THE CASE OF GHANA

A CRITICAL ANALYSIS OF THE POVERTY REDUCTION STRATEGY PAPERS (PRSPs)
PROCESS AND OUTCOMES

AFRICAN FORUM AND NETWORK ON DEBT AND DEVELOPMENT
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Preface

This study, commissioned by AFRODAD and conducted in Ghana by civic society activists, provides an update on practice and experiences of civil society participation in the development of PRSPs. The Ghana PRSP is yet another confirmation that in practice 'participation' has been limited to consultation. Flaws in the consultation process need to be addressed and practices need to go beyond consultation to genuine engagement, achieved through civil society taking a strong role in monitoring and governments relinquishing some control in the process. Civil society participation can add considerable value to PRSP processes if done in a genuine way. The current participation much remains to be done. Only modest civic expectations have been fulfilled in regard to the depth and quality of participation envisaged in the PRSP blueprint.

The government of Ghana appears to have started the PRSP process with no particular understanding of participation as a principle, nor expectations of it beyond satisfying the Bretton Woods institutions' negotiations. The Ghana PRSP process like others saw civil society organizations' inability to engage government in macroeconomic policy consultations as the process itself confined them to consultative feedbacks and reports and also that civil society itself was ill equipped to engage in such dialogue. Many urban and rural civil society organizations felt that their background in service delivery did not qualify them for policy advocacy issues, thus leaving the Ghana Private Voluntary Organizations in Development (GAPVOD), and few others such the Institute for Democratic Change to tackle PRSP concerns. The organizations that stood for CSO never had effective feedback or liaison mechanisms casting doubts on their legitimacy, credibility and representativeness.

There were no major macroeconomic policy shifts added by civil society's engagement. Civil society only managed to bring in new and previously sensitive issues such as impoverishment effects of corruption, gender awareness and governance on the poverty agenda. Civil society organizations could be accredited for raising public awareness of the PRSP process through information sharing among themselves and with the broader public. In so doing their greatest impact was precisely challenging government culture of secrecy and neo-liberal claims on poverty reduction through the 'trickle down' effect. It is clear that more attention is needed in PRSPs on maximizing the impact of economic growth on poverty. More coverage of the policy implications related to development of a fair, efficient and effective fiscal policy, promotion of some level ground for income and wealth distribution, savings and investment issues is needed.
Acknowledgements

AFRODAD wishes to extend its deep, sincere and profound gratitude to Mr. Awudu Ahmed Gumah of Organization of African Trade Union Unity (Ghana) for investing considerable time and effort in the research process of this report.

The report could not have been possible without the cooperation received from various institutions and individuals. In particular we wish to thank the representatives/officials of all the Ghanaian civic, governmental and private institutions that the researcher called upon for interviews, research materials and data.

The central financial support and encouragement of Diakonia staff was invaluable to the project. We are particularly grateful to the incisive comments and suggestions made by the reader, Dr. Emmanuel Akwetey of the Institute for Democratic Governance, Ghana.

Special mention is due to the contribution made by the Project Managers; Erin McCandless and Ezekiel Pajibo. The report benefited incalculably from the intellectual advice and guidance of Opa Kapijimpanga, the AFRODAD chairperson. The entire report is indebted to the tireless and hardworking of AFRODAD secretariat, especially Charles Mutasa and Barbara Kalima, who respectively direct our research and advocacy programs.

This Poverty Reduction Strategy Papers (PRSPs) research report is part of our second series on the subject. The first series covered the first five countries to complete Poverty Reduction Strategy Papers in Africa namely; Burkina Faso, Mauritania, Uganda, Tanzania and Mozambique.

AFRODAD is proud to be associated once again with research on pertinent and contemporary issues such as the Poverty Reduction Strategy Papers. Last but not least, we are grateful to all the assistance we received during the study and needless to mention the fact that we assume full responsibility for the opinions expressed in this report.
# List of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full form</th>
</tr>
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<tbody>
<tr>
<td>AAG</td>
<td>Action Aid Ghana</td>
</tr>
<tr>
<td>AU</td>
<td>African Union</td>
</tr>
<tr>
<td>BWIs</td>
<td>Bretton Woods Institutions</td>
</tr>
<tr>
<td>CAF</td>
<td>Country Assistance Strategy</td>
</tr>
<tr>
<td>CAS</td>
<td>Centre for Democratic development</td>
</tr>
<tr>
<td>CDD</td>
<td>Civil Society Coordinating Council</td>
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<tr>
<td>CIVISOC</td>
<td>Community Based Organizations</td>
</tr>
<tr>
<td>CBOs</td>
<td>Convention People's Party</td>
</tr>
<tr>
<td>CPP</td>
<td>Civil Society Organizations</td>
</tr>
<tr>
<td>CSOs</td>
<td>Core Welfare Indicators Questionnaire</td>
</tr>
<tr>
<td>CWIQ</td>
<td>District Chief Executives</td>
</tr>
<tr>
<td>DCEs</td>
<td>Economic Recovery Programme</td>
</tr>
<tr>
<td>ERP</td>
<td>Enhanced Structural Adjustment Facility</td>
</tr>
<tr>
<td>ESAF</td>
<td>Group of Seven Industrialized Countries</td>
</tr>
<tr>
<td>G7</td>
<td>Ghana Association of Private Voluntary Organizations</td>
</tr>
<tr>
<td>GAPVOD</td>
<td>Ghana Living Standards Survey</td>
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<tr>
<td>GLSS</td>
<td>Ghana Poverty Reduction Strategy</td>
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<tr>
<td>GPRS</td>
<td>Ghana Trades Union Congress</td>
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<tr>
<td>GTUC</td>
<td>Heavily Indebted Poor Countries Initiative</td>
</tr>
<tr>
<td>HIPC</td>
<td>Institute for Democratic Governance</td>
</tr>
<tr>
<td>IDEG</td>
<td>International Development Goals</td>
</tr>
<tr>
<td>IDGs</td>
<td>International Financial Institutions</td>
</tr>
<tr>
<td>IFIs</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IMF</td>
<td>Letter of Development Policy</td>
</tr>
<tr>
<td>LODP</td>
<td>Ministries, Departments and Agencies</td>
</tr>
<tr>
<td>MDAs</td>
<td>Medium term Development Programme</td>
</tr>
<tr>
<td>MTDP</td>
<td>Medium Term Expenditure framework</td>
</tr>
<tr>
<td>MTEF</td>
<td>National Democratic Congress</td>
</tr>
<tr>
<td>NDC</td>
<td>National Indicative Programme</td>
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<tr>
<td>NIP</td>
<td>National Development Planning Commission</td>
</tr>
<tr>
<td>NDPC</td>
<td>Non-Governmental Organizations</td>
</tr>
<tr>
<td>NGOs</td>
<td>Organization for Economic Cooperation and Development</td>
</tr>
<tr>
<td>OECD</td>
<td>Participatory Poverty Assessment</td>
</tr>
<tr>
<td>PPA</td>
<td>Public Private Partnership</td>
</tr>
<tr>
<td>PPP</td>
<td>Poverty Reduction and Growth Facility</td>
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<tr>
<td>PRGF</td>
<td>Policy Reduction Policy Framework</td>
</tr>
<tr>
<td>PRPF</td>
<td>Poverty Reduction Unit</td>
</tr>
<tr>
<td>PRU</td>
<td>Poverty Reduction Strategy Paper</td>
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<tr>
<td>PRSP</td>
<td>Private Sector Participation</td>
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<tr>
<td>PSP</td>
<td>Public Utilities Regulatory Commission</td>
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<tr>
<td>PURC</td>
<td>Structural Adjustment Programmes</td>
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<tr>
<td>SAPs</td>
<td>Structural Adjustment Participatory Review Initiative</td>
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<tr>
<td>SAPRI</td>
<td>State Owned Enterprises</td>
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<tr>
<td>SOEs</td>
<td>Social Security and National insurance Trust</td>
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<tr>
<td>SSNIT</td>
<td>Third World Network</td>
</tr>
<tr>
<td>TWN</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>VAT</td>
<td>Wealth Creation and Social Development Programme</td>
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<tr>
<td>WCSDP</td>
<td>Wealth Creation and Social Development Programme</td>
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</table>
PART I: Introduction and Background

1.0 Nature of research

Ghana is among several African countries that have been required to prepare and implement Poverty Reduction Strategy Papers (PRSPs) as a pre-condition for accessing loans through the Poverty Reduction and Growth Facility (PRGF) of the International Monetary Fund as well as the Poverty Reduction Support Credit (PRSC) of the World Bank. During the last two to three years several African countries have been urged to formulate policy frameworks aimed at reducing poverty and creating the framework for sustainable growth and development, as a means for accessing these facilities.

In Ghana, the process of preparing a PRSP started in July 2000. It went through a long process of interactive activities and culminated in the adoption of the Ghana Poverty Reduction Strategy (GPRS) in February 2002.

As a critical condition for its successful implementation, the GPRS was expected to evolve from, and translate into, a participatory process that involves key stakeholders, including representatives of civil society, the private sector and the economically deprived in the society.

As key development agents and partners, civil society organizations (CSOs) in Ghana received the decision to involve them in the GPRS with much enthusiasm. This was evident by the zeal with which they participated in the activities in which they were involved. Some uncertainties are however beginning to emerge about the degree of civil society participation in the policy discourses that underpinned the preparation of the GPRS, and the real impact that this was meant to have on the GPRS. Similarly, it is not really clear what prospects exist for effective civil society participation in the implementation, monitoring and evaluation of the GPRS.

This study takes a critical look at the various dimensions of the Ghana Poverty Reduction Strategy - its preparation, content and implementation processes; and attempts to make an analysis of the participatory mechanisms that characterize them. In order to achieve this, the paper traces the factors that have brought about the high incidence of poverty in Ghana, and tries to situate this in the context of recent socio-economic and political developments in the country. In general terms, the study attempts to answer the question as to how participatory poverty reduction strategies can advance poverty reduction. More specifically, the study focuses on seeking answers to the following:

1. What kind of participation is evident in the GPRS process (who participated, in what ways, etc)?

2. What poverty reduction strategies, benchmarks and targets have resulted in the PRSP and how does the resulting document link with other national development plans and international standards and targets for poverty reduction?

3. In what ways do the final document and outlined policies reflect the participation of civil society and other actors; and who ultimately feels ownership over the document?

4. How will the policies outlined, and intended mechanisms for implementation, create wealth in the country, redistribute it and advance poverty reduction and eradication?
The study was conducted using a three-pronged methodology, namely literature review, questionnaire survey and interviews. A small body of literature, consisting of reflections and position papers on the PRSPs and the GPRS in particular, as well as other academic publications, was reviewed as part of the study.

A survey was also carried out targeted at a small sample of key stakeholders. It was initially intended to include as many as 15 institutions representing government ministries, departments and agencies as well as representatives of civil society, the private sector and academia. However, in view of time constraints and bureaucracy, five institutions were covered by the survey. The National Development Planning Commission (NDPC), which is responsible for coordinating the GPRS process, was the only government institution covered by the study. Civil society organizations covered by the study included the Ghana Trades Union Congress (GTUC); the Ghana Association for Private Voluntary Organizations in Development (GAPVOD), the main NGO umbrella organization that brings together about 250 community-based, national, regional and international organizations in Ghana; the Institute for Democratic Governance (IDEG); and Charities Aid Foundation (CAF). For purposes of the survey a number of questionnaires were prepared and administered to each of the target groups. Academics with expertise in socio-economic development issues in Ghana were also interviewed.

This study is being carried out against the backdrop of a strong consensus within civil society, and among other key stakeholders, on the need to evolve appropriate strategies to address the growing trends of poverty in Ghana. This consideration constitutes the basis for the conviction of CSOs to contribute to the GPRS process in various ways. The key assumption of this study, therefore, is that the interest generated by the GPRS among CSOs will be sustained, and this study will serve as basis for adding value to the various CSO interventions in the GPRS process. Other assumptions underpinning this study include:

- That the GPRS document as currently constituted is the final version for the medium-term 2002 - 2004, and that any modifications will not significantly alter the key strategies and orientation;
- That the GPRS process will not be interrupted in any way, and that the commitments made by the various stakeholders will be honoured.

The GPRS was launched in February 2002, and its implementation started only in July of the same year. Consequently, only a limited number of projects and programmes have so far been undertaken under the strategy. This has posed a serious limitation to the coverage of the study, particularly in terms of implementation. Similarly, the degree to which impact can be assessed is limited.

The study was also characterized by a number of constraints, notably time and bureaucracy. The timeframe given for the study was not enough to allow for more stakeholders as well as the direct beneficiaries of the GPRS to be targeted under the survey. Also, the study suffered tremendously from accessing information from some of the government officials involved in the GPRS. After repeated bouts of rescheduled and unfulfilled appointments, only one government official finally agreed to be interviewed. Each time this researcher visited the GPRS Secretariat after scheduling an appointment, the relevant officer was either about to go for a meeting or was reported to be in a meeting, briefing government officials on the GPRS and related issues. One officer confided in the researcher that the GPRS Secretariat was seriously under-staffed, which was why they all operated very tight schedules.
Incidentally, the three or so officers connected with the GPRS Secretariat, who have been part of the GPRS Secretariat since the beginning and who are capable of providing the needed information on the GPRS process, appeared very busy each time this researcher either called them by telephone or visited the GPRS Secretariat. This notwithstanding, one cannot rule out a tendency of public servants to refuse interviews to the public, particularly concerning a politically inclined programme such as the GPRS, for fear of being victimized.

