



# GHANA BEYOND AID



CHARTER AND STRATEGY DOCUMENT



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**GHANA BEYOND AID**  
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## FOREWORD BY THE PRESIDENT

Fellow Ghanaians,

It is my firm conviction that we can, and should, make this beautiful country of ours more prosperous and improve the quality of life of every Ghanaian. We can, and should build a country where everyone has opportunities to develop to their fullest God-given potential; a Ghana where everyone has access to education, training, and productive employment; a Ghana where no one goes hungry and everyone has access to the necessities of life including good health care, water, sanitation, and decent housing in line with the Sustainable Development Goals (SDGs). Indeed, we can, and should, build a Ghana that is prosperous enough to stand on its own two feet; a Ghana that is beyond dependence on the charity of others to cater for the needs of its people, but instead engages with other countries competitively through trade and investments and through political cooperation for enhanced regional and global peace and security.

We can do this, because we are a nation of smart, dedicated and hard-working people; a nation blessed with abundant natural resources, and a nation that has maintained peace and political stability and has earned international respect and goodwill.

All we need is a clear strategy and a firm collective will to pursue this goal, harnessing and deploying our resources efficiently and effectively, and embracing the discipline and change in mindset and attitudes that will enable us to do things differently and in a better way.

Simply put, my Fellow Ghanaians, we can, and should, build a Ghana Beyond Aid.

This has been my clarion call to you, Ghanaians, since you accorded me the highest privilege of electing me as your leader. Indeed, a significant part of my address to the nation on our 61st Independence Day celebration on 6th March, 2018 was devoted to the theme of Ghana Beyond Aid. Three months after that, in June 2018, I inaugurated the Ghana Beyond Aid Charter Committee. This Committee, chaired by the Senior Minister, reached out beyond Government to include Academia, Business and Labour. The Committee was also charged to consult widely across all sections of Ghanaian society in order to address two issues:

- (a) develop the broad aspiration of Ghana Beyond Aid into a clear vision and strategy that can make Ghana prosperous and take it beyond aid in the shortest possible time; and
- (b) identify the key changes in values, attitudes, and behaviour that we Ghanaians have to either reinforce or change in order to ensure that we can effectively implement the strategy.

The Committee has consulted widely with Ghanaians, and it has synthesized the insights gathered into a simple, but compelling strategy that can take us beyond aid, backed by a Charter consisting of key fundamental values that almost all Ghanaians will agree we need to embrace if we are to pursue seriously the Ghana Beyond Aid vision.

I need not mention the fact that this is not the first time that Ghana has announced an ambitious strategy or plan to transform our country economically and socially. We are all

aware of the development plans launched by various governments over the years that fell far short of their ambitious aims for one reason or the other. So what is different this time?

There are two very important differences this time. Having reviewed carefully the history of our past efforts, and having consulted widely with Ghanaians, the Committee has recommended—and I have endorsed—an approach based on 2 key pillars: (a) the Ghana Beyond Aid agenda should be a National Agenda, rather than a government agenda; and (b) The Ghana Beyond Aid agenda should focus on values, mindset and attitudinal changes that condition the environment for pursuing development, rather than on a list of projects that Government is to implement.

Fellow Ghanaians, we are blessed to live in a country where every four years we can freely vote for a government of our choice, and we are all proud that our national elections are consequential; they can result in changes in government, and even incumbents can be defeated. But transformational development—the one that can take us to a Ghana Beyond Aid—takes more than 4 years or even 8 years. So, we need to find a way to set a development course that will endure, regardless of changes in government.

The Committee has responded to this challenge by approaching Ghana Beyond Aid as a National Agenda, rather than as an agenda of the Government of the day. It has developed Ghana Beyond Aid into a vision based on 5 broad goals: **A Wealthy, Inclusive, Sustainable, Empowered, and Resilient Ghana, or in short, a W.I.S.E.R Ghana**, using the first letters of the 5- goals. These are goals that resonate with all Ghanaians, and which I would hope they are prepared to commit to and to demand same from future governments. In addition, the strategy proposed by the Committee reaches out beyond Government to mobilize the energy, creativity and resources of business, labour, civil society, traditional leaders and all key stakeholders in society, so that implementation success depends much more on what Ghanaians do, rather than on what the Government of the day does.

Equally as important, the strategy puts due emphasis on the “software” underpinnings of development—values, mindset, attitudes and behaviour. It is relatively easy to produce a technically brilliant plan with a list of ambitious projects. Over the years, Ghana has produced a fair number of these. But most have not been implemented effectively. At the end of the day, development plans are implemented by people responding to incentives, policies, laws and regulations. What are the values and mindset that must pertain to those in Government who set and enforce the policies, laws and regulations or who are entrusted with public resources? Equally important, what values and mindset must pertain to business, labour and the individual Ghanaian? If we get these right, then any decent plan can be implemented effectively to ensure that we make good and steady progress towards realizing our vision. But if we do not get them right, then even the most brilliant plan or strategy will remain just a paper exercise. The Committee, after listening to the people, has come up with a set of fundamental values that must guide us in our quest to march rapidly to a Ghana Beyond Aid.

The document also acknowledges that a responsive policy environment is required so that as we change our attitudes and values, we will not have to be confronted with the same old hurdles which inhibit our growth and development. That is why I welcome the commitment to reform and sustain a robust macroeconomic environment, increase government domestic resource mobilization and pursue strategic investments which among others, will enable

import substitution, especially food, clothing and construction materials, within the shortest possible time.

The values, mindset, attitudes and behavior changes which I am calling for will complement the policy changes and reforms which are being rolled out. The two will be mutually reinforcing as we march boldly and confidently to Ghana Beyond Aid.

Fellow Ghanaians, let us all join hands and begin the exciting journey!  
God Bless our homeland, Ghana!

**NANA ADDO DANKWA AKUFO-ADDO  
PRESIDENT OF THE REPUBLIC**

## PREFACE BY SENIOR MINISTER

Ghana is a resource-rich nation with considerable endowment in natural resources and human capital. When these resources are well harnessed and deployed creatively in a transparent manner, they should catalyse Ghana's economic development rapidly. This is the reason why Ghana was seen as a country of great potential when we attained independence in 1957. After 62 years of independence, Ghana is still seen as having the potential to advance economically. The natural question therefore arises; what should we do to actualise our potential of becoming a prosperous and self-reliant nation, taking into account the many resources which are available to us as a nation?

It is the search for an answer to this question that has informed the President's vision of Ghana Beyond Aid. Through Ghana Beyond Aid, we are seeking to find collectively, practical ways of unleashing the embedded potential of Ghana and the people of Ghana so that we can together become a:

“prosperous and self-confident Ghana that is in charge of her economic destiny; a transformed Ghana that is prosperous enough to be beyond needing aid, and that engages competitively with the rest of the world through trade and investment.”

This noble aspiration is attainable if we collectively embrace a new mindset and embark on a journey to prosperity.

Aid has played an important role in our national development. However, as a country, we need more than aid to expedite economic transformation to the desired level. Ghana Beyond Aid is therefore a national and non-partisan call to harness effectively our own resources and deploy them effectively and efficiently for rapid economic and social transformation. We should vigorously maximize revenue generation both from domestic and external sources while marshaling all forces to clamp down on all forms of corruption. There is the need for a renewed mindset and resolve to break the cycle of dependency, especially, through modernization of agriculture and accelerated industrialisation.

It is important to highlight that the vision of attaining a 'Ghana Beyond Aid' is not aimed at isolating Ghana from the comity of nations and development partnerships. Ghana Beyond Aid is not anti-aid or aid rejection. It is rather about being more efficient and effective in how we mobilize and use our resources. It requires that we set our development priorities right so that our creative energies and resources, including aid, can all be deployed to fast-track our economic transition from an under-developed country to a confident and self-reliant nation.

As Ghanaians, we have the primary responsibility to build our country. However, business as usual will not bring new results. Therefore, the Ghana Beyond Aid Charter is calling for a fundamental change in our attitudes and work ethics so that we can boost productivity. As a people, we need to adhere to laws and regulations because the cost of non-compliance undermines development significantly. It is in this context that the Ghana Beyond Aid Charter becomes more critical.



The Charter outlines the foundational changes which are required from all stakeholders in development to drive and expedite our march towards economic self-reliance.

As Government calls on the citizenry to embrace a new and productive approach to work and nation building, there is the need for corresponding commitment from those who have been entrusted with the leadership and resources of the state. It is the expectation that this vision of Ghana Beyond Aid will engender fresh commitment and partnership between Government and the citizenry, as we build collectively, a prosperous nation using our God-given resources for the good of all.

**YAW OSAFO-MAAFO  
SENIOR MINISTER AND CHAIRMAN  
“GHANA BEYOND AID” COMMITTEE**

# CHAPTER ONE: WHAT IS GHANA BEYOND AID?

## **A. A national transformation agenda.**

Ghana Beyond Aid is a national transformation agenda comprising a vision of the Ghana we want and the mindset and behavioural changes that we Ghanaians commit to make in order to pursue that vision. The vision calls for transforming our economy, which is now based mainly on the production and exports of raw materials, to one based on manufacturing and high value services; an economy that provides opportunities, jobs, and prosperity to all Ghanaians. The mindset and behavioural changes required are embodied in the Ghana Beyond Aid Charter.

**Poverty in the midst of plenty.** As a nation, we are blessed with a smart, youthful, and enterprising population. Our country is also well endowed with many natural resources such as gold, bauxite, iron ore, diamonds, oil, natural gas, timber, cocoa, water, fertile land etc. The truth, however, is that the state of our nation does not bear out that we have these natural endowments. Poverty continues to be our lot. Mismanagement, corruption and high fiscal deficits have become the hallmarks of our economy, which we finance through borrowing and foreign aid.

In his address to the nation on the occasion of Ghana's 61<sup>st</sup> Independence Day celebration, the President, noted this paradox and outlined **a vision of a Ghana we can and should strive to build:**

“It is time to pursue a path to prosperity and self-respect for our nation. A **Ghana Beyond Aid** is a prosperous and self-confident Ghana that is in charge of her economic destiny; a transformed Ghana that is prosperous enough to be beyond needing aid, and that engages competitively with the rest of the world through trade and investment.”

Pursuing the vision requires high and efficient investments in infrastructure, education and skills, scientific and technological capability, which in turn require policies and institutions to significantly raise domestic revenue and savings, attract foreign investments, and to create an environment where businesses thrive.

Though very ambitious, the Ghana Beyond Aid vision is achievable. Other nations with even fewer resources have done it.

However, we are not going to achieve the vision of a Ghana beyond aid by just talking about it. We have to DO something about it!

We have to do things differently; business as usual will not take us to a Ghana Beyond Aid. This is where the second aspect of the Ghana Beyond Aid agenda comes in: the **need for a paradigm shift in mindset, attitudes and behaviour** in order to successfully pursue the vision.

As the President noted in his address:

“To get to a Ghana Beyond Aid, we will have to harness effectively our own resources, and deploy them creatively and efficiently for rapid economic and social transformation. This will require hard work, enterprise, creativity, and a consistent fight against corruption in public life. It will also require that we break from a

mentality of dependency and adopt a confident can-do spirit, fueled by love for our dear country, Ghana. We cannot subordinate the common good to build a prosperous nation for the selfish interest of a few.”

**B. Ghana Beyond Aid is about Transforming and Growing out of Dependence on Aid; not about Rejecting Aid**

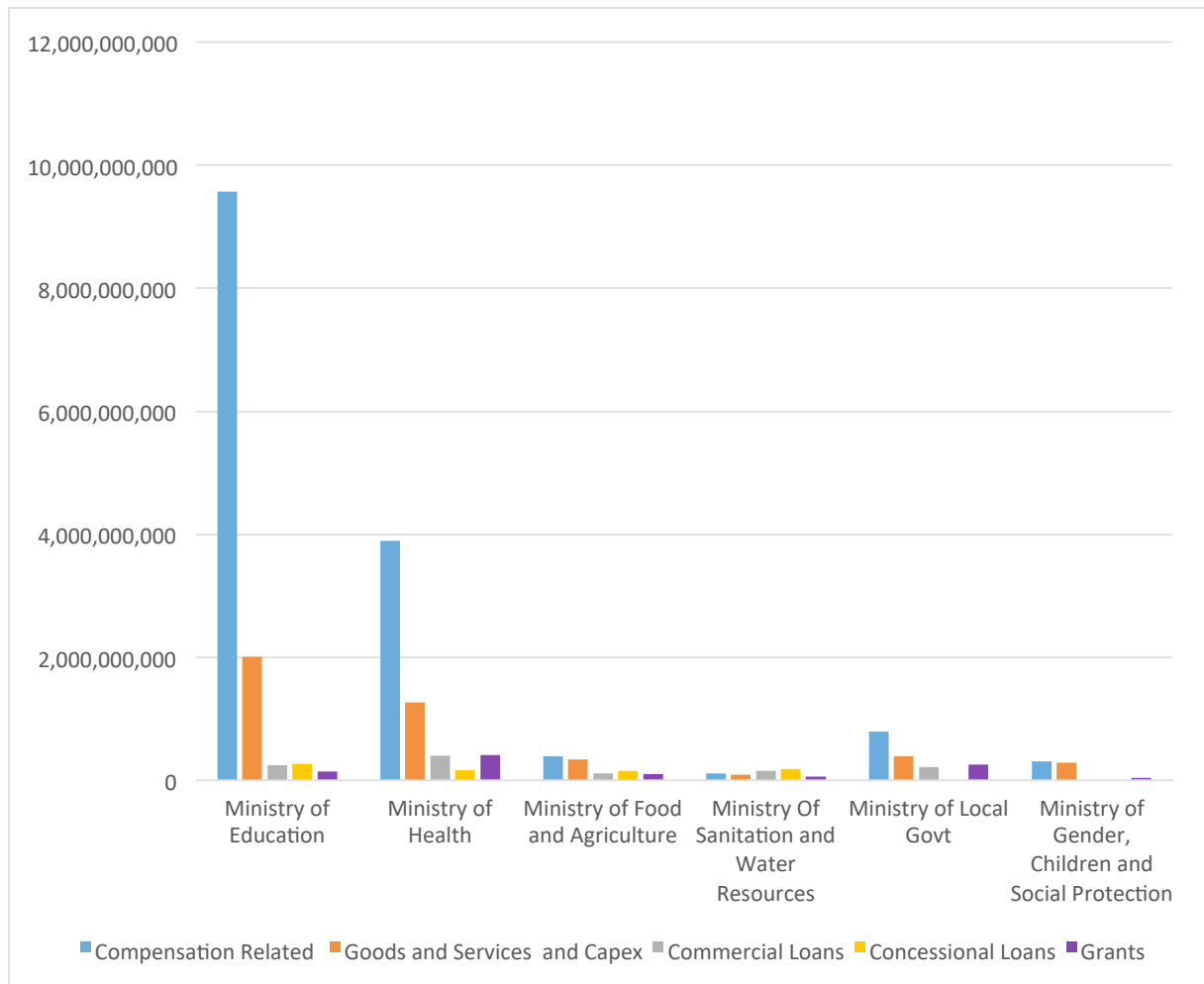
We recognize that the economic transformation and growth of our economy that will make us prosperous and move us beyond aid will have to be financed primarily by domestic resources and also by foreign private investment. But aid still has an important and welcome role to play. Ghana Beyond Aid has two important implications for aid and our relations with development partners. First, we will pursue a clear strategy for economic transformation and we will insist that aid be firmly aligned to it. Second, there are certain basic services, such as basic education, health, sanitation and water resources, that after 62 years as an independent nation, we need to cater for ourselves without stretching out our hands to donors. This is important for our self-respect as a nation. Further, dependence on donors for such basics has tended to have the unfortunate effects of absorbing an inordinate amount of the time of our officials and distorting our national socio-economic priorities. So, the Ghana Beyond Aid agenda includes a target to steadily increase Ghana’s contribution to basic public services while encouraging donors to re-orient their programmes to strongly support our economic transformation so as to hasten the time when we no longer need any aid, and in fact would be in a position to offer assistance to some of the poorer countries on our continent.

