high operating costs of

transport services. Collaboration of the road sector managers, enforcement agencies and the Metropolitan and Municipal assemblies will be important in resolving identified congestion bottlenecks and avoid the creation of new ones.

HEALTH

Madam Speaker,

During the 2008 campaign I made several commitments to the health sector. I am of the conviction that the health of our nation is the wealth of the nation.

The National Health Insurance Program will be enhanced and expanded. The one-time *NHIS* enrolment fee still remains an achievable goal, and we will work to make the scheme truly national.

In place of the current District Mutual Health Insurance Scheme to which one must pay an annual premium, we will seek to implement a Universal Health Insurance Scheme which will reflect the universal contribution of all Ghanaian residents to the Scheme.

Since every person in Ghana contributes to the NHIS through the National Health Insurance Levy, the Universal Health Insurance Scheme will allow for a one-time premium payment to the Scheme.

The National Health Insurance Scheme will be restructured to respond to the needs of the population and resolve the issue of claims management as well as those of portability. We will also pursue the policy of de-linking children from their parents and the provision of free maternal care.

Many of the common ailments and diseases affecting Ghanaians can be eliminated or controlled through better sanitation, nutrition and lifestyles. Accordingly, we will encourage all MDAs to embark upon major multi-sector collaboration with the view to improving sanitation and targeting safe food and water. It will ensure that District Assemblies, besides developing relevant regulations and guidelines will also implement and enforce them.

Madam Speaker,

The Implementation of the following planned projects will commence:

- 1 Rehabilitation and Upgrading of the Tamale Teaching Hospital;
- 2 Construction of a 100-bed General Hospital with a Malaria Research Centre at Teshie;
- 3 Construction of a Regional Hospital with staff housing at Wa;
- 4 Construction of six (6) District Hospitals with staff housing at Adenta/Madina, Twifo-Praso, Konongo-Odumase, Wenchi, Tepa, and Salaga;
- 5 Construction of two (2) District Hospitals at Bekwai and Tarkwa;
- 6 Construction of Blood Transfusion Centres in Accra, Kumasi and Tamale
- 7 The second phase for the Rehabilitation of the Bolgatanga Hospital project.

Preparatory works involving site selection, feasibility studies, needs assessment, appraisal and surveys and fund mobilisation for the following projects would be undertaken in the course of the year:

- 8 Medical Assistants Training School in the Northern, Western and Volta Regions;
- 9 Upgrading of the Regional Hospital in Cape Coast into a fully fledged Teaching Hospital;
- 10 Schools of Allied Health Sciences with emphasis on the training of Health Care Assistants;
- 11 Further expansion of existing training Schools and development of new Nursing and Midwifery Training Colleges;
- 12 Expansion of Radiotherapy and Nuclear Medicines Centres in Accra and Kumasi into centres of excellence;
- 13 Setting up of a New Urology Centre of excellence at Korle-Bu; and
- 14 Construction of Staff accommodation nationwide.

EDUCATION

Madam Speaker,

A number of critical factors continue to threaten progress in education delivery.

Some of these are gender disparities, geographical differentiations, school drop-out retention, poor transition from primary to junior high school, poor teacher deployment, and inadequate and poor school infrastructure. We will address these concerns.

We will also strive to improve in a more concerted manner, the situation of second cycle education especially conditions in many of our high schools. We will address management inefficiencies which affect equity and quality in the education system and take a critical look at the utilization practices of the GETFUND.

One of the most significant of the challenges facing education is the recent reform, which changed the duration of senior high school education.

I am aware of the different opinions on this matter, and I am committed to providing a forum for a very dispassionate discussion on the matter. I hope this will bring the matter to closure and chart a more permanent structure that will serve the interest of learners, parents and the country at large

The newly enacted Education Act 2008 Act 778 sets out the new outlook of the education system. The Act introduces some new components, such as the establishment of the National Inspectorate Board, National Teaching Council and the National Council for Curriculum and Assessment.

The Government will take a second look at the Act and propose amendments as we may deem necessary following the outcome of an all-party consultation. At the same time, we will endeavour to implement the new structures proposed in the Act to ensure quality in the teaching and learning process.

The Government will pay special attention to pre-tertiary education, particular to Basic Education including Special Education, in order to build a strong foundation for learning and continued education.

Net enrolment ratios in all the stages of basic education requires intensive effort on the part of Government, education administrators, parents and guardians. Together we must aim at ensuring that all Ghanaian children of school going age are in school and that Ghana achieves the target of full enrolment and completion at the basic level.

