



**STATE OF THE NATION ADDRESS,
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by

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President of the Republic of Ghana

Parliament House, Accra



STATE OF THE NATION ADDRESS 2004

Mr. Speaker,

For the third but God willing, not the final time, I have come before this august House, as required by the Constitution, to give an account of the State Of The Nation.

Permit me to begin by reminding the House and the nation of the many pressing problems which this administration inherited when it assumed the reins of government in 2001.

At that time, the nation was choking under crushing demands from its creditors all over the globe.

The exchequer was depleted with reserves for imports not exceeding three weeks' supplies. Indeed, it had only 6 days crude oil reserves, and no bank, not even our own Commercial Bank, was prepared to open letters of credit for the Tema Oil Refinery (TOR) for more imports because of its heavy indebtedness.

The law and order situation was so chaotic that, for example, there seemed to be no solution to the serial killing of our womenfolk, and the entire society was gripped in an atmosphere of terror.

The nation seemed permanently yoked under an intractable regime of high interest rates of over 50% in the banks, and an inflation rate of over 40%.

Access to credit was virtually impossible and there was hardly any private sector worth talking about.

The infrastructure of the nation was in total shambles. Typical examples were the arterial roads network spreading from Accra, the capital, to the east, west and north of the country.

Similarly, the national telecommunication system had been bled into unimaginable inefficiencies through doubtful agreements.

The energy sector was riddled with many unproductive white elephant projects in which much of the nation's scarce resources running into hundreds of millions of dollars had been tied.

Our hospitals which had been described as cemeteries twenty years earlier, had degenerated further into infernos.

Educational institutions were begging for expansion and refurbishment, and motivated staff to pull themselves into modernity.

The railway system had been abandoned, with tracks taken over by hawkers, and coaches serving as homes for squatters.

Mr. Speaker, these are the conditions we met on assuming office.

The government determined that in tackling all these problems, it would scrupulously abide by the national constitution and the Manifesto of the political party that brought us into office. This Mr. Speaker, has been our guiding principle these past three years.

This august House need not be reminded that this is election year and the last year of the current mandate of this government. I can say with confidence that, government intends to pursue the same level-headed and prudent policies that have brought us this far and not succumb to the temptation of seeking short-term answers.

We shall continue to lead the way in nurturing Ghana's democracy. We shall continue to encourage the promotion of individual liberties and freedom of speech that have characterized our society these past three years. We shall do so, not only because these are the firm beliefs of the NPP, but also because such practices build the self-confidence of Ghanaians and are good for the nation.

It has been instructive to hear the debate that has been raging about "phone-in" programmes. Doubtless, the current media pluralism in the country has played a good role in promoting accountability and transparency in public life. Whilst enjoying the freedom that this brings, I ask only that the nation does not lose its soul. The pursuit of the truth should be sacrosanct. As a people, we lay great store on respect for our elders and the use of cultured language, and we should not lose such attributes under the pretext of freedom of speech.

MANAGEMENT OF THE ECONOMY

Mr. Speaker, the success of a nation is measured by the quality of life of its people and democracy can only thrive on a strong economy. For the past three years, we have initiated and implemented policies aimed at halting the downward slide of the economy and kick-starting its growth. I am happy to report that at the end of 2003, all the macroeconomic trends pointed at sound and sustainable economic development:

Inflation has been on a general decline, except for the consequential jump arising from the petroleum price increases in March last year,

The Cedi was relatively stable throughout the year,
Domestic borrowing by government in 2003 was the lowest in many years,

The accumulation of foreign exchange reserves was the highest within memorable years, and currently stands at over US\$1.4 billion and covers four months of imports. For the first time in many years, interest rates fell from their high level of over 50% in the banks to the current 26% and are following the Central Bank's base rate which has also declined from over 30% to the current 21.5%

In other words, businesses and individuals can expect some predictability and stability in making their plans. These achievements, Mr. Speaker have been the result of hard work and prudent measures put in place by government.