Aid comes in two broad forms: grants, which we do not have to repay, and concessional loans (i.e. loans priced significantly below market rates, with concessionary/grant element of 35 percent or more, such as loans from the African Development Bank and the World Bank, among others).

For the three years from 2016 to 2018, aid (the sum of grants and concessional loans) averaged 5.7 percent of Government of Ghana budgetary expenditure. If we consider only grants, the average was 3.2 percent. These numbers have been on a declining trend, and for the year 2018, they were 3.1 percent for aid and 2.0 percent for grants.

The chart below shows the main sources of revenue to selected Ministries. The chart indicates that Government of Ghana’s contributions in the form of Goods and Services, Capex and compensation related expenditure are by far the dominant sources of revenue to the Ministries. At the face of it, aid/grant’s contribution remains largely low.

Figure 1: Revenue Sources to selected Ministries between 2016- 2018



The impact of aid (and grants) on the budget is much more significant than what the chart may suggest. For the overall budget, if we exclude compensation payments (i.e. wages, salaries, allowances, and pensions), interest payments, and statutory transfers to consider expenditure on just goods and services and on capital, then the percentage of aid averaged 38.3 percent over 2016 to 2018, while grants alone averaged 21.2 percent. This feature is even more pronounced in the expenditure of some of the Ministries and Services. For example, from 2016 to 2018, for the Ministry of Food and Agriculture, and for the Ministry of Water and Sanitation, aid as a percentage of Government of Ghana financed expenditures on goods and services and on capital averaged 102.8 and 312.1 percent respectively. The percentages were 22.7 and 46.9 respectively for the Ministry Education and the Ministry of Health; and for the Ministry of Gender, Children, and Social Protection, and the Ministry of Local Government, they were 54.3 percent and 104.1 percent. Again, the lower percentages for 2018 reflect the downward movement, but still the levels are significant.

What these numbers suggest is that for a number of Ministries and Services, while Government pays salaries, the abilities of these paid staff to actually operate and deliver to

the people (i.e. through goods, services, and capital expenditure) are severely constrained without donors. So, even though Government pays the bulk of the expenditure, at the margin donors get to be rather influential in shaping priorities and determining what is actually done by those MDAs that rely significantly on donors for operational resources.

Our target is to steadily increase Ghana Government's own contribution to the budget, and:

- For the overall budget—reduce grants as a percentage of Government of Ghana budgetary expenditure on goods and services and on capital from the average of 21.2 percent (from 2016 to 2018) to below 5 percent by the end of 2023 and to below 2 by the end of 2028;
- For every Ministry and Service--reduce grants as a percentage of Government of Ghana budgetary expenditure on goods and services and on capital to no more than 10 percent by 2023, and below 5 percent by 2028;
- Any aid (concessional loans or grants) will have to be aligned with Ghana's transformation strategy and priorities in order to be accepted into the budget;
- There will be no ceiling on long-term concessional loans that promote economic transformation and growth by financing **infrastructure, skills development, and scientific and technological capacity development** at the post-secondary levels.
- Starting from 2020, it will be unacceptable for any Ghanaian public official to accept workshop and meeting allowances and per diems within Ghana from donors.

The above targets will be pursued within the broader agenda of Ghana Beyond Aid. We will be more focused and disciplined in mobilizing our own resources and in deploying them creatively and efficiently to promote rapid economic growth and transformation.

We can certainly use aid that is fully aligned to our priorities to supplement our resources in order to make faster progress. But we are also mindful of the fact that most donor countries are now facing economic difficulties, and consequently, the trend of aid flows in the coming years is likely to be steeply downwards. So, pursuing our targets for aid in our budget will help us prepare for the inevitable.

### **C. Ghana Beyond Aid is Different; it is not a Development Plan with a list of Projects to be Implemented by Government.**

Ghana Beyond Aid is not a development plan or strategy with a list of projects that Government intends to implement. It is much more fundamental. Ghana Beyond Aid aims to change fundamentally, the environment within which, and the manner by which we pursue development in order to ensure successful implementation of whatever specific plan we decide to adopt.

Over the years, since independence, Ghana has prepared and adopted many plans and economic strategy documents inspired by various ideological perspectives. A review of our experience with these plans shows clearly that while all of them were reasonably well-prepared on technical grounds, almost all of them, regardless of ideological perspective, have not been well-implemented, and achievements have been wide off targets. This experience convinces us that the key issue is not: What plan? Ghanaians are well capable of preparing technically good plans. The key issue is: Do we have in place the conditions that facilitate successful plan implementation? In particular, do we have a set of goals that all Ghanaians share; have we clearly identified the changes in mindset and behaviour necessary for

successful pursuit of the goals; and have we sufficiently communicated and engaged with Ghanaians to secure a broad-based commitment to pursuing the changes required? We are of the view that if these issues are well-addressed, then an environment will be created that ensures that any decently prepared plan or strategy document will have a very good chance of being implemented successfully for our rapid advancement to a prosperous nation that no longer needs to rely on aid; a Ghana Beyond Aid.

#### **D. Institutionalizing Ghana Beyond Aid**

We will pursue the Ghana Beyond Aid agenda by working on five main initiatives:

- Translate the broad Ghana Beyond Aid Vision into specific monitorable goals that are embraced by all Ghanaians;
- Commit to a Ghana Beyond Aid Charter that specifies key values and attitudinal foundations necessary for pursuing the Vision;
- Commit to policy and institutional Reforms necessary for driving the Ghana Beyond Aid agenda;
- Mobilize and motivate Ghanaians in all walks of life to contribute to and to embrace the Vision and the reforms; and
- Form an effective Social Partnership between Government and key stakeholders in society to prosecute Ghana Beyond Aid as an ongoing national agenda, rather than as a particular plan of the Government that happens to be in power.

Taking action in the five areas above will create an inclusive and nationally-owned vision and approach, which will therefore be a more robust and enduring environment for implementing development programmes. The Social Partnership Framework will ensure ongoing fidelity to the nationally agreed vision, goals, and reforms in attitudes and behaviour, but each Government may draw up its own plan (of programmes and investment projects) to pursue them in its own way. In this regard, the current Coordinated Programme is the plan from which programmes and investment projects will be drawn by this Government, in pursuit of the Ghana Beyond Aid agenda.

Ghana Beyond Aid requires that we foster a spirit of collaboration among all stakeholders in Ghana's development including the individual Ghanaian, Business, Labour and Government, among others, in pursuit of rapid economic growth and job creation. There is the need for a firm resolve for a paradigm shift that starts with fundamental change in our value system as captured in the Ghana Beyond Aid Charter.

**Roadmap to the rest of the report.** The rest of this document is organized in six chapters. Chapter 2 presents the Ghana Beyond Aid Charter. Chapter 3 then outlines the consultative nature of the development of the Ghana Beyond Aid Charter. Chapter 4, breaks down the overarching Ghana Beyond Aid Vision *into 5 broad goals—building a: Wealthy, Inclusive, Sustainable, Empowered, and Resilient (WISER) Society*. These goals are consistent with those in: the President's Coordinated Programme of Economic and Social Development Policies (2017-2024), the African Union's (AU) Agenda 2063, and the United Nations' (UN) Sustainable Development Goals (Agenda 2030).

Chapter 5 identifies and discusses the key reforms needed to efficiently harness and deploy resources for rapid economic transformation. Chapters 3 to 5 form the core of the vision, as well as the reforms required to create the institutional and policy platform necessary for successful pursuit of the Ghana Beyond Aid agenda. With this platform in place, Chapter 6 discusses the specific programmes and projects that the current government is implementing in the drive towards Ghana Beyond Aid. The last chapter, Chapter 7, discusses implementation arrangements.

## CHAPTER TWO: GHANA BEYOND AID CHARTER

We, the Citizens of Ghana, individually, and collectively as Social Partners, commit to pursuing the Vision of Ghana Beyond Aid by striving to achieve the goals of a *Wealthy, Inclusive, Sustainable, Empowered, and Resilient Ghana (a W.I.S.E.R Ghana)*.

We are cognizant of the fact that every Ghanaian has a role to play in building the Ghana that past generations envisioned, present generation aspire to and posterity will be proud to inherit.

Therefore, in order to pursue effectively the Vision of Ghana Beyond Aid and build a W.I.S.E.R Ghana in the shortest possible time, we have to rid ourselves of the mindset of dependency and do things differently in Ghana; we recognize that business as usual will not take us to Ghana Beyond Aid.

We therefore resolve and pledge to embrace attitudinal change and be more committed to the following fundamental values:

- **Patriotism**; putting the national interest above partisan, tribal or regional interests;
- **Honesty** in dealing with each other and with the State, including paying our taxes;
- **Respect** for each other, our laws, our institutions, and our natural environment;
- **Discipline, hard work**, punctuality, responsibility and civic engagement;
- **Volunteerism** and working with others to address basic challenges within our communities;
- **Self-reliance** on Ghana's own resources as the primary driver of our development;
- **Wise and efficient use** of Ghana's resources and safeguarding the public purse;
- **Transparency and Accountability**: a Ghana free of all forms of corruption;
- **Equal opportunities** for all Ghanaians regardless of gender, tribe, region, or politics;
- **Strong support for private sector** growth and job-creation; and
- **Collaboration among Social Partners**, particularly Labour, Business, and Government, for economic and social development.



## CHAPTER THREE

# DEVELOPING THE GHANA BEYOND AID CHARTER AND STRATEGY DOCUMENT: THE CONSULTATIVE PROCESS

Ghana Beyond Aid is a vision of the President, which is aimed at transitioning Ghana from our current socio-economic status to a prosperous and buoyant economy that is in charge of its own destiny. The President however recognizes that for us to attain this vision, all Ghanaians and stakeholders must embrace and commit to pursue the Ghana Beyond Aid agenda. The vision of a Ghana Beyond Aid is essentially about stirring the innate abilities of the Ghanaian and channeling our resources and unique abilities in ways that will make Ghana prosperous and self-reliant. Ghana Beyond Aid is therefore all about how to leverage and deploy our resources for our transformation as a people.

Ghana Beyond Aid is a non-partisan call, which is expected to trigger a new sense of nationalism and patriotism that will serve as the rallying point to shape our collective socio-economic destiny. Ghana Beyond Aid therefore requires a social partnership among the people of Ghana, and this is reflected in the composition of the Committee that was constituted by the President to develop a Charter and Strategy Document for Ghana Beyond Aid.

The Ghana Beyond Aid Charter Committee was inaugurated by the President on 13th June, 2018. It was chaired by the Senior Minister, Yaw Osafo-Maafa, and the following were the members:

A. From Government

- i. Minister for Finance
- ii. Minister for Labour and Employment Relations
- iii. Minister for Planning
- iv. Minister for Local Government and Rural Development
- v. Minister for Monitoring and Evaluation
- vi. Minister for Information

B. The Committee also had institutional representatives from the following major stakeholders;

- i. Trades Union Congress (TUC)
- ii. Ghana National Association of Teachers (GNAT)
- iii. Private Enterprise Federation (PEF)
- iv. Association of Ghana Industries (AGI)
- v. Ghana National Chamber of Commerce and Industry (GNCCI)
- vi. National Union of Ghana Students (NUGS)

C. Additional persons playing important roles in the country as well as technical experts from the Office of the Senior Minister and the Ministry of Finance were also brought on board to provide extra support to the Committee. (A detailed list of the membership of the Committee is appended to this report as Appendix A).

The Committee held several strategy meetings and constituted eight (8) Sub-Committees to examine in detail the key aspects of the Ghana Beyond Aid vision. These are:

- i. Agriculture Modernization
- ii. Finance and Economy
- iii. Industrialization and Private Sector Development
- iv. Infrastructure
- v. Labour and Employment
- vi. Values and Attitudinal Change
- vii. Human Resource Development
- viii. Publicity and Public Engagement

In the course of their work, the various Sub-Committees brought on board other experts with the skills and capacity to contribute to the issues under consideration. All the Sub-Committees prepared reports on the changes required to bring transformation.

### **Request for Position Papers and contributions from key Stakeholders**

For such a transformational agenda to be sustainable, it must have the buy in and support of the entire citizenry and other stakeholders in our development discourse. Such stakeholders include academic and research institutions, civil society organisations, professional bodies, faith based organisations and traditional institutions among others. Accordingly, some of these stakeholders (numbering 30) were invited to contribute position papers on their understanding of the Ghana Beyond Aid vision and what could be done differently in order to make this vision a reality. These institutions include the Department of Economics, University of Ghana; Faculty of Engineering, Kwame Nkrumah University of Science and Technology; Peasant Farmers Association of Ghana; University for Development Studies; Ghana Institution of Engineering; and the National House of Chiefs among others. (Details of the various institutions invited and the titles of their contributions are attached to this report as Appendix B). Furthermore, each Ministry provided a detailed analysis of what will be their contribution towards the vision of Ghana Beyond Aid. In addition, the Committee received several voluntary submissions from Ghanaians, both home and abroad. These numerous contributions provided some very important suggestions regarding what needs to be done to expedite our march to Ghana Beyond Aid.

The Ghana Beyond Aid Strategy Document which has been produced by the Committee therefore, reflects inputs from all the above groups of Ghanaians and key institutions. The document consists of a Charter and a Strategy. The Charter comprises some fundamental values that the Committee proposes Citizens, Government, and key stakeholders should commit to in order for us to make rapid progress in our pursuit of a Ghana beyond aid. The strategy, which accompanies the Charter, outlines our collective aspirations and development targets as a nation. It further defines the concrete steps that are required, as well as the roles of all stakeholders in our quest to be economically prosperous and self-reliant. For example, the Charter requires government to be ethical, corruption-free, prudent, and efficient in the management of public resources. Citizens, on the other hand, should be honest and patriotic, especially in honouring their tax obligations in full and on a timely basis. Citizens should also demonstrate stronger work ethics in order to ensure improved and sustained productivity. And the private sector should be more entrepreneurial and innovative. All other stakeholders, such as traditional authorities, Parliament, Judiciary, the Media, Civil Society and Faith

Based Organisations have critical roles to play in our collective march towards Ghana Beyond Aid.