2.0 Historical Context

2.1 Economic History

The issue of creating conditions for sustainable economic growth and development as basis for improving the quality of life of Ghanaians has been a major preoccupation of successive governments since Ghana gained independence from Britain in 1957. The political economy of the colonial era had produced a spill-over effect of a predominantly agriculture-based economy, characterized by: a weak industrial and manufacturing base, the export of mainly primary commodities and a largely illiterate population.

The post-independence objectives of building a strong industrial base, modernizing the agricultural sector, diversifying the export sector, investing in human capital development, among other measures, as means for setting the country on the path of sustainable growth and development, eluded successive governments for two main reasons.

One of the principal propensities of the colonial administration in Ghana (formerly the Gold Coast) was to promote the expansion of capitalism and to engineer the integration of the colonized Ghanaian society into the orbit of the global capitalist system in a subordinate position. The colonial Ghanaian economy was structured by the British in such a way as to make it fit into this scheme, and thus relegated to the very periphery of international economic relations. Conditions were created not only for the colonial Ghanaian economy to be dependent on the British economy and its institutions, but also for the latter to dominate and exploit the former in perpetuity. This position of the Ghanaian economy persisted well into the post-colonial era, thus undermining efforts at reinforcing its independence as basis for sustainable growth and development.

Second, whereas political stability and good governance constitute veritable imperatives for economic growth and development, the post-colonial Ghanaian state has been characterized by a chequered political process that created severe ideological disorientations in the economic management of the country. In its 45 years of independence, Ghana has been under military dictatorship for a cumulative period of 21 years; a period epitomized by disjointed and unprofessional attempts at economic management. This had the snowball effect of completely distorting earlier efforts at systemizing the management of the Ghanaian economy.

By the late 1970s, both internal and external factors had combined to create a situation of economic despondency in Ghana. Internal factors such as economic mismanagement, corruption, political instability, a huge external debt, huge defence expenditures, and a high population growth rate, blended with an international economic environment characterized by unfavourable terms of trade, protectionist policies and capital flight, among others, to plunge the Ghanaian economy into a persistent state of decline. Gross domestic product (GDP) declined in real terms by a cumulative 15.6% between 1971 and 1983, while inflation
grew from 0.9% in 1960 to 123% in 1983. During the same period, Agriculture, which forms the backbone of Ghana's economy, declined by a cumulative 10.8%.

Table 2.1: Developments in Output: 1971-1983

<table>
<thead>
<tr>
<th>Sector</th>
<th>Cumulative Change</th>
<th>Annual Average Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry &amp; Fishing</td>
<td>-10.8</td>
<td>-0.9</td>
</tr>
<tr>
<td>Cocoa</td>
<td>-59.7</td>
<td>-7.3</td>
</tr>
<tr>
<td>Industrial Production</td>
<td>-47.5</td>
<td>-5.2</td>
</tr>
<tr>
<td>Services</td>
<td>-12.9</td>
<td>1.0</td>
</tr>
<tr>
<td>GDP</td>
<td>-15.6</td>
<td>-1.4</td>
</tr>
</tbody>
</table>


By the early 1980s, the influence of the International Financial Institutions (IFIs) - the World Bank and the IMF - had begun to weigh heavily on Ghana's development options. In fact, this influence dates back to the immediate post-independence era, but gained currency with the direct intervention of these institutions in the Ghanaian economy through the imposition of the Structural Adjustment Programmes (SAPs) in 1983.

Through their interventions in the Ghanaian economy, the IFIs succeeded in re-engineering the architecture of Ghana's economy to fit into the neo-liberal paradigm, thereby ensuring the integration of the Ghanaian economy into the global capitalist system, as a very junior partner. Over the years, these institutions have come to place the Ghanaian economy under their direct control, through a relationship of financial dependency, thereby creating conditions for perpetually manipulating and dictating the orientation of Ghana's economy.

Ghana's economic intercourse with the IFIs reached its peak with the introduction of SAPs, which have since metamorphosed into other development programmes.

2.2 Civil Society in Development

The existence of civil society as an element of the body politic of Ghana dates back to the pre-independence era, and was made manifest through instances of community mobilization and interventions on issues directly affecting the community and its processes. Trade union activity during that era also contributed to reinforce the character and ramifications of civil society. However, it was not until the last two decades or so that the concept of civil society gained widespread usage and recognition, principally through the emergence of formal and informal organizational frameworks constituted at the various levels of society towards certain specific goals, usually of non-state or non-governmental nature.

Civil society in Ghana has evolved significantly over the last two decades, and has come to assert itself as an agent of change and development as well as an inalienable part of decision
making at the various levels. Civil society was the main driving force behind the 'Winds of Change' that swept across Ghana in the late 80s and early 90s, leading to the process of democratization that the country is currently going through. Through years of struggle, advocacy and quality interventions in national life, civil society has come to be accepted and recognized by the government as a worthy partner in development, exemplified by civil society involvement in the Structural Adjustment Participatory Review Initiative (SAPRI), the National Economic Dialogue, the preparation of the World Bank Country Assistance Strategy, the Emergency Social Relief Fund, the Consultative Group Meeting of Donors, and recently the Ghana Poverty Reduction Strategy. SAPRI was instituted in 1997 as a mechanism to review structural adjustment lending policies and programmes through a participatory process involving all national stakeholders. For an effective civil society participation in the SAPRI process, a coalition of civil society organizations was known as Civil Society Coordinating Council (CIVISOC).

Civil society is also at the heart of efforts to create and consolidate a democratic culture in Ghana, as a means for strengthening the current democratization process. Civil society organizations (CSOs) such as the Centre for Democratic Development (CDD), the Trades Union Congress (TUC) and the Institute of Democratic Governance (IDEG) are contributing significantly in this direction.

In Ghana, civil society has been unequivocal in its commitment to play a more decisive role in the economic management of the country, and has repeatedly advocated the establishment of an institutional framework that will enable civil society to engage with other stakeholders, on a more direct and regular basis, for the purpose of reaching political consensus on the broad direction of social and economic policy.

2.3 Political Context

Over the last decade, Ghana has undergone major political developments that have transformed the country into what is now believed to be a stable multiparty constitutional democracy. After over three decades of a troubled political landscape, characterized by military dictatorships and unsuccessful attempts at democratization, Ghana gives indication of having finally crossed the threshold of democratic governance. Since 1993, when Ghana made a transition to multiparty democracy, three consecutive elections have been successfully held. In 1997, for the first time in the political history of the country, the term of office of a government ran its full course without any interruption. Another significant landmark of this development was that, in 2000, an elected President handed over the reins of government to another from a different political party. Ghanaians have attached tremendous significance to these developments, which is evidenced by a growing national feeling of belonging.

This dispensation has translated into evidences of commitment on the part of government to put in place a participatory regime that creates space for democratic expression by all segments of the Ghanaian society. Beyond this, government is increasingly demonstrating ample commitment to the rule of law, respect for human rights, including trade union rights, empowerment of the people as well as social and economic justice, which are all imperatives of good governance.

The positive political developments over the last decade coupled with the space created for more inclusive participation in public policy processes have translated into some modest economic gains in recent years. Economic performance during the 2001 fiscal year showed an
overall GDP growth rate of 4.2%, an improvement of the 3.7% growth recorded in 2000. This was accounted for by a 4.0% growth rate in the agriculture sector, a 2.9 growth rate in the industrial sector and a strong showing of the service sector, which recorded a growth rate of 5.1%. Inflation declined considerably over the period. From a peak of 41.9% in March 2001, the rate of inflation declined to 21.3% by the end of December 2001, and plunged further down to around 12.9% at the end of September 2002 (Republic of Ghana 2002, The Budget Statement and Economic Policy of the Government of Ghana for the 2002 Financial Year, Pages 9 & 16).

Nonetheless, Ghana is a poor country, with a per capita income of about US$300 (in 2001), which is below the average for sub-Saharan African countries. Ghana is also a highly indebted poor country, with a total external debt stock of US$6.03 billion as at the end of 2001, and a domestic debt of about US$1.21 billion. Poverty, unemployment and HIV/AIDS have continued to present major development challenges to the government and CSOs. A total of 52,960 HIV cases were reported in 2001, and it has been estimated that the figure has risen significantly since then. It has also been estimated that 3.6% of the adult Ghanaian population is infected with the HIV virus, with prevalence rates in some areas, particularly the urban centres, higher that the national average. According to the National AIDS Commission, nearly 90% of the cumulative AIDS cases from 1986-2002 are between the ages of 15 and 49 years of age. This has significant implications for Ghana's development effort as well as for social stability and progress, and needs therefore to be given priority attention.

2.4 The Challenge of Poverty

The decline of the Ghanaian economy since the 70s, coupled with the policy measures of the structural adjustment programmes, notably labour retrenchment and the withdrawal of subsidies on social services, unleashed an unprecedented onslaught on living standards among a majority of Ghanaians, thereby exacerbating poverty in the country.

Poverty in Ghana has assumed social, economic and political dimensions, and is characterized by low incomes, lack of adequate access to quality health facilities, good drinking water and sanitation, quality education and housing facilities, illiteracy, deprivation, high infant and maternal mortality rates and social exclusion. It has been estimated that overall poverty in Ghana decreased from 51.5% to 39.5% between 1991/92 and 1998/99, and that extreme poverty declined from 36.5% to 26.8% over the same period. These figures do not however present a true picture of the deep-seated incidence of poverty in Ghana, as there are sharp disparities in regional distribution of poverty in the country. In 1999, for instance, five out of the ten regions in Ghana had more than 40% of their population living in poverty, with 88.2% in the Upper East, 83.9% in Upper West Regions and 69.2% in the Northern Region (GPRS 2002:10). In terms of economic activity, poverty is highest among food crop farmers, a majority of whom are women. The incidence of poverty is also high among export farmers, informal sector employees and the non-farm self-employed.
Table 2.2: Incidence of Poverty among Socio-economic Groups

<table>
<thead>
<tr>
<th>Socio-economic Group</th>
<th>Incidence of Poverty (in % age)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector employees</td>
<td>22.7</td>
</tr>
<tr>
<td>Private sector employees</td>
<td>11.3</td>
</tr>
<tr>
<td>Private informal sector employee</td>
<td>25.2</td>
</tr>
<tr>
<td>Food crop farmers</td>
<td>59.4</td>
</tr>
<tr>
<td>Non-farm self-employed</td>
<td>28.0</td>
</tr>
<tr>
<td>Export crop farmers</td>
<td>38.7</td>
</tr>
<tr>
<td>Non-working</td>
<td>20.4</td>
</tr>
<tr>
<td>Total</td>
<td>39.5</td>
</tr>
</tbody>
</table>

Source: Ghana Statistical service (2000), Poverty trends in the 1990s

Poverty in Ghana also has important gender dimensions, and studies have shown that poverty is highest among women, and that women have heavier time burdens, lower literacy rates and lower rates of utilization of productive resources. These studies also point to gender disparities in terms of access to and control of productive assets such as land and credit, human capital assets including education and health, and social capital assets such as participation in economic and political instances, legal rights and social protection.

The government's response to the high and growing incidence of poverty assumed comprehensive proportions in 1995 with the establishment of an institutional framework for coordinating poverty reduction initiatives countrywide, following the Consultative Group Meeting on Ghana held in Paris earlier that year. This framework runs from the national to sectoral and district levels. At the national level, three key organs were established, namely the Inter-Ministerial Committee on Poverty Reduction (IMCPR), the Technical Committee on Poverty (TCOP) and the Poverty Reduction Unit (PRU). Being the highest policy making organ on all issues relating to poverty reduction in Ghana, the IMCPR comprised all ministers responsible for the social sector as well as the National Development Planning Commission (NDPC) and the National Council for Women and Development (NCWD). The TCOP, an inter-agency and multi-sectoral body, was set up to provide the IMCPR with the requisite technical backstopping for ensuring effective coordination of poverty reduction oriented issues. The PRU became the secretariat of the TCOP.

At the district and sectoral levels, a number of institutions were given the responsibility to coordinate poverty reduction activities at the relevant levels and to technically mainstream poverty reduction into policies and plans. These included the District Planning Coordinating Units (DPCUs) of the District Assemblies and the Policy, Planning, Monitoring and Evaluation Divisions (PPMEDs) of Ministries, Departments and Agencies (MDAs) (The World Bank, Country Assistance Strategy 2000-2003, Box 1.2, Page 9).
With the adoption of the GPRS, this institutional framework has undergone major modifications, leading to the transformation of some of the existing structures and the integration of new ones.

The high incidence of poverty in Ghana has also been a matter of great concern to some of the key social partners, particularly civil society organizations, the majority of which have the poor and vulnerable in the society as their principal targets beneficiaries. This concern has stimulated a wide consensus on the need to evolve more concerted and appropriate strategies to address the situation as basis for raising living standards, improving the quality of life, ensuring gender equity and for securing social stability and security.
PART II: The Ghana Poverty Reduction Strategy

The Ghana Poverty Reduction Strategy (GPRS), the Ghanaian derivative of the Poverty Reduction Strategy Papers (PRSPs), was launched in July 2002 as part of the government's medium term priorities to generate growth and accelerate poverty reduction.

