

**SPEECH DELIVERED BY THE DEPUTY MINISTER OF TRADE,
INDUSTRY, PSD & PSI, HON. KWAKU AGYEMAN-MANU, AT THE
OPENING CEREMONY OF THE 'BRIDGES ACROSS BORDERS'
NETWORKING EVENT AT THE NOVOTEL HOTEL, ACCRA
ON 7TH NOVEMBER 2007**

H.E. The UNDP Resident Representative in Ghana

The Director, Market & Product Division of ITC and Your Team from the
Trade in Services Section of ITC

Our Distinguished Friends from Nigeria, South Africa and Kenya

Distinguished Ladies and Gentlemen

It is my pleasure to interact with you this morning on the occasion of the
opening of the Bridges Across Borders networking event for professionals
in the ICT and Financial Services from Ghana, Nigeria, South Africa and
Kenya.

Under the theme '*Fostering Outsourcing Partnership in Financial Services
& Information Technology*', the principal focus of this event is on
networking and will offer participants the opportunity to meet foreign
business associations, chambers of commerce and professionals to share
experiences, exchange best practices and explore areas of cooperation
and joint ventures to pursue professional and business interests.

Ladies and Gentlemen,

The Ministry of Trade, Industry, Private Sector Development & President's
Special Initiatives is proud to be associated with this event because we are
convinced that it is a laudable programme that deserves our utmost
support.

Distinguished Guests,

Current global trends clearly show the growing importance of services, not only as an auxiliary to merchandise trade, but as tradable products in their own right. In the last forty years therefore, the focus of services trade has shifted away from facilitating the trade in goods.

More recently, the integration of telecommunications and computer technologies has made virtually all services tradable across borders. Since the mid-eighties service industries have increased in importance in most developing countries and ~~particularly in Least Developed Countries (LDCs), usually contributing at least 45 per cent of GDP.~~

The sector has in ^{some} many cases overtaken merchandise trade sector. It is interesting to note that in the production of goods, the major portion of value added (up to 70%) comes from services inputs: upstream (such as feasibility studies and research and development activities); and on-stream (accounting, engineering, and administrative services); and downstream (such as advertising, warehousing and distribution).

Ladies and Gentlemen,

The share of developing countries in trade in services has increased considerably. Exports of services from developing countries increased from US\$ 147 billion in 1990 to US\$347 billion in 1999. During that decade, export of services accounted for the top five sources of foreign currency for 90 developing countries. While travel and tourism were the most dynamic others that made considerable progress were communication, construction and business services.

There are many factors that account for this fast growth in the sector. While some service sectors, in particular international finance and maritime transport, have been largely open as the natural complements to merchandise trade, other major sectors have undergone fundamental technical and regulatory changes in recent decades which have dramatically increased their "tradability".

Commercialization and the reduction, or elimination, of existing barriers to entry has transformed policy regimes across many countries and sectors. The emergence of the Internet has helped to create a range of new, internationally tradable products from e-banking to tele-health and distance learning, and to remove distance related barriers to trade for suppliers and users in remote locations (such as software development, consultancy and advisory services).

A growing number of services previously subject to monopoly are gradually being exposed to competition; telecommunication and other infrastructural services, road transport and banking, are cases in point. Reform in such sectors has introduced greater efficiency in the services concerned and has enhanced economy - wide productivity, as many services are inputs for other goods and services.

Ladies and Gentlemen,

Ghana's own service sector is no exception to this phenomenon and provides good prospects for the growth of the Ghanaian economy, contributing ^{significantly} about 41.4% to GDP. A positive growth in the sector would therefore have far reaching desirable implications for the growth of the national economy.

Ghana's service sector is characterized by a variety of services that include construction and allied engineering services, information technology,

business services, freight forwarding services, banking services, health care, education and tourism, among others. Ghana's potential also extends into considerable competitive advantage in the ECOWAS and the bigger markets for Business Process Outsourcing and Knowledge Process Outsourcing in advanced markets of the United States and ~~United Kingdom~~. Europe.

In recognition of the growing importance of services trade to foreign exchange earnings, job creation and GDP growth, the Government of Ghana is taking steps to mainstream services export into national trade policies and schemes. The Government's Statement of intent in this regard is captured in the Budget and Economic Policy Statement for 2007 where we have indicated that

"We will be holding extensive consultations with professional associations and the services industry to design a practical strategy to link Ghana to the global services supply chain".

This agenda will be pursued to the fullest extent possible to leverage the areas of Ghana's competitive edge. To this end, the Ministry fully supports Ghana Export Promotion Council's (GEPC's) efforts to rally the services associations and other stakeholders to create an organized well-primed services export sector that will benefit from the full complement of support schemes previously available only to exporters of merchandise products.

As a first step, I wish to note that the Export Development and Investment Fund's 4-Year Strategic Plan currently under review clearly recognizes service exports as an area that should be supported financially to enhance its viability. I take the opportunity to encourage associations and professionals within the services sector to approach the Fund with concrete proposals for their export market entry programmes.

I also wish to urge the associations to form a coalition of service associations that will become a platform for positively engaging Government to promote the sector, in addition to providing networking and information sharing opportunities for professionals.

To our participants from both Ghana and our visiting compatriots from Nigeria, South Africa and Kenya, I urge you to take full advantage of this networking opportunity to learn new ways of doing things, make new friends and expand your professional horizons.

I thank the International Trade Centre, the UNDP, the World Bank, the CBI of the Netherlands and all those who have supported this programme. I also wish to congratulate GEPC for hosting this event.

Ladies and Gentlemen,

I wish you all a successful networking event and an enjoyable stay in Ghana.

On this note, Distinguished Ladies and Gentlemen, I have the privilege to formally declare the Bridges Across Borders Networking Event for ICT and Financial Services duly opened.

Thank You.