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PRESS RELEASE

We, Members of the Ghana Catholic Bishops' Conference, greet our fellow Ghanaians in the name of Jesus Christ, the Prince of Peace!

The Ghana Catholic Bishops Conference (GCBC) has been following with keen interest and concern, recent happenings in the country on the economic front and its impact on Ghanaians.

We, therefore, find it necessary to add our voices to calls on government to take steps to find solutions that are less burdensome on Ghanaians, and yet sustainable to get the country out of this economic quagmire.

In the light of this, we are troubled that the position so far adopted by government lacks consensus, resulting in the strong reactions witnessed in the recent past.

Certainly, it is not in any Ghanaian's interest to stand in the way of government's efforts to put the country back on sound economic growth, create opportunities for every business to thrive through the debt restructuring as a panacea to obtaining the IMF bail-out.

We wish to observe however that, the far-reaching consequences of the proposed domestic debt restructuring programme on the financial sector (banks and insurance companies in particular), and the cascading implications on individual holders of government instruments, once believed to be the safest investments, are too damaging, not only for investors but also their effects on the bargaining power of households and on the poor.

The strong resistance to the debt restructuring from domestic resources to meet the IMF bailout conditions is a natural response from those directly or indirectly affected.

The options for government to resolve the economic crisis appear limited. We therefore hold the position that, given the issues that have arisen with

government's resort to an IMF bailout, and the mistrust it has garnered, does not make the domestic debt restructuring option appear viable.

Urgent situations call for urgent actions. We therefore call on government to consider the following:

Government should involve all stakeholders, particularly individual and financial institutions directly affected, and carry them along in addressing the problem.

We also urge government to vigorously pursue some debt forgiveness and/or deferment, where feasible so that if at all, the domestic debt restructuring burden could be reduced drastically and its impact on stakeholders minimized.

To win the international community over in pursuit of this, government must present a posture that is consistent with the fact that the country is in dire straits or crisis. These include but certainly not limited to avoiding the reported expected expenditure overruns in the 2023 Budget; drastic government expenditure control by reducing the number of government appointees; suspending non-essential projects; and a review of the free SHS policy.

While we expect government to consider these suggestions, we humbly appeal to Ghanaians to appreciate the current economic situation and understand that there will be difficulties in the coming months while the problem is solved permanently.

We hope that these will help in no small way to alleviate the pressure on domestic revenue generation challenges with the IMF bailout condition, if it has to be continued.

We trust that with goodwill, transparency and commitment to the common good, and all Ghanaians coming together, we shall overcome this crisis with the help of God.

Thank you and may God bless our homeland Ghana!

+ Matthew K. Gyamfi

MOST REV. MATTHEW K. GYAMFI
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