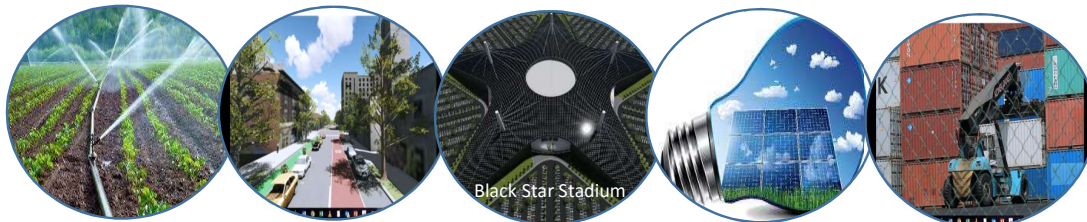




REPUBLIC OF GHANA



## Long-term National Development Plan of Ghana (2018-2057)



... the most secure democracy is the one that assures the basic necessities of life for its people as a fundamental duty.

*1992 Constitution, Article 36 (2)(e)*

National Development Planning Commission (NDPC)

September 2017



**“The Commission shall advise the President on development planning policy and strategy [and] make proposals for the development of multi-year rolling plans, taking into consideration the resource potential and comparative advantage of the different districts of Ghana.”**

***Article 87 (1), (2b)***

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## FOREWORD

The importance of a long-term national development plan to guide the strategic development and transformation of a country is not always recognized. Yet evidence around the world has shown that in the post-war period, and in the developing world, countries that have achieved spectacular successes in development and high-income growth have tended to be those that have had formal or informal long-term plans and have pursued them with some vigour and consistency.

Development economists and social scientists have long noted that at independence Ghana's level of development was broadly similar to that of Malaysia, Taiwan and South Korea but that Ghana has lagged behind while these other countries have flourished and attained high-income status. Although the causes of this stark contrast are more complex than often acknowledged, it is clear that one basic reason for it is the fact that these countries did implement successive national development plans on a substantially consistent basis over the long term.

Malaysia introduced its first long-term plan in 1956 and has since implemented eleven successive five-year development plans, similar to South Korea, which introduced its first long-term plan in 1960 and has since implemented over seven such national development plans.

To be sure, Ghana is not new to development planning. Indeed, we had our first attempt at development planning in 1919 when Governor Gordon Guggisberg introduced a 10-year national development programme to be implemented over the period 1920-1930. After that the colonial authorities introduced more plans between 1930 and 1950, followed by additional medium-term plans between 1951 and 1962, after which the Seven-Year Development Plan, 1963/64-1969/70, was launched, on the basis of the policy document, "Work and Happiness". The plan had a companion document called, the National Physical Development Plan (1963-1970). The overlapping tenures and rapid succession of these plans speak volumes.

Indeed, the basic difference between Ghana's experience and those of Malaysia, South Korea and Taiwan has been the consistency with which they have implemented their plans whilst ours have been characterized by a great deal of discontinuity in implementation. With the exception of the 1951 five-year plan and the three 2-year plans which went through their full length of



implementation, almost all plans prepared have been truncated either as a result of a lack of resources to implement them or worse still for political expediency.

There are lessons to be learnt from the experiences of these countries that have done a better job of development planning and implementation as well as from our own national experience.

The lessons are many and varied but one key lesson is that a long-term development plan in a political environment that is characterized by competitive pluralism, in contrast with a benevolent dictatorship, cannot succeed unless it benefits from a large body of national ownership that cuts across partisan division and is seen to be demonstrably in furtherance of the supreme national interest. The challenge is to develop a long-term national plan that ensures the continuity over a long-term horizon of public policy in the macroeconomic domain and in the public investment choices that are made, and finally in the environment we create to spur private investment and savings.

In recognition of this, NDPC carried out an extensive programme of initial consultations and sensitization, involving the three arms of government, pre-eminent statesmen and the leadership of the political parties.

The Commission also paid courtesy calls on the Speaker of Parliament and Her Ladyship the Chief Justice. Following our visit to the Speaker, Parliament graciously granted the Commission the opportunity to appear before the Committee of the Whole to explain the process for the launch of the long term plan. We benefited greatly from the very well informed and discerning contributions that honourable members made in the brief exchanges that took place. We followed up with a courtesy call on the Council of State to brief them and seek their support. Finally, given the obviously important role of the media houses in development communication, we organized a media dialogue event to discuss the concept and road map for preparing the long-term national development plan.

In proposing this Long-Term Plan, we do not aim to impose an iron grid on all successive governments. On the contrary, we aim to establish a long-term framework within which they can build their medium-term 4-year plans, leaving Parliament the opportunity to review the long-term plan every 10 years in accordance with fundamentally changed circumstances. This way we can achieve the consistency and continuity that we desire for the preservation of the supreme

national interest, along with the flexibility that we must allow for different political party strategies.

Over the 60 years of our history as an independent nation, the world has of course not stood still. In comparing ourselves with countries that were at our level of development at independence and have done so much better than we have – South Korea, Taiwan, Malaysia, Botswana, Kenya, Mauritius, Seychelles, Jamaica, Tunisia, and Morocco – it is easy to fall into a feeling of self-deprecation and cynicism, a feeling that perhaps there is something wrong with the Ghanaian. Indeed, in our consultations, we heard views from some who felt that it was impossible to successfully implement a long-term plan in Ghana without a new Ghanaian being born. There were yet others who felt that a long-term plan can never survive the vicissitudes of political transitions. But we cannot, and must not, as a nation, succumb to the cynicism of those who say we are doomed to failure, or those, on the other hand, who believe that the very idea of a long-term plan is incompatible with a multi-party political system. On the contrary, we, as a nation, must be inspired by the patriotism and sense of purpose that fired our forebears and enabled them to forge the legacy that we inherited, and, as Ephraim Amu exhorts us, must build on.

Dr. Kwesi Botchwey  
Chairman, National Development Planning Commission  
2017

## PREFACE

### Political Economy of Long-term Planning

Unlike a medium-term plan, an annual plan, or an annual budget, which is under the complete control of a government, a long-term plan such as this one, which is expected to span several governments over 40 years, requires the understanding, support and participation of a broad swathe of Ghanaians, including potential future leaders whose responsibility it would be to implement the Plan. On the basis of this, the Commission started the process of planning with a wide range of consultations, including visits to former presidents, the Speaker of Parliament, the Chief Justice, the Council of State executives of leading political parties, and later the president-elect in January 2017.

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#### List of Personalities and Organisations Visited during the Consultations

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President John D. Mahama	7th July, 2015
Ex-President J. J. Rawlings	8th July, 2015
Ex-President John A. Kufuor	8th July, 2015
President-elect Nana Akufo-Addo	6 <sup>th</sup> January 2017
Speaker of Parliament, Hon. Edward K. Doe Adjaho	9th July, 2015
Chief of Justice Georgina Wood	9th July, 2015
CPP	15th July, 2015
PNC	16th July, 2015
GCPP	16th July, 2015
J.H. Mensah (former chairman, NDPC)	16th July, 2015
NPP	17th July, 2015
NDC	22 <sup>nd</sup> July, 2015
Parliament	24 <sup>th</sup> July, 2015
PPP	28 <sup>th</sup> July, 2015
Council of State	28 <sup>th</sup> July, 2015

Thereafter, each political party nominated two people, including those responsible for policy, to accompany the Commission on nation-wide consultations with the public on the kind of society they would like to see under the plan. Below is a partial list of those who participated in the consultations.

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#### List of some of the key Groups that Participated in the Consultations

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- Political party representatives
- Commissioners of NDPC
- Representatives of market and other similar associations
- Fishermen's associations
- Farmers' representatives
- District planning officials and DCEs
- Traditional rulers
- Representatives of faith-based organisations
- Representatives of Persons with Disabilities
- Student representatives
- Youth groups

- Media
- Other organisations in academia, industry and faith-based organisations

The consultations were accompanied by widespread public discussions on traditional and social media about the importance of long-term planning. There was general support for such a plan.

On 6<sup>th</sup> January, 2017, the Commission briefed the incoming president, H. E. Nana Akufo-Addo, on the plan, after which he pledged his full support for the process. As a demonstration of that commitment, he subsequently appointed a Minister of State for Planning to liaise between his office and the Commission.

### **Scope of the Plan**

The following can be said of the Plan:

- Historic:** It is the first long-term national development of its kind for Ghana, marking 60 years of independence in 2017 and looking forward to the next 40;
- Historical:** It provides a historical context for the present and, combined with the lessons of the past, lays out the path for the future; and
- Visionary:** It takes a step into the future, looking at our own aspirations and the major changes that will define the world in the coming decades, and proposes strategies for dealing with them.

### **Methodology and Assumptions**

#### ***Methodology***

The high-level projections of economic growth for the plan are aspirational, geared towards accelerating the country's drive to high-income status by the time it celebrates its 100<sup>th</sup> independence anniversary. They are informed by Ghana's past growth record, its existing potential, its development aspirations, the economic performance of countries at a similar stage of development 60 years ago, as well as comprehensive statistical analysis by the Commission.

#### ***Assumptions***

The success of this plan, like any other in national development, including annual budgets, is contingent upon the attainment of a number of assumptions, some explicit or actionable (that is, under the control of government) and others designative, or beyond the control of government. At the broadest level, the actionable assumptions relate to the attainment and, more importantly, sustaining over the life of the plan, macroeconomic stability along three key dimensions: inflation, exchange rate, and lending rates. The medium-term plans will serve as the operational frameworks for attaining these objectives.

Other assumptions relate to such enablers of growth as the development of a modern network of economic and social infrastructure, public sector reforms, as well as a new approach to private sector development. Designative assumptions reflect risks, such as turmoil in the global economy, which must be monitored closely and necessary actions taken, should they materialise, to minimise their impact on development policy.

### **Statistics and Development in Ghana**

Statistics, or information, broadly, are essential to development management, including planning. This includes the formulation of policies and their translation into plans, to be implemented through a number of activities under various programmes and projects. This is followed by monitoring of those activities,

evaluating their impact, and feeding the information back to the policy cycle to determine what to do next: continue, modify, replace, or abandon them.

Despite the centrality of statistics in both planning and economic management, the statistical capacity of the country remains relatively weak and in need of urgent reform and transformation. In 2015, the World Bank ranked Ghana 70.2 for “overall statistical capacity”, on a scale of 0-100, an indication that there is room for improvement. The average for lower middle-income countries was 72.25.

Economic statistics, such as those of GDP, inflation, fiscal performance, and balance of payments, are produced more regularly, but inconsistency in methodology and formats makes their use tedious and can easily lead to faulty analysis and policy conclusions.

Social statistics, presented in reports like the various rounds of the Ghana Living Standards Survey and the Ghana Demographic and Health Survey, are less frequent and often suffer from the same presentational or methodological deficiencies that pose undue challenges to researchers, planners, analysts, and of course policy makers.

These statistical deficiencies were among some of the challenges the Commission encountered in the preparation of the long-term plan. Their prompt resolution represents a critical ingredient to the successful implementation of the Plan. Under institutional development, appropriate recommendations have been made to strengthen the country’s statistical capacity as an integral part of implementing the long-term plan.

As much as possible, all the lessons from the process of preparing the plan have been recognised and documented. It is our hope and expectation that successive governments would draw on these lessons to strengthen development management now and into the future.

**Dr. Nii Moi Thompson**  
**Director-General**  
**National Development Planning Commission**

## ACKNOWLEDGEMENTS

Many people and organisations contributed to the successful completion of this plan. The Commission would like to acknowledge the leadership of the various political parties who pledged their support to the process and nominated representatives who participated actively throughout the process.

Of particular note is the current President, His Excellency, Nana Akufo-Addo, who took office when the process was far advanced but requested periodic briefings on progress from the Chairman of the Commission. The three former presidents – H.E. Jerry Rawlings, H.E. John Kufuor, and H.E. John Mahama, deserve special thanks from the Commission for the support and useful advice they provided the Commission on how best to prepare a plan that would stand the test of time.

The leadership of Parliament, the Council of State, traditional authorities, including the National House of Chiefs as well as representatives of each of the 10 Regional Houses of Chiefs, various civil society organisations, business and trade associations, religious bodies, as well as students from a cross-section of the country, also deserve the Commission's appreciation for the support they provided the process in various ways.

A unique group of people who worked on the companion Ghana Infrastructure Plan, made up of government experts and consultants, contributed enormously to the exercise and are accordingly acknowledged for that.

Last, but not the least in importance, are the staff of the Commission who worked long hours, beyond the normal call of duty, to bring together the results of a complex and ultimately fulfilling process that will now help press the reset button for Ghana's development over the next 40 years.

# CHAPTER ONE

## INTRODUCTION

### 1.1 BASIC INFORMATION ABOUT GHANA

#### 1.1.1 Country Profile

Ghana is a tropical country bordered by Burkina Faso to the north, Côte d'Ivoire to the west, and Togo to the east. To the south is the Atlantic Ocean, with a coastline of 550 km.

The country has a total land area of 238,535 square kilometres, (mass is not the appropriate word since mass normally implies weight) about the size of the United Kingdom. Its southernmost coast at Cape Three Points is 4° 30' north of the equator. From here, the country extends inland for some 670 kilometres to about 11° north. The distance across the widest part, between longitude 1° 12' east and longitude 3° 15' west, is about 560 kilometres. The Greenwich Meridian, the imaginary line that divides the world into two halves, passes the port city of Tema, while the equator falls just 3° below the country. The intersections of these two lines can be described as the imaginary centre of the earth. Ghana can therefore be described as being the nearest landmass to the centre of the earth, inhabited or uninhabited.

Figure 1.1: Geographical Map of Ghana



Half of the country lies less than 152 meters (499 ft.) above sea level, and the highest point is Mount Afadzato in the Volta Region, 883 meters (2,897 ft.) above sea level. The 537 kilometres (334 mi.) coastline is mostly a low, sandy shore backed by plains and scrub and intersected by several rivers and streams. A tropical rain forest belt, broken by heavily forested hills and many streams and rivers, extends northward from the shore, near the Côte d'Ivoire border. This area produces most of the country's cocoa, minerals, and timber. North of this belt, the country varies from 91 to 396 meters (299 to 1,299 ft) above sea level and is covered by low bush, park-like savannah, and grassy plains.

There are two main seasons, namely the rainy and dry seasons, and temperatures vary according to each season and elevation. The rainy season occurs between March and October at various locations around the country, rising in intensity in the middle of the year and tapering off in October or November, followed by the dry season. The rainy season differs from north to south. The south, comprising the coastal savannah and the tropical rain forest region up to the middle part of the Brong Ahafo Region, has two rainy seasons; the major rains are from May to mid-July, and the minor rains are in September and October. The North, however, has only one rainy season, from July/August to November. This situation is

very important for agricultural practices, since most of the country's agriculture is rain-fed. While the south can have two planting and harvesting seasons for fast-yielding food crops such as maize and vegetables, the north has only one planting and harvesting season for all its crops, including the fast-yielding grain, legume and vegetable crops. This is important in planning agricultural production, especially where irrigation is concerned.

The harmattan, characterised by dry and cool desert winds, runs from December to March and is most intense in the northern parts, where the weather can turn quite chilly at night. Temperatures generally are highest between January and April.

There are over 70 ethnic groups in Ghana, with eight major languages, namely Twi, Ewe, Dagbani, Ga, Dangme, Nzema, Kasem, and Gonja, and several dialects that are mutually intelligible across the various groups. Although Hausa is not an indigenous Ghanaian language, it is spoken by, and can be described as the lingua franca among a sizeable number of Ghanaians throughout the country. English, the primary medium of instruction in Ghanaian schools, is also the official language and is spoken by many Ghanaians. The main ethnic groups are: Akan (47.5 percent); Mole-Dagbani (16.6 percent); Ewe (13.9 percent); Ga-Dangme (7.4 percent); Guan (3.7 percent); Gurma (5.7 percent); Grusi (2.5 percent); Mande (1.1 percent); and others (1.6 percent).

According to the 2010 Population and Housing Census, 71.2 percent of Ghanaians described themselves as Christian, 17.6 percent as Muslim, and 5.2 percent as believers in indigenous African religions. Those without any religious affiliation were about 6.0 percent.

The total population in 2010 was 24,658,823, with 50.9 percent living in urban areas, the highest proportion on record. As of 2016, Ghana's population was estimated by the Ghana Statistical Service to be 28.3 million. The urbanisation rate was about 55.0 percent, up from 50.9 percent in the 2010 census.

### **1.1.2 Governance**

Since January 7<sup>th</sup>, 1993, after more than 10 years of military rule, Ghana has been governed under a parliamentary-republican system, with an executive president and a parliamentary legislature. As of 2017, there were 275 members of parliament, made up of 240 men and 36 women. (Must be checked from the 2016 election results and analyses). The judiciary, headed by a chief justice, constitutes the third arm of government.

As of 2016, there were 10 administrative regions and 216 metropolitan, municipal, and district assemblies (MMDAs). The MMDAs are headed by chief executive officers who are appointed by the President and approved by at least two-thirds of assembly members present and voting. Thirty percent of assembly member are appointed by the President in consultation with traditional authorities and identifiable groups. Regions are headed by ministers, also appointed by the President and in charge of coordinating the work of their districts to ensure that they are in line with national development policies.



### Box 0.1: The Black Star: A Brief History



Today, the term “Black Star” is often used synonymously with the name “Ghana” and is recognised as such worldwide, especially since the national football team, the Black Stars, made their appearance in the World Cup in 2006 and went on to participate in two additional tournaments.

The term was coined by the Jamaican trade unionist and Pan-African Africanist, Marcus Garvey, in the early 1900s. In 1910, Garvey, a descendant of slaves originally from Kromantse in the Central Region, embarked on a tour of the Caribbean, Central America and England and came to the following sobering conclusion: In all the countries he visited, Black people, be they the majority or the minority, were always at the bottom of the economic ladder. He promised to do something about it, by proclaiming: “I shall not rest until I make Africa the Black Star among the constellation of nations”. The ultimate objective was economic empowerment and political self-determination for Africans.

The organisation he would use to achieve these ambitious goals were the Universal Negro Improvement Association and African Communities League (UNIA), which he established in Jamaica in 1914. In 1916, he relocated to United States, where the UNIA was later incorporated. Among the many businesses that the UNIA founded was the *Black Star Line Inc.*, which had the goal of connecting all Africans, irrespective of where they were in the world, through trade.

After Ghana’s independence in 1957, the Black Star was made a part of the national flag of the new nation. In addition, the state-owned shipping company was named *Black Star Line*. At its height, Black Star Line had over 20 vessels, with offices in London and New York and routes spanning West Africa, Europe, North America and the Mediterranean. The Black Stars would later become the name of the senior national soccer team, with modified versions for the Under-17 Team, Black Starlets; Under-20 (Black Satellites); and the national female soccer team, Black Queens. Black Princesses (female under 20); Black maidens (female under 17); the Black Sticks (the national hockey team), and the Black Bombers (the national amateur boxing team). All these various teams have during their existence achieved enviable records on the African, Commonwealth and world scenes.

## 1.2 PROFILE OF THE NATIONAL DEVELOPMENT PLANNING COMMISSION

### 1.2.1 Constitutional and Legislative Basis of the Commission

Article 86 of the 1992 Constitution provides the basis for the establishment of the National Development Planning Commission, which came into being in 1994 under Act 479. Under Article 86, the Commission is part of the Executive Arm of Government, headed by the President, who is also designated by the

Constitution as Head of State and Commander-in-Chief of the Armed Forces. The structure of the Executive is as follows:

- The President
- Cabinet
- National Security Council
- National Development Planning Commission, and
- Attorney-General

The Commission reports directly to the President.

### **1.2.2 Composition of the Commission**

According to Article 86, the Commission shall be made up of the following:

- i. a Chairman who shall be appointed by the President in consultation with the Council of State;
- ii. the Minister responsible for finance and such other Ministers of State as the President may appoint;
- iii. the Government Statistician;
- iv. the Governor of the Bank of Ghana;
- v. one representative from each region of Ghana appointed by the Regional Co-ordinating Council of the region;
- vi. such other persons as may be appointed by the President, having regard to their knowledge and experience of the relevant areas and roles pertaining to development, economic, social, environmental and spatial planning.

### **1.2.3 Structure of the Commission**

Under Act 479, the Commission has three technical divisions (Policy, Plan Coordination, and Monitoring and Evaluation), in addition to an administrative division. A Director-General, “appointed by the President acting in accordance with the advice of the Commission given in consultation with the Public Services Commission” manages the day-to-day affairs of the Commission. The Commission’s work is supported by various Committees made up of Commissioners and constituted according to the development priorities of the Government.

### **1.2.4 Functions of the Commission**

The functions of the Commission are as follows:

- i. The Commission shall advise the President on development planning policy and strategy.
- ii. The Commission shall, at the request of the President or Parliament, or on its own initiative-
  - (a) study and make strategic analyses of macro-economic and structural reform options;
  - (b) make proposals for the development of multi-year rolling plans taking into consideration the resource potential and comparative advantage of the different districts of Ghana;
  - (c) make proposals for the protection of the natural and physical environment;
  - (d) make proposals for ensuring the even development of the districts of Ghana by the effective utilisation of available resources; and
  - (e) monitor, evaluate and co-ordinate development policies, programmes and projects.
- iii. The Commission shall also perform such other functions relating to development planning as the President may direct.

In addition to the above (as stipulated in the Constitution), Act 479 enjoins the Commission to do the following:

- a. undertake studies and make recommendations on development and socio-economic issues
- b. formulate comprehensive national development planning strategies and ensure that the strategies including consequential policies and programmes are effectively carried out and prepare broad national development plans
- c. keep under constant review national development plans in the light of prevailing domestic and international economic, social and political conditions and make recommendations for the revision of existing policies and programmes where necessary; and
- d. perform such other functions relating to development planning as the President may direct.

#### **1.2.5 Core values of the Commission:**

- i. Hard work
- ii. Team work
- iii. Excellence
- iv. Integrity

### **1.3 QUESTIONS AND ANSWERS ABOUT THE LONG-TERM PLAN**

#### **Q. Isn't 40 Years Too Long?**

A. In the life of an individual, 40 years may seem “too long”. But, in the life of a nation that will be around for thousands of years, it is not. It is roughly the period required for the comprehensive transformation of Ghana's economy and society.

#### **Q. What will happen over 40 Years?**

A. Ghana's current 4-year medium-term plan, which is known as the second Ghana Shared Growth and Development Agenda (GSGDA II), ends in December 2017. Between 2018, when the next medium-term plan begins, and 2057, when Ghana will be celebrating its 100<sup>th</sup> independence anniversary, there will be 10 additional medium-term plans for a total of 40 years (4 times 10

The future we want  
will not just happen.  
We *must* make it  
happen.

With or without a long-term plan, successive governments will prepare and implement these 10 medium-term plans. A long-term plan serves as a strategic framework for the preparation of these plans, so that they are coherent and work towards a common vision of national development. Naturally, adjustments will be made to the Plan over time to take account of new information or changes in circumstances. Nothing is cast in stone, but the 40-year plan represents an important vision that the country has never had for national development.

#### **Q. What else will happen over 40 years?**

A. By a happy coincidence, there will also be 10 general elections between 2020 and 2056, roughly coinciding with the period of the long-term plan. The 10<sup>th</sup> election will be held in 2056 and the winner will take office in the historic year of 2057. Indeed, the last generation of Ghanaians who would be 40 years in 2056 and thus qualify to field a presidential candidate in the elections of that year were born in 2016. Given that the average age of a president in the 4<sup>th</sup> Republic is 60 years, the president of Ghana in

2057 may be anywhere from kindergarten to university as of 2017. The future is already here, and we need to plan for it to avoid the mistakes of the past. Table 1.1 shows the economic and political signposts on the 40-year journey to high-income status.

**Table 4.1: Economic and Political Road Map to High-Income Country Status**

	Medium-term Plans (Years)	National Elections (Years)
1	2018-2021	2020
2	2022-2025	2024
3	2026-2029	2028
4	2030-2033	2032
5	2034-2037	2036
6	2038-2041	2040
7	2042-2045	2044
8	2046-2049	2048
9	2050-2053	2052
10	2054-2057	2056

Source: National Development Planning Commission (2016)

**Q. Will the Plan Replace the Manifestos of Political Parties?**

A. The answer is ‘no’. Rather, it will assist them to prepare their manifestos by providing them with strategic analysis of how the world of the future is likely to look and how to face it through innovative and effective policies. For example, the Plan’s analysis of the Future of Work (its prospects and challenges in the face of rapidly changing technology) can and must influence the preparation of manifestos and the policies that arise from them once a party wins power.

The long-term plan thus provides the *continuity* that Ghana needs for its social and economic transformation over many years and the flexibility of change in government occasioned by elections. This innovative approach of blending *continuity and change* around a common vision of national development in a multi-party democracy has been applauded by many, including the African Union.

**Q. Doesn’t the ‘Directive Principles of State Policy’ of the 1992 Constitution Serve as a Long-term Plan?**

A. As the name indicates, it is a set of principles that are meant to guide the formulation of government policies and plans; they do not by themselves constitute a plan. A long-term plan provides the analytical and strategic context for making such policies.

**Q. Hasn’t Ghana had a long-term plan before?**

A: In 1994, the Commission drafted a long-term plan known as *Vision 2020*, which was to be implemented over a 25-year period, 1996-2020. Due to administrative challenges, the framework was not published. However, the first medium-term plan from it, known as *Ghana: Vision 2020: The First Step (1996-2000)*, was published and it guided government’s development policies until 2001, when it was replaced with the Ghana Poverty Reduction Strategy under the Heavily Indebted Poor Country (HIPC) Initiative. Since then, various attempts have been made to produce another long-term plan, without any success. This is the first successful effort.

**Q. Wasn't there a long-term development plan in the First Republic?**

A: The most notable plan of the First Republic was the *Seven-Year Plan for National Reconstruction and Development, 1963/64-1969-70*. It was a medium-term plan. However, it had the following to say about the importance of long-term planning:

*The economic policies to be realised under this and successive plans of economic development will lack direction and consistency unless they are firmly related to a clear vision of the structure of economy towards which we are moving. Besides, it is only in the longer view that it is rational to project any really radical transformation of an economic system.*

*In the very short period we remain prisoners of our past. The most important factors which determine the level of a country's economic development are not subject to radical change in a short period.... Short term plans such as the present and subsequent ones can only contribute to a change in the basic features of the economy if they are viewed as instalments in a long run programme designed to effect such change even though the short term plans themselves must accept some of these features as being fixed for their own duration.*

**Q. What kind of Plan is the current one?**

A. All long-term plans are inherently frameworks (or vision documents) that guide the preparation and implementation of medium- and short-term (operational) plans. In popular usage, however, and for effective communication, the word “plan” is often used inter-changeably with “framework” or “vision”. In 2011, Parliament passed the Petroleum Revenue Management Act, (Act 815). Aspects of this law refer to a “long-term plan” for Ghana. What is being prepared, though called a “plan”, will be a framework or vision document to guide successive governments in the preparation of their medium-term plans between 2018 and 2057. After 2057, when Ghana would have attained high-income status, it is likely that the government at the time would depend on medium-term planning and restrict long-term planning to infrastructure, which requires long gestation and implementation periods.

**Q. What are some of the other advantages of a Long-Term Plan?**

- A. It inspires a people to rise to their fullest development potential;
- It fosters a collective sense of urgency
  - It provides an ideal destination towards which a nation works, purposefully
  - It helps to mobilise people, irrespective of their political or other affiliations, around a common national development agenda
  - It helps to mobilise resources for development, including human resources, on a scale that might otherwise not be possible
  - It unleashes the latent potential of the private sector by giving them a sense of purpose and certainty.

**Q. What is in a name?**

A. Long-term plans the world over are known by different names, but they are all meant to cast a vision of the future and to inspire and guide the preparation of medium- and short-term plans that will ultimately

transform economies and societies in a fundamental way. Examples of names of long-term plans include the following:

- Long-range Economic Plan
- National Vision
- Long-term Framework
- Long-term Perspective
- Perspective Plan
- Transformation Agenda

**Q. Are there examples of Long-term Planning by Others?**

A. The following are examples of long-term plans by governments and a university from around the world:

- Algeria: *Establishment of a National Vision 2030*
- Kenya: *Vision 2030*
- Japan: *Long-range Economic Plan (1958), followed by 'Income-doubling plan'*
- Malaysia: *Vision 2020 – Wawasan 2020*
- New Zealand: *30-year Infrastructure Plan*
- Norway: *Long-term Perspectives on the Norwegian Economy (up to 2060)*
- Qatar: *Vision 2030*
- Saudi Arabia: *Saudi Vision 2030*
- South Africa: *National Development Plan, 2030*
- South Korea: *Vision 2040*
- Turkey: *Over 50 years, ending 2023 (centenary of modern Turkey)*
- Uganda: *Vision 2040*
- \* Organisation for Economic Cooperation and Development (OECD): *Looking to 2060: Long-term global growth prospects*
- \* Stanford University: *100-year Research Programme into Artificial Intelligence.*

**The length of a long-term plan is determined by a country's history, stage of development, assessed needs, and vision.**

In addition to the above, most multinational corporations, such as mining, oil and energy companies, have long-term plans ranging between 50 and 100 years. Some of these companies operate in Ghana and have decided already what role Ghana would play in those plans.

**Q. Are there any other reasons why Ghana must plan long term?**

A: The following observation by a British journalist who visited Accra over 140 years ago is a reminder that we cannot take the future for granted, that in order for us to transform our economy and society, we must take a structured and visionary look of our future and work purposefully towards it. Nothing can be left to chance

<p><b>Street hawking in 1874</b></p> <p>The principal street of Accra is an amusing sight: Some effort appears to be made to keep it clean and the sales people sit upon little mats, or upon low stools which are used all over this country. They line both sides of the street, and expose for sale every sort of article prized by the natives, and the goods being contained in wooden trays everywhere in use here.</p> <p><i>Observations of a reporter of the Illustrated London News, after he visited the Gold Coast in 1874.</i></p>	<p><b>Street hawking in 2017</b></p> <p>Mr. Mohammed Adjei Sowah, the Accra Metropolitan Chief Executive (MCE), has cautioned traders not to display their wares on the streets and walkways in the Central Business District. According to him, selling on the streets posed a threat to the lives of the commuting public. He further advised the traders not to display their wares beyond the red line demarcation by the Accra Metropolitan Assembly (AMA).</p> <p><i>AMA boss cautions hawkers against taking over walkways (Citifmonline.com, Saturday, April 22, 2017)</i></p>
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**Q. What Role Will Parliament Play in the Long-term Plan?**

A. In addition to reviewing plan implementation through the Annual Progress Reports that NDPC produces, Parliament, with technical input from the Commission, will review the long-term plan every 10 years and make recommendations for revisions to targets or strategies, or any other changes that it may deem necessary for the broad achievements of the vision of the plan.

**Q. What is the Role of the International Community in the Long-term Plan?**

A. As a member of the United Nations and the African Union, Ghana is required to incorporate the UN's *Sustainable Development Goals (SDGs)* and African Union's *Agenda 2063* into its national development agenda. The incorporation of the SDGs followed the successful incorporation of the Millennium Development Goals (MDGs) (2000-2015) into Ghana's various medium-term plans, starting from GPRS I to the current GSGDA II.

Although the MDGs were nominally spanned a 15-year period, the goals were benchmarked against indicators in 1990, effectively making the implementation period 25 years. With the SDGs spanning another 15 years (2015-2030), the UN's framework for ending global poverty is spread over 40 years. The SDGs are made up of 17 goals and 169 targets.

The AU's *Agenda 2063*, launched in 2013 on the 50<sup>th</sup> anniversary of the founding of the union, spans 50 years and is to be implemented by member states in 10-year instalments. It has 20 goals and 256 targets.

The goals of two frameworks have been aligned with the five goals of Ghana's long-term development plan, and almost all their associated targets have been adapted or adopted into the long-term plan in line with Ghana's national development aspirations.

**Table 0.2: Aligning the Long-term Plan with Global Development Frameworks**

LONG-TERM NATIONAL DEVELOPMENT PLAN	SDGs	AGENDA 2063
Goal 1: Build an industrialised, inclusive and resilient economy	Goals: 1, 2, 8, 9, 12, 14	Goals: 4, 5, 6, 7, 20
Goal 2: Create an equitable, healthy and prosperous society	Goals: 1, 2, 3, 4, 5, 10, 16	Goals: 1, 2, 3, 16, 17, 18,
Goal 3: Build well-planned and safe communities while protecting the natural environment	Goals: 1, 6, 7, 9, 11, 12, 13, 14, 15	Goals: 7, 10
Goal 4: Build effective, efficient and dynamic institutions for national development	Goals: 1, 16, 17	Goals: 11, 12, 13, 20
Goal 5: Strengthen Ghana’s role in international affairs	Goals: 1, 10, 16, 17,13,	Goals: 8, 9, 14, 15, 16, 19

#### 1.4 CONSTITUTIONAL AND OTHER BASES FOR THE LONG-TERM PLAN

In preparing the long-term national development plan, the Commission was guided by the following:

- i. The 1992 Constitution (Article 87(2)) – Constitutional mandate.
- ii. The Commission’s enabling law (Act 479, 1994) – Legal mandate.
- iii. Request by Parliament (Act 815, 2011) – Legislative mandate.
- iv. Constitution Review Commission’s Report (2011) – Popular mandate
- v. Meeting the needs of a growing population – The demographic imperative.
- vi. Opportunities and threats of globalisation – The global imperative
- vii. Regional integration – ECOWAS and Africa.

The highlights for each of the above are provided below:

##### 1.4.1 Constitutional Mandate: Article 87(2)

The Commission shall, at the request of the President or Parliament, or on its own initiative-

- study and make strategic analyses of macro-economic and structural reform options;
- make proposals for the development of *multi-year rolling plans* taking into consideration the resource potential and comparative advantage of the different districts of Ghana;
- make proposals for the protection of the natural and physical environment;
- make proposals for ensuring the even development of the districts of Ghana by the effective utilisation of available resources.

##### 1.4.2 Legal Mandate: Act 479 (1994)

Among its many responsibilities, the Commission is mandated by Act 479 to do the following:

- make proposals for the development of multi-year rolling plans ...
- undertake studies and make recommendations on development and socio-economic issues
- formulate comprehensive national development planning strategies and ensure that the strategies including consequential policies and programmes are effectively carried out
- prepare broad national development plans



- keep under constant review national development plans in the light of prevailing domestic and international economic, social and political conditions and make recommendations for the revision of existing policies and programmes where necessary

#### **1.4.3 Legislative Mandate: Act 815 (2011)**

In 2011, Parliament passed Act 815 (governing the use of petroleum revenue, which also asked for the preparation of a “long-term national development plan... to be approved by Parliament”. Among other things, the Act states:

- (21) (2) (d): [T]he allocation of the annual spending amount [from Petroleum Revenue] shall, among other things, be “guided by a *medium-term expenditure framework* aligned with a *long-term national development plan approved by Parliament*”.
- “The exact percentage of the Benchmark Revenue which shall be allocated annually to the Annual Budget Funding Amount shall be guided by a *medium-term development strategy* aligned with a *long-term national development plan*, absorptive capacity of the economy and the need for prudent macroeconomic management.”
- The Act further states that for any financial year, “a minimum of seventy percent of the Annual Budget Funding Amount shall be used for public investment expenditures consistent with *the long-term national development plan* or with subsection (3).”
- A “*national development plan*” is defined in Act 815 as a “plan prepared by the National Development Planning Commission”.

#### **1.4.4 Popular mandate: Constitution Review Commission Report, From a Political to a Developmental Constitution, (2011)**

Chapter 3 of the report recommends a long-term national development plan and proposes what it should look like:

- i. A Long-term Development Plan should be national in character.
- ii. The Plan should be binding on all successive governments.
- iii. The Plan should be region- and district-specific, and not [only] national in character.

The report gives the following justification for a long-term national development plan:

- Only long-term planning can deal with the intractable developmental challenges that the nation faces.
- Only a long-term plan may be incorporated into a national Constitution, since Constitutions are crafted as long-term documents.
- A long-term development plan will ensure that present and future generations are catered for in development planning.

#### **1.4.5 The demographic imperative**

Ghana’s population is projected to reach 57.3 million by 2057, with the urbanisation rate rising from just over 50.0 percent in 2010 to nearly 80.0 percent in 2058. The provision of housing, educational and health facilities, as well as infrastructure, including energy, requires the kind of long-term perspective proposed in this plan. Failure to take such a long-term view in the past has been the cause of the many shortages and deficits Ghana currently suffers from in such key sectors as electricity and housing.

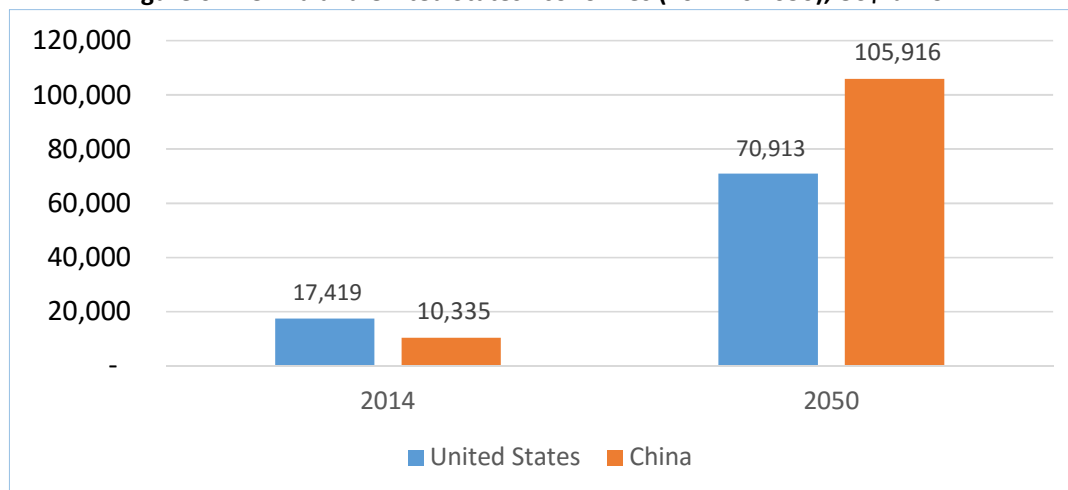
### 1.4.6 The global imperative

There have been great shifts in global economic output and standings (and influence) since 1960, as shown in Table 1.3 and Figure 1.3. The US's share of world GDP, for example, fell from about 40.0 percent in 1960 to just over 24.0 percent in 2015, while China's simultaneously increased from 4.3 percent to 14.8 percent of the period. Although in absolute terms, the US economy in 2016, at US\$18.6 trillion, was the largest in the world, compared to US\$11.2 trillion for China, the latter is projected to become the largest by 2050, at US\$105.9 trillion.<sup>1</sup> Indonesia, Brazil and Mexico are emerging economies that are expected to expand rapidly over this period.

**Table 0.3: Selected Shares of Global GDP (%), 1960-2015**

	1960	2015	% Change
<b>USA</b>	<b>39.81</b>	<b>24.44</b>	<b>-39%</b>
<b>China</b>	<b>4.34</b>	<b>14.80</b>	<b>241%</b>
<b>Ghana</b>	<b>0.09</b>	<b>0.05</b>	<b>-42%</b>
<b>SSA</b>	<b>1.98</b>	<b>2.14</b>	<b>8%</b>

**Figure 0.4: China and United States Economies (2014 vs 2050), US\$ billion.**



These changes have implications for economic policy in Ghana, given the fact that Ghana's share of global economic output declined from 0.09 percent to 0.05 percent between 1960 and 2015. Policies under the plan must therefore aim not only at strengthening the economy but also accounting for a greater share of the world economy, including trade.

### 1.4.7 Fostering Regional integration

Major demographic and economic changes are expected to take place in West Africa and indeed the rest of the African continent. Ghana needs to anticipate these changes and prepare for them, in term of trade, immigration, and development cooperation, among others. The emergent Abidjan-Accra-Lagos Mega-Region will require a modern network of efficient infrastructure and logistics for Ghana.

<sup>1</sup> Economist Magazine, *Economist Intelligence Unit*, 2015.

### 1.4.8 Escaping the Middle-Income Trap

The attainment of a middle-income income status is no guarantee that a country would proceed automatically to a high-income country status. There is always a threat that the country may stagnate; a situation known as the “middle-income trap”. In worst cases, it may fall back into a low-income status. In 2014, the depreciation of the cedi by nearly 35.0 percent slashed off US\$10.0 billion from Ghana’s GDP, followed by another drop of US\$2.3 billion in 2015, when the cedi lost 22.2 percent of its value against the dollar. In the event, Ghana’s per capita income fell from a record US\$1,740 in 2013 to US\$1,480 in 2015, moving the country back towards the middle-income cut-off point of US\$1,040. The surest way to avoid the middle-income trap to plan purposefully over the long term and implement the Plan with vigour and commitment.

#### OVERVIEW: KEY STRATEGIC RESULTS OF THE LONG-TERM PLAN

INDICATORS		BASELINE		PROJECTIONS				
		Year	Data	2018	2021	2025	2029	... 2057
<b>GOAL 1: BUILD AN INDUSTRIALISED, INCLUSIVE AND RESILIENT ECONOMY</b>								
Gross Domestic Product (GDP)								
1	GDP (Nominal, US\$, Billions)	2016	42.9	53.5	72.8	120.9	190.2	3,345.2
2	GDP Per Capita (US\$)	2016	1,515.6	1,806.9	2,244.2	3,434.5	5,020.5	58,401.6
3	GDP (Nominal, GHc, Billions)	2016	168.7	267.6	364.1	604.3	950.8	16,726.0
4	GDP Per Capita (GHc)	2016	5,910.9	8,308.12	11,220.9	17,172.7	25,102.3	292,008.0
Sectoral shares of GDP (%)								
1	Agriculture	2016	20.13	18.30	18.2	18.1	17.2	11.0
2	Industry	2016	25.59	27.60	28.1	28.7	30.0	39.0
3	<i>Manufacturing</i>	2016	5.10	5.60	9.50	13.10	15.00	25.00
4	Services	2016	54.28	54.10	53.7	53.2	52.8	50.0
Merchandise Exports (%)								
1	Manufactures share of merchandise exports (%)	2013	16.84	15.00	17.5	22.0	25.3	60.0
2	<i>Hi-tech share of manufactures</i>	2013	4.88	5.0		8.0		25.0
3	Commodities (% of merchandise)	2015	71.20	75.00	70.0	60.0	55.0	35.0
Employment Shares (%)								
1	Agriculture	2013	44.70	39.5	35.1	30.3	27.5	9.3
2	Industry	2013	14.40	14.1	14.5	14.9	15.9	25.7
3	<i>Manufacturing</i>	2013	9.30	10.10	11.10	11.43	12.30	23.10
4	Services	2013	40.90	46.4	50.4	54.8	56.6	65.0
Structural Enablers of Growth								
1	Domestic credit to private sector (% of GDP)	2015	20.27	25.00	35.7	47.2	56.7	95.1
2	Gross domestic savings (% of GDP)	2015	13.70	18.50	19.6	20.9	22.5	35.0
3	Gross fixed capital formation (% of GDP)	2015	23.61	24.00	25.7	27.1	28.4	30.0
4	Domestic Gov't Revenue (as share of GDP, %)	2016	19.3	21.3	21.8	22.0	22.0	24.0
5	<i>Domestic Gov't Revenue (nominal, GHc, Bil.)</i>	2016	32.57	57.01	79.38	132.94	209.18	4,014.25
6	Electricity consumption (kWh per capita)	2015	348	620	850	1,433	2,113	6,430
7	Electricity transmission losses (%)	2015	3.80			2.0		2.0
8	Electricity distribution losses (%)	2015	24.0		12.0		5.0	2.0
9	Research and Development (R&D)	2013	0.38			1.0		4.0
Cyclical Enablers of Growth								
1	Inflation (% change in CPI, annual)	2016	17.10	Low and stable inflation rates in line with plan targets				
2	US\$-Cedi Exchange Rate (% change, annual)	2016	-4.36	Annual depreciation of less than 1.0% over plan period				
3	Lending Rates (% , annual)	2016	31.20	Low and internationally competitive lending rates				

	INDICATORS	BASELINE	PROJECTIONS					
	Catalytic Initiatives for Industrialisation and Growth							
	(Initiative and completion year)							
1	Ghana Industrialisation Strategy (GIS)	2016		X	X			
2	Manufacturing Advisory Council	2016		X	X			
3	Agriculture Advisory Council	2016		X	X			
4	Exports Advisory Council	2016		X	X			
5	Ghana Stock Exchange Rapid Growth Strategy	2016		X	X			
6	Fiscal Stability Council	2016		X	X			
7	Financial Sector Transformation Strategy	2016		X	X			
8	Productivity Development Strategy	2016		X	X			
9	Strategy for Transforming the Informal Sector	2016		X	X			
10	'Future of Work' Strategy	2016		X	X			
11	Labour Market Information System	2016		X	X			
12	Competition Law	2016		X				
13	Consumer Protection Law	2016		X				
<b>GOAL 2: CREATE AN EQUITABLE, HEALTHY AND PROSPEROUS SOCIETY</b>								
Demographics								
1	Population (Millions)	2016	28.9	30.38	32.45	35.19	37.88	57.28
2	Household size (National)	2010	4.55	4.5		4.3		3.5
3	Household size (Urban)	2010	4.1	3.8		3.5		2.4
4	Urbanisation rates (%)	2010	50.9	57.2		62.6		79.1
Human Resource Development								
1	Human Resource Development Strategy	2016		X	X			
EDUCATION								
BASIC AND SECOND-CYCLE EDUCATION								
ACCESS								
NET ENROLMENT RATES (%)								
1	Kindergarten	2015/2016	79.5		90	100		
2	Primary school	2015/2016	91.5		100			
3	Junior high school	2015/2016	50.3		75	90	100	
4	Senior high school	2015/2016	25.2		40	85	100	
QUALITY (INPUTS)								
TRAINED TEACHERS (% of total)								
1	Kindergarten	2015/2016	65.9		80	90	100	
2	Primary school	2015/2016	78.0		90	100		
3	Junior high school	2015/2016	90.0		95	100		
4	Senior high school	2015/2016	86.0		90	95	100	
TEXTBOOKS-PUPIL RATIO								
1	Kindergarten (minimum one core book)	2015/2016	0.2			1		
2	Primary school (minimum three core books)	2015/2016	1.7			3		
3	Junior high school (minimum three core books)	2015/2016	1.7			3		
4	Senior high school (minimum three core books)	2015/2016	0.5			3		
5	English textbook per student	2015/2016	0.5			1		
6	Mathematics textbook per student	2015/2016	0.5			1		
7	Science textbook per student	2015/2016	0.4			1		
CONTENT								
1	Review curriculum in line with long-term plan	2015/2016		X	X			
PROCESSES AND SYSTEMS								

		INDICATORS	BASELINE		PROJECTIONS				
	1	Review relevance of BECE and boarding school system	2015/2016		X	X			
* The full list of results appears in Appendix A.									
QUALITY (OUTPUTS & OUTCOMES)									
Outputs COMPLETION RATES (%)									
	1	Primary school	2014/2015	99.6					
	2	Junior high school	2014/2015	73.5		90			
	3	Senior high school	2015/2016	46.0		60	90		
Outcomes PROFICIENCY IN CORE SUBJECTS (%)									
	1	English P3	2012/2013	28.4		40	75	100	
	2	Maths P3	2012/2013	22.1		50	80	100	
	3	English P6	2012/2013	39.0		60	90	100	
	4	Maths P6	2012/2013	10.9		25	55	85	
TECHNICAL AND VOCATIONAL INSTITUTES									
QUALITY (INPUTS)									
TEACHERS WITH TECHNICAL QUALIFICATION (%)									
	1	GES Institutions	2015/2016	60.9		75	85	100	
	2	Other Public Institutions	2015/2016	24.0		50	75	90	
	3	Total Public Institutions	2015/2016	50.6		60	75	95	
	4	Private Institutions	2015/2016	29.0		50	75	90	
TERTIARY INSTITUTIONS									
	1	Tertiary Enrolment Ratio	2015/2016	14.2		25			75
EDUCATION INFRASTRUCTURE									
	1	Basic schools needing major repairs (pub./priv.) (%)	2013/2014	22.0		10.0	0.00		
	2	Basic schools with drinking water (%)	2013/2014	61.0		75.0	100.00		
		- Public schools	2013/2014	44.0		75.0	100.00		
		- Private schools	2013/2014	78.0		90.0	100.0		
	3	Basic schools with toilets (%)	2013/2014	72.0		100.0			
		- Public schools	2013/2014	60.0		100.0			
		- Private schools	2013/2014	84.0		100.0			
	4	Launch Education Infrastructure Rehabilitation, Rationalization and Expansion Programme	2016		X	X	X		
FINANCING EDUCATION INFRASTRUCTURE									
	1	Amend GETFUND Act (For exclusive and efficient financing of education infrastructure)	2000		X	X			
HEALTH									
	1	Infant mortality ratio (per 1,000 live births)	2015	41			22		
	2	Under-five mortality ratio (per 1,000 live births)	2015	60			40		
	3	Maternal mortality ratio (per 100,000 live births)	2015	144			54		0
	4	Immunisation coverage (Penta 3) (%)	2015	85			100		
	5	Malaria deaths (% of total malaria cases)	2016	4.7		1.5			0.0
	6	Under-5 malaria deaths (% of malaria deaths)	2016	40.1		10			0.0
<b>GOAL 3: BUILD WELL-PLANNED AND SAFE COMMUNITIES WHILE PROTECTING THE NATURAL ENVIRONMENT</b>									
Catalytic initiatives and long-term results for built and natural environment									
	1	Implement National Spatial Development Framework	2015		X	X	X	X	X

	INDICATORS	BASELINE	PROJECTIONS					
2	Complete database for unit costs of infrastructure	2016		X				
3	Complete study of procurement value chains	2016		X				
4	Complete and put online National Infrastructure Database	2016		X				
5	Install computerised system for reporting electricity losses by the public	2016		X				
6	Install computerised system for reporting water losses by the public	2016		X				
7	Non-revenue water loss (% of water produced)	2014	50		30		25	10
8	Launch electricity efficiency and conservation campaign	2016		X	X			
9	Launch water efficiency and conservation campaign	2016		X	X			
10	Number of rooms needed nationally (thousands)	2010	2,074	2,632	3,629			20,156
	<i>Urban households</i>	2010		1,707	2,775			16,144
	<i>Rural households</i>	2010		925	854			4,012
11	Length of road network (km)	2014	71,419					253,000
12	Road network in good condition (% of total)	2014	35					70
13	Publish 'Ghana: State of Infrastructure Report' every 4 years	2016		X	X	X	X	X
<b>GOAL 4: BUILD EFFECTIVE, EFFICIENT AND DYNAMIC INSTITUTIONS FOR NATIONAL DEVELOPMENT</b>								
	Catalytic initiatives for institutional development and transformation							
1	Initiate public sector reforms and innovation	2016		X	X	X	X	X
2	Launch digitised M&E system to monitor quality of service delivery by government	2016		X	X			
3	Rationalise mandates of key state agencies to avoid conflict and duplication	2016		X	X			
4	Establish Office of Public Ethics	2016		X	X			
5	Establish National Census Fund	2016		X	X			
6	Establish National Elections Fund	2016		X	X			
7	Elect Local Government Officials	2016		X	X			
8	Pass Freedom of Information Law	2016		X				
9	Develop National Statistics Capacity	2016		X	X	X	X	X
10	Complete Civil Registration and National ID	2016		X				
11	Launch 'Good Society Campaign'	2016		X				
12	Review and Implement Constitution Review Commission's Report			X	X			
<b>GOAL 5: STRENGTHEN GHANA'S ROLE IN INTERNATIONAL AFFAIRS</b>								
	Catalytic initiatives for strengthening Ghana's role in international affairs							
1	Revise Ghana's foreign policy to reflect 21st century realities	2016		X	X			
2	Establish Ghana Foreign Service	2016		X	X			
3	Establish Ghana Agency for Development Cooperation	2016		X	X			

		<b>INDICATORS</b>	<b>BASELINE</b>		<b>PROJECTIONS</b>				
	4	Amend law to allow dual citizens to hold elective and appointive offices in Ghana for national development	2016		X	X			
	5	Adopt 'Ghana Beyond Aid' strategy	2016		X				
	6	Publish strategy and charter for improving quality of service by Ghana's missions abroad	2016		X	X			
	7	Revitalise 'Brand Ghana' Office	2016		X	X			

## CHAPTER TWO

### THE LONG ROAD TO NATIONHOOD

#### 2.1 INTRODUCTION

Any attempt to chart a new course for Ghana's development over the next 40 years will benefit greatly from a structured understanding of the country's long and tortuous history. This section of the Plan looks at the peoples who lived in various, sometimes adversarial, societies that would eventually form the present unitary state of Ghana: Their economies, social norms, and institutions of governance; their contact and interactions with outsiders, notably Arabs and later Europeans; the advent of colonialism; the resistance to colonialism; and the ultimate emergence from the ashes of colonialism of the independent nation of Ghana.

#### 2.2 PRE-GOLD COAST SOCIETIES

The geographical area that constitutes modern Ghana existed in various societal forms centuries before contact with "outsiders" through trade. They had well-established and evolving systems of governance, social formations and norms, as well as economic systems. In the north were the Mole-Dagbani states of Mamprugu, with their traditional capital in Nalerigu; Dagbon with Yendi as their traditional capital; and Nanun with the capital in Bimbilla. Also present were the Gonja and Wala kingdoms, with their traditional capitals in Nyagna for the Gonja (later moved to Damongo), and Wa for the Wala, respectively. Within the territory that these kingdoms were found were also other important ethnic groups such as the Dagarti/Dagara/Dagaba, the Konkomba, Kassina, Kusasi, Sisala, Builsa, Bimoba, Nawuri, Nchumburu, Vagla, and Tampulsi.

The history of the southern part of modern Ghana was equally characterised by different groups, such as the Asante, Fanti, Akyem, Kwahu, Akwapim, and Nzema, and Bono. There were also the Guan, Ewe and Ga-Dangbe. Guan, thought to be the earliest spoken language in the region, is generally related to some of the Akan languages, such as Twi. The Guan were said to have established an empire under their leader, Ataara Firam (sometimes spelt, Atara Firaw), stretching from parts of modern-day north-eastern Ghana through areas around the Volta and to the coastal regions.

The eventual decline of that empire saw the dispersion of the Guan further afield to modern-day Larte, Adukrom, Anum Boso, and Donkorkrom in the Eastern Region; Winneba in the Central Region; Buem, Likpe, Akpafu and Krachi in the Volta Region; Yeji and Prang in the Brong-Ahafo Region; and Nchumburu and Nawuri in the Northern Region.

The Akan groups later developed in the regions of the Pra and Offin Rivers. The dominant Akan state to emerge was Bono-Takyiman, founded by the Aduana or Akuana clan along the trade routes from Niger. The trade routes from Bonno and Begho extended southwards, passing between the Ankobea and Offin rivers, with a branch through Asante, which then had powerful principalities, such as Asumaja, Ejusu, Offins, Juaben, and Kokofu.

These principalities were brought together under the leadership of King Osei Tutu in the 1600s with the assistance of Okomfo Anokye, his spiritual adviser, resulting in the formation of the Asante Empire, with its capital in Kumasi. The empire stretched to the coast and further inland to as far as Gonja and Dagomba territory, and to the west, it extended to Bonduku in present-day Ivory Coast.



The trade routes of the time radiated southwards to meet the confluence of the Pra and Offin Rivers. It was here that the states of Twifo, Adanse and Denkyira emerged. The dominant Akan state on the coast was Fante, founded by three warrior priests—Oburumankoma, Odapagyan and Oson, who had left the Pra-Offin region to establish their state. That state stretched from Mankesim to present day Cape Coast and Elmina.

While the Fante state emerged in the west, the Akwamu, Akyem and Kwahu were being formed in the east. Both Akyem and Akwamu easily established their states or kingdoms because the area they found themselves in virtually had no established states. Only a series of Guan principalities weakened by the defeat of their leader, Ataara Firam, and under the rule of the Asante, could be found.

Further south, the Ga-Dangme and Ewe also established very important states. - The Ga lived in different communities and later developed Ayawaso as their traditional capital. Those inland were farmers who exchanged their produce for fish from their coastal kinsmen at Kpehe. Other economic activities included alluvial gold mining and salt production. Initially the Ga, like the Dangme, were ruled by priests. Through interaction with the Akan, they adopted some of the Akan political, social and military institutions and eventually developed complex chieftaincy institutions similar to those found among the Akan.

The Ewe were organized into many distinct states that spread across modern-day Ghana, Togo and Benin. Within Ghana were many sub-divisions, such as the Anlo on the coast and the people of Peki, Ho, Kpando, among others, further inland. A series of migrations defined state formation among the Ewe, where each group had its own distinct political organisation.

### **2.2.1 Governance in the various societies**

There were three broad types of governance among pre-colonial societies.<sup>2</sup> The first comprised “non-centralised” governance structures, where social stratification was minimal. Personal possessions or acquisitions in the form of property were said to be meagre, with the result that differences in wealth were negligible. Age and political positions were the only major sources of social stratification. This tended to be the case among the Talensi, Lowiili, Dagaba, and Konkomba, in the northern part.

The second group, most notably the Akan, tended to be complex and hierarchical, with specialists and royalty who did not have to depend on agriculture for their livelihood. Nevertheless, the social distance between these groups and the rest of society was narrowed by the extended family system, which ensured access, as well as the very structure of chieftaincy, which allowed citizens easy access to both palaces and the chiefs who occupied them.

The third group was made up of a heterodox group of indigenes, “marauding groups on horseback who came and conquered the indigenes centuries ago”, and traders, mostly Wangara and the Hausa, who arrived as traders, scribes and medicine men. This multi-layered social arrangement led to greater social distances between rulers and the ruled, and between specialists – such as drummers, musicians, diviners and mallams – and the rest of society.

At various times, the structure and organisation of these societies underwent changes brought on by a variety of factors, including drought and famine as well as trade and wars of aggression driven by a desire among the stronger groups to expand their commercial and political influence. The result, often, was the decline of some societies, the rise of others, and the incorporation of yet others into more dominant ones.

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<sup>2</sup> This section is based on Nukunya, G. K., 2016, *Tradition and Change in Ghana: An Introduction to Sociology* Accra, Woeli Publishing Services.

Invariably, captives from these wars – men, women and children – later became slaves to the conquerors in the conqueror societies and were ultimately absorbed into those societies through marriage, for instance, with rights and responsibilities similar to those of the indigenes. Others rose to positions of authority or influence by virtue of their skills or prowess in some field of endeavour, such as the uncommon display of valour in war against an enemy. This form of slavery was distinctly different from what was later practised by Arabs and eventually Europeans from the 15<sup>th</sup> century onwards.

### **2.2.2 Economies of the early societies**

The economies of these societies, like most economies around the world at the time, centred primarily on subsistence agriculture. Other vocations included woodwork (carving, in particular), ironworks, weaving, salt winning, alluvial mining, textile manufacturing, and commerce. The need for commodities that were not locally produced led to trading with neighbours, both near and far, involving products that ranged from jewellery, handwoven cloth (including kente), farm implements and spices. For example, the northern part of the country depended on the south for salt and sea fish while the south depended on the north for shea butter and cattle. Further north, there was also trade with Arabs.

## **2.3 EARLY CONTACT WITH OUTSIDERS**

### **2.3.1 Trade with Arabs**

From around the 11<sup>th</sup> century onwards, a brisk trade in gold, salt, horses, spices, dried fruits, silk, and later slaves took place between merchants in what is today West Africa and Arabs in North Africa, who in turn sold their wares, including the slaves, to customers in the Mediterranean and Europe. The slaves, used as indentured servants by wealthy Arabs, were taken from the West and Central Africa. However, with the Muslim conquest of North Africa and the subsequent conversion of the conquered to Islam, Africans south of the Sahara became targets of slave raids by Arabs and their local agents. The conquerors also introduced Islam to tropical Africa<sup>3</sup>.

Beyond the Arab world, some of the African slaves were also sent to Seville, in Spain, and Portugal, where some were used as domestic servants, while others were “trained to become missionaries to hasten the spread of Christianity in West Africa”, although none really made it back to Africa.<sup>4</sup> As early as the early 1440s, Spanish and Portuguese slave traders were involved in the trade overland. The trans-Saharan trade eventually declined from the 16<sup>th</sup> century onwards, as Europeans found alternative routes by sea to procure gold and other merchandise without their Arab intermediaries.

### **2.3.2 Trade with Europeans**

The decline of the trans-Saharan trade coincided with the Age of Exploration in Europe, led by Portugal, and aided by recent discoveries in navigation, to “discover” new worlds beyond their shores. Besides the economic motive of by-passing Arab middle men in the trans-Saharan trade, these navigators were also alarmed at the spread of Islam in north Africa and its possible spread on the rest of the continent they had come to covet.

In 1471, two Portuguese navigators, Jao de Santarem and Pedro de Escobar, sailed along what had been designated as the Guinea Coast (modern West Africa) by earlier navigators and eventually disembarked at a small settlement called Anomansa. With the eventual establishment of a gold mine in the areas (El

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<sup>3</sup> Ashun, Ato, *Elmina, The Slave Castles, and the Slave Trade*, Cape Coast, Nyakod Printing & Publishing, 2017.

<sup>4</sup> *Ibid*

Mina), Anomansa would eventually be known as Elmina (The Mine)<sup>5</sup>. Indeed, they found gold in such abundance that they named the wider area the “Gold Coast.”

The arrival of European traders occurred at the same time that the various states were consolidating their hold on their newly acquired lands. They, nevertheless, welcomed the strangers and began trading with them, in gold and various household items. To consolidate their hold on what promised to be a lucrative trade, the Portuguese requested a papal decree from the Pope in Rome to give them monopoly and thus prevent other Europeans from partaking of this breath-taking discovery. The monopoly was granted on the condition that they convert the local populations to Christianity.

The lure of huge profits from the gold trade, however, soon overwhelmed the imperative for Christian evangelisation. Matters of religion were thus relegated to the few Catholic chaplains who typically accompanied these explorers to provide them with their spiritual needs and administer the last rites to those who died of one cause or the other. The drunkenness and promiscuity of the sailors also soon produced a small community of mulatto children, born of African women, who were entrusted to the Catholic priests to be educated and Christianised.

In 1482, the Portuguese, with land leased to them by local chiefs, built their first trading post on the coast as business picked up. As the legend of the “Gold Coast” spread across Europe, however, other nations – notably the Netherlands, Denmark, France, and England – defied the Portuguese monopoly and joined the gold rush – the earliest form of “galamsey”. Soon, the Guinea Coast was teeming with European cartographers who named various areas according to the abundance of particular commodities. In addition to the Gold Coast, they designated the area to the west “Ivory Coast” for its abundant supply of elephant tusks, while Liberia (and parts of Sierra Leone) were named the Pepper (or Grain) Coast<sup>6</sup>. Trade between Europeans and the local communities in these and other consumer items soon picked up.

### **2.3.3 From Trading Posts to Slave Castles**

Trade in spices and gold, however, gave way in the early 1500s to an insidious form of commerce: The trans-Atlantic slave trade. Through sailors such as Christopher Columbus, Spain and Portugal had “discovered” silver and gold mines in the Americas and established sugar, tobacco, and cotton plantations in this “New World”. The indentured European workers sent to work on those plantations proved incapable of adapting to the harsh tropical climate, and they died in their numbers. The indigenous people, with their intimate knowledge of the terrain, refused to be enslaved on plantations and frequently escaped to forest regions unfamiliar to the European slavers.

The Portuguese found the solution in African slaves on the grounds that they were already accustomed to the tropical climate similar to what existed in the Americas. The first group of slaves were shipped to the Americas not from Africa but from Spain, with Seville, home to many Africans, being a major source. Not long after that, in 1518, Emperor Charles V of Spain authorised the direct shipment from Africa to Santo Domingo (Hispaniola) of thousands of African slaves. By 1538, slaves had replaced gold as the most lucrative items of commerce, with both Africans (as suppliers) and European settlers in the Americas (as merchants and eventual owners) profiting from it.

While some of the slaves came from the Gold Coast and areas north (victims of inter-communal raids or captives of war), a significant number also came from further afield to the East, in modern-day Benin (or,

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<sup>5</sup> Anomansa, now known as Elmina in the Central Region, is also referred to in some books as Amakwaa Kurom, after the man who founded it, having migrated from Mali through Takyiman, in modern-day Brong-Ahafo.

<sup>6</sup> “Grain Coast” referred to modern-day Liberia and parts of Sierra Leone, also known as the Pepper Coast, a name given by European explorers.

Dahomey, as it was known then) and parts of Nigeria and central Africa, giving rise to the name “Slave Coast” for that part of the Guinea Coast. As with gold, other European countries, notably Britain, the Netherlands, France, and Denmark, later joined the Spanish and Portuguese in the slave trade, which spread as far as modern-day Senegal, where the important slave port, Goree Island, is located.

To handle the growing volumes of human cargo, European merchants graduated from building trading posts to erecting heavily fortified forts equipped with cannons to fend off attacks from competing European invaders. The ownership of these forts, along the coast and in the hinterlands, however, changed hands several times in response to wars of conquest among the owners back in their home countries. As Britain’s power surged in Europe, it took over the forts of other nations, sometimes by force, and at other times through negotiated purchases. By the middle of the 19<sup>th</sup> century, Britain was the dominant force along the coast, in charge of some 27 forts, which facilitated the work of British companies operating in the name of the British “Crown”. Some of these forts were later transformed into “castles” and served not only as holding pens for slaves before they were shepherded through the “door of no return” into slave ships anchored off the coast, but they later became symbols of colonial administration from where the governor dispensed his authority on behalf of the queen of England.

British mercantile dominance, however, was not without its challenges, especially from the Asante, who wanted to maintain access to the coast for their own trading needs – gold, timber, slaves, and palm oil, among others – by seeking to conquer various coastal tribes, notably the Fante and Ga. Outnumbered and weak of weaponry, the coastal tribes often sought the assistance of Europeans, through the British African Company of Merchants (BACM), to fight their Asante adversaries.

## 2.4 EVOLUTION OF BRITISH COLONIALISM<sup>7</sup>

In 1821, the British government dissolved BACM and handed over the administration of ports and Cape Coast Castle<sup>8</sup> in the restless coastal region to Sir Charles McCarthy, the governor of the British colony of Sierra Leone, under what was referred to as Her Majesty’s Forts and Settlements on the Gold Coast. The foundation of British colonisation of the Gold Coast was laid.

McCarthy, however, was severely wounded in a failed invasion of the Asante capital, Kumasi, and rather than allow himself to be captured, he was said to have taken his own life. He was replaced by Capt. George Maclean. Through diplomacy, Maclean managed to broker a truce and preside over a period of relative stability based on an informal alliance between British forces and smaller Fante states to fend off any aggression from Asante.

Building on the success of Maclean, Britain, under the British Settlements Act of 1843, decided to administer the Gold Coast as a “crown protectorate”, with Commander H. Worsley Hill as its first governor. On 6<sup>th</sup> March the following year, Hill consummated the alliance in an agreement that came to be known as the Bond of 1844. The Bond strengthened the foundations of British colonialism, laid in 1821, with the establishment of British institutions of governance, such as courts, in the Fante areas. In the years that followed, other coastal communities, and parts of the hinterland bordering Asante territory, followed suit and signed on to the Bond, providing British colonialism with the building blocks for its total construction. The landlord, the indigenous people, became tenants and remained so for more than 100 years.

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<sup>7</sup> At various times, Denmark and the Netherlands maintained extensive possessions in what became the Gold Coast, but they did not have colonies in the strictest sense.

<sup>8</sup> Built in 1653 by Sweden, the trading fort originally named *Carolusborg*, after Swedish King Charles X, changed hands between the Danes and Dutch before it was captured by the British in 1664, fortified by them into a “castle”, and made it into the headquarters of British possessions in Gold Coast and later a hub of slavery activity, with special dungeons constructed to hold slaves before the so-called Middle Passage to the West Indies.

Skirmishes between the British and Asante continued, however, in the subsequent years, until Asante was subdued in another war in 1896. The Asantehene, Nana Agyemang Prempeh I, and 51 of his relatives and subjects were captured and held in Elmina Castle, before being exiled, first to Sierra Leone (where his ardent subjects from Kumasi walked the distance from the Gold Coast to visit him) and later to the Seychelles (beyond the reach of those subjects). But Asante resistance continued until the war of 1900, also known as the Yaa Asantewaa War, when the British won a decisive victory. In 1901, captives from the 1900 war, including Nana Yaa Asantewaa, Queen Mother of Ejisu and leader of the Asante in that war, were also exiled to the Seychelles. In 1902, Asante was officially declared a “protectorate” of the British Crown, with the stationing in Kumasi of a representative of the governor of the Gold Coast. While the wars against the Asante were going on, the British were also busy consolidating their economic stranglehold on the Gold Coast, by building infrastructure such as roads and a railway line from Sekondi to Tarkwa (1901), then to Huni Valley (1902 and finally to Kumasi (1903). This gave them total control over the mineral and timber wealth within that belt from Nsuta, Tarkwa, Dunkwa, Obuasi and Kumasi.,

With the Asante threat now fully under control, the British turned their attention – and energies – to the area north of Asante, where French and German adventurers had shown interest in the midst of the European Scramble for Africa in the latter half of the 1800s. In 1902, the British proclaimed what they called the “Northern Territories” a protectorate, with a resident commissioner answerable to the governor in Accra. The geographical configuration of modern-day Ghana was all but completed by now, with the “Colony” made up of the following provinces: (1) Western, (consisting of the present day Western and Central regions, with the capital at Cape Coast), Accra, and Eastern Provinces, along with the southern Volta Region (i.e., the areas roughly covered by Keta and Ketu South, Ketu North, Akatsi, Tongu North, Tongu South, and Peki); (2) Ashanti, which included today’s Brong-Ahafo; and (3) the Northern Territories (made up of present-day Upper West, Upper East, and Northern Regions). The northern sections of present-day Volta Region as well as slivers of land in Yendi and Upper East formed part of the Mandated Territory of Togoland under British Trusteeship.

## **2.5 GOVERNANCE UNDER COLONIALISM**

Government and the private sector, made up of British and other foreign commercial and mining interests, combined to impose and manage colonialism until its eventual collapse in 1957. From the 1850s onwards, a governor ran the colony with the assistance of an Executive Council, made up of Europeans who advised on matters of law and taxation, and a Legislative Council, composed of the executive council and representatives of British businesses, all of whom were appointed by the governor.

The first organised challenge to British rule was in 1897, when a group of Gold Coasters came together to oppose the Crown Lands Bill of 1896 and the Land Bill of 1907, both of which sought to vest local lands in the British queen in direct contradiction of customary practice, where land was held in trust by chiefs for current and future generations. With the assistance of lawyer John Mensah-Sarbah, the group, including J.W. de Graft-Johnson, J. W. Sey, J. P. Brown and J. E. Casely Hayford, formed the Aborigines Rights Protection Society (ARPS) in 1897, and sent a protest mission to London, where they successfully persuaded the colonial office to abandon the two land bills.