Government will pay special attention to the teaching and learning of science (including environmental science), technology, technical and vocational education as well as entrepreneurial skills at this level of education.

The National Apprenticeship Programme proposed for this level of education will be examined and an appropriate structure developed for its implementation. In this regard, the Council for Technical and Vocational Education Training (COTVET) will be empowered to perform its functions to provide the direction for technical and vocational education in Ghana.

Government will provide funds in the budget to revamp the Science Resource Centers in some selected schools during the year. In addition, mindful of its equity principle, Government will adopt a phased continuation of the construction and rehabilitation works started in the Senior High School.

The teacher will remain at the centre of attention in the effort to improve on the performance of the sector. The 38 Teacher Training Colleges, which are now diploma awarding institutions will be strengthened to achieve standards required of them.

The GES will be expected to revise its teacher deployment programme by focusing attention on the underserved areas. We will ensure that all allowances promised to teachers are paid to them. Besides, Government will support the distance learning programmes for teachers.

Government will continue to support tertiary institutions to provide quality education that would give satisfaction to both graduates and employers. Government notes the on-going expansion at this level of education and commends the efforts of the private tertiary institutions.

The jobs of the future require skilled minds and products of our tertiary institutions must reflect this. The National Accreditation Board must therefore insist on the highest standards of excellence.

The Non-formal Education Division has contributed to a reduction in adult illiteracy and Government will build on the progress made by resourcing it.

ENERGY

Madam Speaker,

The government has directed the GNPC to exercise its option to acquire a unitized paid interest of 3.75% in the Jubilee field venture. The value of this

share is \$161 million. In addition to establishing a regulatory framework for managing revenues for the benefit of Ghanaians, GNPC will also focus on expense management for the Jubilee project to ensure that development costs are fair and reasonable. GNPC will enforce local content policy where Ghanaians will be able to participate significantly in oilfield support services towards the development of the Jubilee field and other new prospects.

Revenues from oil and gas will be used to address challenges of poverty in Ghana through expenditures in priority areas of education, health, rural development, infrastructure, water and sanitation. Other priorities will include investment in physical and social infrastructure within communities close to the oil and gas production activities, investment in a Future Generation Fund to ensure sustained well being into the long-term and investment in technical training, scientific research and development.

Future Exploration

Further intensification of exploration in the years ahead will be achieved by GNPC continuing the active promotion of investment in the capital-intensive petroleum sector.

In addition to the Tano-Cape Three Points basin where recent discoveries have been made in deepwater areas, other sedimentary basins that GNPC will be encouraged to promote will include the onshore Voltaian basin which covers a large part of Ghana's surface area but where very little exploration has been undertaken to date.

TEMA OIL REFINERY

Madam Speaker,

The TOR has a mountain of debt which currently stands at GHC1146 million or 11.46 trillion old cedis. The current debt profile at TOR compares with a total debt of GHC318.6 million or 3.18 trillion cedis as at December 31, 2000. The current debt is due to unpaid debts on TOR's books, interests accumulated on the old debt and subsequent losses as a result of under-recovery from the ex-refinery pricing.

The TOR Debt Recovery Fund Levy had up to December 31, 2008 accumulated GHC720 million or 7.2 trillion cedis. The Government will review and get a full account of the utilization of the TOR Debt Recovery

Fund.

Financial Recovery Plan for VRA and ECG

The VRA also has a mountain of debt total debt exceeding \$800 million. At the insistence of creditors of VRA and ECG the Ministry of Finance and Economic Planning (MFEP) had undertaken in May 2008 to conduct a Power Sector Financial Restructuring and Recovery Study, the findings of which was to inform the development of a Comprehensive Financial Recovery Plan for the power utilities. The study has still not been completed. Clearly, the current state of affairs is unsustainable and should not be allowed to continue under the proposed 2009 Budget. To arrest this deteriorating financial situation, Ministry of Energy will work with the Ministry of Finance to:

- 1 Develop and implement comprehensive remedial measures, especially re-capitalization, that will ensure the long term financial viability of the power utilities
- 2 Complete without further delay, the **Power Sector Financial Restructuring and Recovery Study** that is necessary to inform Government of Ghana budgetary decisions on re-capitalization of the two power utilities plus the NED.
 - 1 Develop a **Comprehensive Financial Recovery Plan** for the three power utilities.