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Our recent history reveals a tendency towards financial indiscipline in election years, thus negating the achievements of years of sacrifice. As I have said on several platforms, we will resist all temptations and pressures to depart from the expenditure framework that will be outlined in the forthcoming budget. Other sectors of society must also accept the same responsibility for discipline this year. We urge the people in general and organized labour in particular, to be moderate in their demands, as we cannot afford to reverse the gains we have made over the past three years.

REVENUE MOBILISATION EFFORTS

Mr. Speaker, proof that the country is finally getting its economic matters onto a sound footing is demonstrated by the robust change in domestic revenue mobilization this past year. A sound economy is built on the ability to generate revenue internally. I doubt that the paying of taxes will ever be the most popular undertaking but we must, as a people desirous of rapid development, accept to pay our taxes.

We must commend the measures that have been put in place, the officials who administer the revenue collection regimes and the taxpayers; all these enabled the nation to exceed its budgeted target. This year, revenue mobilization will be equally robust and I trust that all citizens will play their part.

The Ministry of Finance and Economic Planning will further improve the existing mobilization mechanisms through efficient and effective tax collection strategies. We believe that reforms in the operational strategies will lead to plugging leakages in the tax system and thereby, ensure optimum revenue mobilization without further burdening the taxpayer.

GHANA STOCK EXCHANGE (GSE)

Further proof that the economy is being transformed has been the performance of the Ghana Stock Exchange. Last year, investor confidence was high, leading to the GSE All-Share Index recording a gain of over 108%, increased capitalization and an impressive turnover. This made it one of the best performing markets in Sub-Saharan Africa.

THE FIVE PRIORITY AREAS

Mr. Speaker, I am happy to report that progress has been made in all the five areas selected for priority attention in the development agenda.

INFRASTRUCTURE

It must cheer all our hearts that vigorous activities are going on in the infrastructural sector around the country.

TRUNK ROADS

The three major arterial roads out of the capital, Accra-Kumasi, Accra-Cape-Coast, Accra-Aflao which link the country to her ECOWAS neighbours are all at different stages of construction. Work on the Tetteh Quarshie interchange component of the Accra-Mamfe road is 50% done and is proceeding ahead of schedule. Work on the Pantang-Mamfe section is due to start next month.

Work is in progress on other key trunk roads around the country, like, Bole-Bamboi, Manso-Asankragwa, Jasikan-Brewaniase, Kpando-Worawora, Bekwai-Kuntunase, Sunyani-Ntotoroso, Tamale-Yendi, Axim Junction-Tarkwa, Bibiani-Abuakwa, while the Wa-Han-Tumu and the Chuchuliga-Sissili roads are being upgraded to bituminous surface.

Mr. Speaker, for the first time in a long while, urban, feeder and town roads are being reconstructed. Last year, in addition to routine maintenance, 2,000 km of feeder roads were either regravelled, rehabilitated or spot improved. I must mention in particular the 120 km of town roads that were tarred, and Mr. Speaker, this includes the roads in many second-cycle institutions as well. Also in a bid to pay particular attention to the safety of school children, walk-ways and safe routes were provided for cluster of schools in some suburbs of Accra, Kumasi and Takoradi, under a project dubbed 'Safe walk To School'.

Apart from the routine works going on in the capital city, the roads in the Accra Central Business District and the High street will receive much needed attention this year.

Mr. Speaker, roads in the Western Region are at long last receiving the attention they deserve, for this region is the source of much of the wealth of the nation. Bridges, stream bridges and box culverts have been built. This has meant a reduction in travel time and improved access to farm lands, marketing centres and social services.

ROAD TRANSPORT

Mr. Speaker, one of the biggest problems, which confronted this administration when it assumed office, was the parlous state of transportation in the country. We moved quickly to introduce a mass transportation system, which was started in Accra, then extended to Kumasi, Sekondi-Takoradi and now, Tamale with a current fleet of 262 buses.

This year, the Metro Mass Transit Company will augment its fleet with 100 DAF/Neoplan buses from Holland and 250 new buses from China.

The Inter-City STC Company has acquired 48 new luxury buses to

augment its fleet. Inter city travel should become safer and more comfortable.

AIR TRAVEL

Preparations to make Ghana, the aviation hub of the sub-region are on course. The refurbished departure hall of the Kotoka International Airport is expected to be operational by the end of the first quarter of this year.