In the early 1900s, the colonial authorities appointed some chiefs and other Gold Coasters] from Accra, Cape Coast and Sekondi to the Legislative Council to counter growing agitations by Gold Coasters over marginalisation and exploitation by the British. These appointments laid the foundation for what came to be known as “indirect rule”, where chiefs, under the supervision of British district commissioners, became the face of colonialism in their local communities. This arrangement undermined traditional methods of governance, under which chiefs derived their legitimacy from their subjects and could be removed by them for misconduct. With indirect rule, the chiefs instead derived their power and

legitimacy from the colonial authorities, who enhanced their status with various titles, including knighthood.

This was followed by a number of reforms in the mid-1920s, with the promulgation of a Native Administration Ordinance and the establishment of provincial councils of chiefs, which expanded and codified various methods of administration, including the procedures for the election of chiefs and the extent of their powers under customary laws, subject to government approval. In 1935, attempts were made to bring chiefs under greater colonial control through a new system of native authorities, whose members were appointed by the governor, with the objective of integrating Gold Coasters deeper into the colonial administrative structure.

## **2.6 ADVENT OF FOREIGN RELIGIONS**

### **2.6.1 Christianity**

The arrival of Christianity in the Gold Coast overlapped, informally, with the era of European mercantilism, including the slave trade. Some of the merchant companies had “company churches” administered by chaplains from their home countries. Indeed, right on top of the slave dungeon at the Elmina Castle sat a Catholic church, where the European parishioners met every Sunday to worship God, oblivious of the pain and misery they were inflicting on God’s other children under their very feet.

Early attempts to extend Christianity to Africans were met with protest and in some cases outright hostility by Africans, amidst rivalries by the Europeans. After the Dutch attacked and dislodged the Portuguese from the Elmina Castle in 1637, they replaced Catholicism with Protestantism (the Dutch Reformed Church). Over time, other denominations followed suit. The Anglican Church operated initially from Cape Coast. In 1828, the Basel Mission, promoting Presbyterianism, set up shop at Christiansborg Castle, followed in 1835 by the Methodists (or Wesleyans, named after founder John Wesley) in Cape Coast; the Bremen Mission, promoting Evangelical Presbyterianism, began in 1847 in Peki; and later the Roman Catholic Church in Cape Coast in 1880 (after more than 200 years of relative dormancy).

To make inroads in converting the local populations, the missions decided to Christianise the mulatto children of the colonists, including sending them abroad to be trained in the ways of the Bible, and bringing in Black Christians from the West Indies. For some missions, attempts to Christianise souls were accompanied by efforts to provide livelihoods by way of skills training and western-type grammar education. Schools such as Wesley Girls (1836) Mfantshipim (1876 and the first secondary school in Ghana) were founded by the Methodist Church to teach, respectively, vocational skills and provide grammar education. Other notable schools founded by churches as part of their mission were: Adisadel (1910, Anglican), St. Augustine’s (1930, Catholic); Holy Child (1946, Catholic), Aburi Girls (1946 Presbyterians); and Prempeh College (1949, Methodist Church, Asanteman, and the Presbyterian Church), St Monica’s Mampong (1926, Anglican) and Presbyterian Secondary Krobo Odumase/Legon (1938, Presbyterian). The churches also established some major Teacher Training colleges, including PTC Akropong (1887), Wesley College Kumasi (1922), and Komenda Training (1947). Schools or colleges such as St Augustine’s and St Monica’s had primary, secondary and teacher training components on models similar to the Government-owned Achimota. Knowledge of the English language in turn made it possible for Africans to read the English Bible and carry forth the word of God as taught to them. Efforts were also made to translate the English Bible to local languages, such as Ga, Fante and Ewe.

The Basel Missionaries, who added seminaries and teacher training colleges to their menu of European education, went a step further and ventured into commerce, setting up the Basel Mission Trading

Company (BMTC) in 1859, initially to support their missionary financially work but eventually as a profitable enterprise with all the attributes of a private business.

Later renamed the United Trading Company (UTC), the activities of the company expanded to include the importation of “motor cars”, operation of land and water transport services, as well as sale of a range of European household goods, ranging from furniture to clothes to food. In return, they exported palm oil, palm kernel, cotton, rubber, coffee and later cocoa.

Other churches would go on to establish higher institutions of learning, such as teacher training colleges. More recently, almost all of the major churches have set up tertiary institutions to help meet the growing need for higher education in the country. (As of 2016, all the four full-fledged non-state universities in Ghana – Akrofi-Christaller, Trinity Theological Seminary, Valley View University, and Central University – were owned by Christian churches).

### **2.6.2 Islam**

Islam's first contact with Africa was in 617CE when thirteen early converts to the religion escaped persecution by seeking refuge in Abyssinia (Ethiopia). It was the conquest of Egypt by Umar Ibn Al-Khattab in 642CE that effectively planted Islam on the African soil. This was to be followed by the Umayyad's expansionist campaign in North Africa from 670CE. It was however the Almoravid Movement that brought Islam to sub-Saharan Africa through their conquest of the ancient Ghana empire in 1076CE.

These Muslims came with their own system of education, which was quickly adopted by the newly converted, and adapted to fit their local traditions and conditions. Schools were established to teach Qur'anic memorisation and eventually to teach the other Islamic sciences at higher levels. Indeed, the first higher centres of learning in Sub-Saharan Africa (including Gao, Mopti, Sokoto, and Timbuktu) saw Islam making further inroads into the region.

Students who excelled in the Qur'anic schools, which came to be called Makaranta or Karatu, could move on to study at institutions of higher learning. (Makaranta is a Hausa word, which means “place of reading, learning, or reciting). At the higher learning institutions (madaris), students would learn the Islamic sciences of fiqh, tafsir (the interpretation of Qur'anic texts) and hadith (the sayings of the Prophet). These institutions were often found in urban centres, rather than in rural areas, and were supported by wealthy patrons or had endowments.<sup>9</sup>

Traditional Islamic education continued without interruption or major changes until the arrival of Europeans. Discussions on how to introduce Muslims to Western education, run mainly by Christian missions, were common during the colonial era. Known scholars during this era were Mallam Gamba (1807), who had a school in Kumasi, and Al Haj Umar, who migrated to Salaga from Hausaland in 1874. Al Haj Umar taught the highest level of Arabic and Islamic scholarship, comparable to that taught elsewhere in the world.

After the Salaga Civil Wars in 1894, Al Haj Umar moved to Kete-Krachi and continued with the tradition of teaching and writing until his death in 1934. Al Haj Umar also set up a school to which Muslims flocked for learning – an indication that by the time colonialism took root in what is now Ghana, Islamic education had reached a very high level. The kinds of schools or centres of learning that Al Haj Umar set up could be described as madrasas—places to receive an advanced level of traditional Islamic education.

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<sup>9</sup> Remember appropriate citations.

After Ghana gained independence in 1957, some Muslims were sceptical about the intentions of the Christian-oriented and Western secular system of education. Many elected not to send their children to these schools and continued to patronise the makarantas, exclusively. The exigencies of the time eventually led Muslims to conclude that without some “secular” education, they could be left out of national affairs, employment in government institutions, and rewarding jobs. This realisation gradually led to the emergence of Arabic and/or Islamic English schools. It is worth mentioning, however, that even long before independence, the process of Moslems accessing western English education had started. The initial phobia for English schools was the religious aspects of these schools. However, with the establishment of English elementary schools by the Government from the late 1920s to the early 1930s, followed by the establishment of government secondary schools and training Colleges in the north, as well as the accessing of such schools by northerners then living in the south, especially in Kumasi, Accra and Cape Coast, other Muslims in the north began to take advantage of these government-owned schools to acquire the type of education that was to equip them well enough to contribute towards the provision of education in the north, as well as the struggle for independence. Prominent northern Muslims who took advantage of these government schools and later contributed a lot to the advancement of their communities and the nation were Tolon Na Alhaji Yakubu Tali, Alhaji Imoro Egala. Alhaji Mumuni Bawumia, Alhaji Gbadamosi, Alhaji Imoro Ayarna, Jatoo Kaleo, Adam Amandi, Ayebo Asumda, Akantigsi Afoko, Dr S. Andani and his brothers.

Traditional Makaranta schools continued to exist, and with time many of them expanded their curricula to offer both secular and religious subjects. The Nuriyya School in Tamale is perhaps the first example of a traditional Islamic school deciding to incorporate secular subjects. Other institutions followed. This situation—the coexistence of traditional Qur’anic schools and Arabic English schools—persisted until the Islamic Education Unit was formally established in 1987 by the Ghana Education Service.

Earlier efforts to integrate secular subjects into the Islamic education had been made in 1932, when the Ahmadiyya Mission attempted to arouse more interest in government schools on the part of the Muslims. The Ahmadiyya Mission experienced isolated success in 1940, with the establishment of the Ahmadiyya Primary School at Zogbeli in Tamale. The Ahmadiyya Mission was, however, more successful in their educational endeavours in the south, particularly in Ashanti (Kumasi, Obuasi and the Adansi Districts) and the Central Region (Saltpond where their national headquarters was first established, and the Ekumfi and Gomaa Districts). The Ahmadiyya were also very successful in the present day Upper West Region. Beyond education, Islam also facilitated the creation of new social networks through integrated schools and the impact on girls. Also, the emergence of Muslim NGOs contributed to the mainstreaming of Islamic activities beyond the influence of religion.

## **2.7 EMERGENCE OF THE COLONIAL ECONOMY**

The formation of the colonial economy, which has remained essentially unchanged for over 100 years, coincided with the beginning of the end of slavery and the shift to trading in commodities, such as palm oil, coconut oil, palm kernel, rubber, cocoa and timber, to feed the “industrial revolution,” which was then gathering steam in Europe and the United States. In the Colony, the trade in commodities had been undertaken by hundreds of merchants, through a diffuse and loosely coordinated system that was susceptible to disruptions in supplies for the expanding factories of the industrialising countries. To deal with this challenge, the British government from the late 1800s onwards encouraged a process of “oligopolisation” that would put the power of trading in the hands of a few British companies, with the power to set and manipulate prices either way, supported by a complex inter-locking system of shipping and banking that restricted the participation of other Europeans and completely excluded African merchants.<sup>10</sup>

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<sup>10</sup> Howard, Rhoda, *Economic Imperialism and Oligopolization of Trade in the Gold Coast*, *Journal of African Studies*, 7(1), 1976.



The main institutional vehicle for realising this project of “oligopolisation” was the United Africa Company (UAC), established in 1900 with the aim of taking over existing merchant firms and centralising control over terms of trade between Africans and Europeans. By 1933, it had absorbed as many as 145 firms through a number of “trade agreements”, which were sometimes voluntary and at other times coerced. Companies like Cadbury Brothers Ltd. and J. S Fry and Sons, which were both buyers of cocoa beans and manufacturers of chocolate products back in Europe, initially retained their independence but eventually colluded with UAC to fix prices (of both exports and imports) to the detriment of African farmers and merchants. It must be noted, however, that UAC did not enjoy total monopoly. Even though it had its autonomous satellite trading companies such as the Commonwealth Trading Company Limited (CTCL), and G.B. Ollivant, there were also other independent British, French and Swiss Trading companies, such as John Holt, W. Bartholomew (these two later merged to become John Holt Bartholomew), Compagnie Française de l’Afrique Occidentale (CFAO) and Soci t  Commerciale de l’Ouest Africaine (SCOA), Swiss African Trading (SAT) and Union Trading Company Basel (UTC), as well as the Greek-Cypriot Trading Company, A. G. Leventis. These trading companies offered some challenge to the monopolistic tendencies of the United African Company in both the commercial and automobile trade.



In the area of shipping, Elder Dempster, and a smaller firm, Woermann Lines, using the introduction of steamships, managed to run smaller firms out of business under the West African Shipping Conference. To strengthen their oligopolistic control over the economy, they provided rebates to firms that shipped exclusively with them. This control was reinforced in 1895, when Elder Dempster set up the first bank in the Gold Coast, the Bank of British West Africa (BBWA)<sup>11</sup> It was joined in 1916 by the Colonial Bank which was later taken over by Barclays Bank and renamed Barclays Bank Dominion Colonial and Overseas (Barclays Bank DCO), and at independence, simply Barclays Bank Ghana, Ltd. BBWA later became Standard Bank of British West Africa, then Standard Bank Ghana, Ltd, and finally Standard Chartered bank. Together, these colonial banks manipulated prices and trade to the detriment of indigenous businessmen.

Efforts by these indigenous businessmen to begin adding value to commodities by establishing factories were opposed by the likes of Cadbury and agents for firms in England who felt that local production would compete with their exports and destroy their businesses back in England. To restrict the expansion of these indigenous businessmen in the lucrative agency-merchant sector of the economy, traders from Syria and India were encouraged to set up shop, alongside European agents and merchants already operating in the colony. (Lebanon would later be carved out of Syria, leading to a change in name from Syrian merchants to Lebanese merchants). The highly popular Indian merchants or shop owners with shops in all the major towns and cities of the country were Chandirams, Chellarams, Lillarams’ Baghwanti Brothers, Bombay Bazaar, Charity Bazaar, Babu Bazaar and Parsrams. Whereas the Indians specialised in clothing and textiles as well as sporting goods, the Syrians and Lebanese specialised in automobile spare parts and industrial goods and raw materials. There were also the Egyptians who specialised in heavy haulage transportation (e.g. Tarzan Transport and M. Tabbica and sons).

<sup>11</sup> *Ibid.*

The strategy of monopolising trade and preventing industrialisation in the Gold Coast was underpinned by a deliberate effort to cultivate new tastes among the local populations by exposing them to imported goods. These ranged from furniture to alcohol to shoes to a variety of foods, including by-products from European manufacturing, such as pig feet, salted stock fish (Kako) and animal entrails, which would otherwise have been disposed of in their countries of origin. The foundation for Ghana's current economy, with its preponderance towards imported consumer goods and the exportation primary commodities, was laid in this period and has seen little change since then.

## **2.8 THE RISE OF COCOA**

At the beginning of the 20<sup>th</sup> century, rubber was the leading export commodity in the Gold Coast, raking in as much as £328,000 in 1900, followed by palm oil (£239,000), palm kernels (£97,000), logs (£68,000), and gold (£38,000)<sup>12</sup>. Cocoa came in a distant 6<sup>th</sup>, with £27,000 in earnings. A fall in world prices for palm oil and rubber, and an increasing demand for cocoa products in the growing urban populations of Europe, led to a surge in cocoa production in the Gold Coast. In 1907, the value of cocoa exports reached £515,000, overtaking rubber (at £333,000) as a leading cash crop. In the same year, gold exports crossed the one million-pound mark, at £1,131,000.

Amidst fluctuating prices and disruptions in production caused by diseased trees and farmer agitations over low farm-gate prices, cocoa steadily became the dominant cash crop of the colony – and later Ghana. The scientific research base to support the growth and protection of this industry was achieved with the establishment of the West African Cocoa Research Institute (WACRI) at New Tafo in June 1938, later to become the Cocoa Research Institute of Ghana (CRIG) in 1962. In 1954, revenue from cocoa exports reached a historic high of £84,599,000. By 1960, this figure had dropped to £66,434,000, but the crop still accounted for about 80.0 percent of total export earnings. By 1960, palm oil exports had all but ceased, with rubber and palm kernel earning £67,000 and £138,000, respectively. Gold earned £11,088,000 while logs pulled in £10,425,000 in the same year.

By now, Ghana was the leading producer of cocoa in the world, accounting for one-third of total world production. But that position also made her vulnerable to the vagaries of the world market, including over-supply (which invariably led to a fall in prices).

## **2.9 PRELUDE TO INDEPENDENCE**

Greater integration of chiefs into the colonial superstructure meant rising resentment among some Gold Coasters, especially those of the professional classes who felt excluded from leadership and decision-making. The formation of the ARPS and its success had given the impetus for the formation of other groups, including the National Congress of British West Africa (NCBWA), which was established in 1920. With members from the Gold Coast, Nigeria, Sierra Leone and the Gambia, the NCBWA sought to end British colonial rule, taking inspiration from the larger Pan-African movement that was gaining roots in the United States, the Caribbean and among Africans in England (the first Pan-African Conference was organised in London in 1900 under the leadership of the Trinidadian lawyer, Henry Sylvester Williams, and ended with “self-government” for Africans among its demands).

In the 1920s, Governor Gordon Guggisberg tried to address some of the growing grievances by promoting extensive infrastructure development (including the construction of Takoradi Harbour, Prince of Wales (later renamed Achimota) College, and Korle Bu Hospital). He also began a process of ‘Africanisation’ to increase the number of Africans in the civil service and allowed the election of six chiefs to the provincial councils. Other reforms, such as allowing some Gold Coasters on the Executive Council, were undertaken,

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<sup>12</sup> Palm oil and palm kernel were used for soap, candles, and motor oil in Europe and elsewhere in the industrialising world.

but they proved not to be enough, and by the middle of the 20<sup>th</sup> century disenchantment with colonialism had crystallised into full-blown nationalism and calls for independence from Britain.

In August 1947, a group of Gold Coasters, led by business magnate George Alfred (Paa) Grant and including lawyers R. S. Blay, Dr. Joseph Boakye Danquah, R. A. Awoonor-Williams, Edward Akufo-Addo, and business magnate George Alfred Grant met in Saltpond and formed the United Gold Coast Convention (UGCC). Among their demands was a request to replace chiefs on the Legislative Council with educated persons and a call for “self-government within the shortest possible time”.<sup>13</sup>

To manage the affairs of the group, an executive member, Ebenezer Ako Adjei, recommended that they invite back home a Gold Coaster named Kwame Nkrumah, whom he had known in England as a skilful organiser and an ardent advocate of decolonisation. Nkrumah arrived in December 1947 and promptly threw himself into the task of opening UGCC offices around the country.<sup>14</sup> His arrival coincided with public agitations over rising unemployment, rampaging inflation, and disaffection among ex-service men, who had fought for the British in the Second World War only to return home to empty promises of jobs, housing and pensions. Of particular interest was the Association of West African Merchants (AWAM), whom the public accused of profiteering at their expense. The colonial government refused to intervene on the grounds that it was a private matter between merchants and consumers.

In December 1947, Nii Kwabena Bonne III, Osu Alata Mantse (who was also Oyokohene of Techiman in Ashanti), initiated an Anti-Inflation Campaign from “Keta to Half Assini” and called on members of AWAM to reduce their prices or face a boycott by January 24<sup>th</sup> 1948. He sent a letter to the United Africa Company (UAC) and followed it with a personal visit to the chiefs of Manya Krobo, Suhum, Akim Oda, Cape Coast, Sekondi, Tarkwa, and Axim, all of whom pledged their support.

When the merchants failed to meet the deadline, the boycott commenced and was successful in forcing the closure of many shops around the country and the subsequent reduction in prices. On 28<sup>th</sup> February, as the boycott was ending, the disaffected Gold Coaster ex-servicemen decided to submit a petition to the governor over the government’s unfulfilled promises. They were met instead by gun fire, leading to the death of three ex-service men: Cpl. Patrick Attipoe, Sgt. Cornelius Francis Adjetey, and Pvt. Odartey Lamptey. The murder of the three soldiers led to days of rioting throughout the country, culminating in the declaration of a state of emergency by the government on 1<sup>st</sup> March 1948, followed on 12<sup>th</sup> March with a “removal order” for the arrest of executives of UGCC – Kwame Nkrumah, Ebenezer Ako-Adjei, Edward Akufo-Addo, Emmanuel Obetsebi Lamptey, Willam Ofori-Attaa, and J. B. Danquah - amidst their protestations that they were not responsible for the violence. Together, they became known as the Big Six.

The riots and their aftermath shook the foundations of British colonialism, and led to attempts by the colonial office, through a new constitution, to initiate a process that would eventually lead to self-government.

Kwame Nkrumah, however, disagreed with the other leadership of the UGCC over the pace of change proposed and in June 1949, he broke away and formed the Convention People’s Party (CPP), with a demand for “self-government now”. In 1950, he launched a campaign of “Positive Action” based on industrial strikes and civil disobedience. The government’s response was repressive, including the declaration of another state of emergency, the outlawing of party publications, and the detention of many of the CPP’s executives, including Nkrumah, at James Fort, Accra.

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<sup>13</sup> [www.ghana.gov.gh/index.php/media-center/features/2888-political-party-activity-in-ghana-1947-to-1957](http://www.ghana.gov.gh/index.php/media-center/features/2888-political-party-activity-in-ghana-1947-to-1957)

<sup>14</sup> Nkrumah was originally named Francis Nwia-Kofi Nkrumah, after a prominent family member. He changed his name in 1945 to reflect the day he was born, Kwame (Saturday), in line with Akan tradition. In the same year, he completed his pamphlet, *Toward Colonial Freedom: Africa in The Struggle Against World Imperialism*.

A major outcome of the 1948 riots had been the establishment of the Coussey Committee, whose report led to the 1951 constitution, which gave the Executive Council an Gold Coasters majority and replaced the Legislative Council with an 84-member Legislative Assembly made up of 38 elected members, six appointed representatives of colonial commercial interests (Chamber of Commerce and Chamber of Mines), 37 representatives of territorial councils, and three ex-officio members (Minister of Defence and External Affairs, Minister of Finance, and Minister of Justice) appointed by the governor.

On 8<sup>th</sup> February 1951, the first legislative elections were held and the CPP won 34 of the 38 elected seats, representing 91.3 percent of the total vote cast, while the UGCC won three seats. From prison, Kwame Nkrumah had won the Accra Central seat with 22,780 out of the 23,122 votes cast. The governor, Charles Arden-Clarke, had no choice but to invite him, on 13<sup>th</sup> February 1951, to form the next government. With support of 22 indirectly elected members, the CPP came to dominate with 56 of the 84 seats. Kwame Nkrumah became the leader of the government with the title Leader of Government Business.

From there on events unfolded rapidly towards independence. On 25<sup>th</sup> March, 1952, the post of Leader of Government Business was converted to that of Prime Minister by a vote of the Legislative Assembly. Nkrumah also served as the Minister of Development, thus giving him more leverage to push for independence sooner rather than later. Several amendments were made to the 1951 constitution, among them an end to the election of assembly members by tribal councils and an expansion of the Legislative Assembly from 38 to 104 members. Fresh elections were held in 1954, with the CPP winning 72 out of the 104 seats.

As the CPP continued to push for independence, the issue of what to do with British Togoland, a United Nation's Trust Territory since the end of the First World War, was resolved with a plebiscite, in which 63.9 percent voted to integrate with the Gold Coast, rather than be merged with French Togoland.<sup>15</sup>

Amidst disagreements between the government and some opposition parties over the future of the country (whether it should be a federation or a unitary state), another election was held in July 1956, with the CPP winning 71 of the 104 seats, thus giving it the two-thirds majority it needed to form a government. This was followed by the famous Motion of Destiny in Parliament, requesting Britain to grant the Gold Coast independence.

On 6<sup>th</sup> March 1957, the Gold Coast finally attained its independence from Britain and renamed itself Ghana, after the old Ghana Empire. It remained a member of the Commonwealth, with the British queen as the head of state, represented in Accra by a governor. On 1<sup>st</sup> July 1960, Ghana became a republic, with a president, Kwame Nkrumah, who was also the head of state. With that, the governor departed, bringing full closure to British political domination in the Gold Coast/Ghana, after more than 140 years. (Dr. Nkrumah's speech at independence is reproduced in Appendix B).

## **2.10 POST-INDEPENDENCE: THE CHALLENGE OF DEVELOPMENT**

### **2.10.1 Economic and Social Development (1957 to 1982)**

#### ***Economic Development***

Efforts to transform the colonial economy for the benefit of Ghanaians continued at a quicker pace after independence, with industrialisation occupying pride of place in public policy. The most ambitious effort

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<sup>15</sup> Togoland, a former German Territory, had been split between Britain and France, under a League of Nations Mandate, after the defeat of Germany in the First World War.

in this regard was the *7-Year Plan for National Reconstruction and Development, 1963/64-1969/70*, presented to Parliament in March 1964. Timed to coincide with the 10<sup>th</sup> anniversary of Ghana's attainment of a republican status in 1970, the 7-Year Plan aimed to build on the modest progress made under the Industrial Development Corporation. The crown jewel of the Plan was the Volta River Project, comprising not just the "greatest single source of power for the electrification of Ghana", but also the development of new industries, notably the Volta Aluminium Company, and the construction of new settlements for residents of communities that were submerged under the Volta Lake in the process of constructing the dam for electricity generation. The new township of Tema was built as the industrial hub of the country's economy.

To break the monopoly of expatriates in trading, government acquired A. G. Leventis trading company, which had stores throughout the country, and turned them into the Ghana National Trading Corporation (GNTC) and put them under Ghanaian management.<sup>16</sup> In the area of shipping, the Black Star Line Ltd. was established to compete with some of the leading shipping lines, such as Elder Dempster Ltd. (EDL). The Black Star Line had branch offices in New York and London, and offered both freight and passenger services throughout West Africa, Europe, North America and the Mediterranean. Black Star Line was initially very efficient and grew to be a very large African merchant navy. It was able eventually to outperform EDL for EDL to close down its operations in Ghana, and eventually in West Africa. But as a result of considerable corruption, inefficiency and patronage, the fortunes of the shipping line declined. Despite very bold attempts during the Third Republic, with the purchase of new ships and the sale of unserviceable old ones, the fortunes of Black Star Line rapidly deteriorated after the 31<sup>st</sup> December 1981 military coup, and it was wound up after the 1981 coup. To provide affordable and accessible credit to Ghanaian businesses, which had been under-served by the expatriate banks, government established Ghana Commercial Bank, with branches in some of the remotest parts of the country that the European-owned banks had avoided because they deemed them distant and unprofitable. In 1957, the Bank of Ghana was formed to provide oversight for the growing financial sector.

With a relatively small managerial and professional class at independence, the efficient management of these SOEs in particular and the civil service in general soon became a major national development challenge. In response, the Government, in collaboration with the United Nations, set up the Institute for Public Administration in 1961 to train public servants for the entire African sub-region. This later became a solely Ghanaian-owned and operated institution after the lapse of the UN mandate and support for the institute, and the Institute was renamed the Ghana Institute of Management and Public Administration. The National Productivity Institute (later renamed the Management Development and Productivity Institute) was also established in October of 1967).

In spite of various challenges, Ghana made some inroads in its industrialisation drive, and by the mid-1960s "Made in Ghana" goods were to be found in shops across the country and even in neighbouring countries. These products included biscuits, tinned foods, canvas shoes, matches, cocoa butter, chocolate, candles, cosmetics, soap, travelling bags, cooking utensils, mattresses, iron rods, roofing sheets, and paint. "It is noteworthy," said the 1966 budget statement, which reported these items, "that this development [was] accompanied by improvements in the quality of the products".

Perhaps the biggest industrial boost was in the textile industry. In the early seventies, the country was reputed to have about 77 textile factories/industrial establishments, all operating fairly reasonably and profitably. Prominent among these were the Ghana Textile Manufacturing Company (GTMC), Tema Textiles Limited (TTL), Akosombo Textiles Limited (ATL), Freedom Textiles, Juapong Textiles, Ghana Textile Printing (GTP), Kumatex, Anitex and Spintex. There was also a reasonably vibrant cotton-farming, ginning

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<sup>16</sup> Leventis continued to operate in Nigeria, where he had others shops, but his love affair with Ghana continued, resulting in the Leventis Foundation, which supported a Farmers Training Centre at the University of Ghana and offered scholarships for students up to the PhD level. In 1999, his son, who managed the Foundation, was awarded an honorary doctorate by the university.

and processing sector in the North, which supported the textile industry by cutting down the amount of cotton imported for the industry, and with a good potential for export. There were also laudable attempts at the production of electronic goods, with the establishment of Ghana Sanyo and Akasanoma. The country even took bold steps in designing electronic products indigenous to the country, such as the Akasanoma and Sanyo pre-set radios, wooden television casings and antennae, refrigerators and deep freezers (by Sanyo and Akasanoma), and even all types of batteries by Union Carbide Ltd. The colonial rubber industry which had concentrated on export of raw latex products, gave way to a fully vertically integrated rubber industry at Bonsa in the Western Region to manufacture various sizes of vehicle tyres, which factory was taken over by Firestone of Akron USA, but eventually also collapsed for various reasons not excluding political instability.

Some vulnerabilities remained, however, despite these advances in national development. Cocoa, as the single biggest source of foreign exchange, remained the single largest source of revenue for financing development. With Ghana accounting for one-third of world production, cocoa also posed a paradox in Ghana's development: An increase in production could lead to a fall in prices and by extension government revenue, subverting the national development effort. This was what happened in 1965.

### ***Social Development***

Social development after independence was a continuation of what was initiated after the CPP came to power in 1951 and broadly reflected what was taking place under reconstruction in Europe, where the state played an active role in the provision of certain amenities and services. Three main areas of social development were especially prominent: Education, health and housing.

#### **Education**

The tuition-free policy for primary and middle school education introduced in 1952 was continued after independence, culminating in the Education Act of 1961, which declared primary education to be compulsory, with fines for parents who failed to send their children to school. The Act also made provision for the establishment of private educational institutions and set out the parameters for the provision of education by the central government and local government. Under these arrangements, the central government would be responsible for teachers' salaries while the provision of buildings and equipment as well as maintenance of all public primary and middle schools were to be the responsibility of local authorities. In 1963, a subsidised textbooks scheme was introduced, and parents were required to pay token fees for it. Subsidised meals were also served in some schools, again with parents paying token amounts for their wards.

Taken together, these measures led to a rapid increase in the number of children going to school. Enrolment in public primary and secondary schools more than doubled between 1960/61 and 1964/65, the fastest increase since "limited government" was granted in 1951. The enrolment rates for girls, in particular, also increased substantially. The surge in enrolment soon overwhelmed facilities, leading to various measures, such as the introduction of a two-shift system, where some children attended school in the morning and others in the afternoon. Some chiefs also made their palaces available for classes as part of their civic duty.

#### **Health Services**

The issue of health was treated in an integrated manner, linking the provision of medical services in the country's growing number of hospitals and clinics to the provision of potable water as well as addressing the nutritional needs of the country through improved agriculture, including livestock and fisheries. State farms and a State Fishing Corporation were set up for the purpose. In the years leading to the coup of

1966, regional hospitals were under construction in major cities around the country, including Ho, Tamale, Koforidua, and Sunyani, with efforts underway to expand existing ones and upgrade others to specialist facilities.

To be able to provide the necessary medical services at all these facilities, the University of Ghana Medical School was set up in 1962, with 51 pre-medical students, while more students were sent abroad on scholarship to train as doctors, including specialists.

## **Housing**

Affordable housing became a major plank in the government's social policy. The focus was to address what the Seven-year Development Plan (1963/64-1969/70) called "over-crowded and insanitary housing that at present exist in some areas", while simultaneously working to provide new and modern housing. In this regard, a factory for pre-fabricated housing units was constructed, with the objective of constructing low-cost housing at the rate of about two hundred houses a month. The State Housing Corporation played a leading role in financing these schemes, alongside the State Construction Corporation which also trained people for the required technical and vocational skills. At the highest level, the universities were encouraged to speed up the training of professionals such as architects and engineers, to reduce the country's dependence on expatriates. Local authorities were encouraged to support private initiative in the construction of houses for self-use or rental in their communities.

### **2.10.2 Crisis and decline: 1965-1982**

In the 1964/65 season, cocoa production reached a record 571,000 tonnes, an increase of nearly 40.0 percent over the previous year's output. The value-of exports increased by about 20.0 percent, but prices fell by 25.5 percent that year. The sum effect was a 10.0 percent fall in cocoa revenue to US\$ 203,326,799 (worth about US\$1.6 billion in 2016 prices). The world market price of cocoa in 1965, according to the government, represented only 44.0 percent of what had been assumed under the 7-Year Development Plan, placing implementation of the Plan at risk.

Appearing before Parliament with a supplementary budget to address the ensuing financial crisis, the Minister of Finance, Kwasi Amoako-Atta, described the fall in prices as "catastrophic" and announced that a team from the International Monetary Fund (IMF), at the invitation of the government, was on its way to the country to provide assistance and guidance.

The collapse in cocoa prices and its attendant depressive effects on government's ability to finance development compounded a problem that had been building up with the rapid development of the 1950s. Between 1945 and 1950, for example, government expenditure had averaged £9.6 million per year. The first five-year plan (1952-1957) cost an estimated £93.68 million, while the consolidated plan (1959-1963) was costed at £42.74 million. The second five-year plan (1959-1963) had a price tag of £185.41 million, with the subsequent Seven-Year Plan (1963-1970) costed at £475.5 million.

These earlier plans had been financed from considerable international reserves from the sale of cocoa, which were estimated to be over 40.0 percent of GDP in 1955; by 1965, as a result of the expanded scope of national development, these reserves had been entirely drawn down, and government turned to financing its expenditures through borrowing, both domestically (from the Bank of Ghana) and through suppliers' credit (short-term debt) from abroad (primarily to support an expanding import bill). The overall effect of this state of affairs was a rapid rise in the government's budget deficit and, subsequently, an acceleration in inflation. The budget deficit and inflation increased substantially.

With the collapse in cocoa prices in 1965, and with the depletion of international reserves and demand by both government and the public still high for imported goods, exchange controls and an import licensing system were introduced. Abetted by a cumbersome system of administration, and unrelated to the structural causes of the problem – excess demand and an associated shortage of “essential commodities” – these controls only succeeded in creating an underground market and a culture of bureaucratic corruption that would persist deep into the 1970s to be nicknamed “kalabule”.

In 1966, the military and police overthrew the CPP government and began a range of reforms of their own, drawing on further assistance from the IMF and an assortment of external “experts”. The National Liberation Council (NLC), as the new government came to be known, successfully rescheduled payment of most of the short-term debts. Interest rates were raised to rein in inflation and the cedi was devalued by 17.1 percent ostensibly to stimulate exports and dampen imports.

By 1967, however, cocoa production had fallen from its historical high of 591,031 tonnes in 1965 to 381,353 tonnes (a 36.0 percent fall), despite the fact that international prices had recovered from US\$389 per tonne to US\$569 per tonne (a 46.0 percent increase) over the same period. The fall in production in the face of rising world prices might be attributed to the government’s reduction in the price it paid farmers (“producer price”), the difference of which was used to finance the widening budget deficit. The producer price was reduced from ₵264 per tonne in the 1964/65 cocoa season to ₵176 in the 1965/66 season before being raised slightly to ₵198 per tonne in the 1966/1967 season, which was still 25.0 percent lower than it was two years earlier. For the rest of the 1960s, government continued to raise the producer price, even as the world price fell, and cocoa production continued to rise.

Overall management of the economy, however, continued to suffer from many of the structural dislocations that began in the mid-1960s. The government’s wage bill was weighed down by a bloated bureaucracy which, in the words of the new military leaders, enjoyed a “life of well-paid idleness”. Unemployment, especially among the youth, remained rife and pervasive.

In 1969, the Progress Party (PP) won the general election that returned Ghana to civilian rule. As with its predecessors, the new government initiated a slate of reforms, including the sale of some state-owned enterprises (that had been a drain on the public fiscus), and made feeble attempts to relax exchange controls. To deal with the unemployment problem, the government in 1971 expelled millions of undocumented aliens, many of whom were small shop owners and others field hands on the country’s cocoa farms. The expulsion of the latter group of people was later blamed for labour shortages on those farms, contributing to a decline in cocoa production that started in the 1972/1973 season, when output fell to 421,843 tonnes, down from 469,864 tonnes the previous season. Over the next 10 seasons, cocoa production followed a generally downward trend until it reached a historical low of 173,736 in the 1984/1985 season.

Perhaps, the most notable reform of the PP government was the devaluation of the cedi in December 1971 by nearly 44.0 percent – from ₵1.02 to the US dollar to ₵1.82. Given the import-dependant nature of the Ghanaian economy, the devaluation meant an almost-instantaneous rise in the prices of basic commodities, such as sugar, soap, and kerosene, most of which were imported. Among those hardest hit were military officers, who found their provisions (or “amenities”) substantially reduced.

On 13<sup>th</sup> January 1972, the military, taking advantage of the widespread public discontent to the devaluation, overthrew the PP government in what colloquially became known as “the officers amenities coup”. Their first order of business of the new regime, named the National Redemption Council (NRC), was to re-value the cedi, intensify price and import controls, increase public sector wages, and repudiate what they called “unjust” foreign loans or loans “tainted and vitiated with corruption” by proclaiming in Twi that “ye ntua” – “we won’t pay”. The NRC adopted a philosophy of self-reliance and, among other



things, initiated two widely popular agricultural programmes, Operation Feed Yourself (OFY) and Operation Feed Your Industry (OFYI). Several public works were initiated to create employment.

For a while, OFY led to an increase in food production – not as a result of an increase in agricultural productivity but because many Ghanaians, at the urging of the military authorities, took up backyard gardening. People ordinarily not inclined to farming also took it up to benefit from the various incentives, such as cutlasses and fertilisers, provided by government. One major success of the project was that it resulted in Ghana, for the first time and for a short while, becoming self-sufficient in and net exporter of maize and rice. Not surprisingly, the success of OFY soon fizzled, as did OFYI. In many instances, the well-connected beneficiaries of the cutlasses and fertilizer turned around and sold them to actual farmers, who were not so-well-connected, at a premium. While food production increased, productivity – our output per farmer – likely declined, implying a fall in farmer incomes and thus making them worse off.

The suppressed exchange rate, against a background of rising consumer inflation (from 10.1 percent in 1972 to a historic 116.5 in 1977) meant that the purchasing power of cocoa farmers' earnings were declining by the year, despite half-hearted attempts by government to increase the producer price. Indeed, between 1972 and 1977, producer prices increased at an average annual rate of 16.9 percent, but consumer prices rose by an average of 41.4 percent between those years. As a consequence, cocoa exports fell from 470,499 metric tonnes in the 1971/72 season to 268,037 metric tonnes in the 1976/77 season.

This decline, however, was offset by a steep rise in international cocoa prices over the same period, from US\$583 per metric tonne to US\$3,632 per metric tonne, bringing in US\$973,510,384 in 1976/77, up from US\$274,300,917 six years earlier. The decline in international cocoa prices from 1978 onwards was matched by the continued decline in output and exports, such that cocoa exports in the 1982/83 season (162,479 metric tonnes) brought in only US\$ 316,671,571 in export earnings, about 33.0 percent of earnings only seven years earlier.

As export earnings fell, the reserves to import essential goods and other commodities or intermediate inputs for industry, led to widespread shortages and hardship. In such conditions, price controls made even less sense and traders, some of whom went to great lengths to import these essential commodities, took to hoarding and selling to only special clients, even under penalty of public beatings or imprisonment by the increasingly desperate military regime. “Kalabule” became a by-word for guile and survival.

Invariably, overall economic growth suffered during this period. The Gross Domestic Product (GDP), the broadest measure of economic activity, had averaged 3.2 percent per year between 1962 and 1971. Between 1972 and 1981, however, it declined by an average of -0.35 percent year, a figure which hides the 12.4 percent decline in 1975 and smaller declines of 2.5 percent in 1972, 3.5 percent in 1976, and 2.5 percent in 1979. The causes of the contraction in growth varied, from severely dilapidated infrastructure, especially roads to cocoa-growing areas, which prevented the evacuation of the crop from the hinterland to the ports, to a financial sector weakened by a multiplicity of government controls and directives which rendered it incapable of financing growth.

With the decline in growth came a fall in government revenue and a corresponding collapse of the government's capacity to provide basic services in areas like education and health, or at least maintain the country's infrastructure.

The social fallout from the economic crisis included an exodus of professionals, such as teachers, University lecturers, nurses, medical doctors, architects, engineers, other scientists and technologists, and accountants, to other African countries, Europe and North America. It has been estimated that between 1975 and 1981, about 14,000 qualified teachers left the country for the proverbial greener pastures,

among them 3,000 university graduates. The combined number of professionals in the medical and other fields who left at the same time may be significantly higher than that of teachers.

The economic difficulties of the 1970s spilled over into the early 1980s, aggravated by a two-year regional drought and bush fires in parts of the country. As a result, the mild turn-around in growth from negative 2.52 percent in 1979 to positive 0.47 percent in 1980 turned into successive declines of 3.5 percent in 1981, 6.92 percent in 1982, and 4.56 in 1983.

### **2.10.3 Economic Recovery and Growth: 1983-1992:**

On the morning of 31 December 1981<sup>st</sup>, a military government took over from the civilian government and initiated a number of stop-gap measures, culminating in an Economic Recovery Programme (ERP) in 1983, with the primary aim of stabilising the macro-economy. After repudiating the IMF programme put together by the previous civilian government through difficult negotiations with the IMF, the new military regime was forced by circumstances, not excluding the devastating famine and bush fires that plagued the country in 1983, to go back to the IMF. This is what resulted in the ERP. The ERP, supported mainly by the International Monetary Fund (IMF) gradually dismantled the unwieldy price control, abolished other forms of control, such as credit controls and interest rate caps, and set about aligning government expenditure with revenue. It was followed later with a Structural Adjustment Programme, supported mainly by the World Bank, which had the aim of spurring growth by removing institutional and structural bottlenecks to production.

The diagnosis of the problem of the economy, as outlined in the 1983 budget, which launched the ERP, showed that precious little had been learnt from the mismanagement of the economy in the preceding two decades. For example, the 1983 budget listed 26 household items, including cigarettes, beer, matches, meat, maize and different brands of soap, whose prices were determined by the Prices and Incomes Board under a complex and unwieldy system, which lent itself even more to “kalabule”, which had crippled both the economy and society in the preceding two decades. The ERP set about to dismantle this archaic and pernicious system.

The reforms also took aim at some of the key causes of the malaise that had characterised the economy for so long: over-valued exchange rates in particular and monetary and financial policies in general; weak fiscal policy; production, especially in the cocoa sector, which had all but collapsed, as well as mining and state-owned enterprises. The social sector, an early victim of the reforms as some subsidies were reduced or withdrawn was dealt with later under a Programme of Actions to Mitigate the Social Costs of Adjustment (PAMSCAD), after a UN study found growing incidence of poverty.

Exchange rate reforms took the form of indirect devaluation through “bonuses and surcharges”, where exporters of key commodities such as cocoa and gold were “rewarded” with bonuses above the stipulated exchange rates, while surcharges were imposed to discourage certain imports. But this required further administrative work and bureaucratic discretion which left the underlying problems untouched, effectively maintaining a dual-market system. In the mid-1980s, the system was gradually unified, the first major step towards currency market liberalisation, which also resulted in the introduction of “forex bureaus”, where licensed currency dealers could buy and sell currencies legally. This had the effect of narrowing the gap between the official exchange rate and the street-corner rates by illegal dealers.

Due to credit ceilings and other administrative interventions that suppressed interest rates even as inflation reached triple-digit, the financial sector was on the brink of collapse at the time of the reforms. Loans to distressed SOEs weakened the balance sheets of state banks and other banks in which the state had majority stake. Reforms in the sector were implemented in three phases: (1) liberalisation of interest rates and credit allocation (1987-1988); (2) intensification of prudential regulations to de-toxify banks’

balance sheets (1989-1991); and (3) restructuring banks to attract private capital (1992 onwards). The main vehicle for pursuing the reforms was the Financial Sector Adjustment Programme (FINSAP), financed by the World Bank and the IMF in phases, starting from 1989 and continuing in various forms well into the early 2000s.

The overall effects of FINSAP were mixed: While some banks did in fact recover and non-bank financial institutions grew in prominence, the eventual closure of certain development banks, such as the Bank for Housing and Construction and the Cooperative Bank, deprived businesses of access to the long-term funds that are not readily available from universal (commercial) banks, which have a preference for financing short-term trade-related activities, which are less risky.

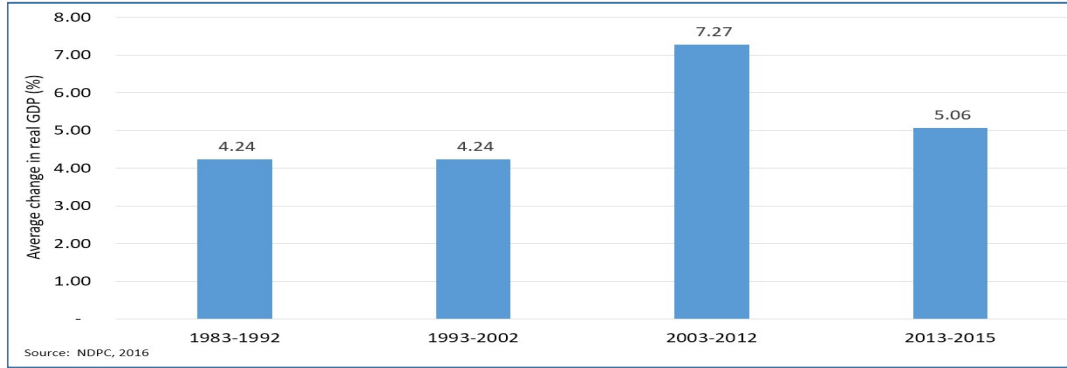
Fiscal reforms were no less ambitious in their scope, focusing on tax evasion to shore up government revenue while simultaneously trimming the ranks of the public sector through a re-deployment programme to contain government expenditure. Other measures to strengthen budget execution included caps on wage growth, the removal of some subsidies as well as the reduction in some social transfers. Loss-making SOEs, which had hitherto been surviving on the government budget or loans, were restructured, sold off to private investors, or closed down. The effect on employment in particular, and the labour force in general, was dramatic. According to the various rounds of the Ghana Statistical Service's *Ghana Living Standards Survey*, between 1987/88 and 1998/99, the proportion of government employees in the labour force fell from 8.0 percent to 5.9 percent, while that of state-owned enterprises declined from 1.9 percent to 0.6 percent. Conversely, the proportion of "non-agricultural self-employed", mostly petty traders involved in survivalist activities in the informal sector, increased from 19.5 percent to 27.3 percent.

The social consequences of the reforms, which admittedly helped to stabilize the economy and reverse over a decade of decay, were an increase in poverty and hardship. The government responded with PAMSCAD in 1988 through a number of policy and project-based interventions around the country.

#### **2.10.4 Development in a Constitutional Era: 1993 to present**

By the time Ghana returned to constitutional rule in 1993, the economy had recovered considerably from the near-collapse of the 1980s, but growth still remained below the minimum 7.0 percent that government believed was required to put it on a high and sustainable path to broad-based development. The social situation improved somewhat largely as a result of direct interventions by government. Figure 2.1 shows the average growth rates of real GDP over nearly three-and-half decades since 1983. The average annual growth rates between the 1983 and 1992, the end of military rule, and the subsequent 10 years after constitutional rule, were identical at 4.24 percent. It is believed that businesses took a long time in responding to the favourable macroeconomic environment due to institutional and structural bottlenecks in doing business that had not been removed along with the macroeconomic reforms. These included the perception that the government was not particularly pro-business, despite repeated assurances that the private sector was viewed as the "engine of growth". Other challenges, such as high tax rates, high interest rates, and poor services as the nation's ports appeared to have contributed to holding down growth.

**Figure 2.1: Average Annual GDP Growth Rates before and after Constitutional Rule (%), 1983-2015**



Ghana’s decision in 2001 to avail itself of the Heavily Indebted Poor Countries (HIPC) debt relief initiative appeared to have provided much room for stimulating growth while managing social policy. With debt servicing decreased through the cancelling of much of the country’s debt, government was able to plough the money saved into growth-inducing infrastructure development. Several reforms aimed at private sector reforms were also initiated. The result was a rise in the rate of economic growth, especially towards the end of the first decade of the 2000s.

The average growth of 7.27 percent between 2003 and 2012 was partly due to the 14.0 percent surge in growth in 2011, following commencement of large-scale oil production. However, the rate would have still been higher, at 6.65 percent average, had the rate of 7.9 percent in 2010 been maintained.

HIPC also made it possible for government to increase poverty reduction and human development spending, a condition of the Initiative (See Table 2.1).

**Table 2.1: HIPC Releases (2002)**

Priority Area	Amount(¢ bn)	Percent share
Domestic debt	81.4	29.80
Human Development services		
Education, Health, Safe Water , Sanitation	120.84	44.24
Private Sector Development		
Agriculture, Energy, Micro credit, Trade & Industry, Small scale mining, Employment	63.34	23.19
Governance		
Information, Police, Fire Service	7.6	2.78
<b>Total</b>	<b>273.17</b>	<b>100</b>
Source: Ministry of Finance		

Among the most notable social development interventions were the introduction of capitation grants (to increase primary school enrolment); the school feeding programme (which also had the effect of increasing enrolments, especially in poor communities); and the National Health Insurance Scheme (NHIS), which made it possible for more Ghanaians to access health care at affordable rates.

Despite these broad achievements, significant weaknesses remain in Ghana’s overall development agenda, hence the need for a long-term plan that would provide strategic direction for the future. For example, the economy’s lack of resilience means that any progress can easily be undone by sudden shocks. Consequently, between 2013 and 2016, per capita Gross National Income (GNI) declined by 23.7 percent as a result of falling commodity prices and internal challenges of economic management. On the

social front, although head count poverty had declined steadily until the recent economic challenges, inequality had been rising, and it is likely that the next round of the Ghana Living Standards Survey would show an increase in poverty (in both absolute and relative terms) as a result of these challenges.

## CHAPTER THREE

### A HISTORY OF OUR FUTURE: THE PATH TO HIGH-INCOME STATUS

#### 3.1 THE FUTURE ENVISIONED

The vision of the long-term national development plan, based on the 1992 Constitution, is to create:

*A just, free, prosperous and self-reliant nation that would play a leading and influential role in regional and global affairs.*

In order to attain this vision, the Plan will guide the preparation of the *Coordinated Programme of Economic and Social Development Policies* that Article 36(5) of the 1992 Constitution requires every president to present to Parliament within two years of assuming office, as well as the medium-term policy frameworks that operationalise the *Coordinated Programme* and provide guidelines for the implementation of a government's manifesto.

Historically, each president has waited until the end of his second year before submitting the *Coordinated Programme* to Parliament. However, with the benefit of the strategic analysis conducted for the long-term plan, the Commission was able to work closely with the Office of the President in the first half of 2017 to translate his party's manifesto into his *Coordinated Programme for 2017-2024* and submit it to Parliament in his first year. The programme, therefore, is a blend of the long-term plan, the President's vision for the country, and the contents of the manifesto of his party. The associated medium-term policy framework, 2018-2021, which overlaps with each election year to ensure continuity in national development, was also completed in the first year and became the basis for medium-term plans and annual budgets of MDAs and MMDAs. This is expected to be the practice throughout the life on the long-term plan.

These are just two of the benefits of long-term planning, and they will help address one of the biggest contradictions in development management in Ghana, whereby *the Coordinated Programme*, which outlines a president's agenda for national development, used to be produced 24 months *after* he has assumed office. It is expected that the next president would be able to complete his *Coordinated Programme* even sooner, based on the broad parameters of the long-term plan, and the content of his party's manifesto.

Between 2018 and 2057, there will be 10 medium-term policy frameworks, the first one of which is to be implemented from 2018 to 2021 (The terminal year of the medium-term frameworks always overlaps with an election year to avoid a policy vacuum between elections and to ensure policy continuity, even when a sitting president is re-elected). Coincidentally, there will also be 10 elections over the period of the plan, starting with the 2020 general election, and ending with the elections of 2056, the last one before the centenary of Ghana's independence.

**Table 3.1: Ten medium term plans and the national elections cycle**

	Medium-term Plans (Years)	National Elections (Years)
1	2018-2021	2020
2	2022-2025	2024
3	2026-2029	2028
4	2030-2033	2032
5	2034-2037	2036
6	2038-2041	2040
7	2042-2045	2044
8	2046-2049	2048
9	2050-2053	2052
10	2054-2057	2056

Source: National Development Planning Commission (2016)

With the constitution stipulating a minimum age of 40 for presidential candidates, it means that the last generation of Ghanaians to qualify to field a candidate in the presidential elections of 2056 were born in 2016 – yet another indication that the future is already here and we need to prepare for it.

### **3.2 OVERALL GOAL OF THE PLAN: TRANSFORMATION**

Broadly speaking, the term “transformation”, as used in the Plan, means improvement in the living standards of Ghanaians in a structured, predictable and measurable manner over the 40 years of the Plan. This will take place in the economic, social, environmental and institutional spheres outlined in the Plan.<sup>17</sup>

#### ***Economic Transformation***

Movement of labour and productive resources over time from less efficient sectors of the economy to more efficient ones that would lead to higher productivity, rising wages, a sustained reduction in poverty, and an accelerated pace of material progress for all Ghanaians.

#### ***Social Transformation***

Where every Ghanaian has the opportunity to develop themselves to their fullest potential, live healthy and fulfilling lives, and contribute to the development of their communities, their country, and humanity in general.

#### ***Institutional Transformation***

Development of systems and values in both the public and private sectors, that leads to the effective and efficient delivery of services to the public, and promotes a strong, peaceful and united Ghana around the shared ideals of democracy, equality, fairness, freedom, and justice for all.

#### ***Environmental Transformation***

Improved development planning to meet the needs of current and future generations while preserving the natural environment: land, forests, water bodies, the atmosphere and other natural resources that provide us with those needs.

### **3.3 THE FIVE STRATEGIC GOALS OF THE PLAN**

To be able to measure success in realising the vision of the long-term plan through transformation, the following five goals have been adopted:

**Goal 1: Build an industrialised, inclusive and resilient economy**

**Goal 2: Create an equitable, healthy and prosperous society**

**Goal 3: Build safe and well-planned communities, while protecting the natural environment**

**Goal 4: Build effective, efficient and dynamic institutions for national development**

**Goal 5: Strengthen Ghana’s role in international affairs**

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<sup>17</sup>

Specifically, by 2057, Ghana should be a high-income country with a US\$3.4 trillion economy that is highly industrialised, diversified, export-oriented and resilient to both internal and external shocks; an economy driven by Ghanaian entrepreneurship and characterised by high-value products and services, a dynamic and globally competitive manufacturing sector, as well as an efficient agricultural sector capable of feeding the nation and exporting to global markets. Per capita income is projected to reach US\$58,401.6 by 2057.

**Figure 3.1: Implementation Milestones of the Plan**



### 3.4 INTER-LINKAGES BETWEEN THE GOALS

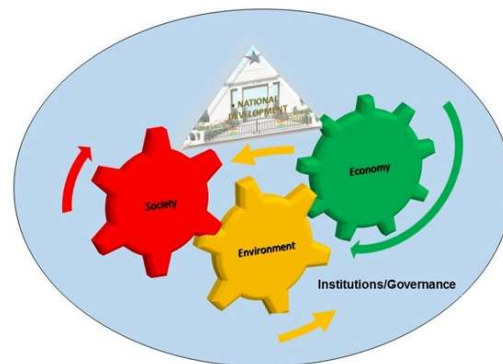
The complex nature of development, and the competing demands it makes on relatively scarce resources, means that at various times under various governments, development policies and initiatives will have to be prioritised, with an eye on the broader task of developing every aspect of Ghanaian society. The following are issues to be considered in this regard:

- The high levels of economic growth proposed in the Plan can only be attained and sustained if there are correspondingly high levels of social development, with equity: high-quality education for all Ghanaians at all levels; efficient and responsive health systems throughout the country; food and nutrition security at all ages; and affordable housing with modern amenities, such as potable water and sanitation.
- Achieving those goals means that long before 2057, extreme poverty (or destitution) and inequality (including the North-South Divide) must be a thing of the past, with development policy focused on creating as many economic and social opportunities as possible for all Ghanaians, irrespective of age, gender, religion, physical ability, or socio-economic status. Where for some reason, such as old age or physical or health impairment, an individual cannot take advantage of available opportunities, the State shall provide the necessary support for their subsistence.
- Economic infrastructure (including a modern transportation system with a national railway network that will go through all regional capitals) will be extensively developed, along with diversified sources of energy. Modern sanitation and sewage systems as well as commercial infrastructure, such as modernised markets and public transport hubs will be aggressively pursued. The logistics sector, including storage, distribution, packaging, and regulatory services (such as customs), will also be reformed and strengthened to make Ghana globally competitive.



- Social and civic infrastructure development will be aggressively pursued under the Ghana Infrastructure Plan. The development of these infrastructure will include sports and recreational facilities in every community; high-tech museums; e-libraries; open spaces; and the promotion of literature, poetry, and the arts in general.
- Mindful of the pressures that accelerated industrialisation, population growth, and increased human activity will impose on the natural environment, every effort will be made to minimise pollution and preserve the country’s water bodies, land, forests, air and biodiversity, within the context of Ghana’s “green economy” policies and strategies.
- Institutions of governance and development will be developed extensively to meet the needs of a high-income and democratic Ghana, with a population of empowered youth and women. The constitutional requirement that persons with disabilities (PWDs) be fully integrated into the national development agenda and process will have been fully fulfilled, with increased access to opportunities in all aspects of Ghanaian life.
- Human settlements development will be based on modern planning principles, characterised by “smart” and safe communities in both rural and urban areas. The overall society will be a disciplined one, where civic responsibility is taken seriously through respect for law and order. Public and private institutions will function effectively, efficiently and transparently to the benefit of all. Corruption in the public sector will be reduced to its barest minimum, with severe punishment for offenders.
- None of the above objectives can be attained without bringing development to the doorsteps of Ghanaians, and this will call for a major transformation of local government, to ensure that it is effective, efficiency and responsive to the needs of the people that it serves.
- Ghana should by then be fully capable of financing its own development and offering international assistance, based on its development experience, to those who may need it. Good neighbourliness will continue to be a central plank of foreign policy, and Ghana will continue to work with international organisations, such as the United Nations, African Union and ECOWAS, to promote peace, justice and development in the world.

**Figure 3.2: Interaction of the Various Goals for the Success of the Plan**



### 3.5 FROM VISION TO ACTION

As of 2015, data from the World Bank showed that Ghana’s per capita income was US\$1,480, placing it at the low end of the lower middle-income bracket of US\$1,045 and US\$4,125. Countries earning more than

US\$4,125 but less than US\$12,736 were considered upper middle-income, while those with incomes above US\$12,736 in 2015 were designated high-income.

The overall strategy of the long-term plan will combine the lessons of Ghana's development record with the future needs of a growing and urbanising population – within the context of an uncertain world – and put forward policies and strategies to accelerate growth and raise the level of national income. The Plan, therefore, will be as much a reflection of Ghana's development past as it would be a history of its future. The driving force behind the Plan will be a "productivity revolution" that will ensure the efficient use of the country's scarce resources. This will be done through the promotion of innovation and creativity in all spheres of national life, from farms to factory floors to offices and stores to civic institutions and other spheres of civic engagement. In this regard, the Management Development and Productivity Institute will be restructured and empowered, with the National Development Planning Commission playing a catalytic and supporting role.

To ensure the success of the Plan, successive governments will have to carry out a range of structural reforms to free the productive capacity of the economy and unleash the creativity of Ghanaians. The reforms will revolve around the following broad areas:

- **Policy Reforms:** Driven primarily by the Executive, these reforms will help remove bottlenecks from the economic and social development of the country. They include, but are not limited to, the expeditious implementation of existing policies or laws, or the formulation of new ones, such as the following: land use and land administration policy; housing policy; migration policy; food and nutrition policy; social protection policy; health policy; education policy; cultural policy; agricultural policy; spatial development policy; national investment policy; environmental policy; competition policy; consumer protection policy; customs regulations; trade policy; employment policy; human resource development policy; fiscal policy; and monetary policy.
- **Legislative and Legal Reforms:** Parliament and the Judiciary will play a critical role in the Plan, where certain actions may require the force of law – or its interpretation by the courts. Such support for the rule of law through enforcement is critical to the Plan's success and to national development generally.
- **Institutional Reforms:** Influenced by policy, legislative and legal reforms, institutional reforms will help address the age-old question of the appropriate roles of the state, the private sector, and civil society in national development. The governance structure, or relevance, of some state-owned enterprises; the optimal number of ministries, departments, agencies and their relevance; as well as the pace of decentralisation and its role in the social and economic transformation of the country will be key areas of reform. There will be a modernised public sector freed of its inertia and underpinned by a revived system of meritocracy that ensures integrity, efficiency and the best service to the nation. Non-governmental bodies, such as traditional authorities, professional associations, and civil society organisations will also play a critical role in institutional reforms and the ultimate transformation of Ghanaian society.

Among the expected outcomes of these reforms are the following:

- A sound macroeconomic environment as a prerequisite for accelerating and sustaining the desired rates of economic growth. Such an environment will be characterised by low and stable rates of inflation and exchange rates; affordable and accessible credit, especially for small and medium-scale enterprises (SMEs); as well as a stable and resilient financial sector.
- A strong, vibrant and internationally competitive private sector, operating in a stable macroeconomic environment and sustained by innovation while operating with a high degree of social responsibility. Agro-processing, light manufacturing (especially apparels and electronic accessories, such as mobile phone and lap top accessories), and an aggressive support for the labour-intensive but under-utilised pharmaceuticals industry in Ghana will lead the way.

- A significant increase in the share of manufactures in exports (of which pharmaceuticals will constitute a strategically significant part).
- A measurable degree of economic diversification, both in terms of domestic production and exports.
- Full employment and decent work through the convergence of policies on labour supply (education and training); labour demand (export-led growth); and labour market policies (to protect the interests of workers and employers alike).
- A 21<sup>st</sup> century labour force to support the economy and provide high standards of living.
- Equality of opportunity and income security for all Ghanaian workers.
- A services sector dominated by high-value technical services in the petroleum sub-sector (for both domestic and foreign markets); insurance and banking services; information and communication technology; tourism; academic services; and other technical services, such as engineering and construction services.
- A well-developed energy sector, with the capacity to export surplus electricity and ultimately transform Ghana into a centre of excellence in renewable energy research, production, and services.
- A society known for its discipline, efficiency, cohesion, and proud of its unity in diversity.

The 10 medium-term policy frameworks that will drive the long-term national development plan will be a continuation of the five medium-term plans adopted by successive governments since 1996. The key difference between the first five medium-term frameworks and the 10 succeeding ones under the long-term plan is that the latter will be shaped by a common national vision and the associated goals for Ghana's long-term development. The previous five medium-term frameworks had been essentially disconnected from each other, without any strategic direction or cohesion, with disproportionate emphasis on activities at the expense of results. For example, as of 2012, the proportion of the population with access to improved sanitation was only 14.4%, compared to 47.5% for lower middle-income countries and 100.00% for high-income countries. These are some of the social indicators that Ghana will have to purposefully improve to match its desired status of a high-income country by 2057.

## CHAPTER FOUR

### GOAL ONE: BUILD AN INDUSTRIALISED, INCLUSIVE AND RESILIENT ECONOMY

#### 4.1 INTRODUCTION:

##### *Deciphering the 'fragile' economy*

As far back as 1952, a report by the Office of the Government Statistician on the “financial and physical problems of development in the Gold Coast” described the economy as “fragile”. Among other things, the report noted, the economy had “no checks on an inflationary wave of spending”, that “direct taxation hardly touches most people”, and that “virtually the goods produced locally for consumption are foodstuffs...”

At various times in the years since then, the Ghanaian economy has been plagued by such fragility in one form or another; periods of sustained and stable growth have proven to be the exception. In 2001, for example, following the first eight years of the 4<sup>th</sup> Republic, the government’s budget statement spoke of “a fragile economy, which manifests itself in excessive domestic and external debt, high inflation, weak currency, excess liquidity in the system and high unemployment”. The statement summarised the causes as follows:

*The crux of our economic difficulties is that our expenditures are more than our revenue with debt service being our single largest expenditure item. Personnel expenditures and debt service alone eat up about 75 percent of our revenue. Huge foreign and domestic debts stare us in the face. This means we have very limited financial wobble room.*

In 2009, following another change in government, the budget statement to Parliament spoke of “the fundamentals of our current economic situation and predicament, which include large fiscal and trade deficits, higher than expected rate of inflation, an increase in the national debt stock, and the depreciation in the value of the Cedi.” The statement listed five macroeconomic targets for 2008 (comprising GDP growth, average and end-of-year inflation rates, gross international reserves for imports, and the budget deficit) and noted that “all of these targets were missed”, with a promise for “better formulation and implementation of fiscal and monetary policies” in the future.

Eight years later, with the latest change in government from the 2016 general elections, the 2017 budget statement to Parliament said the following of the seven macroeconomic targets in the 2016 budget: “... except for the targets for the Gross Foreign Assets and the Current Account Deficit, most of the programmed macroeconomic targets were missed.” Among the targets that were missed were GDP growth, which came in provisionally at 3.6 percent, instead of 4.1 percent, itself a downward revision from a growth target of 5.4 percent that was announced in the 2015 budget statement.

The broad sweep of economic performance under the 4<sup>th</sup> Republic reveals a fragile economy that seems to be perpetually in crisis, interspersed only by brief periods of stabilization and recovery – across and within governments – only for the crisis to re-emerge later. Fiscal discipline continues to elude policy makers as expenditure over-runs lead to increased borrowing, precipitating the following chain of events: a crowding out of the private sector; a depression in growth; a shortfall in revenue; and further borrowing primarily to finance an inflexible wage bill that remained high (and in fact grew), despite the government’s diminished capacity to finance it.

In addition to the examples above, a review of other documents, such as the Bank of Ghana’s annual reports, public expenditure surveys, and various editions of the World Bank-DFID-funded *External Review of Public Financial Management* attests to a systemic lack of fiscal discipline, abetted by an accommodative monetary policy that readily lends to the central government, as among the major causes of Ghana’s seemingly perpetual economic crises and fragility.

Given the foregoing, only one major conclusion can be drawn: The causes of economic fragility and consequent under-performance over the years are largely structural in nature, transcending governments and working through the institutions, such as the civil service, that serve these governments at various times. Re-calibrating the economy onto a path to industrialisation, inclusive growth and resilience over the long term, therefore, will require carefully formulated policies by successive governments to tackle these and other problems in phases through medium-term plans. In the immediate term, focus will have to be on reclaiming and sustaining macroeconomic stability, as a precondition for growth and transformation in the medium-to-long term.

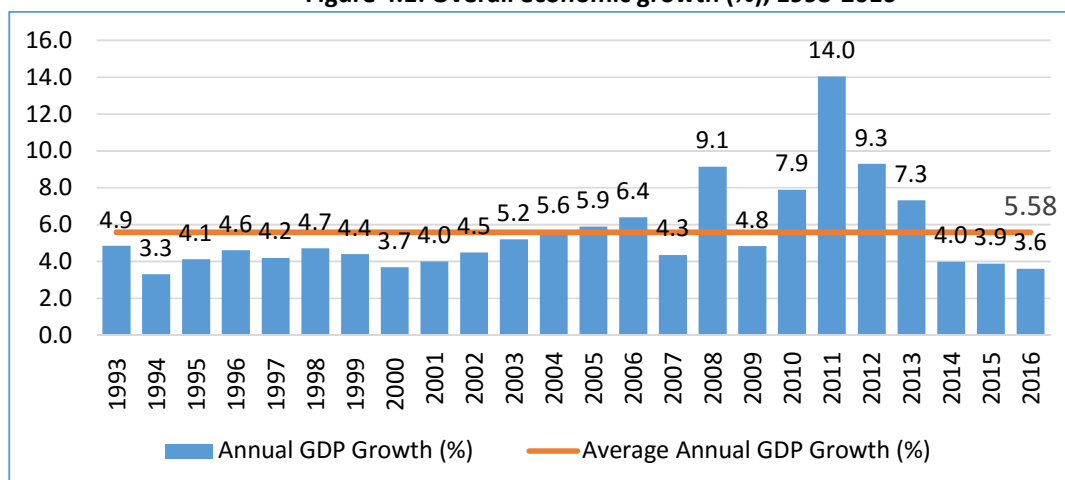
## 4.2 RECENT ECONOMIC PERFORMANCE

### 4.2.1 Overall Growth (1993-2016)

Between 1993, when Ghana returned to democratic governance, and 2016, growth in the Gross Domestic Product (GDP), the broadest measure of economic performance, followed a generally upward path, averaging about 5.6 percent per year. There were intermittent slowdowns between 1993 and 2000, after which growth became consistent, rising from 3.7 percent in 2000 to 6.4 percent in 2006.

However, in 2007, a crippling energy crisis, which coincided with the global financial and economic crisis, reversed the upward trend in growth to 4.3 percent. In 2008, growth jumped to 9.1 percent but that was partly the result of a statistical artefact: A 19.4 percent growth in electricity after a decline of 17.2 percent the previous year reflected the disproportionately large impact of growth that occurs from a low or negative base; the sector was mainly recovering lost ground, with little net addition to production. The construction sector, however, grew at an unsustainable rate of 39.0 percent in 2008, only to fall precipitously to 9.3 percent in 2009 and then to 2.5 percent the following year.

**Figure 4.1: Overall economic growth (%), 1993-2016**



**Source: NDPC, 2017. Based on GSS data.**

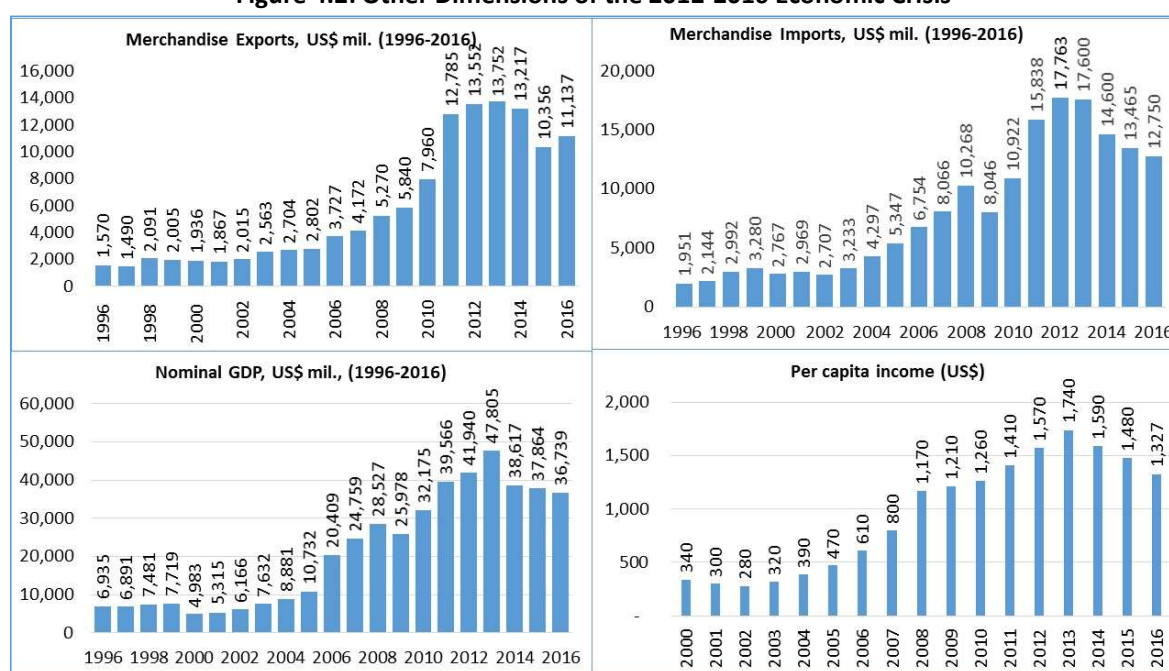
In 2009, the government embarked on a stabilisation programme, which, among other things, sought to “reduce the current budget deficit to sustainable levels”. The associated policies, such as a cutback in

government spending and an increase in interest rates, brought growth down to 4.8 percent, followed in 2010 by growth of 7.9 percent. Large-scale oil production in 2011 pushed overall growth to a historic 14.0 percent that year.