POWER

Ghana's installed electricity generation is about 1800 MW, excluding the emergency power plants. We will increase generation capacity in the country to at least 5000MW within the medium term. The anticipated increase in generation will enable cost-effective supply to meet the nation's requirements including that of VALCO.

Our policy outlook for the electricity sector involves the following:

- 1 Generation of electric power shall be fully open to private and public investors as Independent Power Producers.
- 2 We shall restore the momentum to the NDC programme to progressively provide access to electricity to all parts of the country.
- 3 Regional co-operation and integration in electricity supply as is being developed within the West Africa Power Pool (WAPP).

The above measures will enable a lowering of the cost of producing

electricity in Ghana and therefore a lowering of electricity tariffs to consumers.

INFORMATION TECHNOLOGY

Madam Speaker,

We intend to bridge the digital divide between the rural and urban communities to complement the promotion of the attainment of the goals and objectives of the four thematic areas of Government.

We also aim to improve telephone subscription in both fixed and mobile sectors to reach the rural and underserved areas.

We will encourage development of common telecom facilities that will enable Telecom Operators extend their services to many more communities.

We intend to accelerate a programme for common transparent ICT platform to enhance Government business and promote transparency and accountability. Through the use of ICT, Government will build a reliable database on all Government assets especially vehicles and landed properties

We aim to improve telephone subscription in both the fixed and mobile sectors to reach the rural and underserved areas.

We will encourage development of common telecom facilities that will enable Telecom Operators extend their services to many more communities. By encouraging co-location of facilities and mutual technical collaboration, telecom service providers will benefit from economies of scale and improve communications penetration to rural areas within the next four years.

Additionally GIFTEL will embark upon a schools connectivity project and so many more schools would be provided with connectivity and ICT equipment to enhance community and distance learning.

Special Social Interventions

Madam Speaker,

Under my administration, the Ministry of Women and Children will witness a significant budget increase and be strengthened to establish Gender Units in all District Assemblies and provide them with capacity to function optimally.

At the national level, we will give Cabinet authorization to the establishment of a Gender Budget Monitoring Unit in the Ministry of Women and Children in collaboration with Ministry of Finance. This unit will be given the mandate of facilitating the development of gender based budgets in all MDAs and monitoring the implementation of such budgets to ensure that the gender-equity commitments are respected and adhered to. We will revise, adapt and implement our affirmative Action Policy for Women of 1998, making sure that we have incorporated the key demands of the 2004 “Women’s Manifesto for Ghana” as well as those of other political parties consistent with our women’s empowerment agenda.

Ensuring Equitable Development

Madam Speaker,

By all measure of our national statistics, the three regions of the north – Northern, Upper East and Upper West Regions and the Central Region show unacceptable levels of poverty and deprivation. Communities in these regions are increasingly exhibiting worsening trends of infant, child and maternal mortality. Yet at the same time, these regions possess enormous potential to propel Ghana into a more diversified and vibrant economy. In accordance with a long-standing social contract with our people, we will undertake rapid efforts to bridge the developmental gap between the north and south and re-vitalize the Central Regional Developmental Commission (CEDECOM)

Specifically, my administration will in 2009 establish the Savannah Accelerated Development Authority (SADA) as a more holistic development agency to harness the development of the three Northern regions and Districts in the Brong-Ahafo and Volta Regions contiguous to the Northern Region. Using proceeds appropriated under the Northern Development Fund and with support from Development Partners, we will begin urgent development interventions in the three Northern Regions to bring the needed relief for farmers and residents whose livelihoods were destroyed by 2 successive floods. We will also begin the process of enabling the private

sector and civil society in these regions to accelerate development that enhances incomes and provide employment for the youth.

In the Central Region we will revive CEDECOM to develop a poverty reduction and employment generation master plan, especially targeted at the marginalized fishing communities. Seed funds will be created to enable CEDECOM to become a more reliable development catalyst for development and poverty reduction in the Central Region.

SPORTS

Madam Speaker,

We have come to meet a draft Sports Bill from the past administration. We will review it with various stakeholders and present it to Parliament in line with our Manifesto of developing a comprehensive Sports Policy and related legislation to regulate and guide sports development in Ghana. Our goal is to move away from the over-concentration on soccer and to some extent boxing. We must unearth and harness potential in track and field by giving inter-collegiate sports a new impetus

We will also structure management set-up to maximize returns from the four (4) new stadia built for the Ghana 2008 Africa Cup of Nations and the new Cape Coast stadium that obviously the NDC Government has to complete.