In addition, the airport is being modernized with the installation of aerobridges and aperture satellite equipment to improve aeronautic communication system.

Since January last year, clearance of imports at the Kotoka International Airport has become fully automated and this has reduced clearance time at the Airport from days and even weeks to less than a day.

GHANA AIRWAYS

While we are making some headway with the civil aviation, there is still some way to go in turning around Ghana Airways, the national carrier. It has been bedeviled with over-aged fleet, over employment, corrupt practices and insolvency.

To be candid, the Airline is all but dead. It is only the prospects of the profitability of its routes and the resolve of the nation not to let it go, that are keeping it alive.

Over the last two years, government has done a lot to engage serious partnerships that will come with the needed restructuring of management and technical services, and replacement of the over-aged fleet to rationalize and resurrect the airline.

The cost of these efforts is daunting, but government, guided by a vision which is practical and attainable, is determined to help rehabilitate the Airline one way or the other even if as a joint-venture company flying the National Flag.

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Government is convinced that to realize the nation's ambition of becoming the aviation hub of the sub-region, it is necessary that a carrier with a national flag be in place.

PORTS HARBOURS AND RAILWAYS

Government is determined to resuscitate the railway sector to enable it play its vital role in the economy. Last year some of the existing wagons were rehabilitated and new high-density coaches purchased. This enabled the sector to haul 1.57 million tonnes of freight as against the targeted 1.40 million tonnes, an increase of 11%.

The albeit, limited passenger service of the company remains popular, particularly the sub-urban rail services on the Accra-Nsawam and the Kumasi-Ejisu lines. The target is to increase the high-density coaches to meet the increased demands of both freight and passenger services.

THE PORTS

Mr. Speaker, the strategic location of the country as the geographical center of the world must be fully exploited for increased business with the world and particularly with our landlocked neighbours. Government will therefore pursue the development of Tema, Takoradi, and inland ports until they become the preferred trans-shipment ports of the sub-region.

ENERGY

Mr. Speaker, let me now address issues in the energy sector which remains one of the most crucial to our developmental efforts. Government has taken certain measures which will radically change the direction and strategic focus of the generation, transmission, and distribution components of the power sector.

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Work on the projected ECOWAS Gas Pipeline should start this year, and if everything works to plan, the project is expected to be completed in 2005. It is estimated that, with it, fuel cost of the nation will be reduced appreciably and will help to rationalize the economy.

At the same time, government is encouraging concessionaires to step up with prospecting and drilling for crude oil, which the nation is having to import at a current high price of US\$32 per barrel.

I need hardly remind this House of the import of this on our carefully-laid economic plans. I only want to assure the nation that, government remains very sensitive to the plight of the citizens and industry, and will do its best to help tide over our economy at this critical and harsh season.

COMMUNICATIONS

In pursuit of government's plans to expand Telecommunication Industry, a credit facility from a Chinese company, Alcatel Shanghai, has been arranged for Ghana Telecom to acquire more switches to undertake a massive expansion programme throughout the country, including wiring of second cycle schools and colleges to facilitate the deployment of ICT facilities. By December this year, 25% of Schools and Colleges should have been linked.

The Kofi Annan ICT Centre of Excellence, which is a joint Ghana/India project, was commissioned in December last year. It will produce the human capacity needed for the emerging ICT industry in Ghana and the sub-region.

I also commissioned the Multi-Media Centre located in 'Ghana House', the former GNTC building, in Accra, last week. This is to serve as an incubator where new private companies in the industry can be nurtured. It is expected that as such companies grow, they will re-locate to the "Technology Park Business Centre" to be set up in the Free Zone Area in Tema.

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AGRICULTURE

Mr. Speaker, agriculture is the second of the priority areas, and we were all very happy when the sector performed well last year. I have heard criticism in certain quarters for thanking God, for giving us good rains which made food plentiful and affordable.

The complaint was that we should be doing mechanized farming aided by irrigation and not rain-fed farming. What the critics overlooked was that, government was already promoting the construction of dams and irrigation throughout the country.

Under the village infrastructure Programme (VIP), and similar projects, small and micro irrigation systems, which can be managed by small scale farmers have been in service in different parts of the country for many years and are systematically being expanded. More of these are still being developed.