As its main goal, the GPRS proposes to create the framework for ensuring the “sustainable, equitable growth, accelerated poverty reduction and the protection of the vulnerable and excluded within a decentralized, democratic environment” (GPRS 2002:16).

This goal, according to the framers of the GPRS, will be achieved by:

- Ensuring sound economic management for accelerated growth;
- Increasing production and promoting sustainable livelihoods;
- Providing direct support for human development and basic social services;
- Providing special programmes in support of the vulnerable and excluded;
- Ensuring good governance and increased capacity of the public sector; and
- The active involvement of the private sector as the main engine of growth and partner in nation building.

The GPRS does not, however, represent Ghana's first attempt at evolving a poverty reduction and human development strategy. Between 1991 and 2000, as many as four such plans have been prepared, including one entitled Making People Matter: A Human Development Strategy for Ghana (1991), followed by the National Development Policy Framework (1994), a twenty five year development programme aimed at transforming Ghana into a middle-income country by 2020. Another strategy was the Vision 2020: The First Step (1995), a five year policy statement later developed into the First Medium Term Development Plan (MTDP) 1996-2000; then in 2002, an Interim Poverty Reduction Strategy Paper (I-PRSP) was produced.

3.0 Process

3.1 Structure of the Process

In Ghana, The process began in July 2000 with a preliminary situational analysis that identified five major thematic areas of significance to the study of poverty and growth, consisting of the following:

- The macro economy
- Production and Employment
- Human Resource Development
- Vulnerability and Excluded, and
- Governance.

The process of preparing the GPRS, which began with a diagnostic study of 36 communities, was realized at three main levels, namely national, regional and district.
The national activities were centred on five thematic teams that were constituted around the thematic areas outlined above. Each team was required to identify the major factors causing or exacerbating poverty or constraining economic growth within the context of its thematic area, and to establish and analyse casual relationships. The output required of the teams included 'an analysis of the current situation, identification of the key issues, problems constraining poverty reduction and growth and the causes of the problems'. Each team was also required to provide a strategic framework identifying programme objectives, programme action areas, outputs, outcomes and to identify specific beneficiary groups. The guidelines to be followed during the process, as outlined in the GPRS document, consisted of the following:

- The acceleration of pro-poor growth;
- Creation of sustainable livelihoods for the poor;
- Acceleration in the process of meeting basic needs;
- Achievement of gender equity and improvement of female access to human capital, productive and social services;
- Promotion of good governance, improved management of development and development expenditure;
- Development of a creative partnership between the public and private sectors.

Each team was composed of representatives of government Ministries, Departments and Agencies (MDAs), NGOs, civil society and donors; and was guided in its activities by a consultant. Four of the consultants were Ghanaians, and were drawn from local institutions including the Kwame Nkrumah University of Science and Technology (KNUST), the Institute of Economic Affairs (IEA), the Centre for Policy Analysis (CEPA) as well as UNICEF. The fifth consultant, although a non-Ghanaian, has been resident in Ghana for over two decades, and was drawn from the Kwame Nkrumah University of Science and Technology.

Other national level activities included capacity building workshops and technical consultations involving the key stakeholders as well as a capacity building workshop for members of the National Parliament.

As part of the policy formulation process, a technical workshop attended by all the stakeholders was held to harmonise the draft reports of the thematic teams as well as the outputs of the capacity building workshops and the technical consultations. A drafting team had been constituted within the Poverty Reduction Unit (PRU) of the National Development Planning Commission (NDPC) to coordinate the major conclusions of the ongoing processes.

Between May and November 2001, two major consultation workshops were held, namely the Civil Society Forum and the National Economic Dialogue. The former was aimed at harnessing civil society input into the latter. The National Economic Dialogue was 'a strategic gathering of the key stakeholders in the country to begin consensus building to accelerate national economic growth and development' (Republic of Ghana, National Economic Dialogue: Action Plan 2001:1). These two workshops resulted in the preparation of the Poverty Reduction Policy framework (PRPF), a document outlining the policy framework, benchmarks and targets of the GPRS.

The PRPF was in turn used as a working document for two other workshops. The first was a Poverty Reduction Policy Framework (PRPF) Instructional Workshop organised for MDAs,
and the second was to enable the government present the PRPF document to the Executive Boards of the World Bank and the IMF.

Activities at the regional and district levels consisted mainly of consultation workshops. The principal aim of the district and regional workshops was to build consensus among key stakeholders on the draft GPRS document. Twelve such workshops were held at the district level and six in the administrative regions. The outputs from these consultations were fed to each team to guide them in their activities.

The Ministry of Economic Planning and Regional Cooperation, through the National Development Planning Commission (NDPC) and its subsidiaries, notably the Poverty Reduction Unit (PRU) and the newly created Wealth Creation and Social Development Programme (WCSDP), are coordinating the GPRS process. The Ministry of Finance is collaborating with the Ministry of Economic Planning in the coordination of the GPRS.

The overall framework of the GPRS process, including the selection of organizations to participate in the process, the selection of members of the thematic teams, the drafting of their terms of reference, and the coordination of implementation, monitoring and evaluation activities at the national, regional and district levels, are the responsibilities of the NDPC. This top-down approach of the process has been matter of great concern to civil society actors, who have argued that it does not provide for efficiency as well as creates a giver-taker scenario, which undermines the principles of participation.

3.2 Participation in the GPRS

3.2.1 Concept of Participation

The kind of participation the Government of Ghana brought to bear on the GPRS process significantly undermined the impact of civil society involvement. The terms 'participation' and 'consultation' have been used interchangeably to describe the involvement of civil society and other stakeholders in the GPRS. However, the two terms do not mean the same thing. Consultation may be used to refer to an interactive process aimed at soliciting the opinions or views of a third party on an issue. Consultation is a marginal, often cosmetic, form of participation that reinforces the consulting party's prerogative to either accept or reject the views or opinions expressed by the consulted party. Such a process does not create favourable conditions for consensus building. Participation could also assume various dimensions; it could be effective or otherwise in the way that the participating parties influence the process of decision making. For participation to bring about effective policy discourse and consensus-building it must be democratic; it must be backed by the principles of democracy, equity, transparency and accountability.

The involvement of civil society in the preparation of the GPRS was essentially consultative, which significantly impacted on the degree of civil society participation and level of contribution to the process.

3.2.2 Civil Society Participation

The architects of the Poverty Reduction Growth Facility (PRGF), which establishes the basis for the GPRS, have required that the process of preparation, implementation, monitoring and evaluation of the GPRS evolve around a transparent participatory process that involves all key stakeholders, including civil society. This, it was believed, would ensure the national
ownership of the preparation process, which would then serve as basis for establishing the legitimacy and national ownership of the outcome, the GPRS.

The degree and impact of civil society participation in the GPRS process is influenced by a number of factors, including the interpretations attributed to the concepts of civil society and participation as well as the relationship between government and civil society.

It is not clear what criteria were used to contextualise civil society with respect to its participation in the preparation of the GPRS. Whereas in Ghana civil society has come to be characterized in terms of the groups that represent it, attempts at defining concisely what constitutes civil society have been problematic for a number of factors. The first has to do with ambiguities in the identification of the constituents of civil society. Whilst civil society is defined in some instances to include voluntary, non-state organizations operating at the community, district, regional and national levels (such as CBOs, NGOs, labour unions, women's groups, religious groups, youth groups, etc), in other instances it is presented as being distinct from one or more of these groups. The GPRS, for instance, alludes to government consultations with, '...NGOs and religious bodies, labour unions and civil society organizations, policy advocacy groups and think tanks, women groups and the media' in the preparation of the GPRS (GPRS 2002:8), thus lending more ambiguity to the concept of civil society in Ghana. Then there is the issue of NGOs that are not membership-based but which aim at servicing civil society, such as research and advocacy groups. Such organizations have often been simultaneously referred to as civil society and non-civil society organizations. The question of the legitimacy of some civic groupings, particularly those that have non-elected leadership, has also added to the dilemma of defining civil society in Ghana. Questions have been raised, notably by government functionaries, about the mandate and legitimacy of such organizations to hold themselves out as representing civil society. The proliferation of organizations in recent times claiming to represent civil society, has further blurred perceptions regarding civil society. Hence, there is the lack of a clear-cut official definition of what constitutes civil society, and it is not exactly clear which organizations represented civil society in the preparation of the GPRS and the criteria upon which they were thus classified.

There is, however, a general understanding of what constitutes civil society, based on the fundamental principles of the concept. The dichotomy between the state and civil society is fundamental to the meaning that people attach to civil society. Whereas civil society is seen as consisting of areas of social life which are organized along certain specific lines between individuals and groups outside the direct control of the state, the state is recognized as the authority for establishing the parameters of civil society. Further to this, civil society and the organizations that represent it are generally perceived as apolitical. Also, the principle of voluntarism associated with the membership of civil society formations or groups is fundamental to the definition attributed to it.

3.2.2.1 Degree and Impact of Civil Society Participation

The Civil Society Coordinating Council (CIVISOC) a coalition of CSOs that brings together organized labour, business, NGOs, women organizations, religious organizations, farmers and fishermen, student and youth movements, traders and the disabled throughout Ghana and the Ghana Association of Private Voluntary Organizations (GAPVOD) are the only CSOs known to have participated in the activities of the thematic teams. CIVISOC participated in the team on Governance and GAPVOD in the team on Human Resource
PART II: Zambia: Case Study of the PRSP

3.1 The Process

The Zambian PRSP process was launched in June 2000 with its formulation being spearheaded by the Poverty Reduction Unit of the then Ministry of Finance and Economic Development (MOFED), which was replaced by the Ministry of Finance and National Planning (MFNP) in 2001 by the new President Mwanawasa felt that a planning focus for the ministry was needed to coordinate all government and national affairs. Two processes characterised the formulation of the PRSP: the main government process coordinated by MOFED/MFNP and a civic process coordinated by the Civil Society for Poverty Reduction (CSPR). Though the latter was initially misconstrued to be a duplication of the former, it is now commonly perceived to have

The Government PRSP document was officially launched in July 2002 after having been approved by Cabinet and the IMF/World Bank Boards in May 2002. It covers the period 2002-2004 after which it rolls into another phase of re-evaluation and further improvements. The preparation of the PRSP followed a fairly consultative process with all stakeholders such as government ministries and agencies, donors, civil society, the private sector, traditional rulers, provinces and districts through workshops and seminars, public and private media channels. Each of these groups played diverse and yet complementary roles in gathering and bringing views and concerns of the people and communities they were representing.

3.2 Structures and Evolution of Process

The Zambian PRSP was prepared after fairly extensive consultations involving the Cabinet, the legislature, government bodies, the private sector, academia, NGOs, donors, and the provinces. The Ministry of Finance and National Planning (MFNP), following on from MOFED, was tasked with the responsibility of being overall coordinator of the process of producing the PRSP. Within the Ministry, a PRSP secretariat drawing members from the Ministry, the Ministry of Community Development and Social Services (MCDSS) and the Bank of Zambia provided day-to-day coordination. Members of this secretariat were later absorbed into the newly established Planning and Economic Management Department (PEMD) which also assumed the overall responsibility of coordinating the completion of the PRSP. The PRSP secretariat worked closely with other government ministries and later provided the chairpersons of the sector working groups (ZPRSP 2002:142).

The initial time frame given to Zambia in which to prepare its interim PRSP paper was from June 2000 to September 2001. This time limit was not kept due to the delays in kicking off the process the government needed ample time to prepare itself for the complexity of the exercise. A critical point is that solely government undertook the interim PRSP, which became the roadmap for the PRSP formulation. Civil society was not involved in its preparation, which catalysed a strong civic reaction. The main reason noted for this was that government was in a hurry to qualify and reach the HIPC Decision Point so that it could access interim debt relief from the IMF and the World Bank.

Civil society's strong protest and reaction on government's exclusion of other stakeholders in the preparation of the I-PRSP sent signals to government that there was need to involve all interest groups if the process was to be legitimate and widely accepted. Apart from it being a donor conditionality that demanded that the process be opened to various interest groups, civil society's displeasure and genuine complaint over non-inclusion in the I-PRSP managed to pave way for wider involvement of other stakeholders in the PRSP process when it finally took off.

The process leading up to the PRSP document consisted of consensus building workshops for all stakeholders, consultative meetings in all the nine provinces of Zambia, drafting and
technical committees, and sector working groups. One striking feature of the sector working groups was that they had more government officials than civil society representatives. In terms of structures, a chairperson, a secretary and then the rest of the members coordinated each group. The working groups were responsible for collecting input from members that later formed discussion points at the stakeholders’ summits.