By framing Ghana Beyond Aid as both a Social Partnership and an Economic Development Strategy, we are seeking to create a Wealthy, Inclusive, Sustainable, Empowered and Resilient (W.I.S.E.R) Ghana that will benefit all and leave no one behind regardless of age, gender, disability or any other factor. Our pursuit of expedited economic development will remain responsive to environmental protection, as well as the need to deepen democracy and good governance, including commitment to fighting corruption.

Ghana Beyond Aid is attainable, if we move beyond simply wishing to doing what is expected of all of us as social partners of Ghana's development. Let us seize the moment and together build a Wealthy, Inclusive, Sustainable, Empowered and Resilient Ghana for our own good and for the sake of posterity.

## CHAPTER FOUR: THE GHANA BEYOND AID VISION

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### *TOWARDS A WEALTHY, INCLUSIVE, SUSTAINABLE, EMPOWERED, AND RESILIENT (W.I.S.E.R) GHANA.*

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The vision of Ghana Beyond Aid is to build:

“... a prosperous and self-confident Ghana that is in charge of her economic destiny; a transformed Ghana that is prosperous enough to be beyond needing aid, and that engages competitively with the rest of the world through trade and investment.”

This overarching vision rests on pursuing 5 broad goals, which spell out to building a “**W.I.S.E.R**” Ghana:

<b>W</b>	Wealthy Ghana
<b>I</b>	Inclusive Ghana
<b>S</b>	Sustainable Ghana
<b>E</b>	Empowered Ghana; and
<b>R</b>	Resilient Ghana

#### **Relationship to the Coordinated Programme.**

Building a W.I.S.E.R Ghana is consistent with the 4 goals of the President’s Coordinated Programme. Building a Wealthy Ghana corresponds to building a “Prosperous Society” in the Coordinated Programme; similarly, Inclusive Ghana corresponds to “Create opportunities for all Ghanaians” in the Coordinated Programme; Sustainable Ghana corresponds to “Safeguard the natural environment and ensure resilient built environment”; and an Empowered Ghana corresponds to “Maintain a stable, united, and safe society” anchored on deepened democratic governance in the Coordinated Programme. The last W.I.S.E.R goal, a Resilient Ghana, has been added in order to highlight the spirit of “... a self-confident Ghana ...” that motivates the Ghana Beyond Aid drive.

While retaining the essence of the 4 goals of the Coordinated Programme, we have done some re-labelling and re-arrangements to achieve a catchy phrase to encapsulate and convey the goals of Ghana Beyond Aid. The W.I.S.E.R goals are also consistent with the AU’s Agenda 2063 and the UN’s Sustainable Development Goals.

In this chapter, we highlight some of the salient aspects of the Ghana Beyond Aid vision in a way that captures the imagination of Ghanaians and motivates them to strive towards their attainment. The vision that we paint is ambitious, but realistic and achievable. We provide indicators and set ourselves targets, in order to make the vision concrete. In the next chapter, we take up the key reforms and departures from “business as usual” that will be required to pursue the vision.

(1) **A Wealthy Ghana**— based on a fast-growing and transforming economy; per capita GDP will more than double in 10-years to US\$ 4,500 as GDP growth accelerates to over 9 percent a year.

*A fast-growing economy.* Ghana’s GDP per capita by the end of 2017 was US\$ 2,035 (in terms of the 2018 rebasing).<sup>1</sup> By the end of 2018, we estimate it will grow to about US\$ 2,150. Our goal is to double this figure to around US\$ 4,500 by 2028. With the population growth estimated at 2.2 percent over the period, this will require an average GDP growth rate of 9.5 percent a year.

A GDP growth rate of 9.5 percent sustained over a decade will be one of the highest ever attained by any country (Table 1). For example, over the fifty-year period, from 1967 to 2017, the highest average growth rate over 10 years in Malaysia was 9.3 percent (from 1988 to 1997) and in Thailand it was also 9.3 percent (from 1987 to 1996). Only South Korea (11.3 percent average annual growth from 1968 to 1977), China (10.7 percent average annual from 2002 to 2011), and Ethiopia (11.02 percent from 2004 to 2013, from a low base) have been able to grow faster over a decade than the growth target for Ghana. It is worth noting that the two Asian countries sustained high growth rates for two to three decades, but they were not democracies during the period (and neither was Ethiopia). Taking account of the fact that Ghana is a democracy, it is more realistic to benchmark Ghana’s growth rate target to those experienced by Malaysia and Thailand, who were more or less democracies during their period of high growth, rather than to those of South Korea and China (and Ethiopia).

**Table 1: Growth Spurts – Highest Ten-year average Annual Growth Rate**

Country	Percentage Growth(%)	Years	2008 - 2017 Average Growth rate(%)
Ghana	7.84%	2004 - 2013	7.26%
Ireland	7.83%	1995 - 2004	4.47%
Chile	7.44%	1988 - 1997	3.01%
Thailand	9.28%	1987 - 1996	4.47%
Malaysia	9.27%	1988 - 1997	4.74%
Vietnam	7.68%	1989 - 1998	6.01%
Tunisia	7.46%	1971 - 1980	3.93%
Cote D`Ivoire	8.49%	1968 - 1977	5.68%
Ethiopia	11.02%	2004 - 2013	10.10%
Kenya	8.18%	1971 - 1980	5.03%
Rwanda	8.23%	2001 - 2010	7.46%
South Korea	11.29%	1968 - 1977	3.10%
China	10.69%	2002 - 2011	8.26%

An average growth rate of 9.5 percent over a decade would be a first for Ghana. The highest average growth rate that our economy has been able to sustain over a ten-year period in the last fifty years is 7.8 percent (from 2004 to 2014). The average growth rate over the past ten-year period (2008 to 2017), a period that includes oil production, was 7.3 percent. This

<sup>1</sup> We are using US\$ for the baseline and projections in order to enable comparison of Ghana with other countries.

implies that to attain the 9.5 percent annual growth rate, we have to raise our recent average decadal growth rate by 2.2 percentage points. This high GDP growth rate cannot be achieved by doing business as usual. We will need fundamental reforms, starting from 2019, as discussed later (Chapter 4) in this document.

***A rapidly transforming economy.*** We will ensure that Ghana’s high growth is grounded in a structural transformation that results in a modernized, competitive and resilient economy. In other words, we aim for *Growth with DEPTH*—i.e. *Diversification, Export competitiveness, Productivity increases, and Technological upgrading, which generates High income and employment. We need to rationalize our imports and exports, paying special attention to the reduction of our food import bills through food import substitution.*

By 2028, Ghana’s economy will be much more diversified in both production (GDP) and exports. The shares of agriculture, industry and services will be: 15, 35 and 50 percent respectively, compared to the current shares of 22, 31 and 47 percent. We will focus particularly on manufacturing, raising its share from the current 12.2 percent to 20 percent of GDP.

A growing share of manufacturing in GDP has characterized almost all economic transformation experiences. In 1967 the share of manufacturing in GDP in Ghana, Malaysia and Thailand were, respectively: 11.9 percent, 11.7 percent, and 15.3 percent. The share in Malaysia rose to 28.4 percent in 1997 before entering a falling trend. Similarly, the share in Thailand rose to 31.1 percent in 2010 before starting to fall (Table 2). In Ghana, however, the share of manufacturing which is now 12.2 percent, has generally been stagnant. A critical part of the Ghana Beyond Aid agenda is to boost manufacturing.

**Table 2: The Structure of the Economy (% of GDP)**

Country	Indicators	1966	1967	1997	2007	2017
Ghana	Agriculture, forestry, and fishing	43.28	40.23	35.78	27.29	22.0
Ghana	Industry (including construction)	18.38	20.48	25.67	19.49	30.7
Ghana	Manufacturing	10.21	11.90	9.05	8.60	12.2
Ghana	Services			27.89	47.17	47.30
Thailand	Agriculture, forestry, and fishing	33.40	29.24	9.07	9.35	8.65
Thailand	Industry (including construction)	22.51	24.96	36.78	39.55	35.05
Thailand	Manufacturing	13.65	15.26	26.71	30.75	27.09
Thailand	Services			54.15	51.10	56.29
Malaysia	Agriculture, forestry, and fishing	31.54	31.60	11.10	9.99	8.78
Malaysia	Industry (including construction)	29.65	29.31	44.57	42.22	38.79
Malaysia	Manufacturing	10.56	11.68	28.38	26.12	22.27
Malaysia	Services			48.24	44.52	51.01

***Revival of manufacturing in Ghana will be based on five pillars:***

- (a) agro-processing, based on a **modernized and higher productivity agriculture** that is able to supply agricultural produce at scale and with consistent quality for processing;
- (b) adding value to our minerals, oil and gas, starting with an integrated aluminium industry based on our bauxite, and a petro-chemical industry, based on our oil and gas. There would be a conscious effort by Government to ban the exportation of raw minerals;

- (c) labour-intensive manufacturing, such as assembly and textiles, that take advantage of our growing labour force;
- (d) ICT applications (the digital economy), that take advantage of the rising level of education of our youth; and
- (e) our potential to leverage our position as the gateway to the larger ECOWAS market which is about 350 million people.

Modernization of agriculture will be the foundation for agro-processing and agro-based industrialization. Implementation of the “Planting for Food and Jobs (PFJ)” will be strengthened and expanded to include poultry and livestock through the “Rearing for Food and Jobs (RFJ)” programme. Irrigation infrastructure will be expanded or rehabilitated and agricultural storage capacity also expanded with the construction of additional warehouses. These programmes will ensure reliable supply of quality agricultural produce at scale to feed agro-processing industries, which will be supported strongly by the “One-District-One-Factory (1D1F)” programme. To this end, strong linkages through policy and institutional coordination will be forged between the agricultural programmes and 1D1F. Further agro-based industrialization will be pursued through the manufacturing of tractors and of fertilizers, using Ghana’s natural gas resources.

Through the One-Region-One-Park programme, Government will partner with the private sector through public-private partnerships (PPPs) to develop at least, one industrial park in each region, in order to anchor labor-intensive manufacturing, including assembly and textiles. Already, Government has signed agreements with Volkswagen, Nissan, and SinoTruk to set up assembly operations in Ghana.

***Rising human capital and technological capability.*** The manufacturing revival will require that we upgrade our skills to run the modern farms and the factories efficiently. The Free Senior High School and TVET programmes, which have ensured access to higher secondary level education to every young Ghanaian, will be complemented by quality improvements. In addition, determined efforts will be made to raise significantly the share of TVET enrollment and graduates at the secondary school level, in order to ensure that our youth are equipped with the necessary skills to become productive employees or dynamic entrepreneurs in industry and modern agriculture.

The Ghanaian economy of 2028 will also be operating at a higher technological level. To ensure this, we will push for and support an increased focus on Science, Technology, Engineering, and Mathematics (STEM) in our schools, particularly in our universities and technical institutes, which will be encouraged to form Research and Development (R&D) partnership arrangements with industry. We will also support innovation and strong R&D institutes, sometimes in collaboration with industry, in the specific areas that will help drive our economic transformation, including in agriculture and natural resources processing.

Ghana will be an active player in ICT and in the “*Fourth Industrial Revolution*”. By 2028, Ghana would have leveraged its abundant human talent to become a leader (at least in Africa) in the digital economy. It would have created a technology sub-sector that produces innovative applications - software, generates productive employment with high incomes for our educated youth, provides solutions for technological leap-frogging in many areas of the economy, and also contributes to services exports such as business-process outsourcing and software exports.

**Quality infrastructure.** We will invest, both directly and indirectly through PPPs, in quality public infrastructure—roads, railways, power, water, sanitation, industrial parks, etc. - to make Ghana a cost-effective and attractive place for industry and business in general. We will ensure that Ghanaian industries and consumers have access to uninterrupted and quality supply of power at an economical cost. By 2028, the Eastern, Western and Central railway lines would be completed and functional, linking large areas of the country with regular quality rail services. There will be a network of four-lane expressways linking Accra, Kumasi, and at least three additional regional capitals. Ghana will also be a logistics hub with a world-class Accra International Airport that serves many countries in Africa and beyond. In addition, there will be at least two other well-provisioned international airports in the country. It will no longer be the case that every Ghanaian, regardless of which part of the country they reside in, has to travel to Accra in order to fly out of the country.

**Rising competitiveness and sophistication in exports and stronger competitiveness against imports on the domestic market.** In line with industrialization and the structural changes in the Ghanaian economy, the nation's exports will also be transformed. Ghana's exports by 2028 would have moved away from heavy dependence on unprocessed agricultural, mineral, oil and gas exports, to higher levels of manufactures and high value services exports, including ICT and high-value tourism. In particular, we will be processing more of our cocoa and getting more value for it. Similarly, we will be exporting aluminum and petrochemical products instead of raw bauxite, and oil and gas.

The range of exports would have increased to include higher-value non-traditional exports. Currently (2016), our top 5 exports, i.e. Gold (US\$ 9.4 billion – 57%), Cocoa Beans (US\$ 2.21 billion – 13%), Crude Petroleum (US\$ 1.19 billion – 7.2%), Coconuts, Brazil Nuts, and Cashew (US\$ 619 million – 3.8 %) and Coniferous wood sawn timber—make up over 80 percent of our merchandise exports. We will vigorously promote the expansion of other exports so that the share of the top 5 exports falls to under 50 percent by 2028, in order to make our exports more diversified. In addition to moving up the technological ladder and value-chain in the global export market, Ghana's transformed exports structure will ensure greater resilience against unfavorable natural events and adverse demand and price movements on global markets.

Overall, we will become more competitive internationally, raising the share of exports in GDP from 35.3 percent (2017) to 60 percent. We will also become more competitive on the domestic market against imports, particularly in food. We now import around two-and-half billion Dollars' worth of food per year, including almost US\$ 1.1 billion worth of rice, over US\$ 800 million of sugar, and US\$ 400 million in poultry. By 2028, our food import bill would have been halved, and poultry imports would have turned to poultry exports.

It is important to track our quest and pursuit of creating a Wealthy Ghana and the table below offers indicators, baseline and targets which will guide the implementation process.