An expected “correction” in growth in the subsequent years to about 9.0 percent per year, after the economy had internalised effects of oil production, did not materialise as a result. Fiscal slippages in 2012, when anticipated revenue from oil fell short, saw the government’s budget deficit overshoot its target of 6.7 percent of GDP to 11.5 percent, up from 4.0 percent in 2011. The resulting strain on government finances and efforts to combat it, such as imposing more taxes on businesses, triggered an economic crisis in the following years. The crisis was characterised by a slowdown in growth, rising inflation, higher interest rates, and a rapidly depreciating cedi against a background of falling global commodity prices. By 2016, growth was down to 3.6 percent, the lowest in more than 20 years.

Figure 4.2 shows other dimensions of overall economic performance since 1993: The rise and eventual fall in exports, imports, nominal dollar-based GDP, and per capita income.

**Figure 4.2: Other Dimensions of the 2012-2016 Economic Crisis**



Source: NDPC, 2017. Based on GSS and World Bank data.

#### 4.2.2 Sectorial Growth (2007-2016)

##### Agriculture

At 3.8 percent, average annual growth in agriculture between 2006 and 2016 was lower than the overall GDP average of 6.8 percent for the period, an indication of the persistent under-performance of the sector. The sector has also been characterised by erratic growth patterns. In 2007, for example, all sub-sectors, with the exception of livestock, posted negative growth rates, leading to an overall decline of 1.7 percent. In 2008, however, growth jumped to 7.4 percent, buoyed by a 17.4 percent increase in fisheries production, only to slow down to 0.8 percent in 2009. Although growth recovered afterwards, it remained low, ending 2016 at 3.6 percent. Indeed, apart from the livestock sub-sector, which has grown

consistently at an annual average rate of 5.0 percent, growth in the other sub-sectors – notably, cocoa and forestry – have been highly uneven. Such erratic growth patterns, common in other sectors, are indicative of poor development planning as well as weak linkages between plans and budgets, a major challenge that will have to be addressed with the greatest of sense of urgency, if the long-term plan is to succeed.

## Industry

At an annual average of 7.9 percent, industry posted the highest growth of the three main sectors over the period. This, however, was almost entirely due to the onset of petroleum production in 2011, which grew by 2,023.4 percent over the marginal output of the previous year. As a result, overall industrial sector growth jumped from 6.9 percent in 2010 to 41.6 percent. As the economy internalised petroleum production, and falling world prices and technical challenges led to a scaling back of output, petroleum sector growth slowed down steadily, reaching 0.9 percent in 2015.<sup>18</sup> In 2016, production fell by 13.5 percent. The manufacturing sector, weighed down by a succession of energy crises that ante-dated the 2007 crisis, high cost of credit, and a generally punitive and burdensome tax regime, grew by only 3.1 percent over the period. Indeed, it posted negative growth in four of the 10 years, namely: 2007, 2009, 2013, and 2014. Growth in electricity, water and sewage, and construction followed similar erratic patterns.

**Table 0.1: General and Sectoral Growth in GDP (%), 2007-2016.**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*	Period Avg.
<b>1. AGRICULTURE</b>	<b>-1.7</b>	<b>7.4</b>	<b>7.2</b>	<b>5.3</b>	<b>0.8</b>	<b>2.3</b>	<b>5.7</b>	<b>4.6</b>	<b>2.5</b>	<b>3.6</b>	<b>3.8</b>
1.1 Crops	-1.3	8.6	10.2	5.0	3.7	0.8	5.9	5.7	2.0	3.3	4.4
o.w Cocoa	-8.2	3.2	5.0	26.6	14.0	-9.5	2.6	4.3	-2.3	2.5	3.8
1.2 Livestock	4.7	5.1	4.4	4.6	5.1	5.2	5.3	5.3	5.3	5.3	5.0
1.3 Forestry and Logging	-4.1	-3.3	0.7	10.1	-14.0	6.8	4.6	3.8	3.9	4.1	1.2
1.4 Fishing	-7.2	17.4	-5.7	1.5	-8.7	9.1	5.7	-5.6	1.3	4.4	1.2
<b>2. INDUSTRY</b>	<b>6.1</b>	<b>15.1</b>	<b>4.5</b>	<b>6.9</b>	<b>41.6</b>	<b>11.0</b>	<b>6.6</b>	<b>0.8</b>	<b>1.0</b>	<b>-1.2</b>	<b>9.3</b>
2.1 Mining and Quarrying	6.9	2.4	6.8	18.8	206.5	16.4	11.6	3.2	-2.2	-11.0	25.9
o.w./ Petroleum	-	-	-	-	2023.4	21.6	18.0	4.5	0.9	-13.5	342.5
2.2 Manufacturing	-1.2	3.7	-1.3	7.6	17.0	2.0	-0.5	-0.8	2.2	2.4	3.1
2.3 Electricity	-17.2	19.4	7.5	12.3	-0.8	11.1	16.3	0.3	-10.2	8.8	4.7
2.4 Water and Sewerage	1.2	0.8	7.7	5.3	2.9	2.2	-1.6	-1.1	21.5	7.7	4.7
2.5 Construction	23.1	39.0	9.3	2.5	17.2	16.4	8.6	0.0	2.1	3.5	12.2
<b>3. SERVICES</b>	<b>7.7</b>	<b>8.0</b>	<b>5.6</b>	<b>9.8</b>	<b>9.4</b>	<b>12.1</b>	<b>10.0</b>	<b>5.6</b>	<b>5.2</b>	<b>5.9</b>	<b>7.9</b>
3.1 Trade, Repair Of Vehicles, Household Goods	5.4	9.5	5.4	13.3	11.0	11.3	14.5	1.6	9.7	6.7	8.8
3.2 Hotels and Restaurants	2.5	9.1	-3.8	2.7	3.6	5.7	24.6	-1.2	1.5	1.2	4.6
3.3 Transport and Storage	9.2	3.8	4.4	8.0	11.0	9.2	-0.5	0.3	3.0	2.1	5.1
3.4 Information and Communication	4.1	19.5	3.9	24.5	17.0	41.5	24.3	38.4	13.4	14.4	20.1
3.5 Financial and Insurance Services	18.4	10.8	9.3	16.7	1.0	21.9	23.2	22.9	3.2	3.8	13.1
3.6 Real Estate, Professional, Administrative & Support Services	3.2	-0.0	0.2	13.9	14.0	18.3	-17.5	-1.5	7.7	6.9	4.5
3.7 Public Administration & Defence; Social Security	11.3	12.7	11.7	3.4	7.4	4.2	8.4	-4.7	1.4	8.1	6.4
3.8 Education	10.0	13.0	12.4	5.3	3.8	6.7	6.9	7.1	7.9	7.9	8.1
3.9 Health and Social Work	3.8	4.4	15.2	11.2	5.0	10.9	7.8	-1.7	11.5	10.8	7.9
3.10 Community, Social & Personal Service Activities	8.9	9.2	7.5	10.8	12.9	4.2	36.5	-1.6	-5.0	-1.1	8.2
FISIM	10.8	16.1	41.4	7.9	13.4	12.4	29.5	6.0	-5.8	3.8	13.5
Gross Domestic Product at basic prices	4.3	9.1	4.8	7.9	14.0	9.3	7.3	4.0	3.9	3.6	6.8
Net Indirect Taxes	4.3	9.1	4.8	7.9	14.0	9.3	7.3	4.0	3.9	3.6	6.8
<b>Overall GDP</b>	<b>4.3</b>	<b>9.1</b>	<b>4.8</b>	<b>7.9</b>	<b>14.0</b>	<b>9.3</b>	<b>7.3</b>	<b>4.0</b>	<b>3.9</b>	<b>3.6</b>	<b>6.8</b>
<b>Non-oil GDP</b>				<b>7.6</b>	<b>8.6</b>	<b>8.6</b>	<b>6.7</b>	<b>4.0</b>	<b>4.1</b>	<b>4.6</b>	<b>6.3</b>

Source: Ministry of Finance, (2017) \* Provisional

Source: NDPC, 2017. Based on GSS data.

<sup>18</sup> Technical problems, such as turret problems with the FPSO Kwame Nkrumah and gas uptake difficulties by VRA, also affected production considerably.

## Services

The services sector had the second highest growth of 7.9 percent. At 20.1 percent, the information and communication sub-sector drove growth in services, followed by the finance and insurance sub-sectors. The comparatively mild growth of 4.6 percent in the hotels and restaurants sector, a proxy for measuring performance of the tourism sector, as well as the 4.5 percent growth of the real estate sector (with a decline of 17.5 percent in 2013), is an indication of the untapped growth potential of the two sectors, which are also dynamic sources of job creation, especially for low and medium-skilled workers.

### 4.3 STRUCTURE OF THE ECONOMY: CHANGE WITHOUT TRANSFORMATION

In November 2010, the Ghana Statistical Service (GSS) revised the base year for calculating GDP, changing it from 1993 to 2006 to reflect changes in consumer prices since 1993 as well as improvements in the methodology for computing the GDP.<sup>19</sup> The changes drastically altered the relative shares of the three major sectors of the economy: agriculture, industry and services. Agriculture's share was reduced from 41.0 percent in 2005 to 31.0 percent in 2006, while the share of industry was similarly reduced, from 27.5 percent to 21.3 percent. By contrast, the share of services was raised from 31.2 percent to 47.6 percent, making it the largest source of growth in the country.

**Table 4.2: Rebased Gross Domestic Product (2006-2010)**

	GDP New Series				
	2006	2007	2008	2009	2010
<b>GDP (GH¢ million)</b>	18,705	23,154	30,179	36,867	44,799
<b>Cedi/dollar rate</b>	0.92	0.94	1.07	1.42	1.42
<b>GDP (\$ million)</b>	20,331.6	24,632.3		25,962.9	31,548.4
<b>Population estimate (million)</b>	1	9	28,204.30	8	0
<b>Per capita (GH¢)</b>	854.89	1,034.14	1,317.84	1,574.19	1,872.07
<b>Per capita (\$)</b>	929.23	1,100.15	1,231.63	1,108.58	1,318.36
	GDP Old Series				
	2006	2007	2008	2009	2010*
<b>GDP (GH¢ million)</b>	11,672.0	14,045.9	17,451.6	21,746.8	25,602.5
<b>Cedi/dollar rate</b>	0.920	0.940	1.070	1.420	1.420
<b>GDP (\$ millions)</b>	12,687.0	14,942.4	16,309.9	15,423.3	18,029.9
<b>Population estimate (million)</b>	21.9	22.4	22.9	23.4	23.9
<b>Per capita (GH¢)</b>	533.5	627.3	762.1	928.6	1,069.9
<b>Per capita (\$)</b>	579.8	667.4	712.2	658.6	753.4

With the change in base year data, the share of each sector in 2010 was reported as follows:

- Services: 51.1%
- Agriculture: 30.3%, and
- Industry: 18.6%

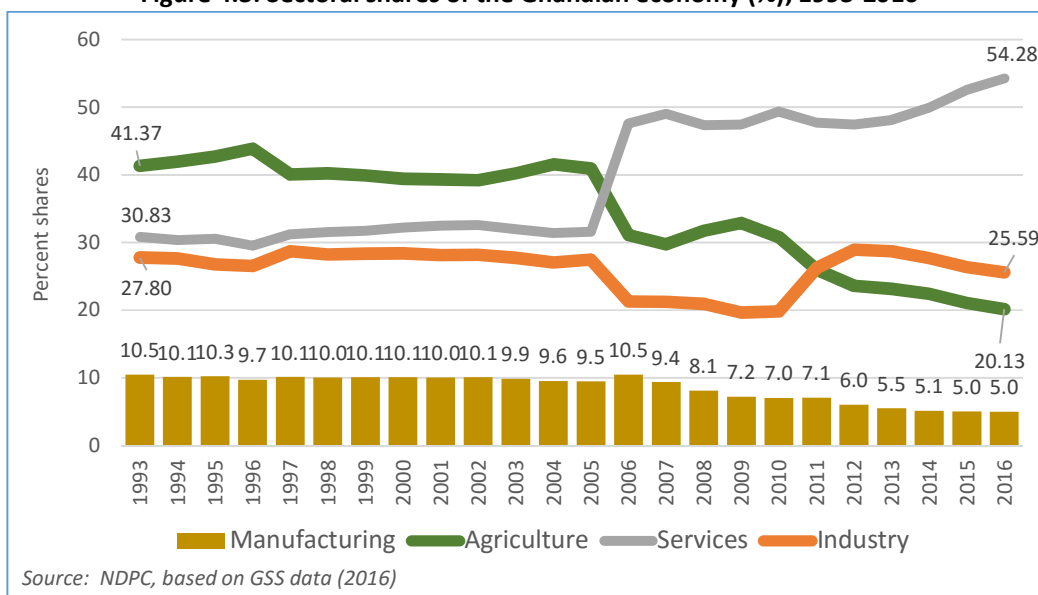
The commencement of large-scale commercial oil production in 2011 raised the share of industry from 19.0 percent in 2010 to 26.0 percent, making it the second largest sector after services. As of 2016, the sectoral shares were as follows:

<sup>19</sup> Based on GLSS reports from Ghana Statistical Service, various years.



- Services: 54.3%
- Industry: 25.6%, and
- Agriculture: 20.1%

**Figure 4.3: Sectoral shares of the Ghanaian economy (%), 1993-2016**



Despite the overall decline in the share of agriculture, the food crops sub-sector remains the largest of any sub-sector in the economy, a critical reminder of the key role agriculture will have to play in the transformation of the Ghanaian economy under the long-term plan.

Experience from mature economies indicates that the overall decline in agriculture’s share of economic output in the course of development, known in economics as “empirical regularity”, is inevitable. However, in these economies, the decline in agriculture’s share was accompanied by a parallel rise in the share and diversity of industry, especially manufacturing, as workers moved from farms to factories – and by extension from subsistence and erratic wages to higher and stable incomes. This transition formed the basis of industrialisation and its associated social transformation, such as the rise of the middle class, in those countries.

This trend, however, appears not to have been the case for Ghana (and many developing countries). From a high of nearly 16.0 percent in 1975, manufacturing’s share of GDP fell to about 10.0 percent throughout the 1990s and early 2000s before taking a decided turn for the worse in 2007; by 2016, it had declined to 5.0 percent, from 10.2 in 2006.

Far, therefore, from moving from farms to factories, most rural-to-urban migrants, appeared to have moved from agriculture into the low-productivity-and-low-income segment of the services sector in the country’s cities and towns, with petty trading and other micro-enterprises, such as driving taxis or trotro, being the primary choice due to their low barriers to entry. As shown in Table 5.3 “Transportation and storage” and “Trade, repair of vehicles, etc.” together accounted for nearly 20.0 percent of the services sector, the largest combined share.

**Table 4.3: Sectoral shares of GDP (percent), 2007-2016.**

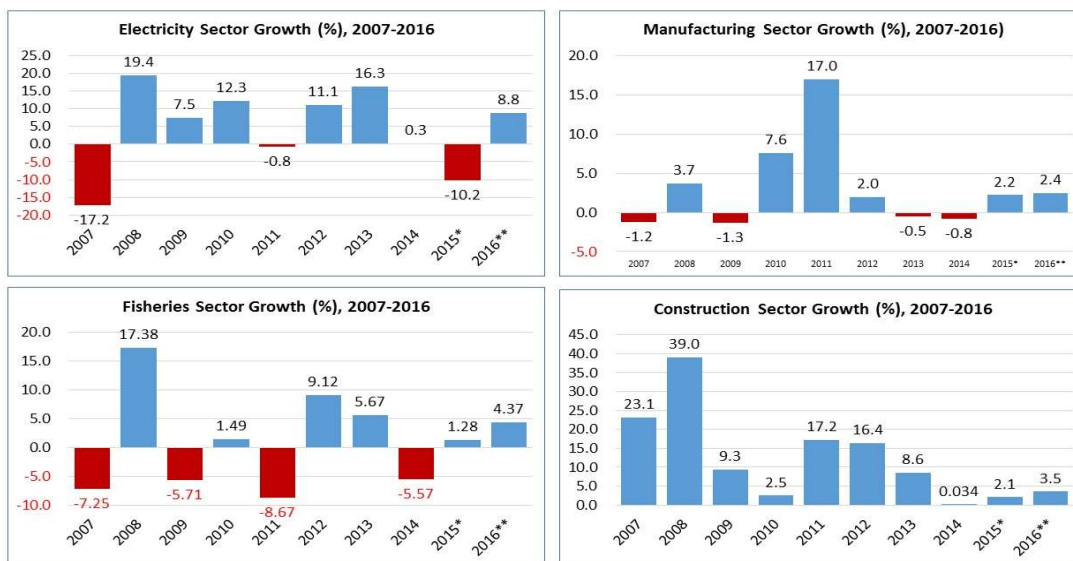
	2007	2008	2009	2010	2011	2012	2013	2014	2015*	2016**
<b>1. AGRICULTURE</b>	<b>29.05</b>	<b>30.96</b>	<b>31.81</b>	<b>29.75</b>	<b>25.34</b>	<b>22.85</b>	<b>22.40</b>	<b>21.50</b>	<b>20.19</b>	<b>20.13</b>
1.1 Crops	20.27	22.45	23.63	21.71	19.07	17.17	17.43	16.75	15.71	15.77
o.w Cocoa	2.67	2.46	2.45	3.21	3.57	2.56	2.19	2.22	1.90	1.77
1.2 Livestock	2.30	2.12	2.04	2.01	1.80	1.59	1.35	1.22	1.16	1.16
1.3 Forestry and Logging	4.18	3.74	3.68	3.72	2.77	2.58	2.24	2.34	2.28	2.15
1.4 Fishing	2.30	2.66	2.45	2.31	1.70	1.51	1.38	1.18	1.05	1.05
<b>2. INDUSTRY</b>	<b>20.75</b>	<b>20.42</b>	<b>19.00</b>	<b>19.12</b>	<b>25.56</b>	<b>28.02</b>	<b>27.81</b>	<b>26.38</b>	<b>26.55</b>	<b>25.59</b>
2.1 Mining and Quarrying	2.77	2.42	2.08	2.33	8.40	9.54	9.42	7.98	5.39	4.03
o.w Petroleum	0.00	0.00	0.00	0.41	6.71	7.74	8.24	7.20	4.01	1.79
2.2 Manufacturing	9.15	7.94	6.95	6.78	6.88	5.84	5.32	3.82	5.13	4.96
2.3 Electricity	0.60	0.54	0.47	0.61	0.50	0.46	0.44	0.41	0.59	0.91
2.4 Water and Sewerage	1.04	0.80	0.69	0.85	0.84	0.70	0.63	0.53	0.65	1.04
2.5 Construction	7.19	8.72	8.82	8.54	8.94	11.48	12.01	13.64	14.80	14.64
<b>3. SERVICES</b>	<b>50.20</b>	<b>48.61</b>	<b>49.19</b>	<b>51.13</b>	<b>49.10</b>	<b>49.13</b>	<b>49.79</b>	<b>52.13</b>	<b>53.25</b>	<b>54.28</b>
3.1 Trade, Repair Of Vehicles, Household Goods	6.14	5.97	5.91	6.23	5.88	5.57	5.78	5.62	6.42	6.68
3.2 Hotels and Restaurants	5.56	5.99	6.16	5.98	5.38	4.82	5.82	5.63	6.17	6.15
3.3 Transport and Storage	13.09	11.38	10.54	10.55	10.74	11.02	11.24	12.70	13.01	12.84
3.4 Information and Communication	2.35	2.17	1.84	1.92	1.77	2.18	1.74	2.25	2.43	2.67
3.5 Financial and Insurance Services	3.40	3.80	4.34	5.16	4.42	4.73	6.52	8.42	7.36	7.45
3.6 Real Estate, Prof'l, Admin. & Support Services	4.68	4.13	4.10	4.48	4.64	4.80	3.86	3.60	3.99	4.12
3.7 Public Admin. & Defence; Social Security	5.93	6.28	6.95	6.97	6.98	6.79	5.87	5.40	4.98	5.36
3.8 Education	3.93	3.95	4.22	4.33	4.13	4.25	3.60	3.59	3.80	4.00
3.9 Health and Social Work	1.42	1.33	1.44	1.55	1.30	1.26	1.06	1.01	1.13	1.22
3.10 Community, Social & Personal Services	3.71	3.63	3.70	3.97	3.87	3.70	4.30	3.92	3.94	3.80
<b>Gross Domestic Product at basic prices</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Source: MOF (2017). \*Revised. \*\*Provisional

In addition to agriculture, which accounts for about 45.0 percent of employment, “wholesale and retail trade” (19.5 percent) and “transportation and storage” (3.8 percent) were among the top five sources of employment in the country, according to the Ghana Living Standards Survey (2012/13).

Weak development planning, at the broadest level and within sectors, has also led to inconsistent and erratic patterns of growth within certain sectors. This is amply captured in Figure 4.4. The sum effect of these trends and patterns of inconsistency in economic growth is that over the years, while the distribution of economic activities across sectors has changed, it has not been accompanied with the kind of transformation that will lead to higher productivity, rising incomes and general higher standards of living for Ghanaians. This is the overarching task of the long-term plan.

**Figure 4.4: Uneven Sectoral Growth Rates (%), 2007-2016.**



Source: NDPC, based on GSS data (2017)

#### 4.4 GROWTH IN NATIONAL INCOME

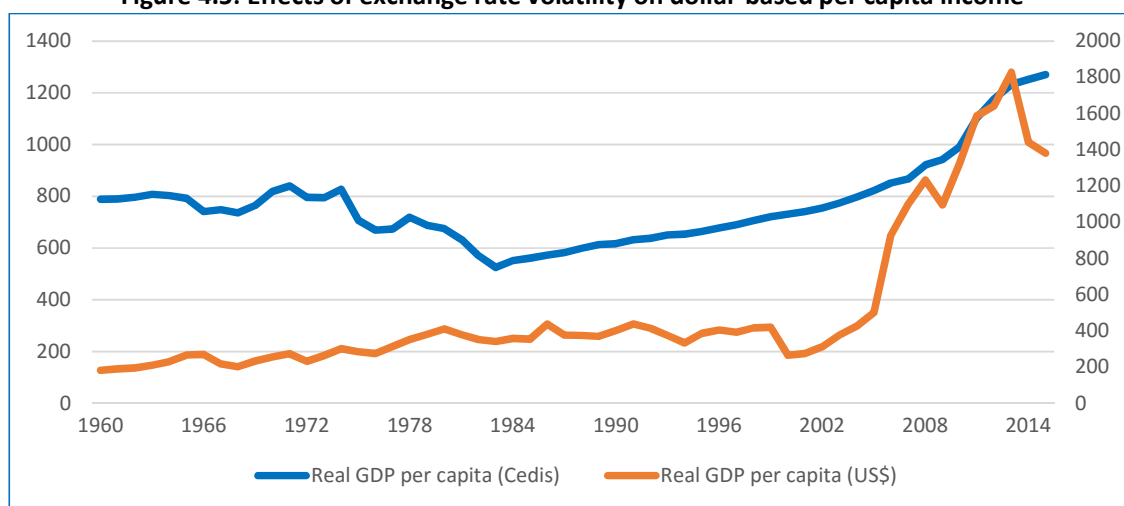
Growth in GDP per capita, which the Ghana Statistical Service (GSS) uses as a proxy for per capita Gross National Income (GNI), generally tracked the trends in overall GDP growth but was adversely affected by the decades-long depreciation of the cedi, when measured in US dollars, the benchmark for measuring and ranking nations according to incomes.

As shown in Figure 4.5, even though cedi-denominated (and inflation-adjusted) per capita income for most of the 1960s stagnated and began declining in the 1970s in response to the disintegration of the economy, dollar-denominated real GDP per capita rose steadily over the period. This was because of the fixed exchange rate regime, which did not reflect the high inflation at the time that was undermining the purchasing power of the cedi.

The economic reforms of the early 1980s, which, among other things, steadily devalued the cedi to account for domestic inflation, reversed this situation. With inflation going down as a result of the reforms, cedi-denominated GDP began rising smoothly from 1984 onwards and has stayed so generally since then. The trajectory for dollar-denominated per capita GDP, however, has been less so, punctuated by large depreciation of the cedi in certain years, namely 2000 (by 51.1 percent), 2009 (24.9 percent), and 2014 (33.4 percent), the last of which led to a steep fall in per capita income from US\$1,827 in 2013 to US\$1,381 in 2015. Between the same years, inflation-adjusted cedi per capita GDP increased from GH¢1,232 to GH¢1,270. See Figure 4.5.

Maintaining a stable exchange rate is, therefore, a necessary though not sufficient condition for moving Ghana from lower middle-income to a high-income country under the long-term plan. (High and employment-intensive growth as well as moderate growth in population are other critical factors).

**Figure 4.5: Effects of exchange rate volatility on dollar-based per capita income**



*Source: NDPC, based on GSS and WB data (2017)*

#### 4.5 MACROECONOMIC PERFORMANCE

The macroeconomic health of an economy revolves largely around the conduct of monetary policy (by the central bank) and fiscal policy (primarily by the Ministry of Finance) and how, in the case of Ghana, those policies affect three key indicators: inflation, the exchange rate, and interest rates. Low and stable

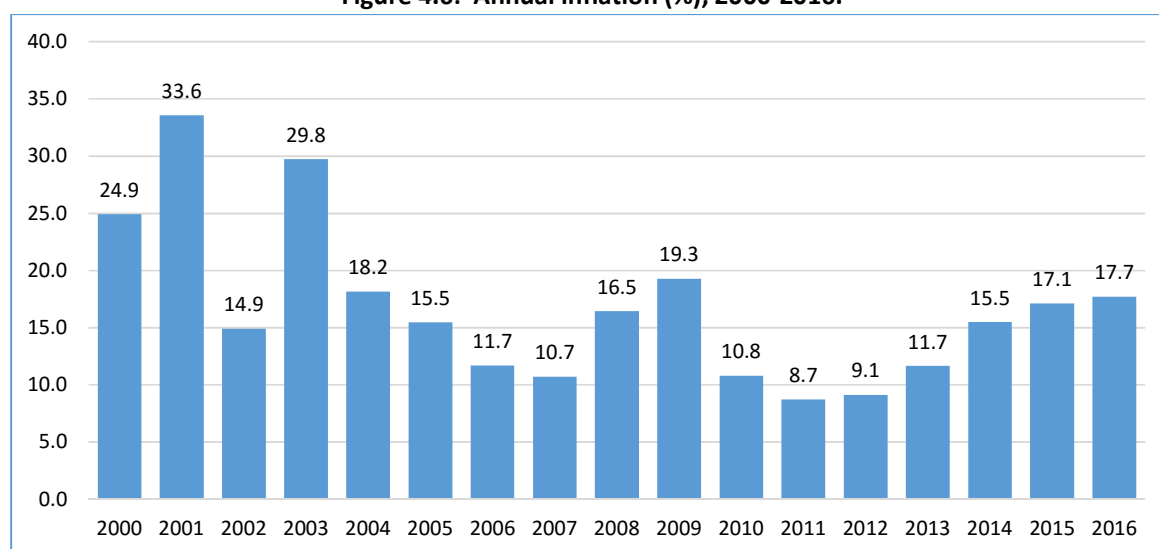
rates of inflation, a stable exchange rate, and low interest rates are critical to making business investment decisions and preserving the purchasing power of wages. Failure to attain these objectives can undermine economic growth and instigate worker agitations for higher wages. This in turn limits the ability of businesses to expand and employ more people and, in the case of government, put undue stress on the fiscus.

#### 4.5.1 Monetary Policy

##### *Trends in consumer Inflation*

Ghana’s pursuit of single-digit consumer inflation, which had been elusive for the better part of its post-independence existence, took a turn for the better in June 2010, when year-on-year consumer inflation fell to 9.5 percent from 10.7 percent in May, having begun the year at 14.8 percent.<sup>20</sup> The inflation rate for December 2010 was 8.6 percent, translating into an annual inflation of 10.8 percent for the entire 2010. In 2011, annual inflation fell to 8.7 percent, the lowest rate since 1968, when it was 7.9 percent. With the onset of the economic difficulties in 2012, annual inflation edged up to 9.1 percent that year, rising further to 11.7 percent in 2013 and eventually to 17.7 percent in 2016, almost the same as the 17.1 percent of 2015. (Year-end, or December-to-December inflation, in 2016 was 15.4 percent.)

**Figure 4.6: Annual inflation (%), 2000-2016.**



**Source: NDPC, based on GSS data (2017)**

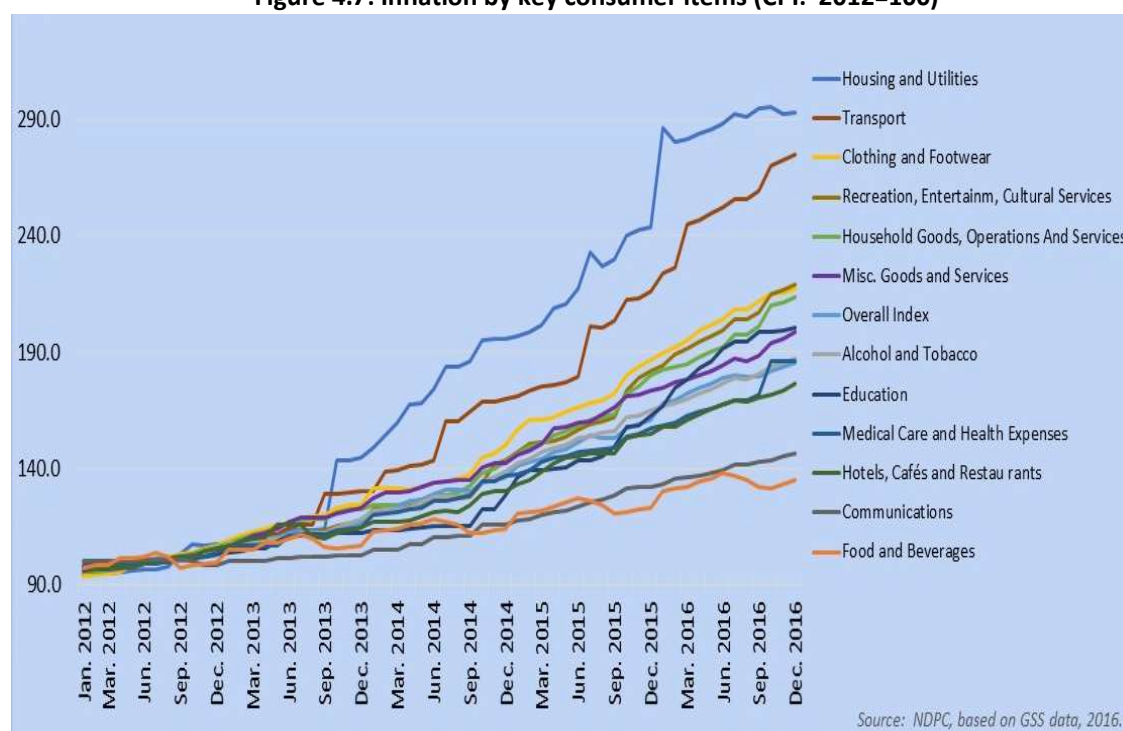
Some studies of the economic crisis concluded that Bank of Ghana’s strict monetary policy stance under its “inflation targeting” regime, which helped to bring annual inflation down to single digit from 2011 to 2012, was overwhelmed by a surge in government spending (known technically as “fiscal dominance”) in 2012, an election year, when government expenditure typically spikes. With a significant part of the government’s spending devoted to the wage bill, against the background of pervasive inefficiencies and low productivity in the public sector, more money in the hands of government workers ends up bidding

<sup>20</sup> Two common measures of inflation in Ghana are (1) the year-on-year rate, which tracks changes in the Consumer Price Index (CPI) in one month compared to the same month of the previous year, and (2) annual inflation, which measures prices for all 12 months of a year, compared to those of a previous year. The Consumer Price Index (CPI) is based on monthly surveys conducted by the Ghana Statistical Service.

up prices for goods and services whose supply are more or less fixed in the short term and are therefore scarce. Turning to exports in such circumstances leads to a depreciation of the cedi.

In an apparent effort to contain the crisis, amidst a tightening monetary policy stance by the central bank, government removed subsidies from such consumables as electricity and petroleum. But that only worsened the situation, as the resulting increase in inflation fell disproportionately on items, such as utilities and transportation, used primarily by the majority of the population. The result was widespread public dissatisfaction and a further slowdown in the economy (See Figure 4.7).

**Figure 4.7: Inflation by key consumer items (CPI: 2012=100)**



**Source: NDPC, based on GSS data (2017)**

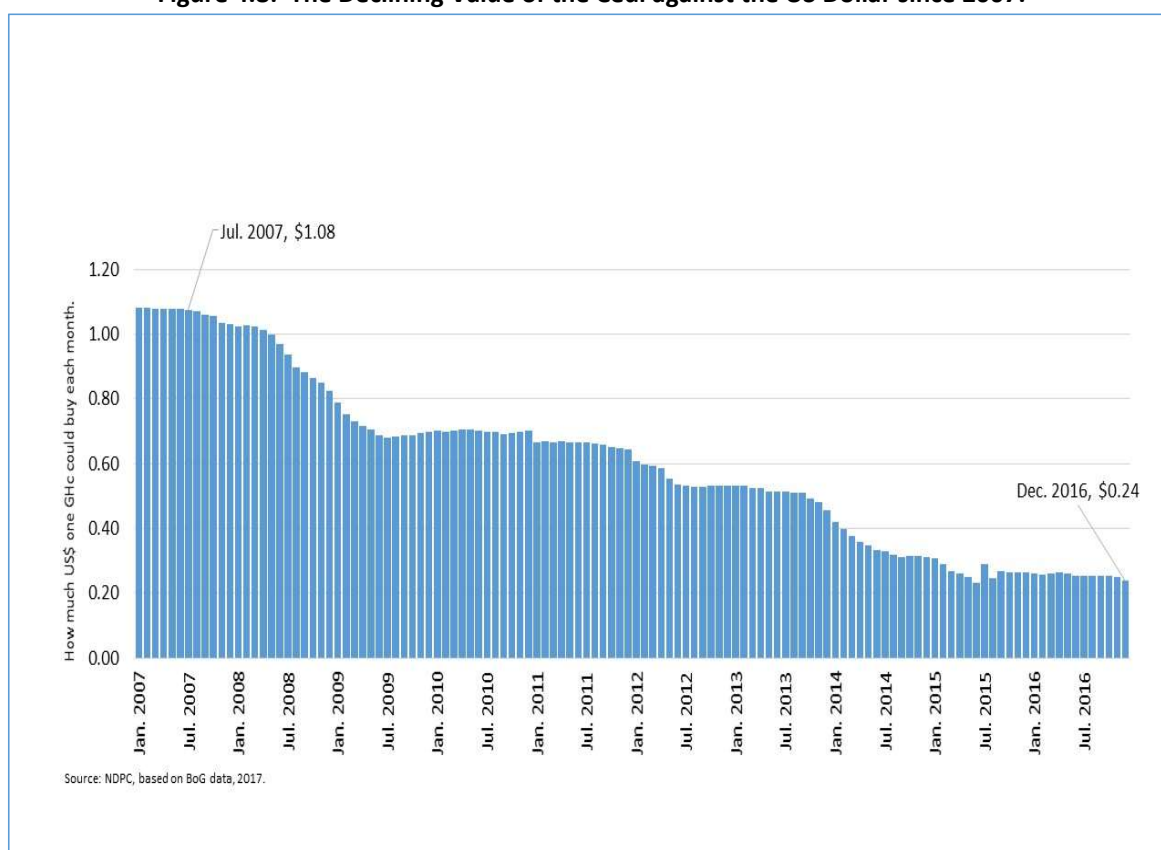
### **Trends in Exchange Rates**

The economic reforms of the 1980s had dismantled the cumbersome fixed exchange and currency-rationing system that had bedevilled economic management for more than two decades and eventually replaced it with a largely “floating” system where the cedi and other major currencies were freely traded by authorised banks or forex bureaus. In the years since 1983, the exchange rate has increased from 2.75 cedis per one US dollar to what would have been ₵39,245 to the dollar in 2016 had it not been for the redenomination exercise of 2007, which removed four zeroes in an apparent attempt to make the cedi more manageable for commercial transactions.

In the absence of parallel reforms to boost economy-wide productivity, increase value-addition in manufacturing, and diversify exports away from primary commodities towards manufactures, the cedi continued to lose its value against the US dollar after the redenomination. Indeed, the seeming benefits of the redenomination, in terms of the increased “strength” of the cedi immediately after the redenomination (“one cedi could buy more than one US dollar, at US\$1.07”) proved to be both illusory

and fleeing, as the cedi's value continued to decline. By July 2008, one cedi could buy US\$0.94, but by the end of 2016, this was down to US\$0.24, a cumulative depreciation of nearly 80.0 percent over the period (see Figure 4.8).

**Figure 4.8: The Declining Value of the Cedi against the US Dollar since 2007.**



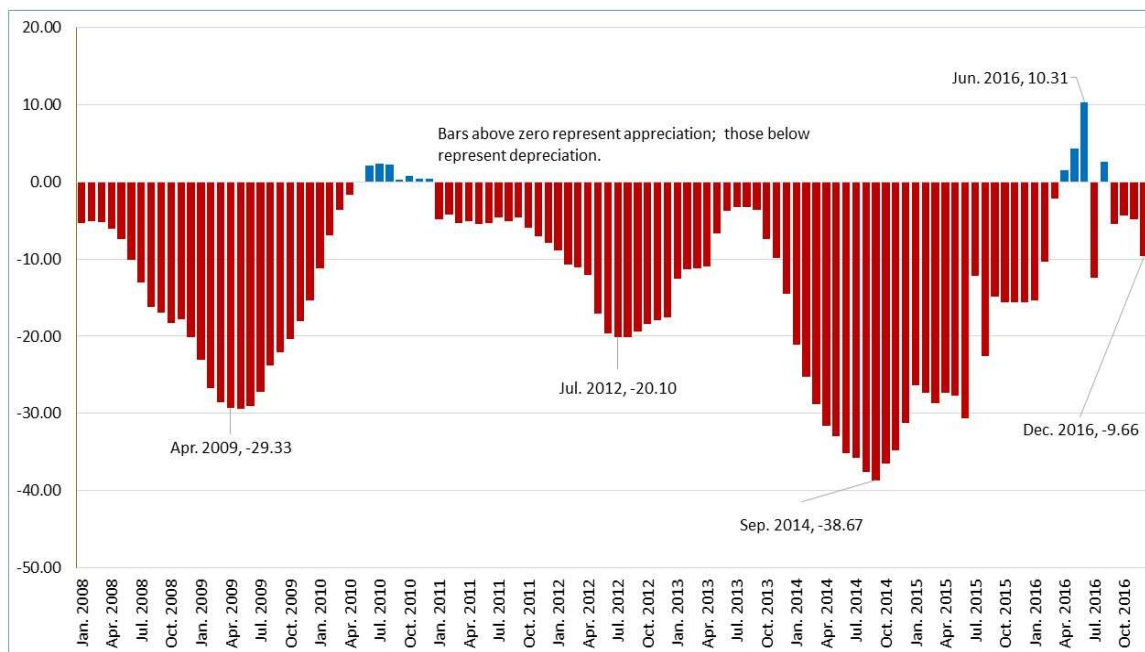
**Source: NDPC, based on Bank of Ghana data (2017)**

Besides a steady loss of ground to the US dollar, the cedi's value has also been quite volatile against the US currency in various periods. Figure 5.9 captures this volatility, which is a reflection of inconsistent economic policies and poor export performance which has resulted in low international reserves. The following pattern emerges from the graph: periods of steady depreciation (2008 to mid-2009), followed by periods of deceleration in depreciation, often the result of tight monetary policy (where the central bank raises interest rates to mop up cedis from the financial system and reduce the pressure on the currency) or outright sale of dollars by the central bank to commercial banks to meet demand – a technique which has been proven to be unsustainable as long as fundamental weaknesses like poor exports and an unrelenting appetite for imports persist).

Deceleration in depreciation ended mid-2010 and turned into seven months of appreciation, followed by another cycle of depreciation, deceleration, depreciation again and even appreciation in mid-2016, after a combination of direct market intervention by the central bank and an austerity programme that sought to deal with one of the main sources of pressure on the cedi; run-away government spending.

Another marked feature of Figure 4.9 is that the two-and-a-half years of single-digit inflation (from the second half of 2010 to 2012) were associated with a relative stability of the cedi, including an appreciation against the dollar.

**Figure 4.9: Volatility of the Cedi against the US\$ since 2008 (year-on-year % change).**



**Source: NDPC, based on Bank of Ghana data (2017)**

### **Trends in Interest Rates**

The cumulative effect of high inflation, a fast-depreciating cedi, and a rapid expansion in government spending (facilitated by borrowing by government from the central bank) was a “tight” monetary policy stance, which saw the Bank of Ghana raising its policy rate with the intention of influencing other interest rates. This had the effect of constricting business credit growth and dampening overall economic growth. Between 2006 and 2009, for example, lending rates (the rates banks charge borrowers) increased from 24.25 percent to 32.75 percent, tracking a corresponding rise in the Treasury bill (T-bill) rate (a key driver of other interest rates in the economy) from 9.41 percent to 21.33 percent. See Figure 4.10.

This was a period of tight monetary policy as the central bank consistently raised its policy rate ostensibly to bring down consumer inflation. Between August 2007 and September 2009, the Bank raised its rate from 12.5 percent to 18.5 percent as the year-on-year inflation rate increased from 10.41 percent to 18.37 percent, having peaked at 20.74 percent in June 2009. As inflationary pressures eased, so did the policy rate, which fell back to 12.5 percent by mid-2011. By the end of 2011, however, inflationary storms were gathering again, and with that the onset of a long period of a series of policy rate hikes by the central bank and a corresponding increase in the T-bills and lending rates. Consequently, the policy rate ended 2016 at 25.5 percent, with a lending rate of 31.21 percent, ranking among the highest in the world.

The historically positive relationship between the lending rate and the T-bill rate, however, broke down from 2015 onwards, as inflation continued to rise even as the T-bills rate declined in response to a slowdown in government borrowing. This was viewed by some analysts as an indication of the overwhelming influence of other factors, besides the policy rates, in the determination of lending rates by commercial banks. Indeed, a later study by the Bank of that compared Ghana to 11 countries (both

developing and industrialised) concluded that “bank interest rates in Ghana exhibit high inflexibility”, with the “lowest pass through” between the policy rate and lending rates.<sup>21</sup>

In recent times, the formula used by the central bank to calculate the base rate, the minimum rate that banks can charge for lending, has been blamed for the high interest rates, and commercial banks have called for some flexibility. Factors peculiar to banks, such as possible collusion among banks, and high “menu costs” (the administrative cost of adjusting interest rates in the absence of any policy certainty or credibility) were identified as some of factors responsible for high interest rates. To these institutional factors should be added structural ones, such as a low national savings rate.

**Figure 4.10: Trends in Central Bank Policy Rate (%), 2006-2016**



**Source: NDPC, based on Bank of Ghana data (2017)**

**Figure 5.11: Trends in Lending and T-bill Rates (%), end-year**



**Source: NDPC, based on Bank of Ghana data (2017)**

<sup>21</sup> Acheampong, Kwasi, *Bank Interest Rate Channel of Monetary Policy Transmission in Ghana*, (2005), Bank of Ghana, Accra.



### Trends in Business Credit

Inadequate access to affordable credit has long been a major constraint on private sector development in Ghana, despite more than three decades of financial sector reforms. The reforms led to an increase in private sector credit as a share of GDP from 1.5 percent in 1983 to 20.3 percent in 2015, but that was still considerably lower than the lower middle-income average of 45.8 percent or the broader middle-income country average of 102.1 percent in 2015. Growth thus has been driven largely by extractives, whose investments/credit from banks are not included in the national figures.

The low private sector credit for Ghana is partly explained by the country’s very low savings rates, which means that there is generally not enough money in the financial system to be lent.<sup>22</sup> The low domestic savings rate for Ghana is compounded further by high inflation, which reduces the purchasing power of the little credit that is made available to Ghanaian businesses.

As shown in Figure 4.12, between 2007 and 2016, nominal growth in credit to the private averaged 31.1 percent per year; adjusted for inflation, however, the growth rate was only 15.2 percent. Indeed, while credit to the private sector in 2016 grew by 17.5 percent in nominal terms, in real (or inflation-adjusted) terms, it actually declined by 0.17 percent, a further reflection of the woes of the economy that year. It is worth noting that 2016 was also an election year, so the same trend or cycle as was observed for 2008 and 2012 were repeated.

**Figure 4.12: Uneven Growth in Business Credit Since 2007 (% change)**

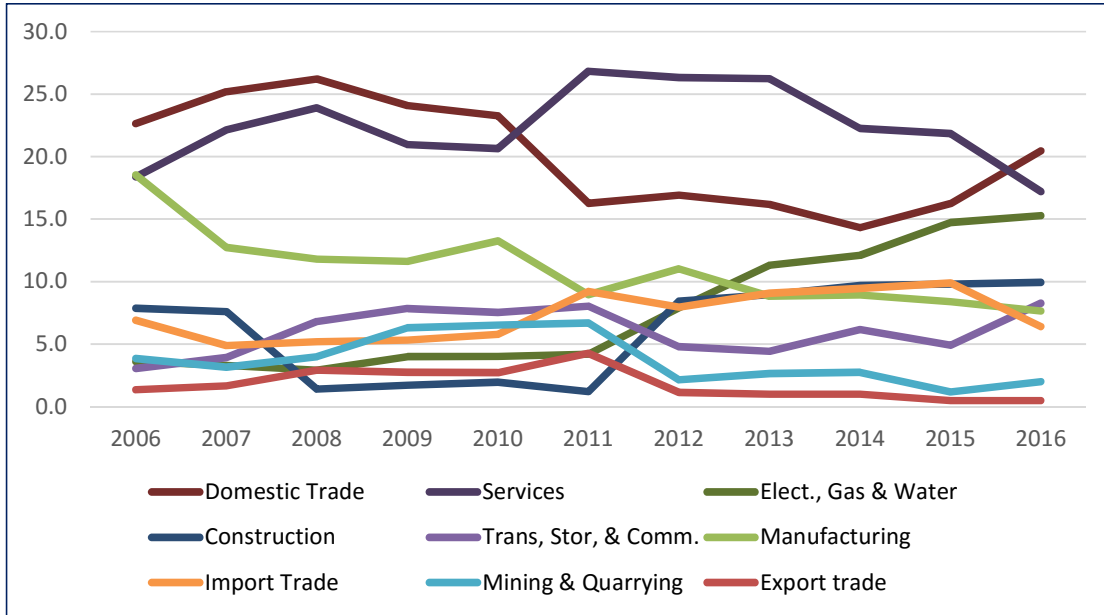


**Source: NDPC, based on Bank of Ghana data (2017)**

Besides high interest rates, over the years, credit from the deposit money banks to critical sectors of the economy, such as manufacturing, agriculture, and exports, has also declined steadily in favour of “less productive” sectors, such as “import trade”. Between 2006 and 2016, the share of credit to manufacturing declined from 18.52 percent to 7.66 percent; for agriculture, it fell from an already low of 4.37 percent to 3.65 percent, while it declined from 1.34 percent to 0.48 percent for the export trade sector.

<sup>22</sup> In such circumstances, even marginal borrowing by government can easily crowd out the private sector.

**Figure 4.13: Sectoral trends in business credit (%), 2006-2016**



*Source: NDPC, based on Bank of Ghana Data, 2006-2016*

#### 4.5.2 Fiscal Policy

Historical context – Despite years of institutional and other reforms, fiscal policy remains perhaps the weakest link in the economic management chain. Difficulties with managing government revenue and expenditures, and the associated increase in the public debt (especially short-term debt), lay at the heart of the economic problems of the mid-1960s, which evolved into the Lost Decade of the 70s and eventually set the stage for the reforms of the 1980s. Success, however, has been tenuous, at best, as poor budget execution continues to exert unsustainable pressure on the fiscus.

Record of recent fiscal management – Each of these fiscal slippages was typically followed by pledges to improve budget preparation and execution in the subsequent years. These pledges were sometimes fulfilled but only for a while; at other times, the situation only worsened, in spite of the pledges, as happened in 2016, one year after government signed a 3-year programme with the International Monetary Fund (IMF) to restore fiscal discipline

Table 4.4 is excerpted from the 2017 budget, with an overview of 2016 performance. Of particular interest is the growth in expenditure, despite an obvious fall in revenue and grants (from donors). As a result, the budget deficit, measured on a cash basis, came in at 8.7 percent, instead of 5.0 percent. When government’s other financial commitments were included, the deficit rose to 10.3 percent, about three times the original target of 3.7 percent.

**Table 4.4: Summary of Fiscal Performance in 2016**

Description (In million GHC)	2016 Revised Budget		2016 Prov. Outturn		Deviation	Deviation (%)
	Amt.	% of GDP	Amt.	% of GDP		
Total Revenue and Grants	37,889	22.7	33,678	20.0	-4,211	-11.1
Total Expenditure	43,984	26.4	51,125	30.3	7,141	16.2
Overall Fiscal Balance (Commitment)	-6,094	-3.7	-17,447	-10.3	-11,352	186.3
Overall Fiscal Balance (Cash)	-8,408	-5.0	-14,732	-8.7	-6,324	75.2
Total Financing	8,408	5.0	13,145	7.8	4,737	56.3
o/w Domestic (Net)	6,171	3.7	10,185	6.0	4,014	65.0
o/w Petroleum/ Sinking & Contingency Funds	-149	-0.1	-874	-0.5	-725	485.0
Primary Fiscal Balance	2,083	1.2	-2,374	-1.4	-4,457	-214.0

Sources: Ministry of Finance

### **Revenue**

Shortfalls in revenue are also structural in nature, caused mainly by a failure over the years to expand the tax base, through growth-inducing policies, and expand the tax net, by roping in more eligible tax payers. In the midst of the recent crisis, a myriad of taxes, with the primary objective of plugging holes in the budget but with scant regard for the depressive effects of taxes on businesses, contributed to a slowdown in growth, which in turn reduced revenue yield and thus helped worsen the problem it was meant to resolve.

### **Expenditure**

With respect to expenditure, the main causes of overruns include a bloated and low-productivity bureaucracy, the bane of fiscal policy management since the 1960s. Another factor is weak planning, especially human resource planning, and poor budgeting practices. In many instances, budgets are prepared without adequate provision for promotions and new recruits, leading to mid-expenditures that were not planned for and which often lead to an increase in government's perennial build-up of areas. Overall, it also tends to a scaling back in capital expenditures, which undermines the ability of the government machinery to function effectively over the long term.

### **Debt Management**

Debt management has been a problem for two main reasons:

- i. Borrowing to finance recurrent expenditures, especially the ever-expanding wage bill, a violation of one of the cardinal principles of public finance: do not borrow to finance consumption, because it does not pay for itself. Instead, recurrent expenditures are to be financed from current revenue, itself a function of the current state of the economy, hence the need for fiscal policy to favour strong economic growth. A weak economy, therefore, should attract a reduction in current expenditures, including a reduction in the number of people on the payroll; in practice, the opposite has often been the case in order to avoid potential labour agitation in the face of high unemployment, which itself is caused by low economic growth.
- ii. The use of short-term debt to finance infrastructure, which leads to a rapid build-up in debt servicing in the short term and strains government finances, is another violation of a public finance principle

that recommends, instead, the use of long-term debt for the purpose. Known as inter-generational financing, this approach promotes social equity, while meeting economic objectives, by spreading both the costs and benefits of infrastructure across generations, instead of placing the burden solely on the current one.

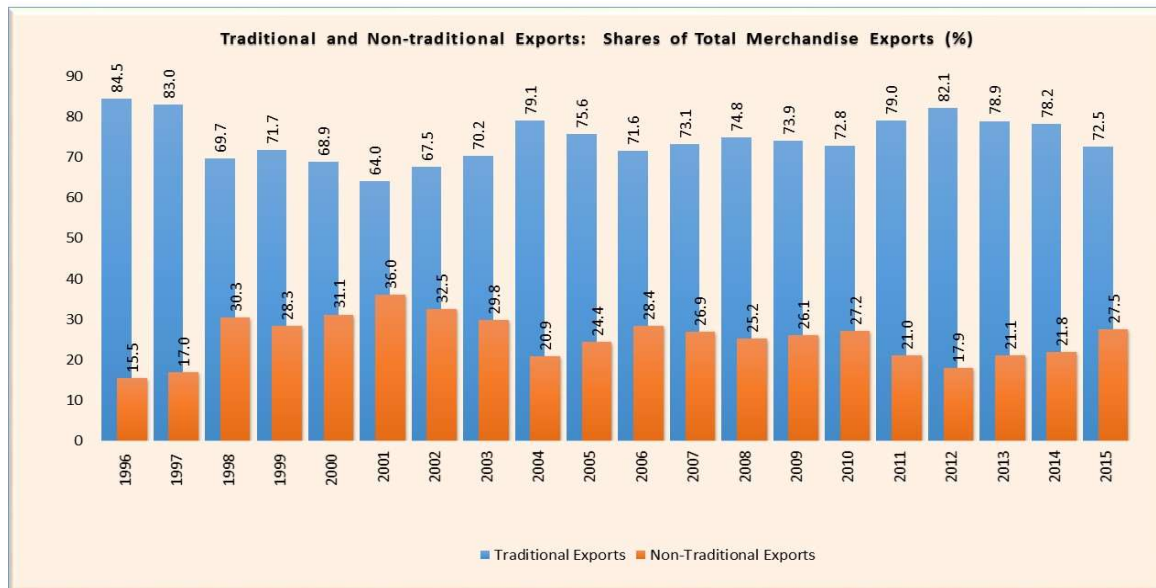
In the 2013 budget statement, government recognised the pitfalls of this approach to infrastructure financing and promised to “curtail over-reliance on short-term instruments such as treasury bills to finance the capital budget and deficit.”

### 4.5.3 International Trade and Investment

Ghana’s economy remains highly dependent on primary commodities, despite efforts by successive governments since independence to “add value” and diversify both products and markets; foreign investment remains heavily skewed towards the extractives industry, and the bulk of non-extractives investment is concentrated in the Greater Accra Region.

Figure 4.14 shows trends in traditional and non-traditional exports between 1996 and 2015. The share of traditional exports, made up mainly of cocoa, gold, and (since 2011) crude oil, averaged about 75.0 percent over the period, while that of non-traditional exports, after rising from 15.5 percent in 1996 to a high of 36.0 percent in 2001, declined for most of the remaining years.<sup>23</sup>

**Figure 4.14: Traditional and Non-Traditional Exports: Shares of Merchandise Exports (%)**



**Source: NDPC, based on Bank of Ghana data, 2017.**

<sup>23</sup> Other commodities under traditional exports are: diamonds, bauxite, manganese, timber, and electricity.

**Table 0.4. Trends and Patterns in Non-traditional Exports (2004-2015)**

Trends in Non-Traditional Exports (2004-2015)									
	Value of Non-traditional Exports (US\$)				Percentage Shares of Non-traditional Exports				
	AGRICULTURAL	PROCESSED & SEMI-PROCESSED	HANDICRAFT	TOTAL	AGRICULTURAL	PROCESSED & SEMI-PROCESSED	HANDICRAFT	TOTAL	
2004	159,850,767	540,375,136	5,202,935	705,428,838	22.66	76.60	0.74	100.00	
2005	138,447,729	617,942,453	7,597,765	763,987,947	18.12	80.88	0.99	100.00	
2006	177,499,537	710,887,791	4,490,389	892,877,717	19.88	79.62	0.50	100.00	
2007	197,237,890	963,477,776	3,796,463	1,164,512,129	16.94	82.74	0.33	100.00	
2008	187,621,229	1,149,999,125	3,324,941	1,340,945,295	13.99	85.76	0.25	100.00	
2009	150,859,274	1,061,907,600	2,274,023	1,215,040,897	12.42	87.40	0.19	100.00	
2010	164,934,111	1,461,483,989	2,780,380	1,629,198,480	10.12	89.71	0.17	100.00	
2011	296,975,451	2,122,789,963	3,575,253	2,423,340,667	12.25	87.60	0.15	100.00	
2012	276,386,041	2,083,905,792	4,098,666	2,364,390,499	11.69	88.14	0.17	100.00	
2013	323,709,596	2,110,030,455	2,462,262	2,436,202,313	13.29	86.61	0.10	100.00	
2014	340,680,000	2,169,650,000	3,470,000	2,513,800,000	13.55	86.31	0.14	100.00	
2015	396,910,000	2,120,500,000	4,270,000	2,521,680,000	15.74	84.09	0.17	100.00	

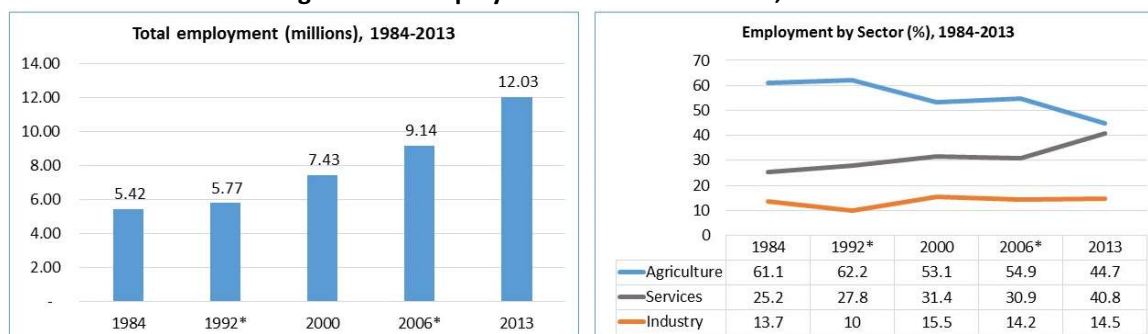
*Source: Ministry of Trade and Industry data, 2017.*

The weak performance of non-traditional exports (NTEs) is partly due to the low value of commodities in that category. With respect to international capital flows, particularly foreign direct investment (FDI), the country saw a rapid rise from US\$330 million in 2005 to just over US\$1.0 billion in 2007, as foreign investors intensified efforts at oil discovery off the shores of Ghana. In 2008, one year after the discovery of oil in significant quantities, overall capital inflows reached a historic high of nearly US\$3 billion. It remained above US\$2.0 billion every year thereafter before falling to US\$1.5 billion in 2015, as world oil prices fell and investments in the sector moved towards production, where costs are relatively low.

#### 4.6 ECONOMIC GROWTH AND JOB CREATION

The number of jobs created by the economy, and especially the quality of those jobs, is of critical importance to policy makers because of the role of “employment and decent work” in fighting poverty and reducing inequality. Between 1992 and 2013, the year with the most recent data, employment levels rose from about 5.8 million to 12.0 million, implying an annual growth rate of 3.7 percent in job creation. (See Figure 4.15). Agriculture sector employment, however, declined from 61.1 percent to 44.7 percent, while those of the services rose steeply from 25.2 percent to 40.8 percent; employment in the industrial sector, which rose from 13.7 percent in 1984 to 15.5 percent in 2000 inched downward to 14.5 percent in 2013.

**Figure 4.15: Employment Levels and Trends, 1984-2013**

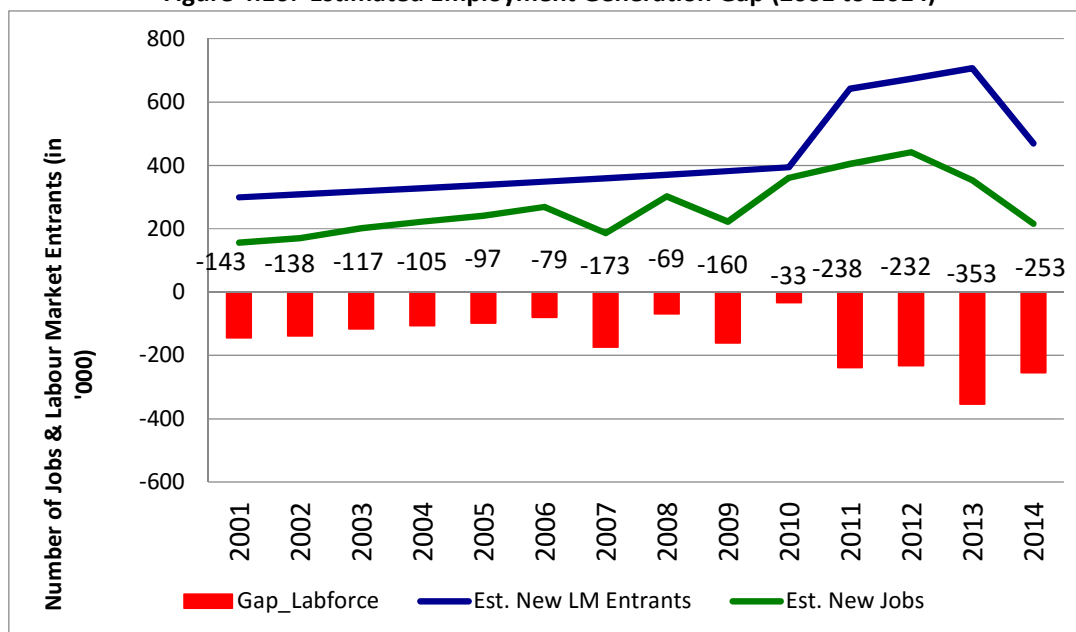


*Source: NDPC, based on GSS data (2015).*

At just 3.7 percent, the average annual pace of employment growth is deemed to be inadequate for the creation of ample job opportunities, especially for the youth.

Figure 4.16 presents the gap between estimated new labour market entrants and actual jobs created between 2001 and 2014. The gap ranged from a low of 33,000 in 2010 to a high of 353,000 in 2013. Data from the Integrated Business Establishment (EIB) Survey published by the Ghana Statistical Service showed that in 2014, a total of 207,492 new jobs were created by non-household establishments, representing only 44.0 percent of the estimated 469,000 people who entered the labour market that year. The services sector accounted for most (181,641, or 87.0 percent) of the jobs created in 2014, with 24,095 (12.0 percent) coming from industry. The manufacturing sector accounted for 19,113 of the jobs in the industrial sector, according to the survey.

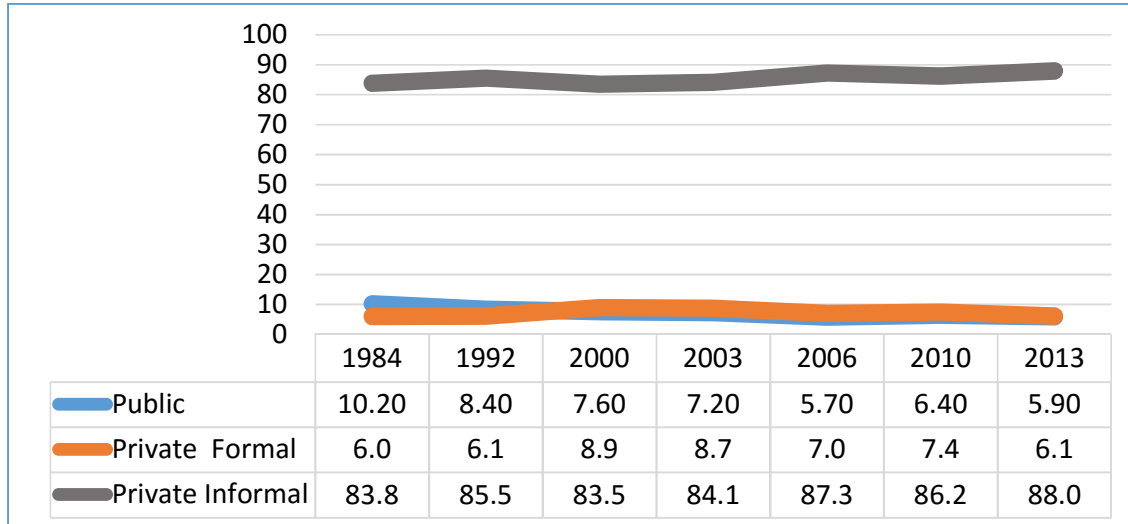
**Figure 4.16: Estimated Employment Generation Gap (2001 to 2014)**



*Source: NDPC, based on GSS data (2015 and consultant's computations).*

The structure of employment across the three institutional sectors – public, private formal and private informal – remained essentially the same, with the informal sector accounting for nearly 90.0 percent (See Figure 4.17). The informal sector, however, accounts for only about 40.0 percent of economic output, or GDP, due to low levels of productivity that are the results of low education levels, low skills, low levels of technology, and inefficient production processes, among others.

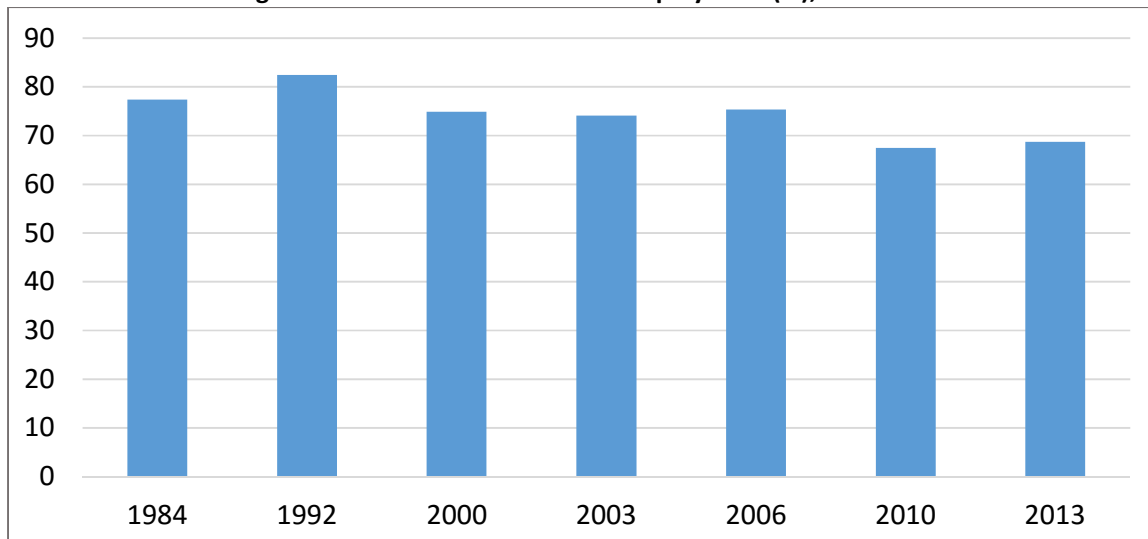
**Figure 4.17: Employment Shares by Institutional Sector (%), 1984-2013.**



**Source: NDPC, based on GSS data (2015)**

The percentage of workers in vulnerable employment, which is a measure of the quality of jobs, however, fell from 77.4 percent in 1984 to 68.7 percent in 2013 (See Figure 4.18). This measure, however, applies only to workers in self-employment without employees, or those in unpaid household work (that is, the informal sector). Given the likelihood of vulnerability – in terms of “unprotected jobs” –in wage employment, either in the public sector or the private formal sector, the International Labour Organisation recommends the use of the broader term “informal economy” to capture the broader category of workers so affected. (This alternative definition, however, is yet to be incorporated into the country’s statistics system and so is not formally measured and as such does not form part of the discussion of employment here).

**Figure 4.18: Trends in Vulnerable Employment (%), 1984-2013.**



**Source: NDPC, based on GSS data (2015).**

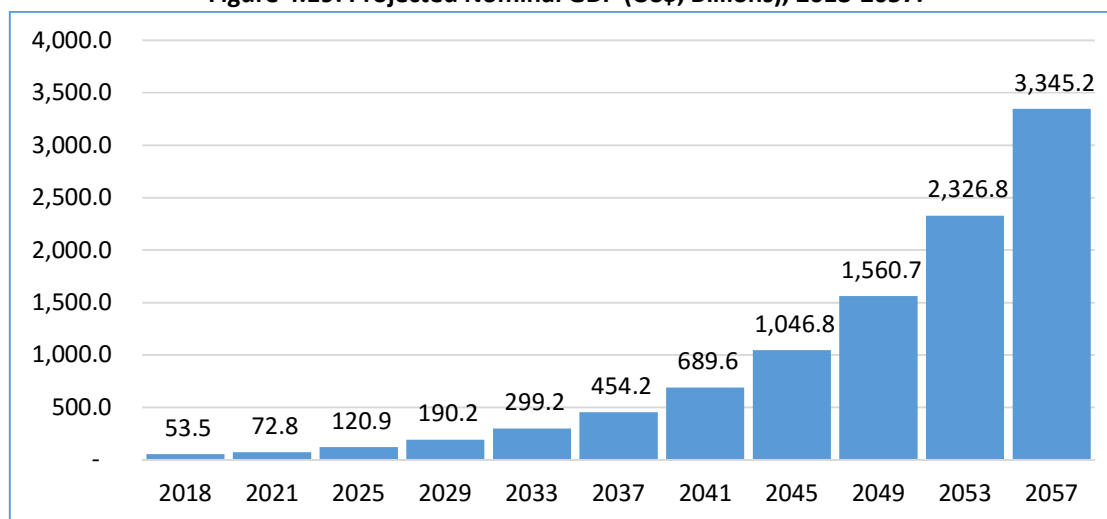
## 4.7 VISION OF GROWTH (2018-2057)

### 4.7.1 Overall Growth in Economy and Incomes

By the end of the plan period, 2057, Ghana ought to have attained a high-income country status, with a nominal GDP of US\$3.3 trillion and a per capita GDP of US\$58,402, equivalent to US\$21,750 in 2015 prices.<sup>24</sup> The population of the country is expected to reach 57.3 million in 2057, up from an estimated 30.38 million in 2018. (See Figures 5.20 and 5.21 below).<sup>25</sup>

Three phases of growth, measured in nominal US dollars for purposes of international comparison, are envisaged under the Plan. The first phase, 2018 to 2029, is expected to be characterised by rapid nominal growth, averaging 12.4 percent per year. This high growth rate is expected to come from many sources, notably the utilisation of idle capacity by Ghanaian firms following the recession of 2012 to 2016 (where growth slowed from 14.05 percent in 2011 to 3.6 percent in 2016); aggressive investment by government and the private sector in infrastructure, especially energy, to remove production and supply-chain bottlenecks; net investment in plant and equipment; and, finally, growth in “strategic exports”, to be defined by a special government commission based on domestic advantages and potential markets as part of efforts to reduce the country’s exposure to the volatility of revenue from primary commodity exports. This is expected to increase its annual international reserves to at least seven and-a-half months of import cover.