The first draft of the PRSP document was distributed to all stakeholders for discussion at a national summit held from 16-18 October 2001. The notable features of the first draft of the PRSP were:

- As poverty is widespread in Zambia, poverty reduction measures will primarily have a general focus of uplifting the country; since it is not possible to target the entire country though some sectors like agriculture, tourism, environment, mining, among others will receive priority;

- Because Zambia is dangerously dependent on foreign aid poverty levels could rise sharply if donors withhold or reduce it - as has been the case often times historically. For instance, in 2001 the national budget was 52% donor dependent while in 2002 the budget is 39.6% donor dependent; most of the donor funds pledged in 2001 did not actually come to Zambia thereby throwing most government development programmes and activities off balance. It follows that the country needs to generate its own resources and be free from the unpredictable donor funds;

- To achieve poverty reduction targets as set in the Millennium Development Goals (MDGs) by 2015, a GDP growth rate of between 6-8% is required annually over the intervening period. (However, the Zambian economy has been struggling to attain impressive real growth rates that can impact on poverty levels meaningfully. This year the projected GDP growth rate was 4% but the government has had to revise this figure downwards as the economy continues to experience shocks in form of high food prices occasioned by the poor performance of the agricultural sector due to poor rains in the last farming season. The withdrawal of the Anglo American Corporation (AAC) from the mining sector early this year has also affected the economy adversely.)

The Cabinet approved the second and final draft of the PRSP in May and subsequently by the Boards of the IMF and the World Bank in May 2002. The government was hesitant to present the PRSP document to parliament as suggested by civil society. Their logic was that the debates surrounding it would have dragged thereby delaying the time for submission to the IMF and World Bank boards. Secondly, there were more Members of Parliament from the opposition parties at the time and, this to some extent, might have caused apprehensions on the part of government.

3.2.1 Awareness Seminars

The initial activities in preparing the government PRSP were awareness seminars organised and sponsored by government under the auspices of the Ministry of Finance and National Planning. Donors including the UNDP funded some of the seminars, in which the basic concept of the PRSP and associated relationships such as Poverty Reduction and Growth Facility (PRGF) and HIPC were explained. The significance of the PRSP was outlined. These seminars not only created a general awareness about the PRSP but also provided an opportunity for the participants to have a say on the PRSP’s road map and processes.

The first seminar was held for senior government officials (heads of departments and above), including provincial administrators. An awareness seminar was also held for government ministers and senior parliamentarians. One was held for general stakeholders where agreement was reached on how to advance the preparation of the PRSP (ZPRSP 2002:142).
create an equitable society that caters adequately for the needs of every segment of the Ghanaian population. There have also been expectations that responsibility for the various components of the GPRS framework would be spread among the various stakeholders involved in the process, as a measure to concretise the national character and ownership of the process.

CSOs have expressed serious concerns about the lack of integration of the principles of democratic participation in the GPRS process as well as the incidence of government monopoly over the process. The inadequacy of avenues for CSOs to access the GPRS process as well as have their views integrated into the GPRS has prompted a number of them to come up with position papers, detailing their perceptions of the GPRS and what can be done to improve it.

Two of such position papers by the Trades Union Congress and NETRIGHT make a strong case about the cosmetic nature of government consultations with other stakeholders on the GPRS, and the lack of space for democratic and transparent participation in the GPRS process. The papers draw parallels between the assumptions made in the GPRS document and the realities of Ghana's macro-economic environment, and argued that even though macroeconomic stability is an essential aspect of long-term development and poverty reduction, Enhanced Structural Adjustment Facility programmes are not the appropriate measures for poverty reduction. Key concerns are expressed in the following areas:

- By experience, the stabilization policies envisaged under the programme will tend to exacerbate poverty rather than reduce it;
- The adoption and application of labour standards, particularly those that promote decent work and equal remuneration, are at the core of poverty reduction and the promotion of social well-being, and should be reflected in the GPRS;
- Principles of equity that are directed at salary and wage systems are consistent with poverty reduction. As such due recognition should be given to cost of living, inflation and the centrality of collective bargaining as essential factors for determining wages and salaries;
- Tax policies should be designed in order to reduce poverty, rather than push workers further below the poverty line;
- The active involvement of the poor and vulnerable, notably women, children, the elderly and physically disabled persons, in the GPRS process will demonstrate a genuine desire for the national ownership of the process;
- The traditional indicators of poverty employed in the document are misleading because they overshadow the gender dimensions of poverty. There is therefore the need to specifically target women in the planning of job creation and other poverty reduction measures;
- The implementation of the strategies are unrealistic, particularly on account of the capacity of the government bureaucracy to carry the GPRS process in the light of the state of MDAs and the capacity, motivation and commitment of their personnel.

Other concerns raised by CSOs are to the effect that the GPRS process has been a technocratic process, thereby disenabling the ordinary person to contribute to the process. Also, the technical language employed in the GPRS document coupled with the low dissemination of the document, have been raised as issues of concern.
3.2.2.3 Civil Society - Government Relations

As indicated earlier, the current political dispensation in Ghana coupled with government's demonstration of commitment to the rule of law, respect for human rights, empowerment of the people and social and economic justice have created favourable conditions for democratic expression by all segments of the Ghanaian society. This development has brought several Ghanaians into mainstream policy debate processes that have hitherto been an exclusive preserve of politicians and government officials. This has underscored the emergence of a new relationship between government and civil society. As a demonstration of government's commitment to the sustenance of this relationship, the President of Ghana in his address at the opening of the National Economic Dialogue in May 2001, stated that, '...by the Golden Age of Business...I mean we all, labour, private sector, civil society and government should work together as Corporate Ghana with a shared, common vision that will allow all to win'. (Republic of Ghana, National Economic Dialogue: Action Plan 2001:1). This is really positive, coming from the President, and needs to be nurtured.

Although civil society harbours some amount of scepticism about government's real intentions, based on its experiences with previous administrations, the relationship is currently healthy and has in fact generated a stimulus within civil society to engage more decisively in social and economic policy formulation processes.

These factors impacted on civil society participation in the preparation of the GPRS in terms of the number and categories of CSOs that were involved in the process, the nature of their involvement and their attitude towards the process.

3.2.3 Government

The poverty reduction strategy has a multi-dimensional outlook and cuts across all sectors of the Ghanaian economy. Consequently, almost all government ministries, departments and agencies at the national, regional and district levels are involved at one stage or another of the GPRS process. The Ministry of Economic Planning and Regional Integration, through the National Development Planning Commission (NDPC) is coordinating the overall process, and is the body ultimately accountable for the successful implementation of the GPRS.

In the area of implementation of programmes and projects, the GPRS document presents a matrix outlining the roles of the various constituents of the government machinery, namely Parliament and Cabinet, the Ministry of Economic Planning and Regional Integration, the National Development Planning Commission, the Ministry of Finance, Other Ministries, Departments and Agencies (MDAs), and District Assemblies. The MDAs are required to play a lead role in the implementation of the various aspects of the strategy. Roles are also assigned to CSOs and other stakeholders, but these are limited in scope.

The government is therefore leading, directing and, indeed, controlling the GPRS process, through the MDAs without creating space for civil society and other stakeholders to assume more concrete responsibility in the management of the process.

In addition to doubts about the capacity of the MDAs to effectively manage the process, there are severe constraints in terms of the lack of up-to-date data with which to make concrete analysis and to provide the information needed for policy formulation. The Ghana Living
Standards Survey (GLSS), GLSS IV, the Core Welfare Indicators Questionnaire (CWIQ) and the Ghana Demographic and Health Survey (GDHS), the main instruments employed by the Government of Ghana for monitoring poverty and social conditions in the country, and thus informed the preparation of the GPRS, were last prepared in 1998/99 and as such quite moribund. Obviously, the demographic texture of the country has undergone some degree of transformation since 1999; consequently, the GLSS, CWIQ and GDHS did not quite provide for a statistical analysis adequately reflecting the demographic realities currently prevailing in Ghana. This is not to say that the over 200 targets set out in the GPRS are misplaced, although much more current data could have informed the policy options outlined in the GPRS more accurately.

Though the process was government led, parliament was not fully involved. Whereas the GPRS process was officially launched in July 2000, Parliament was involved in the process only in July 2001. A number of training workshops were organized to build the capacity of members of parliament to play a more constructive role in the GPRS process. In particular, members of Parliamentary Select Committees on Finance, Public Accounts and Local Government were targeted. Members of the Ghanaian Parliament have nevertheless expressed concern about the ephemeral way in which they have been involved in the process, arguing that they ought to have been involved from the start. They have requested that they be adequately resourced and briefed to enable them embark on monitoring the process. In furtherance of Parliament's desire to play a more decisive role in the GPRS process, a Parliamentary Select Committee on GPRS Implementation, Monitoring and Evaluation has been formed to enable parliament exercise an oversight role over the GPRS process.

3.2.4 Donor Participation

The role of the IFIs happens to be the most preponderant in the entire GPRS process, yet their influence is the least noticed. It is however, common knowledge that the direction of the range of policy options that shaped the GPRS were for the most part determined in the boardrooms of the IMF and the World Bank in Washington. Ghana's donors have thus played, and continue to play, two key roles in the GPRS process, namely financial and ideological.

On the financial front, this role is expressed in terms of the funds that are being made available to the government to finance various projects and programmes as well as the conditionalities that go with such financial support. Prior to the decision of the Ghana Government to access the PRGF and the PRSC, several arrangements had taken place with the IFIs behind closed doors, very much to the exclusion of those that are now being referred to as stakeholders. These arrangements defined the parameters of the role of the IFIs in the GPRS. Some of these arrangements include the Government of Ghana's Letter of Intent, the Country Letter of Development Policy (LODP), the Ghana National Indicative Programme, and the World Bank Country Assistance Strategy 2000-2003.

The Government of Ghana's Letter of Intent, dated 11th June 2001 and signed by Ghana's Minister of Finance, forms the basis of IMF support to Ghana's short to medium-term economic programme, and details the commitments of the Ghana Government to the IMF within the framework of the programme. The Country Letter of Development Policy (LODP), in its turn, sets out the complementary conditionality of the World Bank with regards to its assistance to Ghana under the Poverty Reduction Support Credit (PRSC), a World Bank lending facility equivalent to the IMF's Poverty Reduction Growth Facility (PRGF). These supplementary conditionalities include policy and institutional reforms, with results-focused monitoring indicators and progress benchmarks; the up-front completion of a
set of specific social and structural reform measures focused on priority actions that are critical to the GPRS and are expected to have substantial impact on sustainable growth and poverty reduction; satisfactory progress in implementing the GPRS, based on a review and assessment by Bank staff. (IDA, Poverty Reduction Strategy Papers and IDA13, May 2001, Pages 24 & 25)

The Ghana National Indicative Programme (NIP) represents the convergence of Government of Ghana and EU (OECD creditor nations or the Paris Club) policy in areas of mutual interest to the two parties. It has an overall objective of poverty reduction through the induction of a broad-based and self-sustained growth process. The NIP also sets the framework for the involvement of the OECD creditors nations in the GPRS process.

The IFIs have also played a key role in determining the neo-liberal underpinnings of the GPRS. The instruments mentioned above, namely the Government of Ghana's Letter of Intent, the Country Letter of Development Policy (LODP), the World Bank Country Assistance Strategy and the Ghana National Indicative Programme were really meant to create the framework for the GPRS to conform to principles of the neo-liberal economic model, as a means for securing the integration of the Ghanaian economy into the global capitalist system. This is evidenced by the exclusively and purely market economy oriented policies set out in the GPRS.

At the same time donors commended and criticized the final document at the Consultative Group meeting held in February 2002, Accra. From their perspective, the GPRS is a countrywide growth strategy with an implied trickle-down positive impact on poverty reduction. The GPRS addresses broad policy and infrastructure constraints, yet remains unclear how it will improve the lot of the people in the most poverty stricken regions, or how the macro-economic initiatives needed to stabilize the economy can impact on the poor in a short three year time frame. According to the donors, the “what” is clear but the “who” in terms of responsibility centres and implementation needs to be clarified. They conceded however, that it was time development partners and the government faced the challenge of operationalising the GPRS and make it a strategic framework to fight poverty.
4.0 Policy Outcomes

4.1 Key strategies and assumptions

The main goal of the Ghana Poverty Reduction Strategy is to ensure sustainable equitable growth, accelerated poverty reduction and the protection of the vulnerable and excluded within a decentralized, democratic environment.

In order to achieve this goal, the GPRS document proposes a number of strategies for poverty reduction, in five key areas, namely:

- Macroeconomic stability;
- Production and gainful employment;
- Human development and provision of basic services;
- Special programmes for the vulnerable and excluded; and
- Good governance.

In the area of ensuring macroeconomic stability, the GPRS proposes the adoption of prudent fiscal, monetary and international trade policy measures. The fiscal measures focus mainly on the conversion of short-term debts into long-term instruments, reduction in fiscal deficits, and more effective revenue mobilization. The monetary measures focus on effective monetary management to ensure low and competitive interest rates, single digit inflation, stable exchange rates, reasonable spread between lending and saving rates, and the establishment of a long-term capital market. International trade measures focus on mechanisms to diversify exports and enhance productivity to ensure international competitiveness towards achieving a sustainable level of foreign reserves.

For improved production and the generation of gainful employment, the GPRS proposes a strategy that is based on the creation of an enabling environment for improved public sector delivery as well as improved private sector-led growth agro-based industrial production propelled by the application of science and technology. The strategy will also focus on the promotion of tourism. This is expected to improve the capacity of the private sector to adopt an entrepreneurial approach to increase productivity and generate employment, increase and sustain production of basic staples and selected export crops, and vigorously expand employment in sectors such as tourism, which can employ and enhance the skills of people in geographical areas where the poor reside.