**Table 3: A Wealthy and Transformed Economy (Indicators, Baselines and Targets)**

Indicators	Baseline – 2017 (unless o/w specified)	Estimate, 2018	Target, 2019	Target, 2023	Target, 2028
GDP (current US\$ billion, rebased)	58.92	62.22	66.95	107.8	168.2
GDP growth (Real, annual %)	8.1	5.6	7.6	10	9
GDP per capita (US\$)	2035	2102	2210	3257	4,558
Population, total (million)	28.9	29.6	30.3	33.1	36.9
Manufacturing, value added (% of GDP)	12.2	12.5	13	16	20
International tourism, receipts (% of GDP)	2.22	2.4	2.6	2.9	3.5
ICT Service Export (% of GDP)	0.01	0.01	0.01	0.4	1
Exports of goods and services (% of GDP)	39.92	40	41	45	50
Manufactures exports (% of merchandise exports)	14.78	16	16.5	22	30
Top 5 Exports (% of total Commodity Exports)	83.34	81	80	73	60
Exports to Africa (% of Total Exports)	14.0	14.5	15	19	25
Exports to ECOWAS (% of Total Exports)	7.5	8	9	11	15
Cereal yield (kg per hectare)	1,842	1,900	2,000	2,300	2,800
Manufacturing Value Added Per Worker	22,453	23,000	23,500	25,000	30,000

**(2) Inclusive Ghana—All Ghanaians will have opportunities to participate and to benefit from economic growth and transformation.**

**Reducing Poverty and Inequality.** Rapid growth under Ghana Beyond Aid will leave no one behind. By making sure that growth is accompanied by significant expansion of job opportunities, and by equipping citizens with the means to take advantage of these opportunities through improved access to quality education and skills training, as well as other programmes, every Ghanaian will be a stakeholder in a Wealthy Ghana. The poverty rate (i.e. under US\$ 3.20 per day) in 2028, will be down to under 15 percent, from the current rate of around 32 percent. The Gini Index will be around 35, compared to 42 now. Prosperity will also be shared widely across all regions of Ghana. By 2028, the poverty rate in the poorest region should be no more than three times that of the region with the lowest poverty rate (compared to over 12 times now).

***Formal sector employment will increase significantly.*** We will ensure that the opportunities opened up by our transforming economy are available to all Ghanaians equally. The key will be through expansion of productive employment opportunities. According to the conventional statistics, our employment rate is over 95 percent. But we all know that about 80 percent of workers are in the informal sector where earnings are low and conditions challenging. Our educated youth therefore shun work in the informal sector. As we increase access to secondary and tertiary levels of education, this challenge will grow, unless we adopt radical measures to expand productive employment in the formal sector. Besides, as a nation, it makes little sense to invest in the education of our youth if the conditions to utilize their education are not created so that both they and the nation can reap the benefits of the investment. We will therefore link closely our human capital development and our medium and long-term economic strategies and plans.

By 2028, a young man or woman entering the labour market from our secondary or tertiary institutions would confidently expect to secure productive employment (a job or remunerative self-employment) in his or her area of study and interest within two years. Formal sector employment (jobs and self-employment) will rise from under 20 percent now to about 50 percent of employment by 2028.

***Equal access to quality education and skills development to prepare the youth for jobs.*** By 2028, thanks to our Free SHS and TVET programmes, every Ghanaian youth will have opportunity to complete a senior high school, a technical school, or a vocational institution to prepare him or her to participate fully in the economy, regardless of the circumstances of his or her birth. To enhance the employability of graduates, we will improve quality in our educational system and orient the curricular more closely to the needs of the economy and employers. We will also encourage strongly close links between business and our TVET institutions and our universities particularly, the technical ones.

*There will be full gender equality in all aspects of education, skills development, and employment opportunities.*

***Improved access to quality health care.*** By 2028, a financially viable and well-functioning National Health Insurance Scheme (NHIS) will provide at least 70 percent coverage of the population (up from the 35.6 percent in 2017) and greatly reduce non-affordability as a barrier to quality basic health care. A strong NHIS that reimburses service providers adequately and on time will have spurred the development of a thriving private medical service system to complement the state's efforts in expanding the health service infrastructure.

A critical part of any health system is trained health service personnel, including doctors and nurses. According to the standards of the World Health Organization (WHO), there should be one doctor to 5000 people and one nurse to 500 people. In Ghana, our current (2017) ratios are: one doctor to 8,000 people and one nurse to 800 people. Our target is to achieve the WHO standard for nurses by 2028 while working towards the standard for doctors in the long-term, with a 2028 target of one doctor to 6000 people (about 25 percent improvement).

We will also pay greater attention to mental health care. To date, we have done a poor job in this area. Only 2 percent of public hospitals offer mental health services (2014). This explains why so many people with mental health problems are found on the streets of Accra and other

cities, and in overcrowded prayer camps across the country. By 2028, our goal is to have at least 20 percent of public hospitals offering mental health services.

**Home ownership.** By 2028, there will be a well-developed Mortgage Finance system to provide Ghanaians access to affordable long-term mortgage for a house or an apartment. Also, a thriving private construction industry, supported by a robust Housing Construction Finance system, will ensure adequate supply of quality and affordable homes on the market. Resulting from these innovations, we expect that by 2028, a Ghanaian worker would have a realistic prospect of acquiring a long-term mortgage for a house or an apartment after 10 years of employment. According to the 2010 Housing Census, 54.4 percent of Ghanaian families live in one room (61.4% in urban areas and 45.5% in rural areas). By 2028, our goal is to reduce this ratio to 30 percent.

**Pension Systems for the Informal Sector.** By 2028 there will be financially self-sustaining pension systems covering at least 30 percent of workers in the informal sector, including farmers.

**Gender equality.** Women will have equal opportunities in all spheres of life in a Ghana Beyond Aid, particularly, in the economy and in leadership positions. In particular, government is committed to progressively increasing the number of women who are appointed as Ministers, Deputy Ministers and other political leadership positions. The implementation will focus on achieving targets as captured in the table below.

**Table 4: An Inclusive Ghana (Indicators, Baseline, and Targets)**

Indicators	Baseline – 2017 (unless o/w specified)	Estimate, 2018	Target, 2019	Target, 2023	Target, 2028
Poverty headcount ratio at \$3.20/\$1.90 a day (2011 PPP) (% of population)	32.5/12.0	30/11	28/10	20/5	10/0
GINI index (World Bank estimate)	42.40	42	42	39	35
Labor force, total (million)	13.6	14.0	14.5	16	19
Formal Employment (million)	4.5	4.7	5	6.5	9.5
Ratio of Formal Employment to Labor Force (%)	33.16	34	35	40	50
Share of private sector employment in formal employment (%)	48.2	49	50	60	72
Share of women in formal employment (%)	30	35	40	45	50
Access to Secondary Education (%)	60.41	64	70	90	95
Access to Tertiary-Level Education (%)	16	17	18	30	50
NHIA population coverage (%)	35.6	37	40	50	70
Number of people per Doctor/Nurse	8000 / 800	8000 / 750	7500 / 750	7000 / 600	6000 / 500
Home ownership rate (%)	47.5	48	50	58	70

(3) **A Sustainable Ghana—An environmentally-friendly, sustainable country with clean cities**

As well as being inclusive, Ghana’s economic growth and transformation will also be environmentally friendly and sustainable. We will track our progress by, among others, the indicators listed below, and by 2028:

*Our economic growth will not be achieved at the expense of our environment*

- Our rivers and natural landscapes will be clean
- Air pollution will be minimal
- Natural resources will be extracted responsibly and sustainably. Small-scale artisanal mining will be properly regulated to protect our forests and water bodies; the destruction currently being wreaked by “galamsey” will be no more.

*Cities and towns will be clean, green and pleasant*

- All Ghanaians will have access to clean water.
- All households will have improved toilet facilities (compared to 14 percent now), and there will be no more open defecation and urination.
- Waste will be collected and disposed of properly.
- Well-designed drainage systems will handle sewage, surface water, etc properly.
- All gutters along the streets of Accra and regional capitals will be covered and the practice of constructing open gutters along streets would have ceased.
- Cities will have parks and public green spaces.

*Ghana will promote green technology*

- 10 percent of our installed power capacity will be renewables (compared to 1 percent now).
- Use of plastic will have been reduced and Ghana will be pioneering the use and development of alternatives.
- Waste management will be recycling-intensive.

Key indicators and targets of a Sustainable Ghana are summarized in the table below.

**Table 5: A Sustainable Ghana (Indicators, Baselines, and Targets)**

Indicators	Baseline – 2017 (unless o/w specified)	Estimate, 2018	Target, 2019	Target, 2023	Target, 2028
Access to Potable Water (% of population)	77.80	79	80	88	100
Access to basic sanitation services (% of population)	14.28	15	18	35	60
Access to clean fuels and technologies for cooking (% of population)	21.71	22	25	35	50
Access to electricity (% of population)	79.30	83	87	90	100
Have we yet banned single-use plastics?	No	No	No	Yes	Yes

#### (4) An Empowered Ghana

*A Ghana Beyond Aid will see Ghana’s democracy deepened.* Citizens will become more engaged in building the nation and holding the government accountable; and Government will be more transparent, accountable with zero corruption, and responsive and efficient in delivering services. The indicators include the following:

- (a) Improvement in Ghana’s ranking on the Democracy Index
- (b) Passage and Implementation of the Freedom to Information Act
- (c) Improvement in Corruption Perception Index
- (d) Improved Quality of Public Service Delivery (e.g. take from the Pilots in the Public Sector Reform Project under the Senior Minister)
- (e) A professionalized Public Service where senior officers are recruited on merit and do not change with changes in political leadership (i.e. changes in the Party in power). These and other aspirational targets are captured in the table below.

**Table 6: An Empowered Ghana (Indicators, Baselines, and Targets)**

Indicators	Baseline – 2017 (unless o/w specified)	Estimate, 2018	Target, 2019	Target, 2023	Target, 2028
Overall governance (Mo Ibrahim)	68	68	68	73	80
Implementation of the Freedom of Information Act	No	No	No	Yes	Yes
Corruption Index Score	40	41	42	55	62
Quality of Public Service Delivery (towards electronic delivery of basic services- passport, licenses, etc)	Within 3 months	Within 3 months	Within 2 months	Within 2 weeks	Within three days
Ease of doing Business Rank	108	120	114	60	40

#### (5) A Resilient Ghana

*A key part of Ghana Beyond Aid is establishing the financial strength and resilience of our nation, projecting national self-confidence, and Ghana being recognized as an important and respected player on the global economic and political scene.* For this to happen, the first agenda item is for Ghana to be able to take care of its basic public needs. We should not have to depend on the charity of foreigners to educate our children, take care of our sick, and to keep our environment clean and sanitary.

**We should be financially resilient; our fiscal management and foreign reserves position should be so strong that we never have to go back to the IMF and other foreign entities for emergency financial assistance in order for the government to be able to pay for its basic functions and services.**

A resilient Ghana would also require a well-positioned economy that would be able to withstand and recover from external shocks. This will require a strong economy built on the foundation of strong safety nets.

Furthermore, Ghana should be recognized as the business and financial hub of the West African sub-region; a respected and attractive destination of choice for multinational businesses and international organizations serving the sub-region.

It is also vital that the transforming and prosperous Ghanaian economy has a strong indigenous presence in ownership and management.

The relevant indicators that we will be tracking are the following:

- (a) The fiscal deficit will be no more than 5 percent of GDP.
- (b) Foreign debt will be no more than 25 percent of GDP.
- (c) Capital expenditure will be at least a quarter of budgetary expenditure.
- (d) Grants will finance no more than 2 percent of the goods and services and capital expenditure in the total budget, and for any MDA, the ratio can be no more than 5 percent.
- (e) It will be unacceptable for Ghanaian public officials to accept workshop and meeting allowances and per diems from donors within Ghana.
- (f) All aid in the form of loans (i.e. concessional loans) will finance infrastructure and growth-promoting activities in the economic sectors, or skills development and technological capacity-enhancement at the post-secondary levels.
- (g) Foreign exchange reserves will be no less than 6 months of imports.
- (h) Ghana will be a business and financial services hub for the ECOWAS region.
- (i) Ghana will be a recognized Center of Excellence in Higher Education, Science, and Research and Development (R&D):
  - i. Number of Ghanaian universities in the world's top 200 universities (No Ghanaian University is ranked within the world's top 200 universities at the moment)
  - ii. Number of Ghanaian universities in Africa's top 10 universities (University of Ghana is ranked 7<sup>th</sup> in the current ranking)
  - iii. Number of national R&D institutes/centers supporting Ghana's economic transformation and recognized as global leaders in their fields
  - iv. Number of international R&D centers located in Ghana
- (j) Strong Indigenous Participation in the Ghanaian economy, measured by the share of majority Ghanaian-owned firms (in value-added or revenues) in the following sectors:
  - i. Manufacturing
  - ii. Construction
  - iii. Finance

In the table, these key indicators and targets are presented.

**Table 7: A Resilient Ghana (Indicators, Baseline, and Targets)**

Indicators	Baseline – 2017 (unless o/w specified)	Estimate, 2018	Target, 2019	Target, 2023	Target, 2028
Tax Revenue (percent of GDP-rebased)	11.9	12.6	13.1	18.0	23.0
Domestic Revenue (percent of GDP)	14.9	15.6	16.8	20.5	25.0
Fiscal deficit (percent of GDP)	4.8	3.7	4.2	< 5	< 3
Foreign debt (percent of GDP)	29.6	28.9	< 30	< 30	< 25
Capital Expenditure (percent of budgetary expenditure)	17.4	13.0	17.6	25	32
Grant financing (percent of GOG goods and services, and capital expenditure on education, health, and sanitation).	9;26;50	5;16;84	TBC	<10	<5
Foreign direct investment, net inflows (% of GDP)	6.88	8	9	10	12
Foreign exchange reserves as months of import cover.	3.5	3.8	4.5	6	> 6

# CHAPTER FIVE: REFORMS TOWARDS GHANA BEYOND AID: BREAKING AWAY FROM “BUSINESS AS USUAL”

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## Business as usual will not take us to Ghana Beyond Aid

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Ghana Beyond Aid is a very ambitious undertaking, as demonstrated by the underpinning W.I.S.E.R Society targets described in the previous chapter. It will require huge amounts of resources from Government and the private sector, consistent with the spirit of becoming less and less dependent on Aid. In fact, the bulk of the resources will have to come from the private sector, both Ghanaian and foreign. Ghana Beyond Aid will also require changes in mindset and attitudes so we begin to do things differently—smarter, more efficiently and effectively, and with a much higher sense of patriotism and civic responsibility. Business as usual will not take us to Ghana Beyond Aid.

The Ghana Beyond Aid Charter has spelt out the mindset and behavioural changes that will be required of every Ghanaian and of various stakeholders in society in order to pursue successfully a Ghana Beyond Aid. This is important to our self-esteem and pride as a nation. In this chapter, we focus on resource mobilisation and management, and on other important institutional and policy reforms for rapid economic growth and transformation.