**Figure 4.19: Projected Nominal GDP (US\$, Billions), 2018-2057.**



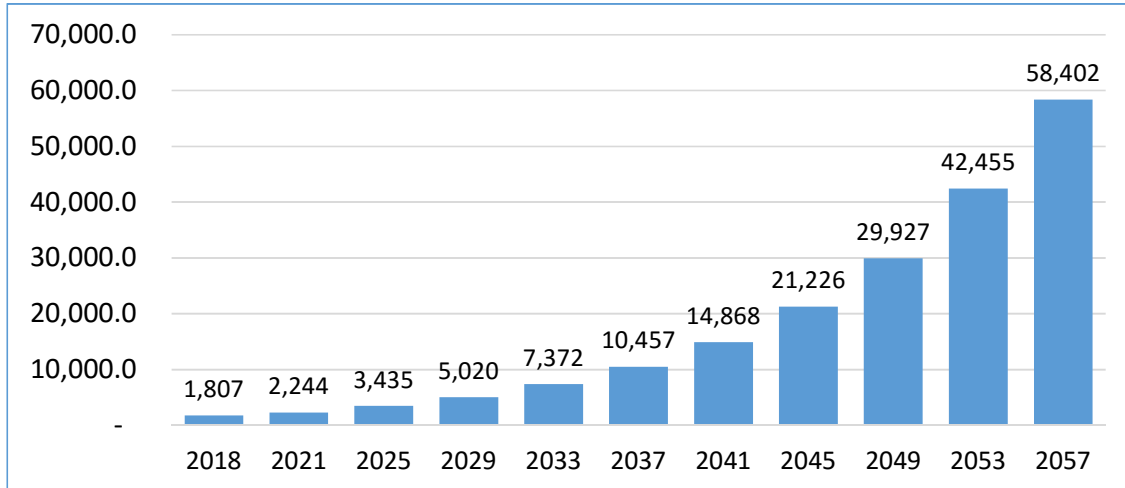
*Source: NDPC, 2017*

<sup>24</sup> All projections in the Plan are based on the best available data and information at the time of preparation. As new information becomes available in the future and circumstances evolve, the projections will be modified accordingly, as is the practice in development planning. Overall direction of change and progress, however, will be maintained.

<sup>25</sup> The World Bank’s minimum threshold for high-income countries as of 2015 was \$12,736, but the actual incomes for most countries were substantially.



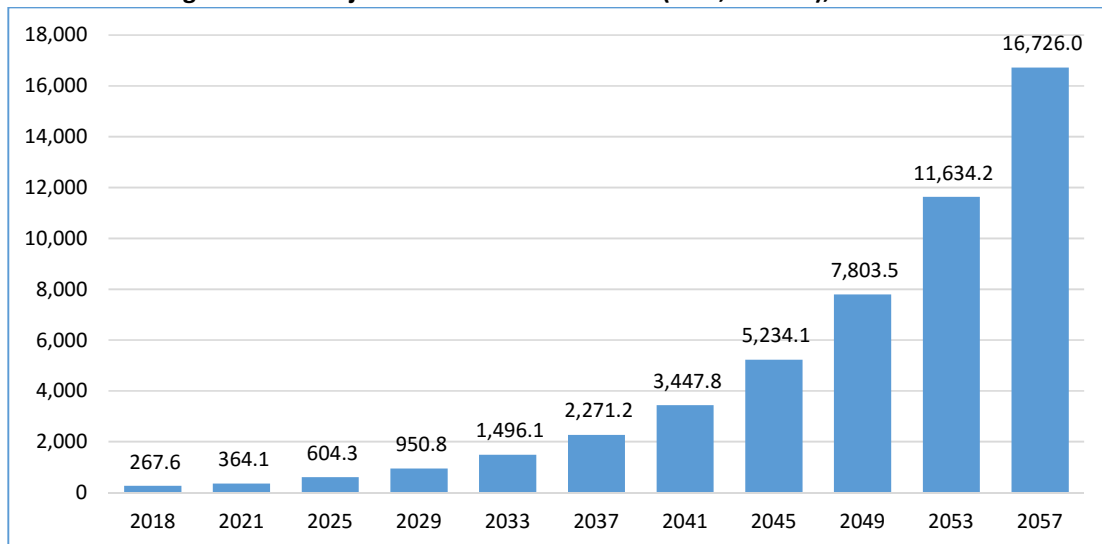
**Figure 4.20: Projected Nominal Per Capita GDP (US\$), 2018-2057**



Source: NDPC, 2017

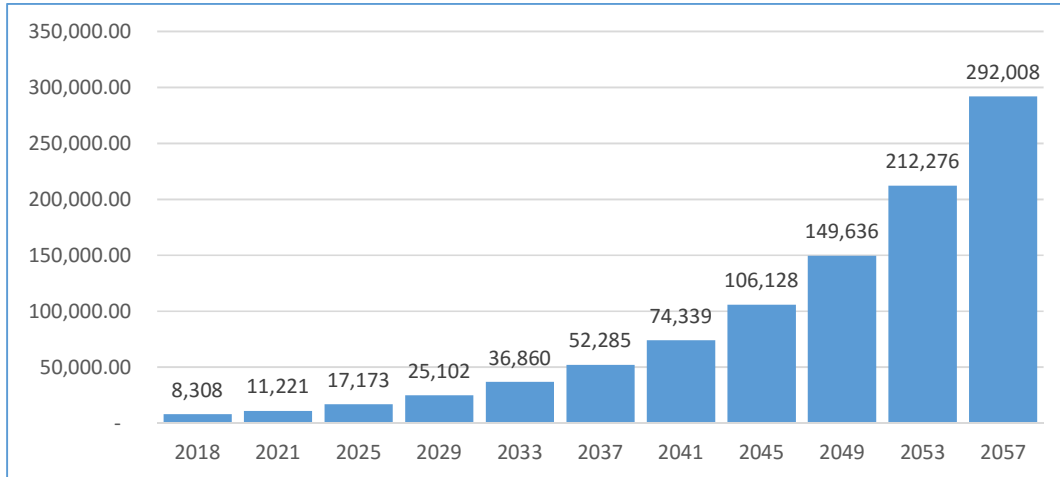
In the second phase, 2030 to 2045, with a substantial part of idle capacity utilised, nominal growth is expected to ease to an average of about 11.3 percent per annum, as existing firms consolidate the gains of the previous phase and new firms emerge to take advantage of new growth opportunities. The third phase, or the “managing success phase” (2046-2057), is to be characterised by stable and high single-digit growth, supported by strengthened state and non-state institutions, a 21<sup>st</sup> century labour force of highly educated and highly skilled workers, and modern infrastructure and social services. With a larger GDP base, the lower growth is expected to translate into larger net additions to national income. Employment and decent work (made up of high productivity and high incomes) will be the primary indicator of measuring economic progress by successive governments. For the period as a whole, overall dollar-denominated nominal GDP is expected to grow at an average nominal rate of about 11.2 percent per year.

**Figure 4.21: Projected Nominal GDP Levels (GH¢, billions), 2018-2057**



Source: NDPC, 2017

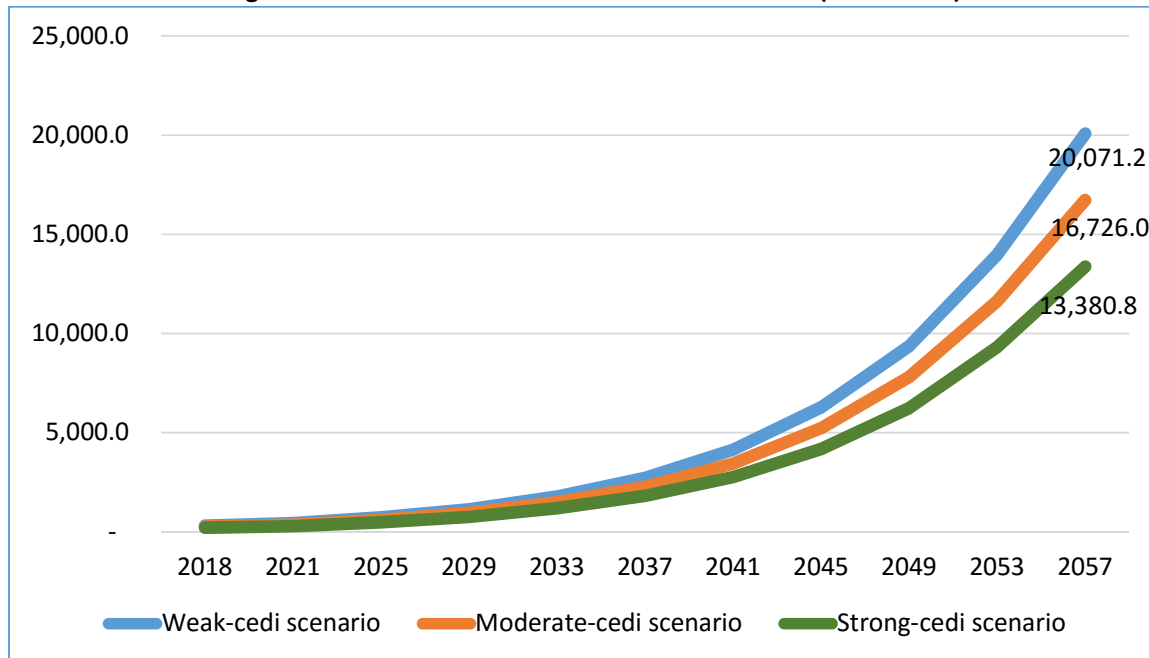
**Figure 4.22: Projected Nominal Per Capita GDP (GH¢), 2018-2057**



**Source: NDPC, 2017**

Cedi-based GDP growth, measured in real (or inflation-adjusted) terms in order to determine the actual volume of goods and services produced for domestic consumption and exports), is expected to average 9.5 percent per year. Per capita GDP in cedis is expected to grow steadily from GH¢8,308 in 2018 to GH¢292,008 in 2057 (See Figure 4.23).

**Figure 4.23: The Cedi and Alternative Growth Paths (GH¢ billion)**



**Source: Source: NDPC, 2017**

The dollar projections of GDP will depend crucially on the stability of the cedi, as discussed previously. A moderate change in the cedi vis-à-vis the dollar over the plan's period is the basis of the dollar-based GDP for the period. A strong or weak cedi against the dollar will require offsetting medium-term growth targets to preserve the projected dollar levels of GDP. This means that overall macroeconomic stability,

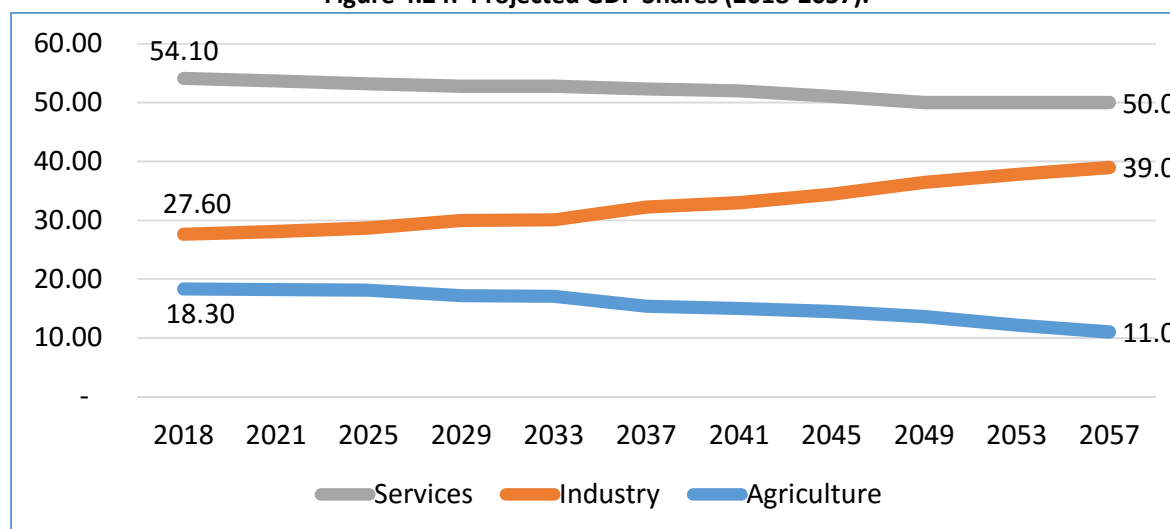
and exchange rate stability in particular, will be crucial to the attainment of the overall growth objectives of the plan. (See discussion of New Paradigm for Exchange Rate Management below).

#### 4.7.2 Economic Growth and Structural Transformation

As stated earlier, as an economy matures and the services sector in particular grows rapidly, the share of agriculture in GDP invariably falls, even if productivity is rising and overall agricultural is also increasing. This is partly because household expenditures on food remain more or less the same as incomes rise. However, expenditure on services, ranging from beauty-related services to health, education, tourism, and entertainment, tends to rise in proportion with an increase in household incomes.

In the course of the long-term plan, similar trends are expected. Agriculture’s share of GDP is expected to fall to 9.0 percent, while that of industry, driven by manufacturing, is projected to rise from 27.6 percent to 41.0 percent. The services sector is expected to decline to 50.0 percent as the economy is formalised and those in low-end services, such as petty trading and other forms of vulnerable employment, find work in the booming industrial sector.

**Figure 4.24: Projected GDP Shares (2018-2057).**



#### 4.7.3 The Strategy for Growth

##### ***Pre-condition for Growth: Sustained Macroeconomic Stability***

In the course of Ghana’s development, attaining macroeconomic stability (often for only brief periods) has been easier than sustaining it. This erratic pattern of stability-and- instability explains, to a large extent, the country’s inability to sustain high rates of growth since independence, while others that were at comparable or lower stages of development in the 1960s, such as South Korea, Malaysia and Singapore, have far out-performed Ghana. In 1962, for instance, Ghana’s per capita income of US\$190 was 73.0 percent *higher* than South Korea’s; by 2015, however, Ghana’s per capita income, after decades of macroeconomic instability, was only 5.0 of South Korea’s, which stood at US\$27,400, compared to

US\$1,480 for Ghana. (Had Ghana maintained the 1962 ratio to the present, its per capita income in 2015 would have been US\$47,402, and not US\$1,480).

This stark difference in development performance was partly due to the steep depreciation of the cedi against the US dollar, compared to the relative stability of Korea's *won*. Between 2000 and 2015, for example, the cedi depreciated at an annual average of about 14.0 percent, with the largest depreciation of 51.0 percent occurring in 2000; by contrast, the *won* appreciated by an annual average of about 0.66 percent. Significantly, neither the depreciation of the cedi boosted Ghana's exports, nor did the appreciation of the *won* impede growth of Korea's manufactures exports. On the contrary, they rose, while Ghana's fell.

The latest example of Ghana's tenuous hold on macroeconomic stability is the attainment of single-digit inflation in 2011 and 2012 only for it to deteriorate to double-digit in 2013 and beyond. In order for the long-term Plan to succeed, policy makers must put in place strategies to break permanently with this disruptive pattern of stability-and-instability.

### ***Three Dimensions of Macroeconomic Stability for the Plan***

Macroeconomic stability under the Plan is defined along three key dimensions, namely *inflation, exchange rate, and interest rates* (specifically, lending rates, or what banks charge to lend to their clients). Together, these indicators will serve as the foundation for initiating high rates of economic growth at the beginning of the plan and sustaining it throughout the period of the Plan. Indeed, as a high-income country, Ghana will have no choice but to maintain such stability in order to preserve its status and build upon it. The strategies for attaining stability along each of the three dimensions are discussed briefly below, in turn.

#### *i. Taming inflation over the long term*

The simplest definition of inflation provides perhaps the most useful insights into its causes and how to deal with it. Cost-push and demand-pull factors are the most dominant determinants of inflation anywhere. In the former case, impediments to production, such as poor electricity supply, that lead to a shortage of goods and services can lead to an increase in prices, or higher inflation. Poor transport infrastructure or weak distribution and logistics systems can also add to the cost of doing business and thus lead to increased inflation. The latter case occurs when demand for goods and services outstrips the economy's capacity to supply them. Demand by labour unions for higher wages (without a corresponding increase in productivity) or increased government expenditure towards consumption, rather than investment, and financed primarily by borrowing from the central bank, can all contribute to demand pull inflation.<sup>26</sup>

Inflation is the product of both sources. In seeking to bring down inflation to single digit under the Plan, therefore, policy should focus equally on production challenges facing Ghanaian industry as well as the fiscal weaknesses and excesses that fuel unsustainable consumption and ultimately undermine macroeconomic stability.

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<sup>26</sup> Broadly, an economy operating at or near full capacity may lead to shortages, including labour and raw materials, resulting in rising wages and, by extension, increased cost of doing business, which firms may pass on to consumers. Administrative interventions, such as the imposition or removal of certain levies by government, may also lead to a spike in inflation, although this would decline later.

ii. A new paradigm for exchange rate management

Ghana's ability to convert its cedi-based GDP to US dollars in order to measure progress towards high-income status, and also facilitate comparison with other countries, will depend crucially on a stable cedi, especially against the U.S. dollar. Table 4.6 illustrates how success in growing cedi-based GDP has been consistently undermined by the cedi's depreciation against the US\$. In 2014, nominal cedi GDP increased by GH¢19.9 billion (or 21.3 percent). However, a cedi depreciation of 34.7 percent that year resulted in a US\$10 billion fall in dollar-based nominal GDP, setting the country back in its effort to avoid the "middle-income trap". Indeed, in 2009, 2014, and 2015 – years in which the cedi depreciated by 24.6 percent, 34.7 percent, and 22.2 percent, respectively – Ghana's dollar-based GDP declined by a total of about US\$15.0 billion, despite the fact that cedi GDP increased by a total of GH¢50.2 billion. If measures had been taken to restrict the cedi's depreciation to 2.5 percent in 2014, 2015 and 2016, for example, dollar-based GDP would have *increased* by US\$8.8 billion, US\$10.3 billion and US\$13.0 billion, respectively.

**Table 4.6: Effects of Exchange Rate on Ghana's National Income Growth (2007-2017)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*	2017**
<b>Nominal GDP (GH¢, including oil)</b>	23,154	30,179	36,867	46,042	59,816	75,315	93,416	113,343	136,957	167,315	203,334
Absolute change (GH¢)	4,449	7,025	6,688	9,175	13,774	15,499	18,101	19,928	23,614	30,358	36,019
Percent change	23.8%	30.3%	22.2%	24.9%	29.9%	25.9%	24.0%	21.3%	20.8%	22.2%	21.5%
Cumulative growth (%) - 2009,13,17			97.1%				153.4%				117.7%
<b>Average Exchange Rate (US\$/GH¢)</b>	0.94	1.07	1.42	1.43	1.51	1.81	1.92	2.94	3.78	3.90	4.40
Cedi depreciation against US\$ (%)	-2.1%	-12.1%	-24.6%	-0.7%	-5.3%	-16.6%	-5.7%	-34.7%	-22.2%	-3.1%	-11.4%
<b>Nominal GDP (US\$, Mil.)</b>	24,632	28,205	25,963	32,197	39,613	41,611	48,654	38,552	36,232	42,901	46,212
Absolute change (US\$)	4,300	3,573	-2,242	6,235	7,416	1,997	7,043	-10,102	-2,320	6,669	3,311
Percent change	21.2%	14.5%	-7.9%	24.0%	23.0%	5.0%	16.9%	-20.8%	-6.0%	18.4%	7.7%
Cumulative growth (%) - 2009,13,17			27.7%				87.4%				-5.0%

Source: NDPC, based on MOF/GSS data (2017); \* Provisional; \*\* Forecast

Source: NDPC, 2017

The argument for depreciation since the economic reforms of the 1980s has revolved around the orthodox argument that a currency's depreciation is essential to boosting a country's exports. While such a relationship may in fact exist – and did exist for some time in the case of Ghana – the assumed positive effects of depreciation on exports can easily be undermined by several structural and institutional factors, such as low productivity, slow supplier response to international demand, high domestic inflation, an inefficient logistics system, and the predominance of primary commodities, whose production and prices are largely determined outside the exchange rate system.

Table 4.7 shows the depreciation rates for Ghana and three comparator countries over 40 years, as well as each country's share of manufactures in merchandise exports. While Ghana had the largest average depreciation of nearly 14.0 percent over the period, its share of manufactures in merchandise exports was less than 10.0 percent, compared to 22.2 percent for Kenya, 53.4 percent for Mauritius, and 90.1 percent for South Korea.

**Table 4.7: Currency Depreciation: Ghana vs Selected Countries (1973-2013).**

	Average Annual Depreciation Rates (%), Ghana & Selected Countries				Manufactures Share of Merchandise Exports (%)
	1973-2013	1993-2013	2003-2013	1973-2013	1973-2013
<b>Korea</b>	-1.88%	-0.59%	1.50%	-0.32%	90.14%
<b>Mauritius</b>	-3.92%	-2.95%	-0.01%	-2.29%	53.4%
<b>Kenya</b>	-5.49%	-3.78%	-0.63%	-3.30%	22.2%
<b>Ghana</b>	-18.66%	-15.46%	-7.58%	-13.90%	9.9%

Source: NDPC, 2017, based on World Development Indicators, 2015.

It is clear from the foregoing that, in order for the exchange rate to play a critical role in the successful implementation of the long-term plan, the policy orthodoxy of depreciation as a tool for promoting exports will have to be replaced with a structuralist-institutionalist approach that tackles the root causes of low productivity, weak industrial growth, poor infrastructure and logistics services as well as the excessive concentration of primary commodities in merchandise exports.

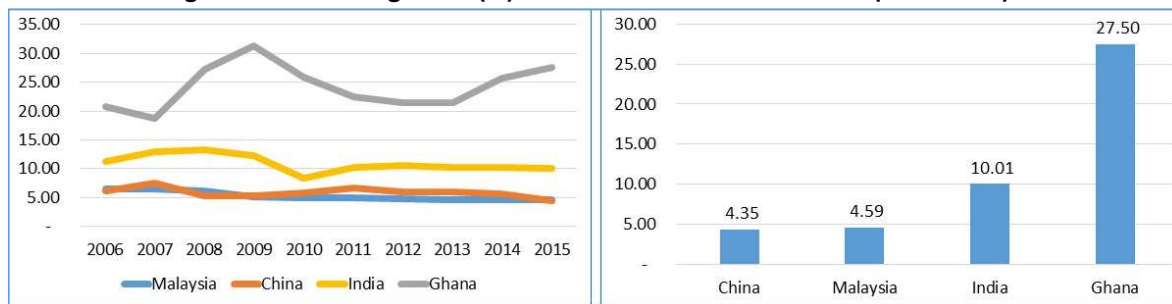
In this regard, an annual exchange rate depreciation of no more than one percent over the period of the plan is recommended, with the implication that actual depreciation (or appreciation) would fluctuate around this figure.

While such a target may seem ambitious, it is desirable for two critical reasons: (1) It will constitute a decisive break from the decades-old view among policy makers that the cedi *must* always depreciate substantially to support growth; the record shows that as an import-dependent economy, large depreciations have been more harmful than helpful. and (2) Such an ambitious target will compel policy makers to pursue the necessary policy to achieve such a target.

### iii. Bringing down interest rates

Lending rates in Ghana remain among the highest in the world, restricting the ability of existing businesses to operate and expand and for new ones to emerge. Figure 4.25 compares trends and patterns in lending rates in Ghana to those of three comparator countries with consistent data for the period 2006 to 2015. It is clear that unless decisive actions are taken to address the problem, Ghanaian businesses will continue to be at a disadvantage, with higher costs of production that make them non-competitive in both domestic and international markets.

**Figure 4.25: Lending Rates (%). Ghana vs. Selected Countries (2006-2015).**

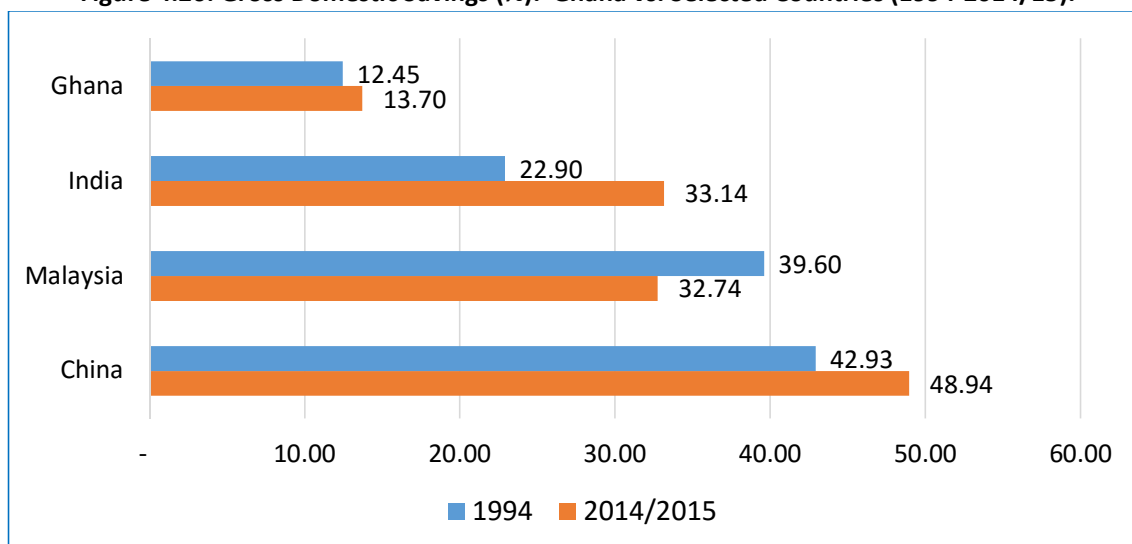


**Source: NDPC, 2017, based World Development Indicators, 2015.**

The causes of high interest rates vary, from “excessive” borrowing by government, which, unlike private firms, has the capacity to pay higher interest rates, to factors peculiar to banks, such as collusion or inefficient banking practices that are passed on to borrowers in the form of higher interest rates and fees. But those are mostly institutional factors; the structural causes, which must be tackled over the long-term, include persistently low national savings. Figure 4.26 illustrates the scope of the task of raising Ghana’s national savings rates to internationally competitive levels.<sup>27</sup>

<sup>27</sup> The national savings rate is made up of government savings (either a low budget deficit or a surplus), business profits, and household savings.

**Figure 4.26: Gross Domestic Savings (%). Ghana vs. Selected Countries (1994-2014/15).**



*Source: NDPC, based on World Development Indicators, 2015*

## 4.8 RE-THINKING PRIVATE SECTOR DEVELOPMENT

### 4.8.1 Background

Concerted government efforts to promote “private sector development” began in 1991, with the formation of a Private Sector Advisory Group to address what was described as the “incommensurate response” of the sector to the economic reforms of the 1980s.<sup>28</sup> No impact study of that initiative was subsequently conducted, although available data later showed that domestic credit by the financial sector, as a share of GDP, increased from an average of 21.5 percent between 1983 and 1990 to 26.3 percent between 1991 and 2003. This increase, which may have partly resulted from the work of the Advisory Group, was still lower than the average of 67.2 percent for middle-income countries and 142.6 percent and 137.7 percent, respectively, for South Africa and Malaysia.

In 2004, under the slogan, “Golden Age of Business”, government launched a “medium-term” Private Sector Development Strategy (PSDS) to, among other things, improve international competitiveness and deliver “sustainable, equitable and widespread private sector led growth”; an associated programme of public sector reforms was included to help improve the business environment.<sup>29</sup>

In 2010, a successor 5-year PSDS was launched, this time with widened donor support beyond the World Bank to include bilateral support, under the slogan, “A Thriving Private Sector: A Partnership for Growth and Development”. In 2016, the World Bank commissioned a study to assess the effectiveness of the two strategies, which cost an estimated US\$650 million, almost all of it from donors. The initial findings of the writers of the report said that “no substantive programme implementation occurred” and described the

<sup>28</sup> Report by the Private Sector Roundtable Group on Private Sector Development in Ghana, Accra, November 1993, Government of Ghana.

<sup>29</sup> “Private Sector Development: Summary of Main Conclusions Recommendations”, workshop organised by Ishmael Yamson & Associates, Bortianor, 2008.

“long-term impact” of the two strategies as “questionable”, noting that “too many activities focused on creating ‘gap filling funds.’”<sup>30</sup>

These findings echoed those of an earlier assessment in 2008 of the first PSDS. Among their findings were the following:<sup>31</sup>

- Over the past 3 years, the vision of bringing about the golden age of business lost some of its prominence along with the PSDS. The PSDS has not been able to retain the attention of politicians and the general public ... The Ghana Investor Advisory Council (GIAC), a vital mechanism to hold the Government of Ghana (GoG) to account for delivering the golden age of business, has not met for the past two years...
- “The PSB [Policy Support Bureau] estimates that the programme is likely to achieve less than 60% of the milestones set for this year and will disburse less than a third of its budgeted spend. Crucially, it is unlikely to meet 4 out of the 5 key milestones that were agreed as the litmus test of progress this year [2008] by the ‘owners’, represented by the Sector Working Group.

#### 4.8.2 A New Approach to Private Sector Development

To ensure an effective role for the private sector in the long-term plan, a new approach will have to be adopted. This should be grounded in the knowledge that successful private sector development will have to be a dynamic and continuous process of reform, performance reviews, and reformulation of policies and strategies over the long term, rather than a collection of time-bound donor-funded projects with no strategic direction or effective coordination. Medium-term frameworks, such as the PSDS’s, should be situated within such a long-term strategy based on the overall growth trajectory of economic growth and the national development aspirations of the Plan.

The following broad strategies should guide the preparation of future private sector development initiatives.

- Strategic thrust: The main focus of private sector development should be creating generally conducive conditions for all businesses, small and big, to thrive. This would mean a stable macroeconomic environment, reliable and efficient infrastructure services (including energy, transportation and logistics) as well as a reformed and responsive public service. Specific interventions, such as the establishment of special funds to support “entrepreneurship development”, or “distressed firms” should be the exception, and transparently managed to avoid elite capture, abuse and fraud as has been the case in the past, including the periods of the PSDS.
- Ownership: Government should show commitment and ownership of private sector development through the formulation of new policies and strategies, including review of the PSDS’s, and finance it entirely from the central government’s budget.
- Integrated approach: Private sector development must have an integrated approach involving both public sector and private representatives with roles and expectations clearly spelt out. This approach is illustrated in Figure 5.27.
- Management development: Business associations, especially small-and-medium-scale enterprises, must actively encourage and introduce their members to modern methods of

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<sup>30</sup> The preliminary report also made the following observation: “Complex – too many strategies [and] many overlapping policies, plans, programs of areas covered in PSDS II, including: Industrial Policy, Trade Policy, Industrial Sector Support Program; Trade Sector Support Program; National Export Development Strategy for Non-Traditional Exports (2013-2017); Tourism Development Plan (2013-2027); and National Human Resource Development Strategy for PSD”.

<sup>31</sup> Ishmael Yamson & Associates, *ibid*.



business management, including the use of information and communication technology, modern marketing practices, as well as financial management for SMEs.

- Skills development: Industry must work with government and academic institutions to develop skills in line with immediate and anticipated demands of the economy as it evolves over the next 40 years (see discussion of 21<sup>st</sup> Century Labour Force below).
- Export market development: With the Ministry of Trade and Industry and the Ministry of Foreign Affairs and Regional Integration co-leading, Government should explore new markets and strengthen existing ones for Ghanaian firms.
- Public sector reforms and innovation: Effective private sector development will require effective collaboration between the sector and government, which in turn requires an effective, efficient and responsive public sector. This can only come about through a conscious and simultaneous reform of the public services, including modernisation of archaic processes and the dynamic use of technology.
- Standards and quality development: Such development, including packaging and compliance with national and international standards, is needed to compete against imports and enter foreign markets.
- Infrastructure development:
  - *Transportation*: Modern inter-modal transport systems to facilitate timely delivery of goods and services to ports, distribution points, and consumers
  - *Reliable and affordable electricity*: Electricity generation targets and performance must form a regular part of policy discourse, reported quarterly and yearly in national budget statements.
  - *Logistics and supply chain development*: This will require a range of reforms, including process re-engineering, to ensure that government services, including inspection and certification, are offered as promptly and efficiently as possible. Performance should be benchmarked against national aspirations and global best practices.

#### **4.8.3 Targeted Interventions: Business Development Approach**

A critical distinction must be made between “private sector development” and “business development”. While the former deals with the totality of improving the conditions in which *all* businesses operation, the later focuses on aiding specific enterprises to operate generally or overcome some firm-level challenges. Business development must be the exception, rather the norm, for private sector development due to past experiences of abuse, such as misapplication of loans or grants be recipient, and generally low loan recovery rates.

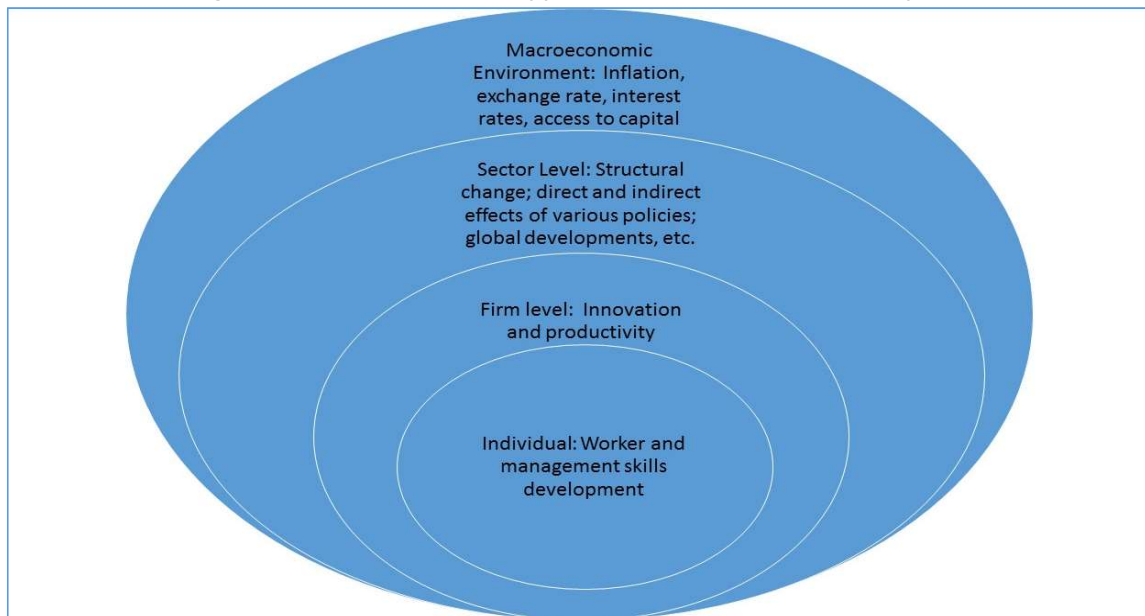
#### **4.8.4 Creating Ghana Inc.: Private Sector Development Beyond Election Cycles:**

A review of the economic performance of some of the fastest-growing emerging economies around the world shows that the most successful ones often had a strong and nationalist collaboration between government and business that goes beyond political considerations. The overarching objective is to promote the national interest. In Ghana, the economic fortunes of some businesses have been known to rise and fall with the political seasons; it is time to create a Ghana Inc. that will transcend the political season and work for the collective benefit of Ghanaians.

#### 4.8.5 Special Focus: Formalising the Informal Sector

The ambitious transformation agenda of the long-term plan will not succeed without a deliberate policy and road map to transform the informal sector, which accounts for nearly 90.0 percent of employment but only 40.0 percent of GDP due to exceptionally low productivity. The existence and growth of this sector is partly due to the steady decline in the formal sector, particularly the manufacturing sector, whose share of GDP declined by 50.0 percent in a 10-year period. As manufacturing expands and provides more jobs and decent work, the informal sector can be expected to decline. However, policies to transform the sector from low-productivity to high-productivity must form a central part of the medium-term plans of the long-term plan.

**Figure 4.27: An Alternative Approach to Private Sector Development.**



*Source: NDPC, 2017.*

### 4.9 MANAGING PUBLIC EXPECTATIONS IN THE AGE OF PETROLEUM

#### 4.9.1 Background

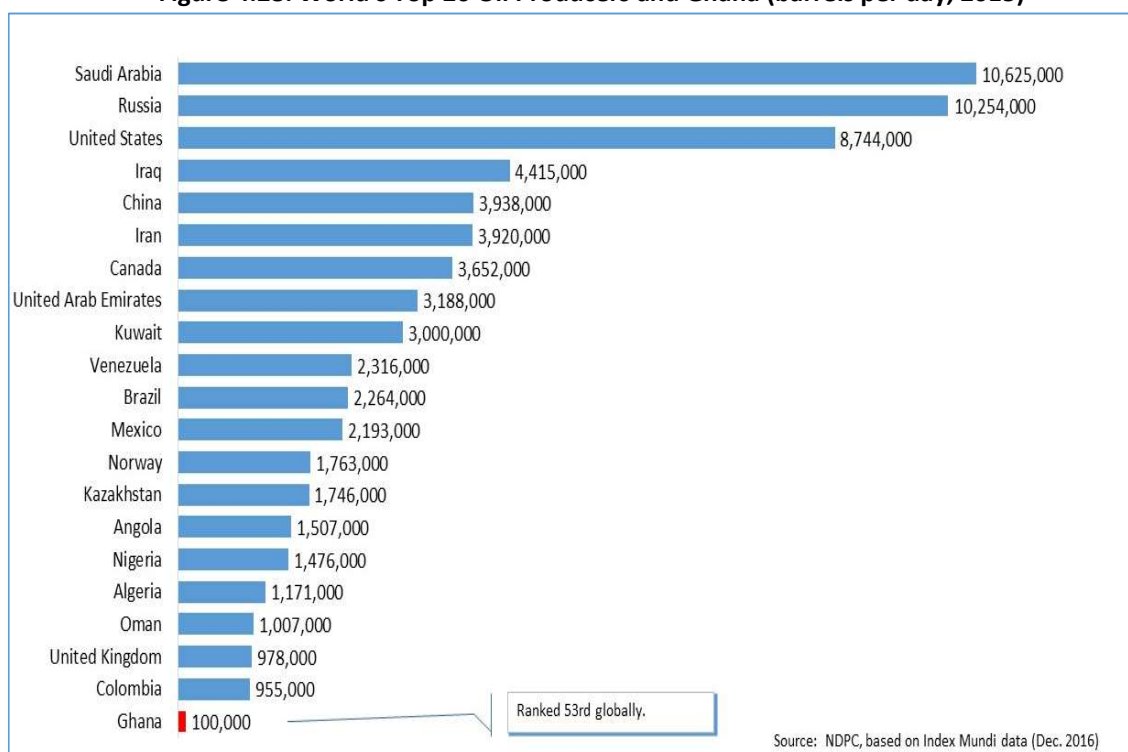
There has been heightened public expectations over the role of petroleum in national development since the discovery in 2007 of oil in commercial quantities off the shores of Ghana. (Prior to 2007, the Saltpond Oil Fields, which was first discovered in 1970 but started production in 1978, was producing on a much smaller scale – 160,457 barrels in 2006, and barely 200 barrels a day in 2017 compared to the 23.7 million barrels that were expected to be produced in 2011 from the new discovery. Act 815 (the Petroleum Revenue Management Act) was passed by Parliament in 2011, and among its provisions was an Annual Budget Funding Amount (ABFA) that specified the various uses to which proceeds from oil should be put. A Heritage Fund was also established under the Act to provide an “endowment to support the development of future generations when the petroleum reserves have been depleted.” In addition to these legislative provisions, there have been occasional public requests for portions of the oil to be used in support of one development project or the other. Annual Reports by the Public Interest and Accountability Committee, set up in accordance with the provisions of Act 815, have also indicated that

Government itself has not spent the oil revenue in accordance with the provisions of Act 815, and has tended to spread disbursements thinly over several projects, thus not making any meaningful impact.

These out-sized expectations of the role of oil revenue in national development need to be managed for two critical reasons:

- i. Ghana’s petroleum reserves are not as large as is publicly believed, and the net benefits to the economy, in terms of government revenue and employment, have so far been marginal and unpredictable. As of 2015, Ghana was ranked 53<sup>rd</sup> and 86<sup>th</sup> among oil and gas producing countries, respectively, with annual oil output equivalent to less than a week’s output in Saudi Arabia. (See Figure 4.28 and 4.29). Between 2011 and 2015, government realised only about half of the anticipated oil revenue, leading to serious dislocations in budgetary execution in those years.

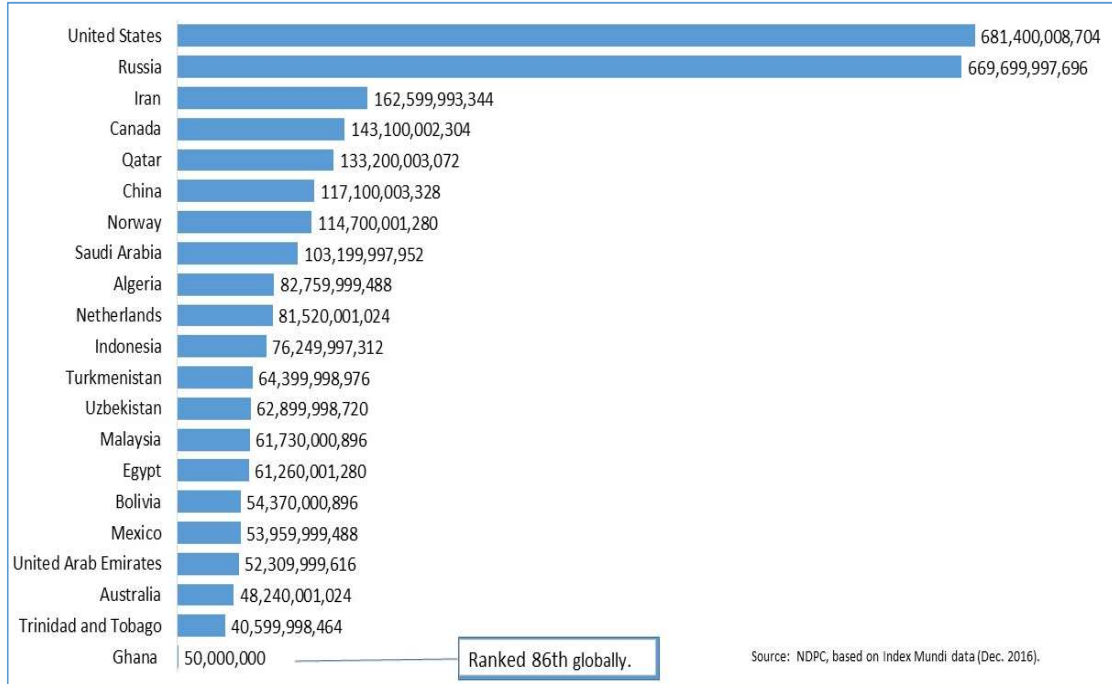
**Figure 4.28: World's Top 20 Oil Producers and Ghana (barrels per day, 2015)**



**Source: NDPC, 2017, based on data from Index Mundi.**

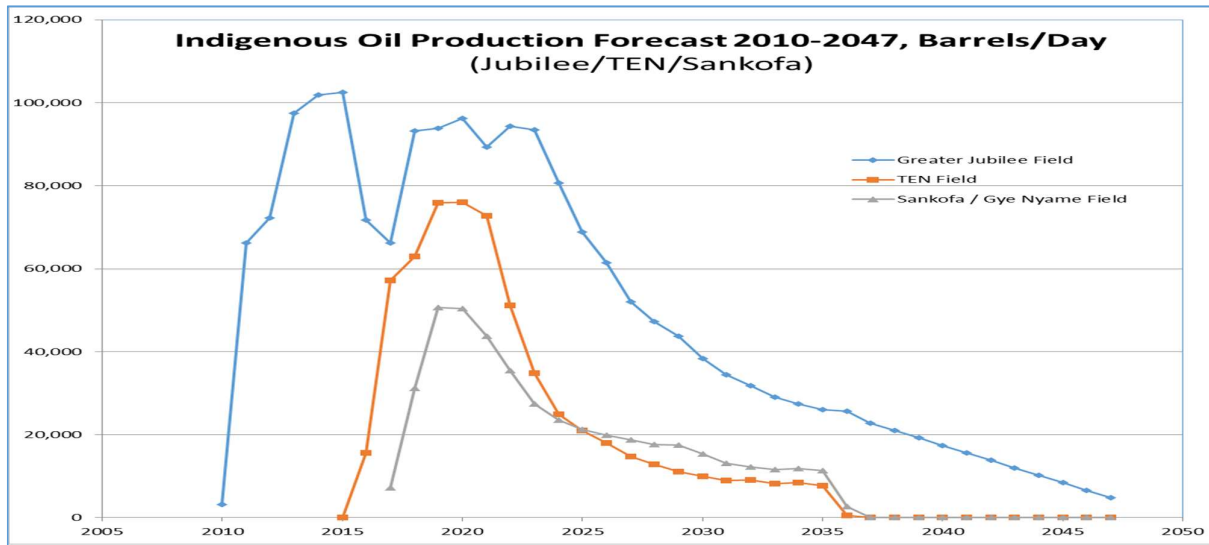
- ii. In 2013 a World Bank report, *Energizing Economic Growth in Ghana*, indicated that output of petroleum would peak in the mid-2020s and then decline afterwards. (See Figure 5.30). In terms of proven reserves, Ghana ranks 44 among the top 50 producers, indicating low prospects for a major boost in petroleum production in the immediate future. Ongoing exploration in the Keta and Volta Basins, however, may significantly alter this profile.

**Figure 4.29: World's Leading Natural Gas Producers, Plus Ghana (cubic metres/day, 2015)**



Source: NDPC, 2017, based on data from Index Mundi.

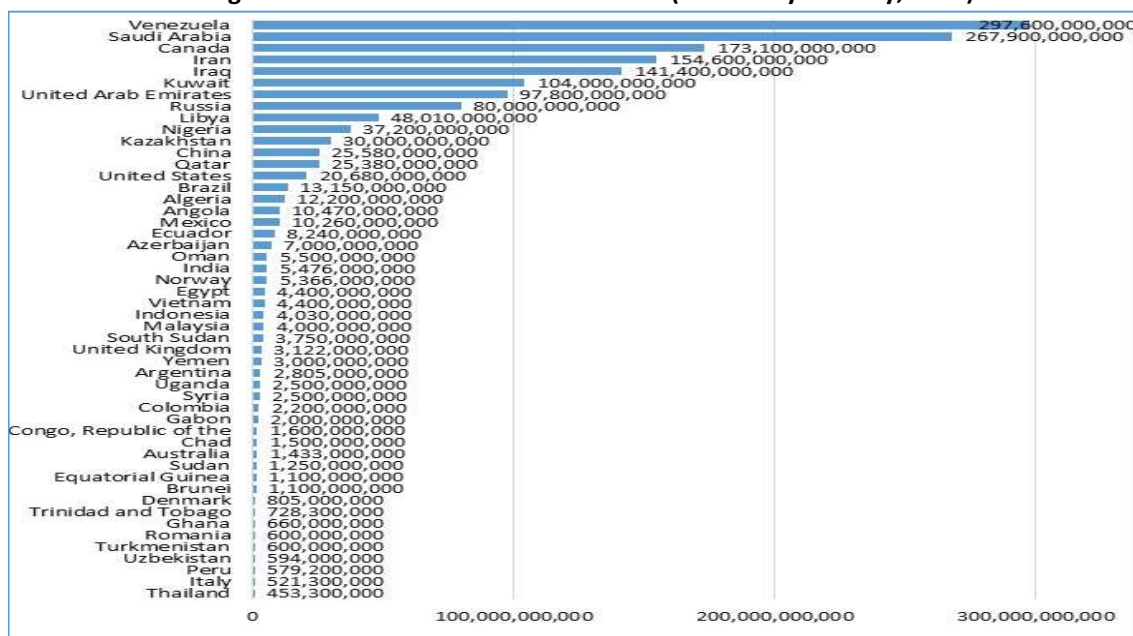
**Figure 4.30: Rise and Decline of Petroleum in Ghana (2010-2047)**



- iii. As the world moves towards renewable energy over the next 20-50 years under the Paris Agreement on Climate Change, the appeal of petroleum in the economies of the future is likely to wane significantly. France, for example, has proposed outlawing by 2040 the sale of vehicles that use petrol or diesel, while some vehicle producers have announced plans to increase the manufacture of electric vehicles. The sum effect of these developments on the petroleum sector worldwide is likely to be a decline in output and revenue.<sup>32</sup>

<sup>32</sup> Note that as of 2015, the entire annual oil production for Ghana was equivalent to what Saudi Arabia was producing in just under 5 days.

**Figure 4.31: Crude Oil: Proven Reserves (Ranked by Country, 2013)**



Source: NDPC, 2017, based on data from Index Mundi.

#### 4.9.2 The Future of Petroleum

The relative decline of petroleum in the global energy mix and the rise of other sources in the future, as the world embraces sustainable development means that government’s policy on the development of the petroleum sector must be situated within a broader energy sector development strategy. Investment in the sector, including human resources development along the entire value chain of the petroleum sector, should continue with the view towards adapting to the anticipated changes of the future. Skills development should be flexible enough to meet intermediate needs while preparing from the possible transition to clean energy from some fossil sources.

#### 4.10 STRATEGIC GROWTH AREAS

Based on extensive analysis of the country’s growth record, its current development potential, challenges and aspirations, as well as anticipated developments in the global economy, the Commission identified 25 strategic areas that will drive economic growth and foster social development over the short, medium and long term. The following broad criteria were used for the selection:

##### 4.10.1 Criteria for Selecting Strategic Growth Areas

- 1. Under-utilised capacity:** While there are no recent studies about industrial capacity utilisation in Ghana, period surveys by the Association of Ghana Industries (AGI) and the Private Enterprise Federation (PEF) suggest massive under-utilisation across all industries, especially since the onset of the economic recession in 2012.

**Table 4.8: Overview of Strategic Growth Areas**

Strategic Growth Areas for the Long-term Plan (short-to-medium term): mostly semi-skilled-to-skilled

	STRATEGIC GROWTH AREAS	CRITERIA			
		Under-utilised capacity	Job-creation Potential	Export potential	Economic Resilience
1.	Agriculture and agro-processing	☒	☒	☒	☒
2.	Pharmaceuticals	☒	☒	☒	☒
3.	Apparels and accessories	☒	☒	☒	
4.	Educational services exports	☒	☒	☒	
5.	Financial services	☒	☒	☒	
6.	Furniture and furnishings	☒	☒	☒	
7.	Health tourism	☒	☒	☒	
8.	ICT, business services and logistics	☒	☒	☒	
9.	Oil and gas sector	☒	☒	☒	
10.	Strategic minerals (salt, etc.)	☒	☒	☒	
11.	Tourism	☒	☒	☒	
12.	Tree crops development	☒	☒	☒	
13.	Coastal, landscape and forest management	☒	☒		
14.	Construction	☒	☒		
15.	Waste management	☒	☒		

Source: NDPC, 2016. 24

2. **Job creation potential:** Given the high unemployment rate, especially among the youth, the various sectors were chosen according to their potential to create jobs across a wide range of skills. For the short-to-medium term, the selected sectors cover the entire range of skills needed, from low to medium to highly skilled workers. For the long term, the selected sectors are mostly knowledge and high-skills-intensive; some, such as the steel, aluminium, and automotive industries, are also energy-intensive. They are all expected to benefit from the short-to-medium term reforms that are proposed for the education and skills development sectors under the long-term plan.

3. **Export potential:** The small size of the local market necessitates increased access to foreign markets. This, among other things, should reduce the unit cost of Ghanaian firms and make them globally competitive, besides contributing to job creation.

4. **Recession Resilience:** The ability of firms or entire sectors to withstand downturns, or a recession, in the economy is critical to a transformation agenda. As a rule, the food and pharmaceutical industry, because of the importance of their products to basic human survival, have proven to be the most resilient during downturns.

**4.10.2 Growth and Employment Prospects: Short-To-Medium Term**

The specific criteria for the following growth areas are that:

- they have capacity to grow rapidly, once macroeconomic stability is established institutional reforms for private sectors development are implemented, and
- given the high incidence of unemployment, they are labour intensive, especially for job seekers with low skills levels.

The criteria are not exclusive of jobs, such as teaching and health services, that require high levels of education or skills.

### ***Agriculture and agro-processing:***

Agriculture's overall share of GDP has fallen steadily over the years and is expected to fall further over the long term as other sectors, notably services, expand and at a faster pace. This is a universal phenomenon, and not peculiar to Ghana; for example, agriculture accounts for only 1.3 percent of GDP in the United States, compared to 20.1 percent in Ghana, but per capita agricultural output in the US in 2015 was US\$78,000, compared to only US\$1,529 in Ghana – an indication of the high agricultural productivity in America compared to Ghana. (See Table 4.9 for a snap-shot of productivity challenges in Ghana). Agricultural policy over the long term, therefore, will have to aggressively support improvements in productivity in the value chains of all the 4 main sub-sectors of agriculture, namely, crops (including cocoa and other cash crops), livestock, fisheries, and forestry/logging.

In terms of employment, agriculture accounts for nearly 40.0 percent of the total, the largest of any sector. This higher share of employment, compared to lower share of GDP, confirms that there are challenges of productivity in agriculture. As output per worker rises over the long term, overall employment levels in the sector are expected to fall. The agro-processing sector, an employment-intensive sector, should be prepared to take on the additional labour. Among other things, this process will require proper planning, including skills development from agriculture to manufacturing (agro-processing) and collaboration with key institutions, such as the University of Cape Coast, which offers programmes in agro-processing, as well as the Council for Scientific and Industrial Research, which has an established research programme in both agriculture and agro-processing. Specific strategies should include the following:

### ***Pharmaceuticals:***

Highly labour-intensive, the pharmaceuticals sector in Ghana has struggled to live up to its fullest potential due to a range of challenges, both external and domestic. As of 2016, there were about 40 manufacturing companies, producing about 30.0 percent of the country's pharmaceutical needs and employing nearly 50,000 people. They have the potential to produce more, and to employ more people. Challenges in meeting stringent World Health Organisation standards, high cost of production (due in part to high utility rates, high inflation, high interest rates), obsolete technology, shortage of critical skills, and limited access to key markets beyond the sub-region are some of the specific factors impeding the sector's ability to expand, create more employment, and contribute to the diversification of the country's exports. The sector alone is capable of exporting between US\$5.0 billion and US\$10.0 billion worth of goods per annum, once revamped, compared to the current US\$2 billion total earnings from all non-traditional exports.

Recent government support has taken the form of targeted loans that have proved insufficient. Broader support that reviews the larger domestic and external challenges, including factors specific to the industry and those that affect the larger business community, must be incorporated into a phased strategy beginning in the short term and implemented over the duration of the plan, with a strategic objective of developing the high-end pharmaceuticals sector, including bio-engineering, and the manufacture of medical equipment by 2057

### ***Apparels and Accessories***

The apparels and accessories sectors are both labour-intensive and closely linked to growth in incomes, domestically and internationally. They will play a critical role in the long-term plan. Ghana's efforts to develop the apparels sector have been unsuccessful largely because of inadequate or costly raw materials,

high cost of utilities, a weak transportation and logistics system, and challenges with labour, in terms of availability and quality.

The accessories sector, such as those for electronics (e.g., mobile phones) and of the fashion industry are also labour-intensive, although their fortunes tend to rise and fall with the health of an economy and, by extension, household incomes. Policy should be mindful of this. Specific areas of development, with government guidance and private sector participation, in the short-to-medium term should be:

- Textiles and Accessories Parks: These should be strategically located around the country and supported with the necessary infrastructure for inputs supply, production, and distribution.
- Raw materials development: This should be covered under broader agricultural development. (Editors' note: We hope this will include cotton production as a raw material base to support the textile industry).
- Intellectual property protection: Existing laws must be strengthened to fight counterfeiting and protect the legal rights of designers and other players in the sector.
- Development of value chains: This should include "trading houses", which will assume marketing and distribution responsibilities, while manufacturers focus on production.

### ***Educational services exports***

Despite some challenges, the educational sector at all levels remains a source of growing employment and the destination of choice for many parents in the sub-region. At the pre-tertiary level, the increased role of the private sector participation in the provision of educational services has contributed greatly to this phenomenon. In 1987, for example, when the education reforms were introduced, and the JSS system was launched, private schools accounted for only 1.5 percent of primary schools, while private secondary schools provided 0.5 percent. By 2015, these shares had increased to 32.4 percent and 34.9 percent, respectively; private JHS, which was a modification of the Common entrance-based that existed before the reforms, accounted for 31.8 percent in 2015.

The tertiary sector has equally grown rapidly and attracted many international students, whose fees represent service (or "invisible") exports. The number of public universities as of 2015 were 10 and were expected to double by 2017 after the conversion of the nation's 10 polytechnics into technical universities. There are also nine public institutions accredited by the National Accreditation Board, which offer tertiary level professional education and are classified as tertiary institutions. These are the Ghana Maritime Academy, Ghana Armed Forces Command & Staff College, Ghana Institute of Journalism (GIJ), Ghana Institute of Languages, Ghana Institute of Management and Public Administration (GIMPA), Ghana Institute of Surveying and Mapping, Institute of Local Government Studies, Kofi Annan International Peacekeeping Training Centre (KIPTC), and the National Film and Television Institute.

There were 73 private university/tertiary institutions, four of them fully accredited universities and the remainder colleges and institutes of various kinds including private diploma-awarding teachers and nurses' colleges.

The continued growth of these educational institutions represent a potential for further employment and increased invisible exports. To achieve these objectives, however, government will have to intensify oversight to ensure quality, especially curriculum relevance, in view of the changing nature of technology and economies worldwide. Adequate preparation must also be made for e-learning, especially at the tertiary level, as population growth outstrips the pace at which brick-and-mortar facilities can be erected.



### ***Financial services***

Dominated by commercial banking, the financial services sector (including insurance), has seen rapid growth in the past decade, with its share of GDP rising from 2.7 percent in 2006 to 7.4 percent, second only to the “transport and storage” sub-sector (12.8 percent). The sector, however, is already experiencing the disruptive effects of technology and will have to be supported to weather even more turmoil in the ICT sector in the next 40 years.

The Bank of Ghana, citing a study by the *Consultative Group to Assist the Poor* reported in 2016 that the proportion of adults with “active mobile money accounts doubled in 2015” to 17.0 percent. Growth in mobile banking, including interest-bearing accounts, is expected to grow exponentially over the next 20-30 years, with the implication that conventional banks would all but disappear during this period. Employment, already low in the financial services sector, is expected to fall to insignificant levels (tellers would no longer be the face of banking).

The sector’s share of GDP, or value added, is expected to rise to 20-30 percent, through domestic growth and an increased presence of Ghanaian financial institutions abroad – in the sub-region and beyond. This growth will come mainly from the non-banking sector, such as insurance and real estate financing, in line with a long-term strategy for developing the sector.

### ***Furniture and furnishings***

Growth in this sector is linked to the anticipated rise in household incomes as Ghana ascends the upper-middle income and high-income paths, as well as overall projected growth in real estate, especially in Africa. In Ghana alone, an estimated 10.3 million dwelling units will have to be built to house an anticipated population of about 52 million by the year 2047. Policy and strategy, however, will have to address some of the endemic challenges plaguing the furniture and furnishings sector, such as lack of standards, poor finishing and lack of innovation. Tertiary institutions, such as the Kwame Nkrumah University of Science and Technology and the Forestry Research Institute of Ghana, may collaborate with private firms to lead the transformation of the sector through research and development.

As with the textiles sector, efforts must be made to protect the intellectual property rights of designers and researchers, while simultaneously putting in place measures to combat counterfeiting of trademarks and products.

### ***Health tourism***

Despite the fact that the health sector faces a number challenges, it offers, as with education a number of high value services that already attract clientele from the sub-region and other parts of Africa. The Korle Bu Cardiothoracic Centre is ranked among the best on the continent and a referral facility for many international development agencies operating in West Africa. The newly-opened University of Ghana Teaching Hospital at Legon, operated in partnership with an Israeli organisation, is another facility with similar potential.

Many processes in the sector, however, remain antiquated, and many facilities have run down over the years due to inadequate investment. Some private facilities have proven to be the exception and have begun the digitisation of some key processes. In these facilities, services such as x-ray, laboratory results

and pharmaceutical prescriptions are transmitted electronically among offices without any paper trails, reducing the likelihood of mistakes and cutting processing times, sometimes by as much as 50 percent. As with education, the sector should be prepared, in the medium-to-long term for the proliferation of e-medicine as well as the automation of certain processes that have the potential to bring efficiency but reduce the demand for labour. Medium-term strategies must identify these emerging trends and initiate appropriate remedial action.

### ***ICT, business services, and logistics***

These three sub-sectors, in addition to financial services, constitute the main high-value portion of the overall services sector, which is expected to dominate economic growth throughout the plan period and beyond. The information and communications sector constitutes critical enablers for business services and logistics and the economy in general. The necessary infrastructure, however, will have to be put in place to ensure the full utilisation of their potential.

Modern logistics management, for example, requires high-speed and cost-effective internet services. In the future, a mechanic in Ghana may be contracted to repair vehicles or equipment half way around the world from the comfort of their office in Ghana. Ghana must position itself for this era of “Internet of Things” by providing the necessary skills, infrastructure and facilities and becoming both pioneer and leader in the digital future.

### ***Petroleum Development***

As stated in the previous section, in the long term, the petroleum sector as a whole is expected to decline as the world shifts from fossil fuels towards renewable energy in the name of “sustainable development”. In the short-to-medium term, Ghana can strengthen its role in the sector by building technical and financial capacity along the entire value chain of the sector – up-stream, mid-stream and down-stream.

Due to the high cost of capital in Ghana, up-stream activities (comprising mainly exploration, appraisal and production) have been financed mainly from abroad. Ghanaian participation must be increased through a structured development of the Ghana Stock Exchange, for example, that affords local businesses the opportunity to raise equity capital domestically for up-stream activities.

Technical capacity (in terms of skills development) should also be built not just for the domestic market but with the intention of enabling Ghanaian firms to “export” their expertise into foreign markets as well. The regulatory regime should be dynamic and responsive to developments in the sector over time.

### ***Mining***

The most effective role for this sector in the long-term plan would come from a focused effort by government to promote Transformative Mining (TM), which refers to the rationalisation of current mining activities and diversification into little-known but important minerals in a manner that protects the environment while increasing the economic and social benefits to the host communities and the nation at large. TM is partly informed by the African Union’s *African Mining Vision* of 2009, Ghana’s own history of mining, and the current challenges facing the sector, such as environmental degradation by large and small-scale operators as well as weak oversight, especially of artisanal and small-scale mining.

Between 1996 and 2015, export of gold, the dominant mineral, averaged 37.2 percent of total merchandise exports. The combined share of diamond, manganese, and bauxite averaged only 1.9 percent.<sup>33</sup> Few of these proceeds, however, end up in the country's international reserves due to low Ghanaian ownership in the sector and fiscal regimes that often put the government at a disadvantage. Policy under TM must be aimed at addressing this deficiency, through increased equity ownership by Ghanaian firms as well as more transparent and effective fiscal regimes that increase the *net* revenue contributions of the sector to the economy while creating high-skilled employment.

Broad strategies in this regard must include the following:

- Rationalisation of the artisanal and small-scale mining sector to ensure that it provides
- Strengthening of policies and regulatory oversight to ensure that large-scale mining is undertaken in an environmentally and socially sustainable manner.
- Initiation of policies to expand the role of Ghanaian industry in the entire value chain of mining, including exploration, local manufacturing of equipment and processing of ore into finished products.
- Strengthening the role of Ghanaians in the petroleum down-stream sector
- Back-up of local content policies with initiatives to build the capacity of local enterprises, especially SMEs and the financial sector including insurance to meet the demands of the sector over the long term.
- Initiation of a road map to identify key areas for forward and backward linkages of the mining sector in the country's industrialisation drive, especially in heavy industry and the automotive industry, as well as construction equipment for all the various sectors, including mining itself.

### ***Tourism***

The tourism sector suffers from extensive under-utilisation, in terms of value-addition to the economy, contribution to government revenue, and job creation, especially entry-level jobs for young people. Among issues that will have to be addressed to boost the productive potential of the sector are: standards, efficiency and productivity in customer service, and linkage with the creative arts. The development of the sector, which already has a 25-year strategic plan, however, will have to be pursued within the context of sustainable development, especially where the utilisation of natural resources, such as forests and game reserves, is concerned.

### ***Tree crops development***

In 2013, a 5-year National Tree Crops Strategic Plan was launched, with the goal of encouraging the cultivation of other tree crops, beyond cocoa [finish this from agriculture report]. (Data gap. When will this be ready?)

### ***Coastal, landscape, and forest management***

Climate change, unplanned human settlements, and environmental degradation from logging are among the threats facing the nation's shores, communities and forests. Addressing these challenges constitutes an opportunity to create a wide range of jobs, most of which require minimum skills. The 25-year Ghana Forest Plantation Strategy, for example, is expected to create close to 3,000,000 (three million) jobs between 2016 and 2040, from planting and maintenance jobs. This may be expanded to include exports

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<sup>33</sup> Other minerals available in significant quantities in Ghana, according to the Minerals Commission, are: *kaolin, mica, columbite-tantalite, feldspar, chrome, silica sand, quartz, salt etc.* Salt, for instance, has the potential of rivalling gold in revenue, especially if the integrated aluminium industry, from bauxite through alumina to aluminium, eventually comes on stream

of seedlings to countries where the need for re-forestation is greater than the local capacity to supply seedlings.

### **Construction industry**

A major component of the long-term plan is the Ghana Infrastructure Plan (GIP), whose implementation is expected to create a range of jobs of all skills and in both the public and private sectors. As incomes rise under the Plan, residential construction and maintenance are expected to rise, leading to the creation of jobs in local communities. Major infrastructure projects, such as the construction of ports, railways and highways, are also expected to create jobs.

### **Waste management**

Under the Plan, urbanisation rates are expected to increase from an estimated 57.2 percent in 2018 to nearly 80.0 percent by 2057. As urbanisation as well as industrialisation are invariably associated with increased generation of waste, the process of providing waste management services is expected to create many job opportunities. The key advantage of the sector is the generally low levels of skills required.

#### **4.10.3 Growth and Employment Prospects: Medium-To-Long Term**

Selected areas in this category are industries that may exist in a rudimentary form, such as heavy industry and automobile, but, given the appropriate policies and support, can produce world class goods and services and compete with some of the largest companies in the world. Policies for these sectors must be initiated immediately and implemented in phases through the plan period.

<b>Integrated Criteria: Job-creation and exports; strategic advantages</b>	
<b>1.</b>	Aluminium and steel industry
<b>2.</b>	Automobile industry
<b>3.</b>	Chemicals industry
<b>4.</b>	Infrastructure services exports
<b>5.</b>	High-value financial services (e.g., investment banking, insurance, real estate, etc.)
<b>6.</b>	Knowledge services (ICT, digital technology, artificial intelligence, animation, etc.)
<b>7.</b>	Petroleum (oil and gas) technical services
<b>8.</b>	Pharmaceuticals (high-end - bio-engineering, etc.)
<b>9.</b>	Renewable energy (research, development, construction – including nuclear technology)
<b>10.</b>	* Consolidation and restructuring of previous strategic areas.

*\* Cross sectoral*

#### **4.11 STRATEGIC EXPORTS AND INTERNATIONAL TRADE**

The current two categories of exports – non-traditional and traditional – will be expanded and re-classified into three categories, namely: semi-traditional (replacing non-traditional), traditional, and strategic, with the last category driving the country’s industrialisation agenda.

Non-traditional exports are all exports “with the exception of cocoa beans, lumber and logs, unprocessed gold and other minerals, electricity (and since 2011, petroleum). It is made up of “processed and semi-

processed” products, agricultural produce, and handcraft. They are inherently of low value, which explains why non-traditional exports’ share of overall merchandise exports has remained consistently low over the years, despite aggressive efforts to promote it. It averaged only US\$2.6 billion between 2010 and 2015, after crossing the US\$2 billion-dollar for the first time in 2010.

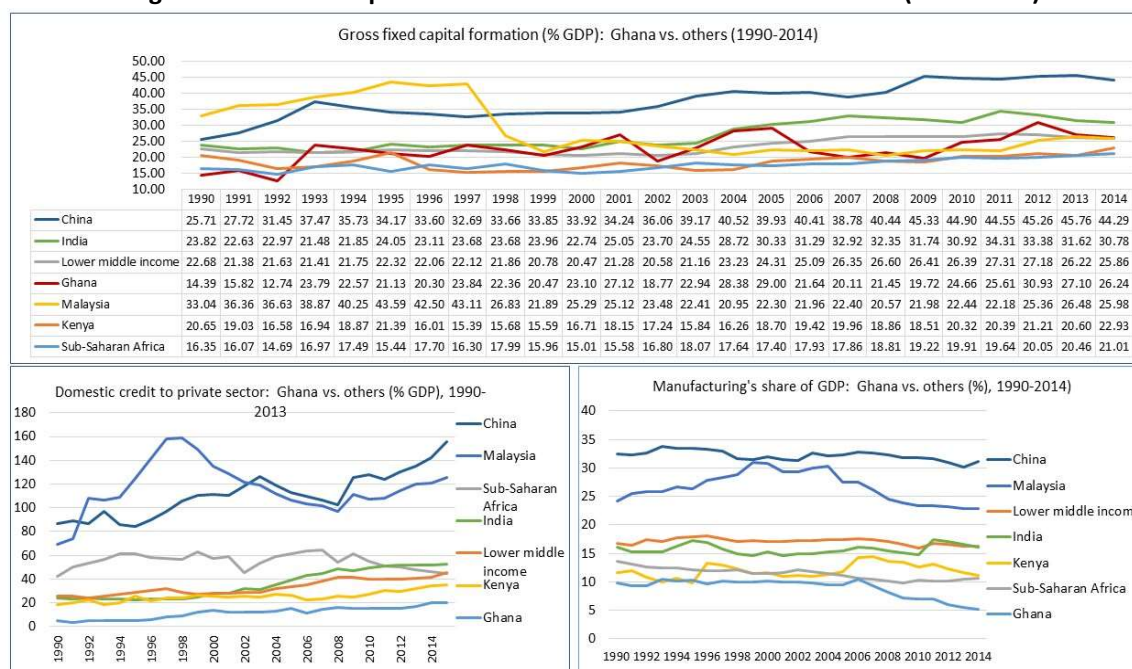
In the new classification, the “processed” sub-category is to be extracted from NTEs and combined with other products, such as hi-tech manufactures, automobiles and finished products from minerals or crops, to constitute the “strategic exports” category, along with high-value services, as defined by the Ministry of Trade and Industry. Primary commodities and minerals will continue to constitute traditional exports, whose share of exports are expected to decline as strategic exports dominate the external sector in the medium-to-long term.