The strategies for enhancing human development and the provision of basic services aim at removing key obstacles to access and utilization, by the poor, of basic education, health care, population control, good drinking water and improved sanitation. The strategies proposed therefore focus on the rehabilitation of dilapidated public school buildings, provision of basic school materials to public schools in deprived areas, provision of incentives to teachers to stay in deprived areas, bridging gaps in access to health, nutrition and family planning services and ensuring financing arrangements on health care that protect the poor, and accelerated provision of bore holes as well as toilet facilities in poor communities.
The strategies proposed by the GPRS for supporting the vulnerable and excluded focus on establishing systems and providing resources to ameliorate conditions of extreme poverty and social deprivation. These will include interventions to promote gender balance and equity as well as respond rapidly to the needs of those affected by natural and man-made disasters, through expanding the coverage of the social security scheme, introducing mutual health insurance to cover majority of workers, developing systems that enforce the rights of the vulnerable, especially the rights of women and children, and preventing disasters as well as mitigating their impact on the poor.

In order to achieve good governance, as a means for ensuring the effective implementation of its programmes and projects, the GPRS proposes a number of strategies aimed at establishing and strengthening the leadership and oversight functions of the Executive and Parliament. The strategies focus on institutionalising communication between all branches of government and other stakeholders, strengthening public participation in governance, ensuring the protection of the civil liberties of Ghanaians and guaranteeing them freedom and justice under the banner of the rule of law. (GPRSP2002: v vii).

The basic assumption underlying the strategies mapped out in the GPRS is that they will bring about macro-economic stability, stimulate growth and thus reduce poverty. But then it is important to distinguish between poverty reducing measures and growth promoting measures, because the two do not necessarily produce the same effect. The high incidence of food insecurity amongst most of the poor and the imbalances in access to quality education, health, safe drinking water, roads and other physical infrastructure, for example, underscore the need to avoid a development strategy that emphasizes growth and depends on the trickle down of benefits of that growth. Growth is necessary but not sufficient for poverty reduction (CEPA 2002:150), particularly if enough measures are not put in place to ensure income and wealth redistribution in favour of the poor. One main feature of the GPRS is that the priorities set out for achieving poverty reduction are based purely on growth enhancing measures, with no attention whatsoever to income and wealth redistribution measures, which are critical for achieving the trickle down effect of growth. Growth does not necessarily lead to equity in income distribution, or even to increases in incomes across board, unless deliberate efforts are made to that effect. The underlying assumption evident in the GPRS document that growth will automatically lead to poverty reduction therefore needs to be re-examined.

Further to this, the GPRS places emphasis on macroeconomic stabilization measures as the main means for achieving the growth rates necessary for reducing poverty. These measures are analogous to those implemented under SAPs, which not only failed to stimulate growth in any significant proportions but also actually exacerbated the incidence of poverty in Ghana. It is not then evident, that the GRPS will bring about the requisite growth rates for poverty reduction. In fact, drawing from the performance of the SAPs, the GPRS might even further intensify the incidence of poverty in Ghana.

The GPRS document estimates that 39.5% of the Ghanaian population is living in poverty, and 26.8% in extreme poverty. According to the document, poverty is by far highest among food crop farmers, who constitute 59% of the poor in Ghana (GPRSP 2002:10). The Ghana Statistical Service in its analysis of poverty in Ghana, links poverty to the ability of households to meet their nutritional requirements; and estimates that approximately two-thirds (68%) of the poor population are below the poverty line, meaning that they are not able to meet their minimum nutritional needs even if their entire expenditure is devoted to food. (CEPA 2002:143). CEPA also estimates that about three-quarters of poor households headed
by food crop farmers are below the poverty line (CEPA 2002:149). One would have expected that the Governments Medium Term Priorities, as contained in the GPRS, would specifically target food crop farmers by way of creating conditions for them to produce enough to meet their nutritional requirements, which is fundamental to poverty reduction. Given that food crop farmers constitute the majority of the poor in Ghana, a poverty reduction strategy that does target them as a priority is not likely to adequately respond to the whole question of poverty reduction.

The issue of financing the GPRS is scantly discussed in the document, although it happens to be the most deciding factor for implementation. There is the assumption that the necessary funds will be available at the appropriate time. The document stipulates that funds from ongoing poverty related projects, HIPC savings, Government of Ghana sources, additional donor support as well as other non-traditional sources of funding would be used to finance the programmes, project and activities under the GPRS. Owing to the weak disposition of the Ghanaian economy, the bulk of these funds will have to come from donors as well as savings from debt relief; and any shifts on the part of the donors will undoubtedly upset the overall implementation of the programme, and is likely to result in the re-allocation of funds to the detriment of the deprived areas.

4.2 Macroeconomic and Social Policy Options and Targets

The macroeconomic and social policy options prescribed in the GPRS derive fundamentally from the poverty reduction strategies mapped out. The policy measures therefore represent the instruments for implementing the strategies towards achieving the set targets.

The key policy areas for achieving the objectives of macroeconomic stability and accelerated growth include, Fiscal Policy Management (i.e. Debt Restructuring and Management, Expenditure Management and Resource Mobilisation); Monetary Policy Management (price and exchange stability, institutional legal and regulatory reform, capital market development and external shock management); and International Trade Management (export competitiveness and export diversification).

These policy measures are expected to lead to the achievement of the following targets:

Table 4.1: Key Macro-economic targets: 2001-2004

<table>
<thead>
<tr>
<th>Sectors</th>
<th>2001*</th>
<th>2002*</th>
<th>2003*</th>
<th>2004*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP growth</td>
<td>4.0</td>
<td>4.5</td>
<td>4.7</td>
<td>5.0</td>
</tr>
<tr>
<td>Real per capita growth</td>
<td>1.4</td>
<td>1.9</td>
<td>2.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Agriculture</td>
<td>3.7</td>
<td>4.1</td>
<td>4.8</td>
<td>4.8</td>
</tr>
<tr>
<td>Industry</td>
<td>4.0</td>
<td>4.7</td>
<td>4.8</td>
<td>5.2</td>
</tr>
<tr>
<td>Services</td>
<td>4.3</td>
<td>4.7</td>
<td>5.0</td>
<td>5.1</td>
</tr>
</tbody>
</table>

*Projected unless otherwise stated.

The social policy measures are cross cutting, and constitute those that are directly targeted at the poor and vulnerable. The key social policy areas border on enhancing access to basic education, health care, safe drinking water and environmental sanitation, social security schemes as well as on skills and entrepreneurship development for the youth, interventions on
HI IV/AIDS, population management and disaster management.

Another cross-cutting social policy area is gender. The main policy focus here is to ensure gender equity through addressing the specific constraints and needs of poor and deprived women and girls. Key policy areas include:

- Promoting micro- and small-scale enterprises and employment for women;
- Targeting economic activities of women with support programmes including credit, improved technology services and facilities, and skills upgrading in management and finance;
- Establishment of a Women's Special Micro-financing Fund to be made available to women, especially those in rural and deprived areas;
- Promotion of girl education at all levels; embarking on special programmes to support HIV/AIDS high-risk groups including female porters and commercial sex workers;
- Increasing incomes and literacy among women as a measure for effective population management;
- Expanding the coverage and effectiveness of essential services for the vulnerable and excluded, including disadvantaged women such as single mothers, malnourished rural pregnant and nursing mothers, teenage mothers, disabled women with no employable skills, female porters (commonly called kayayeis), and commercial sex workers;
- Developing systems that enforce rights on protection, especially for children and women;
- Building capacity support for coordinated service delivery through policy development and adoption to protect vulnerable groups, including excluded women;
- Streamlining the legal system to more effectively address gender-based violence, violation of freedoms and to protect property rights of spouses;
- Repealing of laws that are discriminatory against women; and protection of land rights and prevention of abuse of traditional and institutional procedures, which place the poor, the illiterate and women at the most risk.

The key social targets include:

- Increasing total government expenditure on education from 16.4% of the budget in 2000 to 19.5% in 2004;
- Increasing gross primary school enrolment rate from 77.6% to 82% over the same period;
- Reduction of new HIV infections among the 15-49 age bracket by 24% over the same period;
- Reducing infant and maternal mortality rates, respectively from 110/1000 to 95/1000 and from 200/100,000 to 160/100,000; and
- Increasing access of the rural and urban populations to basic sanitation services.

Based on the underlying assumption that macro-economic stability will stimulate growth and thus reduce poverty, it is implied that the achievement of the targets set under social policy will depend on the attainment of the macroeconomic objectives, although both macroeconomic and social policies are supposed to be implemented concurrently. The idea of situating the achievement of social targets within the context of macroeconomic
stabilization measures is not new in Ghana. The structural adjustment programmes, which constituted the basis for economic management and social development in Ghana for close to two decades, evolved around the same logic.

4.3 GPRS and SAPs

The relationship between the GPRS and SAPs presents a scenario of old wine in new bottles, and draws essentially from two main parameters, namely policy and conditionalities.

In the area of policy, the macroeconomic policy measures set out in the GPRS do not depart significantly from the stabilization measures implemented under SAPs. This is evidenced by the focus of the SAPs, namely macroeconomic stabilization policy measures, including fiscal policy, monetary policy and international trade reforms; private and public sector reforms; privatization; labour deregulation; trade liberalization; domestic market liberalisation and deregulation; tax reforms; and pension reforms, which are no different from those set out in the GPRS.

Secondly, the GPRS, like SAPs, is strictly under the prescription and supervision of the World Bank and the IMF, and based on the terms of the Washington Consensus. This framework further strengthens the link between the GPRS and SAPs through the transformation of the Enhanced Structural Adjustment Facility (that set the conditions under which the creditors extended loans to low-income countries implementing SAPs) into the Poverty Reduction and Growth Facility (that set the conditions under which the creditors extend loans to low income countries implementing PRSPs).

The transformation of the ESAF into the PRGF was motivated by the idea of the World Bank and the IMF that, "...to be effective and sustained, growth-oriented policies should be implemented in a framework in which the pressing need to reduce poverty is also a central objective." (IMF 1999:2). This idea was strengthened by the intention of the Bretton Woods Institutions (BWIs) to make, "Fund-supported programmes for low-income countries better integrated with policies to fight poverty, better-owned and better financed" (IMF 1999:2). By this arrangement, a firm link is established between the macro-economic stabilization measures of the BWIs, debt relief and poverty reduction. Thus, favourable conditions are created for the BWIs to test-prove their economic theories, which come in the form of conditionalities, under the certificate of assisting low-income countries reduce poverty among their populations.

The link between the GPRS and the SAPs provides justifiable grounds to doubt the ability of the GPRS to bring about macroeconomic stability, growth and poverty reduction. In spite of their rigorous application for almost two decades, SAP reform measures not only failed to stimulate growth to any appreciable extent but also actually exacerbated the incidence of poverty in Ghana.

At the same time, by and large the reforms had some positive effects. They introduced financial and budgetary discipline, resulting in the cutting down of persistent budget deficits; generated a more effective tax collection regime; brought about the rational use of financial resources and an improvement in the export sector.

These notwithstanding, the SAPs exacted adverse effects on the standard of living of majority of Ghanaians, pushing the standard to a level lower than the level in the 1960s. In addition to increased poverty, the rate of unemployment increased substantially over the period, as a result
of such SAP policy measures as withdrawal of subsidies on essential social services, retrenchment and privatization. Public sector employment declined by an annual average of 9.6% between 1985 and 1990. This lead to despondency among the urban labour force and their dependants in the rural areas. Household expenditure requirements on education, health, water and other utilities increased tremendously due to the removal of subsidies on these services, thus drastically reducing access to these amenities by a majority of the population. (Boateng 1999:1-2).

Both domestic and external debts increased substantially during the adjustment period. From a national debt stock of US$247.2 million in 1993, Ghana's external debt burden (including Ghana's obligations to the IMF) rose to US5.9 billion in 1999, representing 99.5% of GDP. The high level of external debt resulted in high debt service ratio, depriving social development of much needed funds. Debt servicing ratio averaged 32% between 1994 and 1999 (Baah 2001:8-9).

With the GPRS replacing SAPs, and the knowledge that SAPs-type conditionality still exist via HIPC, Ghanaians are conscious of what to expect by way of the effects of the HIPC conditionals on their living and working conditions. There is currently ongoing debate in Ghana about the intention of government to privatize the management and supply of water in selected urban centres, under what is known as the water sector reform. The government has tried to disguise the real objectives of this privatization policy by bringing it under different appellations, such as Private Sector Participation (PSP) and Public-Private Partnership (PPP) in water management. A coalition of CSOs has been put in place to fight this effort on the basis that water is an essential national asset and must therefore be kept public. The coalition is also concerned about the tendency for this policy to impact negatively on access to water by a majority of the people, who are already poor. There have also been moves by the government to subject the energy sector to a privatization policy.

### 4.4 GPRS and HIPC

The PRSP is one of three components of the Enhanced Heavily indebted Poor Countries (HIPC) Initiative. The other two components consist of the calculation of debt relief on the basis of debt sustainability analysis, and the Poverty Reduction and Growth Facility of the IMF. The PRGF is the economic reform programme that provides the framework for the macro-economic policy formulation and implementation processes under the HIPC initiative.

