

ADDRESS BY HONOURABLE KWADWO BAAH-WIREDU  
ON THE INAUGURATION OF SG-SSB ULTRA MODERN OFFICES,  
KUMASI CENTRAL AND ADUM BRANCHES  
ON AUGUST 24, 2006

HIS MAJESTY, OTUMFUO OSEI TUTU II, ASANTEHENE,  
NANANOM,  
FELLOW MINISTERS OF STATE,  
COLLEAGE MEMBERS OF PARLIAMENT,  
MADAM, KMA CHIEF EXECUTIVE,  
MEMBERS OF THE DIPLOMATIC CORP,  
THE GOVERNOR, BANK OF GHANA  
DIRECTOR-GENERAL, SSNIT  
THE BOARD MEMBERS, MANAGEMENT AND STAFF OF SG-SSB,  
INVITED GUEST,  
MEMBERS OF THE PRESS,  
DISTINGUISHED LADIES AND GENTLEMEN,  
ALL OTHER PROTOCOL OBSERVED

1. It is my greatest honour, to be invited as the Minister of Finance and Economic Planning to deliver a speech on this august occasion of the inauguration of SG-SSB Ultra Modern offices, Kumasi Central and Adum Branches as well as the Privilege Banking of SG-SSB in Kumasi.

2. Let me first of all congratulate the Board and management of staff on this occasion.
3. As most of you might have known, Societe General decided to invest in Ghana in 2002 when the President, His Excellency, J. A. Kuffour embarked on an investment trip to France to solicit for foreign direct investment for the country.
4. Otumfuo, Nananom, Ladies and Gentlemen, like all investors, the Societe Group showed interest in Ghana because Ghana is a stable country in the sub-region not only economically but also politically.
5. When the Government supported this partnership between Societe Generale and the then SSB Bank some Ghanaians were skeptical about the success of the partnership but the Government believed strongly that this partnership will bring a lot of international support to the Bank and Ghana.
6. Societe General presently has 51% majority shares of SG-SSB thus making SG-SSB a subsidiary of Societe General Group. This is the first investment in retail banking by Societe General Group in an English speaking country in the West Africa sub-region.

7. Otumfuo, Nananom, Ladies and Gentlemen, as you might have noticed, for the past five years economic activities in the country have been robust, inflation has been going down, exchange rate of the cedi to major currencies has been quite stable, Sovereign Credit Rating of B+ one of the best in Africa, business confidence remain high and consumer confidence is steady.
8. This has created an enabling environment for investment in the country and massive support by the Government for the private sector.
9. An important area that demands urgent attention is access to finance for Small and Medium Enterprises (SMEs). SMEs create a sustainable livelihood for the majority of the population supporting them is therefore vital for economic growth.
10. There is no doubt that most companies (more than 90 per cent) in the private sector in Ghana are SMEs and thus if these enterprises face many difficulties in accessing financing from Banks it is then a problem for the country.

11. Certainly we appreciate why banks have a higher risk perception of such companies and thus often shy away from administering credit to them.
12. It is however, hoped that the passage of the Credit Reporting Bill and the National Identification Administration Bills will help develop appropriate Credit Infrastructure and thereby enhance financing to the SME sector.
13. Otumfuo, Nananom, Ladies and Gentlemen. As an SME based economy Government in its desire to support this vital sector of the economy has sourced US\$25 million from our development partners to support the SMEs to get access to credit at a cheaper cost so that they can grow their business. This fund is being managed by the Ministry of Trade, Industry and PSI.
14. It is my hope that the inauguration of the SG-SSB Ultra Modern offices and Kumasi Central and Adum Branches would serve as a catalyst in providing short and medium term loans to SME and Enterprises in the Ashanti, Brong Ahafo, Upper West Region, Upper East Region and Northern Region of the country so that the Bank could add value to these business through its excellent customer service.

15. Otumfuo, Nananom, Ladies and Gentlemen. The banking system over the last couple of years has seen new entrants but the degree of competition in pricing by banks still remains weak. Lending/ Borrowing rates are still high despite a consistent decline in the Prime Rate.
16. The spread between deposit/saving rates and lending/borrowing rates are still quite wide. There is the need to address the higher lending interest rate and I wish SG-SSB takes a lead in this.
17. The Government has followed closely the progress of SG-SSB since they took over SSB three years ago and I am happy to inform you that the Government is quite pleased with the performance of the bank so far and will continue to give SG-SSB the necessary support like all other investors in the country to enable them realize a good return on their investment and assist the Government in the socio economic development of the country.
18. Otumfuo, Nananom, Distinguished Ladies and Gentlemen, I wish to congratulate the Board, management and staff of SG-SSB for their continued support for the Government.

19. Economic and Development Programmes and their vision to refurbish these two beautiful branches with its Ultra Modern offices to serve the people of Kumasi and Ashanti as a whole.
20. It is my hope that our relationship would work to the mutual benefit of SG-SSB and the Government of Ghana and assist in deepening the relationship between France and Ghana.
21. Otumfuo, Nananom, Distinguished Ladies and Gentlemen.  
Thank you very much for listening to me.

Let me use this platform to appeal to Ghanaians to register with the National Health Insurance Scheme (NHIS) as its benefits are many.

Parents are also encouraged to send their wards to school. Due to the Social Impact Mitigation Levy, Government is able to pay fees for pupils in our 1st Cycle Institutions (in the form of Capitation Grant), provide a balanced meal once a day, and also our school children are allowed to board the metro buses free of charge.

This is surely, a step in the right direction.