## 4.12 DRIVERS OF GROWTH

### 4.12.1 Savings and Investment

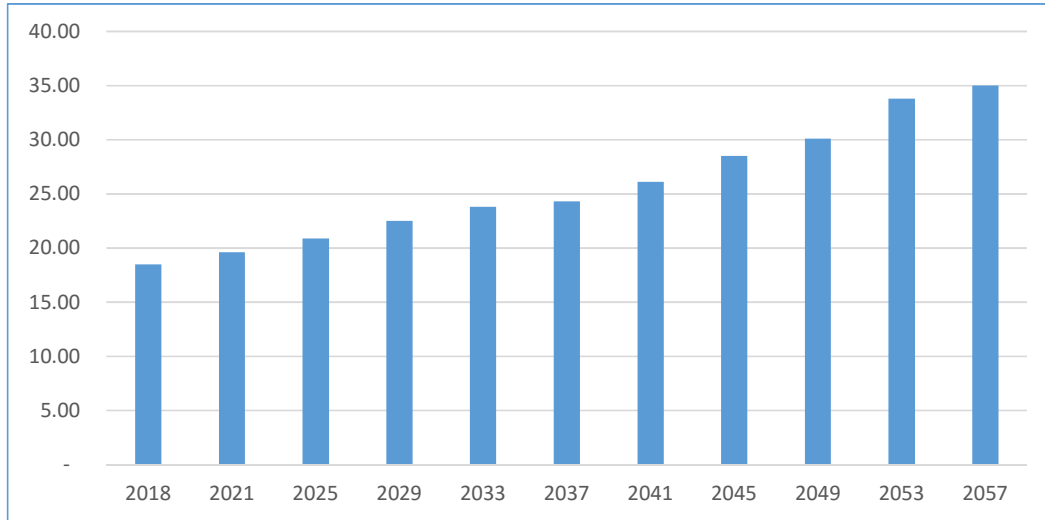
As stated in the previous analysis, the savings rates – which are made up of government surpluses (or deficits), business profits, and household savings – in Ghana is too low to support the kind of large scale investment required for rapid and sustained growth. Between 1994 and 2015, Ghana’s gross domestic savings rates only increased from 12.5 percent to 13.7 percent, compared to that of Malaysia at 32.7 percent, even after it declined from 39.6 percent. Not surprisingly, Ghana’s gross fixed capital formation rate remained among the lowest in the world (See Figure 4.32).

**Figure 4.32: Gross Capital Formation: Ghana vs. Selected Countries (1990-2014)**



Ghana will require a two-pronged strategy to fill the investment gap: (1) Short-to-medium-term: Targeted foreign investment in priority sectors identified by government, such as energy and manufacturing, and (2): Short-, medium-, and long-term: A systematic programme to raise domestic savings and investment, especially to SMEs, which seldom get foreign investment.

**Figure 4. 33: Projections for Gross Domestic Savings (% of GDP), 2018-2057**



#### 4.12.2 21st Century Labour Force

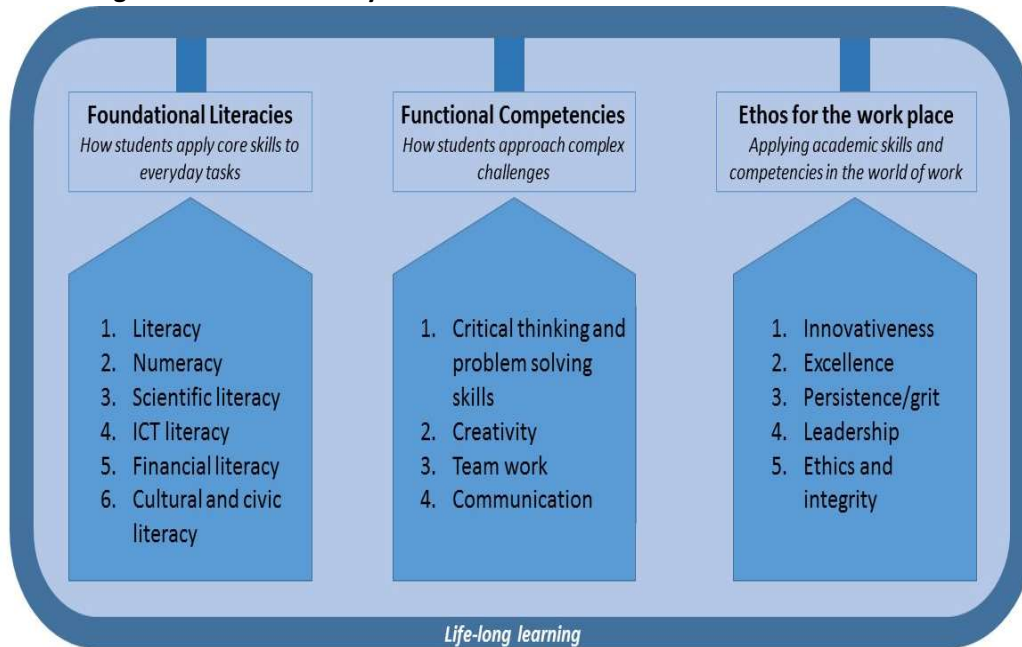
The kind of rapid and high-value economic growth envisioned for the long-term plan requires a high-quality 21<sup>st</sup> century labour force, which Ghana doesn't have and must readily initiate policies and strategies to address in the short-to-medium. Table 4.9 shows the educational attainment of Ghanaians 15 years and older, as of the 6<sup>th</sup> Ghana Living Standards Survey (2012/130). Nearly 65.0 percent had BECE or less, severely restricting the pool of secondary school graduated need to train the full range of technicians and professionals required for the effective execution of the Plan and national development in general. Among those with higher levels of education, the quality of that education, and in particular lack of critical thinking and problem solving skills, have become of great concern to educators and employers alike.

**Table 4.9: Population Aged 15 Years and Above (by Educational Achievement), 2013.**

Population aged 15 years and older by educational attainment and sex							
Level of educational attainment	Percent			Estimates (Million)			
	Both sexes	Male	Female	Both sexes	Male	Female	
Never been to school	19.7	14.6	24.3	4.4	1.6	2.8	
Less than MSLC/BECE	44.6	44.5	44.7	10	4.7	5.2	
MSLC/BECE/Vocational	20.9	22.8	19.3	4.7	2.4	2.3	
Secondary/SSS/SHS and higher	14.7	18	11.7	3.3	1.9	1.4	
Total	100	100	100	22.3	10.6	11.7	

A total restructuring of the education and training sector will be required to address these deficiencies and create the 21<sup>st</sup> century labour force required under the Plan. The schema in Figure 4.34 is to guide the formulation of policies and strategies in the various medium-term plans that will be prepared from the Plan.

**Figure 4. 34: 21<sup>st</sup> Century Skills and Values for Ghanaian Students and Workers**

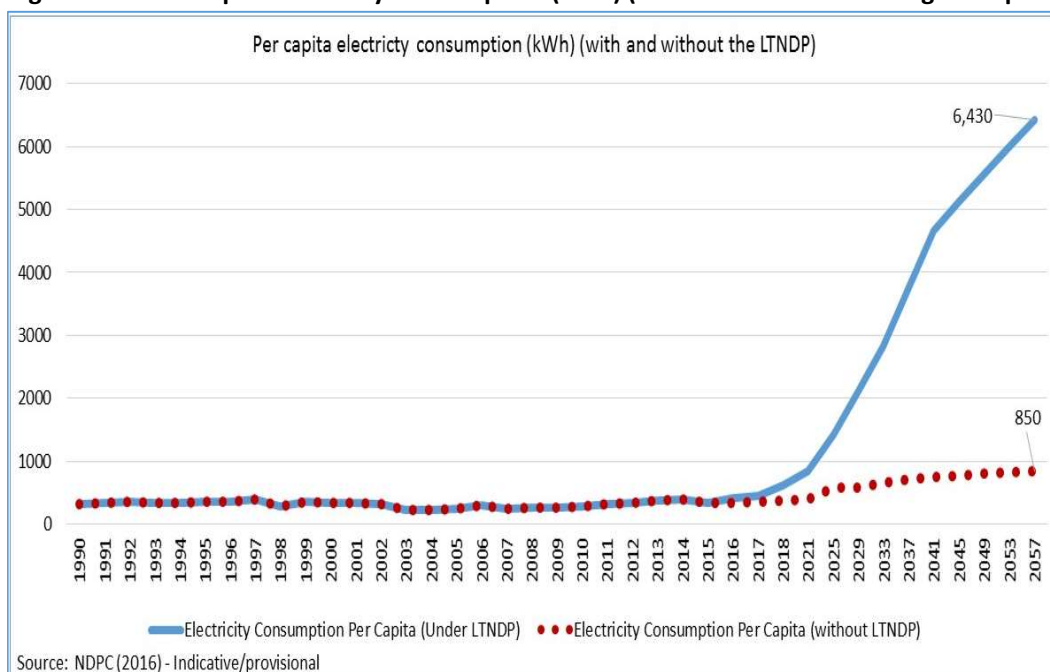


Source: World Economic Forum, 2016 (modified by NDPC for the LTNDP)

#### **4.12.3 Energy Self-sufficiency and Security**

Energy self-sufficiency and security will be critical to economic growth in particular and socio-economic development in general under the Plan. This is extensively treated in the companion document, the *Ghana Infrastructure Plan*, which identifies the various available energy sources, on the basis of cost, and charts a future of electricity consumption, based on population levels and the overall growth targets of the long-term plan. Figure 5.35 shows likely per capita electricity consumption, up to 2057, based on past practices and trends, which were not adequately linked to growing population levels and the trajectory of economic growth, and an alternative scenario, based on the long-term plan, which, among other things, reflects the energy-intensive nature of economic growth as Ghana begins to add value to minerals and develop energy-intensive sectors like automobile and other heavy-industry activities.

**Figure 4.35: Per Capita Electricity Consumption (kWh) (with and without the long-term plan)**



#### 4.12.4 A New Approach to Measuring Economic Growth

The Gross Domestic Product (GDP), the broadest measure of economic activity in the country, currently uses the “production approach”, which is presented in three broad categories of agriculture, industry, and services, and the value addition that occurs at each state of production. While this approach of measuring economic performance is popular, it also suffers from some deficiencies. For example, it provides policy makers with the causes of the economic performance and therefore what measures to take to strengthen growth or address emerging challenges to the economy.

The expenditure approach provides this very useful information. The key components of this approach are (1) personal consumption expenditure by households, (2) spending by government, (3) investment by businesses, (4) net exports – that is, exports minus imports. An unusual rise in government spending along with a fall in business investment, for example, provides early warning signals for government action that the production approach does not.

The Ghana Statistical Service already produces the expenditure-based GDP as an annual series and a complement to the production approach. However, the expenditure approach is most useful in a quarterly series, where policy makers would have the benefit of taking remedial action within the year.

It is therefore recommended that government work closely with the Ghana Statistical Service to switch to the expenditure approach as the primary method of measuring economic performance, with the production approach as a supplement.

#### 4.12.5 New Approaches to Managing Development

##### *Linking budgets and plans*

As has been stated previously, a major reason for failed attempts at successful implementation of previous development plans was the weak link between those plans and fiscal policy, particularly budget allocations. Due to a number of factors, such as late annual plan preparations (to operational medium-



term plans), political considerations for particular development projects or programmes, as well as weak budgeting practices, led to a situation where budgetary allocations ended up being at variance with government's stated development priorities.

The passage of the Public Financial Management Act of 2016 is expected to help address some of these procedural and institutional weaknesses. Equally important is the *Ghana Infrastructure Plan*, the companion piece to this Plan, which provides over a 30-year period a menu of infrastructure frameworks and flagship projects which can inform decision makers at all stages of the policy cycle.

### ***New Principles for Development Management***

1. In addition to linking plans and budgets for effective development results, it is important that development management broadly be guided by certain principles, as highlighted below:  
**Efficiency:** Resources for development will always be scarce, hence the need for efficiency in development management. Among other things, this will call for process reforms in the civil service to make it efficient in the execution of its mandate (as part of broader public sector reform and innovation). Fighting corruption and waste should also be a key part of pursuing efficiency in development management.
2. **Equity** - Development policy must necessarily aim to benefit all Ghanaians, but the reality has been different. Girls continue to be under-represented in education, especially from upper primary school onwards (due in part to a host of social issues, including teenage pregnancies and early marriages), and particular areas of the country, especially rural areas, continue to suffer from all manner of deprivation. Policy must follow the constitution (Article 36 (2)(d) and make sure that development is equitable across all groups and administrative areas.
3. **Efficacy:** Efficacy means getting results. For purposes of development, this requires effective monitoring and evaluation of development policy with MDAs and especially MMDAs, where development is ultimately delivered to the people. Despite the importance of monitoring and evaluation in development, it has continued to receive little attention in development planning, and most of that attention has come from donors. Government needs to show commitment by embracing it.
4. **Sustainability:** Broadly, sustainability implies two things, (1) one the results of policy can actually be sustained over time (i.e., it is realistic), and (2) that resources – especially natural resources – are used in a manner that meet the needs of current generations without endangering those of future generations. Ghana's commitment to the UN's *Sustainable Development Goals* and the AU's *Agenda 2063* should contribute to the fulfilment of this principle of development.

### **Modelling the Ghanaian Economy for Effective Decision Making**

Various models currently exist at a number of public institutions for making decisions about the Ghanaian economy. These models, however, tend to focus on the short term, with a particular focus on the financial sector; there is little or no consideration of the long term or the inter-sectoral implications of various policies. For example, any attempt at a massive transformation of agriculture has implications for water use and, to a limited extent, electricity to run pumps and irrigation systems as well as poultry farms. More water for agriculture would mean less for the industrial, commercial and household sectors, and hence shortages. Proper planning will be required to avoid such imbalances.

As part of the process of preparing this plan, a comprehensive model of the Ghanaian economy has been developed, with the capacity not only for planning such dynamic inter-relationships of policy, but also determining the optimal levels of resources required for particular policies, as well as assess the implications of particular policy decisions – such as the implications for the economy for every percentage increase in government borrowing or reduction in taxes.

#### **4.13 LOCAL ECONOMIES AS THE FOUNDATION OF THE NATIONAL ECONOMY**

“National development” is ultimately the aggregation of local “developments”. The success of the long-term plan, therefore, will to a considerable extent depend on how local governments are empowered and guided, through national policies and laws, to function to meet their local needs while simultaneously contributing to the broader national vision and goals of the Plan. Among other things, this will require initiatives to address spatial inequality and create opportunities in education and employment for every Ghanaian, irrespective of where they live.

##### **4.13.1 The Evolution of Ghana’s Spatial Economy**

The Europeans who arrived in the late 15<sup>th</sup> century at what later became the Gold Coast redirected the major trade routes, which hitherto had gone northwards through the Sahara and North Africa, to the southern part of the Gold Coast, where they built trading posts. The forest belt was later integrated as an enclave for the supply of raw materials, such as gold and timber, to factories in Europe, notably England, Portugal, and the Netherlands. In time, the coastal port towns, such as Axim, Cape Coast, Accra and Takoradi, emerged as centres of import and export activity. Areas outside of these forest belt and coastal port towns, primarily the northern savannah area, served as a source of labour for these new thriving centres of economic activity. Most capital investment was thus concentrated in the southern part of the country, to the neglect of the rest of the country.

##### ***Post-Independence***

The post-independence import-substitution development strategy further concentrated investment and business in the south, mainly Accra, Tema, Kumasi and Sekondi-Takoradi, while attempts were made to bridge the north-south divide through the provision of social services, such as education and health, the construction of dams, as well as the establishment of some factories. The strategy worked well for nearly a decade until internal pressures, institutional weaknesses and the collapse of the global price of cocoa, the country’s main export, led to a crisis in the mid-1960s. This was followed by over a decade of economic decline that was halted in 1983, when the Economic Recovery Programme was launched, followed by Structural Adjustment Programme (SAP). Among other things, prices were de-controlled and subsidies removed to shore up government finances.

##### ***Spatial Distribution of Economic Activity***

The SAP interventions facilitated investment into the country. However, because they were geared primarily towards reviving the mining and the timber industry, as well as tourism and light manufacturing activities, most of the initial investments were concentrated in the middle belt. The bulk of the investment, over time, was concentrated in Greater Accra (and within that, Accra, the capital, and Tema, the industrial hub). Between 1994 and 2013, 83 % of all foreign direct investment (FDI) were located in the Greater Accra Region, followed by Ashanti Region with 6%, Western Region with 4% and the three northern regions combined accumulated just 1 % of total FDI projects in this period. General economic activity in the country has followed this pattern of FDI distribution.

In the meantime, industries, such as rice mills, that previously thrived in various parts of the country with government support began to collapse as subsidies were removed. The concentration of economic resources in southern Ghana is also reflected in the spatial pattern of GDP contribution. In 2014, the Greater Accra and Ashanti Regions, which together account for about 12.0 percent of the land area (1.4

percent for Greater Accra and 10.2 percent for Ashanti), contributed 41.0 percent of GDP. Manufacturing activities, however, are dispersing gradually to other parts of the country. While manufacturing employment grew by just 1.3 % per annum in Greater Accra between 2000 and 2010, it grew the most in the three neighbouring regions of Volta (5.6%), Central (3.8%) and Eastern (3.1%).

### ***Promoting Local Economic Development***

In 2013, a national policy on Local Economic Development (LED) was adopted, followed by an operation manual in 2014, as part of Ghana's continuing decentralisation process. Implementation, however, has been slow – partly because of the slow pace of decentralisation, including the election of local officials, and the decentralisation of the provision of utilities to local assemblies.

The following regional profiles provide insights into the economic activities and potential of each of the 10 regions, and how these would serve as important inputs for any national drive to promote LED within the context of the long-term plan. Working in close collaboration with NDPC and other state institutions, districts are expected to develop medium-term and annual plans to tackle the challenges highlighted.

## **4.14 REGIONAL ECONOMIC PROFILES<sup>34</sup>**

### **Ashanti Region**

Ashanti Region is one of the most economically diverse regions in Ghana and the second most significant contributor to the national economy, generating about 20.0 percent of national Gross Domestic Product (GDP). The region is also the third most productive in the country with per worker value addition of GHc5,674 compared to the national average of GHc5,546. Kumasi Metropolitan Area is the leading contributor to the region's GDP, generating 40 percent of the region's GDP. Kumasi and its immediate neighbouring district Asokore Mampong contribute almost a tenth of the total national GDP. Obuasi, located in the southern part of the region, is another leading municipality regarding contribution to the region's GDP. Obuasi's high contribution is a result of the extensive mining activities that are undertaken in the area, led by the mining giant, AngloGold Ashanti.

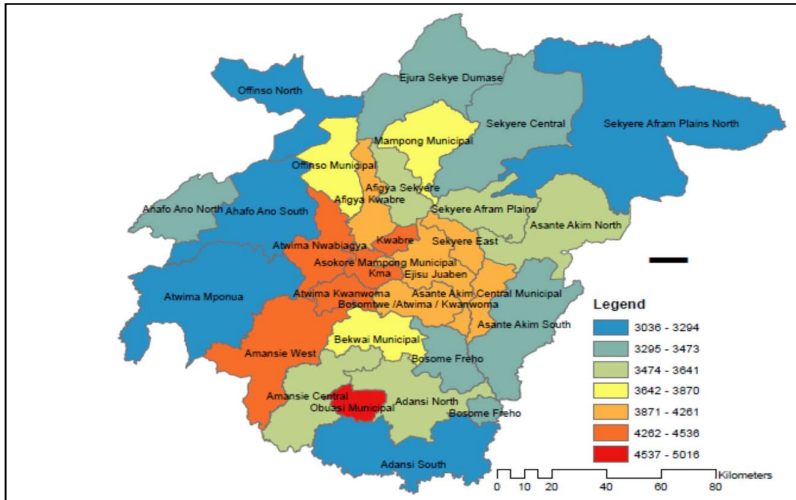
Productivity levels in the Obuasi Municipality are the highest in the Ashanti Region. This is mainly the result of the relatively high concentration of skilled and professional workers in the mining sector, which has higher value addition in its activities than other sectors. KMA, Asokore-Mampong Municipal, Atwima Nwabiagya, Amansie West and Amansie Central are the next level of MMDAs with high levels of productivity reflected in their per worker contribution, ranging from GHc5,879 to GHc6,255. Their levels of productivity are higher than the regional average of GHc5,674.

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<sup>34</sup> Census figures from 2010 and GDP data from 2014 were used for the initial estimates and subsequently adjusted for inflation, using the 2016 Consumer Inflation Index (CPI)

The Ashanti region's economy is led by the services sector, which employs 52.0 percent of the entire active labour force of the region. The region's services sector is, however, dominated by wholesale and retail trade, which are low-skill based. Ashanti region alone houses a quarter of all workers in the wholesale and retail business, nationally. Kumasi is host to Kejetia, the biggest open market in the country, as well as Suame Magazine, the largest open air artisanal manufacturing and service

**Figure 4. 36: Map of Ashanti Region**



centre in the country. With the exception of the education sub-sector, where the region has the highest concentration of employees, the region comes second only after Greater Accra in terms of specialization in almost all the other service sub-sectors. Spatially, almost all of the service sector jobs are heavily concentrated in the Kumasi metropolis.

At the national level, the Ashanti region shows substantial strength in the industrial sector as it is among the four regions with specialization in the industrial sector. However, this industrial strength seems to be declining. Over the past decade, the growth of industrial sector employment in the region has been relatively low compared to the national growth. The region's industrial employment grew by only four percent, compared to the national growth rate of 35.0 percent.

Industrial sub-sectors contributing to the region's industrial strength and growth include mining, quarrying and construction. The mining and quarrying sub-sector increased its employees by 307 percent, while the nation as a whole experienced a decline of 17 percent. Most of these increases were recorded in the Amansie West District and Obuasi Municipality, which are the mining hot spots in the region. Construction sector jobs grew by 171 percent, far higher than the national growth of 71 percent. Construction jobs, unlike mining and quarrying jobs which are located in specific areas, are more widespread in the region. The MMDAs with high concentration of construction workers are Atwima Kwanwoma, Ejsu, Kwabre East, Kumasi, Bosomtwe and Afgya Kwabre. These areas represent the direction of growth from within the capital city along the major arterial roads from the city centre. These are the areas with high residential developments because of the relatively cheaper land value, coupled with the proximity to the capital city via a good road network.

The only industrial sub-sector with job losses in the region was manufacturing. From 2000 to 2010, according to the population census, a fifth of the region's manufacturing sector jobs were lost, while a growth of more than 36 percent was recorded for the nation. Notwithstanding the contraction in the sub-sector, manufacturing activity remains clustered in Asokore Mampong, Kumasi, Kwabre East, Afgya Sekyere and Obuasi.

The region's agricultural sector employment has dwindled over the years, though it continues to be a major source of livelihood for 31.0 percent of the region's active labour force. (In 2000, the sector engaged 47.0 percent of the region's employees and yet contributed only 22.0 percent of the region's GDP, depicting low labour productivity, which reflects patterns at the national level as well. Between 2000 and 2010, the sector lost more than 10.0 percent of its working labour force. The loss of agriculture-related

jobs in the region is partly attributable to the high rate of urbanization in the region, coupled with the ease of entry to other economic activities like wholesale and retail activities. Predominantly rural districts like Sekyere Afram Plains North, Atwima Mponua, Offinso North, Ahafo Ano South, Sekyere Central and Adansi South are main centres of agricultural activity.

### Brong-Ahafo Region

Brong-Ahafo Region employs nearly 10 percent of Ghana’s total economically active labour force and generates about 10 percent of the nation’s GDP. The region is the fourth highest regional contributor to the national GDP. The region’s economic structure is dominated by agriculture, which employs 63.0 percent of the total workforce and generates more than half of the region’s GDP. Between 2000 and 2010, agricultural employment increased by 77.0 percent, reflected as additional 296,000 jobs in the sector. The region employs 13.0 percent of all agricultural workers in the country.

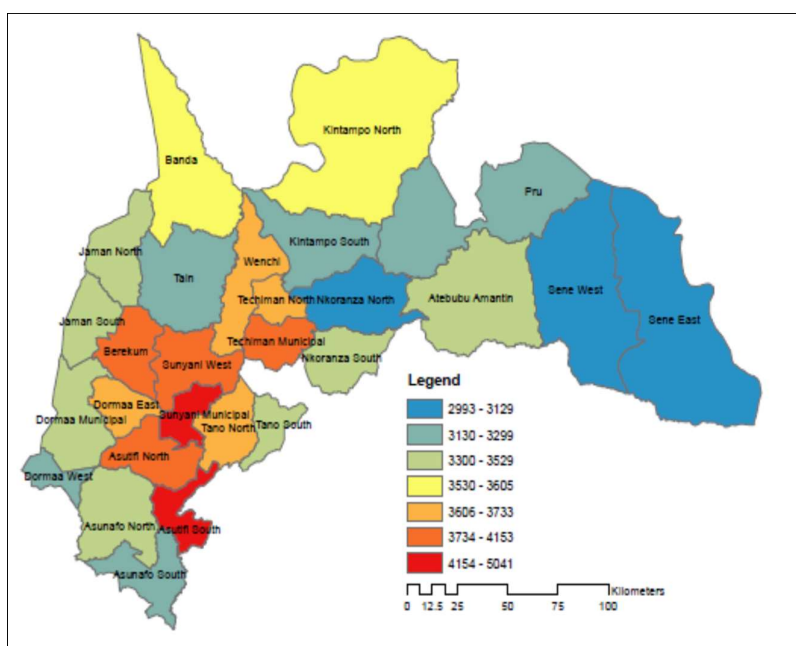
Techiman Municipal is the highest contributor to Brong-Ahafo’s GDP, generating almost eight percent of the region’s GDP, followed by Sunyani Municipal, with seven percent of regional GDP. These are the two most economically vibrant districts in the region. Techiman is the main commercial hub of the region, full of wholesale and retail commercial activities, while Sunyani acts as the main administrative centre. Other districts with high GDP contributions are Berekum, Dormaa and Asunafo.

Sunyani Municipal, the regional capital and administrative centre, has the highest GDP per worker value of GH¢6,951, compared to the regional average of GH¢4,982. The neighbouring MMDAs of Sunyani West and Asutifi North also have relatively high value addition per worker, as does Asutifi South due to gold mining in the district. Techiman Municipal also possesses a high value addition per worker just like the afore-mentioned districts.

Agriculture is the main source of employment in the region and the only specialized economic sector of the region. Cocoa is the primary crop, particularly in the South-western part of the region. The districts with highest relative specialisation in the primary sector include Nkoranza North, Tain, Dormaa West and Kintampo South. These are also the districts with the lowest GDP per capita. Sunyani and Techiman remain the least specialised in the primary sector as a result of their high urbanisation levels.

Brong-Ahafo’s services sector is predominantly made up of low-skilled activities such as wholesale and retailing. Highly-skilled services like public administration, finance and insurance and real estate and professional services account for less than 5 percent of the region’s labour force and are concentrated in the Sunyani municipality. Techiman Municipal and Techiman North have the highest concentrations of

**Figure 4.37: Map of Brong Ahafo Region**



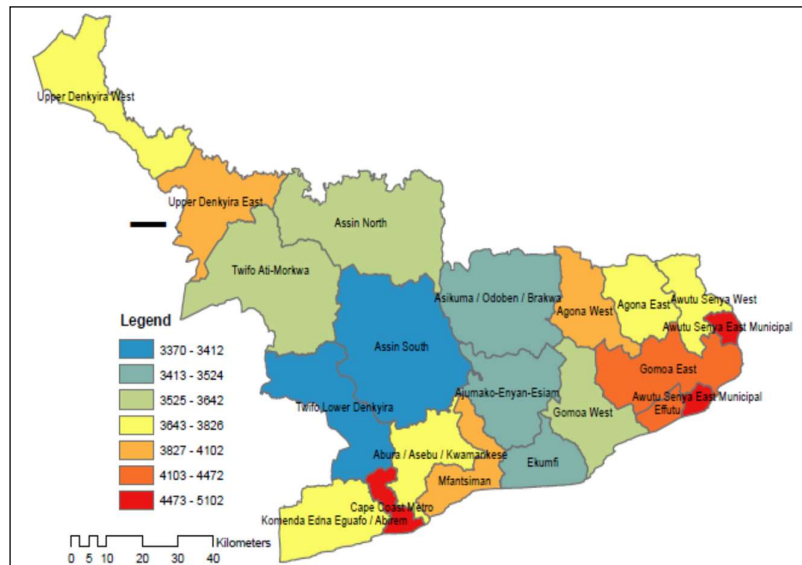
transport and communication services, as well as wholesale and retail trade due to their status as a commercial trading hub for the region.

Industrial activities remain marginal in Brong-Ahafo, with large job losses over the last decade. From 2000 to 2010, Brong-Ahafo's share of industrial sector jobs shrank from 17 percent to 10 percent. Manufacturing employs just 7 percent of the workforce and is concentrated east of the region in Sene East, Sene West and Pru. Another manufacturing cluster exists in Techiman Municipal and Techiman North. Mining activities are located in Asutifi South and Asutifi North. The final concentration of industrial employment of note is in the construction sub-sector and is located in Banda district.

### Central Region

**Figure 4.38: Map of Central Region**

The Central region has the sixth largest economy in Ghana. It employs about 9.0 percent of Ghana's economically active populace and generates just over 8.0 percent of the nation's total GDP. GDP per worker is the fourth highest GHc5,402 of all the regions in the country, though lower than the overall national average of GHc5,446. Main areas of economic activity in the Central region are Assin North and Gomoa East. Value addition per worker, however, is highest in Cape Coast Metropolis, where the average per worker value contribution of GHc7,035 is significantly higher than the average regional per worker contribution of GHc5,402.



The Central Region's strongest economic specialisation is within the industrial sector. The region employs about 10 percent of all industrial workers in Ghana. From 2000 to 2010, the manufacturing sub-sector recorded the highest industrial growth of 9.0 percent, followed by construction, which grew by 3.0 percent. Employment in the mining and quarrying sub-sector, however, declined by 2.0 percent, although this was lower than the national decline of 17.0 percent for the same sub-sector.

A spatial locational analysis of industrial activities in the Central Region shows that mining and quarrying workers are concentrated in the North-western part of the region, particularly in Upper Denkyira West, Upper Denkyira East Municipal and to a lesser extent, Twifo-Ati-Morkwa.. Manufacturing jobs are mostly concentrated in Effutu Municipal, Gomoa West and Mfantseman Municipal. Lastly, there is a strong clustering of construction workers in the eastern part of the region, along the border with Greater Accra, in Awutu Senya East Municipal, Effutu municipal and Gomoa East. These developments in the eastern part of the region are related to the expansion of Greater Accra due to the rapid demand for housing, coupled with the on-going sub-urbanization process. Cape Coast also has a high concentration of construction workers due to the increasing construction of residential buildings, hotels and hostels to meet the increasing housing demand for workers, residential needs of students of the numerous educational institutions as well as accommodation for tourists.

Agriculture, forestry and fishing together remain the second largest source of economic activity in the Central Region. It is an important employer in the region, engaging 44 percent of the economically active population. Furthermore, between 2000 and 2010, employment in the sector experienced a relative increase of 44 percent, exceeding the national growth of 31 percent. Out of the 20 districts in the region, 13 of these are predominantly agricultural. The five leading areas with the highest level of specialization in agriculture in the region are Upper Denkyira West, Assin South, Assikuma-Odoben Brakwa, Twifo-Heman-Lower-Denkyira and Assin North Municipal.

The services sector is the second largest employer and the least specialized sector of the region. It engages 40 percent of the region’s workforce. The share of services sector employees rose from 30 to 40 percent between 2000 and 2010, while the absolute number of workers in the sector rose by over 50 percent. All services sub-sectors increased their employment in the period, but at a much slower rate than the national average. Cape Coast, the regional capital, is the centre of public administration, health and education services, as well as highly productive sub-sectors such as finance and insurance and real estate and professional services. Wholesale and retail trade and accommodation and food services are more dispersed throughout the region, but still mainly concentrated in Cape Coast. Awutu Senya East Municipal, which borders Greater Accra, also has a high concentration of employees in the services sector in finance and insurance. However, these workers will most likely be employed in neighbouring Greater Accra, rather than in Central Region.

### Eastern Region

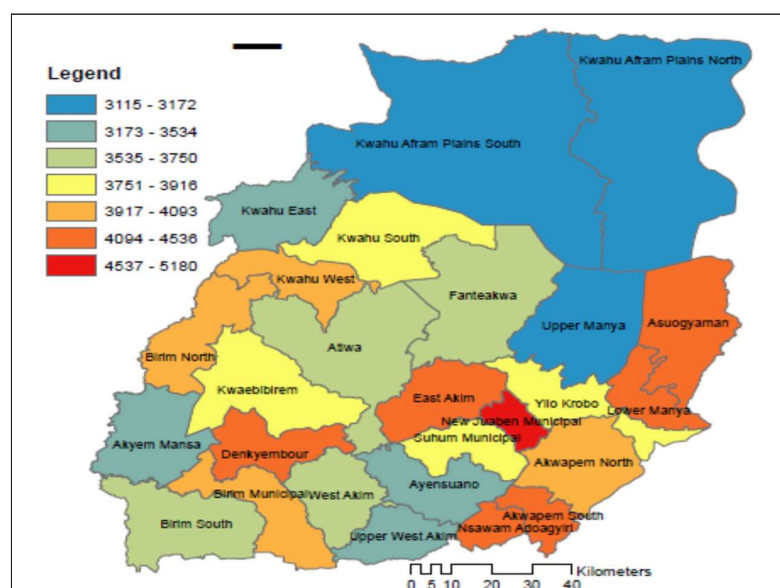
The Eastern Region is the fourth largest regional economy in Ghana, behind Ashanti Region and Greater Accra, contributing a little over a tenth of the national GDP and employing a similar share of the national labour force. It is the fifth most productive region in terms of value addition per worker (GH¢5,390) though still lower than the national average of GH¢5,546.

New Juaben Municipal, home to the regional capital Koforidua, generates almost a tenth of the total GDP for the region, making it the main economic centre in the region. The next rank of districts with relatively higher contributions to the region’s GDP are East Akim, Akuapem North and Birim Municipal, each contributing between 4.36 and 6.60 percent of GDP.

New Juaben Municipal stands out as the most productive district regarding value addition per worker. On the average, each worker there generates GH¢7,143 in GDP, which exceeds the regional average of GH¢5,390. Nsawam Adoagyir, Lower Manya Krobo Denkyembour, Asuogyaman and East Akim are the next level of districts with relatively high contributions per worker.

The agricultural sector remains the largest employer in the region. Agriculture’s share of employment fell from

**Figure 4.39: Map of Eastern Region**



55 percent in 2000 to 47 percent in 2010. In absolute terms, however, employment in the sector grew by more than 130,000, a 31 percent increase, and an indication that other sectors, notably services grew faster than agriculture. MMDAs with a high concentration of agricultural workers in the region include Kwahu Afram Plains South, Upper Manya Krobo, Kwahu Afram Plains North, Akyem Mansa and Ayensuano. These agrarian districts also have the lowest GDP per worker due to the low productivity in agriculture.

The services sector in the region experienced a major upsurge in growth. It increased its share of regional employment from 27 percent in 2000 to 40 percent in 2010. This rise was driven largely by the real estate and professional services sub-sector. Employment in this sub-sector grew by more than 360 percent between the two censuses. Real estate and professional services employment is clustered in New Juaben Municipal and neighbouring East Akim Municipal and in Akuapem South and Nsawam-Adoagyiri Municipal, which border the Greater Accra region. New Juaben Municipal has the highest concentration of workers in almost all the services subsectors, including finance and insurance and public administration and defence.

The industrial sector is the smallest of the three main sectors of the economy in Eastern Region. Its share of employment fell from 18 percent in 2000 to 15 percent in 2010. Nevertheless, there were some significant clusters of industrial activity in the region. Lower Manya Krobo district, which is well known for the manufacturing of ceramics and beads, Birim Municipal, West Akim Municipal, Asuogyaman and Suhum Municipal are among these clusters. Nsawam Adoagyiri Municipal also has a high concentration of employees in the manufacturing sector, particularly in agro-processing and pharmaceuticals. Asuogyaman District, which is host to the Akosombo township and headquarters of the Volta River Authority, has a high concentration of workers in the electricity, water and gas sub-sector. Lastly, diamond mining occurs in the Birim Valley, with employment predominantly concentrated in Denkyembour, Birim North and Atiwa.

### **Greater Accra Region**

Greater Accra region is the main economic driver and the most significant contributor to the national economy, generating 22.0 percent of total GDP. The region is also the most productive in the country, with value addition per worker of GH¢7,239 compared to the national average of GH¢5,446. In terms of contribution to national output, eight of the leading 12 MMDAs are located in the region. These eight, which are all located within Greater Accra Metropolitan Area (GAMA), contribute almost 20 percent of national GDP, while Accra Metropolitan Area (AMA) alone account for almost 10 percent of national GDP (or 42% of regional GDP).

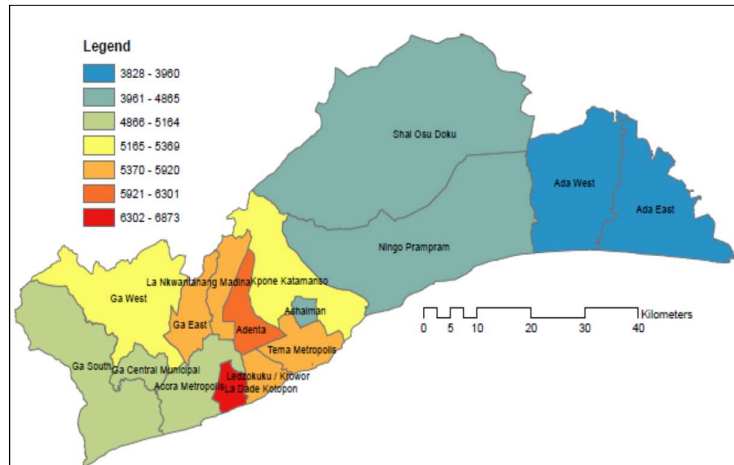
The economy of the Greater Accra region is dominated by the services subsector, the highest in the country. The sector employs 74.0 percent of workers in Greater Accra. The region is also the financial hub of the country. The region employs 46.0 percent of all workers in the sub-sector, as well as being the location of all the major financial institutions' headquarters. The finance and insurance sub-sector is highly productive, employing less than one percent of workers but generating over 10 percent of the region's GDP. The region is also highly specialised in real estate, professional, scientific, administrative and support services activities.



The transport, storage and communication sub-sector is the largest in the nation. The region is home to the country's largest port, Tema, and the only international airport, in AccraAMA also hosts the headquarters of the leading telecommunications companies.

Being home to the national capital, Greater Accra is also the administrative centre of the country, employing nearly 40 percent of all public administration and defence workers in Ghana. However, as a result of decentralisation, the region's share of employees in the public sector declined from 42 percent in 2000 to 37 percent in 2010. Public administration employees are heavily concentrated in La Dade Kotopon district bordering the AMA to the east.

**Figure 4.40: Map of Greater Accra Region**



Despite the specialisation in high value-added services sub-sectors, the majority of services workers are employed in low or semi-skilled sub-sectors, particularly wholesale and retail trade, which employs about one-third of the economically active population but contributes just 7 percent of GDP. Employment in wholesale and retail trade is concentrated in AMA, Ga West and Ga Central, which are host to Abossey Okai/Kaneshie, Makola and Kantamanto markets respectively, major hubs of retail trade.

The region is also the most industrialised in terms of its employment structure and also has the highest number of industrial firms. The manufacturing sector employs over 15 percent of the total workforce in Greater Accra, but productivity is low, with the sector contributing just seven percent of the region's total GDP. As the location of the main port in Ghana and the Tema Export Processing Zone, Tema in particular is home to many of the country's largest and most advanced manufacturing plants, while the corridor along the Spintex Road area (between Accra and Tema) is also home to many of the country's major firms including manufacturing. However, manufacturing activity in general is dispersing away from Greater Accra to the neighbouring regions and, within the region, it is dispersing outwards from AMA to the other MMDAs.

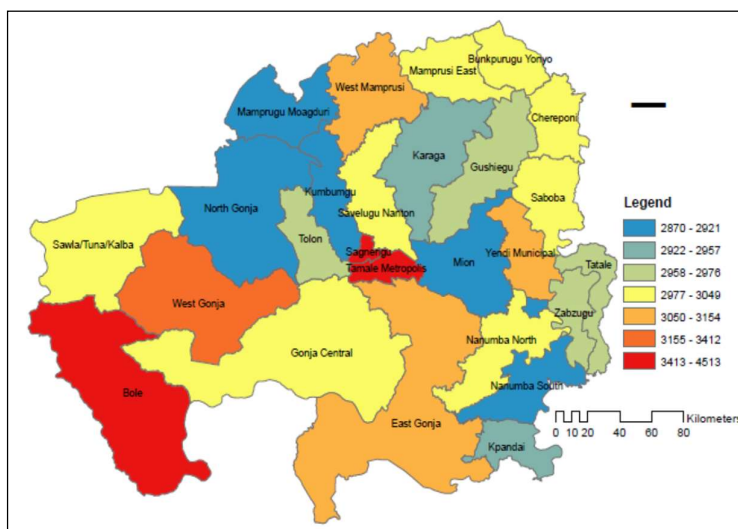
The construction sub-sector employs 6 percent of workers in the region and generates 12 percent of GDP, making it one of the most productive sectors in the region. Construction employment is concentrated in Adenta, Ga East, Ga Central, Ga South and Ga West. These are driven by the growth in real estate developments on the periphery of GAMA.

Agriculture contributes the least to the overall economy of the region, though it is still a significant employer in the less urbanised MMDAs of Ada East, Ada West, Ningo Prampram and Shai Osudoku. These rural MMDAs outside of GAMA have the lowest GDP per worker. The MMDAs with the highest output per worker are Ledzokuku and Adenta Municipalities.

## Northern Region

The Northern Region is the largest and most sparsely populated region of Ghana. The region's rural nature is reflected in the large share of the workforce engaged in agriculture, which was 76 percent in 2010. The region has the highest specialization in agriculture and accounts for almost 20 percent of all agricultural sector employment in Ghana. Between 2000 and 2010, employment in the sector increased by 590,000, representing a 50 percent rise. Agricultural activity in the region is almost exclusively subsistence in nature. Consequently, GDP per worker is the lowest in the country, at GH¢4,386. Despite its vast area, the region generates less than 8 percent of total GDP.

Figure 4.41: Map of Northern Region



Tamale, the capital city of the region, generates almost a tenth of the region's GDP and has the eighth highest GDP of all MMDAs nationally. Sagnerigu and Savelugu-Nanton also contribute substantially to the region's GDP, adding over 5 percent each to the region's GDP.

In terms of value addition per worker, Sagnerigu, Tamale and Bole stand out as the most productive MMDAs in the Northern region. Sagnerigu's high worker value addition is because the district was initially part of the Tamale District and hence host to high-value service professionals. Bole District's high productivity level is mainly because it is the main mining centre for the whole of the Northern Region. The mining industry has relatively high value addition and hence the high per-worker contribution. Unlike the primary sector, the services sector constituted only 17 percent of total employment in the Northern Region as of 2010. The majority of the sector's employment is in wholesale and retail trade and is concentrated in Tamale and Sagnerigu. The more productive sub-sectors in the services sector, such as financial, insurance, real estate and professional services, are also concentrated in the aforementioned MMDAs, along with manufacturing.

The industrial sector in the Northern region remains marginal, engaging about ten percent of the working population. Industrial activity in the Bole District, which is well-known for its industrial activity, is mainly in the mining and quarrying sub-sectors. Over 90 percent of all employees in the mining industry in the region are all located in that district.

## Upper East Region

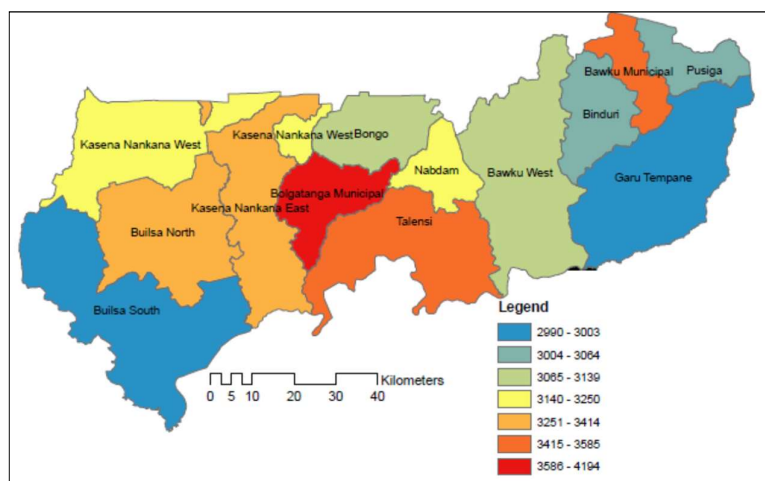
The Upper East Region is the second smallest of the 10 regions, after Greater Accra, in terms of land area, and has the second smallest economy, after Upper West. The region contributes less than four percent of total national GDP and engages over four percent of the total national labour force. Subsistence agriculture is the main source of livelihood for the majority of the population, with 70 percent engaged in the agricultural sector. The regional GDP per worker of GH¢4,614 of the region is substantially lower than the national average of GH¢5,546.

The regional capital and main urban settlement, Bolgatanga, generates about 15 percent of the region's GDP. Garu Tampane, the second largest contributor to the region's GDP, produces over 12 percent of the region's total output. The other leading contributors include Bawku Municipal, Bawku West, and Talensi Nabdam, generating between seven and nine percent each to the entire regional economic output.

Bolgatanga Municipal, the main economic area of the region, is also the most productive administrative area, with GDP per worker of GH¢5,783. It is the only administrative area in the Upper East Region with a higher GDP per worker than the national average. The next most productive MMDAs are Talensi and Bawku Municipal. Just like most areas in the country, the more rural districts are the least productive in the region as reflected in their lower value added per worker contribution. Agriculture is the main economic activity. Subsistence farming remains the main feature of agriculture in the region and it is almost ubiquitous throughout the region.

The agricultural sector continues to expand and maintains its position as a leading source of livelihood; the sector grew by 122 percent between 2000 and 2010, or by more than 200,000 jobs in absolute terms. The growth of employment in the sector is driven by the lack of alternative employment opportunities. Barriers to entry into agriculture are low, requiring little skills or capital, and land is readily available in the region. However, productivity is extremely low.

**Figure 4.42: Map of Upper East Region**



Upper East's services sector is amongst the weakest in the entire nation, and its share of the regional economy declined over the decade. Services employ less than 20 percent of the region's workforce. Even the low-skilled services sub-sectors of wholesale and retail trade and accommodation and food have grown at a slower rate than in the rest of the country; employment in transportation, communication and storage has decreased.

Employment in the industrial sector, the region's least specialised sector grew by nearly 70 percent between 2000 and 2010, though its share of total regional employment dropped from 11 to 9 percent, due to the huge increase in agricultural employment. Moreover, the region has the second lowest share of employment in industry in the country. The most significant growth in the industrial sub-sector was in mining and quarrying, which grew by over 500 percent. This is concentrated in two districts: Talensi and neighbouring Nabdam. Manufacturing employment grew by 60 percent and is concentrated mainly in Bolgatanga and Bongo. Construction employment also increased by 71 percent and is concentrated in the two main towns: Bolgatanga and Bawku.

### Upper West Region

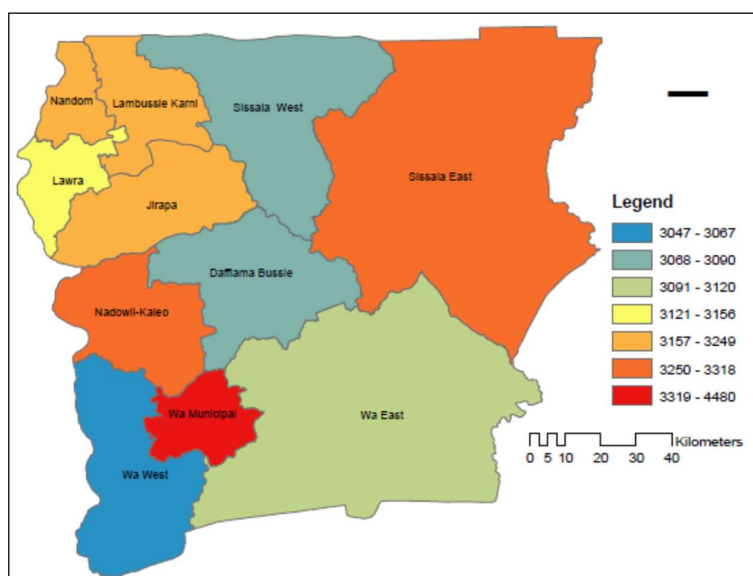
Like the other two regions in the north of the country, Upper West Region is sparsely populated with a predominantly rural economy. Its output is the least of all regions, and it contributes a little more than 2 percent of total national GDP and employs less than 3 percent of the labour force. Three-quarters of the population are engaged in agriculture and a further 10 percent are involved in unskilled, low productivity

services activities, primarily retail and wholesale trade. These are the two least productive sectors of the economy, resulting in the region having the second lowest GDP per worker in the country, GH¢4,589 after Northern Region.

The regional capital, Wa, is the centre of the vast majority of non-agricultural economic activities. It contributes 15 percent of regional GDP and has a GDP per worker of (GH¢6,177) that is considerably higher than all other districts in the region, as well as being higher than the national average of GH¢5,546. Jirapa District also contributes quite substantially to the region's GDP by providing over a tenth of the region's total output. However, Sissala East remains the second highest most productive area in the region, with a GDP per worker contribution of GH¢4,575.

Agriculture remains the main economic specialization of Upper West region, with cotton, maize and shea nuts being among the main crops, although shea nuts production has declined in recent times due partly to a lack of investment. Agricultural activity in the region is predominantly subsistence farming and productivity is lower than in other regions due to the basic methods of farming and the less fertile land conditions in that part of the country. Nevertheless, the sector accounts for 65 percent of the region's GDP. Like the Upper East Region, the growth of employment in the sector is driven by the lack of alternative employment opportunities; agricultural employment grew by 120 percent between 2000-2010.

**Figure 4.43: Map of Upper West Region**



The services sector jobs in the Upper West Region are mainly concentrated in Wa. The sector increased substantially between censuses; public administration and defence rose by 230 percent, education expanded by 132 percent and health and social services grew by 62 percent. However, the largest services sub-sector, wholesale and retail trade, witnessed a decline of 11 percent in employment between 2000 and 2010.

There is little industrial activity in the region. However, mining and quarrying activities have started in recent years and 28 mineral concessions were granted between February 2005 and January 2013 to companies to mine gold. This has resulted in an increase in mining and quarrying employment of 117 percent between 2000 and 2010. Manufacturing employment also rose during the same period by 108 percent. However, as with most regions in the country, manufacturing jobs are mostly basic food processing activities, with low levels of value addition.

The major challenges of Upper West's economy emanate from the small and scattered nature of its settlements, with their sparse population concentrations and outward migration of the youth. The sparse rural populations and scattered settlement patterns make infrastructure provision difficult. Agricultural productivity is also hampered by an unfavourable climate, basic farming practices, and poor transport links, owing to the remote location of settlements. The undiversified nature of the economic structure

leaves the region susceptible to external shocks such as poor harvests. With the exception of Wa, the sparse and scattered population structure in the region does not provide the critical mass or population threshold needed to support industrial economic activities and service provision.

## **Volta Region**

Volta Region is the eighth largest economy in Ghana in terms of contribution to GDP. The region generates nearly 10 percent of the national GDP and employs almost the same percentage of employees. The productivity level of the region is lower than the national average. With an average per worker value addition of GH¢5,020 the region's production level is lower than the national per worker GDP of GH¢ 5,546.

Ho, the regional capital, is the leading economic centre in the region, generating over 11.0 percent of the region's GDP. The high contribution of the regional capital is due to the high-skilled value addition jobs (mostly in the services sector) in the municipality. The other leading economic centres in the region are Ketu South and Hohoe municipal. These municipalities generate GDP contributions that are between seven to eight percent.

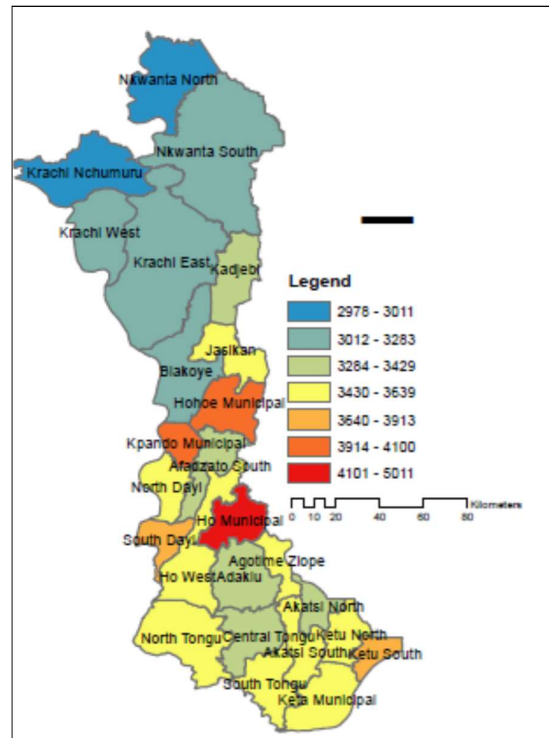
The highest production levels in terms of value addition per worker in the region are within Ho Municipal, possessing an average value addition of GH¢6,910 that exceeds the regional average of GH¢ 5,020. Kpando Municipal and Hohoe Municipal are the other municipalities with per worker value addition superseding the regional average.

Agriculture, forestry and fishing are the most specialized economic activities of the Volta Region. From 2000 to 2010, the sector increased its employees by almost 170,000, making it the largest absolute growth of all the sub-sectors in the region. The Volta Lake remains a major source of fishing and has helped increase fish farming in the region in recent years. The predominantly rural nature of the region means the sector will continue to be a major source of employment in the region. The districts with high concentrations of workers in the agriculture, forestry and fishing sectors as part of their employment structure include Nkwanta North, Krachi-Nchumuru, Nkwanta South, Krachi East and West, Central Tongu, Akatsi North and Adaklu. The industrial sector is the second most prominent economic sector of the Volta Region, with the second highest concentration of industrial workers among all regions. The industrial sector employs about 15 percent of the region's workforce. Over the decade, the number of employees in the industrial sector grew by 134.0 percent. The sub-sectors with the highest relative increases include manufacturing (326%), construction (140%) and electricity, water and gas supply (41%).

The mining and quarrying sub-sector, however, experienced a massive decline of 92 percent, which was higher than the national rate of decline equivalent to 17 percent. The mining and quarrying sub-sector jobs in the region are mostly concentrated in North Tongu and North Dayi districts. The manufacturing sector jobs in the region are more concentrated in Ketu South and Keta municipal, while the electricity, gas and water supply jobs are mostly clustered in Ho, South Dayi, Keta and Kpando .

Services is the weakest economic sector of the region, although its share of employment has been increasing over the decade. Between 2000 and 2010, the services sector’s share of employment grew from 29 to 31 percent. Akin to the structure of most regions in Ghana, the services sector in the Volta region is dominated by the wholesale and retail sub-sector that engages 43 percent of the entire services sector work force. High-value sub-sectors, such as finance and ICT, constitute small proportions of the services sector. Over the decade, all the services sub-sector jobs increased significantly, with the least growth recorded in the health and social work sub-sector, which grew by 56.0 percent. The services sector jobs are highly concentrated in Ho, Hohoe, Kpando, Keta and Ketu South, which are the most urbanized settlements of the region.

**Figure 4.44: Map of Volta Region**



**Western Region**

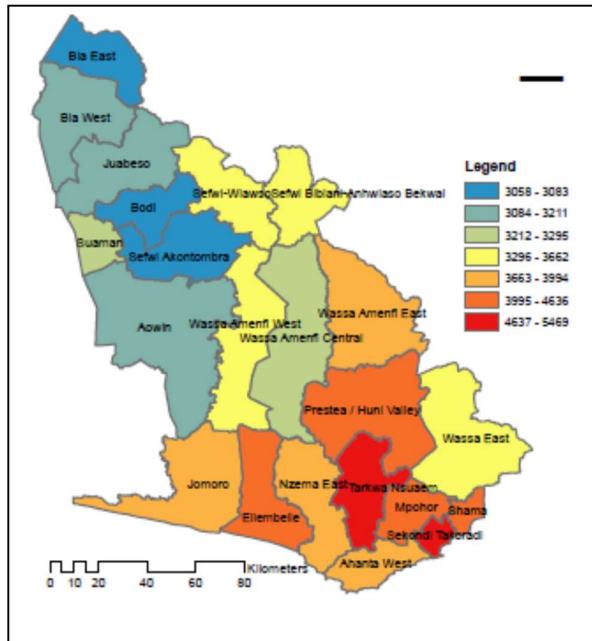
The Western Region plays an important role in the national economy. It is the third highest contributor to national GDP, contributing more than 10 percent of total national output, with a GDP per capita that is second only to that of Greater Accra. Moreover, with its abundance of natural resources and the highest cocoa production in the country, the region produces vital export commodities, including rubber, timber, and several minerals, including gold and bauxite.

Although economic activity is undertaken in every part of the region, the most urbanised MMDAs generate the most regional GDP. Sekondi-Takoradi is the most productive centre of the region, generating nearly a third of the total regional GDP and employing 22.0 percent of the total workforce. Sekondi-Takoradi’s contribution to national GDP is about 3 percent, the third highest of any MMDA, after KMA and AMA. The Sekondi-Takoradi Metropolitan Area also has the highest GDP per capita in the region. Prestea-Huni Valley is the second highest contributor to the region’s GDP, generating over 5 percent of the region’s GDP.

The high contribution of Prestea- Huni Valley is due to the concentration of mining activities in the district. The other leading contributors to the region’s output are Tarkwa-Nsuaem, Ahanta West, Sehwi Wiawso and Sefwi Bibiani Anwiaso.

Quite akin to the contribution to the region’s GDP, the value addition per worker is highest in the Sekondi-Takoradi Metropolitan Area, generating GH¢ 7,541 per worker. This is higher than the regional per worker value addition with GH¢5,711. Other MMDAs with higher than the regional average GDP per worker contribution are primarily those with high levels of mining activities, including Tarkwa-Nsuaem Municipal, Prestea-Huni Valley District, Mpohor District and Ellembele District. Shama, which borders Sekondi-Takoradi to the east, also has a higher than average per worker contribution to GDP. The districts with relatively lower levels of per worker contribution to GDP are the rural districts in the north of the region, which are mainly agrarian.

**Figure 4.45: Map of Western Region**



The primary sector remains the economic backbone of Western Region. The primary sector is the largest in terms of both GDP and employment. It employs nearly 50 percent of the region’s workforce and generates a third of its GDP. Agriculture in the Western Region is primarily cash crop production, rather than subsistence farming. The region is the largest producer of cocoa in the country as well as producing other cash crops, such as rubber, also the largest in the country, oil palm, and timber. Agricultural employment is more concentrated in the north of the region, in the districts of Sefwi-Akontombra, Bodi, Aowin, Juabeso and Bia East. Farming is almost ubiquitous throughout the region.

The industrial sector is the second most specialised economic sector of Western Region, particularly in the mining and quarrying sector. Mining and quarrying is the most economically vibrant and fastest growing industrial sub-sector in the Western Region due to the region’s unparalleled endowments of mineral resources. The region has the highest concentration of employees in the sub-sector. The number of employees also grew by 58.0 percent between 2000 and 2010, compared to a decrease nationally of 1.07 percent. Mining and quarrying jobs are concentrated in Tarkwa-Nsuaem and Prestea/Huni Valley, as well as Mpohor and Wassa Amenfi East.

Furthermore, the start of oil and gas production, which falls under the mining and quarrying sector, provides an opportunity to diversify the region’s economy through the development of direct and indirect linkages with the sub-sector. These could include backward linkages, such as the provision of input services to firms in the oil and gas industry, and forward linkages, to develop manufacturing industries using oil and gas inputs, such as oil refineries, plastics and petrochemicals production as well as servicing the production chain.

Manufacturing employment in Western Region is in decline. While manufacturing employment increased nationally by 36.0 percent, it decreased in the region by 20 percent. In 2010, a tenth of the population were engaged in manufacturing activities, primarily in low productivity sub-sectors, such as low-value food processing. Consequently, the average GDP per capita in the Western Region is lower in

manufacturing employment than in the agricultural sector. As mentioned above, efforts are to be made in order to diversify the economy into more productive manufacturing activities through linkages with oil and gas. Manufacturing employment in the region is concentrated in Shama, Sekondi-Takoradi and Jomoro.

The services sector is the least specialised economic sector of the Western Region's economy. Like most regions, its services' sector is dominated by the low-skills service activities. These are mainly within the wholesale and retail sector due largely to the ease of entry and low levels of capital requirements. The wholesale and retail sub-sector is the second largest employer in Western Region, employing 15 percent of the workforce, yet it contributes less than 5 percent of GDP. This makes it the least productive of all the economic sub-sectors. Wholesale and retail trade employment is concentrated in Sekondi-Takoradi, Ahanta West, Jomoro and Ellembelle. An increasingly important services sub-sector is accommodation and food services, which is growing to meet the demand for high-end hotels and restaurants from the oil and gas industry. The region has the second highest concentration of employment in accommodation and food services, after Greater Accra, partly due to its attractiveness as the destination of choice for the tourism industry.

#### **4.15 SPECIAL DEVELOPMENT AREAS**

Article 36 (2)(d) of the 1992 Constitution states, among other things, that the State must undertake "even and balanced development of all regions and every part of each region of Ghana, and, in particular, improve the conditions of life in the rural areas, and generally, redressing any imbalance in development between the rural and the urban areas".

The constitutional provision is further elaborated upon in Act 480 (1994), 12(1), which makes provision for a "joint development planning area, if special physical and socio-economic characteristics necessitate it being considered as a single unit for the purpose of development planning". The National Development Planning Commission, under the law, is to "recommend to the President" the designation of such an area, followed by an executive by the President to support it.

The largest initiative so far with regards to both the constitution and Act 480 has been the Savannah Accelerated Development Authority (SADA), which was set up in 2010 under Act 805. The establishment of SADA was based on the ecological similarity of the three northern regions along with portions of the Brong-Ahafo and Volta Regions. SADA thus covers five regions.

As of 2017, there were plans by government to modify the status of SADA and set up additional development authorities covering the whole country. In formulating the laws covering these authorities, adequate attention must be paid to the scope of their mandates such that they do not conflict with those of district assemblies, which are the primarily responsible for development at the local level. Among other things, the mandates of these trans-regional development authorities may be restricted to catalytic projects, such as highways or railways, that cut across districts and regions and may require some sort of central coordination beyond the capabilities of district assemblies. This, however, must be done in collaboration with local governments to ensure that any trans-regional development is properly reflected in the medium-term and annual development plans of the regions and districts affected.



## CHAPTER FIVE

# GOAL TWO: CREATE AN EQUITABLE, HEALTHY AND PROSPEROUS SOCIETY

### 5.1 INTRODUCTION

Creating an equitable, healthy and prosperous society means providing every Ghanaian the opportunity, particularly education, employment, decent housing, and other means of self-empowerment, to live happy and fulfilling lives. This chapter analyses the various issues in social development and proposes some strategic interventions and indicative strategies that would help with the attainment of this goal under the plan.

### 5.2 OVERVIEW OF SOCIAL DEVELOPMENT POLICIES IN GHANA

Social development policies in Ghana have been influenced by the nation's political and socioeconomic history discourses and policies of the international development community. The state's earliest involvement in social development was through the colonial governments provision of social welfare services to address severe deprivations in the population. In 1954, the Colonial Office in London adopted the term "social development" to connote "a combination of remedial urban-based social welfare services and community development programmes".<sup>35</sup> This definition added "community development" to the existing social welfare regime. This approach was "universalist".

Post-independence governments continued with many of the same policies as the colonial government in regards to social welfare and, more broadly, to social change towards a modern nation. Community development programs were expanded. The Education Act of 1961 laid the foundation for a dramatic expansion of primary and secondary education, as well as teacher training. Many formal workers benefitted from social security and other regulations regarding labour relations. These were done alongside economic policies that sought to catapult Ghana to a developed nation in short order through infrastructure and industry development, and through increased transnational trade. These efforts were disrupted by abrupt changes in governments and in policy direction.

The mid-1960s to the early 1980s were a period of incoherent policymaking as the country went through frequent changes in government through military coups and elections. As a result, the Ghanaian economy went through many crises, leading to the introduction of the Economic Recovery Programme and later Structural Adjustment Programme in 1983, with the encouragement of the IMF and World Bank. The economic liberalisation model adopted under the ERP crowded out social development considerations in two ways: First, the prevailing approach assumed that attention to the macro-economy would ultimately result in improved quality of life for the population. Second, a rollback of social provisioning by the state; thus, areas key to social development such as education, health, work, energy and water were put in the domain of the market either by removing government subsidies or by entirely privatising their delivery. Thus, instead of a comprehensive approach to social development and policymaking, "a piecemeal approach with instruments targeted at particular problems—e.g. school fees, nutrition deficits, maternal health and poverty—came to be preferred". Moreover, this targeting was of the most-poor or deprived so that social development was reduced to social welfare rather than a multidimensional and inclusive process.

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<sup>35</sup> Midgley, J. (2014). *Social Development: Theory and Practice*. Los Angeles: Sage, p. 29.

Development was more comprehensively and formally adopted as a state project through the 1992 Constitution. With “The Directive Principles of State” the constitution lays out the responsibility of the state to provide rights, protections, facilities and services that inure to societal progress and individual welfare. Specific mention is made of education, good health, and the right to work; access to public facilities and services; human rights, dignity and non-discrimination; integration and tolerance; patriotism; participation; gender and regional balance in public appointments.

While a result of Ghana’s internal social, political and economic dynamics, the evolution of social development policy and practice has no doubt been affected by the country’s integration into the global economy and governance structures. The United Nations (UN) is arguably the most important intergovernmental body promoting social development; its very charter states that the organisation will promote “higher standards of living, full employment and conditions of economic and social progress and development” (Article 55).

The UN began to work on social development in a more focused way from the 1971 when it shifted its efforts from the remedial social welfare approach which had dominated social planning from the early 1900s and embraced national-level social development policymaking. As a signal of this new orientation, the UN Social Commission was renamed Commission for Social Development and the United Nations Research Institute for Social Development (UNRISD) was set up. It was the UN that pushed for development planning that combined social and economic planning focusing on alleviating poverty and expanding social services and it was the United Nations Children’s Fund (UNICEF) that articulated the need for “adjustment with a human face” when the social costs of structural adjustment programs of the World Bank and the IMF became apparent. Indeed, the Poverty Reduction Strategies Papers (PRSPs) set by the IMF and the World Bank in the 1990s as a condition for debt relief under the Heavily Indebted Poor Countries (HIPC) program were a recognition that economic policies alone were inadequate for development. In order to qualify for the HIPC initiative, therefore, Ghana used the PRSP as a guideline for development for nearly a decade: from 2000 to 2002 (Interim PRSPs I), 2003 to 2005 (Ghana Poverty Reduction Strategy Paper I), and 2006-2009 (Growth and Poverty Reduction Strategy Paper II). Despite the implicit acknowledgement of the need for social policymaking, the PRSPs did not go far enough to set social development on equal footing with economic development, and it continued in a targeted, market-oriented approach to social development.

The efforts of the UN to provide a corrective to the dominant neo-liberal paradigm culminated in the agreement on the Millennium Development Goals (MDGs) in 2000 which focused on the fundamental dimensions of human well-being such as poverty, health, education and women’s empowerment. The Sustainable Development Goals (SDGs), which replaced the MDGs in 2015, address some of the limitations of the MDGs. While maintaining a focus on poverty, it takes a clear stand for equality, inclusion and sustainability. It also makes explicit the global partnership needed to advance the goals. The SDGs were also more inclusive in their development compared with the process that led to the MDGs.

The MDGs and the SDGs are important not only because they provide a consensus on socioeconomic development, but also because they shape social policymaking at a national level, in the sense that the requirements take up a significant portion of state policy attention, perhaps to the detriment of the more home-grown national and intra-continental development goals such as Ghana’s own long-term development plan and the AU’s Agenda 2063. The challenge is how to unify and balance these agendas, particularly in view of the fact that the UN itself does promote market-based social development policies and is implicated in the current focus on social protection which tends to exclude the other key functions of social policy, namely production and reproduction, redistribution, and cohesion.

### 5.3 OBJECTIVES OF SOCIAL DEVELOPMENT UNDER THE LONG-TERM PLAN

The overview of social policymaking in Ghana shows two dominant approaches to social development: the universalist approaches of the late colonial period and the years immediately after independence, and the more targeted and market-based approaches since the period of “structural adjustment” from the 1980s. Given the limitations of the targeted approach, as outlined above, the Long-Term National development plan returns to universalist approach in order to support the well-being of all citizens and to accelerate the building of human capital for national development as part of a broader strategy to fight poverty and reduce inequality permanently.

### 5.4 POPULATION AND DEVELOPMENT

National development is ultimately about people – and their welfare: their ability to live productive and fulfilling lives in an environment of safety, justice and freedom. For this reason, population plays a central role in development planning. It is when the rate of population growth, its composition, and spatial distribution are known, with a reasonable degree of accuracy, that a country can plan adequately for its development, including the formulation of employment policies, as well as the provision of basic services in areas such as education, health, housing, electricity, and public transportation.

Population changes are primarily driven by fertility, mortality and migration. However, it has to be noted that demographic indicators do not have a unidirectional influence on development planning, but rather are also impacted by development planning processes in the country. This suggests an intricate inter-relationship between population dynamics and overall social and economic development. In other words, population is as much a determinant of development as it is a consequence of it.

Ghana’s first attempt at incorporating population into development was in 1969, when it adopted the policy called, *Population Planning for National Progress and Prosperity*. The adoption occurred amidst a long-running debate in the development community in the 1950s and 1960s over what some writers saw as an impending “population explosion”, especially in the developing world, that would result in starvation and widespread deprivation unless steps were taken by governments to rein in rapid population growth to match the rate of agricultural growth. The debate culminated in the publication in 1968 of the book, *The Population Bomb*, which drew extensively on the 18<sup>th</sup> century “Malthusian catastrophe” theme of run-away population growth and famine.<sup>36</sup>

Despite the fact that Ghana’s population growth in 1969 was 2.12 percent, down from 3.16 percent in 1960, the alarmist tone of the population-development debate at the time meant that the policy proceeded on the assumption that the country’s population growth was “too high” and needed to be reduced. Once it was reduced, so the argument went, development would follow.

Crucially, the policy appeared to have ignored a counter-view in the population debate: That “development would take care of the population ‘problem’” – that is, as people became affluent, and as girls in particular were given greater opportunities in society, such as equal opportunity across the entire education spectrum (basic to tertiary), families would logically have fewer children, as women delayed childbirth while they pursued education and career alongside their male counterparts. Other counter-views rejected the blanket attempt to restrain population growth in the name of development and advanced a more nuanced approach, such as the breakdown of the short- and long-term implications of decline in population growth, as well as its direct and indirect impacts on various aspects of a country, including, for example, markets for locally produced goods.

