

***Joint Press Release***  
***by the Ministry of Finance and Economic Planning***  
***and the German Embassy in Ghana***

***Ghanaian-German Bilateral Negotiations on Development Cooperation***  
***successfully concluded***

The Intergovernmental Negotiations on Development Cooperation between the Republic of Ghana and the Federal Republic of Germany were held in Accra on 13 and 14 September 2007. They highlighted the strong commitment of the Republic of Ghana to achieving the Millennium Development Goals and to promoting broad-based growth aiming at middle-income status by 2015. As the first independent country in sub-Saharan Africa, Ghana is likely to achieve the first MDG of reducing poverty by half since 1990 within the next two years. Apart from this achievement, the German delegation also acknowledged the constructive role that Ghana is playing within ECOWAS and the African Union, within the inner-African reform process NePAD (New Partnership for Africa's Development) as well as the reform partnership of the G8 with Africa.

The Ghanaian-German bilateral development cooperation is derived from the national Growth and Poverty Reduction Strategy (GPRS II) and implemented within the framework of the "Ghana - Joint Assistance Strategy", signed by all principal development partners. In this context it was jointly agreed to continue to focus the German assistance on the focal areas of sustainable economic development, agriculture and decentralization.

**During the bilateral negotiations the government of the Federal Republic of Germany committed an amount of Gh¢ 67,31 million (€53 million) for the years 2007/2008. The total commitment consists of Gh¢ 49,53 million (€39 million) financial cooperation and Gh¢ 17,78 million (€14 million) technical cooperation. This raises the total German development cooperation support to Ghana since independence to more than Gh¢ 1333,5 million (€1050 million).**

Both governments agreed to use the new funds being made available to support Ghana's decentralization reforms and their implementation. In this context, Germany hopes to be one of the first development partners to contribute financially to the new District Development Fund currently under discussion. It was also agreed to further support the GoG's Private Sector Development Strategy. In agriculture, the Market Oriented Agricultural Programme will be expanded and a new fund will be implemented to improve the competitiveness of small holder farmers as well as small and medium sized processing companies. Moreover, Germany will support the Ghanaian partners in the field of legal reforms.

Additionally, Germany reconfirmed its commitment to give direct budget support to the Ghana Government in the framework of the Multi Donor Budget Support facility. New commitments were made to secure an annual contribution of up to Gh¢ 12,7 million (€10 million) annually.