The 9.5 percent target for average annual GDP growth under Ghana Beyond Aid will require that we raise substantially the level of national investment from the current level of around 12.2 percent of GDP<sup>2</sup> to 30 percent and above. Much of this will have to come from domestic and foreign private finance. So, Government will have to put in place the policy, regulatory, and institutional environment that makes Ghana attractive for private investment and business. The Government will also have a substantial role to play in undertaking strategic public investments in human and physical capital, and also in making carefully selected interventions to catalyze and facilitate the private sector to venture into new technologies, new areas of production, and new foreign markets.

Furthermore, Government, working with labour and business, can also facilitate skills and productivity upgrading of our workers and foster industrial peace, which will impact our rate of economic growth significantly.

We focus here, therefore, on ten important sets of policy and institutional reforms that will greatly impact our drive towards Ghana Beyond Aid. They are:

- (1) macroeconomic stability through prudent fiscal, debt, monetary, and exchange rate management;
- (2) higher public resource mobilization;
- (3) greater efficiency in the use of all public resources, and a more professional and transparent approach to public investments;

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<sup>2</sup> Due to the re-basing of Ghana’s GDP in 2018, which resulted in around 24% expansion in GDP, actual nominal ratios with GDP as denominator have all fallen by around 20 percent.



- (4) improved public infrastructure and easier and more secured access to land
- (5) a robust financial sector for higher domestic private savings and foreign private portfolio investment;
- (6) a more supportive private sector environment for domestic businesses and foreign direct investment (FDI), more aggressive investment promotion efforts, and support for Small-Scale Enterprises (SMEs) and Entrepreneurship;
- (7) export promotion and import substitution
- (8) building technological capabilities;
- (9) creating a strong social partnership among Government, business and labour; and
- (10) a more strategic mobilization and use of aid;

### **(1) Maintaining macroeconomic stability**

Government will maintain macroeconomic stability to foster a policy environment that reassures businesses and investors. The overarching policy targets for macroeconomic policy and financial sector management will be:

- (a) a low inflation rate—maintaining a single digit inflation between now and 2023 and targeting 5 percent rate of inflation by 2028;
- (b) a competitive and stable real exchange rate;
- (c) market-based interest rates at moderate levels to facilitate increased access to affordable finance by the private sector— rates of about 10 percent for short-term lending and around 15 percent for medium and long-term lending, including for mortgages;
- (d) a current budget surplus (i.e. excess of revenues over expenditures for goods and services and for interest payments) of no less than 5 percent of GDP by 2028 to create fiscal space for capital expenditure; and
- (e) a public debt-to-GDP ratio of less than 50 percent, with the foreign component being no more than half (i.e. 25 percent of GDP).

We will achieve these targets through prudent management and reforms in:

- (a) fiscal policy and debt management;
- (b) public investments management; and
- (c) monetary and exchange rate policies. The following are specific targets and measures for each of these areas.

#### ***Fiscal Policy***

Fiscal policy will be anchored in strong enforcement of the *Public Financial Management ACT, 2016* (Act 921), whose Regulations include a Fiscal Rule limiting deficits to not higher than 5 percent of GDP. Consistent with this rule and further, to meet our ECOWAS Treaty obligation, we will aim to bring the fiscal deficit down to not higher than 3 percent by 2028.

Raising the level of national investment to at least 30 percent of GDP each year will require a higher level of domestic savings—at around 27 percent of GDP, compared to less than 10 percent now. Part of the increased savings has to come from Government. Government will achieve this by raising revenue and by controlling expenditure on interest payments and on compensation, and by becoming more efficient in other goods and services expenditure. These measures will enable us to generate a current budget surplus to help finance higher level capital expenditure. Currently, domestic contribution to actual capital expenditure in the

budget is under 2 percent of GDP.<sup>3</sup> This needs to go up to at least 5 percent (with total capital expenditure in the budget being around 8 percent of GDP or a quarter of budgetary expenditure). There will also be the need to intensify efforts to attract foreign direct investment and private foreign financial capital.

In addition to Government and private sector resources, Aid will also help. But we will be more strategic in what type of Aid we accept and how we use it. We will seek to make Aid much more aligned to our development strategy and more efficient in implementation.

Government expenditure will be raised to between 28 percent and 30 percent of GDP from 1 percent of GDP now, even as we bring down the budget deficit. The key to achieving this will be raising the domestic revenue-to-GDP ratio to about 25 percent, compared to today's ratio of 15.4 percent. Details of revenue mobilization and expenditure efficiency measures are discussed below.

### ***Public Debt Management***

The overall objective of Ghana's medium to long term debt management strategy is to meet Government's funding needs on a timely basis and at a lower cost, subject to prudent levels of risk. Our target is a public-debt-to-GDP ratio of no more than 50 percent, with the external component constituting no more than 50 percent.

To this end, we will implement proactive liability management for our debt portfolio. For the medium term, we are re-profiling maturing domestic debt stock by extending tenure, using tap-ins and the book-building approach to issue longer dated and benchmark domestic bonds. We are also applying some debt switches and buybacks of external debt with support from the Sinking Fund.

We will also promote the development of efficient and effective primary and secondary domestic markets to ensure that the capital and money markets are efficient and effective in supporting the country's financing needs, and making Ghana the financial hub of West Africa.

### ***Monetary and Exchange Rate Policy***

The primary objective of monetary policy in Ghana is to ensure price stability, and subject to this objective, to support national economic objectives including those for growth and employment. The price stability objective is not an end in itself, but a reflection of the fact that, inflation is a major obstacle to growth. Thus, ensuring low and stable inflation is critical for the attainment of accelerated growth. Bank of Ghana will therefore continue to ensure a stronger commitment to single digit inflation as a means of promoting economic growth through lower financing costs. To achieve this objective, the Bank has strengthened its capacity to implement monetary policy. First, the introduction of the interest rate corridor has ensured proper alignment of market rates with the Bank of Ghana policy rate and increased the effectiveness of the transmission mechanism. Second, the Bank will continue to strengthen its modelling and forecasting capacity. Third, the Bank will invest resources to improve on surveys to measure business and consumer confidence. These measures will lead

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<sup>3</sup> Domestic contribution to capital expenditure is calculated as domestically financed capital expenditure plus 80% of combined transfers to GetFund, DACF, Road fund, Energy fund, and GNPC. This amounted to 1.9 percent of GDP as at October 2018.

to interest rates that promote savings, but are affordable to borrowers, particularly for businesses.

Exchange rate management will aim to maintain a competitive and stable real exchange rate, by ensuring that exchange rate depreciation and inflation rates are in line, and movements in both are moderate. A competitive and stable real exchange rate provides a natural protection for domestic producers of import substitutes, promotes exports, and maintains orderly capital flows, thus stimulating production, employment, and strengthening the external balance of payments.

## **(2) Increased Government Resource Mobilization**

### ***Higher Tax Revenue Mobilization.***

Ghana Beyond Aid involves efficient and effective mobilisation and utilisation of Ghana's resources. Resources in the form of taxes and other sources of domestic revenue have been under-performing largely over the years. Domestic revenue to GDP in Ghana in 2018 was 15.6 percent, one of the lowest across the ECOWAS Sub Region which has an average of 19.1 percent. Tax revenue to GDP in Ghana in 2018 was 12.6 percent.

Many avenues for tax and domestic revenues are either unexplored or the assessment and collection processes are riddled with huge levels of inefficiencies. For example, there are 15.7 million voters on the nation's official voter register. However, only about 1.2 million are captured for the purpose of taxation. While admitting that some of those captured on the national voter register may be students, unemployed, elderly and therefore not economically active, a comparison with other countries suggests that Ghana has a significant disparity between voters and tax payers. But, citizenship goes with responsibilities, and as we strive to propel Ghana Beyond Aid, we need to find innovative ways to widen our tax net and to bring in the huge informal sector, which employs over 80 percent of workers.

Local government authorities are expected to be more proactive in the mobilization of local resources for local investment. This is important in creating a vitalized local economy. Revenue sources such as property rates, business operating permits, as well as parking charges (especially in urban and peri-urban local government authorities) should be prioritized as major sources of internally generated revenue to local government authorities as it is done in many developed countries.

Tax policy and administration will be modernized and strengthened in ways that ensure that incentives for production are enhanced even as we increase revenue from taxes from 12.6 percent of GDP to about 23 percent by 2028. This target is also consistent with levels in our peer Lower Middle Income countries. (i.e. income per capita level of US\$ 996 and above).<sup>4</sup>

Consistent with our objective of maintaining incentives for production, instead of new taxes, our focus in raising additional revenue will be *on base-broadening, administrative efficiency, increased taxpayer compliance, plugging of loopholes and reduction of corruption.* The

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<sup>4</sup> The latest World Bank classification middle income countries are: Lower-middle income (\$996-\$3,895), Upper-middle income (\$3,896-\$12,055).

national digital address system and the national identification system will be very helpful in formalizing the economy and bringing additional individuals and businesses into the tax net.

Income tax coverage will rise from 10.3 percent of eligible tax-payers (i.e. 1 million out of 11.6 million) to more than 50 percent by 2028. All registered businesses will pay their corporate income tax duly. Reforms and strengthened capacities in the Ghana Revenue Authority (GRA) will ensure that mining and other foreign companies fully pay their taxes and royalties due, with little room for engaging in transfer pricing and other tax-avoidance schemes. Similarly, the VAT compliance will be increased significantly. In line with the norms in developed countries, customs duties will be less important in Ghana's revenue structure by 2028, but exemptions will be reduced to the barest minimum.

### ***Innovative Sources of Public Borrowing.***

Additionally, we will seek innovative and diversified financing sources, including development of municipal bonds to finance particular local projects (as is done in Rwanda), and raising of Diaspora bonds and Green bonds at competitive rates. An innovative source of funding that we will pursue is a shelf-offering of a very long-term sovereign bond for up to a hundred years—i.e. a “Century Bond”—to ensure predictable access to funding to develop our strategic infrastructure. Our expectation is that we can issue the century bond at an affordable rate, which will also enable us to retire some of our existing higher-rated debts, and thereby put our national debt on a more sustainable path. We will also pursue well-crafted agreements involving the exchange of some of our natural resources for development projects (as in the Sinohydro agreement). We will introduce a new fiscal regime for the mining sector, which will not only encourage value addition to our mineral resources and leverage the resources for development, but also extend the current structure of government mineral revenues from just royalties and profit sharing to taking our shares of minerals output directly before sales.

### **(3) Raising Efficiency in Public Expenditure; Protecting the Public Purse.**

Government will pursue a number of initiatives in order to improve the efficiency of expenditure, particularly of public investments. Some of these initiatives are highlighted below.

***Digitisation and cashless payments.*** We will pursue a digitization and cashless payments initiative in all Government entities. This will greatly increase transparency and efficiency of payments to and from Government and also aid cash management.

***Payroll management.*** To improve overall efficiency in compensation (including payroll) management—the biggest expenditure component of the budget, Government will outsource payroll management. Pilot implementation will begin with one MDA (Ministries, Departments and Agencies) in 2019.

***Standardisation and reduction of construction costs.*** Public infrastructure projects in Health, (such as Community-based Health Planning Services (CHPS), Polyclinics, District Hospitals and Regional Hospitals); Education (classrooms, dormitories, and science laboratories); as well as in Roads will be guided by standardised designs and costs in order to ensure value for money.

***Control of vehicle, travel, and IT costs.*** Furthermore, Government will introduce efficiencies and control in important cost drivers, including: standardisation and centralisation of vehicle and IT procurement, travel expenditure, allowances to public officials, and allowances paid to Board members of public institutions. By 2028, we would have put in place schemes to facilitate Ministers and public officers to acquire their own houses and vehicles, and the practice of providing Government housing and vehicles will cease, except for the President, Vice-President, Speaker of Parliament, the Chief Justice and selected top public officials.

***Public Sector Investments.*** We will enforce rigorously, a professional and transparent management of public investment projects, including PPPs, to ensure that: projects are aligned fully with government transformation priorities; projects are well-designed and offer least cost for the desired project objectives; there is value-for-money and no corruption in procurement; and there is timely and efficient implementation of projects. To ensure that highly skilled professionals with project appraisal and cutting-edge financial expertise can be attracted to manage public investments, including PPPs, a professional public service agency will be established outside the Civil Service. Such an agency will be able to pay market-based salaries so it can attract the types of expertise required, and demand results.

***State-owned Enterprises.*** We will reform the governance of State-owned Enterprises and maintain strong oversight over their performance. Targets will be set for the Board and Management of each enterprise, and they will be monitored diligently. Good performance on the targets will attract rewards and poor performance will attract sanctions, which will be applied and announced publicly. Each state enterprise that the Government designates as commercially-oriented will be required to meet a specified minimum positive rate of return on assets annually.

#### **(4) Improved and Expanded Infrastructure and easier and more secured access to land**

***Infrastructure.*** Improved and expanded infrastructure, particularly power, transport, water and ICT is critical to our economic transformation objectives, as well as to the day to day lives of Ghanaians. Investments and management of ICT infrastructure have so far been catered for primarily by the private sector. We will maintain a policy and regulatory environment that ensures that this continues, and the pace accelerated. But for the others; power, transport, and water, Government investment must lead.

We have already discussed how fiscal policy must be managed to free fiscal space (i.e. a target of 5 percent current budget surplus) for capital investments, which could contribute towards public infrastructure. We have also discussed the need for professional and transparent management of public expenditure to ensure value-for-money, so we can get the maximum coverage and impact for our public expenditure. Further, we have also highlighted the reforms we need in our State Owned Enterprises (SOEs), which are mainly responsible for the management of our public infrastructure assets. These measures are systemic and enduring, and will help us finance our infrastructure needs. But, additionally, there are two important priorities in infrastructure that we will tackle expeditiously within the first half of 2019. These are power sector reforms and a PPP law to attract private sector investment to complement Government resources.

***Power.*** An immediate priority of Government in professionalizing and ensuring value-for-money in public investments is the review and rationalization of Power Purchase Agreements

(PPAs) in the energy sector. This will be followed up with major reforms in the structure, governance, and management of State-Owned Enterprises in the energy sector, and the drawing up and implementation of a comprehensive least-cost power expansion plan. Our ability as a nation to realise our industrialization objective, depends critically on being able to guarantee reliable supply of power at competitive costs. Currently, the cost of power in Ghana is one of the highest in West Africa. For example, Ghana's electricity tariff for commercial users is US\$ 0.32 per Kilowatt hour while domestic users pay US\$ 19.28 for the same consumption while neighbouring Ivory Coast charges US\$ 0.13 cents for commercial users per Kilowatt hour and US\$ 0.09 per Kilowatt hour for domestic users.

**PPPs.** Ghana's infrastructure needs are huge; about US\$7 billion annually over the next 10 years. Budgetary resources alone (from Government revenue, borrowing and grant) cannot meet the requirement, so we need to make Ghana a very attractive place for private sector infrastructure finance. A critical requirement in this regard is a well-crafted PPP legislation that creates an efficient, transparent, robust, and a fair legal framework for both the Government and private investors. Government will soon submit to Parliament a PPP Bill that aims at these objectives.