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<sup>36</sup> [Ehrlich, Paul and Anne Ehrlich, \*The Population Bomb\*, \(1968\), Rivercity Press, Massachusetts, USA](#)

Without these alternative views, population policy focused on growth, and no attention was paid to long-term population levels, even a declining growth rate, and their implications for the development planning – such as the provision of social and infrastructure services.

Paradoxically, the year after the adoption of Ghana’s policy, population growth reversed direction and rose from the 1969 rate of 2.12 percent to 2.89 in 1973.<sup>37</sup> A fall in the subsequent years (1974-1978) was followed by an increase, which continued into the mid-1980s, followed by another decline. Preliminary assessments of the 1969 policy started in the mid-1980s. Many reasons were assigned for what appeared to be a failure of the policy, including the fact that family planning campaigns were aimed primarily at urban populations rather than rural areas, where over 70.0 percent of the population resided and “pro-natalist cultural beliefs” were prevalent as an economic necessity (more hands on the farm and financial support of parents by children in their old age) and also served as status symbols (the more fertile one was, the more respected they were in their communities).<sup>38</sup> The focus on family planning also appeared to have unduly burdened an already stretched health system.

In 1994, the policy was revised to address what was considered institutional failure and also incorporate new issues, such as HIV/AIDS and the environment, or others that were deemed not to have been adequately treated in 1969, such as adolescent and sexual reproductive health. A National Population Council with regional offices was also established, along with a six-volume action plan to facilitate the implementation of associated programmes and activities.

The revised policy emphasised the importance of looking at population growth within the broader context of development and not as an end itself, noting that a “national population and programme... [must] be developed as organic part of social and economic planning and development” and that measures “will be taken to improve the standards of living and quality of life of the people”.<sup>39</sup>

Remarkably, the revised policy also proposed programmes in the environment, housing, food and nutrition, and migration, among others. On education, it noted:

- (i) Subject to the availability of resources, free and compulsory universal basic education will be provided. Policies and programmes that girls to remain in school up to secondary school will be pursued; and
- (ii) Efforts will be made to promote adult education as well as basic and functional literacy with a bias towards maintenance of family values, reproductive health, and population and development inter-relationships

#### **5.4.1 Assessing Ghana’s Demographic Record**

Figure 5.1 presents trends in four key demographic indicators since 1960 for Ghana and Sub-Saharan Africa. The picture that emerges contradicts the recent expressions of alarm, especially among some donors, that the country’s population growth is “too high” and that something needs to be done about it. Rather than a uni-dimensional and uni-directional approach that focuses on population as the sole determinant of overall economic outcomes, the available evidence affirms the alternative view that development would eventually address the population “problem”. This is important especially since there is no “optimal” population growth rate in either of the two population policies; the targets are arbitrary, at best. The trends for Ghana are also a reminder that technical “shocks”, such as sustained periods of inward or outward migration, can also affect population growth and development, for better or for worse.

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<sup>37</sup> Population rates in this section are based on World Development Indicators, based on data from the Government of Ghana.

<sup>38</sup> Kwankye, Stephen and Esther Cofie, *Ghana’s Population Policy Implementation: Past, Present and the Future* in African Population Studies, Vol. 29, No. 2, 2015.

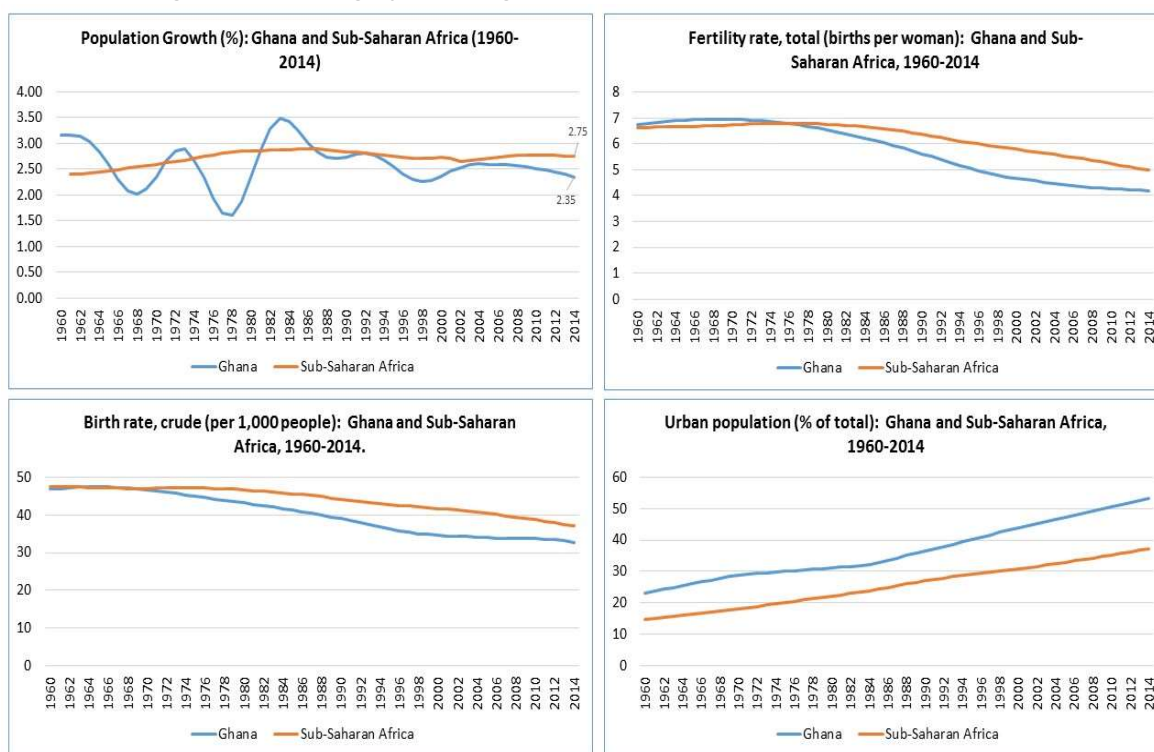
<sup>39</sup> Government of Ghana, *National Population Policy*, (Revised edition, 1994), National Population Council, Accra, 1994.

As stated above population growth after 1969 actually increased rather slow down as expected under the policy. Between 1974 and 1978, however, there was steep decline. There are no readily available studies to explain this trend. However, it is significant to note this period was also characterised by large-scale out-migration prompted by the economic difficulties of the period. The migration component of population growth might, therefore, have exerted a greater influence than other factors, such as fertility.

As the effects of migration faded out, those of the economy appear to have taken over. Diminished economic opportunities and the collapse in the educational system, which might have adversely affected the enrolment of girls, are associated with this period. However, from 1984 onwards, as the economy recovered from years of decline and government investment in infrastructure and social services increased, population growth began a steady and consistent deceleration, which has continued until today. At 2.35 percent in 2014, it was lower than the Sub-Saharan African rate of 2.75 percent and had in fact been lower for a decade.

Ghana's totality fertility rate as well as the crude birth rate also fell faster than the Sub-Saharan average. Urbanisation rate, whose rise is associated with a fall in fertility rate and population growth, remained higher in Ghana than the continental average, and grew faster from the late 1980s onwards, passing the 50.0 percent in 2010. As of 2014, the urbanisation for Sub-Saharan averaged less than 40.0 percent.

**Figure 5.1: Demographic Change since 1960: Ghana and Sub-Saharan Africa**

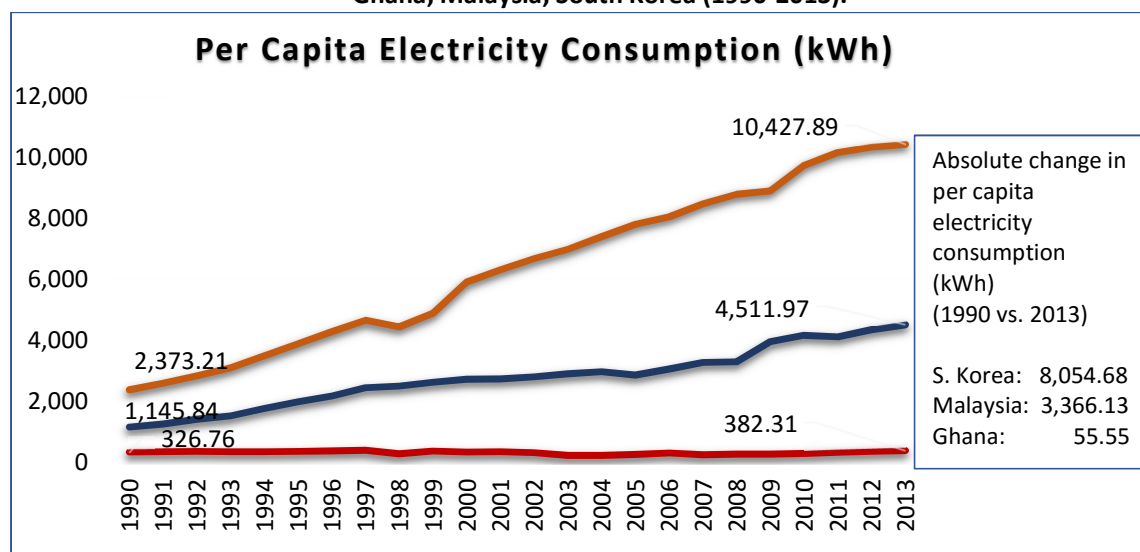


Despite these positive trends, it appears that the actual link between population levels and development planning over the years has been weak, with dire consequences in almost every aspect of national life. Nowhere has this been more evident than the country's energy sector, in particular the electricity sub-sector. Figure 5.2 compares Ghana to two emerging economies, South Korea and Malaysia, in terms of electricity consumption, which is closely related to economic growth, national development and population growth. It appears that in those two countries, planning for electricity consumption duly

accounted for population growth, because between 1990 and 2013, they added 8,054 kWh per capita and 3,366 kWh per capita, respectively.

By contrast, electricity generation in Ghana did not appear to have kept pace with population growth, resulting in an increase of only 55.55 kWh per capita over the same period. This has been the underlying cause of “dumsor”, which occurred intermittently since the late 1990s and worsened as the country’s urbanisation rate exceeded 50.0 percent.

**Figure 5.2: Electricity consumption (adjusted for population) kWh per capita: Ghana, Malaysia, South Korea (1990-2013).**



In the social sector, failure to related housing demand to population levels has resulted in a severe shortage of housing as well as inadequate infrastructure in the education sector. Based on the 2010 population census, the Commission has estimated a housing deficit of 3.6 million rooms – 1.7 million and 1.9 million in urban and rural areas, respectively. At this rate, approximately 20 million rooms will be required to alleviate the shortage and provide adequate housing for Ghanaians over the next 30 years, based on the Commission’s population projections.

Table 5.1 reflects the consequences of inadequate education infrastructure as the number of out-of-school children has risen in recent years (although it fell for those at the primary school level, the 354,861 was still unacceptably high in terms of efforts at the total development of the country’s human resources).

**Table 5.1: Number out-of-school children (2009-2015)**

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Pop. (6-11yr): Primary	659,187	910,970	771,644	623,385	411,448	354,861
Pop. (12-14yr) :JHS	859,835	905,243	926,016	921,581	913,015	950,490
Pop. (15-17yr) :SHS	1,212,302	NA	NA	NA	NA	1,365,914
<b>TOTAL</b>	<b>2,731,324</b>					<b>2,671,265</b>

## 5.4.2 From Demographic Transition to Demographic Dividend

A combination of factors, including a rise in the age at marriage, increasing educational and other opportunities for girls, and the consequent decline in fertility, have consistently reduced Ghana's population growth since 1984, a trend which in turn has altered the population structure of the country. Ghana's is now in the midst of what is known as the "demographic transition", whereby with the population structure characterized by a narrowed base, due to substantial reduction in the proportion of the population who are less than 15 years, an expanded middle made up 15-64 years old (the working age population) and a slight increase in those aged 64 years and over (See Table 5.2). As a consequence, the median age of Ghana's population increased from 16.6 years in 1970 to 20.7 years in 2010, while the dependency ratio declined from a high of 102 in 1970 to 76 in 2010. In sum, the number of people available to work increased while the number to be cared for by these workers (that is, dependents) declined.

**Table 5.2: Ghana's Demographic Transition: Population Distribution, (%), 1970-2010.**

Age/Indicator	1970	1984	2000	2010
Population <15	46.9	45.0	41.3	38.3
Population 15-35	-	-	38.1	33.8
Population 15-64	49.5	51.0	53.4	57.0
Population 65+	3.6	4.0	5.3	4.7
Median Age	16.6	18.1	19.4	20.7
Dependency Ratio	102	96	87	76

*Source: Ghana Statistical Service, Population census reports, 1970-2010*

The challenge for government is to devise the best policies and strategies to take full advantage of this "demographic dividend" of able-bodied men and women available to work. This will require large investments in infrastructure of all kinds, including those for education, health, housing, public transportation, and governance.

The demographic dividend occurs in two phases, with first (discussed above), made up of a large youthful population whose energies and creativity must be devoted efficiently to the national development effort through expanded education, training and employment opportunities. In the second phase largely entails an aged and ageing population no longer in the labour force but requiring a range of support services, including social security, to live healthy and meaningful lives.

A country's ability to manage the second phase, therefore, depends on how well it manages the first to raise enough resources during the first through higher growth, higher incomes, and higher revenue. This would apply equally to those in the formal and informal sectors.

Along with the demographic comes the "epidemiological transition", which reflects in a shift from predominantly infectious or communicable diseases to a combination of communicable and chronic non-communicable diseases (NCDs). In recent years, hypertension, stroke, diabetes and cancer have moved to the top 10 causes of death in Ghana<sup>40</sup>. Ghana is, therefore, experiencing a double disease burden from both communicable and non-communicable chronic diseases on account of several factors, including rapid urbanisation that is accompanied by unhealthy lifestyles, poor knowledge about non-communicable diseases, and an ageing population. It is anticipated that this double burden of disease will continue for some time until effective control over infectious or communicable diseases is achieved. This also calls for

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<sup>40</sup>Agyei-Mensah S and de-Graft Aikins A. Epidemiological transition and the double burden of disease in Accra, Ghana. *Journal of Urban Health*, 2010. September 87(5): 879-97.

attention within the context of population policy as the nation positions itself to harness the benefits of the demographic dividend.

**Table 5.3: Population and Other Demographic Projections (2018-2057).**

	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
Population (Millions)	30.38	32.45	35.19	37.88	40.59	43.44	46.38	49.32	52.15	54.81	57.28
Household size (National)	4.5		4.3		4.0		3.8		3.5		3.5
Household size (Urban)	3.8		3.5		3.0		2.5		2.4		2.4
Urbanisation rates (%)	57.2		62.6		66.8		70.5		73.1		79.1

### 5.4.3 Strategic Interventions

- Sustain the demographic dividend: This must be done through inclusive and equitable development policies that will provide ample opportunities for all Ghanaians, especially in the field of education and in the labour market for the youth.
- Reposition and prioritise the National Population Council: This exercise must be undertaken to ensure effective coordination of population-related programmes and activities. This should include a statutory inclusion on the Governing Board of the National Development Planning Commission.
- Efficient population distribution: Emphasise efficient population distribution through proper spatial planning and development.

## 5.5 CULTURE AND DEVELOPMENT

In line with Constitution, Ghana launched its National Cultural Policy in 2004, which had been 20 years in the making. The Policy states:

*“In the era of globalization and contemporary technological challenges, the people of Ghana must recognize that their culture is the basis of, and the most important factor in, the nation’s human and material development. Thus, our history cultural values and institutions must continue to exercise a deep influence on the nation’s destiny and play a key role in governance and national life.”<sup>41</sup>*

The cultural policy has not been systematically applied, nor its contents elaborated upon for action. Moreover, the policy and its contents are not generally known by non-state actors. This situation has severely limited the effectiveness of this important instrument.

<sup>41</sup>The Cultural Policy of Ghana, section 1.1 para 2



## ***Institutional framework***

The implementing bodies for policies by the National Commission on Culture include the region and district centres, but also the following as spelled out in the policy, are:

- i. Regional and District Centres for National Culture;
- ii. National Theatre of Ghana;
- iii. National Dance Company;
- iv. National Drama Company;
- v. National Symphony Orchestra;
- vi. Ghana Museums and Monuments Board;
- vii. Bureau of Ghana languages;
- viii. National Folklore Board;
- ix. W. E. B. Du Bois Memorial Centre for Pan African Culture;
- x. Kwame Nkrumah Memorial Park;
- xi. Office of the Copyright Administrator;
- xii. Pan African Writers Association (Headquarters).

In 2006, the Ministry of Chieftaincy and Culture was created (now the Ministry of Chieftaincy and Traditional Affairs) and the Commission brought under its auspices. Currently the supervisory ministry is the Ministry of Tourism, Culture and the Creative Arts, a successor to the Ministry of Tourism. The mandate of the Ministry is “to provide a firm, stable policy environment for effective mainstreaming of Ghanaian culture into all aspects of national life and to ensure the strong emergence of a vibrant creative economy to improve and advance the tourism industry.”<sup>42</sup> In addition, the work of a number of other ministries has a bearing on the policy environment in regards to culture and development. For example, the Ministry Education overseeing curriculum development has been implementing the national language policy while the Ministry of Health has created a desk for traditional medicine.

### **5.5.1 Socio-cultural Dynamics**

The notion of socio-cultural dynamics refers to values, practices and behaviour such as the “I-am-because-you-are” ideals of communitarianism and of social tolerance represented by the Adinkra symbol, *Obi nka bi* (Figure 1). However, many socio-cultural values, beliefs and behaviour are a threat to the fulfilment of national aspirations; these include the distortion of public morality, negative attitudes towards work, superstition, and self-denigration. There is also the negativity towards differently-able persons, females, individuals with non-normative sexuality, and people from specific ethnic groups. These sections of the population are subject to exclusion and discrimination, ranging from the subtle to the horrific that are often justified in the name of culture and tradition. The past 25 years have seen activism and some policy initiatives to redress inequities, particularly in the area of gender equality and women’s empowerment in which CSO activism has made significant impact with the abolishing of the *trokosi* system and the passage of the Domestic Violence Act, for example.

**Figure 5.3: Adinkra symbol "obi nka obi"**



It is obvious that any plan to transform the nation will need to include strategies which will engender transformative thinking and behaviour.

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<sup>42</sup> Meeting with Ministry of Tourism, Culture and Creative Arts, Policy Hearings for Long-term Plan (2016), NDPC.

### 5.5.2 Ethnicity

The multi-ethnic composition of African nation states has often been cast as a problem to be overcome in nation-building, with the assumption that loyalties to ethnic groups compete with, and may in some respects be incompatible with, the responsibilities of citizenship. Cognisant of the potential for ethnic divisions to undermine the effort at independence to build a united nation—and with the threat of secession by both the Ewes and Asantes—Kwame Nkrumah took steps to promote cohesion. Among these was the Avoidance of Discrimination Act that sought to prevent political parties from forming around ethnic, religious or regional affiliations, and the distribution of public boarding schools around the country which had the effect of convening students from different backgrounds into close living quarters and, thereby, reducing the ignorance and prejudice which feed ethnic division. In addition, Nkrumah deliberately used the symbols of different ethnicities (and religions) in statecraft in a way that validated them all as part of the new Ghanaian society. By these actions, Nkrumah set Ghana on a stronger footing than other newly independent African nations in terms of the co-existence of ethnic groups. While there does exist ethnic divisions and some tensions, the available evidence suggests that the majority of present-day Ghanaians hold as tightly to their ethnic identities as to their nationality<sup>43</sup> and are comfortable working with and even marrying into other ethnic groups.<sup>44</sup> However, ethnicity does loom large in politics and public life to the extent that people perceive bias towards or against particular ethnicities in politics (including in voting patterns) and in government policies, particular in terms of distribution of public goods.<sup>45</sup>

The task for national development is to encourage cohesion without requiring that citizens sacrifice their sense of ethnic identity, with all the richness and benefits this adds to their lives. In this sense, Ghana aspires to be a multi-cultural society that is still cohesive, and where different ethnicities feel included in all aspects of national life. Crucial to this goal is that governments be seen to be equitable in delivering “development” to all citizens. Also important is the need to encourage knowledge and pride in the Ghana’s sub-cultures, including in its various languages. In this wise, the study of Ghanaian languages in school (discussed in the Education chapter) and their general use in media is to be supported.

### 5.5.3 Religion

The Constitution of Ghana affirms freedom of worship (religion) in Ghana. Three major religious traditions are generally recognised: Christianity, Islam, and traditional religions. Christians have organised themselves in a number of coordinating bodies. The Christian Council represents the Orthodox churches other than the Catholic Church which is coordinated by the Catholic Bishops’ Conference. Additional bodies are the Pentecostal and Charismatic Councils. The Moslem Council and Ahmadiyya Movement are two different bodies that bring together adherents of the Islamic faith. Traditional religions are not specifically under one body; the state mostly interacts with leaders of indigenous religions within the governance system of traditional states. However, traditional healers, many of whom are also religious leaders, have a formal association (the Ghana Federation of Traditional Medicine Practitioners Association) which interfaces with government through the Ministry of Health. The National Commission on Culture acts as bridge between all these bodies and the government.

Religion must be taken into account in developing strategies for the national plan because Ghanaian conceptions of personhood and well-being is the idea that an individual has both a spiritual and temporal

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<sup>43</sup> Center for Democratic Development (CDD) and Afrobarometer (2012). *Ghana Round 5 Afrobarometer Survey: Summary of Results*. Retrieved from <http://www.afrobarometer.org>

<sup>44</sup> Langer, A., (2010). The Situational Importance of Religion and Ethnicity in Ghana. *Ethnopolitics*, 9(1), 9-29.

<sup>45</sup> Center for Democratic Development (CDD) and Afrobarometer (2012). *Ghana Round 5 Afrobarometer Survey: Summary of Results*. Retrieved from <http://www.afrobarometer.org>; Langer, A., (2010). The Situational Importance of Religion and Ethnicity in Ghana. *Ethnopolitics*, 9(1), 9-29.

existence. Moreover, individuals and communities often base their long-term aspirations within a religious framework. Indeed, there is research suggesting that Ghanaians are more invested in their religious identity to a greater extent than their national or ethnic identities, and that religion is a significant factor in people's life choices,<sup>46</sup> for instance, interpersonal relationships and health seeking behaviour, among others. While a religious worldview can encourage values and ethics that support development, there is the danger that religious beliefs also result in practices, customs and attitudes which retard individual societal progress. For instance, as the chapter on Disability points out, the maltreatment of individuals with disabilities is often rooted in religious beliefs. Another instance is a strand of Christian theology that is preoccupied with wealth (or "prosperity"), divorced from an emphasis on hard work or honesty in the acquisition of material possessions and status. Moreover, although Ghana has experienced relative harmony between religious groups, it must be noted that religion can also be a source of exclusion and conflict. This presents a challenge to planners who must project a vision that represents the identities and values of Ghanaians, and that are also positive and inclusive.

#### 5.5.4 Traditional authorities

Traditional authorities include chiefs, female leaders, youth leaders, and heads of families, among others. Out of these, chieftaincy has been given prominence in the Constitution of Ghana with a full chapter dedicated to it (Chapter 22), with emphasis on their roles as custodians of culture. While the Constitution frowns upon the participation of traditional authorities in partisan politics, the national significance of these indigenous authorities is recognised through the National House of Chiefs, Regional House of Chiefs and the Traditional Councils.

In Ghana, the chieftaincy institution is seen as a preserver of cultural values of communality, including respect for the elderly, communal effort, and reciprocity. Moreover, these traditional leaders are patrons of a range of artistic groups and art forms. They also ideally maintain law and order. Especially in areas of where the presence of the governance is relatively weak, traditional authority also play the role of the executive and the other arms of government. Chiefs are act as promoters of development, in that they advocate for development projects from the government or directly look for funds to implement development projects on their own.

Despite the positives roles chiefs ideally play, chieftaincy is an institution which has suffered some distortions especially dating from the colonial period when it was invented in parts of the country where it had not previously existed and modified in those parts where the institution was already known. Chiefs were propped up and used by the colonial government to enforce tax and other laws. Thus, while the chieftaincy institution can sustain communal unity, it is also the source of conflict, especially around matters of succession and land use. Again, since chieftaincy is a human institution, it is marred by instances of greed, corruption, incompetence, and abuse of power. The institution also condones some outmoded rites and customs which are inimical to the well-being and further development of Ghanaian communities. Chiefs have also been implicated with the challenges of the land tenure system, notably in regards to its commercialisation and to insecurity of tenure for women, youth, and the economically disadvantaged.<sup>47</sup>

Matters affecting the role of the chieftaincy institution are presently dealt with by the Ministry of Chieftaincy and Traditional Affairs. This Ministry is working the documentation of the lines of succession

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<sup>46</sup> Langer, A. (2010). The Situational Importance of Religion and Ethnicity in Ghana. *Ethnopolitics*, 9(1), 9-29.

<sup>47</sup> Agbosu, L., Awumbila, M., Duwuona-Hammond, C. & Tsikata, D. (2006). *Customary and Statutory Land Tenure and Land Policy in Ghana*. Unpublished report, ISSER; Anyidoho, N.A., Amanquah, S. T. & Clottey, E. A. (2008). Chieftaincy Institutions and Land Tenure Security: Challenges, Responses and the Potential for Reform, *ISSER Technical Publication, No. 77*. Accra: ISSER.

of the various lineages to remove distortions which are a source communal strife and an impediment to social progress.

### 5.5.5 The Creative Arts

The creative arts represent and carry the cultural heritage. Traditional arts forms coexist with modern expressions within visual arts, performing arts, the literary arts and publishing, film industry, music and the culinary arts. Schools, colleges and studios have been established to train artists and performers; these include the School of Performing Arts at the University of Ghana and the College of Art and the Built Environment at the Kwame Nkrumah University for Science and Technology. Professional music, dance and theatre groups exist (including resident performance groups under the state) but the creative arts scene is also kept alive by hundreds of amateur groups; since 2012, a growing number of organisations and individuals in these domains have created a network under the Ghana Culture Forum to vigorously promote the arts in Ghana. Through the Ministry of Tourism Culture and Creative Arts, the government has recognised this forum and provided small grants for promising arts projects.

### 5.5.6 The Creative Economy

The creative economy was identified in the preamble to The Creative Sector Medium Term Plan 2012-2013 as “the complex interaction between culture, economics and technology. The emerging creative economy has become a leading component of economic growth, employment, trade and innovation, and social cohesion in many countries. The linkage between the Creative industries - namely Cultural Sites, Visual Arts, Traditional Cultural Expressions, Performing Arts, Music, Publishing, Audio Visuals, New Media, Design and Creative Services - and economic development is gradually becoming clearer. “ The Centres for National Culture have for decades promoted the artisanal and communal arts through festivals, exhibitions and markets; for example, in the 1990s handicrafts and ceramics were recognised as “non-traditional exports”.

**Figure 5.4: Sneakers made with Ghanaian cloth**

For the first time in 2005, the Government included Music and Film in the budget of the Ministry of Tourism under the Ghana Poverty Reduction Strategy. In 2010, the Ministry of Trade included Creative Industries in its Micro Small and Medium Term Enterprises (MSME) programme funded by the World Bank. Under the auspices of the Ministry of Chieftaincy and Culture the development of the creative industries was to be tied in to the vision and mission of the of the ministry.



The process of preparing the first Creative Sector Medium-Term development plan 2010-2013 (CSMTDP) was led by the NDPC and recognised the following as spheres of the creative industry in Ghana:

- Cultural Sites - archaeological sites, museums, libraries etc.
- Visual Arts - paintings, sculptures, photography, antiques
- Publishing and Printed Media - books, press and other publications
- Design - interior, graphic, fashion, jewellery and toys
- Creative Services - architectural, advertising, cultural and recreational, creative research and development, digital and other related creative services
- New Media - software, video games, digitalized creative content
- Audio Visuals - film, television, radio and other broadcasting

The vehicle for promoting the creative sector is the Council for Creative industries, an interim governing board which was inaugurated in September 2016. It is expected to improve policy co-ordination and

integrated development, mobilise resources and disseminate information. It cannot be said that much progress has been made in implementing the strategies for institutionalising the creative industries in Ghana. This will have to be done with a much greater involvement of key government agencies as well as the private sector.

### **5.5.7 Tourism**

While tourism is not restricted to culture it depends very heavily on it to provide content and deepen the value of client experience, especially since Ghana does not offer the types of spectacular wildlife experience provided in Eastern and Southern African. Tourism often provides a much-needed impetus for the production of cultural goods and sustenance of various aspects of the cultural heritage. Ghana has the opportunity to develop a special niche for heritage, educational and pilgrimage tourism to cater for the deeply felt needs of the historical African diaspora. More recent emigrants from the diaspora should inspire new products of cultural industry such as heritage tours, short courses, fashion and outward products such as well-organized musical tours.

The tourism sector is stimulated and regulated by the Ghana Tourism Authority which manages the Tourism Fund and has offices at the regional level throughout the country. The Ministry of Tourism, Culture and Creative Arts makes direct interventions in the area of tourism by organising festivals such as the Okwahu Paragliding Festival, Emancipation Day and Homofest. Moreover, actors in the sector such as tour companies, tour guides and hoteliers have associations through which they relate to the Ministry and its agencies.

## **5.6 POVERTY AND INEQUALITY**

### **5.6.1 Overview of Policies on Poverty and Inequality**

Poverty reduction has been a recurring priority in Ghana's quest for development. The Seven-Year Development Plan (1963-1970) spoke of the need to build a "society in which no one will have any anxiety about the basic means of life, about work, food and shelter; where poverty and illiteracy no longer exist and disease is brought under control..." The economic crises of the 1970s and early 1980s led to a deviation from this ideal. In 1992, reduction of poverty and inequality was re-inscribed in Ghana's vision for development. The Directive Principles of State Policy of the 1992 Constitution state in Section 2(d) that "The State shall... take all necessary steps to establish a sound and healthy economy whose underlying principles shall include undertaking even and balanced development of all regions and every part of each region of Ghana, and, in particular, improving the conditions of life in the rural areas, and generally, redressing any imbalance in development between the rural and the urban areas." In Section 6, it further states that "The State shall afford equality of economic opportunity to all citizens; and, in particular, the State shall take all necessary steps so as to ensure the full integration of women into the mainstream of the economic development of Ghana."

The importance of poverty reduction and inequality is recognised also at regional and global levels, as reflected in various policy frameworks, protocols and agenda which have reinforced Ghana's commitment to addressing these development challenges. Through the Millennium Development Goals (MDGs), developing countries agreed to take actions to meet key development targets by 2015, including eradicating extreme poverty and hunger. The Sustainable Development Goals, adopted in 2015 after the expiry of the MDGs, go an extra step to address inequality: four SDGs (goals 4, 5, 8 and 10) focus on income and education equality, gender equality, and the inclusion of disadvantaged and marginalized groups in the development process. At the regional level, the African Union (AU)'s Agenda 2063 adopted in 2013 further emphasises achieving 'high standard of living, quality of life and well-being' through poverty

eradication, reduction of income inequality and inequality of opportunity, job creation, and the provision of social services to all citizens.

The policy attention given to poverty and inequality has translated into a significant reduction in the proportion of households living below the upper poverty line from 51.7 percent to 24.2 percent between 1991 and 2013. However, this decline has not been uniform. Food crop farmers have benefitted the least from poverty reduction over the last two decades, and poverty among the unemployed continues to be high. Moreover, rural Ghana has the poorest people, both in absolute and relative terms, and the three northern regions continue to record much higher poverty rates compared to the rest of the country, a situation that is in large part the result of uneven attention in development policymaking and resourcing, and in the distribution of natural resources.

As Ghana aspires to become a high-income country, with correspondingly high levels of social development and strong and responsible institutions, tackling inequality of opportunities between geographical locations and among social groups is imperative.

### **5.6.2 Analysis of Current Situation**

The Ghana Statistical Service has conducted six rounds of the Ghana Living Standards Surveys (GLSS), each of which used a nationally representative sample of households. The dimensions of poverty reported in the survey reports are consumption poverty, access to services and human development. The Ghana Demographic and Health Survey (GDHS) reports analyse monetary and non-monetary poverty and inequality. The findings from these survey reports show that Ghana has done remarkably well in reducing poverty over the years at the national level, particularly in urban areas. Inequality, however, is on the rise.

#### Monetary Poverty

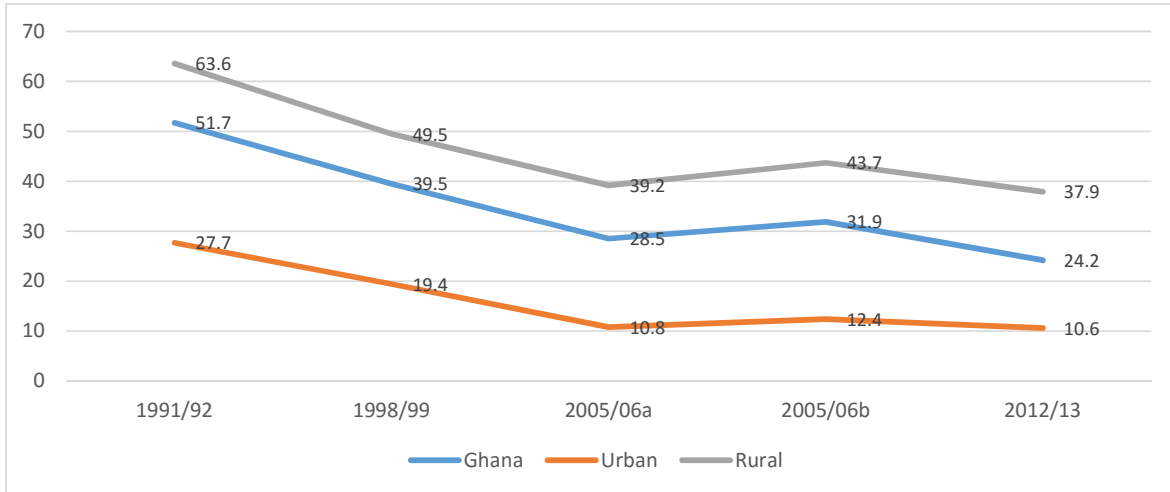
After decades of dismal economic performance, Ghana began achieving sustained positive growth rates from 1984. The positive performance continued into the 1990s, and has averaged more than 7% per annum since 2005. This growth has translated into a substantial reduction in poverty over the years. Results from the third to sixth rounds of the Ghana Living Standards Survey show consistent<sup>48</sup> declines in national poverty incidence between 1991 and 2013, although parts of the country continue to experience high and deepening poverty. The proportion of households living below the upper poverty line (approximately \$2 a day) declined from 51.7 per cent to 24.2 per cent between 1991 and 2013.<sup>49</sup> Extreme poverty (that is, living below the lower poverty line of \$1 a day) reduced much faster, falling from 36.5 per cent to 8.4 per cent over the same period. Poverty is a reality of both rural and urban life, although rural areas have tended to higher poverty rates than urban areas. The savannah zone, capturing predominantly the Northern, Upper East and Upper West regions, remains the poorest in Ghana (see Figures 5.5 and 5.6).

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<sup>48</sup> In 2012/13, a new poverty line was calculated and applied to the 2005/06 data which resulted in a slightly higher poverty incidence compared to what was originally obtained in 2005/06. Even so, the trend has been consistent decline over a 22-year period.

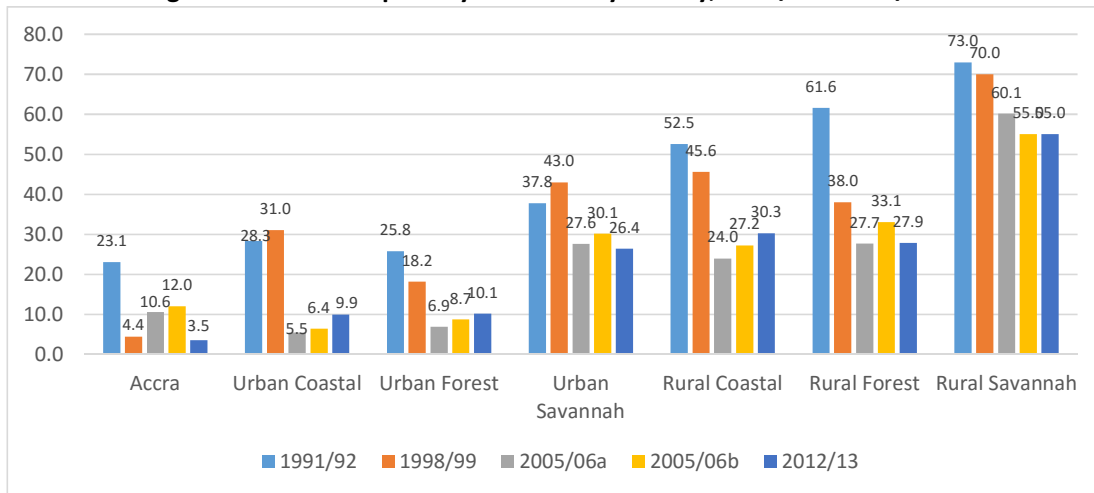
<sup>49</sup> Two values are reported for 2005/06; 2005/06a indicates poverty headcount based on an old poverty line, while 2005/06b refers to poverty headcount based on the adjusted welfare levels for 2005/06 using a new poverty line for 2012/13.

**Figure 5.5: National, rural and urban absolute poverty incidence, 1991/92 – 2013/2013**



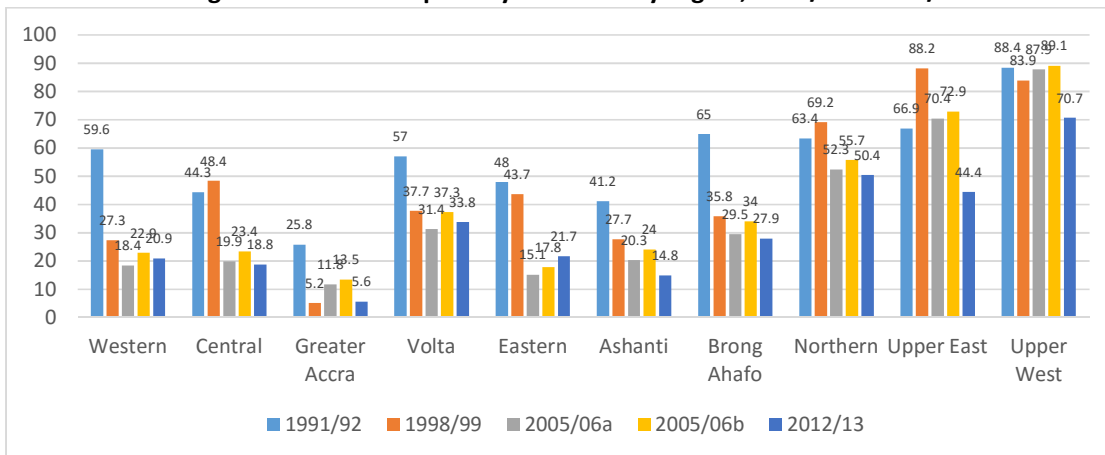
Source: Ghana Statistical Service (2007): *Patterns and Trends of Poverty in Ghana: 1991-2006*.

**Figure 5.6: Absolute poverty incidence by locality, 1991/92 - 2012/2013**



Source: Ghana Statistical Service (2007).

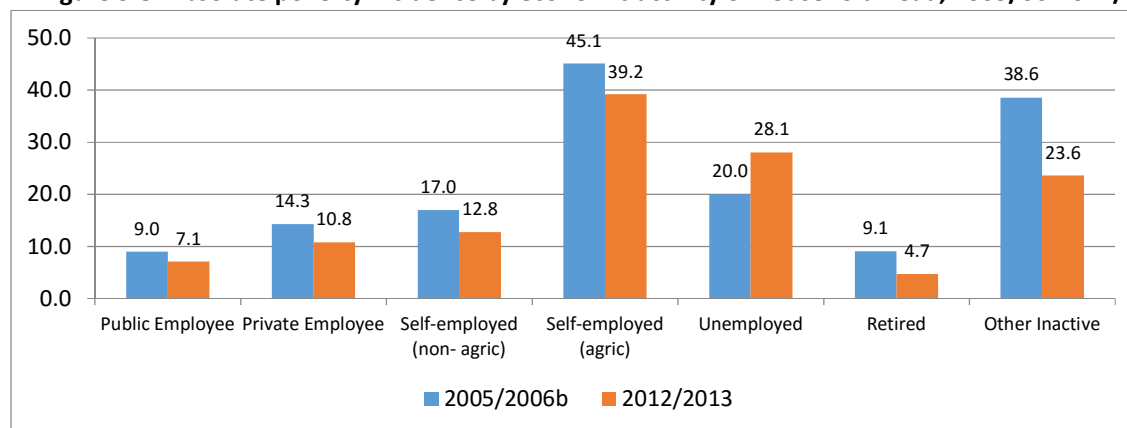
**Figure 5.7: Absolute poverty incidence by region, 1991/92 - 2012/2013**



Source: Ghana Statistical Service (2007).

Figures 5:8 indicates that the incidence of poverty is highest among households headed by food crop farmers and those self-employed in agriculture at about 46 and 39 percent respectively in 2012/13. Thus, any further decreases in poverty would have to benefit these groups significantly. Policies aimed at reducing poverty must therefore pay attention to the agro-food sector. Figures 10 further shows that those in the informal employment in the private sector have higher rates of absolute poverty than those employed in the public and private formal sectors.

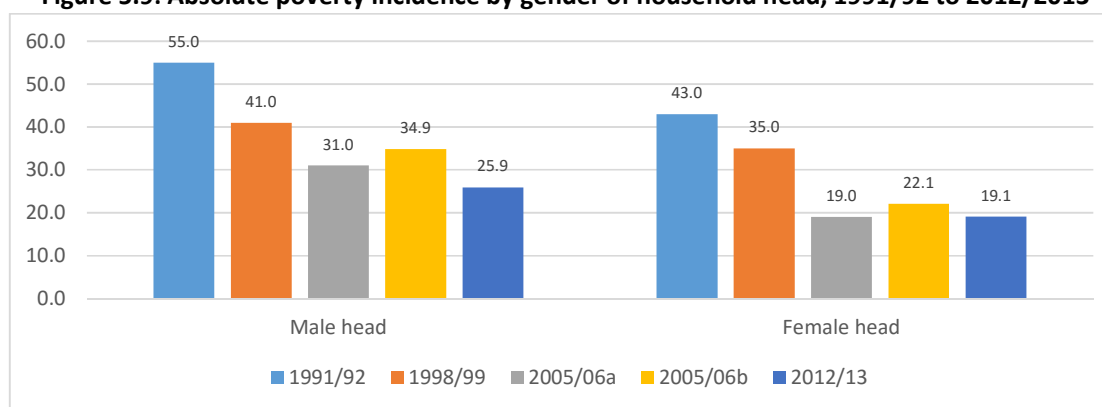
**Figure 5.8: Absolute poverty incidence by economic activity of household head, 2005/06-2012/13**



Source: Ghana Statistical Service (2007)

The incidence of poverty has been consistently lower among female-headed households than among male-headed households (Figure 5.9). However, this household analysis does not take into account household size and composition. An individual level analysis based on GLSS 4 and 5 data reveals that poverty is more prevalent among females using three measures of poverty--namely, *headcount poverty rate*, *poverty gap*, and *squared poverty gap*. The incidence of poverty is more pronounced among females with primary or no education.<sup>50</sup>

**Figure 5.9: Absolute poverty incidence by gender of household head, 1991/92 to 2012/2013**



Source: Ghana Statistical Service (2007).

<sup>50</sup> Owusu-Afriyie, J. and Nketiah-Amponsah, E. (2014). An Individual Level Test of the Feminization of Poverty Hypothesis Evidence from Ghana. *Journal of Developing Societies* 30 (1): 25–43.



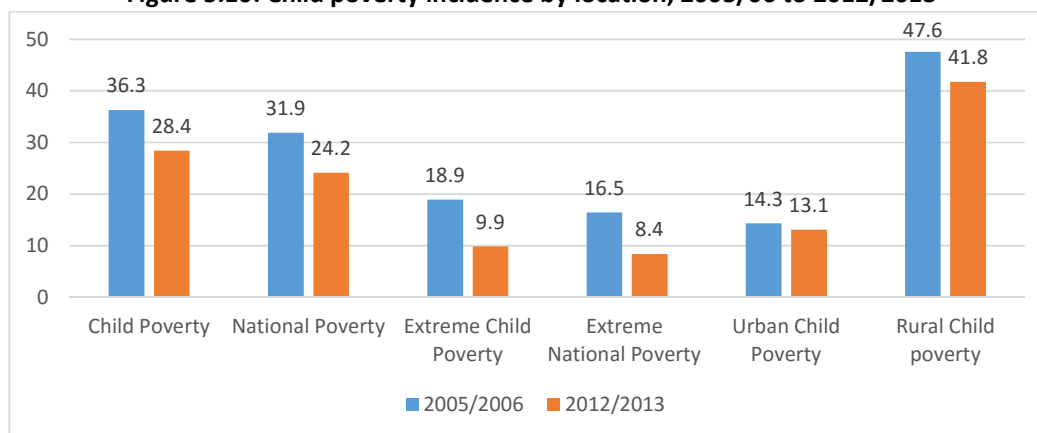
Similar to the headcount index, there have been consistent and significant declines in the depth and severity of poverty between 1991 and 2013; for Ghana as a whole, the poverty gap declined from 18.5 percent to 7.8 percent. There has also been decline in the severity of poverty over the same period.<sup>51</sup>

In sum, even though there has been a decline in consumption poverty in the general population, the pattern has not changed much since the 1990s. Analyses of the GLSS rounds 3 to 6 shows that: (1) rural dwellers have a higher incidence of poverty relative to urban dwellers; (2) persons living in the rural savannah and the three northern regions are the poorest; and (3) the incidence of poverty varies across occupational groups, with the agriculture self-employed being the poorest. This means that any efforts at reducing poverty must emphasize agricultural transformation and rural development, with greater attention to the three northern regions.

### Child Poverty

The child poverty rate<sup>52</sup> stood at 36.3 percent in 2005/06, declining by some 8 percentage points to 28.4 percent in 2012/13. In absolute terms, there were about 4.1 million poor children in 2005/06, with the number falling to 3.7 million in 2012/13. Child poverty is considerably higher in rural areas (Figure 5.10) and a greater proportion of boys than girls are poor (Figure 5.11). Children from farming households are the poorest (Figure 5.12). Thus interventions targeted at reducing the incidence of child poverty should pay particular attention to children from farming households in rural areas.

**Figure 5.10: Child poverty incidence by location, 2005/06 to 2012/2013**

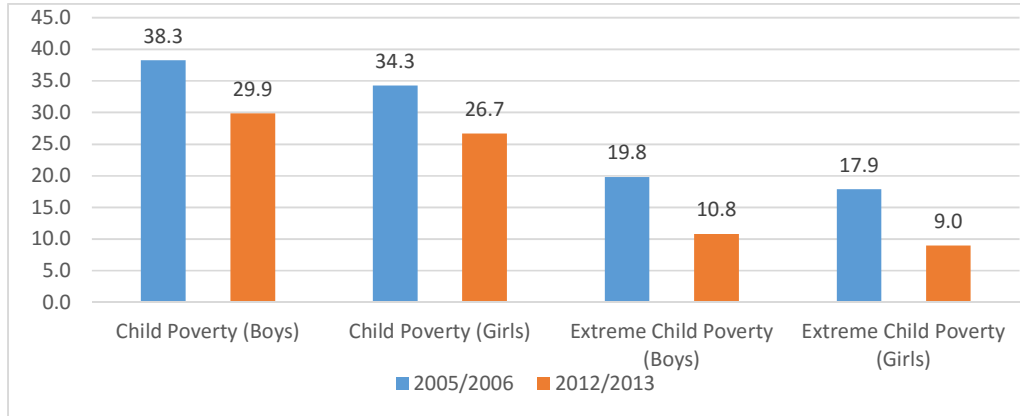


**Source: UNICEF Ghana (2015).**

<sup>51</sup> Ghana Statistical Service (2007). *Patterns and Trends of Poverty in Ghana: 1991-2006*. Accra:

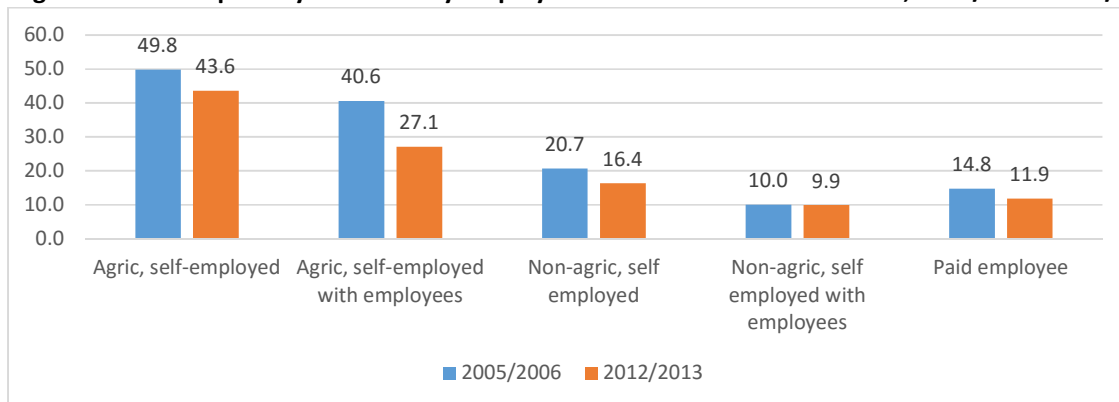
<sup>52</sup> A child is defined to be below 18 years; the rate was computed as the number of children in poor households as a proportion of the population of children.

**Figure 5.11: Child Poverty Incidence by Sex, 2005/06 to 2012/2013**



Source: UNICEF, Ghana (2015).

**Figure 5.12: Child poverty incidence by employment status of household head, 2005/06 to 2012/2013**



Source: Based on UNICEF Ghana (2015).

### **Transitions out of monetary poverty**

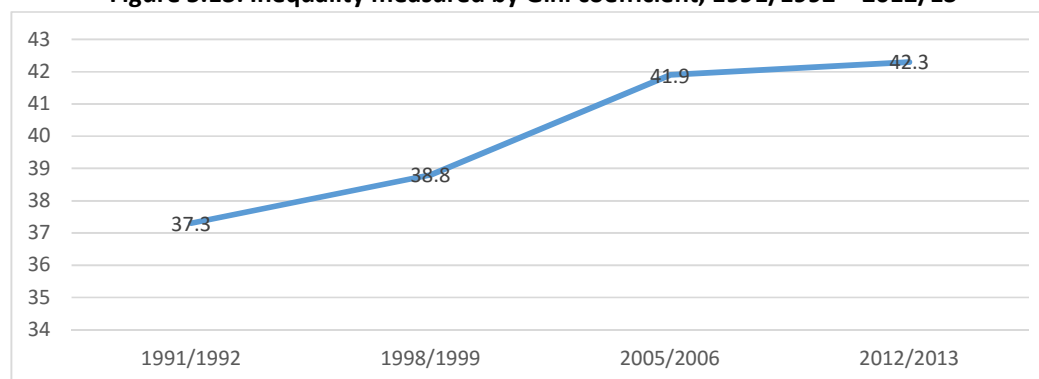
There is very little information on poverty dynamics; that is, the movement of individuals or household in and out of poverty over time. This is largely because of the paucity of panel survey data that would track the same households or individuals over time. The first attempt in 1987 by the Ghana Statistical Service at creating a panel data set was discontinued after only two data points as a result of an inadequate household tracking system. Poverty analysis in Ghana has thus focused on poverty at a point in time or on poverty trends; that is, changes in the incidence, depth and severity of poverty over time. A study using the 4th Ghana Living Standards Survey (GLSS 4) data attempted to provide some information about poverty dynamics in Ghana by estimating vulnerability to poverty rates.<sup>53</sup> Even though the headcount poverty rate in 1998/99 was 39.5 percent, 49.5 percent of the population was estimated to be vulnerable to poverty. While vulnerability estimates do not necessarily speak to poverty transitions, the poor are vulnerable to shocks from economic downturns, natural catastrophes, health hazards, and so on. It is, therefore, critical for the design of social protection programmes to identify those who are vulnerable to poverty, the shocks they are subject to, the impact of these shocks on their stock of assets, income and consumption, and their response to shocks.

### **Inequality (monetary)**

<sup>53</sup> Appiah-Kubi, K., Oduro, A.D. and Senadza, B. (2008). Understanding Poverty in Ghana: Risk and Vulnerability. In E. Aryeetey and R. Kanbur (Eds.), *The Economy of Ghana: Analytical Perspectives on Stability, Growth and Poverty*. Accra: Woeli Publishing Services & James Currey.

A number of studies on Ghana's economic growth since the 1990s indicate that, although in absolute terms the poor have benefitted from economic growth, growth has not been pro-poor. Thus, in spite of significant declines in poverty on account of high growth rates over the past decades, income inequality has increased from 37.3 in 1991/92 to 42.3 in 2012/13 (Figure 5.13).

**Figure 5.13: Inequality measured by Gini coefficient, 1991/1992 – 2012/13**



**Source: Ghana Statistical Service (2007).**

Another useful way to look at the extent of income inequality is to calculate the share of national income (consumption) going to various population groups. Table 5.4 reveals a high level of inequality between poorer and richer households; the ratio of the consumption share of the top 20 percent to the bottom 20 percent was 6.6 in 1991/92 but increased to 8.3 in 2012/13. Thus, growth has reduced poverty levels generally and raised income levels, but the wealthier are receiving increasing shares of national income compared to the poor.

**Table 5.4: Consumption shares by selected household groups, 1991-2013 (percent)**

<i>Consumption shares</i>	<i>1991/92</i>	<i>1998/99</i>	<i>2005/06</i>	<i>2012/13</i>
Bottom 5 percent	1.1	1.0	0.8	0.8
Bottom 10 percent	2.7	2.4	2.1	2.1
Bottom 20 percent	6.8	6.2	5.7	5.6
Top 20 percent	44.8	44.5	46.6	46.9
Top 10 percent	29.2	28.2	30.8	30.4
Top 5 percent	18.5	17.4	20.0	19.2
<i>Ratio of Top 20 percent to Bottom 20 percent</i>	<i>6.6</i>	<i>7.2</i>	<i>8.2</i>	<i>8.3</i>

*Source: Vasco Molina (2015). World Bank/ISSER Workshop on Two Decades of Monitoring Poverty in Ghana. ISSER, University of Ghana, 15th October 2015.*

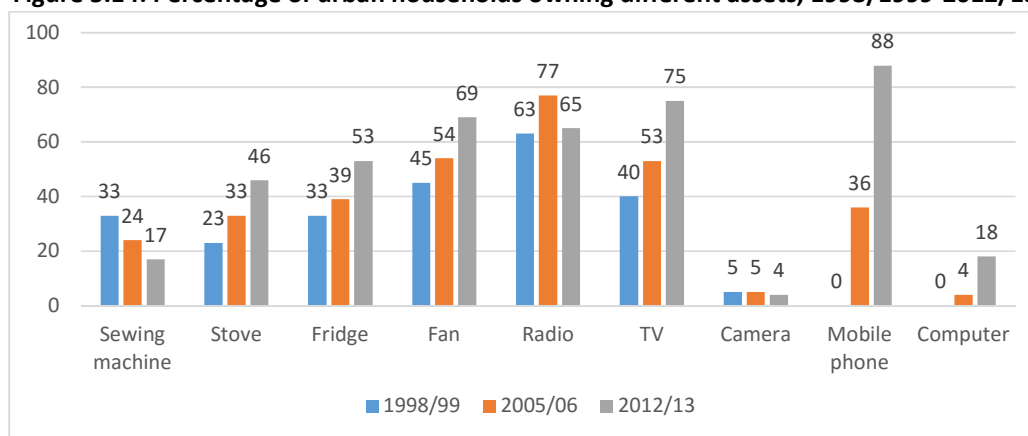
### Non-Monetary Poverty

Poverty is a multi-dimensional phenomenon and money-metric measures need to be supplemented by other welfare indicators. This section examines the non-monetary aspects of poverty, focusing on trends in household ownership of key consumer durable goods (assets) and access to services. (Access to opportunities to increase life outcomes through education and health services are important aspects of non-monetary poverty and inequality, and will be discussed in greater detail in the chapters on Education and Health.)

### Asset ownership

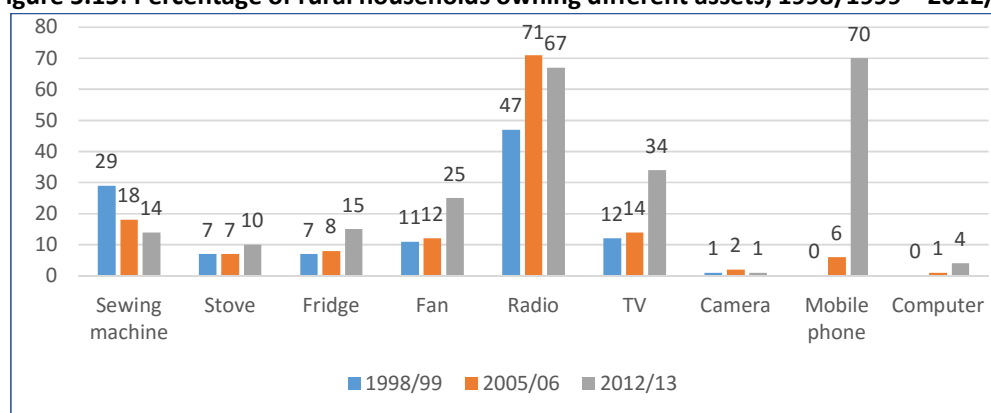
Figures 5.14 and 5.15 present for urban and rural areas respectively the proportion of households owning various consumer durable goods in 1998/99, 2005/06 and 2012/2013.<sup>54</sup> Overall, there has been modest increase in the proportion of households owning the asset over the fifteen-year period, which can be read as improving welfare levels in the general population. However, inequality persists with ownership of assets being much higher in urban areas than in rural areas. Analysis of ownership of two key assets - refrigerator (a useful productive asset for the household) and television set (for information and leisure) – by household wealth quintiles shows that ownership generally rises with household wealth status, irrespective of locality (Figures 5.16 and 5.17).

**Figure 5.14: Percentage of urban households owning different assets, 1998/1999-2012/13**



Source: Based on Ghana Statistical Service (2014a).

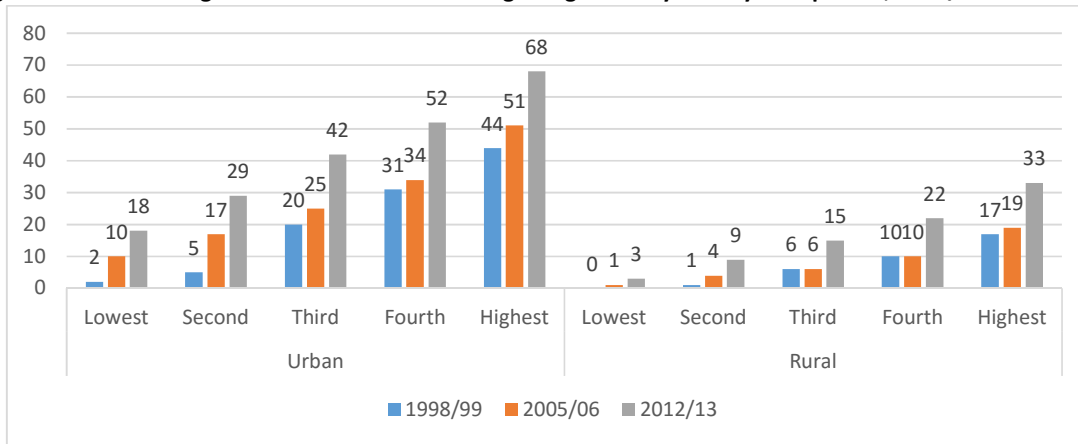
**Figure 5.15: Percentage of rural households owning different assets, 1998/1999 – 2012/13**



Source: Based on Ghana Statistical Service (2007).

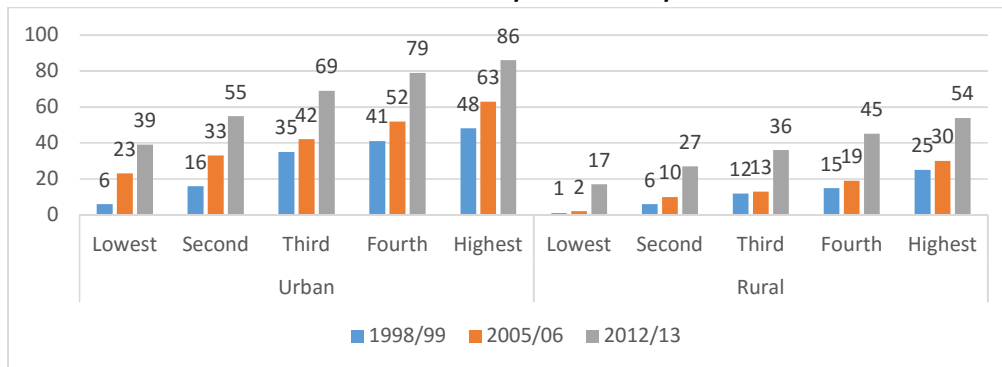
<sup>54</sup> The data presented in these graphs refer to ownership of at least one of such items and does not directly depict the total number of items that are in the possession of households during the survey periods.

**Figure 5.16: Percentage of rural households owning refrigerator by locality and quintile, 1998/1999 – 2012/13**



**Source: Based on Ghana Statistical Service (2007).**

**Figure 5.17: Percentage of rural households owning television by locality and quintile, 1998/1999 – 2012/13**

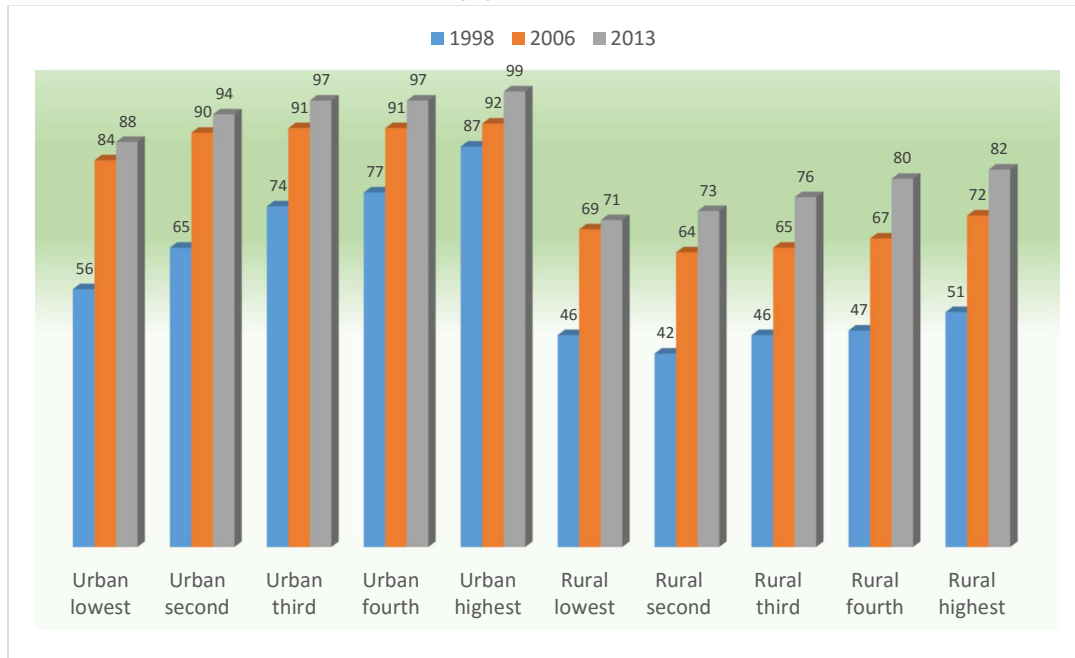


**Source: Author's construction based on Ghana Statistical Service (2007). Patterns and Trends of Poverty in Ghana: 1991-2006. Accra: Author; Ghana Statistical Service (2014a). Poverty Profile in Ghana: 2005-2013. Accra: Author.**

Access to Services

The SDG 6 on water, sanitation and hygiene aims at achieving universal access to portable water and good sanitation by 2030. Figure 5.18 shows that access to water has generally improved but the inequalities, although the gap in access between rural and urban areas from 2006 to 2013.

**Figure 5.18: Percentage of households using potable water by locality and standard of living quintile, 1998/99-2012/13**

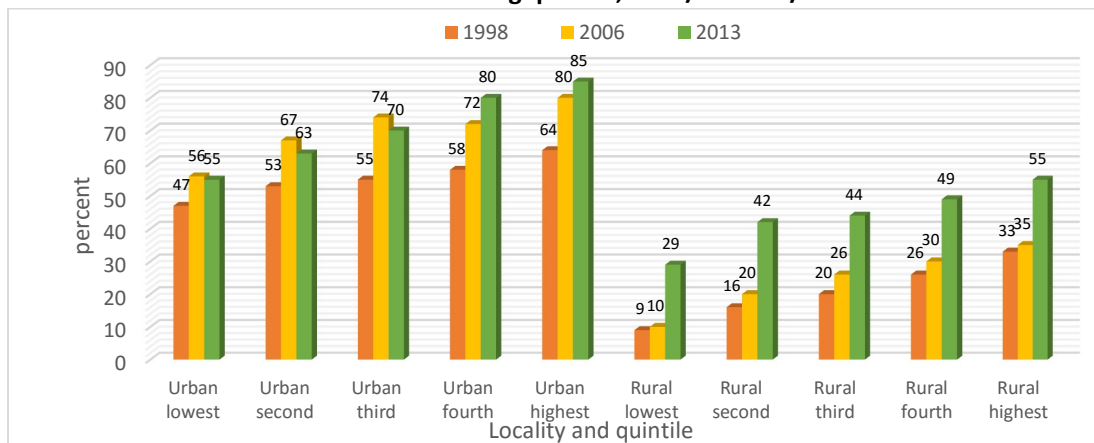


**Source: Ghana Statistical Service (2014a).**

There have been improvements in access to adequate toilet facilities (defined as either a flush toilet or KVIP), even though inequalities remain, with those between rural and urban areas being particularly significant (Figure 5.19).

Access to electricity increased in both rural and urban localities and among all wealth quintiles over a 15-year period. The largest gains were in the rural areas, resulting a decreased gap in access between urban and rural areas (Table 5.5). Yet, the proportion of households having access to electricity still varies with household wealth status (Figure 5:20) meaning that reducing income inequality would have a positive impact on the inequality in access to electricity.

**Figure 5.19: Percentage of households using Flush or KVIP toilet by locality and standard of living quintile, 1998/99-2012/13**



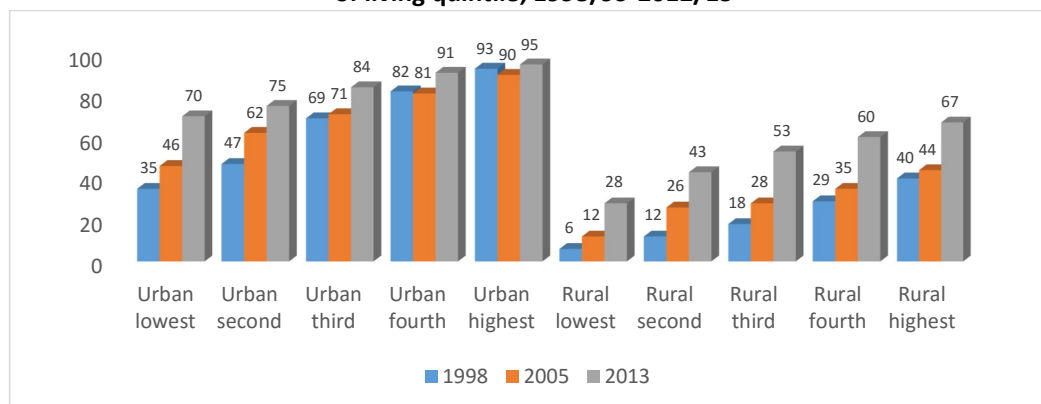
**Source: Author's construction based on Ghana Statistical Service (2014a). Poverty Profile in Ghana: 2005-2013. Accra: Author.**

**Table 5.5: Percentage of households using electricity by locality<sup>55</sup>**

Year	Accra (GAMA)	Urban Coastal	Urban Forest	Urban Savannah	Rural Coastal	Rural Forest	Rural Savannah	All
1998/99	90.7	72.9	83.4	45.8	28.2	25.1	3.9	41.4
2005/06	89	75.8	76.4	61.3	29.4	33.2	14.5	45.3
2012/13	92.7	83.9	89.2	79.9	61.7	55.5	29.5	70.7

Source: Based on Ghana Statistical Service (2014a).

**Figure 5.20: Percentage of households using electricity by locality and standard of living quintile, 1998/99-2012/13**



Source: Author's construction based on Ghana Statistical Service (2014a).

In sum, some progress has been made from 1998 to 2013 in terms of access to portable drinking water, adequate toilet facilities and electricity, with significant gains in rural areas and for poorer urban households. Nevertheless, the disparities still remain. The observed rural-urban as well as living standard differences in access to services calls for innovative ways of improving access to the poor, especially in the face of reduced subsidies on water and electricity. Subsidies for the poor or for disadvantaged areas are options to be explored to address these disparities.

## 5.7 GENDER EQUALITY AND WOMEN'S EMPOWERMENT

### 5.7.1 Overview of Women and Gender in Ghana's Development

Ghana's development policy for most of the colonial period paid little of no attention to women in particular and those of gender in general, perhaps reflecting the patriarchal thinking in development discourse at the time. It was not until the mid-1950s, when Africans took over "limited government" under colonial administration that aggressive efforts were made to involve women in governance and pay particular attention to girls' education.

The post-independence Seven Year Plan of Development (1963/4-1969/70) built on previous efforts to increase primary school enrolment for both boys and girls and extended training opportunities for both male and female teachers. The construction of schools to train nurses and midwives, as well as the large need for ante- and post-natal services provided indications of an attention to women's fertility and reproductive health.

<sup>55</sup> Note: electricity includes main grid and generator.

While not presented within a broader gendered analysis of development, both the expansion of education and health provisioning benefitted women. It was also in the immediate post-independence era that affirmative action for women was instituted through quota system for women in parliament; women were also enrolled in occupations, such as the police, and trained to operate heavy duty equipment at factories and construction sites. This highlights the fact that foundations were laid in the beginning of nationhood to address gender inequities.

In the years that followed, various efforts were made to increase social and economic opportunities for women, as their presence in various professions, such as law, medicine and academia, increased gradually. Due to the slow pace of progress, however, inequality between men and women remained, and it was not until the mid-1970s the discussion of women in national development gained some prominence in policy, due in part to developments in international development.

In the early 1970s, Ghana's approach to gender in policymaking was influenced by the Women in Development (WID) approach, which argued that women were an untapped resource for economic development. Thus, when the National Council of Women and Development (NCWD) was set up in 1975, it worked towards their integration into development processes as producers and workers.