The immediate preoccupation of Government, apart from the draft sport bill and the sports policy is to collaborate with the Ghana Hockey Association to successfully host the 2009 Africa Hockey Cup of Nations. Government, in partnership with the Ghana Football Association will not only ensure a second appearance at 2010 FIFA World Cup in South Africa, but be one of the four nations that will play in the semi-finals and finals.

Our hearts and minds will also be with the Black Satellites, who will participate in the FIFA World Cup Youth Tournament in Egypt, come September. The ultimate target of the Government is to draw up and execute a strategic plan that will aim at Ghana capturing the commanding heights of not only sports in Africa but the world as a whole.

FOREIGN AFFAIRS

Madam Speaker,

It is a matter of considerable satisfaction that Ghana's foreign policy has continued to follow the principled paths delineated by the Founders of the Nation, in spite of the occasional changes in nuances over the years. And so the foreign policy of this administration will continue to be defined in its detail by the traditional features of very strong bilateral and multilateral ties, international treaty obligations and a firm commitment to the principles and objectives of the United Nations Charter.

We will participate in international affairs with a strong penchant for championing the causes of economic integration,, continental unity and Pan-Africanism, causes that our people have desired for so long.

In that regard, our immediate focus will be on activities within ECOWAS which are likely to stimulate a more vigorous interaction at the people's level. The concept of the free movement of persons and goods throughout our respective countries must progress from mere slogans to result oriented actions that will encourage integration and economic development in our sub-region.

Ghana will continue to be engaged vigorously with the world beyond the African Union. We intend to maintain an active role in the United Nations and its specialized agencies as well as in other multilateral organizations such as the Commonwealth, the Non-Aligned Movement etc. in order to shoulder our share of the responsibilities devolving on us as member of the international community.

We will honour all our legitimate international treaty obligations while we seek our objectives among friendly countries that share our commitment to good governance, peace and democracy. We make such a declaration because our governance model and service to the international community will continue to be defined by an unflinching support for world peace as well as social and economic justice for all. To these ends, Madam Speaker, we are currently engaged in re-assessing Ghana's diplomatic representation around the world in order to make Ghana's diplomacy efficient and cost-effective

CONCLUSION

Madam Speaker,

All throughout my political campaign, I pledged to make a difference in the

politics of Ghana; to depart from the vilification, backbiting, political mischief making and divisiveness which have bedeviled politics in this country.

Indeed our message of change begins with the fundamental realization that there is a new way to look at our problems and use political power as an instrument to shape our future. I am determined to restore a sense of community in this country; a community in which we all share in the responsibility of shouldering the common good.

I want us to be kind and generous to each other. I believe it is possible to bring back smiles to the faces of all Ghanaians, that even if economic prosperity is slow in coming, Ghanaians will say of this Government that we are truthful, honest and sincere.

We will hold ourselves and all other public officials strictly accountable and that principle is non-negotiable. I will be an example to the nation. I will be an example by being time-conscious.

And because it is hypocritical for those in political office to exhort people to sacrifice for the common good when we are not prepared to do same, I will lead by example.

I believe that all Ghanaians would join me to elevate Ghanaian politics beyond pettiness, and aim for something more sublime in the interest of Mother Ghana.

To this end, I extend a hand of friendship to all to join us on the path of unity and peaceful coexistence, even though we may differ in our political beliefs.

Madam Speaker,

This House should serve as a model to Ghanaians who should see your teamwork as a prime example of peaceful and productive coexistence. Our Nation is faced with economic difficulties and many challenges.

Can we build a unified country where all citizens have the opportunity to give off their best to Mother Ghana while earning a good education and a dignified standard of living?

Can we all live under the Rule of Law, whereby we are all governed by the same set of Laws and are equal before the Law?

Can we build a Better and Prosperous Ghana that works in the interest of all Ghanaians?

I believe that we can, and I thank you all for the opportunity to lead our Nation in the process of finding and implementing durable answers to these questions.

I invite my fellow citizens to join together in the process of re-generation of our country. We have to do it together – the past is gone – let's together build a better Ghana underpinned by honesty and integrity.

Working together we can lift Ghana to greatness of which we all can be proud.

There is only one Ghana, and it must work for the betterment of all Ghanaians.

Madam Speaker,

I thank you for your attention.

May God Bless Ghana.