The point still remains however, that, even when a dam is constructed, it would need the rains to fill it, so when by His grace the rains do come, we should gratefully thank God for them.

FOOD CROP SECTOR

Mr. Speaker, but whether we are engaged in mechanized or rain-fed farming, the key challenges of the food crop sector have always been the diversification of crops, mechanization and the better use of extension services.

Mr. Speaker, the processing, storage and marketing of locally produced food is no longer being left to chance. Credit is being provided to specialized companies and individuals with requisite technical-know-how to ensure that scientific and business-like methods are employed, not only on the farms but throughout the food chain, from the farms to dining tables.

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It is crucial, however that as we adopt modern methods of farming to increase yield on the farms, we do not damage the environment.

COCOA INDUSTRY

Mr. Speaker, in the 2002/2003 Cocoa season, Ghana obtained its second highest cocoa production level, with a total of 496,793 tonnes as compared to the 580,869 tonnes produced in 1964/65 season. Indeed, in terms of foreign exchange receipts, the US\$ 889 million of the 2002/2003 cocoa season is the highest ever. The programme to control cocoa diseases and pests which resulted in this achievement will be continued and support will be given to private sector participation in the domestic processing of cocoa beans.

The cocoa farmers of Ghana are at long last coming into their own with very high producer prices and bonuses currently stand at 69% of FOB price to strengthen their commitment to their occupation.

ENHANCED SOCIAL SERVICES

Mr. Speaker, the social services sector, was the third of the priority areas targeted.

EDUCATION

Mr. Speaker, it bears repeating that education must be at the heart of all that we seek to do. For the past two weeks, I have been cheered by the intensity of the debate that has followed the publication of the league table of examination performance by senior secondary schools. Naturally my eyes drifted to the school that occupied the 15th position on the list and I was irritated that our local rival had beaten us comprehensively to take the second position.

This is a healthy debate and it must go further to ensure that school matters are not left to schools alone. Old students and communities must take an interest. Naturally we are all finding reasons for the good or bad performance of our schools, but we are all agreed that the schools with good facilities tend to perform better.

I am therefore pleased to report that, last year, there were massive capital outlays and infrastructural development in the educational sector.

For example, six hundred and eighty five 3-unit classroom blocks, each with toilet, urinal, teachers' common room, store and library were constructed for basic schools across the country. This year, 440 more will be constructed. A significant development was that 5,500 needy pupils, most of them girls, received material support.

This year an amount of ₦9 billion has been provided to the 40 most deprived districts to enable them abolish all fees and levies in the districts and thus ensure massive enrolment of school pupils in basic schools.

In line with the policy of upgrading at least one senior secondary school in each district, work on the first batch of 31 schools is progressing steadily. Funding has been secured from the African Development Bank for work on the second batch comprising 25 schools.

Mr. Speaker, last year, an estimated amount of ₵224 billion was spent to modernize and enlarge the capacity of facilities at the universities and polytechnics. Lecture halls, libraries, laboratories and administration blocks are being provided in various tertiary institutions. Research was also given a boost with an amount of ₵28.8 billion.

As a result of these measures, for the 2002/2003 academic year, student intake to universities and polytechnics rose by 30.5% and 28.5% respectively above that of the previous year.

A very important development was the phenomenal increase in the enrolment for distance education from 750 in 2001/2002 to 3,618 in 2002/2003 academic years. The happy result is that, this has reduced by half, the number of teachers who leave the classroom to go on study leave annually. In the process, the big problem of inadequate number of qualified teachers in classrooms is being addressed.

YOUTH AND SPORTS

Mr. Speaker, one of the happy moments in the past year came when the nation won a total of 23 medals, including 4 gold at the 2003 All African Games at Abuja. This was the country's best performance since 1973.

The Black Queens, the Women's football team also put up some thrilling performances at the World Cup Finals in California, even though they could not go beyond the preliminary stage.

But we are all keenly aware that the Africa Cup of Nations is about to kick off in Tunis at the weekend and the Black Stars are absent. The Meteors are currently engaged in the qualifying series for next year's Olympic Games and I am sure the entire nation joins me in wishing them the best of luck.