NCWD, from its inception until the 1990s, implemented women-focused initiatives such as programmes to support women in agro processing to increase their productivity. WID approaches to development have mainly focused on practical gender needs; that is, needs that women and men can easily identify, often related to living conditions (such as health care, employment, and so on). By doing this, it fails to challenge gender ideologies and relations that underlie the material conditions experienced by women.

The Gender and Development (GAD) perspective emerged in the late 1980s as an alternative to WID. The GAD approach focuses on strategic gender interests which are more long-term and less visible than practical needs and which relate to gender relations of power. It therefore encouraged attention to questions of equal wages, domestic violence, and women's control over their bodies, for example. Moreover, addressing women's strategic interest implies an interest in the interdependence and inequalities between men and women. Gender mainstreaming as an approach (including the institution of gender desk officers within ministries and departments of the government) is derived from the logic of GAD.

Changes to development policymaking around gender have also been influenced by the country's efforts to align its laws and development plans with a number of international agreements to which it signatory, notably the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW); the African Charter on Human and Peoples' Rights; the Sustainable Development Goals (SDGs); the African Union's Agenda 2063; and the International Conference On Population and Development (ICPD) Programme of Action, among others.

While Ghana makes efforts to meet its commitments under the constitution and under various agreements, implementation of these obligations has been slow and results mixed. Over the last four decades, there have been various efforts to strengthen capacity for gender analysis and planning. This has resulted, for instance, in increased availability of sex disaggregated data in the 2010 Population and Housing Census. However, gender mainstreaming has not been sustained in the policy, planning, monitoring and evaluation processes, although the second Ghana Shared Growth and Development Agenda promoted the most comprehensive road map yet for addressing gender equality.

Gender Desk Officers (GDOs) are to be the fulcrum around which gender mainstreaming (with regards to legislation, policy formulation, planning, programming/project implementation, monitoring, evaluation, advocacy, accountability, and networking) is to happen. However, the efficiency and effectiveness of



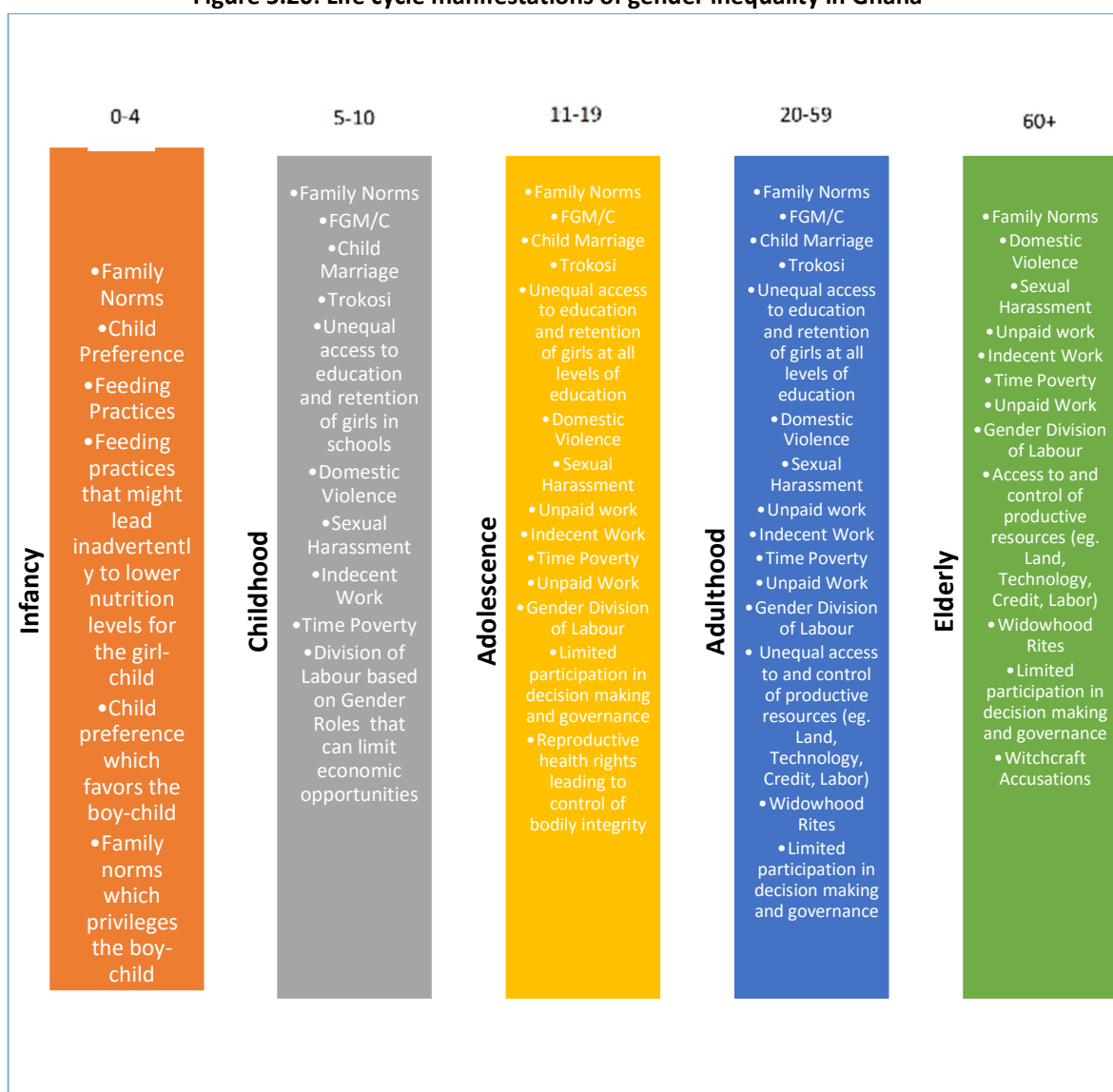
GDOs have been hampered because theirs is not an established position within the public/civil service and so their work is an add-on.

In addition, they have not been provided clear job descriptions; they are inadequately trained; and are often excluded from planning processes. An assessment of the level of implementation of the priorities and outcomes in the first Gender and Children’s (2004) Policy by various Ministries, Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) yielded mixed results: only about 40% of what was in the policy was being implemented.

### 5.7.2 Gender Equality Dynamics

Figures 5.20 and 5.21 depict inequalities at various stages for males and females and in various spheres (social, economic and political). It should be noted that, while inequality may differ in form across the life stages, they tend to be cumulative; that is, both privilege and disadvantage build on each other from one stage of life to the next.

**Figure 5.20: Life cycle manifestations of gender inequality in Ghana**



Source: Pobee-Hayford, Issaka & Bruce-Quaye

Figure 5.21: Life cycle manifestations of male privilege in Ghana



Source: Pobee-Hayford, Issaka & Bruce-Quaye (year) Editors' note: supply note

### 5.7.3 Gender Equality Trends and Patterns

#### *Gender and unpaid work*

The chapters on Employment and Informal Employment and Labour Relations provide a gendered analysis of women's work in the labour force that show that men and women tend to work in different industries (with women more likely to be in the informal economy) and that women tend to occupy lower positions and earn less on average than men. What is largely unaccounted for in analysis of employment data is unpaid care work, which also shows patterns of disadvantage for women. The time use section of the GLSS 6 (2014) report collected information on housekeeping activities by the population 7 year and older for the following activities – collecting firewood; fetching water; washing clothes; ironing; cleaning; cooking; shopping; running errands; washing dishes; taking care of children; taking care of the elderly;

taking care of the sick, collecting food from the garden and helping children with school work. On average women and girls spend 0.5 hours per day more on care work that sustain families than men and boys. Women in rural savannah areas recorded the highest amounts of time on almost all the fourteen (14) household activities. Care work is less valued socially and economically (it is not accounted for in estimates of GDP, for instance), therefore women’s greater involvement reinforces unequal relations of gender. Moreover, women are more constrained by care work in terms of participation in social and economic activity, and in education and training.

**Table 5.6: Average time spent (in hours) per day by population 7 years and older on housekeeping activities, by sex and locality**

	URBAN		RURAL		
	Accra GAMA	Other Urban	Coastal	Forest	Rural Savannah
<b>Female</b>	<b>5.4</b>	<b>5.0</b>	<b>5.0</b>	<b>6.7</b>	<b>7.2</b>
<b>Male</b>	<b>4.3</b>	<b>3.5</b>	<b>3.2</b>	<b>4.2</b>	<b>5.8</b>

*Source: Early GLSS 6 Time Use data*

### **Gender and education**

The differential achievements of education for men and women are presented in detail in other chapters of this Social Development Strategy: more men than women have some education and are literate, and men tend to attain higher levels of education than women. Over time, the gap between men and women in terms of enrolment and completion has closed, but more rapidly in basic education than at higher levels of education, since this is where government’s efforts at gender parity have been focused (see section on Education).

Girls’ completion rates and rates of transition between levels of education are lower than their enrolment rates, and worsens as they progress through the educational system (see section on Education). This suggests that getting girls enrolled in school alone is only part of the challenge; there are factors, both in schools and in society more broadly, that challenge educational outcomes for girls. One such issue is the availability of water and sanitation facilities. One study demonstrated that improved access to healthy, hygienic and girl-friendly sanitary facilities in 3 schools in three districts resulted in an average increase of 43.2% in their school attendance and 27.2% increase in their performance.<sup>56</sup>

There are other factors that affect girls’ persistence and achievement in school, on which there may not be adequate data: these include sexual harassment in schools by peers and teachers; and girls’ greater responsibility for housework. There is the important question of the formal and hidden curriculum that work to channel boys and girls into different courses, and the institutional cultures of educational institutions that are replete with gender ideologies and stereotypes that may suggest to girls that they are less capable of or less in need of education.

Girls lower enrolment and achievement relative to boys affects their work opportunities. Importantly, since more formal employment requires at a minimum secondary school education, it implies that women are disadvantaged in employment. More broadly, the limitations that the gendered culture of the educational system puts on girls’ choices and aspirations affect their ability to fulfil their potential in work and life.

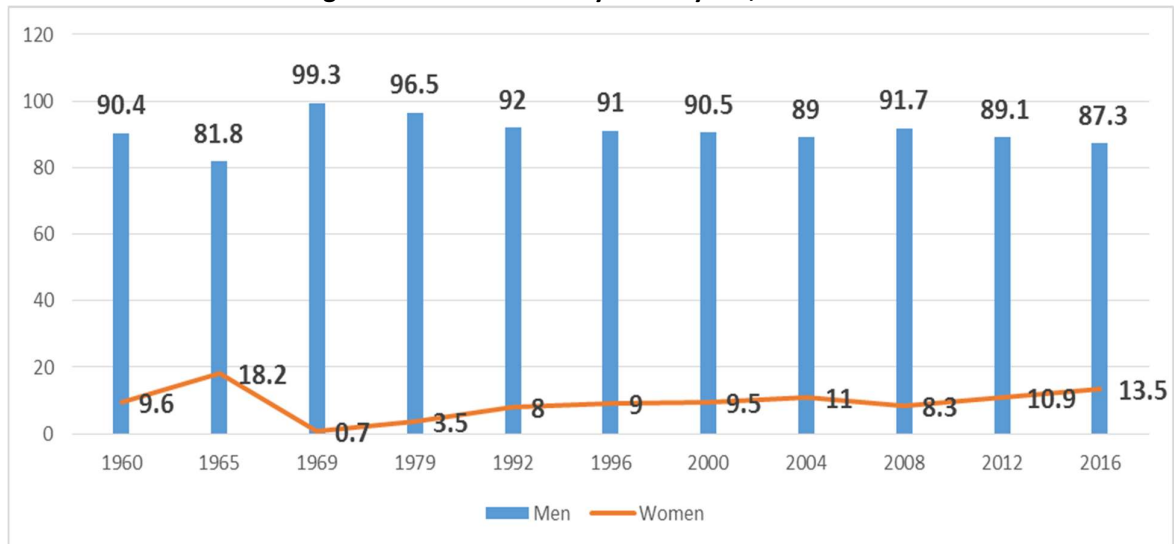
<sup>56</sup> Department of Foreign Affairs Trade and Development’s sponsored Strategic Initiatives for Gender Equality Project Report (SIGEP) 2009 – 2010, p. 3.

## Gender and Decision-making

In general, women have less power than men in decision-making, both in intimate and family relations as well as community and society levels. When married women were asked about their participation in three types of household decisions—their own health care, major household purchases, and visits to family or relatives—six out of 10 said they participated in all three decisions. However, women’s voice is not equal across of all aspects of their lives: they were most likely to have sole or joint decision-making power about visiting family or relatives (87%) and less likely to make decisions about their own health care (77%). Participation in decision-making did increase with education; more than half of married women with no education participate in all three decisions, compared to 70% of married women with secondary or higher levels of education.<sup>57</sup> Apart from education, research has shown that women’s control of productive resources and other assets have a bearing on their decision-making power in the home.<sup>58</sup>

Zooming out from the micro to the macro level, Figure 5.22 shows women’s participation in governance, illustrated by their numbers in parliament. Since 1965, women’s representation has not exceeded 19%, compared to men’s participation of more than 81%. This situation exists even though in 1995 Ghana adopted the Beijing Platform for Action (BPfA), which stresses that political representation should more accurately reflect the composition of society. It is also in spite of the fact that the African Union (AU) has adopted the Gender Parity Principle and has approved a 50% quota for women’s representation. Ghana is also a poor performer when compared with some of her counterparts in the sub region such as Senegal (42.7%) and Sierra Leone (12.4%).<sup>59</sup> Recently, steps have been taken to turn the 1998 Affirmative Action Policy Guideline (which proposes a 40% quota of women at various levels of decision making) into a bill; it is yet to be laid before parliament.

**Figure 5.22: Parliamentary seats by sex, 1960-2016**



**Source: The data used is from the Research and Information Unit of the Department of Gender of the Ministry of Gender Children and Social Protection, September 2016**

<sup>57</sup> Ghana Statistical Service, Ghana Health Service, and ICF International. (2015). *Ghana Demographic and Health Survey (DHS) Key Findings 2014*. Accra: GSS, p. 16

<sup>58</sup> Oduro, A.D., Baah-Boateng, W. and Boakye-Yiadom, L. (2011). *Measuring the Gender Asset Gap in Ghana*. Accra: University of Ghana and Woel Publishing Services.

<sup>59</sup> Women in National Parliaments, *Situation as at 1<sup>st</sup> August, 2016*. Retrieved on <http://www.ipu.org/wmn-e/classif.htm>.

In terms of national appointments, as at June 2016, women comprised 23.2% of regional ministers, 23% superior court judges and 24.3% of high court justices. At the local government, women make up 10.3% of Metropolitan, Municipal and District Chief Executives and are 5% of all assembly members across all districts. Dramatically increasing women’s participation at the assemblies is crucial for social development because that is where decisions are made that directly impact the lives of people and has the potential to transform how local social institutions work for the advancement of women and girls.

**Other urgent gender equality issues**

Beyond the areas already discussed here and in other sections, there are other domains in which gender inequality is manifested, a few of which are highlighted here.

**Domestic violence:** A 2016 domestic violence study revealed that a little over 70% of both men and women had experienced at least one form of violence (domestic and non-domestic) over their lifetime.<sup>60</sup> The study revealed that all types of physical and almost all forms of social violence against women were mainly perpetrated by domestic relations whilst those against men were mainly perpetrated by non-domestic relations. Table 5.7 further shows that women are more likely than men to suffer violence of all forms. The study also established a link between the incidence of domestic violence and perceptions about traditional gender roles, patriarchal norms and perceptions of masculinity. Indeed, generally domestic violence was not seen by respondents as violence but as accepted social norms, defence mechanisms, or ways of resolving disputes; only physical violence between partners was likely to be perceived as violence. At the defence of its 6<sup>th</sup> and 7<sup>th</sup> CEDAW report, Ghana was asked to provide reasons why 60 percent of the reported cases were still under investigation and why it not been able to secure punishment for perpetrators for even up to 10 percent of the cases.

**Table 5.7: Incidence of domestic violence in Ghana (%)**

Type of Violence	Social	Physical	Sexual	Psychological	Economic	Total
Women	11.6	6	2.5	9.3	12.8	27.7
Men	7.7	2.1	1.4	7.9	7.3	20

Source: Presentation at the Launch of Domestic Violence in Ghana: Incidence, Attitudes, Determinants and Consequences Study, July 2016 in Accra.

**Sexual harassment:** Even though there is no specific mention of sexual Harassment in the 1992 Constitution of Ghana; Article 17(2) prohibits discrimination based on gender. Sexual harassment is a form of discrimination and constitutes violation of the rights of the individual. Since the Commission on Human Rights and Administrative Justice (CHRAJ) investigated its first sexual harassment case in 1998, all the complainants have been women. Between 2011 and 2015, it received 63 cases out of which 46 have been mediated and five investigated. CHRAJ cites reluctance on the part of victims to pursue remedy or even recognise an act as sexual harassment as one of the major challenges faced. Beyond these formally reported cases, anecdotal evidence of sexual harassment in the workplace and schools is abundant. All forms of harassment embedded in social relations between men and women and in institutions undermine the attainment of women’s full potentials and is an affront to their dignity.

**Internet violations of bodily Integrity and privacy:** Recent reports in the media show an emerging form of violation of bodily integrity and privacy, particularly of young women and girls. This involves males, commonly, posting females’ nude pictures or videos of sexual acts on the internet/social media as a form

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<sup>60</sup> Institute of Development Studies, Ghana Statistical Services and Associates. (2016). *Domestic Violence in Ghana; Incidence, Attitudes, Determinants and Consequences*. Accra: Authors.

of revenge. This depicts how strongly ingrained are notions of masculinities that involve power and control over women.

**Representation in media:** The media portrays and, thereby, reinforces gender ideas and relations that disadvantage women. In Ghana, women make up less than 20% of the formal workforce and less than 10% of top management in the media. Thus the media, like most institutions in Ghana, is male dominated. It is also gender-biased: a study commissioned by the Ghana Media Standards Improvement Project (GEMSIP) showed that women in Ghana attracted 15% media coverage in 2010 compared with 85% for men.<sup>61</sup> In terms of portrayal, another study found instances of progressive representation across various media (the creative arts, television and film, print, and so) but also reported stereotyping, objectification, and denigration of women.<sup>62</sup>

**Human Trafficking:** There is evidence of cross-border trafficking of both men and women, though for different purposes. For men, cross country trafficking or illegal migrant smuggling is connected with fraudulent recruitment agencies and young men stowing away on ships to Europe, North America and the Middle East. Ghanaian women are trafficked to countries in the sub-region and to Europe and North America for forced labour or sex trafficking, according to the Ministry of Gender, Children and Social Protection.

**Gender and disability:** Gender intersects with other axes of inequalities which can compound or mitigate gender inequalities. These include life cycle, geographical location, class and poverty status and disability. In specific reference to disability, the 2010 Population and Housing Census reported that, of those with disability, females were more likely to report multiple disabilities than their male counterparts and were more likely to suffer discrimination social and sexual relationships. Caregivers for individuals with disability tend to be women who consequently face a higher time burden than males because they combine care work with the other work.<sup>63</sup> (See section on Disability for a fuller discussion).

## 5.8 SOCIAL PROTECTION

### 5.8.1 Overview of Social Protection in Ghana

Social protection as a well-defined concept and coherent set of interventions is relatively recent in both national and global social development discourse and practice. However, nascent and limited forms of social protection have long existed, the earliest and most widely practiced being informal social welfare and social assistance provided by the extended family and other forms of community. In Ghana, a common form of social assistance is provided through social transfers within extended family and social welfare and social insurance come in the form contributions made by kinfolk, neighbours and members of community in times of bereavement, catastrophes, or celebrations. Such informal systems of social protection have remained the most common form of social protection in Ghana, although they have contracted over time.

In the mid-1950s, the British colonial government forayed into social development which at the time was essentially “a combination of remedial urban-based social welfare services and community development programmes”.<sup>64</sup> This was in response to the needs of specific groups of people, including returning

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<sup>61</sup> The Coalition on the Women’s Manifesto for Ghana (2004). *The Women’s Manifesto for Ghana*. Accra: Author, p. 57.

<sup>62</sup> Anyidoho, N. A., Adoquaye Tagoe, C., Adjei, M., Appiah, E., Yeboah-Banin, A. A., Crentsil, A., Oduro-Frimpong, J, Owusu, A. & Torvikey, D. (2016). *Roles, representations and perceptions of women in contemporary Ghanaian society*, p.37. Retrieved from <http://www.britishcouncil.org.gh>

<sup>63</sup> The Coalition on the Women’s Manifesto for Ghana (2004). *The Women’s Manifesto for Ghana*. Accra: Author, p. 70.

<sup>64</sup> Midgley (2012), *Social Development: Theory and Practice*. Los Angeles: Sage. p. 29.

veterans of World War Two, the homeless, unemployment, disabled and orphaned in urban areas. Successive government retained the public social welfare system with similar scope. A number of reasons account for this: first was the government's apparent expectation that informal social support systems were adequately strong to provide safety nets; its perception of social protection (especially in the form of social welfare) as charity with no productive value; and its cutting of social expenditure in times of economic crises such as Ghana experienced in the 1970s and 1980s.

Added to social welfare as a public intervention is formal social security for workers, which comprises mainly of pensions and worker's compensation. Social security interventions have been recognised as pivotal in addressing risks confronted by people in formal employment since 1952 when the International Labour Organisation (ILO) established the nine-point minimum standards for maintaining a level of income in the event of life events that would cut off or significantly reduce income flow. Four of these requirements—namely, medical care, employment injury benefit, family benefit and maternity benefit—are not provided by the Social Security National Insurance Trust (SSNIT), which is the only government-managed scheme available to workers.

SSNIT was established as an independent body to administer social security schemes in Ghana after the passage of the National Redemption Council Decree (NRCDC 127) in November 1972. The SSNIT scheme was essentially a provident fund for institutions to compulsorily register their personnel in establishments that employ at least five workers. (An establishment with less than five employees had the option to join the scheme.) The Provident Fund Scheme operated by SSNIT had a superannuation benefit and five direct benefits to cater for the following contingencies: sickness, invalidity, death/survivor's benefits, emigration, and unemployment.

Both social welfare and social security are acknowledged to have significant limitations in coverage of both the population and its needs: social security was limited to the minority workers in the formal sector who form a minority of those in the labour force in a country where most people make their living in the informal sector, and social welfare was urban-based and overall lacked the capacity to transform people's lives in ways that would improve their well-being. Calls for social justice in response to the evidence about the social costs of adjustment followed.

The appreciation of a broad social protection approach has been gradual. At the end of the 20<sup>th</sup> century there has been a groundswell to address issues of globalisation through gaining a deeper understanding of poverty and to address other challenges attendant to the neoliberal economic agenda. For Ghana and other development countries that submitted to structural adjustment from the 1980s, this included a recognition of the fallouts of the austerity programmes implemented. Other catalyst towards a more committed and comprehensive approach to social protection are increasing inequality both within and between countries; an increasingly liberalised global economic environment restricting many sources of revenue which were previously available to governments to fund social expenditures; and a global demographic transition which implies long-term changes in dependency ratios (in particular, the growth in the absolute and relative numerical importance of older people). At a national level, there has been a loosening of social bonds within families and in various forms of community which remain the main source of social protection for many in developing countries.

Against this backdrop, social protection gained gradual prominence globally through the mid-1990s, beginning with the UN Copenhagen Social Summit in 1995 which provided a clear articulation of the importance of social development as a component of broader development and the Millennium Development Accord of 2000 which brought social development front of the global development agenda. While the Millennium Development Goals (MDGs), which were operative from 2000 to 2015, did not incorporate statements that spoke to social protection, interventions such as conditional cash transfer schemes, health, school feeding programs, and microfinance for the poor were encouraged as part of

efforts to reach the various goals, particularly in terms of reducing poverty and increasing access to education and to work. The Sustainable Development Goals (SDGs) (2015-2030) under the 2030 Agenda for Sustainable Development give greater attention to social protection in goals that address poverty, gender inequality, and inequality among countries. Overall, these series of global consensus and the advocacy for social justice in the face of global economic liberalisation and national economic reforms have been catalysts for a greater attention and commitment to social protection.

## 5.8.2 The current situation

### *Legislative Framework*

The current legislative and policy environment for social protection is set by a number of international and continental agreements, among them:

- ILO Minimum Standards for Social Security (1952)
- Universal Declaration on Human Rights
- The UN Convention on the Rights of the Child (1989)
- International Covenant on Economic Social and Cultural Rights (ICESCR 1966)
- Convention on the Elimination of all forms of Discrimination against Women (CEDAW)
- Convention on the Rights of People with Disabilities (CRPD)
- International Covenant on Civil and Political Rights
- African Charter for People's and Human Rights (1981)
- African Charter for Social Action (1989)
- African Common Position on Social Development (1994)
- African Union Social Policy Framework for Africa (2008)
- African Union Social Protection Framework (2008)

Domestically, Article 36(1) of the 1992 Constitution provides the basis for social protection as follows:

*“The State shall take all necessary action to ensure that the national economy is managed in such a manner as to maximize the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Ghana and to provide adequate means of livelihood and suitable employment and public assistance to the needy”.*

It goes on to provide specific directives for social insurance, social security and other forms of public assistance. It also speaks to the right to an adequate livelihood and to decent work, and mentions the need to promote the rights of children, the aged, the disabled.

In addition to the institution, a number of laws have been enacted that buttress the statements in the Constitution; these include the Social Security Laws of 1972 and 1991, the Children's Act (1998), the National Pensions Regulatory Act (2008), the Persons with Disability Act (2006) and the Domestic Violence Act (2007). A number of policies have also been developed to attend to specific populations, and thus there are policies on childhood care, child and family welfare, gender, youth, ageing, HIV/AIDS and STI. There are also policies on employment, the environment and climate change. Finally, in 2015, a national Social Protection Policy was enacted, although the strategy is still in draft.

The draft Ghana National Social Protection Strategy sets the objective of building a national social protection floor for its population that ensures universal access to at least essential health care and a basic level of income security for children, people in active age and older people which is in line with R202.



### 5.8.3 Social Protection Interventions

A number of policies and programs have been developed in the past fifteen years that attempt to address vulnerability in a targeted way. They include a National Health Insurance Scheme, a School Feeding Programme, the Capitation Grant, and the Livelihood Empowerment against Poverty Programme (LEAP). These interventions are complemented by broader programmes that have social protection elements such as education and health. However, certain population groups still suffer from multiple vulnerabilities due to chronic poverty.

According to the 2015 Annual Progress Report on GSGDA II, implementation of social protection initiatives in the country had lacked a coherent framework for harmony until a National Social Protection Policy aimed at addressing issues of efficient utilisation of available resources was approved in 2015. Additionally, a stakeholder consultation to back social protection with legislation was undertaken and the Bill submitted to the Attorney-General for consideration and onward transmission to Parliament for enactment. The legislative process has however been stalled by the change in political administration but it is anticipated that the process would be continued and finalised within 18 months.

The availability of a single register for social protection activities in Ghana is pivotal to improving the targeting of beneficiaries of social protection programmes. In 2015, progress was made in producing the single register with the establishment of a common targeting unit to be responsible for the collection and collating data on social protection activities and beneficiaries.

#### ***Livelihood Empowerment Against Poverty (LEAP)***

The Livelihood Empowerment Against Poverty (LEAP) provides cash transfers to extremely poor households to cater for their basic needs and to assist them to access other social services. In 2015, the number of households that benefited from the programme almost doubled to 146,074 in 188 districts from 89,919 in 2014. Complementing LEAP is the Labour Intensive Public Works (LIPW) project which operates in 49 districts and provides temporary employment opportunities to poor, rural households during the agricultural offseason. LIPW provides cash for the beneficiaries as well as the development of rural infrastructure such as feeder roads to enhance decentralised economies.

To enhance access to health services, the aged (those over 70 years) are exempted from paying premiums under the NHIS. In 2015, the number of NHIS subscribers aged 70 years and above increased by 17.2% to 445,48, from 380,157 in 2014.

## 5.9 EDUCATION

### 5.9.1 Overview of Education Policy in Ghana

Formal education in Ghana began in 1529 with Portuguese traders in a very limited form with the establishment of schools in their trading settlements near modern-day Elmina to cater for the mulatto children they fathered with African women. The children were taught primarily by priests who accompanied the Portuguese on their sojourns abroad to cater for their spiritual needs.<sup>65</sup> The subsequent arrival of missionaries led to the establishment of more schools. The period of colonial rule, particularly between 1852 and 1882, marked a further increase in education activities in part as a result of policies such as the introduction of a poll tax for education. Boards of Education were created to inspect schools and grants were provided to schools that met the standards set for education by the colonial authorities.

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<sup>65</sup> Graham, C. K. (2013). *The History of Education in Ghana: From the earliest times to the declaration of Independence*, New York, NY: Routledge,

This growth was reinforced by Governor Gordon Guggisberg in the 1920s through a policy that aimed to correct the perceived deficiencies in the quality and relevance of education, and in its delivery and management, as part of a Ten-Year Development Programme. Achimota College was established in 1924 as Prince of Wales College under the Programme, and resources were put into improving the training and remuneration of teachers the establishment of a common standard of education, as well as the establishment of some schools in the rest of the colony.

Education development in the Gold Coast was given a boost in 1952, following the adoption of the Accelerated Education Plan by the CPP government, which had assumed office under “limited government” in 1951 and inherited a previous plan for education developed in 1946. Educational facilities were expanded nation-wide to accommodate the increase in enrolment, while the government increased the intake for teacher training colleges by 1,000 between 1951 and 1953. By the end of 1953, the annual output of teachers had risen from 420 to 1,108. These achievements were followed in 1960 by the recommendations of the Botsio Commission on Education, which led to the introduction in 1961 of the Education Act, which made primary school and middle schools both fee-free and compulsory. Enrolment in primary, middle and secondary schools increased exponentially, as shown in Table 5.8

**Table 5.8: Increase in number of schools and enrolment, 1951 to 1966**

	1951		1966	
	No. of schools	No. of students	No. of schools	No. of students
<b>Primary</b>	1,083	153,360	8,144	1,137,495
<b>Middle</b>	539	66,175	2,227	267,434
<b>Secondary</b>	13	5,033	105	42,111

Compulsory education meant that fines were imposed on parents who failed to send their children to school. The scholarship schemes were also introduced to increase participation and reduce spatial inequality in education, with a particular focus on Northern Ghana and Brong-Ahafo Regions.

Between 1966 and 1987, there were several developments in education policy, particularly in regards to the structure and content of education. In 1967, the Kwapong Committee reviewed the education system with a focus on questions of quality and access, and recommended the extension of elementary school to 10 years with a break in the eighth year for selecting suitably qualified candidates to enter secondary schools. Non-qualifying candidates would attend continuation schools and other vocational education and training programmes. Agitations about inequitable access to secondary education from 1970 through to the mid-1980s fuelled the misconception that vocational schools were reserved for middle school leavers. These sentiments--as well as considerations of costs and resource distribution per the country’s structural adjustment program--contributed to the adoption of a junior and secondary school system as proposed in the 1974 Dzobo Committee report and the Education Commission Report on Basic and Secondary Education 1987/1998.

The 1987 education reforms were the most comprehensive reform of education to date because of its widespread restructuring of the management and delivery of education. The reform was noted for the introduction of the new structure of education which significantly reduced the duration of pre-tertiary education from 17 to 12 years. It introduced the concept of basic education made up of six years of primary and three years of junior secondary education to replace the primary to middle school system. Importantly, the reform also sought to make education more functional and in line with the country’s human resource needs. As an instance of this more practical or skill-based education, technical and vocational training to equip students who ended their education at the basic level to enter the world of work. The reform of 1987 contributed to expanding enrolments, which had stagnated at the primary level

in the years before the reform but which subsequently showed improvement after 1987. It also facilitated an increase in the number of secondary schools with the opening of around two hundred and fifty secondary schools spread throughout the country.

To build on the 1987 reforms, the Free Compulsory Universal Basic Education (FCUBE) was introduced in 1995 in accordance with the 1992 Constitution. This programme was to tackle the bottlenecks to access, particularly at the basic level. The implementation of the FCUBE is credited for the strong focus that girls' education received. The establishment of the Girls' Education Unit in 1997 and the introduction of interventions for girls such as scholarships and the organization of Science, Technology and Mathematics Education (STME) "clinics" and camps helped to encourage girls to study male-dominated courses.

The unsuccessful implementation of the technical aspects of the 1987 Reforms, the inability of the reform to demonstrate improvement in learning achievement at the pre-tertiary level, and the slow progress at achieving the expectations of the FCUBE contributed to the formation of the Anamuah-Mensah-led Presidential Committee on the Review of the Education Reforms in Ghana in 2002. The recommendations of the Committee<sup>66</sup> and the release of the Government White Paper resulted in the launch of the New Education Reform in 2007.

The implementation of the reform was assigned to the New Education Reform Implementation Committee (NERIC).<sup>67</sup> In Box 1 the proposed new structure of education as recommended under the New Education Reform of 2007 demonstrates a shift in response of contemporary requirements of education.

**Box 5.1: New Structure of Education under the Reform of 2007**

To remedy these defects, the Committee proposes a new basic education structure made up of 2 years' kindergarten, 6 years' primary, and 3 years JSS. The new basic education will therefore be 11 years.

After basic education, the Committee proposes the following streams:

- 3 years senior secondary, leading to post-secondary and tertiary education;
- Parallel technical/vocational education leading to polytechnics and the world of work; and
- Apprenticeship leading to the world of work;
- 3-4 years' tertiary education.

The Committee also recommends the creation of Open Community Colleges and an Open University to provide avenues for work-study programmes and life-long education.

The specialised institutions (post-secondary institutions which are currently not tertiary) under the new structure would be upgraded to award diploma and would be affiliated to relevant universities and polytechnics.

Credit transfer, Distance education, ICT, Special Education and Guidance and Counselling would be critical components of the new structure.

**Source: Government of Ghana (2004). *Meeting the Challenges of Education in the 21st Century*. Accra: Author, p. xxi.**

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<sup>66</sup> Presidential Committee on Education. (2002). *Meeting the challenges of education in the twenty-first century*. Report of the President's committee on education reforms in Ghana. Accra, Ghana: Adwinsa Publications

<sup>67</sup> The National Education Reform Implementation Committee (NERIC) was also inaugurated on April 27<sup>th</sup> 2006 by Hon. J.H Mensah, Senior Minister.

## 5.9.2 Analysis of Current Situation

### *The structure of pre-tertiary education*

Box 5.2 sets out the structure of pre-tertiary education, which is based on the recommendations of the Presidential Committee for the Review of Education Reforms and declarations in the subsequent White Paper of 2004.

#### **Box 5.2: Structure of Pre-tertiary Education in Ghana<sup>68</sup>**

- i. The system of education shall be organised in three progressive levels to be known as:
  - a) basic education,
  - b) second cycle education, and
  - c) tertiary education
- ii. The basic level of education shall consist of
  - a) *two years of kindergarten education*
  - b) *six years of primary education, and*
  - c) *three years of junior high school education*
- iii. The second cycle level of education shall consist of three years of senior high school education, technical, vocational, business and agricultural education, or appropriate apprenticeship training of not less than one year.

**Source: Education Act 778, 2008.**

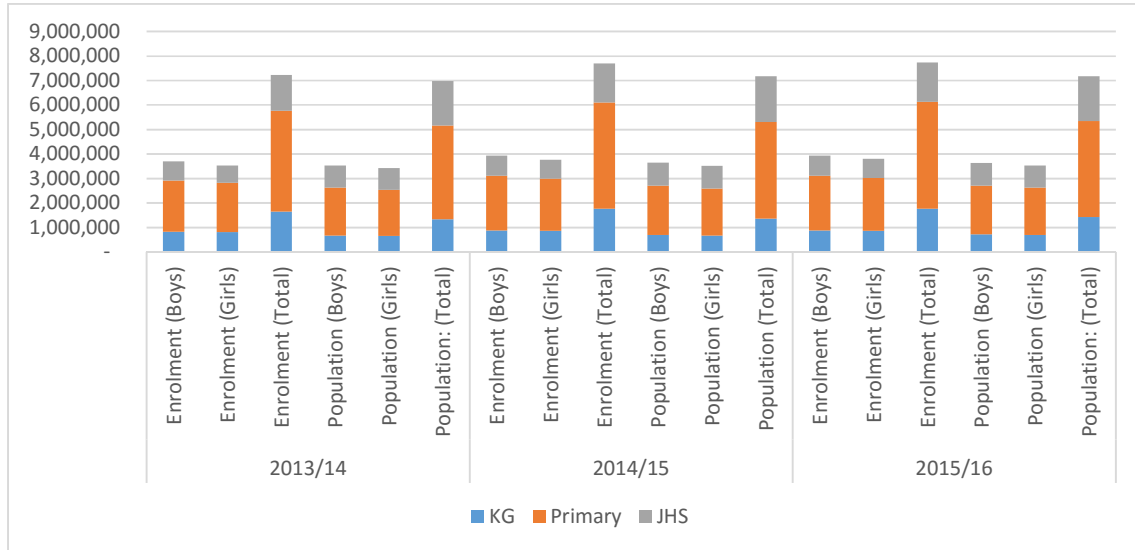
Education policy in Ghana defines the age group at first entry into school (kindergarten) as four years and age at the end of the pre-tertiary level as 17 years. The main challenge to access to education in Ghana is that many children do not enter school at the appropriate age. The primary reason is cost. Children in rural schools tend to be older than the required age of entry largely due to poverty. Pre-tertiary level is characterised by a strong emphasis on basic education, partly due to the influence of the global focus on primary education. The Millennium Development Goals (2000-2015), Dakar Framework on Education (2002) and the Education for All-Fast Track Initiative (EFA-FTI) have in their various objectives paid more attention to primary education than to the other levels of education.

Figure 5.23 presents the enrolment and population trends at the basic level over the recent three academic years from 2013/14 to 2015/16. The figure highlights the improvements in access.

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<sup>68</sup> Parliament of the Republic of Ghana (2008). *Education Act 778, 2008*, Section 1(1)-(3).

**Figure 2.23: Basic education enrolment**



**Source: MoE, EMIS Report 2016**

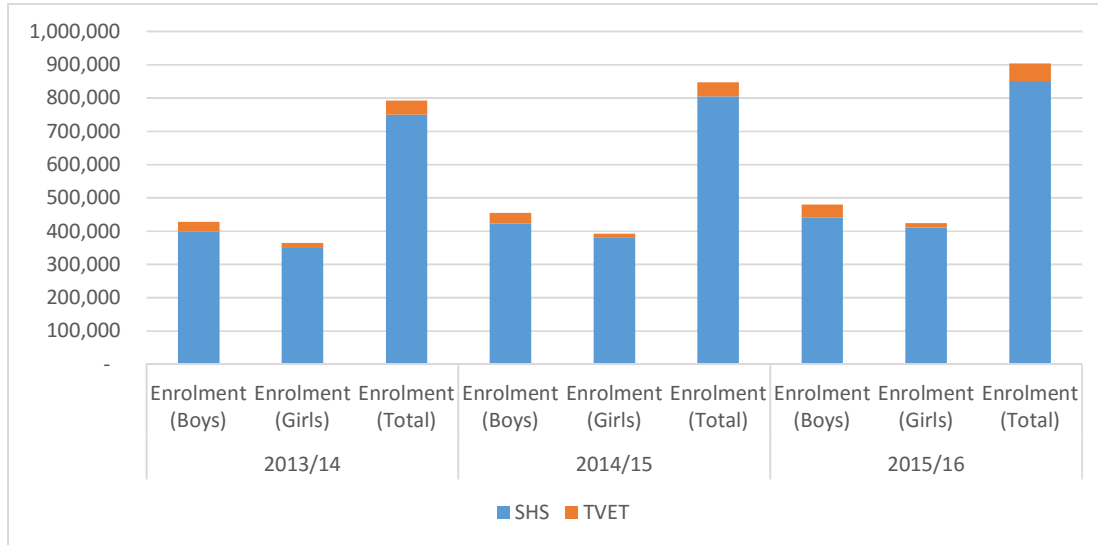
Access to the second cycle stage of pre-tertiary education (senior high school) is not compulsory and is conditioned on one's performance at the Basic Education Certificate Examination (BECE).<sup>69</sup> Secondary education is delivered through grammar-type schools, and technical and vocational institutions. This stage prepares learners for entry into tertiary institutions and the labour market.

The introduction of the National Apprenticeship Programme as part of the Education Reform in 2007 was intended to absorb graduates of JHS who were unable to enter secondary or any of the technical and vocational institutions. This combined conventional secondary education with an emphasis on skills training and capacity building to prepare young school leavers for the world of work.

The state and future of technical and vocational institutions remains unclear, though they hold great potential for developing the strong middle level manpower needed for industrialization drive for development. Considering that technical education has been an integral part of the education system from its inception, it is unclear why it does not receive the attention it needs. The education strategy under the long-term development plan intends to reverse this trend and create attraction for technical and vocational education. Figure 5.24 presents the enrolment trends at the secondary level. It shows that senior high school education is preferred to technical and vocational education and training (TVET). The data for TVET represents the total enrolment for the formal TVET provided by the GES, and other public and private institutions.

<sup>69</sup> A revision of the access to secondary education was introduced as part of the 1987 Education Reform, which saw the first batch of Senior Secondary School students entering in 1991 as against the previous system of entering through the Common Entrance Examination

**Figure 5.24: Secondary Education Enrolments**



**Source: MoE, EMIS Report, 2016**

The terminal points within the pre-tertiary level is a source of contention about whether completion at these points implies readiness for work. For instance, the 2004 White Paper criticised the education system for pouring out “hundreds of thousands of unskilled, unemployable and rather young Ghanaians onto the after-school world of work...”<sup>70</sup> but did not offer a solution to this situation.

The pre-tertiary education plan will reform education to promote equity and quality in order to prepare learners for lifelong learning. It will take advantage of the wide range of new knowledge in education development and outcomes by highlighting and addressing the critical national and international concerns for improving education in Ghana. At the end of the pre-tertiary education, learners will be able to communicate effectively in a Ghanaian language and the English language, contribute confidently and constructively as part of a team in identifying solutions to emerging tasks and challenges, and demonstrate readiness to pursue further education with the intention of building on the knowledge and skills acquired.

### 5.9.3 Policy framework for Pre-Tertiary Education

The education policy of Ghana as defined by the 1992 Constitution and the Education Act 778 (2008) is operationalised in the medium-term development frameworks developed by the National development planning Commission (NDPC). The policy objectives as indicated in Table 5.9 below focus policy and implementation on issues of access, management, quality, equity. The specific concerns that drive implementation of the decentralisation of education are greater support to deprived districts, inclusion, and supervision of teaching and learning, and community involvement.

<sup>70</sup> Ministry of Education, Youth and Sports (2004). *White Paper on the 'Report of the Education Reform Review Committee*. Accra: Author.

**Table 5.9: Education Strategic Objectives**

ESP 2010-2020 Strategic Objectives	GSGDA II 2014-17 Objectives
Improve equitable access to and participation in quality education at all levels	Increasing Inclusive and Equitable Access to, and Participation in Quality Education at all Levels
Bridge gender gap in access to education	
Improve access to quality education for people with disability	
Strengthen links between tertiary education and industry	
5. Mainstream issues of population, family life, gender, health, HIV/AIDS/STIs in the curricular at all levels	2. Ensure the provision of life skills training and management for managing personal hygiene, fire safety, environment, sanitation and climate change
Improve quality of teaching and learning	3. Improving the Quality of Teaching and Learning

**Source: Ministry of Education (2016).**

### ***Decentralised education***

The adoption of a decentralised education system has been a key feature in the management of education. Initiated under the Accelerated Education development plan in 1951, it was strengthened in the Education Act 87 (1961) and given further prominence in the current Education Act 778 (2008). A decentralised education system is considered to have benefits for the smooth implementation of education policy. Its operation, however, has not been effective and tends to confuse the hierarchy of authority at the pre-tertiary level.

An important aspect of decentralisation is the delegation of planning and resource allocation. Decentralisation of education budget at the district level is another feature; here, Education Offices in metropolitan, municipal and district assemblies (MMDAs) receive Government of Ghana financial releases of the annual budget through the District Assembly treasury system. The District Finance Officer thus exercises control over such resources. Some donor funding support are also routed through the Assemblies but these have encountered some challenges in terms of accountability and access to funds. In many instances, donor funds are sent directly to the District Offices, a situation which challenges the system of financial decentralisation. At both the basic and secondary stages in the sub-national levels, school management tends to depend on the centre for directives to implement locally influenced requirements for education delivery.

Despite the benefits of decentralisation, its implementation in Ghana indicates a lack of commitment to the system by those at the centre. Improving education at the pre-tertiary level will require true decentralisation driven that is co-ordinated at the centre, supervised by the region, and implemented at the district level, with the assemblies made responsible for any inefficiencies in the delivery of services for quality education.

### ***Deprived districts***

The classification of selected districts as “deprived” demonstrate the desire of government to target resources to the neediest areas. The criteria for selection considers deprivation in socio-economic terms and also in regards to service delivery and outcomes in education. In its present form, the approach contributes to the neglect of districts that are performing well as measured by education results but which also face poverty and other socio-economic and cultural factors that threaten the sustainability of progress made in education. A review of the deprived district approach in managing education outcomes would help to motivate higher performance and create more value for money.

## ***Inclusive Education***

The provision of education to children with special needs has historically been through the establishment of special school for the more common incidence of disability, blind deaf and mental retardation. The Jomtien World Education Conference in 1990 drew attention to the new approach of including children with special needs into mainstream schools. The adoption of an Inclusive Education approach to disability Ghana's education system from that period led to the establishment of inclusive schools, but only a few were created. However, the support from development partners and civil society groups has renewed interest in and implementation of inclusive education, eventually resulting in an Inclusive Education Policy in 2016 (see Disability chapter).

Some of the major issues that the long-term policy must tackle include planning for the gradual change in the architectural design of school; training of teachers to handle children with diverse needs; supporting friendly school environments; provision of teaching and learning materials and the desegregation of issues concerning diversity. Special schools should be created only for severe disability cases, though these should be integrated in some form with inclusive schools.

### **5.9.4 Trends in Access, Quality and Outcomes in Pre-Tertiary Education**

#### ***Basic education***

Trends in access, quality and performance point to the need for more attention towards this stage of the pre-tertiary education. An analysis of enrolment numbers and other indicators of access reveal a slow pace of growth over the period from 2002 to 2016. In Table 5.10, the increase in enrolment show a 43 percent increase in enrolment at the pre-school, while over the same period, primary and JHS show 58 percent and 54 percent increases. The increase in enrolment at the primary level reflects the concentration of support to this stage of pre-tertiary education.

Girls' participation has improved over the years and the country is close to achieving gender parity. This, however, masks the real situation of girls' participation as the percentages shown in Table 11 refer to girls enrolled in school. There are still many girls who are out of school and additional effort is needed to encourage their enrolment and retention.

One major concern is access at JHS. As the exit stage for basic education, the gross enrolment ratio (GER) suggests an average growth in participation over the period as indicated in Table 5.10, but the net enrolment ration (NER) reveals that participation of the expected population is quite low.<sup>71</sup> This should be a concern as JHS marks the beginning of key decisions informing the future of learners, particularly because entrance into second cycle is conditional on passing the BECE. As indicated earlier, the main challenges to access at this stage is the inadequate spaces in JHS to absorb the huge numbers of primary school graduates qualified and willing to attend JHS.

**Table 5.10: Trends in access to basic education**

Description	Stages	2002	2006	2010	2014	2016
Enrolment	KG	769,199	1,104,799	1,491,450	1,766,715	1,770,587
	Primary	2,524,585	3,365,762	3,962,779	4,342,315	4,358,176
	JHS	865,233	1,132,318	1,335,400	1,591,279	1,607,382

<sup>71</sup> The Gross Enrolment Ratio calculates the number of children in school as a proportion of the total number of school-aged children for that level of education. The Net Enrolment Ratio estimates the proportion of children of the appropriate ages at a specified level of education relative to all children at the appropriate age for that level.



Description	Stages	2002	2006	2010	2014	2016
GER	KG	21.8%	80.8%	98.4%	128.8%	123.8%
	Primary	75.0%	90.8%	96.4%	110.4%	111.3%
	JHS	63.4%	74.8%	79.6%	85.4%	88.0%
NER	KG	21.77%	55.8%	60.1%	82.7%	79.5%
	Primary	75.68%	78.6%	77.8%	91.0%	91.5%
	JHS	63.39%	50.7%	46.1%	49.0%	50.3%
Girls' participation	KG	49%	40%	50%	50%	50%
	Primary	48%	44%	49%	49%	49%
	JHS	46%	35%	47%	48%	49%
Population	KG	3,532,849	1,366,657	1,516,090	1,371,850	1,420,592
	Primary	3,335,794	3,707,447	4,112,511	3,933,682	3,916,406
	JHS	1,365,024	1,512,822	1,678,222	1,863,745	1,826,472

**Source: MoE EMIS Report 2015/2016.**

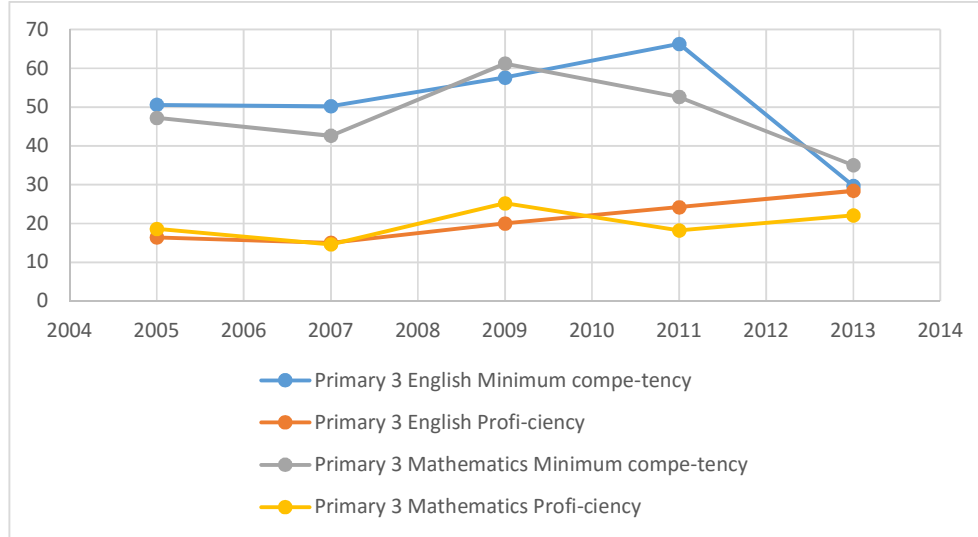
The performance of learners is assessed through three different tests conducted at the basic level. The assessments are:

- Early Grade Reading Assessment (EGRA) and Early Grade Mathematics Assessment (EGMA) conducted with randomly selected pupils in P2;
- The National Education Assessment (NEA) organized for P3 and P6, but in the most recent one conducted for P4; and
- Basic Education Certificate Examination (BECE) which is the terminal examination for completion at this level in JHS3.

The conduct of EGRA and EGMA reveals the learning gaps at the foundational levels of Primary Education, especially in English and Mathematics. The first and second rounds of the Assessments, held in 2013 and 2015 indicated that only two percent of learners in primary class two (P2) can read with proficiency in English and most learners were unable to read in their local languages. Similarly, in Mathematics, most learners in P2 lacked the foundational skills for understanding the concepts in Mathematics. The assessment generally revealed the poor methodology in the teaching of Reading and Mathematics.

The NEA also shows that very few learners attain proficiency in English and Mathematics in P3 (Figure 5.25). Again, this draws attention to the enormous challenges confronting learning achievement and outcomes.

**Figure 5.25: Results of National Education Assessment (Primary Class 3), 2005-2013**



**Source: MoE/GES, National Education Assessment Unit (NEAU)**

The results for primary 6 pupils in the most recent NEA (Table 5.11) further confirms the need for substantial improvements in learning achievement if Ghana is to build a strong educational foundation and become part of the emerging “Learning Generation”.<sup>72</sup>

**Table 5.11: National Education Assessment (Primary Class 6)**

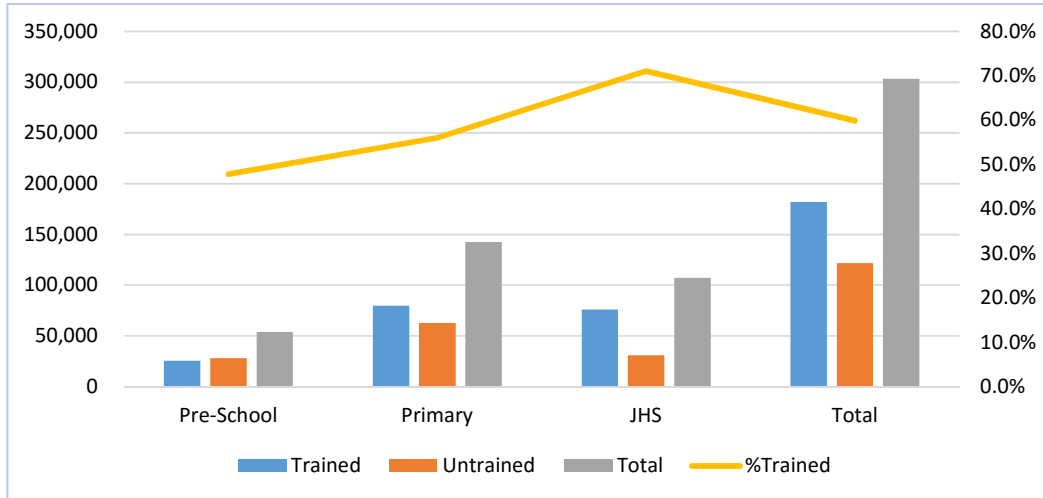
English			Mathematics		
Below Minimum Competency	Minimum Competency	Proficiency	Below Minimum Competency	Minimum Competency	Proficiency
30	34	36	29	46	25

**Source: Ministry of Education/Ghana Education Service, 2016.**

Teacher distribution and quality presents one of the critical problems to the quality of basic education. There are as many untrained teachers as there are trained ones at every stage of basic stage. This situation is worsened by the incidence of teacher absenteeism and poor use of time on task by teachers. The National Teaching Council reports that the teacher absentee situation has improved from its 2010 levels of 37 percent to 7 per cent. This is a clear sign of potential to reverse the practice and ensure effective teaching and learning in schools. This effort must be deepened to eliminate the practice in the interest of ensuring quality at the pre-tertiary level.

<sup>72</sup> International Commission on Financing Global Education Opportunity (2016). *The Learning Generation: Investing in education for a changing world*. New York: Author.

**Figure 5.26: National Teacher distribution by Level and Training, 2015/16**



**Source: MoE/GES, National Education Assessment Unit (NEAU)**

Other challenges to the quality of basic education include the poor state of infrastructure for both learning and accommodation for teachers; inadequate teaching and learning materials such as textbooks and supplementary materials and inputs for teaching like chalk, teachers’ note book, registers and paper for writing tests. This situation is notwithstanding the efforts that Governments have made to reduce the tensions around the lack of these items in the form of interventions like free exercise books and support to learners like free school uniform.

Current assessment of examination performance at the JHS show that the 2014 results of the BECE was the best since 2002. About 77 percent of candidates obtained passes in the four core subjects. This was almost repeated at the 2016 examination, where about 76 percent had passes in all the four core subjects. The recent result shows an improvement in the performance above the 2010 results<sup>73</sup> and another sign of potential if measures are taken to tackle the challenges at that level of education.

Another area of concern is the management of schools at the basic level. First teachers who are appointed to manage schools must be trained in school management. The absence of this skill has undermined interventions that aim at strengthening school leadership, particularly concerning accountability. The poor management of schools explain largely the poor performance of school besides the irregular and sometimes non-release of allocated funds and resources.

**Secondary Education**

Secondary education remains a key stage of pre-tertiary education. This stage of the level is complicated by the two components that make up the offering at this stage. The focus of attention has been at promoting more of the grammar-type education to the near neglect of the technical and vocational aspect. The imbalance reflects the challenge that has persisted in utilizing the stage as key link in the strategic development of the country’s human resource.

The number of secondary schools have increased since the 1987 reform. Currently there are 872 schools. The number of public schools is 578, making up about 66 percent of the schools. There are 294 schools under the private provision. Many secondary schools are in the urban areas where 57 percent of public schools are located and 63 percent of private schools operate. This means that there are very few schools

<sup>73</sup> Ministry of Education (2016). *Education Management Information System Report, 2015/16*. Accra: Author.

spread around the rural areas. The academic courses offered in the grammar type secondary schools are in five programmes. These are:

- Agriculture
- General Programme (comprising General Science and General Arts)
- Home Economics
- Technical, and
- Business

Participation in these courses show that contrary to the national policy to promote the study of science and technology, the 2015/16 EMIS indicates that only 12.1 per cent of students are studying Science and 45 percent in the General Arts component of the General Programme. Some of the challenges plaguing learning achievement are in the areas of examination malpractices which appear to be increasing despite the sanctions that offenders suffer and the campaigns made by the West African Examinations Council to caution against the practice. The poor performance of many candidates in Mathematics and English contribute to their inability to progress to tertiary level.

At the TVET component of secondary education, the stage is constrained by the apparent lack of clarity about how TVET is to be delivered. In this section, the focus of discussion is based on the formal training in TVET. This refers to all the formal training institutions where certification is acquired through a formal process that includes both tests and practical work. Here the main area for consideration will be the Technical institutions under the GES.

The number of formal Technical institutions at this level has seen very minimal increase over time. The 1987 reform established additional technical institutions along the lines of grammar-type institutional mode of delivery. Hence there are about 15 to 20 percent of Senior High Schools which have Technical programmes. There are 45 Technical Institutions under the GES. There are several institutions in the private sector that deliver mostly vocational-type skills development training.

The absence of clear evidence of the benefits of technical vocation education, fuelled by the negative perception about the status of the products from these institutions inspired the introduction of the Competency-based approach to training. The intention is to focus on the skills and productive capacity of learners and create a new interest for better outcomes developed around entrepreneurship. At the same time, students at TVETs should be encouraged to take core subjects that may provide them with opportunities to enhance their qualifications at the university level. This will provide students with more career options.

The 2007 Reform introduced a semi-formal apprenticeship Programme. The National Apprenticeship Programme, under the COTVET is yet to be properly positioned to make the contribution that it was intended to make. Information on this non-formal approach to technical education is very scanty. Another effort to attract young persons to take courses in technical and vocational education is the introduction of the *Open Schooling in TVET* under the previous Presidential Special Initiative on Distance Education. Unfortunately, these interventions have not been carried forward, which explains the disconnect that is contributing to the unemployment.

Recently the Government has also introduced a progressively free education at the Senior High school, targeting day students initially but has been extended to cover some costs for boarders. These policies have come to augment existing interventions such as the Northern Scholarship scheme, the subsidies for all BECE candidates, free exercise books, free sandals and school uniforms, as part of pro-poor interventions to increase access to basic education and senior high schools.

The most current intervention towards complementing the policy of increasing access to senior high schools which was a key aspect of the Education Reform of 2007, is the construction of community senior high schools. The activity which is under the Secondary Education Improvement Programme (SEIP) began in 2012 and has resulted in the completion of almost thirty schools, with additional numbers to be constructed to bring the number of new schools to 200.

### **5.9.5 Financing of Pre-Tertiary Education**

Ghana exceeds the global benchmark for education expenditure, which is pegged at between 4 and 6 percent of GDP. From 6.2 percent in 2003, education as a share of GDP peaked at 10.1 percent in 2010 before falling to 6.5 percent in 2015. However, the education sector since 2003 has had a greater share of its resources allocated to wages and allowances. Moreover, there are frequent delays and irregularities in the release of funds.

Financing of the basic education stage is influenced by policy commitments, including the FCUBE policy; the capitation grants; and interventions to provide free school uniforms, exercise books and school feeding for targeted groups. In 2015, basic education received 42.9 percent of the total education budget. The expenditure for Special Education is separated from that of the basic education and has generally remained at less than 1.0 percent for at least the past decade.

At the secondary level the key policies driving financing are the introduction of the progressively free SHS education and the policy of free SHS in the three northern regions.<sup>74</sup> In 2015, the expenditure on secondary level education as a proportion of the total education budget was 23.9 percent. Out of this, the share of TVET was 2.3 percent which again reinforces the relative neglect of an area of education that has potential to provide a skilled workforce for the economy. It is clear that the budgetary allocation for TVET needs to be substantially increased.

An analysis of the allocation of resources for the sub-sectors within the Ministry of Education shows that annually the GES receives about 67 percent of the education budget. As well, the bulk of donor support to the Education Sector goes to the GES. Donor funding is only about five percent of the total education budget but tends to go towards implementation of education activities, and in particular to support excluded groups such as girls and children with disabilities. On the other hand, the government contributes the largest share of education funding (80% in 2014) but most of this funding (upwards of 98 percent in 2014) is used for salaries and other forms of “compensation”.

The inadequate resourcing, especially for teaching and learning resources, results in levies being charged by schools to fill the gap, and to compensate for the delays in the disbursement of funds. This has undermined the intent of policies such as the Capitation Grant to increase access to affordable basic and secondary education, and also results in lower academic achievement and completion rates at various levels of pre-tertiary education. A partial solution is to encourage community funding of education, as a complement to government resources. However, attention should be paid to the potential inequalities that may result as communities are differentially-resourced. To prevent a widening gap in resource endowment between schools in poor and richer communities, the former could receive greater government support.

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<sup>74</sup> There exist two programmes that support financing of secondary section in the three northern regions and some parts of the Brong-Ahafo and the Volta Region. Parents do still pay some fees.

## 5.10 TERTIARY EDUCATION

### 5.10.1 Analysis and Outlook

The tertiary education sector was one of the hardest hit by the economic and social turmoil of the 1970s and early 1980s. Years of declining funding for the sector against a background of a growing population and rising demand for higher education created inevitable tensions on the campuses of the nation's public universities and other institutions of higher learning. Agitations by students, teaching staff and administrative staff at various times in support of demands for better conditions of service were punctuated with periods of university closures as the authorities struggled to meet those demands. In 1974, for example, all universities were ordered closed by government in response to student disturbances on campuses. While the closures provided temporary respite for government to address the immediate demands, the fundamental problems of limited access and inadequate resources for managing the universities remained largely unresolved, compounding the problem over time

As part of the reforms of the 1980s to revamp the moribund Ghanaian economy, a "University Rationalisation Committee was established to propose policies and strategies for addressing the "prolonged period of under-funding and decline" in tertiary education. After the Committee submitted its recommendations, government responded with a white paper, titled *Reforms to the Tertiary Education System*, which served as the basis for a "Tertiary Education Project (1993-1998)". Among other things, the project sought to achieve the following:

- Reverse system deterioration, falling standards, and the declining quality of education;
- Expand access to tertiary education;
- Establish a stable and sustainable basis for the financing of tertiary education; and
- Create institutional capacities for quality monitoring and policy evaluation in the tertiary education sector.

A subsequent evaluation of the project described it as "marginally successful," with funding, for example, declining when it had in fact been projected to increase in line with rising student enrolment, which expanded by 80.0% over the project period. Later assessments of the broader tertiary sector (comprising universities, post-secondary technical institutes, polytechnics, and some specialised institutions) provided a mixed record of achievements in the sector. Campuses, meanwhile, continued to seethe with discontent from students, administrators, and educators alike, leading to the closure of universities for the entire 1995/1996 academic year.

Subsequent attempts at broad education sector reforms, contained in the Education Strategic Plan (ESP), (2003-2015), were only marginally successful in tackling the problems of tertiary education. As with previous reforms, the results proved to be less than satisfactory, leading to a second ESP (2010-2020) which is being implemented to address the shortfalls of previous reforms.

#### ***Outcomes of subsequent reforms***

The first ESP set broad policy goals, with an emphasis on the following thematic areas across the entire education chain:

- Access to quality education
- Quality of education
- Education management
- Science

A notable feature of the ESP was that it set enrolment targets for all levels of education except the tertiary sector, which, significantly, was also the sector that showed the fastest growth in enrolment: Between 2002 and 2008, enrolment at the public universities increased by 103.0 percent, 68.5 percent at the polytechnics, and 207.3 percent for professional institutes (covering the period 2005 to 2008). Despite such fast growth, and a corresponding doubling in tertiary education expenditure, large numbers of students who qualified for admission to public universities continued to be rejected due to lack of space.

The successor ESP (2010-2020) sought to address these drawbacks in higher education planning. It proposed the following goals:

- *To uphold quality standards in management and teaching and learning to foster the development of world-class human resources*
- *To contribute to the advancement of knowledge and scholarship; and thereby serve as a resource base for addressing national development challenges*
- *To support the orderly development of the 1st and 2nd cycle sub-sectors and technical institutions whose products ultimately serve as sources of recruitment into tertiary education institutions*
- *To forge partnerships with industry, commerce and international institutions to harness local and international support for tertiary education in Ghana*
- *To promote professionalism, equity, excellence, autonomy and academic freedom in the tertiary subsector*
- *To review tertiary curricula in line with current labour market trends*

The Plan outlined the following “strategies” for achieving the above-stated goals:

- i. *Facilitate and increase equitable access to tertiary education, including distance education, for those eligible*
- ii. *Strengthen technical vocational education and training within the universities and polytechnics*
- iii. *Support collaboration between tertiary education institutions, business and commerce, and international and local educational institutions*
- iv. *Facilitate research and postgraduate education*
- v. *Facilitate quality and excellence in tertiary education*
- vi. *Build capacity in tertiary level governance, planning and management*
- vii. *Procure additional funding for tertiary education by increasing private sector involvement in the tertiary subsector*
- viii. *Promote science and technology education*
- ix. *Support national development priority areas in tertiary education*
- x. *Support the orderly development of Colleges of Education*

Despite these ambitious and well-intentioned efforts at improving tertiary education planning, very little progress, if any, appears to have been made to link trends and growth in the pre-tertiary sector to future demand for education at the tertiary level. Table 5.12 contains random headlines of the number of students who are rejected yearly by some of the leading universities in the country, showing a trend that has existed at since 1999.

Whilst it is likely that some of these rejected students do gain admission to other institutions, including the growing number of private universities or other institutions of higher learning (inside or outside the country), it is possible that the vast majority may never live their dreams of pursuing tertiary education.

**Table 5.12: Frequent closure of universities has affected development of tertiary education in Ghana**

- 2015 - University of Ghana rejects over 17,000 applicants
- 2008 – University of Ghana admits 11,700 students (out of 22,000)
- 2006 – University of Cape Coast Reduces Admission by 19.7%.
- 1999 - Legon Rejects 8,500 Qualified Students

This would be as much a loss for them and their families as it would for the country.<sup>75</sup> It appears from the foregoing that tertiary education planning in Ghana has been haphazard at best, compared to pre-tertiary education planning, where some effort is made to forecast enrolment levels and relate them to cost (even if the resources to finances that cost is not always available). With the growth in basic education and ongoing efforts to incorporate high schools into basic education and make them free, the demand for tertiary education is bound to grow rapidly.

### ***Expansion in Tertiary Education Opportunities***

As of 2015, there were 10 public universities, namely, (1) University of Ghana; (2) Kwame Nkrumah University of Science and Technology; (3) University of Cape Coast; (4) University of Development Studies; (5) Ghana Institute of Management and Public Administration; (6) University of Energy and Natural Resources; (7) University of Mines and Technology; (8) University of Health and Allied Sciences; (9) University of Professional Studies; and (10) University of Education. In 2016, government began the process of converting the 10 polytechnics in each of the 10 regional capitals into technical universities. Efforts were also far advanced to hive off the inter-regional campuses of some of the public universities into stand-alone universities. When these processes are completed, the number of public universities will more than double to at least 24 by the end of 2018. This will lead to an increase in Ghana's tertiary gross enrolment ratio, which is projected to reach 75.0 percent by 2057, up from 14.2 percent in 2015.

### **5.10.2 Emergence of Private Tertiary Institutions**

The private tertiary sector is made up of a heterodox collection of institutions, only four of which (as of 2016) were fully-accredited universities, namely: (1) Valley View University (2) Akrofi-and Christaller, (3) Trinity Theological Seminary, and (4) Central University.<sup>76</sup> The rest fall in the following categories: University colleges, tutorial colleges, and distance education institutions; colleges of education, colleges of agriculture, and nurses training colleges. The "university colleges", for instance, are required to be affiliated to, and mentored by, established local or foreign universities until such time when they meet the minimum requirements to operate as full-fledged universities. The others operate as affiliates of foreign universities.

From just a handful of institutions about 20 years, the private tertiary sector has grown rapidly to 73 in the 2014/2015 academic year, accounting for 52.3 percent of all tertiary institutions in the country and 22.5 percent of overall enrolment, up from 14.8 percent in 2010/2011. The sector, however, is plagued with challenges, not least of which is a shortage of lecturers (many private tertiary institutions rely on part-time lecturers from the public institutions, where norms of staffing are already below their required minimums).

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<sup>75</sup> Only 2.0 percent of youth aged 15-35 year have a bachelor's degree, according to the 6<sup>th</sup> Ghana Living Standards Survey (2012/2013); another 2.0 percent have post-secondary qualifications, such as diplomas and certificates. This is inadequate for national development.

<sup>76</sup> To be a fully accredited university, an institution must meet a number of conditions, including having a research programme with the fully complement of professors. Until then, they are required to be "mentored" as university colleges (or similar designation) by a established universities.



**Table 5.13: Number of Tertiary Institutions**

NUMBER OF TERTIARY INSTITUTIONS					
	2010/2011		2014/2015		2010-2015 % GROWTH
	TOTAL	% SHARES	TOTAL	% SHARES	
<b>PUBLIC</b>	62	52.10	66	47.48	6.45
<i>Universities</i>	7	5.88	10	7.19	42.86
<i>Specialist/Professional</i>	7	5.88	8	5.76	14.29
<i>Colleges of Ed.</i>	38	31.93	38	27.34	-
<i>Polytechnics</i>	10	8.40	10	7.19	-
<b>PRIVATE</b>	57	47.90	73	52.52	28.07
<i>Private tertiary</i>	51	42.86	65	46.76	27.45
<i>Colleges of Ed.</i>	3	2.52	8	5.76	166.67
<i>Chartered Inst.</i>	3	2.52	-	-	NA
<b>TOTAL</b>	119	100.00	139	100.00	16.81
ENROLMENT IN TERTIARY INSTITUTIONS					
	2010/2011		2014/2015		2010/2015 % GROWTH
	TOTAL	% SHARES	TOTAL	% SHARES	
<b>PUBLIC</b>	185,268	85.16	248,507	77.48	34.13
<i>Universities</i>	115,452	53.07	147,180	45.89	27.48
<i>Specialist/Professional</i>	-	-	10,786	3.36	NA
<i>Colleges of Ed.</i>	26,703	12.27	36,563	11.40	36.92
<i>Polytechnics</i>	43,113	19.82	53,978	16.83	25.20
<b>PRIVATE</b>	32,275	14.84	72,239	22.52	123.82
<b>TOTAL</b>	217,543	100.00	320,746	100.00	47.44

### 5.10.3 State of Tertiary Education in Public Institutions

Evolving regulatory systems also means that data on the sector are not as comprehensive as they should be. Statistics on the overall tertiary sector, therefore, is mostly of the public institutions, each area of which is discussed in turn below.

