

**Consultative Group for Ghana / Annual Partnership Meeting  
June 19, 2007**

**Summary Report**

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Your Excellency Mr. President, Honorable Minister, Madam Chair, Co-Chairs, Distinguished Delegates, Ladies and Gentlemen:

It is a privilege to be asked to present a summary to the President of our discussions over the past two days. I feel honored to have this opportunity.

The two-day Annual Partnership Meeting covered a broad range of issues, starting with constraints and opportunities for accelerating growth and poverty reduction yesterday and progressing to a discussion this morning of results achieved in 2006, resources needed for development programs going forward, and effectiveness of the aid partnership. This afternoon we had a lively discussion focused on human resource development, including challenges in education, health, and gender in development.

The sense of our discussion over the past two days may be summarized under the three themes that defined the meeting's agenda: Results, Resources, and Partnership.

Under **Results**, the meeting recognized Ghana's impressive economic achievements in recent years and demonstrated a strong convergence of views in support of Ghana's development strategy and its focus on the three pillars of enhancing private sector competitiveness, investing in human resource development, and upgrading governance—as articulated in GPRS II.

Ghana was seen as a success story in the region, for its growth dynamism that has seen GDP growth accelerate to over 6 percent, and for its truly remarkable achievement in reducing poverty, with the poverty rate falling from 52 percent in 1991 to 28.5 percent in 2005—this is among the fastest reductions of poverty seen in the developing world over this period.

The meeting also supported Ghana's objectives for the future, including raising the growth rate from the current 6 percent toward 8 percent, expediting progress toward achievement of the MDGs, and reaching middle-income country status by 2015. It was noted that, to achieve these goals, Ghana will need to persevere with and build on policy and institutional reforms that have made its recent economic achievements possible.

Priorities in the policy agenda that received emphasis included: removing the severe infrastructure constraints (in energy and water and sanitation especially but also transport and ICT) that continue to hamper growth and effective delivery of public services; raising

productivity, especially in agriculture; further improving the private investment climate; solidifying macroeconomic stability; developing labor force skills, including those of women; and continuing to enhance institutional capacity.

Under ***Resources***, the discussion noted progress that has already taken place in mobilizing more resources for development, including through domestic resource mobilization and higher aid flows from development partners. However, it was recognized that, to achieve Ghana's development objectives, more resources will be needed. This called for stronger efforts to mobilize more resources domestically, attract more private investment (including through PPI), increase efficiency in the use of resources in order to raise value for money, and, yes, further scaling up of support from development partners.

It was noted that closing of the infrastructure gaps, which is absolutely vital to sustaining the growth momentum, would require additional support from development partners of \$400-500 million p.a. This would constitute a moderate, but crucially important, increase over the current level of support from development partners of about \$1.5 billion p.a. (including debt relief). Timely and adequate support from development partners in meeting the financing gap would help keep resort to nonconcessional borrowing within prudent limits.

Full achievement of MDGs, especially those in health, would require still additional resources, on the order of \$750 million p.a. in the next five years, rising to an estimated \$1.7 billion p.a. in the following five years. These are of course large additional amounts. Efforts spanning a mix of sources—public and private, domestic and external—would be needed to meet this resource challenge, coupled with efforts to build the requisite institutional absorptive capacity. In this context, it was noted that development partners would need to consider provision of additional support to assist Ghana meet its legitimate MDG aspirations.

Under ***Partnership***, the discussion recognized the considerable progress that has been made in improving the framework for interaction with development partners, including stronger government ownership and leadership of the partnership framework, alignment, harmonization, and results focus—in line with the Paris Declaration. That progress is reflected in the signing of the Ghana-Joint Assistance Strategy this year, and in the implementation of the Ghana-Harmonization Action Plan. It is also reflected in the quality of the documentation produced for this meeting, coordinated preparation of the meeting, and the quality and frankness of the discussion that took place.

While it was noted that efforts needed to continue to deepen progress on the partnership framework—on alignment and harmonization—in the words of one of the speakers Ghana was a “shining star” of international efforts to put into practice the principles of Paris Declaration.

Thank you.