As much as we all get passionate about the performance of our sporting teams, the only way to achieve sustainable success at a high level is to persevere with the schools sports programme and the provision of appropriate infrastructure that government has embarked upon.

The Accra and Kumasi Stadia will be rehabilitated and lands have already been acquired at Sekondi-Takoradi and Tamale for the construction of modern stadia in anticipation of Ghana hosting the 2008 Africa Cup of Nations Football tournament.

Whilst government will certainly take the lead in providing the infrastructural base for the development of sports, let me here extend an urgent and particular invitation to private sector businesses to invest in sports. It promises good returns and induces a feel-good factor among the population.

THE PHYSICAL HEALTH OF THE NATION

Mr. Speaker, the necessary legislation for the National Health Insurance Scheme was finally enacted last year. I regret that the Bill did not get support from all parts of the House and that organized labour has felt it necessary to campaign against the measure. But now that it has become law, I urge the entire country to come together to support it, to make it a success. There has been enough argument; it is time to put the scheme into operation and put the nightmare of the Cash and Carry behind us.

Permit me to stress for the third time, that the funds expected from SSNIT will not affect the pensions of contributors, each of whom will be paid his or her full entitlements when due. As I have said earlier, this is the best way to bring quality healthcare to all, rich and poor, employed and unemployed.

COLLEGE OF PHYSICIANS AND SURGEONS

Mr. Speaker, there were other positive gains in health delivery. Forty years, after Ghana's first medical school was established, the country's first Postgraduate College of Physicians and Surgeons has been inaugurated. The happy news is that the programme of the College is specially structured to enable doctors to access it, even from their district hospitals while continuing their normal work. It must surely help to stem the tide of the exodus of doctors and other health personnel from the country.

HIV/AIDS

Mr. Speaker, we are still grappling with the HIV/AIDS pandemic and have intensified our efforts at public education.

Last year, government started dispensing imported anti-retroviral drugs at highly subsidized rates to HIV patients. But we all know that this alone, will not be enough. I therefore entreat all of us to continue showing love and compassion to AIDS sufferers, even as we endeavour to protect ourselves against it.

GOOD GOVERNANCE

Mr. Speaker, as this House must be aware, Good Governance has been the guiding principle which has informed many of the policies of this government.

Mr. Speaker, the decision to create a special Ministry for Women and Children Affairs is paying healthy dividends. From the high profile positions that are going to more and more women, the provision of credit to women engaged in farming and trading, and some say, the performance of the Girls schools, it is obvious that the female half of the population is coming into its own. The self-confidence is palpable and we must build on it.

EMPLOYMENT GENERATION

Mr. Speaker, let me now address the problem of unemployment. Government is convinced that skills acquisition and training are the major tools for tackling the unemployment problem. As conditions improve to make Ghana a competitive destination for the citing of businesses, young people must be well equipped to get the jobs that come with the improved conditions. So government is supporting the Skill Training and Employment Placement Programme (STEP). Great strides are being made under this programme and it is expected that 23,000 youth will be trained this year in various vocations. A number of them will be assisted through the Micro-Finance Scheme to set up in business on their own.

Mr. Speaker, this number will be in addition to the 98,278 jobs already created in the formal sector of the economy and the 166,000 in the informal sector since this government came to power. Indirectly, many more unemployed must have benefited from our policies especially in the rural areas.

LOCAL GOVERNMENT

Mr. Speaker, to promote good governance, this government appreciates the necessity for devolution of power to the District Assemblies, as a necessary way of tackling some of the socio-economic problems of society.

To this end, government will continue to ensure a balanced development of our Metropolitan, Municipal and District Assembly Areas especially with reference of competent staffing and funding. Participation of civil society, traditional authority, NGOs and the private sector partnership in local governance will be enhanced. Decentralization will help us better cope with the problems of sanitation in particular. This year the national sanitation policy will become operational with emphasis being laid in the four components: Inspection, Compliance Enforcement, Hygiene Education and Pest Control components: Inspection,

components: Inspection, Compliance Enforcement, Hygiene Education and Pest Control

As I watched the proceedings during the ceremonial opening of Parliament earlier this week, I heard the laughter that greeted the compliment paid by the Deputy Speaker of the Gambian Parliament on what she saw as the cleanliness of our capital city.