The HIPC Initiative was introduced in 1996 to provide debt relief to low income poor countries, with the view to bringing down selected debt burden indicators - the debt to exports ratio and the debt to revenue ratio - to sustainable levels. To be eligible for debt relief under the Initiative, a country must qualify for concessional assistance under the World Bank and the IMF. It must also establish a track record of reform and sound policies under IFI supported programmes and must have prepared a poverty reduction strategy paper. Similarly, for an eligible country to benefit from debt relief under the Initiative it must go through two critical stages, namely the decision point and the completion point.

About three years into the implementation of the HIPC Initiative, it had to be modified owing to implementation difficulties. The transformation of the HIPC Initiative (HIPC I) into the Enhanced HIPC Initiative in 1999 produced two major effects in the World Bank and IMF's lending arrangements. The Enhanced HIPC Initiative establishes a link between debt relief and poverty reduction, thus requiring the preparation of a PRSP, and replaces the Enhanced
Ghana opted to join the Enhanced HIPC Initiative in March 2001 amidst criticism and opposition from civil society groups and other segments of the population. The CSOs were mainly concerned with the conditionalities that accompany the HIPC Initiative and their implications for living and working conditions. Guided by their experiences under the SAPs, many CSOs went on a collision course with government on the issue, expressing scepticism about the ability of the HIPC Initiative to reduce poverty without first supervising the deterioration of living conditions in Ghana.

Government on the other hand tried to convince the citizenry that the decision was the best under the circumstances, and that joining the Enhanced HIPC Initiative would provide reprieve for the country in the medium to long term. To buttress this point, the Minister of Finance in the budget statement for 2002, indicated that in the medium term (2002-2004), Ghana expects to save on the average over US$200 million per year, or US$650 million over the whole period, on account of the Enhanced HIPC Initiative. The Initiative is also expected to reduce debt service payments due by about US$215 million per year on average between 2002 and 2011. According to the Minister, debt relief for Ghana for 2002 is US$249, representing US$153 million of traditional debt relief and US$96 million of HIPC relief. Out of the savings from the Enhanced HIPC debt relief, US$20 million would be used to reduce government's domestic debt and US$80 million for poverty reduction programmes and activities. (Budget Statement and Economic Policy of the Government of Ghana for the 2002 Financial Year 2002:94). Quite recently, the government also announced that at the end of October 2002, an amount of US$50 million had been credited to the Enhanced HIPC account.

These figures might give the impression of a well-intentioned Initiative that is meant to serve the best interest of the Ghanaian economy. However, in spite of the seeming gains associated with the funds realized from debt relief, Ghana is still highly indebted. Ghana's total external debt, which stood at US$6,025.6 at the end of 2001, has considerably appreciated over the past months. Also, there are the HIPC conditionalities to contend with, which, like the SAPs, are undoubtedly going to be carried through at a great social cost to Ghanaians. Ghana adopted the HIPC Initiative only last year, as such the effects of its conditionalities have not yet manifested significantly on living and working conditions. However, CSOs have already begun to register concern about the enormous social cost that the stabilization measures under the HIPC Initiative would bequeath to the majority of Ghanaians.

Another cost that accrues to Ghana as a result of the Enhanced HIPC Initiative is Japan's decision to exclude Ghana from its list of countries eligible for loans. In 1999, for instance, US$50 million of Japanese aid was unexpectedly cancelled because of perceived likelihood at that time that Ghana would adopt the HIPC Initiative. Japan happens to be Ghana's second most important bilateral creditor after the Paris Club. Consequently this decision has serious implications for Ghana's development effort.

In addition, there is no evidence that Ghana's adherence to the Enhanced HIPC Initiative will abate her dependence on development aid. If anything at all, the Initiative is going to reinforce Ghana's dependence on aid. Almost all key development programmes and projects of the GPRS are tied to either debt relief funds or new loans, thus creating a vicious cycle of debt relief, loans, more debt relief, more loans, and so on. There is no reason to believe that this situation would end within the medium term (GPRS) framework.
In a related development, Government has allocated an amount of €1 billion each to all 110 District Assemblies to support infrastructural projects in the area of Education, Health, Water and Sanitation. To date only €500 million of the said amount has been released to the districts. Some District Chief Executives have questioned the directive saying the stated sectors are not priorities of their districts. This is a fact, and for that matter, the districts should have been allowed to spend the money on their identified priorities.

4.5 GPRS and National Budget Process

As part of the preparation of the GPRS, a number of activities were carried out for the purpose of integrating the GPRS into the Medium Term Expenditure Framework (MTEF) and the annual budget process. The main objective of the government in this regard was for the MTEF, which encompasses the 2002 budget, to incorporate the policy priorities of the GPRS, namely: infrastructure development, rural development based on modernized agriculture, good governance, private sector development, and enhanced social services with emphasis on education, health, women and children.

Presenting the Budget Statement for the year 2002, the Ghanaian Minister of Finance outlined the economic and financial policies and key priorities for the year, which he said were mapped out within the framework of the GPRS. The convergence between the GPRS and the 2002 budget was established from the beginning as a major component of the medium term framework.

It can be said that the development of the GPRS has enabled the Government recognize the discrepancy between planned targets and budgetary forecasts and what can be achieved in terms of major economic indicators. Thus a comparison of the 2001 and 2002 budget and the GPRS macro-economic and financial targets shows a move towards reconciling planned development and budgetary targets. This trend is encouraging in two ways: 1) that the various planning bodies are taking steps towards coordinated vision and implementation; and 2) that there is enhanced transparency in the planning and allocation of resources.

In addition, the 2002 budget is the first to incorporate the benefits of entering into the HIPC initiative, as well as the allocation of some benefits to poverty reduction expenditures. The official debt relief for Ghana is US$249, and this has been fully incorporated into the budget as exceptional receipts from traditional debt re-scheduling (60%) and HIPC relief (40%). It must be noted however that these receipt items do not involve actual cash inflow but simple accounting process. In reality therefore, the amount will come from actual cash revenues.

The 2002 budget makes provisions for key projects and programmes of the GPRS in the areas of Infrastructural development, agriculture, private sector development, social sector development and good governance. These include:

Infrastructural Development

A total budgetary allocation of €1,282 billion was made for the infrastructure service sector, representing a 74% increase of the total allocation of €736.5 billion made in 2001. The bulk of this will be funded from external sources to finance projects in the road and transport, works and housing, and communication and technology sub-sectors, including the following:
next ten years, and its intermediate objective is to reach a poverty level of around 60% by the
year 2004 (Mozambique I-PRSP 2000). The government working closely with civil society
prepared the PRSP document and all consultative meetings between the two groups were
organized by the central government. Mozambique is another case where the PRSP
programme has shown strong signs of efficacy as government has managed to use the HIPC
savings to immunize all children below the age of five years against killer diseases.

What is clear from all the cases reviewed so far is the important aspect of consultation and
participation that various governments exhibited during the preparation of their PRSPs and
the Zambian government certainly got some of its inspiration to work with civil society from
these countries. The Zambian government officials also travelled extensively to countries that
were ahead of Zambia in terms of the PRSP process to learn other people's experiences and see
how those could be adapted to our case.

During the last meeting of the World Summit on Sustainable Development (WSSD) in
Johannesburg, South Africa, Zambia was cited by the United Nations as one of the countries
where best practices in the formulation of the PRSP by means of the civil society activities and
input had been well demonstrated.

It is therefore important that the Zambian government prioritizes and sequences its
programmes in the PRSP in order to reap optimal benefits from the PRSP programme as other
countries have done.

4.5 International Standards

The PRSP is Zambia's development planning and resource programming tool and, as such, it
is the overall framework for national planning and interventions for development and poverty.
It is thus imperative that this important document be linked to other important development
objectives such as international standards and benchmarks like the MDGs, New Partnership
for African Development (NEPAD) and Vision 2020. As Clare Short, British Secretary of
State for International Development, rightly observed, 'the MDGs have the potential to
transform the lives of hundreds of millions of poor people, and make the planet a better and
safer place for our children and grandchildren.' Hence it is important that developing
countries are helped to attain these goals. Since the Zambian PRSP is about reducing poverty
substantially and one of the MDG goals is to halve poverty by 2015, the two initiatives are
clearly interlinked. The need for harmonizing the means to achieving them becomes apparent,
so that efforts are not dissipated.

Table B: Required growth rates by region for meeting the MDGs

<table>
<thead>
<tr>
<th>Region</th>
<th>Per capita growth</th>
<th>Total growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub Saharan Africa (SSA)</td>
<td>5.9%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>2.8%</td>
<td>4.7%</td>
</tr>
<tr>
<td>East Asia and Pacific</td>
<td>3.5%</td>
<td>4.3%</td>
</tr>
<tr>
<td>South Asia</td>
<td>3.9%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>7.0%</td>
<td>10.2%</td>
</tr>
<tr>
<td>East Europe and Central Asia</td>
<td>3.8%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

Source: Jubilee Research Foundation (February 2002) and calculations by the UK's Overseas
Development Institute
On one hand, the PRSP clearly identifies the external debt burden currently at US$7.3 billion and lack of sustained growth as some of the primary causes of poverty in Zambia. On the other hand, NEPAD also recognizes that for Africa to develop the debt burden has to be eliminated while at the same time promoting annual economic growth of 7% in order to achieve the MDGs. To the extent that the programmes have similarities in their outlook on debt and growth we would argue with some hindsight that the Zambian PRSP does in a modest sense incorporate the ideals of these international development goals. The international Vision 2020 does not differ much with Zambia's Vision 2025 where the emphasis is on reducing poverty levels.

Though it is very difficult to see how privatisation (as proposed in the PRSP document) of some State utilities such as water and electricity is directly linked to poverty reduction, it is important to note that privatisation is aimed at eliminating State inefficiencies that tend to raise costs of production in the economy. When goods and services are produced in an efficient and cheaper manner then the benefits of production, other things being equal, in form of low product prices can be passed on to the consumer (or the poor). The government is also relieved of subsidizing State companies that are loss-making and the money saved can then be used to directly finance poverty alleviating programmes.

Within the NEPAD framework African leaders are saying: “the continent needs to extricate itself from the malaise of underdevelopment and exclusion in a globalizing world that African resources should be harnessed to create wealth for the well-being of its people”. This view has to a great extent, influenced the shape and direction of the PRSP process in terms of setting goals and policy outcomes for poverty reduction. The emphasis within the PRSP framework is to embark on programmes that have an immediate positive impact on the poor while at the same time focusing on long-term and sustainable plans that ultimately eradicate poverty, and this what NEPAD is striving to do.

At the same time it is worth highlighting the criticisms being launched at NEPAD with a view to ensuring lessons are learned. Firstly, it is not anchored on broad consultations from African civil society and other key stakeholders and therefore suffers from legitimacy and acceptability. Secondly, it relies heavily on foreign sources of funding for its implementation but external funds have always come with strings attached. If Africa fails to fulfil donor requirements then the programmes may fall apart.

4.6 Human Development

If human development signifies the process of enlarging people's choices and opportunities that are most basic to human development, poverty signifies their denial. Such deprivations include material deprivations in terms of food and nutrition, health, education and literacy, safe water and sanitation, and clothing and shelter. To these must be added the deprivation of human rights through discrimination, disempowerment, and exclusion that leads to loss of human dignity (PRSP document: 20). Noting that poverty is a multidimensional phenomenon the Zambian PRSP has adopted more holistic measures of poverty that capture the social aspects of the poor. These measures are the Human Poverty Index (HPI) and the Human Development Index (HDI) developed by the UNDP in 1997. The HDI among others shows how the country ranks in relation to other countries in terms of economic and social development while the HPI intends to gauge a broader notion of 'human poverty' as opposed to just income poverty. The HPI is a composite index that measures deprivation in three broad areas: deprivation of a long and healthy life measured by the percentage of newborns not expected to survive 40 years of age; deprivation of knowledge measured by illiteracy; and deprivation in economic provisioning measured by the percentage of the population lacking access to health services and safe water as well as the number of children who are moderately or severely underweight.
In view of its attempt to focus on growth and poverty reduction, the GPRS incidentally sets some targets that correspond to those of the IDGs, particularly the economic well-being and social development goals. Yet, the GPRS does not take account of the IDGs in setting out its priorities, targets and strategies. Nowhere in the entire GPRS document is reference made to the International Development Goals, which is particularly surprising as the IDGs have been endorsed by several international bodies, including the United Nations, the African Union (AU), and governments of African, Caribbean and Pacific (ACP) countries, of which Ghana is party.

Similarly, the GPRS does not incorporate the tenets of NEPAD, which has been adopted by the African Union and has since earned the backing of the G7 and the European Union (EU). However, the issue of incorporating NEPAD into the GPRS is problematic for a number of reasons. In the first instance, civil society organizations, social activists, academics and other key stakeholders in Ghana have been very critical of NEPAD, and most have been unequivocal in their rejection of the programme. In assessing the NEPAD, these groups have been guided by the conviction that NEPAD, like the GPRS, and the SAPs before it, does not contain what it takes to adequately address Ghana's myriad of economic difficulties, to raise the standard of living and thereby reduce poverty. The key arguments advanced by civil society groups against NEPAD border on its neo-liberal economic policy framework, the non-involvement of the African people in its conceptualisation and formulation, its lack of focus on social and gender equity, over-dependence on external sources for its means of financing, and the fact that it does not build on existing African structures such as the sub-regional economic groupings as well as previous socio-economic programmes such as the Lagos Plan of Action and the African Alternative Framework to Structural Adjustment Programmes (AAF-SAP).

