



Embassy
of the Federal Republic of Germany
Accra

Mr. Daniel KRULL
Ambassador of the Federal Republic of Germany to Ghana
at the Biennial National Delegates Conference of
the National Association of Local Authorities of Ghana
Kumasi, 2. June 2022

Your Excellency Vice President of the Republic of Ghana

Honourable Minister of Local Government, Decentralisation and Rural
Development

Honourable Minister for the Ashanti Region

Honourable representative of the Asantehene here present

NALAG Chief Executive and General Secretary

Dear Chief Executives and Delegates of NALAG

Friends of the Media

Ladies and Gentlemen

Good morning!

Thank you very much for offering me the opportunity to express today our solidarity to the NALAG Delegates Conference 2022 in the heart of the Ashanti region, here in Kumasi.

As the German Ambassador to beautiful Ghana I feel very honoured to be allowed to speak here today.

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But you may ask: Why is the German Ambassador speaking here today at the **National** Delegates Conference?

Germany is proud and pleased to be among the trusted long-time sponsors of the Ministry of Local Government and the MMDAs in Ghana.

In the framework of the Ghanaian-German bilateral development cooperation the Ghanaian government has requested technical and financial assistance for improving MMDAs capacities to finance infrastructure projects and inclusive development. Over the years Germany has contributed an overall amount of almost 130 Mil € to the **District Assemblies Common Fund** and an overall amount of more than 70 Mil € to **improve capacities of MMDAs**.

Thus, making Germany currently the largest bilateral donor on the sub-national level in Ghana.

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Again you may ask : Why is Germany willing to commit these important amounts to the MMDAs!

Ghana is Germanys Premium Partner in West Africa, economically and politically.

We commend H.E. the President of the Republic for his leadership in ECOWAS, in difficult times, when shared democratic core values, rule of law und the respect for human rights are challenged by shihadist terrorists groups, organized crime and military coups.

We offer our assistance to our Premium Partner for strengthening the resilience of democratic Ghana.

In Germany, we believe that healthy local governments are key for providing basic public goods and services to the citizens.

Thus, local governments are, in many ways, key for building and strengthening trust of the citizens in the democratic system.

Accordingly, the German constitution provides the legal basis for local self-government and guarantees local governments financial autonomy and a certain degree of tax autonomy.

Against this backdrop, it may appear as the natural choice that Germany responded positively to Ghana's request for support for improving the revenue management in MMDAs.

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Jointly with other sponsors, we are supporting the Ghanaian agenda for empowering local authority **for more than 10 years**.

Without any doubt, the flagship project in this field is the support to the Ministry of Local Government for developing the dIRev software within our Programme "Governance for Inclusive Development" (GOVID).

The dIRev software was developed to increase internally generated funds of MMDAs.

Over the years, Germany, Switzerland, the USA and the Canada provided approx. 50 Mio. Euro for this approach.

Laws and policies of the Government of Ghana govern dIRev, owned by the Government of Ghana, including all its data.

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And since its introduction you are witnessing important progress:

Currently, 114 MMDAs across the entire country, including all regional capitals and major metropolitan areas, are using this tool to print bills, to collect and to manage their revenues.

The District Chief Executives who were willing to reform their revenue collection and management systems have been the **most successful** ones in increasing their internally generated funds.



MMDAs have **increased their internally generated funds by up to 400 %**.

In some MMDAs the amount of the internally generated funds today exceed the funds received through the District Assemblies Common Fund.

In 2020, the international Think Tank Copenhagen Consensus Center reviewed the efficiency of 80 governmental projects in Ghana.

The review concluded with rewarding the dIRev Software as the most efficient project of the Government of Ghana.

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I would like to thank our longstanding partners for their trust in us and their tireless commitment for so many years.

And let me add, we stand ready to continue our support to MMDAs for increasing their internally generated funds.

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In concluding, let us briefly look ahead.

Has Ghana yet exploited the full potential of dIRev?

Certainly not.

Last year, during our bilateral government negotiations on development cooperation, Germany responded positively to the request of the Ministry of Local Government for assistance in the roll out of dIRev in the remaining MMDAs.

We are still willing to keep this promise, provided that Ghana wants to continue to make best use of dIRev, in the interest of the MMDAs and the people of Ghana.

In this vein, I wish all delegates a successful conference, meaningful discussions leading to results, strengthening democracy and healthy local government in beautiful Ghana.