It is quite right that we set our standards high and the filth in our towns and cities is unacceptable. We hope that the division of the big urban sprawls into sub metros will make their administration and sanitation problems more manageable.

I need to point out though that no matter how much resources we put into the cleaning of the towns and cities, unless citizens change their habits, the problem will not go away. We must take pride in our environment and more so in our towns and cities and that means we should not litter or put up illegal structures.

PEACE AND SECURITY

Mr. Speaker, I am happy to report that the general security situation is much improved. The signs are that the problems in Dagbon are gradually being resolved and we pray that the Almighty touches the hearts of the people to engender a spirit of forgiveness and love among them.

As promised, police numbers are being increased. By the end of the year, an extra 4000 police officers would have been added to the service since this government came into office and government is continuing to provide the facilities needed to make their work easier. This will put more police on patrol, day and night and make us all sleep much easier.

MANAGEMENT OF LANDS AND FORESTRY

Mr. Speaker, the problem of land management remains a vexed one. I am happy to report that a loan of US\$ 20.5 million has been obtained from the World Bank to finance the implementation of the first phase of the Ghana Land Administration Programme which should harmonize land policies and its legislative framework.

Government is also examining the feasibility of registering all lands at all levels of titles, from government, chiefs, and individuals to render them bankable as a source of revenue, for the generation of wealth.

This idea was introduced by professor De Soto of Peru who worked on it with former President Bill Clinton of the USA.

PRIVATE SECTOR DEVELOPMENT

Mr. Speaker, I am happy to report that the private sector is becoming increasingly active and confident. The problem of lack of co-ordination between the sector and Ministries, Departments and Agencies of the public sector is being solved within a National Framework to regulate the operations of Public-Private Partnership.

As the macroeconomic conditions improve, credit is also becoming available at affordable rates at the banks. But we are not leaving it all to the individual businessman's initiatives; government is being proactive in sourcing funds for the sector.

For example, under the African Development Fund, 5-8 small and medium scale enterprises are being supported with credit of up to \$500,000 each year for the next 5 years. Already, the Wenchi Tomato Factory, Coastal Groves Ltd in Central Region, and Bosbel Vegetable Mills Ltd in Tamale have benefited from it.

There is also ten million Euros from the Italian Credit, US\$30 million, Danish Government Business Sector Programmes Support, US\$5 million from the Swiss government, in addition to an existing US\$40 million HSBC credit.

PRESIDENTIAL SPECIAL INITIATIVES

Mr. Speaker, government is focusing attention on the industrial sector to promote growth in the economy and create jobs, through rural based agro industries.

The Presidential Special Initiatives are the instruments for the promotion of private sector and the diversification of the economy. Through the initiatives, government is creating enabling environments by providing appropriate infrastructure for private sector operators.

Areas identified so far include cassava production, to feed starch factories, salt production and processing, oil-palm plantation development and cotton production for textile and garment development and sorghum and soya to feed the breweries.

Already, the Ayensu Starch Factory, the first cassava initiative, which was commissioned at Bawjiase, in April last year, has generated employment for 10,000 farmers and made its first shipment of 120 tons of cassava starch.

A modern Clothing Technology and Training Centre (CTTC) has been established in Accra. It has trained over 2,500 operators to feed the textile and garment industry. Indeed, as a result, opportunities presented to the clothing and garments sector under the African Growth and Opportunities Act (AGOA), Ghana's non-traditional export to the U.S. increased significantly from US\$42 million in 2002 to US\$62.5 million in 2003.

This year, government expects to complete 100 medium-sized garments and textile factories as part of an industrial park in the Export Processing Zone.

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Also enough oil palm seedlings have been nursed to be planted on 6,700 hectares of land this year.

TOURISM

Mr. Speaker, one area of growing importance to this country is the tourism industry, which is one of the new pillars for economic development and job creation. Currently it contributes about 3.9% of the country's GDP and it is the 4th foreign exchange earner.