The GPRS contains tenets of the Vision 20/20 developed by the previous Government (National Democratic Congress). The current Government has plans to revise the document and turn it into a long-term development plan. How different such a document would be from the GPRS is not known. However the Millennium Development Goals and NEPAD have not been incorporated into the GPRS. It wasn't until June 2002 this year that Members of Parliament were appraised of the issues on NEPAD. According to the GPRS secretariat the document is a living document and will be revised and updated as and when necessary. It is hoped such standards could be incorporated into the document.

The lack of incorporation of international labour standards is another important omission of the GPRS. Whereas the adoption and application of international labour standards are at the heart of poverty reduction, in the way that they promote social equity and well being, the GPRS does not make reference to any of these standards. The labour movement in Ghana has been advocating the integration into the GPRS of a number of internationally recognized core labour standards that have been ratified by Ghana, but the government has so far not responded favourably.
5.0 Implementation and Monitoring

5.1 Implementation

The GPRS document presents a matrix detailing the role of various stakeholders in the implementation of the various programmes and projects. The roles of Parliament and Cabinet, for instance, consist of approval of provisions, formulating, debating and passing relevant bills, and provision of oversight functions over implementation. The Ministry of Economic Planning and Regional Cooperation and the National Development Planning Commission (NDPC) have the responsibility to establish the linkages between the GPRS and the MTEF/annual budget; to hold regional and district workshops to ensure ownership and implementation of strategies; and to provide guidelines to MMDA, NGOs, and the private sector on their expected roles in implementing the GPRS. The Ministry of Finance has the role to endorse the GPRS and to include guidelines of the GPRs in both the MTEF and the annual budget for MDAs. The other Ministries, Departments and Agencies (MDAs) are expected to act as lead or collaborating agency for the implementation of aspects of the strategy; to undertake preparation of costed activities; to ensure the inclusion of activities in MTEF and annual budget, among others. The role assigned to civil society organizations is to implement aspects relevant to CSOs. Roles have also been assigned to Development Partners, District Assemblies, Traditional Authorities, the Private sector, the Media, among others.

Whereas the roles of the MDAs are core, detailed and concise, those of CSOs are rather scanty and ambiguous. Also the document does not state exactly how CSOs will be part of the implementation process. It must be noted however that although the GPRS details roles for each stakeholder, it is not clear which types of activities and programmes will be planned and implemented using the local government system and which are to be planned and implemented by sector ministries, departments and agencies.

The implementation of the GPRS has been going on since August 2002, as such only a limited number of activities have been carried out so far. These activities have been realized mainly through the allocation of HIPC Relief Funds for specific poverty reduction projects. Some of these include:

- The disbursement of a total amount of €117 billion (approx.US$1,4625,000) to district, municipal and metropolitan assemblies in September 2002 for specific projects and programmes;
- Disbursement of €90 million by the Ministry of Women Affairs for women engaged in gari and fish processing to expand their businesses;
- Disbursement of €6.3 billion for afforestation programmes.

Several more of these funds have been disbursed at the various levels for the execution of GPRS programmes, and projects and activities. There is no evidence that CSOs have been involved in the disbursement of the funds or in the activities that the funds were meant to finance. In addition, it is not clear if the roles of the MDAs and the local government system in implementing the GRPS have been resolved.
5.2 Monitoring and Evaluation

The GPRS presents a detailed account of the monitoring and evaluation systems that will be put in place to “track key indicators over the projected periods to determine the effectiveness of policies and development programmes on beneficiaries” (GPRS 2002:148).

The GPRS document proposes to employ four interlinked but distinct monitoring and evaluation systems, namely:

- The National Monitoring and Evaluation system designed to monitor the development planning process;
- Poverty Monitoring and Evaluation System for monitoring the poverty profile and changes within that profile;
- Participatory Monitoring and Evaluation System, including the Participatory Poverty Assessment (PPA), for analysing the current level and causation of poverty from the point of view of beneficiaries, including the poor, the vulnerable and the excluded; and
- Monitoring and Evaluation System for funding from HIPC resources, to keep track of poverty reduction expenditures down to the grass roots level.

The monitoring and evaluation of policies, programmes and projects will be carried out through a top-down and bottom-up information flow system that will be coordinated at the national level by the Policy Planning, Monitoring and Evaluation Divisions (PPMEDs) of sector ministries and agencies; at the regional levels by the Regional Planning Coordinating Units (RPCUs); and at the district levels by the District Planning Coordinating Units (DPCU). (Ibid, Pages 152/153).

The GPRS proposes to monitor and evaluate all the targets established for the Core Poverty Indicators, using survey data from the Ghana Statistical Survey (GSS) Welfare Monitoring System. Twenty-four such benchmarks have been outlined, including the following:
Table 5.1: Growth and Poverty Reduction Targets

<table>
<thead>
<tr>
<th>Core Poverty Indicators</th>
<th>2000*</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidence of poverty</td>
<td>39%</td>
<td>32%</td>
</tr>
<tr>
<td>Incidence of extreme poverty</td>
<td>27%</td>
<td>21%</td>
</tr>
<tr>
<td>Real GDP growth rate</td>
<td>3.7%</td>
<td>5%</td>
</tr>
<tr>
<td>Real GDP per capita growth</td>
<td>1.4%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Gross primary school enrolment rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>77.6%</td>
<td>82%</td>
</tr>
<tr>
<td>Girls</td>
<td>71%</td>
<td>80%</td>
</tr>
<tr>
<td>Under-five mortality rate</td>
<td>110/1000</td>
<td>95/1000</td>
</tr>
<tr>
<td>Maternal mortality rate</td>
<td>200/100,000</td>
<td>160/100,000</td>
</tr>
<tr>
<td>Children under-five underweight</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>Total fertility rate</td>
<td>4.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Supplementary Indicators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incidence of poverty among food producers</td>
<td>59%</td>
<td>46%</td>
</tr>
<tr>
<td>Incidence of poverty in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern Region</td>
<td>69%</td>
<td>60%</td>
</tr>
<tr>
<td>Upper East Region</td>
<td>88%</td>
<td>75%</td>
</tr>
<tr>
<td>Upper West Region</td>
<td>84%</td>
<td>70%</td>
</tr>
<tr>
<td>Consumer price index (end year)</td>
<td>40%</td>
<td>5%</td>
</tr>
<tr>
<td>Agriculture growth rate</td>
<td>3.8%</td>
<td>5%</td>
</tr>
<tr>
<td>Infant mortality rate</td>
<td>56/1000</td>
<td>50/1000</td>
</tr>
<tr>
<td>Criterion Reference Test (mastery level) for public primary schools</td>
<td></td>
<td></td>
</tr>
<tr>
<td>English</td>
<td>8.7%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Math</td>
<td>11%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Gross junior secondary school enrolment rate</td>
<td>60%</td>
<td>65%</td>
</tr>
<tr>
<td>Households with access to safe water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>70%</td>
<td>78%</td>
</tr>
<tr>
<td>Rural</td>
<td>40%</td>
<td>54%</td>
</tr>
<tr>
<td>HIV/AIDS behaviour indicator condom use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>6%</td>
<td>20%</td>
</tr>
<tr>
<td>Male</td>
<td>14%</td>
<td>30%</td>
</tr>
</tbody>
</table>

*or latest year


The success of the monitoring and evaluation mechanisms will depend largely on the availability of credible baseline data, which has been a major weakness in Ghana. It is important therefore for government to take concrete steps towards this objective.

The principal feature of the Participatory Monitoring and Evaluation system is the involvement of civil society and community-based organizations. It is important for civil society actors to take up the responsibility to ensure that civil society is not marginalized at this stage as well. Civil society participation in the monitoring and evaluation will not only enable CSOs to assess the impact of the GPRS but will also create a better understanding of the whole GPRS process.
The development of the Monitoring and Evaluation system for the GPRS process is still underway, and it is hoped that the system will create the institutional framework for an effective and meaningful civil society participation in the process.

A key concern of donors with regard to monitoring and evaluation had to do with the lack of concrete indicators to be monitored and evaluated. The indicator levels and targets outlined in the document are not clear, especially where the document has very little gender-disaggregated data. This, they believe, may impede effective monitoring and evaluation.
PART III Conclusion and Recommendations

6.0 Quality of process and outcomes

Poverty is an economically debilitating and socially destabilizing phenomenon that needs to be tackled with all vigour, seriousness and commitment. The effects of poverty in Ghana is felt not only in terms of the millions of people who cannot afford a decent meal a day, but also in terms of its potential implications for human rights, social stability and security, gender equity, human dignity and social inclusion. The need, therefore, to evolve appropriate strategies to address the situation as basis for raising living standards, improving the quality of life, and securing social stability and security cannot be over-emphasised.

Whereas the goals set out in GPRS may be well intentioned, the development paradigm around which it is woven as well as the strategies and policy measures that it proposes for the achievement of these goals do not represent any significant departure from those of SAPs which woefully failed to turn Ghana's economy around after almost two decades of rigorous application. Like the SAPs, the GPRS makes social and human development a function of macroeconomic objectives, subject to the vagaries and uncertainties of market forces. There is every reason to believe, therefore, that the GPRS will produce the same effects as the SAPs, and thus further exacerbate the incidence of poverty rather mitigate it.

The role of the IFIs in the GPRS has lent an additional dimension to the scepticism with which Ghanaians view the entire process. In Ghana the BWIs have a reputation that is associated with draconian economic policies, job losses, social despair, heavy debt servicing, economic blackmail and financial manipulation, all leading to a vicious cycle of poverty. They are also perceived as agents of neo-liberalism that are bent on imposing their will on the Ghanaian economy, without an inclination to account to the Ghanaian people. CSOs have read these attributes into the GPRS, and justifiably so, as the GPRS replicates the SAPs in letter and spirit.

The idea of securing the national ownership of the GPRS by way of subjecting it to a participatory process that involves all stakeholders is indeed laudable. Within this framework, the decision of civil society organizations to be part of the GPRS process was guided by the expectation that the process would be democratic, transparent and equitable, based on the principles of the African Charter for Popular Participation in Development, in order to create the conditions necessary for national ownership. However, the preparation process of the GPRS was neither democratic nor transparent. The process was purely an all-government affair that not only alienated other so-called stakeholders, but also failed to take account of their views. In fact, the average Ghanaian is not even aware of the existence of the GPRS document, nor of the GPRS process. The few elite who are aware of the GPRS perceive it essentially as a government document and process. The idea of national ownership of the GPRS is therefore a farce.

The African Charter for Popular Participation in Development (Arusha 1990), adopted by the Organization of African Unity (now the African Union) and the UN general Assembly, recognizes the pivotal role of popular support and full participation of the people in the development process for social and economic growth. Further to this, the Charter recognizes the empowerment of the people as fundamental to the whole concept of participation (ECA 1990:17-19). Empowerment means, among other things, creating space and the institutional framework for consensus building as well as building the capacity of the people and
equipping them with the requisite knowledge and skills to participate effectively and meaningfully in national policy dialogue processes.

The GPRS process neither provides for an institutional framework nor for the empowerment of the people as basis for their effective participation. The workshops that were organized for CSOs were purely for consultative purposes, and aimed principally at defining a civil society role in the GPRS process. The ephemeral nature of civil society participation in the preparation of the GPRS document, coupled with the lack of capacity building in the relevant areas, impacted significantly on the degree and quality of civil society inputs.

Given the importance that CSOs attach to the GPRS as well as the concerns they have raised about the GPRS document and process, one would have expected them to initiate a parallel civil society process as a mechanism for directly influencing the substance of the GPRS document. It would have also been appropriate for CSOs to articulate alternatives to the strategies and policy measures postulated in the GPRS document, similar to the African Alternative Framework to Structural Adjustment Programmes (AAF-SAP), which provide viable alternatives to the SAPs. Undertaking such initiatives will undoubtedly add value to the GPRS process, and it is essential for CSOs to take steps towards these objectives.

The crisis in which Ghana is currently engulfed is not only an economic crisis, it is also a human and social crisis; these crises have assumed unprecedented proportions, typified by the suffering and impoverishment of the vast majority of the Ghanaian people. All development stakeholders in Ghana have been unanimous in their recognition of the need for appropriate measures towards addressing the situation—measures that are people-centred and seek to promote social and human development, that subject economic policy formulation processes to social equity, social inclusion and political consensus, and that ensure the equitable use and distribution of social and economic resources among and between the various sectors and the people.

The GPRS is, however, inherently weak in all these, thus undermining its ability to respond adequately to the expectations of the Ghanaian people. Since the GPRS document has been declared a living document subject to change and revision, there is the need to incorporate a solid implementation and monitoring system, with core indicators, that provides adequately for the active and meaningful involvement of CSOs and other stakeholders. At the same time, Parliament as well as others arms of government and all stakeholders must be continuously involved in the GPRS process, in a way that permits them to play active and meaningful roles. This will create conditions not only for ensuring the suitability of the GPRS for Ghana's economic situation but also for cultivating the national ownership of the GPRS process.
7.0 Recommendations

As the way forward to ensure that the PRSPs translate into concrete policy changes that are relevant to poverty reduction, the following actions are recommended:

There is the need for the Government of Ghana to:

1. Overhaul the neo-liberal leanings of the GPRS and pay more attention to human development rather than the monetarist and fiscal approach that characterizes the GPRS;
2. Show more commitment towards the participation of civil society and other stakeholders in the GPRS process by integrating the principles of democratic participation, transparency, accountability and equity;
3. Make provisions for building the capacity of civil society and other stakeholders to strengthen their participation in the process;
4. Undertake to reflect the gender dimension more prominently in the GPRS process, since women constitute the majority of poor people in Ghana
5. Ensure that investments for the implementation of GPRS must be based on sound analysis of existing capacities and human capital and resources required to implement technically viable results.