**Easier and Secured Access to Land:** A modernized agriculture is agriculture that is run as a business. Business requires investment, and investment often requires financing from banks and other financial institutions. Financial institutions require collateral before they will advance credit, and for a farmer, the most important asset for collateral is his or her land. However, in Ghana, the land tenure system is mostly communal, so often it is not possible for farmers to pledge their farms as collateral for loans. Another challenge is that the communal tenure system often makes it very difficult for an individual farmer to attain the minimum size required for a farm to be run economically. These particularly pose challenges to a potential farmer who is not an indigene of the area he or she is targeting to farm, and also for the youth who do not have the requisite funds or connections.

The above are serious challenges to transforming Ghana's agriculture from one that is mainly peasant and subsistence-based to one that is a modern and a high-productivity commercial enterprise that will attract investors and the youth. Government will work closely with Chiefs and Traditional Authorities, the custodians of land, to find feasible and systemic solutions to these problems in the medium term. In the meantime, Government will implement the following two initiatives to address the challenges.

**Digitisation of Land Records.** The first initiative, which we are already pursuing is the digitisation of land records. This will provide the baseline in terms of ownership and reduce significantly the rampant fraud and protracted litigations that characterize land transactions in Ghana. It will also facilitate the emergence of a more efficient land rental market. This will enable people, particularly the youth, who cannot afford the outright purchase of land to acquire secured access to land for farming at lower entry costs and with fewer procedural hurdles.

**Land Banks—One-Region-One-Agricultural Park.** The second initiative is the acquisition of *land banks* by Government for onward rental to the youth and other investors for farming. This will be a very critical intervention to attract and assist our educated youth to venture into farming and to create a modern and high-productivity farming system to replace the current traditional farming of our parents and grandparents. In the same way that Government facilitates the acquisition of land for industrial parks or special economic zones and also

facilitates the provision of services on these parks or zones for operators in industry, Government will acquire land from the traditional authorities and use them to create ***agricultural parks for medium scale Ghanaian commercial farmers, particularly the educated youth.***

Analogous to an industrial park, an agricultural park will be a large block of land, demarcated into standard sizes (e.g. 20 hectares) for viable commercial farms, and provided with the necessary infrastructure and support services. Government will promote the agricultural parks in partnership with the private sector and donors. Government will lead in land acquisition, demarcation, and provision of basic roads, water, and electricity; the private sector will lead in the provision of commercial services (e.g. sale of agricultural inputs, provision of logistics and mechanization services, banking services); and all the partners will collaborate in various ways to provide farmer training, research and extension. Government will progressively over time, seek to establish an agricultural park in each region.

### **(5) A Robust Financial Sector for Higher Private Savings and Investment**

Ghana needs a robust financial sector, capable of mobilizing and channeling domestic and foreign savings to finance our economic growth and transformation in more effective and efficient manner. In particular, we need to double our domestic savings rate from under 10 percent of GDP to over 26 percent of GDP.

***Strong indigenous participation in the financial sector.*** To achieve these objectives, we need, among others, a strong, dynamic, and well-capitalized banking sector with indigenous majority-owned banks among the leading institutions.

Just over the last two years (2016/2017 and 2017/2018 cocoa crop seasons), Ghana raised syndicated loans totaling US\$ 3.1 billion (US\$ 1.8bn and US\$ 1.3 billion, respectively). This transaction is no doubt one of the easiest and most lucrative credit facilities for the banks involved. But, the syndication was done and led by non-indigenous financial houses. Not a single indigenous bank was involved in the last US\$ 1.3 billion raised. Hence, it is time we took deliberate steps to build the capacity of our local banks to become major participants in this assured multi-billion Dollar money market, right here in Ghana.

We will streamline regulations and strengthen supervision in order to ensure a dynamic but safe financial sector with significant indigenous participation that expands financial inclusion and is efficient in spurring domestic savings and channeling them efficiently into investments.

We have recently concluded the clean-up of the banking systems and the raising of the minimum capital requirement for banks. The latter will encourage the small indigenous banks to either inject more capital into their balance sheets or seek to merge with other local banks, resulting in consolidation and strengthening of the sub-sector. Going forward, we will also extend the clean-up and consolidation efforts to the Micro-Finance Institutions (MFI) and Savings and Loans (S&L) sub-sectors.

***A new development bank.*** We will set up a new National Development Bank that is strong enough to mobilize domestic and foreign long-term private capital, in addition to Government's contributions towards agricultural and industrial transformation. This

institution, which will operate as a Wholesale Bank, using a private sector model, will provide financial institutions with long-term financing to accelerate industrialization and agricultural modernization. Although the Ghanaian banking sector comprises of universal banks which can operate in retail, corporate or development banking based on their risk appetite, development banking continues to be hindered by lack of long term funding. This is because the classification of commercial, development and merchant banks was abolished with the introduction of universal banking in the early 2000s.

The new development bank, which will not be deposit-taking, will mobilize long-term funds and lend them to banks that will meet very strict criteria. The development bank, which will seek non-government equity participation from both domestic and foreign sources, will have governance and management structures that meet international best practice, and will be professionally-run. Government's prudent macroeconomic policies and streamlined business regulations, will foster an environment conducive to profitable private investment, so that borrowers can repay their loans to the bank to ensure that it is financially self-sustaining.

***De-risking lending to agriculture.*** Currently, only about 4 percent of bank lending goes to agriculture, due mainly to the high perceived risk of the sector. We will soon launch the *Ghana Incentive-Based Risk-Sharing Scheme for Agricultural Lending (GIRSAL)*, which will provide guarantees to commercial banks to partially cover the risks of their lending to agriculture, in order to encourage them to lend to farming and other agricultural value-chain activities.

***Restructure and Strengthen GIIF and the EXIM bank.*** Also, Government will restructure the Ghana Infrastructure Investment Fund (GIIF) to enhance its ability to mobilize foreign private capital for critical infrastructure development, using a private sector model. Similarly, the Ghana Export-Import (EXIM) Bank will be strengthened and refocused to enable it to carry out its core transformative mandate of promoting exports and imports.

***Other Financial Institutions.*** Government will also reform the Pensions, Insurance and Securities industries so as to strengthen our capital market development and increase the availability of equity capital and long-term debt instruments. We will also evolve financially self-sustaining pension systems for the informal sector, including farmers.

***A strong mortgage finance market.*** Apart from this, Government will partner with the private sector to develop a National Mortgage and Housing Finance Scheme. The scheme will provide cheaper long-term local currency mortgages and residential housing finance to help close the estimated 2 million housing deficit, promote social equity and stimulate the economy.

***Ghana as a financial services hub.*** Over the next five years, our intention is to grow a multi-billion dollar International Financial Services (IFS) centre in Ghana, making our country the preferred headquarters for all international banks operating in the West Africa region. The strategy will involve capitalizing on Ghana's political and economic strengths within the region, creating a well-regulated and sound financial system, modern industrial enclaves with world-class infrastructure and quality of life, and attracting anchor institutions to drive success in becoming a financial services hub.

Our targets in this regard are:

(1) to attract the headquarters of major banks serving the region,



- (2) establish a regional Eurodollar market for debt, equity, commodities and currencies,
- (3) implement a dedicated legal regime including an arbitration system
- (4) establish strong technology platforms and a Fintech hub, with modern infrastructure for financial services and
- (5) establish a government debt market that will attract excess cash from corporates in the region. Linked to this are efforts towards projecting Ghana as the regional centre for financial technology and payment systems.

A financial services hub will diversify our economy, add high-value services to our exports, create jobs for Ghanaians, and increase revenue for the Government to invest in the country.

**(6) A More Supportive Private Sector Environment for both Domestic Businesses and Foreign Direct Investment (FDI), more aggressive Investment Promotion Efforts, and Support for Small and Medium-Scale Enterprises (SMEs) and Entrepreneurship**

***Business Environment.*** Our economic transformation will be spearheaded by the private sector—as investors, producers, exporters, and employers. So, we need to create a business environment that attracts both domestic and foreign investors and businesses. In this, we recognize that we are competing with the rest of Africa and the world at large. We must therefore undertake radical reforms to reduce “red tape” and bottlenecks involved in starting and operating a business in Ghana. We will track our performance on this objective by:

- Instituting a systematic and regular dialogue with the private sector to seek their feedback on the business environment and their inputs into new policies;
- Digitalizing as much as possible, the provision of Government services to the private sector in order to increase efficiency, speed, transparency and traceability, and also to reduce the incidence of “lost files” and corruption; and by
- Improving Ghana’s ranking on the “Doing Business” index.

Government, led by the Ministry of Trade and Industry, is already in the process of pursuing these objectives, including finalization of the updating of the Companies Code, and the introduction of e-registration for companies.

***Investment Promotion.*** We will also strengthen and better coordinate our investment promotion efforts so as to significantly raise the level and quality of Foreign Direct Investment (FDI) into Ghana, particularly in manufacturing, including agro-processing and ICT-based technology sectors. We will also encourage investment in tourism to make Ghana one of the top 5 tourist and conference destinations in Africa, and the first in West Africa. To this end, we will rationalize the mandates and foster stronger coordination among the Ghana Investment Promotion Centre (GIPC), Free Zones Board (and private industrial parks and zones), the Ministry of Trade and Industry and the Ministry of Finance with regards to investment promotion. We will also foster collaboration among the investment promotion and the Ministry of Agriculture (to promote agro-processing industries), Ministry of Communications (to promote ICT business investments), and the Ministry of Tourism.

***Support for Small and Medium-Scale Enterprises (SMEs), Entrepreneurship, and Local Content.*** Most Ghanaian businesses are SMEs that need support beyond a friendly business environment in order to thrive. We will therefore assist such enterprises in a variety of ways.

Often, a serious constraint to SMEs is finance, and we expect that our reforms and innovations in the financial sector, on top of macroeconomic stability, will go a long way to reduce this constraint. Further, a very important part of our Foreign Direct Investment (FDI) attraction strategy will be forging linkages between domestic and FDI firms in order to insert Ghanaian businesses into global supply chains. Government will provide incentives for large FDI firms to engage Ghanaian businesses as suppliers of goods and services. To complement this, Government will also put in place assistance programmes to strengthen the capacity of Ghanaian SMEs to become competitive suppliers to the FDI firms.

Consistent with World Trade Organisation (WTO ) rules, we will further promote local content through enforcement of the labour content law and through preference to Ghanaians in Government procurement. Our support for local industries and SMEs will also be guided by both the opportunities and possible challenges the African continental Free Trade Agreement (AfCTA) offers. This is important because AfCTA will create a single market and ensure free movement of goods and services. It is therefore important to empower local enterprises so that they will be better positioned to become active participants of this new trade agenda for Africa.

Further, we will provide strong support to entrepreneurship. Currently, there are several Government programmes that aim to support entrepreneurship, but it is not clear whether we are getting results commensurate with the resources we are spending. In 2019, we will rationalize all Government entrepreneurship programmes and leverage the latent synergies among them. In particular, we will bring Government entrepreneurship programmes under a single entity—*Enterprise Ghana*—and coordinate support in terms of finance, training and business development services in line with best practice as can be found in places like Chile, Ireland, Israel, Malaysia, and Singapore. We will also strengthen the Venture Capital Trust fund to support start-ups.

## **(7) Export promotion and Import Substitution**

A Ghana Beyond Aid is a Ghana that is a competitive exporter of a wide range of goods and services, and a Ghana that is also competitive on the domestic market against imports. The East Asian Miracle was based essentially on a smart and focused pursuit of export promotion and import substitution as complementary strategies. Although the global trading environment has since changed, particularly with the advent of the World Trade Organization (WTO) and its more stringent rules on the use of trade policy instruments, we are still of the view that aggressive promotion of exports and efficient import-substitution should be a principal part of Ghana's economic transformation.

The fundamental requirements for achieving our export promotion and import-substitution objectives is for Ghana to be an attractive place for business and for the cost of production in the country to be low, relative to our competitors'. In this regard, it is worth noting that the stable macroeconomic environment, the development of skills, the provision of adequate infrastructure through efficient public investments and PPP arrangements; and a supportive private sector environment that we have already highlighted, are fundamental. Beyond these, we will also focus on critical policies and measures directly related to trade.

***The Exchange Rate.*** As already mentioned, the exchange rate, in addition to its impact on macroeconomic stability, provides incentives to exporters and natural protection against

imports for domestic producers of import-substitutes. If the exchange rate (i.e. Cedis per Dollar) is too low, then exporters are not adequately rewarded and imports become cheap on the domestic market. So, exports fall and imports rise. On the other hand, a high exchange rate encourages exporters to expand their operations and also protects domestic producers against imports, thereby also encouraging them to expand operations. But a high exchange rate raises the prices of imports to consumers and also to producers who use high levels of imports as inputs. Managing the exchange rate therefore requires that we maintain a delicate balance between keeping the country competitive in exports and against imports, while being sensitive to the interests of consumers and users of imports. We will strive to maintain this balance, but the priority will always be on keeping the country internationally competitive. That is a critical part of how we will grow the economy and create jobs.

***Trade policy and trade facilitation.***

Consistent with WTO rules, we will set tariffs and where applicable export taxes or subsidies to promote our export promotion and import-substitution objectives. We will also be aggressive on the trade facilitation front, with a particular focus on raising significantly efficiencies at the ports (and airports) and reducing costs, delays, and hassles faced by exporters and importers. We will also plug leakages at the ports so that applicable import duties are collected in full, so domestic producers get the full benefit of protection afforded by the (WTO-compliant) tariff system.

Through a strengthened and re-focused EXIM bank, we will also provide increased financing support to exporters and importers. The Ghana Export Promotion Authority, working under the Ministry of Trade and Industry and in collaboration with the Ministry of Foreign Affairs, will provide enhanced support to Ghanaian exporters to better access foreign markets.

We will also help our exporters meet standards on foreign markets by strengthening the capacity of the Ghana Standards Board.

***Export Promotion.*** All of these export promotion measures will be detailed in a well-articulated Export Strategy, which will be released soon by the Ministry of Trade and Industry.

***Import Substitution.*** We will also focus on import-substitution, where in fact there are some low-hanging fruits. Currently, our country is very import-dependent in some basic consumer products that we could produce by ourselves. A prime example is food of which we import almost US\$ 2.5 billion worth annually. We import over US\$ 1 billion of rice, over US\$ 800 million of sugar; over US\$ 400 million of poultry, and significant amounts of edible oils, tomatoes and other vegetables, all of which could be produced here with better policies and smart support to our farmers and agricultural value-chain actors. As already mentioned, our target is to cut our food import bill by at least a half in the next five years. Our PFJ, RFJ and other programmes in agriculture and the 1D1F programme in industry will be our principal vehicles to expand agricultural production and processing, while the exchange rate and trade policy measures and enhanced trade facilitation address the challenges on the trade front.

