

**THE INSOLVENCY OF THE BANK OF GHANA  
AND THE CALL FOR THE GOVERNOR OF THE  
CENTRAL BANK DR ERNEST ADDISON TO  
RESIGN.**

**Date: 8<sup>th</sup> August 2023**

Good afternoon, ladies and gentlemen.

It is with a heavy heart and great sorrow that we welcome you to this critical press briefing.

The Bank of Ghana, which is our Central Bank and lender of last resort, has been dealt a catastrophic blow by the reckless, clueless and criminally-minded NPP mis-managers of our economy and this has necessitated an urgent call for action to Save Our Central Bank.

Many media houses, including those of you here, have, in the last week, covered the sad and pathetic story of the Central Bank following the release of its annual report.

Anyone who understands the crucial role of the Bank of Ghana will be rightly worried about this development. It is a total disaster!

Unless we take an urgent and drastic action, these reckless, clueless and criminally-minded NPP mis-managers of the economy have laid the final groundwork for the collapse of our financial system and the economy which will worsen the already horrible conditions of Ghanaians.

We in the National Democratic Congress (NDC) saw the red flags and have consistently warned of the mismanagement of the financial sector by the Governor of the Central Bank and his team of incompetent deputies.

This mismanagement was anchored on the jaundiced supervision of Dr. Mahamudu Bawumia, the Vice President and the brain behind the NPP's economic mismanagement team.

Only last week, the Annual Report and Financial Statement of the Bank of Ghana was released. This report depicted the catastrophic decline of the Bank into a bottomless pit.

The report revealed the following astonishing facts:

1. The Bank of Ghana recorded a staggering loss of GHS60.8 billion, which is equivalent to \$6 billion. This is twice the amount we are to receive from our recent IMF bailout.

This means the recklessness and mismanagement of the Governor of the Bank of Ghana has cost the nation twice what we are struggling and sacrificing to receive from the IMF amid major conditionalities.

2. The bank has also recorded a negative equity of over GHS55.1 billion. What this simply means is that the Bank of Ghana is insolvent.

In other words, the once prestigious Bank of Ghana, the mother of all banks in Ghana, has been bankrupted and collapsed by this NPP economic management team led by Dr Mahamudu Bawumia with the complicity of the Governor of the Central Bank.

Friends from the media, many questions have been asked about how we arrived at this gloomy and sad situation, with some expressing surprise at the state of affairs of the Central bank.

For us in the NDC, this disaster did not come as a surprise. We in the NDC Minority have always known that the Bank of Ghana was being mismanaged.

We have made this point time without number that the Bank of Ghana is a classic example of “how not to manage an economy”.

The NDC party is on record to have informed Ghanaians on countless occasions that the Bank of Ghana has been on a dangerous trajectory, and indeed, it has now become a crime scene with dire consequences for all of us.

Fellow countrymen and women, after the inept and clueless Finance Minister over-borrowed and got Ghana locked out of the capital market due to our unsustainable debt obligations, the NPP government chose the easy, reckless, lazy and criminal path of printing money.

This is how the Governor of the Central Bank, Dr. Ernest Addison who is now known as the “Printer of Money”, conspired with members of the Economic mis-

management Team led by the failed Alhaji Mahamudu Bawumia and the inept Finance Minister Ken Ofori-Atta aka “One Problem, One Bond”, to destroy Ghana’s Central Bank.

After this dastardly act of over-lending to the government by the Central Bank, they then proceeded to do the unthinkable – to write-off a whooping GHC 48.4 billion, about half of Ghana Government’s indebtedness to the Central Bank, without parliamentary approval. This is illegal and criminal and the NDC Members of Parliament will not allow this to pass.

Beyond the mismanagement of the economy and our finances, the spectacular recklessness and ineptitude of the Governor and his team has called into question the wisdom of leaving him at the helm of affairs of the Central Bank.

We now present to you the manifestations of mismanagement, ineptitude and potential corruption at the Bank of Ghana which was revealed by the 2022 Annual Report and Financial Statement of the Bank.

1. The Report revealed that millions of Ghana Cedis have been wasted on frivolous administrative expenditures. The Bank of Ghana spent a whopping GHS131.6 million on Motor vehicle maintenance and running in 2022 alone - a 114% increase over the previous year's expenditure.
2. Similarly, foreign and domestic travels of the Bank of Ghana cost the Ghanaian tax payer a staggering GHS97.4 million, which is about 246% increase over the previous year.

3. The Bank of Ghana also dissipated another GHS8.6 million on Director's remuneration alone. This represents about 87% increase over the previous year's expenditure. This simply means that Ghanaians were charged a "Mismanagement Fee" to deliver the collapse of the Bank.
4. The Bank further claimed to have spent a colossal GHS357.9 million on Banking Supervision Expenses.
5. The report disclosed that, the bank spent a whopping GHS67.9 million on computer expenses while communication expenses amounted to GHS32 million.
6. The Report disclosed 'other' undisclosed expenses amounted to GHS287.8 million of the taxpayer's money.



7. Perhaps the more troubling fact is that, having brought the Bank of Ghana to this terrible financial state, the Governor and his deputies, have found it prudent and expedient to invest \$250 million (GHC2.8 billion) on another Head Office building somewhere at Ridge. In our circumstances, this is the height of insensitivity in the management of the finances of a troubled country.

The BOG's illegal printing of money is responsible for the depletion of Ghana's external reserves which resulted in the unprecedented depreciation of the Cedi, the main cause of hyperinflation in 2022.

It is important to state that the Governor breached section 30 (7) of the Bank of Ghana Act, 2012 (Act 612 ) and Section 60 of the Bank of Ghana Amendment Act, 2016 (Act 918)

An estimated 850,000 people were further reported to have been pushed down the poverty line as a result of the hyperinflation in 2022.

It is now obvious that many more members of the Akuffo Addo Government will likely be keeping several more millions of dollars in their bedrooms and building a war chest to illegally buy electoral votes at both party primaries and the upcoming general elections of December 2024.

We will not be surprised if members of the Economic Management Team involved in these contests make a strong showing.

We in the NDC will continue to explore ways of rescuing this country to prevent it from the doom that has befallen several West African countries.

The IMF has made offers to assist the Government develop a plan for the recapitalization of the Central Bank (see paragraph 18 of the Ghana's Memorandum of Economic and Financial Policy (MEFP)).

It is however our position that those who have so recklessly mismanaged the Central Bank and brought it to its knees cannot remain at the helm of affairs of the bank without being held accountable.

Those who have by their reckless and criminal conduct unleashed economic hardship and financial distress on the suffering people of Ghana must be held to account. Impunity of the highest order can no longer be tolerated by the suffering masses of Ghanaians. We must not allow dangerous precedents to be set for future leaders.

In this regard, we call for the resignation of the Governor of the Central Bank and his deputies within 21 days from today. We are resolved to embark on popular action to occupy the Central Bank and drive out the team of inept, callous and criminal mismanagers of the finances of this country and Save the Bank of Ghana.

The March to Ensure Accountability will begin in 21 days if the Governor of the Bank of Ghana does not do the needful and pack bag and baggage out of that sacred institution that he has so desecrated.

Dr Ernest Addisson Must Go! There has to be an end to impunity and it is NOW!

Fellow country men and women, Arise for Ghana!

Thank you and God Bless our March.

STATEMENT READ BY HON. DR. CASSIEL ATO  
FORSON, LEADER OF THE NDC CAUCUS IN  
PARLIAMENT