Civil society organizations will need to:

1. Build the capacity of their members to participate effectively and meaningfully in the GPRS process;
2. Put in place a CSO platform that aims at facilitating CSO roundtables as well as collate CSO views on the process for effective participation;
3. Create a parallel CSO mechanism for monitoring the process and keeping it on track;
4. Undertake to develop alternative measures for poverty reduction, that take into account the expectations of the people;
5. Establish networks with international organizations and CSOs in countries implementing PRSP in order to share experiences as a way of strengthening their interventions in the process;
6. Build alliances among themselves for effective participation;
7. Engage in resource mobilisation to strengthen their capacity to organize and engage more effectively in the process;
8. Intensify the campaign for the cancellation of Ghana's external debt.

Donors will need to:

1. Work in a more harmonized fashion to support Government of Ghana priorities, which reflects the needs and aspirations of Ghana's poor majority;
2. Ensure they do not insist in following their own agenda, but provide timely disbursements where necessary.
**Appendix A: Timeline for Implementation**

The GPRS proposes to achieve its stated targets within the medium-term timeframe 2002-2004. Within this timeframe, the GPRS sets out the establishment of certain institutional frameworks as well as the execution of certain activities towards the achievement of the stated targets. The document also sets out the timeframe within which certain core targets will be achieved.

On a year-on-year basis, the GPRS proposes to achieve these objectives in eight (8) broad areas, namely Production, Agro-processing, Environmental Protection, Employment creation, Public Policy Management, Decentralisation, Public Expenditure Management, and Transparency and Accountability. The GPRS does not, however, set out its timeframe in terms of the specific dates or even months that these objectives are expected to be achieved. The following represents the implementation timeline of the GPRS.

### Timeline for 2002

**Agro-processing**
- Establish Small Business Enterprise Zone with support infrastructure and Intermediate Technology Transfer Unit (ITTU) advisory services in profitable locations in Tamale, Takoradi and Cape Coast

**Employment Creation**
- Produce National Manpower Development Plan
- Register the urban unemployed.

**Public Policy Management**
- Cabinet Committee on Poverty Reduction established
- Parliamentary Committee on Poverty Reduction established
- Parliamentary Committee and sub-committees on Public Finance and Budget strengthened
- Monthly reporting to Parliament on the implementation of the GPRS established
- Government and civil society agreed on priority mechanisms and activities for anti-corruption measures
- Responsibilities and relationships between Central Management agencies (CMAs) defined, published and enforced
- Technical body, with TORs, provided by CMAs for coordination of strategies of financial management, human resource management and development policy
- Roles of NDPC, MEPRC and MOF rationalised, defined and enforced
- Responsibilities for long and medium term plans and expenditure forecasts determined and enforced
- Policy Planning, Monitoring and Evaluation Divisions (PPMEDs) located as secretariat to Chief Director
- Alternative Employment Programme operational
- Subvented Agencies (SA) Reform Bill passed into law
- Coordination between Judiciary, Ministry of Justice, Police and Prisons Service achieved

**Decentralisation**
- Roles of Regional and District Departments rationalized, defined and enforced
- District Assembly Common Fund (DACF) increased to 71.2%
- Courses on open and participatory governance commenced for regions and districts
- Criteria for hard living district allowances established
- Local Government Service Bill reviewed, revised and strengthened
- Consultations between District Assemblies (DAs) and CSOs on mechanisms for instituting participation completed
- Comprehensive training schedule for capacity building for Regional and District Departments prepared
Legal review on legislation related to decentralization completed

**Public Expenditure Management**
- Public Finance Management Reform Programme (PUFMRP) reviewed, revised, coordinated and strengthened
- Internal financial controls by MDAs strengthened
- MDA and controller and Accountant General's Department (CAGD) systems and procedures rationalized
- Procurement regulatory and oversight body established and legislation enacted
- Selection of auditors made transparent
- Procedures for preparation of MTDP and MTEF revised, coordinated and enforced

**Transparency and Accountability**
- Civil society membership of small National Oversight Committee established
- Government and civil society jointly agree on information to be made freely available to the public at national and local levels
- Mechanisms for the dissemination of information agreed between government and civil society through the NED
- Economic dialogue established as permanent feature for civil society consultation with government; rules and procedures drawn
- Machinery for empowerment, other consultation and collaboration established jointly by government and civil society through the NED
- Progress on Ghana Anti-corruption Action Plan reviewed; corrupt practices for immediate attention identified

**Timeline for 2003**

**Public Policy Management**
- Procedural handbook for all MDAs published
- Performance related TORs for all public service staff introduced and enforced
- Mechanisms for permanent dialogue between Government and Civil society established and implemented
- Roles and procedures for Sectoral, Regional and District Planning Units defined and enforced
- Forty year loan for five year programme for upgraded public service salaries and right sizing negotiated
- Legal review completed
- Community Tribunal system abolished
- District courts established country-wide
- Backlog of pending cases before the courts reduced and remand sections in the prisons decongested
- Training in basic prosecution skills for police prosecutors provided
- Legal Aid Board strengthened
- Alternative Dispute Resolution (ADR) promoted
- More efficient mechanisms to ensure accountability of magistrates promoted

**Decentralisation**
- Capacity building courses for RPCU and DPCU commenced
- Courses on composite budgeting commenced for DAs
- Hard living allowances progressively introduced
- Instructional courses on Local Government Service (LGS) law and role of DAs for assembly men and staff commenced
- Courses for RPCU and other Regional Departments on planning, budgeting and monitoring commenced
- Community participation, including PPA, instituted and commenced in pilot districts
- District Poverty Profiles prepared
Public Expenditure Management
- Operational handbook for MDA development programmes and projects introduced
- MDA trained to translate MTEF objectives and outputs into fully documented programmes and projects
- Fixed asset and cash management modules added to Budget Preparation Expenditure Management System (BPEMS)
- Public Accounts Committee (PAC) meetings open to public
- Universal Chart of Accounts introduced and harmonized with BPEMS
- Operational handbook for preparation of National Development Policy Framework and Medium Term Development Plans introduced and enforced

Transparency and Accountability
- Freedom of information legislation passed into law after consultation with civil society
- Arrangements instituted for special surveillance of corrupt practices for immediate attention, e.g. construction contracts, land leases
- Public right of access to information fully published
- Joint government/civil society oversight body established with power to enforce access to information and information delivery
- Mechanisms for joint monitoring of poverty, growth and development agreed by government and civil society through the NED and established at national and local levels
- Standing cross sectoral planning groups with civil society representation established as permanent feature for long and medium term development planning
- Code of conduct for the public sector strengthened and enforced

Timeline for 2004

Production
- Support establishment of 50 agro-processing plants in the northern and coastal savannah
- Delivery of service by ITTU increased by 50%
- Proportion of farmers with access to dugout water facilities in Northern Ghana increases to 15%
- Institute land administration reform
- Incentives to attract entrepreneurs into agriculture and agro-processing
- Extension agent/farmer ratio increases from 1/2500 to 1/1600
- Proportion of farmers with access to feeder roads increases to 40%
- Proportion of rural communities with access to electricity to domestic, commercial and industrial uses increases from 15% -20%
- Proportion of total renewable energy used by the poor increases by 10%
- Area of Land Under Agriculture (A.L.A.) under cultivation increases from 25% to 30%
- Total Area Under Irrigation (1994) increases from 0.04% to 0.12%

Environmental Protection
- Degradation related to crop and livestock production activities reduced by 20%
- Loss of forests through fire, logging, fuel-wood extraction, forest encroachment, etc. reduced by 10%
- Environmental resource degradation arising out of mining and manufacturing reduced by 20%

Public Policy Management
- Mechanisms, including NADMO and military and police service, to ensure effective action against life threatening events established
- National and local departments of Social Welfare and Community Development strengthened
Negotiations on land reform completed  
Legislation on land reform passed into law  
Separation of policy and implementation roles of Ministry of Health/Ghana Health Service (MOH/GHS) and Ministry of Education (MOE/GHS) and other MDAs achieved  
Small Claims Courts established in all District Magistrate Courts  
Juvenile and Family Courts at the district level reconstituted  
Libraries for lower courts and logistical support for Registrars and Bailiffs extended and provided

**Decentralisation**
- Initiate process of changing the Constitution to get District Chief Executives elected  
- Initiate process to get all assembly members elected  
- Capacity of District Assemblies to formulate basic development plans, programmes and projects achieved  
- Responsibility for establishing intra-sectoral composition of expenditure for all district programmes and projects vested in DAs  
- Composite budget introduced in pilot districts  
- Instructional courses to MDAs on the LGS and role of District Assemblies completed  
- Mechanism for working partnership with NGOs and private business sector established  
- Community participation, including annual participatory poverty analysis at unit level, established in all districts

**Public Expenditure Management**
- Fully costed MTDP prepared with full programme and project documentation  
- Mechanisms for regular review of legislation and standards for increased resources to PAC, including research capability, achieved  
- Responsibility for ICA-GH transferred to MOF  
- Office of Registrar General reorganized and strengthened

**Transparency and Accountability**
- Accessible government information, agreed with civil society, entered on a website  
- Development and publication of service delivery standards by MDA  
- Legislation and consolidated regulations legitimizing civil society collaboration and consultation established  
- Progress of Ghana anti-corruption Action Plan reviewed. Effectiveness of all measures related to transparency and accountability established  
- Code of conduct for corporate and non-profit making bodies established and enforced  
- Code of conduct for Traditional Authorities established and enforced
Appendix B: List of actors/participants in the GPRS

The GPRS process is made up of four main phases, namely preparation of the GPRS document, implementation, monitoring and evaluation. The participation of non-governmental stakeholders in the preparation of the document was very ephemeral, as indicated in the body of this paper. The GPRS is currently at the implementation stage, which also involves the development of a monitoring and evaluation framework.

The various actors who participated in one way or the other, or are expected to play active roles, in the GPRS process can be grouped in eight main categories, namely Government Ministries, Departments and Agencies (MDAs), State Institutions, Civil Society Organizations, Private Sector, the Media, Professional Bodies, Development Partners, and Traditional Authorities. Each category, as defined by the National Development Planning Commission, consists of the following:

**Government Ministries, Departments and Agencies**
- Ministry of Economic Planning and Regional Cooperation
- Ministry of Finance
- Ministry for Private Sector Development
- Ministry of Education
- Ministry of Health
- Ministry of Food and Agriculture
- Ministry of Women’s Affairs
- Ministry of Roads and Highways
- Ministry of Energy
- Ministry of Trade and Industry
- Ministry of Justice
- Ministry of Environment and Science
- Ministry of Lands and Forestry
- Ministry of Tourism
- Ministry of Mines
- Ministry of Foreign Affairs
- Ministry of Communication and Technology
- Ministry of Manpower Development and Employment
- Ministry of Youth and Sports
- Ministry of Interior
- Ministry of Media Relations
- Ministry of Local Government and Rural Development
- Ministry of Works and Housing
- National Development Planning Commission
- National Commission for Civic Education
- Commission on Human Rights and Administrative Justice
- Public Services Commission
- Audit Service
- Policy Planning, Monitoring and Evaluation Divisions (PPMEDs)
State Institutions
- Parliament
- Bank of Ghana
- District Assemblies
- Regional Planning Coordinating Units
- District Planning Coordinating Units

Civil Society Organizations
- Trades Union Congress (TUC)
- Institute for Democratic Governance (IDEG)
- Members of the Structural Adjustment Participatory Review Initiative (SAPRI)
- Coalition of Women's Groups, such as NETRIGHT
- Ghana National Association of Teachers (GNAT)
- Ghana Registered Nurses Association
- Ghana Association of Private Voluntary Organizations (GAPVOD)
- National Association of Local Authorities of Ghana (NALAG)
- Community Based Organisations (CBOs)
- NGOs in service delivery and Religious Bodies

Private Sector
- Ghana Employers' Association

The Media
- The Ghana Journalists Association (GJA)
- Representatives of media houses (state-owned and private)
- Representatives of the print and electronic media

Professional Bodies
- Research institutions
- Policy Think Tanks
- National Union of Ghana Students (NUGS)
- National Union of Polytechnic Students (NUPS)

Development Partners
- World Bank
- International Monetary Fund (IMF)

Traditional Authorities
- Traditional rulers (men and women)

The GPRS and other documents prepared by the NDPC do not indicate specifically which organizations, institutions or individuals represent civil society, the private sector, professional bodies, and traditional authorities. In the GPRS, reference is made to these categories of actors in broad terms, without stating which particular organizations or institutions played what role in the preparation of the document or are expected to participate in the implementation, monitoring and evaluation of the process.
References