It is further worth noting that food importation is not the only avenue which needs attention. The Ghanaian Construction sector for example is overly reliant on either wholly imported materials such as glazing, fittings, fixtures and furnishes or cement which has parts of its important ingredients imported. There is the need to step up the development of local raw materials as alternative construction materials. Bricks and other clay products and pozzolana cement are few examples of locally developed alternatives to ensure substitution of imported

construction materials. Therefore, there is the need to pay closer attention to the work of bodies such as the Building Road Research Institute (BRRI) so that the construction industry can have stronger linkage with such bodies which specialize in the development of quality local construction materials.

The import substitution agenda will be pursued hand in hand with investment promotion and attraction of foreign direct investment into key and targeted areas. Ghana Investment Promotion Centre for example will be required to attract investment and provide incentives to areas such as rice production, poultry, garment and textiles, etc. These are items which can be produced locally within the shortest possible time in order to prevent their importation.

When there is a surge in local production, there must be a corresponding rising in demand in order to ensure sustainability of local industries. Although there may be various tools (such as tariff barriers to protect local industries), ensuring voluntary acceptance of made in Ghana products by Ghanaians is preferred. Therefore, as part of the import substitution drive, there is the need to amplify the role of culture, drama, music and all other such opportunities to create taste and demand for locally manufactured products. There is the need for renewed commitment to eat Ghana, wear Ghana, drink Ghana, listen Ghana, watch Ghana and celebrate Ghana.

#### **(8) Building Technological Capability**

Developing our technological capability is absolutely necessary in order to advance rapidly towards Ghana Beyond Aid. As the saying goes, “the Poverty Gap is the Technology Gap”. The categorization of nations into advanced and developing is essentially a categorization of their scientific and technological advancement. Low income levels go with low scientific and technological status, while high income levels match high scientific and technological status. Our development as a nation, and therefore our drive towards Ghana Beyond Aid, therefore depends on our ability to understand, interpret, select, adapt, use, transmit, diffuse, produce, and commercialize scientific and technological knowledge.

Our universities should emphasize the teaching of Science, Technology, Engineering, and Mathematics (STEM), and be able to generate or adapt scientific knowledge and team up with our businesses and farmers to develop technologies to address Ghana’s developmental challenges. Similarly, we should have specialized Research and Development (R&D) institutes that can help lead the way to turning our potential comparative advantage in agro-processing, value-addition in natural resources, and growing youth labour force into realized competitive advantage in the global market place.

A determined focus on upgrading technological capability through support to universities, specialized R&D institutes, and to private businesses to access technology has been a critical part of the transformation drive of every economically successful country. Recent, post-World War II examples include: the Korean Institute of Science and Technology (KIST) that made possible the success of Samsung in electronics; the Industrial Technology Research Institute (ITRI) that drove Taiwan’s emergence as a world leader in semi-conductors and computer manufacturing; Israel’s strong national research and innovation system of top technical universities and dynamic research and innovation firms that have made the country a world leader in the development of several high-tech products; and Chile’s active support to

universities and research and development (R&D) support to firms through Fundación Chile that underpinned the country's emergence as a global leader in fruits, vegetables, salmon, and wine exports. In fact, the United States, the leading capitalist and free-market economy, is well-known for modernizing its agriculture through support to its "Land-Grant" Universities, and developing high technology through support for research in universities such as Massachusetts Institute of Technology (MIT) and Stanford.

Ghana will develop a world-class scientific and technological capability to drive our goals of agricultural modernization, internationally competitive manufacturing, and providing productive job opportunities for our growing educated, skilled, and innovative youth population. In particular, we will focus our attention on strengthening our scientific and technological capability to enable us to leverage our comparative advantage in the following areas into a global competitive advantage:

1. Agriculture & Food Processing
2. Sanitation, Waste Management & Waste Recycling
3. Oil & Gas
4. Bio-Fuels, Green Energy & Energy Storage Systems
5. Health & Pharmaceuticals
6. Digital Manufacturing and Applications—i.e. Information and Communications Technology (ICT), with emphasis on Artificial Intelligence (AI), Robotics, Micro-Controllers & Processors and Software Engineering
7. Mining & Minerals Processing
8. Material Science and Physical Metallurgy, focused on Plastics, Metals and Ceramics
9. Precision Machining for Manufacturing (Foundry, CAD/CAM/CNC Design)

The above technology areas will be coupled with development of Business Leadership that is equipped with the skills and experience required to manage technology businesses and organizations.

The following institutional reforms and programmes, among others, will be implemented to enable us achieve our objectives;

1. **Prioritization:** A Presidential Advisory Council on Science, Technology and Innovation (PACSTI) will be established by an Act of Parliament to ensure that science, technology, and innovation (STI) receive priority attention of Government.
2. **Coordination:** An Inter-Ministerial Coordinating Council on Science, Technology, and Innovation (STI), chaired by the Ministry of Environment, Science and Technology (MESTI) will be established to ensure that there is coordination within Government in order to leverage Government's efforts and resources for maximum impact.
3. **Public Funding:** Ghana will raise its funding for research and development in STI. In particular, we will raise the funding level to at least 3 percent of GDP by 2028, with the goal of reaching at least 1 percent of GDP in the next 2 years. To this end, a National Science, Technology, and Innovation (NSTI) Fund will be established as an autonomous body with oversight from the MESTI to among others:
  - a. Develop and strengthen research culture in Ghana; and
  - b. Provide attractive incentives to both the research community and industry to foster the promotion of STI for national development.

## **(9) A Strong Social Partnership between Government, Business, and Labour**

With December, 2018 as the last test date, we are on track to complete successfully and exit the IMF Extended Credit Facility (ECF) programme. It is vitally important that we maintain and build upon our prudent macroeconomic management, once we exit the programme. And after 61 years of independence, as a nation, we should never again put ourselves in a situation where we have so mismanaged our economy that we have to call in the IMF and outsiders to bail us out. So, in addition to having competent economic managers, we are also putting in place legal and institutional measures to ensure irreversibility of our macroeconomic gains. A key institutional measure in this regard, in addition to a Fiscal Responsibility Law and a Fiscal Council, is the establishment of a Social Partnership among Government, Organised Labour, and Business Employers.

Beyond macroeconomic management, a Social Partnership will also be fundamental for economic growth and transformation as it will help maintain the country's competitiveness in manufacturing and exports by moderating labour costs, increasing productivity, and ensuring shared prosperity between labour and business. Indeed, this very important institutional arrangement has underpinned the successful economic transformation and growth of several countries, including Germany, the Scandinavian countries, Ireland, South Korea and Singapore.

Following fruitful discussions, Government, Organised Labour, and Employers have agreed to establish a Social Partnership to provide a platform to deliberate and work together to accelerate Ghana's development. More specifically, the Social Partnership will seek to, among others:

- a. Provide a medium for building a sense of cohesion, trust, self-management, frank and open discussions on commitments to mutual sacrifices and contributions from all stakeholders to champion development;
- b. Undertake analysis on key development issues and advise government on same;
- c. Deliberate on and make inputs into national development policy discourse, including the National Budget, medium-term plans, and the Ghana Beyond Aid agenda;
- d. Provide a platform for reaching national consensus on development issues;
- e. Work with Government to deepen and sustain our macroeconomic gains and ensure irreversibility;
- f. Work together to ensure strict adherence to the Labour Law and to also raise productivity in the work place;
- g. Inculcate a culture of cooperation among workers, employers, and Government to ensure industrial peace and maintain Ghana's international competitiveness in our drive to transform and industrialize Ghana's economy.

An MOU to formalise the social partnership arrangement has already been signed between the Ministry of Finance and Labour. We believe that this partnership arrangement will accelerate inclusive growth and transform the Ghanaian economy, expanding opportunities, and creating jobs to better the lives of Ghanaians.

## **(10) Strategic Mobilization and Efficient Use of Aid**

Aid is cheaper than commercial loans and often of much longer tenure. For public non-commercial investments and services, aid is therefore a very attractive option. But we must shape it to our priorities and processes and demand improved implementation efficiency.

In any case, aid received by Ghana currently is not that much. From 2010 to 2017, full grant aid (i.e. resources that Ghana does not have to pay back or “charity aid”) ranged on a declining trend from 3.7 to 2.3 percent of GDP. Loans, some, but not all of which were concessional (e.g. lending with below-market interest rates; World Bank and African Development bank loans) ranged from 0.6 to 2.0 percent of GDP. Together, aid therefore ranged from 5.6 percent of GDP in 2010 to 2.9 percent of GDP in 2017. By way of comparison, Government budgetary expenditure in 2017 was 25.3 percent of GDP. So, in aggregate, aid, particularly grant or “charity” aid (2.3 percent of GDP in 2017) though important cannot bring about the needed transformation.

However, there are four pernicious aspects of aid that we must address in order to make aid work better for us. First, though relatively small in amount, managing aid and dealing with donor requirements take inordinate amount of time from our policy makers. Second, because we do not seriously stick to our own national goals and plans, donors in practice sometimes tend to set our development agenda for us. Third, and allied to the second point, is the fact that in some key areas of public service delivery, such as health and sanitation, we rely on aid. For example, in 2018, the shares of aid in budgeted goods and services and capital expenditures for health, education, and sanitation were, respectively, 15 percent, 33 percent, and 74 percent. Finally, some aid may require counterpart funding which may derail and distort planned programmes and activities of government. After 62 years of independence, our sense of dignity should not allow us to rely on the charity of donors to meet our responsibilities in providing basic public services such as healthcare.

We are going to quickly address these three issues by:

- being disciplined in sticking to the implementation of the transformation strategies that we set for ourselves and making sure that aid is aligned to it;
- laying down clear processes for government-donor relations in order to minimize the excessive time demands on Government;
- substantially increasing our own funding for operations of basic public services and re-directing aid to areas where they are likely to have more catalytic effects on our economic and social transformation; and
- ensuring that aid, like our own resources, is used efficiently.

### **Good and Timely Data for Effective Monitoring**

Implementation of Ghana Beyond Aid will be evidence-based. The targets and policy reforms will be based on critical analysis underpinned by good data. Furthermore, an undertaking as comprehensive and consequential as Ghana Beyond Aid requires continuous monitoring and timely course corrections where indicated. We will therefore strengthen our national data systems. In particular, the Ghana Statistical Service (GSS), the National Development Planning Commission (NDPC), the Institute of Social, Statistical, and Economic Research (ISSER) at the University of Ghana and similar research institutions will be strengthened to provide adequate and up-to-date data and analyses on all dimensions of the Ghana Beyond Aid agenda.

## CHAPTER SIX. TOWARDS GHANA BEYOND AID:

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### *SPECIFIC GOVERNMENT PROGRAMMES AND PROJECTS OVER 2019-2020*

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The Ghana Beyond Aid vision provides the aspiration and the direction, and the attitudinal changes and reforms discussed so far to usher in new ways of doing things. Together, these provide a robust institutional platform and policy environment that enable us to make a serious drive towards Ghana Beyond Aid. As emphasized in Chapter 1, each Government can take advantage of the new institutional platform and policy environment of Ghana Beyond Aid to implement its own set of investments, programmes, and projects. What is left, therefore, is a list of specific investments, programmes, and projects that this government will undertake to spur growth, support domestic production and exports, create employment avenues and increase prosperity for all.

In this chapter, relying mainly on the President's Coordinated Programme and its associated Medium-Term Development Framework, the 2017, 2018, and 2019 Budgets, as well as on proposals by the Technical sub-Committees of the Ghana Beyond Aid Charter Committee, we highlight the key priority programmes of government for 2019 and 2020.

The programmes are organized under the six Strategic Pillars announced in the 2019 Budget Speech: (1) Agricultural Modernization; (2) Industrialization; (3) Infrastructure; (4) Private Sector and Entrepreneurship Development; (5) Social Interventions; and (6) Domestic Resource Mobilization and Protecting the Public Purse. We also outline the initiatives the Government will undertake to strengthen the country's capacity to finance its development, consistent with our objective to significantly increase the contribution of domestic and foreign private capital to our development in our drive towards Ghana Beyond Aid.

#### **(1) Agriculture Modernization**

##### *A. Objectives*

1. Increased Food Self Sufficiency (including reduced rice and poultry imports)
2. Diversify and increase agricultural exports
3. Cut down post-harvest losses
4. Promote climate resilient farming
5. Improved farm yields
6. Optimize Ghana's market share of global cocoa value chain

##### *B. Programmes*

1. Planting for Food & Jobs (PFJ)
2. Rearing for Food & Jobs (RFJ)
3. Planting for Export and Rural Development
4. Warehousing Development Programme
5. Ghana Irrigation Development Authority (GIDA) Irrigation Schemes
6. One-Village-One-Dam
7. Fall Army Worm Control (FAW)
8. Ghana-Cote D'Ivoire Initiative
9. National Livestock Breeding Stations Project



## **(2) Industrialization**

### *A. Objectives*

1. Strong local manufacturing
2. Job creation
3. Capturing greater share of value chain in agriculture through processing
4. Local manufacturing for jobs
5. Revive Textile and Garments industry; curb inferior imports and support local industry
6. Reduce fertilizer imports

### *B. Programmes*

1. One District At least One Factory
2. One Region, At least One Park
3. Stimulus Package for distressed Companies
4. Ghana Integrated Aluminium Development Company
5. Automobile Assembly Plants
6. Tractor Assembly Plant
7. Support for Textiles Industry
8. Petroleum Hub Master Plan
9. Local Fertilizer production

## **(3) Infrastructure**

### *A. Objectives*

10. Safe and efficient interconnectivity
11. Modernized transportation
12. Accra, the cleanest city by 2020
13. Affordable and dignified housing
14. Ghana as a logistics and transportation hub
15. Roads and critical infrastructure construction
16. Railways revitalisation and expansion
17. Digital land records
18. Formalizing the economy, improved data collection for national development
19. Productive fishing

### *B. Programmes*

1. Roads, Bridges & Interchanges
2. Railway Development and Services Program
3. Development of Metro / Light Rail Transit Systems in Accra and Kumasi.
4. Accra Urban Planning & Waste Management
5. Human Settlement and Development Program
6. Ports Expansion Projects
7. Fish Landing Sites Expansion
8. Sinohydro Financing Programme
9. National Identification Programme
10. National Address System
11. Digital Land Administration Project

#### **(4) Private Sector & Entrepreneurship Development**

##### *A. Objectives*

1. Empower SMEs for job creation
2. Regularize and make artisanal mining sustainable
3. Encourage entrepreneurship and innovation