We estimate a 20% annual growth rate, which should attract about 1 million tourists by year 2007 and earn Ghana some US\$ 1.5 billion. A special school has been established in Koforidua to train personnel qualified to world standards to service the sector.

INTERNATIONAL RELATIONS

Mr. Speaker, the policy of good neighbourliness and mutually beneficial economic co-operation, which government adopted on assuming office has continued to pay healthy dividends. We are at peace with our neighbours and it has also raised Ghana's stature within the comity of nations.

ECOWAS

Ghana continues to play an active role in ECOWAS, and our soldiers have been at the forefront in ECOWAS peacekeeping efforts. The sub-region is beginning to regain some measure of peace. An interim government is in place in Liberia, to prepare the country for elections. Again, ECOWAS helped to broker peace in Cote d'Ivoire and succeeded in preventing the unconstitutional overthrow of the government of Guinea Bissau. My re-election to serve for a second term as chairman of ECOWAS is an honour, which belongs to Ghanaians and I dedicate it to them. I hope I can count on your support.

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WEST AFRICAN MONETARY ZONE

At the last ECOWAS summit here in December, it was decided that Ghana should host the Headquarters of the West African Central Bank next year. Government will work assiduously towards the success of this development which should reflect positively on the image of the country.

Mr. Speaker, Ghana has continued to work with all countries on the basis of equality and mutual respect. My foreign visits have helped to promote Ghana's image and trading and investment prospects.

The decision of Japan to convert the loan for the Kasoa/Yamoransa road to a grant, is one such concrete example of the dividends from our policies and the enhanced status of our country. Similar gestures have been extended by many other friendly countries and development partners like Denmark, Canada, Holland, the UK, Germany, Italy, European Union, the US and China and we are grateful to all of them.

Tomorrow, we are expecting the German Chancellor, H. E. Gerhart Schroeder, in Accra on a state visit. The King of Morocco, His Majesty King Mohammed VI, former President Jimmy Carter of the U.S. and Mr. James Wolfensen, President of the World Bank are all due to visit Ghana soon within the next few months.

Ghanaians resident abroad are also taking more pride and interest in matters back at home. The result is increased remittances, which currently stand at over US\$1 billion.

CONCLUSION

Mr. Speaker, to conclude let me say with all modesty that, our dear country, under this administration, has been making steady and appreciable progress towards stability and prosperity. Within the short period of three years, this government has done more than just the laying of a firm foundation to carry the superstructure of our economy. It has inspired most, if not all sections of our population, to share in the vision of the greatness of Ghana, and to aspire towards achieving that greatness. These efforts have attracted encouragement and support of our development partners from around the globe.

Mr. Speaker, in spite of whatever problems we may still have, the future is bright and we dare not falter. This is a critical year for the nation.

After decades of political turbulence economic stagnation, the nation is at long last beginning to see a glimmer of light at the end of the tunnel. This year must therefore be the year of consolidation.

It is also a year of election which will confirm the nation's commitment to the democratic dispensation as its routine way of governance. On the continent of Africa, this is indeed a big challenge, as we prepare ourselves for the moment of truth, when Ghanaians will be called upon to choose freely their next government and parliament, under the national constitution.

Given the sensitivity and gravity of the moment, this government, which I lead, wants to seize this occasion, Mr. Speaker, to assure the entire people of Ghana, of its continued respect for the letter and spirit of the national constitution. Government is resolved to discharge fully and firmly its primary duty, again under the constitution, to maintain law and order, to ensure that the nation sails through this critical year without let or hindrance, in pursuit of the glorious vision that impels this government.

Mr. Speaker, in my new year message, I invited the entire nation to operate on the basis of goodwill, and perhaps I can borrow a fine statement made by the immortal American Statesman, Abraham Lincoln, "charity to all and malice to none" to convey the meaning of what I have said more clearly. I pray that we all agree to work on this basis, within the laws of the country. This, I believe, is the surest way to success for the nation and for all of us, no matter our political stance.

In this spirit Mr. Speaker, since it is still very early in the year, let me use this opportunity to convey to you and all members of this House and the entire nation, my sincerest wishes for a happy and prosperous new year.

Thank You.