##### *B. Programmes*

1. A new Companies Code
2. Reforms to improve Ghana's rank in the Doing Business Index
3. Strengthened efforts in investment promotion to attract FDI (including automotive industry, tractor assembly, and fertilizer production)
4. Microfinance and Small Loans Centre
5. National Board for Small Scale Industries
6. National Entrepreneurship & Innovation Programme (NEIP)
7. Venture Capital Trust Fund (VCTF)
8. Technology Hub and Innovation Centres
9. Youth Employment Agency (YEA)
10. Artisanal Mining (Galamsey)

#### **(5) Social Interventions**

##### *A. Objectives*

1. Elevate education and literacy levels
2. Empower and train unemployed graduates
3. Improve level infrastructure & eradicate poverty
4. Inner city development for equitable prosperity
5. Encourage and retain more professionals in healthcare
6. Support school high enrollment levels in poor areas
7. Main social safety net for the vulnerable
8. Universal health access and reduced mortality rates

##### *B. Programmes*

1. Free Senior High School & TVET education
2. Nation Builders Corp
3. Infrastructure for Poverty Eradication Programme (IPEP)
4. Zongo Development Fund
5. Nursing and Teacher Training Allowances
6. National School Feeding Programme
7. Livelihood Empowerment Against Poverty
8. National Health Insurance Scheme
9. Informal Sector and Cocoa Farmers Pension Scheme

#### **(6) Domestic Resource Mobilisation & Protecting the Public Purse**

##### *A. Objectives*

1. Maximized revenue collection
2. Make revenue Institution (GRA) more efficient
3. Make National Lottery Authority (NLA) a profit making institution
4. Easy identification of potential tax payers
5. Ensure compliance in the Mining Sector
6. Maximise revenue mobilisation

7. Reduced corruption
8. Enforce efficiency in government expenditure, and public investments
9. Enforce efficiency in State-Owned Enterprises

*B. Programmes*

1. Automating Payments for Gov't Services
2. Reform of Ghana Revenue Authority (GRA)
3. Reform of National Lottery Authority
4. Broadening the Tax Net [TIN Enforcement]
5. Increased Compliance (particularly by Mining Sector)
6. Review and streamlining of Tax Exemptions regime
7. Resourcing of Governance Institutions (CHRAJ, NCCE, OoSP)
8. Advanced analytics and for revenue collection and service delivery
9. Review of Withholding Tax for small scale mining
10. Enhanced oversight of Internally Generated Funds (IGF)
11. Enhanced revenue collection from MDAs.
12. CAPEX – standardized infrastructure designs and costs
13. Standardisation and centralisation of Government procurement of and expenditures on vehicles, ICT infrastructure, travel, and allowances.
14. Review and reform of the Government Payroll system.
15. Total prohibition of Unsolicited Bids for Government contracts.
16. New law to enable efficient and transparent Public-Private Partnership (PPP) arrangements.
17. Single-Entity Law to govern State-Owned Enterprises

**(7) Financing Ghana Beyond Aid**

*A. Objectives*

1. To provide assured financing of Ghana's transformation agenda
2. To efficiently access donor resources and ensure their alignment with Ghana's priorities.

*B. Programmes*

1. Financial Sector Reforms
2. Housing and Mortgage Finance market
3. Establishment of National Development Bank
4. Century Bond Issuance
5. 2019 Eurobond Issuance
6. Social Partnership among Government, Labour, and Employers.
7. Reform of the Ministry of Finance
8. Ghana Incentive-Base Risk Sharing System for Agricultural Lending
9. Support Ghana Export and Import Bank
10. Support Ghana Infrastructure Investment Fund
11. Efficient Monitoring of SOEs

A new Policy on Ghana's Engagement with Donors and enhanced systems of Donor Funds Monitoring.

## CHAPTER SEVEN. IMPLEMENTATION ARRANGEMENTS

Ghana Beyond Aid is a collective call to action to all Ghanaians to chart a new trajectory in our national development that will create shared prosperity for all. Ghana Beyond Aid is a National Project. It is a non-partisan vision and agenda to create the Ghana we all aspire to have. Over the years, our development landscape has been littered with various plans, programmes and policies that are never fully implemented and are abandoned as soon as there is a change of government and a new one takes over. As we all know, a meaningful fundamental change and transformation is a long-term process that will outlast the terms of several governments. It is therefore of the utmost importance that Ghanaians from all walks of life and across the political divide commit to the Vision and the Paradigm Shift in attitudes and behaviour that constitute the Ghana Beyond Aid agenda. Once there is popular national buy-in to the direction and the new ways of doing things, each Government of the day can draw up and implement its specific programmes and projects in pursuit of the Ghana Beyond Aid Vision.

**The Ghana Beyond Aid Council.** To ensure that the Ghana Beyond Aid national project is properly implemented over a sustained period of time, strong institutional arrangements for implementation are needed. The arrangement should reflect the national character of Ghana Beyond Aid, and should therefore reach out beyond Government to include a wide cross-section of Ghanaians. Effective implementation will entail: (a) regular monitoring and publication of progress on W.I.S.E.R. targets; (b) regular structured meetings by the Social Partners to review progress, to commission needed studies to provide analytic foundations for necessary course corrections, and to take decisions to revise the targets where necessary; and (c) a strong communications component to keep Ghanaians informed and engaged, including an annual public forum to review and discuss progress on various aspects of Ghana Beyond Aid.

To this end, the Ghana Beyond Aid Council will be established to oversee and coordinate implementation. The Council will have 17 members drawn from the Social Partners who are signatories to the Ghana Beyond Aid Charter. The structure will be as follows:

- **Chair of the Council:** The President of the Republic (or the Vice-President in the President's absence);
- **3 Vice-Chairs:** (1) A representative of the largest Opposition Party in Parliament; (2) the head of the Trades Union Congress, representing Labour; and (3) the Head of the Employers Association;
- **5 representatives from Government**, including the Minister for Finance.
- **8 representatives from outside of Government**, including: Business, Chiefs, Faith-Based Organizations (Christian/Muslim), Academia, Think Tanks/Civil Society, a person representing all opposition political parties other than the largest opposition party in Parliament, and a Youth representative.

The Council will be supported by a Secretariat, which will be staffed with adequately qualified and experienced personnel who will monitor the targets, conduct research and analysis of socio-economic issues as directed by the Council, and work to mobilise all stakeholders and sustain momentum of Ghana Beyond Aid. The Secretariat will be *financed and managed jointly by the Social Partners (suggestion: 50:50 government and non-government split)*. The staff of the Secretariat will include persons seconded from the

National Development Planning Commission, the Ministry of Monitoring and Evaluation, and the Ghana Statistical Service, and other experts.

The Secretariat will have a responsibility to develop parameters of the various indicators which will inform our progress under the Ghana Beyond Aid Agenda. Already, some indicators and guiding parameters have been developed and shared in this document. The Secretariat will therefore be required to build on this preliminary work through research and close collaboration with key state institutions such as Ghana Statistical Service.

It is very important that the non-government social partners contribute financially towards the running of the Council. This will foster the sense of ownership by all partners and will help avoid the danger of the Council (and the Ghana Beyond Aid agenda) being regarded over time as a Government institution.

**The National Development Planning Commission (NDPC).** The NDPC is constitutionally mandated to produce development plans for the nation. Within the framework set by the Vision and new ways of doing things set by the Ghana Beyond Aid agenda, the NDPC will develop plans, the President's Coordinated Programme of Economic and Social Development Policies and its associated Medium-Term Development Framework to reflect the specific priorities, programmes, and projects of the Government of the day. The NDPC Secretariat could also provide support to the Government in its role as a key member of the Ghana Beyond Aid Secretariat.

### **Communication and Change Management**

There will be the need to mount a broad advocacy and public education campaign that will spell out the aspirations of the Ghana Beyond Aid vision, as well as the responsibility of the citizenry. Here, it will be important for the Secretariat and the Ghana Beyond Aid Council to work closely with relevant agencies and to reach out to various social partnerships. There will also be need for media campaigns, utilising all forms of media platforms such as online (with emphasis on youth mobilisation through social media), print, radio and TV. Furthermore, the Secretariat will collaborate closely with the Ministry of Information and National Commission for Civic Education (NCCE) to organise various meetings and information dissemination tours, including Town Hall discussions, in order to amplify the Ghana Beyond Aid vision. Integrating the Ghana Beyond Aid vision into Basic Education Curriculum after stakeholder engagements with the Ministry of Education, the Ghana Education Service (GES) will be a major strategy that will help to instil new mind-set and attitudes into the next generation, and this must be a key priority in the economic transformational agenda. Building strong alliances with Faith Based Organisations, Civil Society and other identifiable stakeholder blocs to actively engage their respective constituents will also be necessary. The vision must be communicated in all major local dialects and languages to improve appreciation by the masses.

Strategic engagement with social partners is important in ensuring ownership of the vision by all and this is critical in triggering the needed attitudinal changes across all sectors. The communication strategy will create clear pathways for feedback from citizens and help inform the march towards Ghana Beyond Aid. An important aspect of the feedback mechanism will be an annual public forum to review and discuss progress on various aspects of Ghana Beyond Aid.

**APPENDIX A: LIST OF MEMBERS OF THE COMMITTEE**

<b>No</b>	<b>Name</b>	<b>Organisation</b>	<b>Role on Committee</b>
1	Mr Yaw Osafo-Mafo	Senior Minister	Chairman
2	Mr Ken Ofori-Atta	Minister for Finance	Member
3	Mr Ignatius Baffour Awuah	Minister for Labour and Employment Relations	Member
4	Prof Gyan-Baffour	Minister for Planning	Member
5	Dr Anthony Akoto Osei	Minister for Monitoring and Evaluation	Member
6	Hajia Alima Mahama	Minister for Local Government and Rural Development	Member
7	Mr Kojo Oppong Nkrumah	Minister for Information	Member
8	Dr Yaw Ansu	Senior Policy Advisor, Min of Finance	Member
9	Dr Eric Yeboah	Senior Researcher/Land Policy Advisor, Office of the Senior Minister	Member/ Secretary
10	Dr Anthony Yaw Baah	Secretary General, Trades Union Congress	Member
11	Mrs Philomena Sampson	Vice Chair, Trades Union Congress	Member
12	Mr David Ofori Acheampong	General Secretary, Ghana National Association of Teachers (GNAT)	Member
13	Nana Osei Bonsu	CEO, Private Enterprise Federation	Member
14	Mr Kwaku Agyemang-Duah	Board Chair, Private Enterprise Federation	Member
15	Dr Yaw Adu Gyamfi	President, Association of Ghana Industries	Member
16	Nana Dr Appiagyei Dankawoso I	President, Ghana Chamber of Commerce and Industry	Member
17	Elisha Oheneba	President, National Union of Ghana Students (NUGS)	Member
18	Mad. Oboshie Sai Cofie	Advisor, Communication	Member
19	Mrs Joyce Awuku Darko	Advisor, Ministry of Finance	Member
20	Dr Philip Nyarko Asiana	Advisor, Ministry of Finance	Member

**APPENDIX B**  
**LIST OF INSTITUTIONS INVITED TO SUBMIT POSITION PAPERS**

	<b>ORGANISATION</b>	<b>SCOPE OF POSITION PAPER</b>
1	Department of Economics, UG	Towards a Ghana Beyond Aid; Critical Analysis of Strategic Building Blocks for Structural Transformation of the Economy on Sustainable Basis’.
2	College of Engineering, KNUST	Engineering and Infrastructure delivery for a Ghana Beyond Aid, critical issues for Policy Consideration (10 pages)
3	College of Art and Built Environment, KNUST	Ghana Beyond Aid- Changing the Built Environment Governance Paradigm for Equitable and Sustainable Development’ (18 pages)
4	Forum for Agricultural Research in Africa (FARA)	Breaking the Cycle of Dependency through modernisation of Agriculture, Agri-Business and Agro-Industrialisation’ (11 pages)
5	College of Agric., UCC	Breaking the Cycle of Dependency through modernisation of Agriculture, Agri-Business and Agro-Industrialisation’ (22 pages)
6	GG-UMAT, Tarkwa	Value Addition and Transparency in Ghana’s Mining Value Chain (13 pages)
7	Ghana Anti-Corruption Coalition	Guarding the Public Purse in the Context of Ghana Beyond Aid - Innovative and Strategic Pathways towards a Corruption Free Ghana’ (9 pages)
8	Ashesi University	Strategic Human Resource Development Towards a Ghana Beyond Aid’.
9	CSIR	Re-positioning Research and Innovation at the Heart of Ghana Beyond Aid’ (43 pages)
10	Peasant Farmers Association	Breaking the Cycle of Dependency through modernisation of Agriculture, Agri-Business and Agro-Industrialisation’ (14 pages)
11	UDS	Tackling the North-South Development Gap in Ghana’s Development (13 pages)
12	IMANI AFRICA	Ghana Beyond Aid, Opportunities and possible pitfalls based on international comparative analysis
13	IDEG	Trends in Ghana’s Democratic Evolution and Implications for a Ghana Beyond Aid (29)
	CDD	Trends in Ghana’s Democratic Evolution and Implications for a Ghana Beyond Aid
14	ISSER	From Guggisberg to Date- A Review of Ghana’s Long Term Development Plans and Implications for Ghana Beyond Aid
15	College of Humanities, UG	Art, Culture and Economic development. Exploring the critical linkages (17 pages)

16	National House of Chiefs	Addressing the Land Question for Ghana's Economic Transformation, the role of Traditional Leadership
17	National Chief Imam	The Role of Islamic Religion in Ghana's next phase of economic Development
18	Ghana Pentecostal and Charismatic Council	The Role of Christianity in Ghana's next phase of economic Development
19	Catholic Bishops Conference	The Role of Christianity in Ghana's next phase of economic Development
20	Christian Council of Ghana	The Role of Christianity in Ghana's next phase of economic Development
21	Spiritual Churches Council	The Role of Christianity in Ghana's next phase of economic Development
22	National Disability Council	Towards Inclusive Development- Building Safety Nets for the Marginalised and Socially Excluded (8 pages)
23	Kofi Annan ICT Centre	Enhancing Productivity through Innovation and Communication Technology
24	Ghana Institution of Engineers	Engineering and Ghana's Economic Development, Critical Issues for Policy Consideration' (60)
25	Ghana Institution of Surveyors	Surveying and Ghana's Economic Development, Critical Issues for Policy Consideration'
26	Ghana Institute of Planner	Urbanisation, Municipal Service Delivery and moving Beyond Aid, Critical Issues for Policy Consideration' (11 pages)
27	Ghana BAR Association	Law, Justice Delivery and the march towards a Ghana Beyond Aid
28	Ghana Medical and Dental Council	Towards a Modernised and Integrated Healthcare delivery System that Works for Ghana
29	Ghana Association of Architects	The role of architecture in Ghana beyond aid, key issues for policy consideration
30	GIMPA	Towards a Reformed Public Sector Service Delivery System for a Ghana Beyond Aid





# SUSTAINABLE DEVELOPMENT GOALS

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FOR FURTHER INFORMATION CONTACT GHANA BEYOND AID  
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