#### **Teaching and management norms at tertiary institutions**

To improve access and ensure equity, quality and relevance, the government has prescribed certain norms and standards for the tertiary institutions.<sup>77</sup>

#### **Universities**

**Enrolment:** The enrolment of 147,180 in public institutions in 2014/2015 represented an increase of 6.3% over the 2013/2014 enrolment of 138,416. Out of the 2014/2015 enrolment figure, 94,836 were male and 52,344 were females, representing 64.0 percent and 36.0 percent, respectively, and giving a ratio of 64:36 (compared to NCTE's norm of 50:50 for gender parity).

**Academic Staff:** A total of 3,440 full-time academic staff were employed by the public-funded universities during the 2014/2015 academic year, with 2,706 being male and 734 female. Out of this number, 94 were professors, 246 were associate professors, 785 senior lecturers, 1,485 lecturers, 594 assistant lecturers and 236 tutors. Assessed against the NCTE's norms of ideal staffing, there appears to be a major shortage of teaching staff at the public universities (with implications for teaching and learning quality). For example, the total number of professors constituted only 3.6 percent of the norm, instead of 10.0 percent prescribed by (See Table 6.13). At the extreme end, the norm for lecturers, at nearly 60.0 percent, is far in excess of the 45.0 percent norm. Such pronounced imbalance in staffing is both a symptom of lack of a long-term planning for required human resources skills and a reminder of the need for such planning.

<sup>77</sup> The rest of this analysis, drawn from the annual report of the National Council of Tertiary Education, focuses mainly on issues and challenges in public tertiary education on the basis of available facts and data.

**Table 6.13: Staffing at tertiary institutions**

Rank	NCTE Norm	Actual (2014/2015)
Professor	10%	3.6%
Associate Professor	15%	9.4%
Senior Lecturer	30%	30.1%
Lecturer	45%	56.9%

### Polytechnics

**Enrolment:** Of a total of 53,978 students enrolled at the nation’s polytechnics, 35,574 were male and 18,404 female, translating into 66.0 percent and 34.0 percent, respectively, and a ratio of 66:34, which also deviates from the NCTE norm of 50:50.

**Student Enrolment by Field of Study:** The NCTE’s norm stipulates a 60:40 enrolment ratio for science and arts programmes at the polytechnics. However, only 39.0 percent of student (23,415) at the polytechnics were enrolled in science programmes during the 2014/2015 academic year, while 61% (30,563) enrolled in arts programmes. Business administration had the highest percentage of students (56.5%), followed by engineering students (23.4%), applied science (12%), science (5.4%) and dispensary technology (2.5%). As with the universities, this norm appears to be arbitrary and is not related to the current or future needs of the economy. Anecdotal evidence suggests that most science graduates face great difficulties in the labour market upon graduation due to the low demand for their skills.

**Academic Staff:** There were 1,885 full-time academic staff employed by the polytechnics for the 2014/2015 academic year with 1,556 being male and 329 female. Whereas the proportions of chief, principal and senior lecturers were less than the norm, the proportion of lecturers exceeded the norm.

### Public Specialised/Professional Institutions

Accredited public specialised institutions under the tertiary classification include the Ghana Institute of Journalism (GIJ), National Film and Television Institute (NAFTI), Kofi Annan International Peace Training Centre (KAIPTC), Ghana School of Surveying and Mapping (GSSM), Institute of Local Government (ILG), Ghana Institute of Languages (GIL) and the Regional Maritime University (RMU).

**Enrolment:** A total of 10,786 students were enrolled in the specialised institutions of higher learning in the 2014/2015 academic year, with 6,094 being male and 4,692 female, representing 56.0 percent and 44.0 percent, constituting a ratio of 56:44, which is also not in conformity with NCTE’s norm of 50:50.

**Academic Staff:** The NCTE norm for academic staff in public specialised tertiary institutions states that 25.0 percent of the academic staff should be professors/associate professors, 30.0 percent senior lecturers, and 45.0 percent lecturers. From Table 5.14, it may be concluded that there are more Lecturers employed than any other rank.

**Table 5.14: Distribution of Specialisation**

Rank	NCTE Norm	Actual (2014/2015)
Professor	10%	3.6%
Associate Professor	15%	9.4%
Senior Lecturer	30%	30.1%
Lecturer	45%	56.9%

### Public Colleges of Education

Colleges of Education, previously known as teacher training colleges and offering certificates, went through several transitions to acquire a full-fledge tertiary status, with their graduates now being awarded of diplomas, rather than certificates, in basic education. Systemic data about their activities as tertiary institutions have been collected since the 2008/2009 academic year.

**Admissions:** Enrolment in the colleges of education declined between 2008/2009 and 2010/2011. However, within the last four years, there has been a consistent increase, largely as a result of efforts by government to expand access. Out of a total of 36,563 students enrolled, 20,551 were male and 16,012 female, representing 56.0 percent and 44.0 percent, giving a ratio of 56:44. As with the case of other sectors, this ratio is not in conformity with the NCTE norm of 50:50.

**Academic Staff:** A total of 1,663 academic staff was recorded from the thirty-eight colleges of education. Of the total, there were 1,258 male and 405 female staff. Only 0.24% of the staff hold PhDs, with 20.2% having MPhil degrees, 46.3% with Master’s degree (MSc, MBA, MA, Med, etc.), 28.44% with degrees, and 4.81% having professional qualifications categorised as “Other”.

#### **5.10.4 Financing tertiary education**

Despite years of reforms, financing tertiary education remains a challenge. Some factors, such as high rates of inflation and currency depreciation, which undermine budgets even before they are implemented, are external to the various institutions; others are characteristic of the public sector as whole, such persistent over-expenditures on compensation to the neglect of other expenditures; while the rest may be attributed to quality of management at the various institutions. Figure 6.12 reproduced from the 2016 Education Sector Performance Report, presents a partial view of education financing in Ghana (budgetary allocations from the central government). The sector as a whole, exceeded its budgetary allocation for compensation by 20.3 percent, while spending nothing on capital expenditures (capex) or infrastructure (due to the non-release of the paltry GH¢1,000,000 allocated for capex). For the tertiary sector, the over-expenditure on compensation was 19.8 percent, while no expenditure was incurred for capex. Most tertiary institutions make up for these shortfall in central government allocations with internally generated funds and forays into commercial activities, such as leasing land or facilities to private firms.

**Table 5.15: Distribution of Education Financing (2016)**

		Ministry	GES	Tertiary	Total
	Allocation	434,650,952	3,548,577,516	926,505,697	4,909,734,165
<b>Compensation</b>	Expenditure	399,387,814	4,395,771,450	1,109,755,358	5,904,914,622
	% Execution	91.89	123.87	119.78	120.27
	Allocation	11,048,421	13,000,000	9,000,000	33,048,421
<b>Goods and Services</b>	Expenditure	5,703,782	293,794.19	335,910	6,333,486
	% Execution	51.63	2.26	3.73	19.16
	Allocation	1,000,000	-	-	1,000,000
<b>Capex/Infrastructure</b>	Expenditure	-	-	-	-
	% Execution	0.00	-	-	0.00
	Allocation	446,699,373	3,561,577,516	935,505,697	4,943,782,586
<b>TOTAL</b>	Expenditure	405,091,596	4,396,065,245	1,110,091,267	5,911,248,108
	% Execution	90.69	123.43	118.66	119.57

Table 5.15 indicates that IGF in 2015, IGF accounted for a greater share of expenditure in the tertiary sector (49.0 percent) than any of the sub-sectors of education. The limited vacancies for qualified students suggests that IGFs may not be enough to bridge the funding gap in tertiary education.

Table 5.16 shows the effects on high inflation on education sector in general and the tertiary sector in particular. In 2015, budgetary allocations for the education increased nominally by 39.2 percent, while that of the tertiary sector rose by 70.9 percent. Once adjusted for inflation, however, the sector's budget actually declined by 7.8 percent while that of the tertiary sector could buy only 13.2 percent of the goods and service it was meant to buy. The overall effect of these development – inadequate funding whose purchasing power is consistently undermined by inflation – is low levels of research, an essential element of tertiary education.

**Table 5.16: Trends in Education Sector Budget Allocations**

Education Sector Budgetary Allocations (in current prices, Ghana cedis)					Education Sector Budgetary Allocations (adjusted for inflation, using 2012 prices; Ghana cedis)				
	2012	2013	2014	2015		2012	2013	2014	2015
Pre-school	435,502,334	363,499,436	501,912,110	440,567,890	Pre-school	435,502,334	325,692,021	389,381,001	291,766,815
Percent change		-16.53	38.08	-12.22	Percent change		-25.21	19.55	-25.07
Primary	1,302,972,161	1,388,792,576	1,445,683,240	1,270,418,880	Primary	1,302,972,161	1,244,344,875	1,121,554,104	841,337,007
Percent change		6.59	4.10	-12.12	Percent change		-4.50	-9.87	-24.98
JHS	969,147,257	965,117,148	1,054,711,276	1,691,653,730	JHS	969,147,257	864,735,741	818,239,935	1,120,300,483
Percent change		-0.42	9.28	60.39	Percent change		-10.77	-5.38	36.92
SHS	1,057,413,465	1,152,064,995	1,467,511,148	1,713,539,729	SHS	1,057,413,465	1,032,239,225	1,138,488,090	1,134,794,523
Percent change		8.95	27.38	16.77	Percent change		-2.38	10.29	-0.32
TVET	163,681,164	103,039,432	243,962,422	183,950,543	TVET	163,681,164	92,322,346	189,264,874	121,821,552
Percent change		-37.05	136.77	-24.60	Percent change		-43.60	105.00	-35.63
SPED	21,717,157	28,064,385	29,266,775	29,437,635	SPED	21,717,157	25,145,421	22,705,023	19,495,123
Percent change		29.23	4.28	0.58	Percent change		15.79	-9.71	-14.14
NFED	40,538,896	39,952,006	32,271,191	14,517,722	NFED	40,538,896	35,796,616	25,035,835	9,614,385
Percent change		-1.45	-19.23	-55.01	Percent change		-11.70	-30.06	-61.60
Tertiary	1,081,971,635	1,106,283,329	1,063,958,851	1,848,576,964	Tertiary	1,081,971,635	991,219,290	825,414,159	1,224,223,155
Percent change		2.25	-3.83	73.75	Percent change		-8.39	-16.73	48.32
Management & Agencies	631,075,530	549,865,010	725,315,494	744,727,324	Management & Agencies	631,075,530	492,673,794	562,696,272	493,196,903
Percent change		-12.87	31.91	2.68	Percent change		-21.93	14.21	-12.35
Total	5,704,019,599	5,696,678,317	6,564,592,507	7,937,390,417	Total	5,704,019,599	5,104,169,328	5,092,779,292	5,256,549,945
Percent change		-0.13	15.24	20.91	Percent change		-10.52	-0.22	3.22
Cum. % change, Tertiary (2012-2015)				70.85	Cum. % change, Tertiary (2012-2015)				13.15
Cum. % change, Total (2012-2015)		NA	NA	39.15	Cum. % change, Total (2012-2015)		NA	NA	-7.84

The overall challenges of the tertiary sector may be summarised as follows:

- i. Inadequate and erratic funding, especially for goods and services (including research) and infrastructure
- ii. Lack of maintenance of existing facilities
- iii. Wasteful use of resources, such as electricity
- iv. Limited access by qualified applicants due to inadequate facilities
- v. Declining quality due to over-crowded classrooms and high student-lecturer ratios
- vi. Lack of equipment, especially for science-based facilities and technical education
- vii. Inability to recruit enough new staff due to a general freeze on hiring by government.
- viii. Weak systems for human resources management and infrastructure maintenance.
- ix. Excessive dependence on donors for critical activities, such as research
- x. Weak link between industry and tertiary sector

### **5.10.5 Strategic Interventions for Tertiary Education Development**

Efforts at reforms must continue to structure tertiary education to meet the needs of national development while still maintaining globally competitive standards. The following principles, based in part on the Vision of Tertiary Education propounded by the National Council of Tertiary Education (NCTE), must guide these reforms:

- **Quality and Excellence:** Tertiary education in Ghana must be developed to rank among the best in the world.
- **Relevance:** Tertiary education must support and promote national development and individual education aspirations.
- **Efficiency:** Tertiary education institutions must ensure value for money in their operations.
- **Accountability:** Tertiary education institutions must respond to the needs of society and provide timely information on their operations to all stakeholders.
- **Autonomy:** An environment that strengthens the self-governance and academic freedom of higher education institutions should be created so that tertiary education institutions are free from all forms of external interference.
- **Collaboration:** Partnership among local tertiary education institutions, and among local institutions and foreign ones, should be promoted for the purpose of sharing of resources and exchange of experience on best management and governance practices.
- **Value chain education planning:** Tertiary education planning must be explicitly linked to planning at the pre-tertiary level in order to anticipate and prepare for future demand for tertiary education.

#### **Among the high-level targets that must guide reforms are the following:**

- A gross enrolment (GER) ratio of 70% in tertiary education by 2047.
- Gender parity in enrolments by 2047.
- At least 50% enrolment in Open and Distance Education programmes by 2030.
- Completion of the conversion of the 10 polytechnics into technical universities by the end of 2018
- By 2020, ensure that all polytechnic programmes of the new technical universities are converted into university-level competency-based programmes.

## **5.11 HEALTH AND HEALTH SERVICES**

### **5.11.1 Overview of Policies on Health and Health Services**

The start of implementation of the National Health Insurance Scheme (NHIS) in 2005 was a milestone in health care policy and provision in Ghana. The NHIS was to guarantee every Ghanaian access to

professional health care from “cradle to grave” at an affordable cost, thus marking a departure in health financing from the previous cash-and-carry system.<sup>78</sup>

The NHIS was created under the Ghana Poverty Reduction Strategy (GPRS I), which was in effect from the period 2003 to 2005. A second phase of the strategy – the Growth and Poverty Reduction Strategy (GPRS II) was implemented from 2006 to 2009. In terms of health development, the strategy under GPRS II was to support exemption programmes as well as to partially fill the gap resulting from financial loss from the collapse of the Health Sector-Wide Approach Programme (SWAP). Relevant health policy plans in GPRS II included improved access to health care, malaria control and prevention of HIV/AIDS, and investments in safe water and environmental sanitation. GPRS II also included strategies of embarking on vigorous health education campaign on the adoption of healthy environmental practices and lifestyles as well as revamping of the Factories Inspectorate Division to intensify health and safety education at the workplace and training institutions.

In 2007, a new health policy was developed that was in consonance with the government’s goal to have Ghana become a middle-income nation by 2015. The policy positioned health as a basis of improved human capital and as a primary factor in national development. The 2007 health policy appreciated the critical role of factors such as improved environmental hygiene and sanitation, safe food and nutrition, proper housing and regular physical exercise in raising the general health levels of the population. Additionally, the policy focused on the promotion of safe sex, immunization of mothers and children, workplace safety, and prevention of road accidents as a way to curb the disease burden and alter mortality patterns.

Apart from these major health policy initiatives, the past twenty-five years have seen an increased focus on maternal and child health care (which was also a thrust of government efforts under the Millennium Development Goals). The policy to provide free delivery, neonatal, and child healthcare services under the NHIS is one example of this focus, as is the expanded programme on immunisation. Other initiatives have included the Adolescent Health Policy of 2000 (revised in 2014) and the Mental Health Policy of 2012.

In 2014, the Ministry of Health launched the Health Sector Medium Term Development Plan (HSMTDP), 2014–2017. HSMTDP is underpinned by the desire to attain Universal Health Coverage in Ghana. It also aims to improve the health status of Ghanaians in line with the country’s Lower Middle Income Status. In this respect the plan outlines a post MDG agenda that highlights the need to improve access to quality, efficient and seamless health services and to improve the sector’s responsiveness to the needs of the people in all parts of the country. The plan also highlights the need to build on the progress being made in the reduction in mortality due to malaria and to ensure a sustained and accelerated move towards the reduction in institutional maternal and neonatal deaths.

While infrastructural and personnel numbers have improved, other critical aspects of healthcare in Ghana have remained the same. Significantly, some of the same health and healthcare challenges highlighted in Ghana’s previous development policies are the same ones with which the country is currently grappling. As an illustration, the Health section of the 1956-57 development policy specified issues such as high insanitary conditions, poor nutrition, the high burden of tuberculosis, ‘venereal diseases’, and lack of resources for mental healthcare as contributing to ill-health in the Gold Coast Colony.

In this section, we present some health status indicators for Ghana, including indicators for morbidity and mortality, child health, HIV/AIDS, and out-patient department (OPD) and in-patient department (IPD) use. We also provide information on the epidemiological transition in the country.

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78 International Monetary Fund (2006). Ghana: Poverty Reduction Strategy Paper. Washington, DC: Author.

### 5.11.2 Analysis of Current Situation

#### *Institutional framework for healthcare delivery*

Ghana's health sector is a decentralised system with established mechanisms that coordinate policy formulation, resource mobilisation, policy implementation, and monitoring and evaluation. According to the Ministry of Health, the mission of the health sector is "to contribute to socio-economic development by promoting health and vitality through access to quality health for all people living in Ghana using well-motivated personnel".<sup>79</sup>

The Ministry of Health is responsible for policy-making, coordination and regulation, and also for recruitment, training, and management of personnel postings. The Ministry of Health has eighteen (18) agencies that perform functions such as service delivery, financing, research, training and regulation. Some of these agencies, with specific reference to training and regulation, are Food and Drugs Board, Pharmacy Council, Nurses and Midwives Council, Medical and Dental Council, Health Institutions and Facilities Regulatory Authority, Traditional Medicine Practice Council, and the Centre for Research into Plant Medicine.

Healthcare is provided in Ghana mostly by public/governmental agencies, spearheaded by the MoH. The Ghana Health Service (GHS) has the biggest responsibility for health delivery through government-owned facilities. As part of the effort to improve access to health services, the Community-Based Health Planning and Service programme (CHPS) has also been designated as another level of health care delivery that combines public health and basic clinical care activities. The teaching hospitals provide tertiary and specialist services and are the main referral centres in the country. Other government implementing bodies are the National Blood Service and the National Ambulance Service. The efforts of the government in providing healthcare are supplemented by private organisations, including faith-based and non-profit institutions, with the GHS providing oversight of these non-governmental facilities through the District Health Administrations.

Another important body is the National Health Insurance Authority which regulates health insurance schemes, accredits and monitors healthcare providers, and manages the national health insurance fund (NHIF). The authority also secures access to free healthcare to exempt groups under the National Health Insurance Act and provides re-insurance to District Mutual Health Insurance Schemes.

The effectiveness of the institutional framework for health service delivery is challenged by fragmentation and duplication of the work of various bodies (which situation is exacerbated by the recent creation of agencies such as the National Ambulance Service, National Blood Transfusion Service and Mental Health Services); weak enforcement of standards; and the lack of sufficient data and information, and inadequate capacity to use available information for decision making.<sup>80</sup>

#### ***Human Resources for Healthcare***

According to the World Health Organization (WHO) and MoH, the number of physicians and nurses is about half of what is required for Ghana's population; in 2012, the country had 0.10 physicians per 1,000 persons compared to the WHO standard of 0.20 physicians per 1,000, and a ratio of 1.14 nurses per 1,000 persons compared to the WHO standard of 2.20 per 1,000. The ratio of midwives to women of fertility age was 0.62 to 1,000 in 2012 but, given the standard workload of 175 deliveries per midwife per year, the WHO estimated that there were enough midwives in the country. With regard to pharmacists, there

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79 Ministry of Health (n.d.) Mission. Retrieved from <http://www.moh.gov.gh/mission/>

80 Ministry of Health (2014). Health Sector Medium Term development plan 2014-2017. Accra: Author.

were 2,327 pharmacists registered with the Pharmacy Council as of 2013 out of which 1,652 representing (71%) were practising in the country. This yields a ratio of 1 pharmacist to 14,528 people which is about seven times lower than the recommended WHO ratio of 1 pharmacist to 2,000 people.

Overall there has been consistent improvement over the years in regard to the number of health workers the country needs. As a result of the policy by the Ministry of Health to increase its human resource base, there has been a 50 percent increase in admissions into the health training institutions and a 20 percent increase in admissions into the Universities since 2001. The Ministry is also expected to employ all the newly trained health professionals after their internship and distribute them to the various facilities under the ministry.

Despite the improvement in healthcare staff strength, the distribution of health staff remains skewed towards the urban areas, with a higher proportion of doctors, nurses, midwives and pharmacists in urban areas relative to the population. There is also a regional disparity; for instance, in 2012, 50% of all doctors were in the Greater Accra Region, and the region had 11 times more doctors per capita than the Upper West Region. In the same year, 25 government hospitals were without doctors and eight of these were in the Northern Region.<sup>81</sup>

### ***Access to healthcare in Ghana***

Access to healthcare is primarily the ability to reach and receive healthcare at the nearest healthcare facility based on the particular healthcare need. This involves several factors: spatial distribution (travel distance and time, and the location of healthcare facilities relative to places of residence); availability of qualified healthcare professionals and in their right mix; appropriate equipment and related resources; and cost.

Even though the Ministry of Health strives to improve access to healthcare and the government makes health a priority, there are still significant problems with access to healthcare in Ghana.<sup>82</sup> These include long distances to health facilities, long wait times, and inadequate numbers of healthcare personnel in certain areas of the country. Other staff-related problems include overproduction and overstaffing of some categories of personnel, usually, the lower-grade professionals, such as Health Assistants. There is also inequity in access and use of care based on age, sex, wealth, status, rural-urban residence, level of education, and region of residence. Inadequate access to healthcare could also be mentioned for specific healthcare needs/programmes which have barely expanded since the colonial administration, in spite of the consistent increase in the Ghanaian population. These include mental healthcare, screening and preventive care services, laboratory services, and emergency healthcare.

Some of these access-related problems are improving, particularly with the introduction of the NHIS, although others, such as emergency and mental healthcare have not much improved, as discussed later in this section. These improvements are partly a result of the MoH's interventions such as the Community Health Planning Services (CHPS), and free health care for pregnant women, children and the poor under the NHIS.

### ***Child Health and Mortality***

Figure 5.27 shows the childhood mortality rates for the past 26 years (1988-2014), based on the series of Ghana Health and Demographic Surveys (GHDSs). It shows a decline in childhood mortality over the period, although there has been a recent uptick in neonatal mortality. Since neonatal mortality has to do

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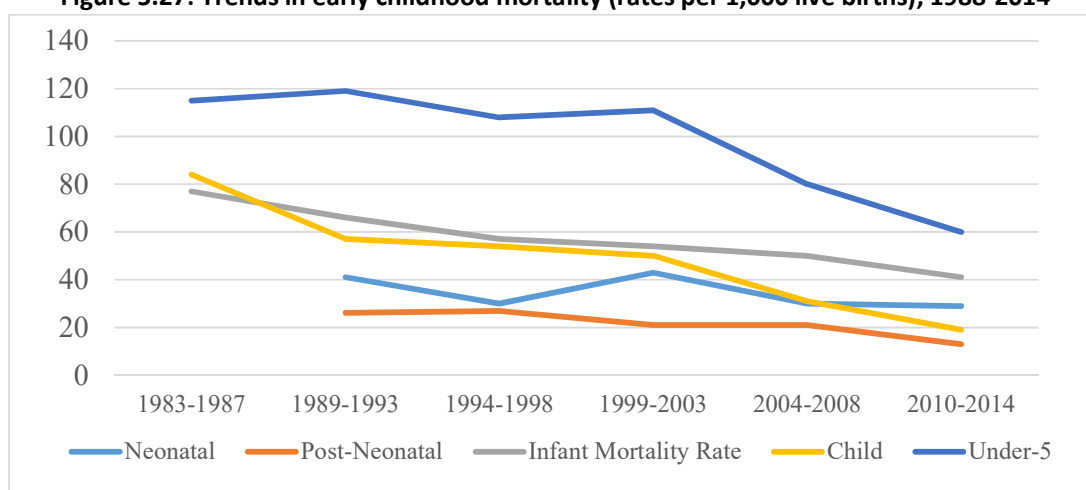
81 Ministry of Health (2015). Holistic Assessment of the Health Sector Programme of Work 2014.

82 ISSER, University of Ghana (2013). Health. Ghana Social Development Outlook, 2012. Accra:



partly with the health of mothers as the deaths occur before birth or soon thereafter, additional efforts should be made to take better care of pregnant women towards the end of their pregnancies. Since a significant proportion of deaths occur in the first 48 hours after delivery, postnatal check-ups for new-borns are critical and time-sensitive. As many as 70% of new-borns within the two years preceding the GDHS 2014 survey did not receive postnatal check-up. Of those who received this care, only 23% received it in the critical two days after birth. Under-five mortality as a whole needs to decrease as well, judging by the world's average under-five mortality of 43 per 1000 live births in 2015 and the infant mortality rate of 32 deaths per 1000 live births.

**Figure 5.27: Trends in early childhood mortality (rates per 1,000 live births), 1988-2014**



Source: Ghana Statistical Service, Ghana Health Service, et al. (2015).

Table 5.17 shows the trends in recent child health indices reported by the MoH. It indicates that child health generally improved between 2010 and 2014, with some setbacks in the proportion of children exclusively breastfed for the first six months of life and children under five years sleeping under insecticide-treated nets since 2012.

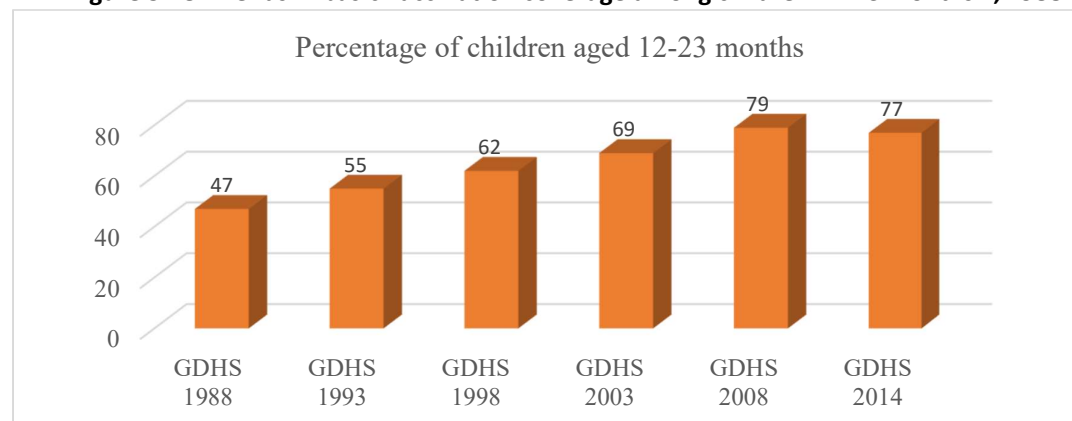
**Table 5.17: Trends in recent child health indicators, 2010-2014**

Indicator	Year				
	2010	2011	2012	2013	2014
Institutional neo-natal mortality rate			5.5	5.9	4.29
Neo-natal mortality rate			32		29
Infant mortality rate			53		41
Under-five mortality rate			82		60
Institutional malaria under 5 case fatality rate			7.6	6.7	5.3
Proportion of children fully immunized (proxy Penta 3 coverage)	86%	86%	88%	86%	90%
Proportion of babies born to HIV mothers being HIV negative after 18 months			93%	93%	92%
Exclusive breast feeding for six months			46%		52%
Still birth rate			19.6	17.9	17.9
Postnatal care coverage for new-born babies			18%	37%	44%
Proportion of children under 5 years sleeping under insecticide-treated nets			42%		47%
Proportion of children under 5 who are stunted			23%		19%

Source: Ministry of Health (2015). Holistic Assessment of the Health Sector Programme of Work 2014.

Figure 5.28 shows vaccination coverage among children between 12 and 23 months. Comparing statistics between GDHSs in 1988 and 2014 shows a trend of increasing vaccination coverage, with the exception of a decline in fully immunised children from 79% in 2008 to 77% in 2014.<sup>83</sup> Table 5.18 shows a general decrease in incidence of childhood diseases from 1998, although this decline has not been steady or regular across all the categories of illnesses.

**Figure 5.28: Trends in basic vaccination coverage among children 12-23 months<sup>84</sup>, 1988-2014**



Source: Ghana Statistical Survey, Ghana Health Service, and International Classification of Functioning and Disability. (2015). Ghana Demographic and Health Survey 2014. Accra: GSS, p.133.

**Table 5.18: Prevalence of other childhood diseases and nutritional deficiencies (% of child population)**

Disease	1988	1993	1998	2003	2008	2014 <sup>85</sup>	Remarks
ARI	20.0	10.1	13.8	10.0	6.0	4.0	
Fever	35.3	27.8	26.8		20.0	14.0	
Diarrhoea <sup>86</sup>	26.3	20.3	17.9	15.0	20.0	12.0	
Diarrhoea with blood <sup>87</sup>	-	4.0	4.0		3.0	2.0	
Stunting	34.0	33.0	31.0	35.0	28.0	19.0	
Wasted	9.0	14.0	10.0	8.0	9.0	5.0	
Underweight	23.0	23.0	20.0	18.0	14.0	11.0	
Overweight	1.0	3.0	2.0	4.0	5.0	3.0	
Some level of anaemia	-	-	-	75.0		66.0	From age 6-59 months
Mildly anaemic,	-	-		23.0		27.0	
Moderately anaemic	-	-	-	47.0		37.0	
Severely anaemic.	-	-	-	6.0		2.0	

Sources: Ghana Statistical Service and Institute for Resource Development (IRD)/Macro Systems (1989).

The implementation of various health policies can in part explain the decrease in child mortality in Ghana. Apart from those already mentioned (including the CHPS, NHIS which gives children free treatment and the free maternal delivery services for pregnant women up to three months post-delivery), malaria control measures (notably the promotion of insecticide treated bed nets) and the Child Health Policy of

<sup>83</sup> Ghana Statistical Survey, Ghana Health Service, and International Classification of Functioning and Disability. (2015). Ghana Demographic and Health Survey 2014. Accra: GSS, p.133.

<sup>84</sup> Children aged 12-23 months who received all basic vaccinations, i.e., BCG, measles, and three doses each of DPT or pentavalent (DPT-HepB-Hib) and polio vaccine (excluding polio vaccine given at birth).

<sup>85</sup> Of children under five years; two weeks prior to the survey

<sup>86</sup> Diarrhoea is seasonal and thus caution needs to be applied in interpreting the figures for diarrhoea.

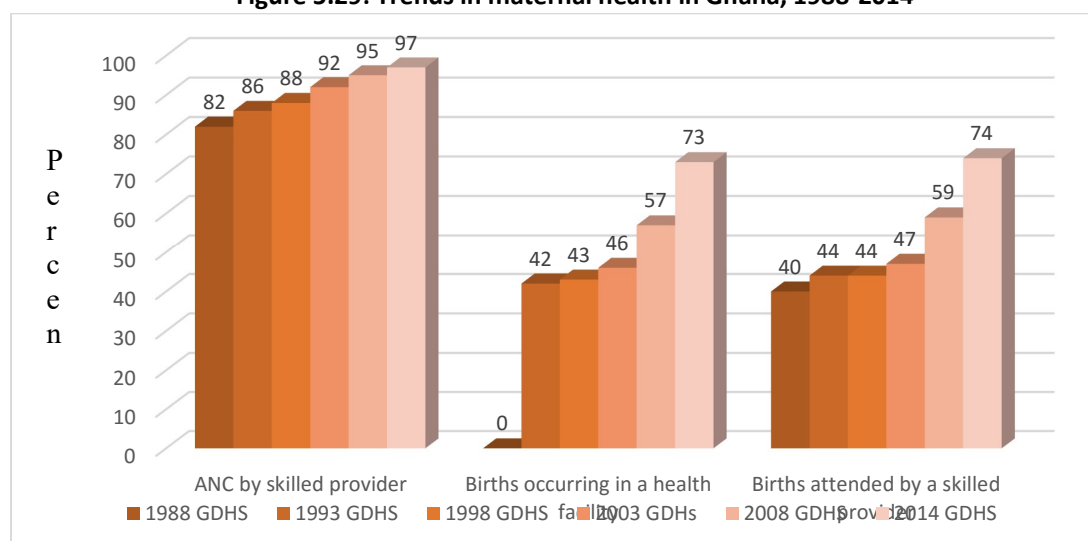
<sup>87</sup> A symptom of dysentery.

2007-2015 are noteworthy. Nonetheless, child health could be better improved, as evidenced by the fact that, for instance, Ghana missed Millennium Development Goal (MDG) 4, for which the country targeted a decrease in neonatal mortality from 43 deaths per 1,000 live births (reported in the GDHS 2003) to 25 deaths per 1000 live births by 2015.<sup>88</sup>

### Maternal Health and Mortality

Maternal health has improved over the past three decades. By the estimates of the 2014 GDHS, almost all women (97%) receive antenatal care from a skilled provider and about three-quarters of all women give birth in health facilities or are attended to by a skilled provider (Figure 5.29). Moreover, 81% of mothers received a postnatal check-up within the recommended first two days (48 hours) after delivery, and 71% did so within 24 hours of delivery.

**Figure 5.29: Trends in maternal health in Ghana, 1988-2014**



Source: Ghana Statistical Survey, Ghana Health Service, and International Classification of Functioning and Disability. (2015). Ghana Demographic and Health Survey 2014. Accra: GSS, p. 118

### Key Health Indicators and Healthcare Services Use

Table 5.19 provides information on important indicators of morbidity, mortality, and health service use among the adult population. Generally, it gives a picture of improvement in health facility-based mortality, and health service delivery and uptake over the last couple of years, but also indicates areas of neglect in regard to medical practice and mental healthcare in public allopathic institutions. It also suggests a dwindling in the provision of needed family planning services and per capita expenditure on health.

**Table 5.19: Trends in recent adults/women and men’s health, morbidity, mortality and healthcare services availability and use indicators in Ghana, 2010-2014**

Indicator/variable	Year				
	2010	2011	2012	2013	2014
Institutional all-cause mortality			27.8	25.5	21.3

88 Ghana Statistical Survey, Ghana Health Service, and International Classification of Functioning and Disability. (2015). Ghana Demographic and Health Survey 2014. Accra: GSS, p.133.

Maternal Mortality Ratio				380	
Institutional Maternal Mortality Ratio	164	174	152	155	144
HIV prevalence rate	1.5%	1.7%	1.3%	1.2%	
Proportion of infected pregnant women who received ARVs for PMTCT			70%	76.4%	66%
Proportion of mothers making fourth ANC visit	43%	53%	72%	66%	67%
Proportion of deliveries attended by a trained health worker	41%	49%	55%	55%	57%
TB treatment success rate	85%	87%	85%	86%	87%
Surgical site infection rate					5.3%
Per capita OPD attendance	0.91	1.05	1.17	1.16	1.15
Unmet need for contraception			26%		30%
Proportion of regional and district public hospitals offering traditional medicine practice				4.8%	4%
Proportion of public hospitals offering mental health services					2%
Per capita expenditure on health (USD)	28.60	35.00	50.70	47.1	32.8
Proportion of population with active NHIS membership	33%	33%	33%	37%	38%
Doctor: Population ratio	1:11,698	1:10,402	1:11,515	1:10,170	1:9,043
Nurse: Population ratio including CHNs	1:1,516	1:1,599	1:1,362	1:1,084	1:959
Midwife WIFA Population ratio	1:1,566	1:1,505	1:1,611	1:1,525	1:1,374

**Source: Ministry of Health (2015). Holistic Assessment of the Health Sector Programme of Work 2014. Accra: Ghana, p. 10 – 11.**

### **Mental Health<sup>89</sup>**

In 2015 there were 104,834 attendances recorded at psychiatric hospitals compared to the 2007 figures of 93,943. This increase may imply that more persons are experiencing mental illness and/or that more people are receiving treatment. Nonetheless, these do not present the whole picture as people go through psychological distress in homes, schools and prayer camps, without the right care.

The treatment gap for mental health in Ghana in 2005 was estimated at 98%, meaning that, for every 100 people who required mental health care, only 2 persons received care. By 2015, the treatment gap was estimated to have reduced to about 85%. The decrease can be attributed in part to interventions in mental health care. Especially significant is the Mental Health Act (Act 846) passed in 2012 which is meant to protect the rights of people with mental illness and to promote mental health care in accordance with international human rights standards<sup>90</sup> A Mental Health Board inaugurated in 2013 has begun putting in place the necessary structures to revamp mental health care in the country. The process of

89 Information (including statistics) for this section was provided by the Chief Executive Officer of the Mental Health Authority.

90 World Health Organization (2015). Substance Abuse Research Report. WHO website. Retrieved from <http://www.afro.who.int/en/ghana/press-materials/item/3270-substance-abuse-research-report.html>

decentralization of mental health care has commenced with the establishment of Regional Mental Health Committees and appointment of Regional Mental Health Coordinators to oversee mental health care in the regions. Eventually District Mental Health Coordinators will also be appointed to extend mental health care to the districts and communities. The general public is being sensitized to the new law and various stakeholders including traditional and faith based healers are being taken through the new law. Steps are being taken to abolish chaining of patients at the prayer camps. It is also envisaged that there will be established structures like Visiting Committees and Mental Health Review Tribunals in order to ensure that human rights of mentally ill patients are respected.

Mental health care is now more community-oriented following the passing of the mental health law which calls for a continuing effort to de-emphasize institutional care. For instance, in 2012 there were a total of 2000 beds at the three psychiatric hospitals. This has been reduced to 700 beds, due to deliberate and conscious efforts to attend to patients in the communities. Furthermore, steps are being taken to integrate mental health care into general health care which should have the effect of making mental health care cheaper and less stigmatizing. Efforts are also being made to establish psychiatric wings in all regional hospitals and to run psychiatric clinics in district hospitals. These efforts should lead to more patients being seen in the communities outside the three psychiatric hospitals (Ankafu, Accra and Pantang).

Medication continues to be a problem. Under normal circumstances psychotropic medications (drugs used to treat mental conditions) are procured by the Ministry of Health (MOH) in a two-year cycle, yet the last such procurement was in 2011. The psychiatric hospitals have relied on philanthropists and NGOs to fill this gap, or have used funds meant for other purposes to buy drugs on the open market and then sell to patients at marginal profit.

Human resource continues to be inadequate for mental health care even though there has been a marked improvement in the numbers of nurses (Table 5.20). Psychiatrists have seen a nominal increase in numbers as the sector now has 18 in active practice. There are 36 clinical psychologists working in the MOH today when there were only 6 in 2012. There is no occupational therapist presently, although a number are being trained at the School of Allied Health Sciences, University of Ghana.

**Table 5.20: Human resource for mental health care delivery, 2012-2026**

Indicator	2012	Present (current)	Expected by 2026
Psychiatric hospitals	3	3	6
Psychiatric wings in hospitals	5	10	20
Drug Rehabilitation Centres	0	2	4
Psychiatrists	15 (4 active)	28 (18 active)	80
Psychologists	6	36	80
Psychiatric nurses (Clinical)	436	1,600	5,000
Community Psychiatric Nurses (CPNs)	115	300	600
Districts and Sub-Districts with CPNs	68/138	216/ 216	1100
Social Workers	4	8	40

**Source: National Mental Authority, 2016.**

To augment human resources, two new cadres of mental health workers have been introduced: Clinical Psychiatric Officers (CPOs) are Physician Assistants with further training in psychiatry that allows them to

perform as Assistant Psychiatrists. There are now 32 being trained at the Kintampo College of Health and Well-Being and it is envisaged that in the next four years, there could be as many 80 to take charge of regional and some district health facilities. Community Mental Health Officers have been introduced into the system in the last four years. These are field officers for community psychiatric nurses and are trained to be at the grass root community level for early identification of cases, monitoring of medications and supervision of patients to comply with medication and follow up. Currently there are 350 in the country and expectations are that more would be trained and distributed nationwide.

Apart from the problems of lack of understanding, superstition and stigmatization that prevent people from seeking or receiving care, there are institutional challenges with mental health care provision, despite the efforts at improvement discussed. First, the new law and its consequent interventions make new demands on the Ministry of Health, social services, the judicial systems, and the education system, raising concerns about the willingness and capacity of these institutions to meet these demands.<sup>91</sup>

Another challenge is financing. Mental Health care has had chronically inadequate public funding. Financial deprivation led to Accra Psychiatric Hospital closing down its outpatient care in September 2016 for the first time. Limited resources (financial, human, logistics, medicines etc.) have negatively affected mental health service delivery. The resources available are inequitably distributed as all the three psychiatric hospitals are situated in the southern part of Ghana leaving the northern part underserved. The new law addresses this problem with a legislative instrument which, when developed, will establish a levy that will be a regular source of revenue for mental health care.

### **5.11.3 Perennial Health Problems**

#### ***HIV/AIDS***

The successes that Ghana has achieved in reducing mortality and morbidity to HIV/AIDs are remarkable. Knowledge about HIV/AIDS is high among Ghanaians. For instance, 94.7 percent of Ghanaians are aware the disease can be transmitted through sexual intercourse with an infected person while 86.0 percent believe one can get the disease through sharing razors, needles or other sharp objects.<sup>92</sup> The current national HIV prevalence rate for persons aged 15 to 49 is 2.0 percent, with the women having higher rates (2.8 percent) than men (1.1 percent).<sup>93</sup>

Notably, the last few years have witnessed a significant decline in new infections and decrease in HIV deaths as well as a significant increase in access to treatment (Figure 6.30). This shows the country is making great progress in the fight to control the spread and in the treatment of the disease.

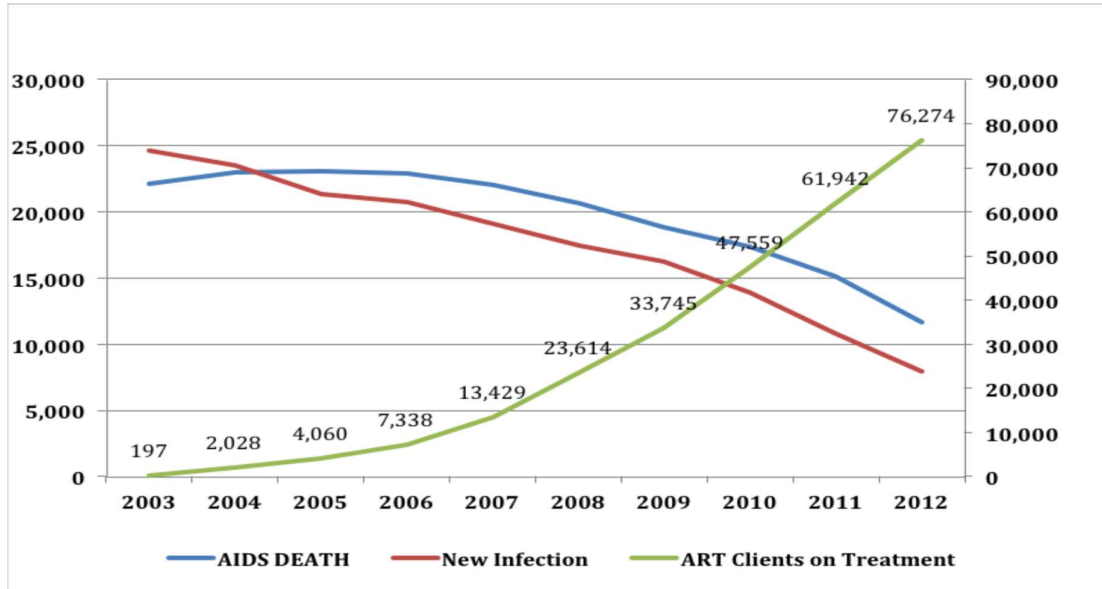
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91 Doku, V.C.K. and Read, U.M. (2012). Mental Health Research in Ghana: A Literature Review. *Ghana Medical Journal*, 46 (2), Supplement; Doku, V.C.K, Wusu-Takyi, A. and Awakame, J. (2012). Implementing the Mental Health Act in Ghana: Any Challenges Ahead? *Ghana Medical Journal*, 46(4).

92 Agyemang, S., Buor, D. & Tagoe-Darko, E. (2012). The Extent of Knowledge about HIV/AIDS Among Young People in the Ejura-Sekyedumase District of Ghana. *Journal of AIDS and HIV Research*, 4(11), 241-247.

93 World Health Organisation (2015). WHO Country Office for Ghana Annual Report 2014. Working Towards Better Health. Geneva.

**Figure 5.30: Trends in Access to ART, New Infections, and HIV Deaths, 2003-2012**



Source: Cited in Ministry of Health (2014). Health Sector Medium Term Development Plan 2014-2017. Accra, Ghana: Author.

### **Malaria**

Malaria affects productivity in several sectors of Ghana’s economy and is also a major cause of deaths particularly among children and pregnant women in Ghana. The situational analysis of malaria in the Health Sector Medium Term Development Plan (HSMTDP) 2014-2017 indicates that malaria accounts for 38% of OPD attendance, 35% of total hospital admissions and 19% of all causes of deaths recorded in Ghana.<sup>94</sup>

According to MoH, institutional deaths caused by malaria decreased from 14.4% in 2000 to 0.6% in 2012.<sup>95</sup> This is a reflection of an improvement in the case management of malaria as well as the impact of all the malaria control interventions that have been on-going, including increased ownership of insecticide-treated mosquito nets; indoor residual spraying of houses in highly endemic regions; provision of malaria prophylaxis to pregnant women; and increased availability of affordable medicines for treatment of malaria.

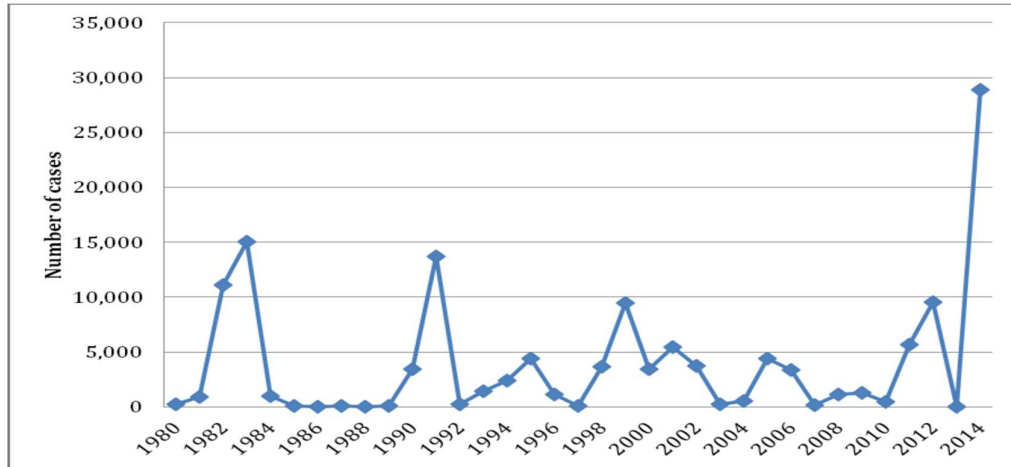
### **Cholera Outbreaks**

Cholera is endemic in Ghana with recurrent outbreaks with the worst being in 2014 (Figure 6.34). A report by WHO (2014) following an investigation into the 2014 cholera outbreak recommended both case-management and long term preventive measures. They included public education, enforcement of laws on sanitation, and provision of case management logistics to treatment centres. Three years on, there are few signs of implementation of the recommended preventive measures, in particular. This exposes the nation’s vulnerability to cholera epidemics and our inability to rapidly and readily respond to outbreaks.

94 Ministry of Health (2014). Health Sector Medium Term development plan 2014-2017. Accra, Ghana: Author.

95 Ministry of Health (2014). Holistic Assessment of the Health Sector Programme of Work 2013. Accra, Ghana: Author; Ministry of Health (2014). Health Sector Medium Term development plan 2014-2017. Accra, Ghana: Author.

**Figure 5.31: Cholera Epidemiology, 1980-2014**



Source: Ghana Health Service

### **Drug Abuse**

A national survey on prevalence and social consequences of substance (drug) use among second cycle and out of school youth in Ghana found that the commonest substances used by the youth are alcohol (25.3%), cigarette (8.7%), and cannabis (1.7%) due to easy accessibility, peer pressure, and advertisement promotion.<sup>96</sup> Ghana has been making efforts to curb drug abuse through policies against drug trafficking, the confiscation of property of drug traffickers, banning of cigarette advertising on television, banning of smoking in public places, institution of annual drug awareness campaigns in collaboration with international partners such as WHO, and the inscription of the surgeons warning on the danger of smoking on each cigarette packet.<sup>97</sup> However, the phenomenon still prevails and has implications for stringent enforcements of regulations and punishments as well as the intensification of advocacy and awareness campaigns. These efforts are very crucial given that the behaviour largely prevails among young Ghanaians whose health and future stand at great risk.

### **Non-Communicable Diseases**

Globally, there has been a rapid increase in non-communicable diseases (NCDs) including cancer, chronic respiratory disease, cardiovascular disease, stroke, and diabetes. NCDs contribute to a toll of nearly 60% of global mortality, with a disproportionate share of deaths (80%) in developing countries. The rising incidence of NCDs in Ghana creates a double-burden of disease, given the country's epidemiological transitional stage whereby the population is afflicted with infectious diseases such as malaria, which require high amounts of human, financial, and other resources to manage.

Given the constraints in financial resources of Ghana as a whole, and particularly the financial resources needed to be committed to health care, the challenge with NCDs in Ghana needs urgent attention. Influencing knowledge, behaviours, and attitudes towards making healthy lifestyle choices is our best approach. This should be backed with research towards developing evidence-based policies and programmes for action.

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96 Antwi, J.D., Adjei, S., Asare, J. B. & Twene, R. (2003). A National Survey on Prevalence and Social Consequences of Substance (Drug) Use among Second Cycle and Out of School Youth in Ghana. A Research Report. Accra: Ministry of Health/Ghana Health Service and World Health Organisation-Ghana.

97 Antwi, J.D., Adjei, S., Asare, J. B. & Twene, R. (2003). A National Survey on Prevalence and Social Consequences of Substance (Drug) Use among Second Cycle and Out of School Youth in Ghana. A Research Report. Accra: Ministry of Health/Ghana Health Service and World Health Organisation-Ghana.



## 5.12 HOUSING, WATER AND SANITATION

### 5.12.1 Overview of Policies on Housing, Water and Sanitation

#### *Housing*

The immediate post-independence period through to the 1970s marked a period of more active involvement of the state in the provision of mass housing. Two state institutions (the State Housing Corporation (SHC) and the Tema Development Corporation (TDC)) and state-owned financial institutions (Bank for Housing and Construction (BHC) and the First Ghana Building Society) were established for the purpose of providing mass housing. Economic crisis and political instability in the 1970s into the early-1980s resulted in the inability of state housing institutions to pursue their core mandate of public housing provision.<sup>98</sup> In line with the economic liberalization of the 1980s, government shifted from direct provisioning to creating a supportive environment for private sector involvement in housing.<sup>99</sup>

#### *Water*

The state's effort at water development and management in the post-independence era focused on creating agencies with specific roles for water supply, irrigation and environmental management. Following the 1959 water shortage in Ghana and a World Health Organisation (WHO) recommendation, the Ghana Water and Sewage Corporation (GWSC) was established to distribute and conserve the nation's water resources for public, domestic and industrial purposes. Since the beginning of the 1980s, government has introduced a number of policy reforms in the water sector to improve efficiency in urban and irrigation water, and to protect the environment. These reforms include setting up of the Community Water and Sanitation Department in 1994, converting the GWSC into a limited liability company, now Ghana Water Company Limited (GWCL), and developing a National Water Policy in 2007. The policy stresses sustainability of water resource development, coordination between sector institutions, and the promotion of private sector participation in water management. Despite all the policies developed over the years and support from donor agencies, water supply has been inadequate due to rapid spread of urban areas. The water sector has also been bedevilled with issues related to institutional coordination and poorly defined functions.

#### *Sanitation*

In the post-independence era, central and local governments have acted as the sole providers of sanitation infrastructure and services. In the 1990s, sanitation policies focused on restructuring roles, functions and decision making in the sanitation sector. In doing so, the policies shifted responsibility for sanitation and waste water management to local governments; they were required to strongly encourage the construction and use of domestic latrines, and enforce by-laws on the provision of sanitation facilities by landlords. However, local governments are impoverished, therefore making them ineffective to address sanitation problems adequately. This notwithstanding, local assemblies have made efforts to reduce dependence on public latrines mainly through supporting families to construct private latrines in their homes. Funding for this initiative has come mostly from external sources.

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98 Songsore, J. (2003). The Urban Housing Crisis in Ghana: Capital, The State Versus the People. *Ghana Social Science Journal (New Series)*, 2: 1-31.

Nsiah-Gyabaah, K. (2009). The Urban Housing Challenge and Prospects for Meeting the Housing Needs of the Urban Poor in Ghana. Center for Scientific and Industrial Research/Gemological Institute of America eds., *Proceedings of the 2009 National Housing Conference*, Accra, 7-8 October 2009.

99 Bank of Ghana. (2007). *The Housing Market in Ghana*. Accra: Author

### 5.12.2 Analysis of Current Situation

#### *Housing*

In 2015, after decades on the drawing board, the National Housing Policy 2015 was formulated. The government envisions that the implementation of the policy will create a situation in which every individual has access to safe, secure, decent and affordable housing. Moreover, the housing policy is to promote industrialization, local economic development, job creation, environmental sustainability and social development. The policy has eight objectives:

- To promote greater private sector participation in housing delivery.
- To create an environment conducive to investment in housing for rental purposes.
- To promote housing schemes that maximize land utilization.
- To accelerate home improvement (upgrading and transformation) of the existing housing stock.
- To promote orderly human settlements growth with physical and social infrastructure.
- To make housing programmes more accessible to the poor (Social Housing).
- To involve communities and other non-traditional interest groups in designing and implementing low-income housing initiatives.
- To upgrade existing slums and prevent the occurrence of new ones.

The new National Housing Policy continues the orientation towards private-sector led provision of housing. However, without adequate incentives and improvement of the macro-economic environment which will create opportunities for low interest rates, long term mortgages and soft loans, the private sector is unlikely to provide housing for the poor.<sup>100</sup> Past housing policies have been fragmented, inconsistent with existing regulations and inadequately funded.<sup>101</sup> The housing policy provides a new institutional framework indicating key interventions, institutions involved in implementation and their roles and responsibilities. It acknowledges the existence of governmental agencies such as the National Housing Authority and recommends the creation of additional bodies such as a National Consultative and Coordinating Committee on Housing. It also envisions a role for housing associations and cooperatives and neighbourhood management boards.

#### *Water and Sanitation*

The current development framework on water and sanitation in Ghana is the Water Sector Strategic Development Plan (WSSDP) 2012-2025. It aims to guide both state and non-state actors in the water sector in the planning, development and management of Ghana's water resources and in the provision of sustainable water and water-related sanitation services. The WSSDP is "founded on a vision of sustainably managing water resources and universal access to water and sanitation services by the year 2025".

The MWRWH is in charge of the implementation of this WSSDP and the coordination of the activities of all stakeholders in the sector including the Inter-Ministerial Steering Committee (IMSC), Development Partners, Community Water and Sanitation Agency (CWSA), Ghana Water Company Limited (GWCL), Water Resources Commission (WRC), local and international Non-Governmental Organisations (NGOs), other Ministries, Departments and Agencies (MDAs) and the private sector. Furthermore, the MWRWH is directly in charge of implementing proposed strategies relating to cross-cutting issues in the sector – such as gender, capacity and assessment exercises. The implementation of the WSSDP is to be guided at the national level by three broad national policy documents: National Water Policy (NWP), National Environmental Sanitation Policy (NESP) and the Ghana Shared Growth and Development Agenda

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100 Institute of Statistical, Social and Economic Research. (2013). Ghana Social Development Outlook 2012. Accra: Author.

Institute of Statistical, Social and Economic Research. (2014). Ghana Social Development Outlook 2014. Accra: Author.

101 Government of Ghana/Ministry of Water Resources Works and Housing. (2015). National Housing Policy 2015. Accra: Author.

(GSGDA). The water sector has four main sub-sectors namely, rural and small town water, urban water, water-related sanitation and water resource management.

#### **Access to housing, water and sanitation**

Despite the efforts of successive governments, the supply of housing, water and sanitation has lagged behind growing demand. While data is inadequate, rough estimates show a gap between supply and demand for housing (Table 5.21). However, even these estimates fail to account for the number of existing stock requiring maintenance before use and those which have actually collapsed as a result of the lack of maintenance. According to Ghana Statistical Service, over half of all households (54.4%) slept in one room in 2010, an increase from 49.9 percent in 2000, “indicating that people were increasingly sleeping in crowded rooms”. The proportion of households living in single sleeping rooms was higher in urban areas (61.4%) than in rural areas (45.5%) in 2010.

**Table 5.21: Ghana: Cumulative Housing Stock and Deficit, 1960-2016**

Year	Total Population	Actual Housing Stock	6-persons/Household for 2-bedroom unit		4-persons/Household for 2-bedroom unit*	
			Est. required Housing Stock	Est. Housing Deficit	Est. required Housing Stock	Est. Housing Deficit
1960	6,726,800	636,189	1,121,133	484,944	1,681,700	1,045,511
1970	8,559,313	945,639	1,426,552	480,913	2,139,828	1,194,189
1984	12,205,574	1,204,395	2,034,262	829,867	3,051,394	1,846,999
2000	18,912,079	2,181,972	3,152,013	970,041	4,728,020	2,546,048
2010	24,658,823	3,392,745	4,109,804	717,059	6,164,706	2,771,961
2016*	28,848,688	4,395,454	4,808,115	412,661	7,212,172	2,816,718

**Source: Institute of Statistical, Social and Economic Research (2013).**

Similarly, Table 5.22 shows that Ghana’s performance in the delivery of selected water and sanitation services is generally poor relative to other middle-income countries.<sup>102</sup> In a recent assessment of Ghana’s urbanisation, the World Bank noted a worrying trend in cities of diminished relative access to basic services, especially piped water and toilet facilities.<sup>103</sup> For instance, between 2000 and 2010 the proportion of households with access to piped water dropped from 91 percent to 69 percent for Accra, and 83 percent to 75.1 percent for Kumasi. Also, there was an increase in the proportion of households without any toilet facility, with the worst decline occurring in small urban centres.

**Table 5.22: Water and sanitation services performance compared to low and middle-income countries**

Indicators	Low-income countries	Ghana		Middle-income countries
	Mid-2000s	Mid-2000s	Late-2000s	Mid-2000s
Access to piped water (% pop)	10.1	15.1	13.1	56.4
Access to stand posts (% pop)	16.1	20.5	27.5	20.4
Access to wells/bore-holes (% pop)	38.3	42.1	40.1	6.3
Access to septic tanks (% pop)	5.3	10.3	14.1	44.0
Open defecation (% pop)	37.1	24.6	23.1	15.8
Urban water assets in need of rehabilitation (%)	35.5	42.0	N/A	25.0

<sup>102</sup> Government of Ghana/Ministry of Water Resources Works and Housing. (2014). Water Sector Strategic development plan (2012-2025): Sustainable Water and Basic Sanitation for All by 2025. Accra: Author.

<sup>103</sup> World Bank. (2014). Rising through Cities in Ghana: Ghana Urbanization Review Overview Report. Washington: Author.

<b>Revenue collection (% sale)</b>	96.0	75.0	95.0	99.2
<b>Non-revenue water (% production)</b>	33.0	53.0	50.8	23.1
<b>Cost recovery (% total costs)</b>	56.0	48.4	61.8	80.6
<b>Total hidden costs as % of revenue (%)</b>	130.0	183.7	128.9	84.9

**Source: World Bank (2010). Ghana Infrastructure: A continental perspective, Africa Infrastructure country diagnostic country report**

Also in need of serious attention is access to solid and liquid waste services. More than a third of households (37.7%) use public dumps to dispose of household solid waste; only a smaller proportion of households (14.4%) have their solid waste collected. With liquid waste disposal services being very limited, most households discharge liquid waste in drains and or in the open. Even for relatively developed areas such as Accra and Tema, only 10 percent of households have access to adequate liquid waste disposal services. This poor state of waste management in Ghana, led the World Bank to conclude that “solid waste disposal and sewerage remains a major challenge in cities and urban centres, increasing health risks and environmental damage, indirectly increasing health care costs due to diseases related to poor waste disposal and associated sanitary challenges”.

The inability of formal institutions of the state and the formal private sector to provide adequate housing (including water and sanitation) has led to informal operators stepping in. Consequently, in many cities and parts of Ghana these services are provided by informal operators liaising formally or informally with state agencies (such as the MMDAs). But even so, local authorities may decline to formalise these services due to reasons that may relate to the legality of the settlement, overcrowding, or a lack of recognition in the city’s development plans.

An important aspect of access is affordability. Affordability means that housing including water and sanitation is available at a price which allows households to commit not more than 30 percent of their total income to access it. This definition implies that there is equitable access to housing and basic services for a greater proportion of the population, regardless of income, gender, age, education, and other social status characteristics. In Ghana and other developing countries, however, income, employment and location determine affordability.

According to the World Bank (2015), 85 percent of households were unable to access housing that costs more than US\$22,378. However, the cheapest formally built home cost a little over US\$24,000. House ownership, therefore, remains out of the reach of many households, mainly due to a number of factors including high costs of land, building materials, and interest rates. Nonetheless, government policy on housing over the decades has largely focused on home ownership (owner-occupied), to the neglect of rental housing which increasingly is the main form of tenancy arrangement (Table 5.23). Meanwhile, the rental market within the context of the huge housing deficit, especially in urban areas, is exploitative ‘as tenants desperate for accommodation may need to agree to pay very high rentals for poor quality housing, and without tenure security’. This is the case despite the existence of the Rent Control Act of 1963 (Act 220), which seeks to protect tenants against exploitation. For instance, the provision in Act 220 that forbids rent advances in excess of six months has largely been ignored by both prospective tenants and landlords, and advances between 2-3 years are the norm.

**Table 5.23: Tenancy Arrangement, 2000 and 2010**

<b>2000</b>	<b>Owner-occupied</b>	<b>Renting</b>	<b>Rent-free</b>	<b>Perching/Squatting</b>	<b>Total</b>
<b>National (Total)</b>	57.4	22.1	19.5	1.0	100.0
<b>Metropolitan Assemblies</b>	44.0	35.8	19.1	1.0	100.0
Accra	38.2	40.7	19.9	1.2	100.0
Kumasi	33.6	42.5	22.6	1.3	100.0
<b>Municipal Assemblies</b>	60.5	19.5	19.1	0.9	100.0
<b>Other District Assemblies</b>	64.0	15.8	19.4	0.9	100.0
Locality					
Urban	34.0	76.3	52.3	56.5	-
Rural	66.0	23.7	47.7	43.5	-
Total	100.0	100.0	100.0	100.0	-
<b>2010</b>					
<b>National (Total)</b>	47.2	31.1	20.7	0.9	
<b>Metropolitan Assemblies</b>	33.4	46.4	18.9	1.3	
Accra	27.7	52.2	18.6	1.5	
Kumasi	21.6	53.2	24.0	1.1	
<b>Municipal Assemblies</b>	55.0	46.4	18.9	1.3	
<b>Other District Assemblies</b>	54.8	23.2	21.3	0.8	
Locality					
Urban	38.6	80.8	56.8	80.1	
Rural	61.4	19.2	43.2	19.9	
Total	100.0	100.0	100.0	100.0	

*Source: Population and Housing Census, 2000 and 2010.<sup>104</sup>*

Accompanying basic services of water and sanitation are also accessed at unaffordable rates. According to GoG/MWRWH, “the unit cost of delivering water services is higher for Ghana than in other countries in the Sub-Saharan Africa region.” Inner-cities, peri-urban and rural areas are under-served which therefore force many households to seek these services through private vendors or use unhygienic sources with serious health consequences. For instance, the deficit in the supply of piped water “was covered by the purchase of bottled water and plastic water “sachets” (28.6 percent in 2010), but the costs of water from these small-scale sources are typically 5–7 times higher than piped water”.

As another example, while registered private waste collection companies providing door-to-door service were charging households between GH¢ 7- 8 (US\$ 5–6) per month irrespective of the size and weight of refuse, poor households were paying between Ghp 0.50 (about 0.40 US cents) and GH¢5 (about US\$4) per dump depending on the weight and size. In all, the above shows that urban poor households tend to pay far more for basic services such as water and sanitation and waste than their middle and upper-class households which have in-house services that are subsidised by the state. As GoG/MWRWH note “GoG [Government of Ghana] has instituted lifeline tariffs and subsidies as a means of improving access to water services by the poor. These measures have been poorly targeted and as a result, the subsidies benefit the rich rather than the poor”.

104Ghana Statistical Service. (2014). Analysis of Housing Conditions in Ghana. Accra: p. 39

## ***Environmental Sustainability***

The housing sector is a major consumer of energy and therefore has a significant impact on the environment. Consequently, all around the world, there is an increasing shift towards housing that uses less energy and water, and which promotes proper disposal of waste.

The National Housing Policy adopts sustainability and resilience as key guiding principles; it recommended that houses be constructed with durable materials without jeopardising the environment or the viability of the base resources used in their production. However, these principles are yet to be enforced by the state or adhered to by developers and the general population. Of particular concern is the now common architectural feature of glazed doors and windows for both residential and commercial housing, which are high-energy consuming in a tropical country such as Ghana. This trend will obviously exacerbate the country's energy shortfalls. Moreover, because these building materials increase the costs of construction, they also make housing unaffordable to a large section of the population.

Another concern is that weak planning and regulation have led to massive urban sprawl, especially around large cities such as Accra and Kumasi, so that residential areas are widely separated from places of work, thus encouraging the extensive use of fuel and long waiting times in traffic with health implications for both commuters and the environment. It is for these reasons that Ghana's recently formulated National Spatial Development Framework (2015-2035) calls for mixed land use to reduce commutes. Another attendant danger of uncontrolled urban sprawl (combined with poor farming practices and illegal mining) is the threat to water availability and quality. The result is that the available water has to be treated at great costs to remove contaminants.

The inability of GWCL and CWSA to meet demand forces many households to provide water privately by digging boreholes and wells. However, this is an unsustainable response to inadequate water supply as unregulated construction of boreholes and wells can threaten the underground water aquifer and the long-term provision of water for all. Equally worrying is the severe environmental degradation associated with waste management in Ghana. The poor sanitation situation not only impacts the beauty of the environment but also conceivably accounts for the perennial floods and associated loss of property and lives in major cities, particularly Accra. Again, unsustainable methods of waste disposal such as open dumping and burning in the absence of properly constructed engineered landfills are a great threat to underground water aquifers due to leaching of harmful substances into the soil.

## ***Limited Investments and Financial Constraints***

Although the government currently pays the personal emoluments and administrative expenses of all public institutions in the housing sector, investment is still very limited. It is estimated that annual investments in housing averaging US\$3.4 billion is required to meet the housing needs of the country over the next 30 years, much of which is expected to come from the private sector. The private sector has increased investment in the sector but tends to provide housing for the middle and upper-income classes and not for low-income persons.

The government's investment in the water and sanitation sector is similarly inadequate. Tables 5.24 and 5.25 show the approved budgets, government and development partners' releases, and actual expenditures of CSWA and the Water Resources Commission (WRC). The expenditures of both CWSA and WRC are largely funded by development partners, while wide variations exist between government of Ghana approved budgets and actual releases. According to GoG/MWRWH this "financing deficit impacts the performance of sector institutions adversely, creating delays in implementing planned interventions, undermining maintenance and fuelling non-functionality".<sup>105</sup>

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105 Government of Ghana/Ministry of Water Resources Works and Housing. (2014). Water Sector Strategic Development Plan (2012-2025): Sustainable Water and Basic Sanitation for All by 2025. Accra: Author, p. 24

**Table 5.24: CWSA Budgeted and Actual Expenditure, 2006-2010**

Description	2006 (GH¢)	2007 (GH¢)	2008 (GH¢)	2009 (GH¢)	2010 (GH¢)
GoG approved budget	2,179,419	3,348,707	8,191,885	35,026,106	60,045,014
GoG actual releases	1,439,714	1,667,627	2,810,848	1,450,277	5,455,853
% variation	33.94	50.20	65.69	95.86	90.91
CWSA actual expenditure	10,245,996	10,178,814	13,267,013	24,574,135	39,799,291
Devt. Partners' releases	8,806,282	8,511,187	10,456,165	23,123,858	34,343,438

*\*Note: There are other DP releases*

Source: Government of Ghana/Ministry of Water Resources Works and Housing. (2014). Water Sector Strategic Development Plan (2012-2025): Sustainable Water and Basic Sanitation for All by 2025. Accra: Author, p. 24.

**Table 5.25: WRC Approved budget, GoG and DP Releases, and Actual expenditure, 2007-2010**

Description	2007 (GH¢)	2008 (GH¢)	2009 (GH¢)	2010 (GH¢)
GoG approved budget	1,704,735	1,766,952	1,582,280	2,859,435
GoG actual releases	373,193	401,802	693,135	901,993
% variation	78.11	77.26	56.19	68.46
CWSA actual expenditure	739,667	1,295,705	1,253,755	2,062,654
Devt. Partners' releases	366,473	893,903	560,620	1,160,661

Source: Government of Ghana/Ministry of Water Resources Works and Housing. (2014). Water Sector Strategic Development Plan (2012-2025): Sustainable Water and Basic Sanitation for All by 2025. Accra: Author, p. 24.

Table 5.26 shows the revenue and expenditure trends for GWCL for 2006-2010. It indicates that expenditures exceed revenue, and that GWCL has built up losses/deficits. The challenges of the GWCL in terms of financing and investments are summed up by GoG/MWRWH as follows:

*“GWCL has been unable to provide satisfactory service to its customers. With GoG [government of Ghana] lacking the political will to pass on the full production costs of urban water to consumers, water tariffs have been kept artificially low, starving GWCL of the financial resources required to operate and maintain existing facilities effectively and to expand the network.”<sup>106</sup>*

**Table 5.26: GWCL Revenue and Expenditure Trends 2006-2010**

Item	2006(GH¢)	2007 (GH¢)	2008 (GH¢)	2009 (GH¢)	2010 (GH¢)
Total revenue	59,082,986	72,822,327	104,709,064	106,864,913	150,684,070
Sale of water	55,651,166	67,940,872	9,89,406	103,049,295	147,316,205
Other income	3,431,820	4,881,455	5,809,658	3,815,618	3,367,865
Total expenditure	62,064,442	83,301,784	138,389,654	120,097,676	135,156,358
Operating expenditure	56,945,346	75,607,700	107,812,901	99,882,048	124,000,107
Non-operating expenditure	5,119,096	7,694,084	30,576,753	20,215,628	11,156,251
Net Operating +/-	-2,981,456	-10,479,457	-33,680,590	-13,232,764	+15,527,712
Income +/- Balance b/f	-205,629,896	-208,611,352	-219,090,809	-247,360,230	-307,044,531
Prior Year Adjustment		-10,479,457	(33,680,590)	(47,586,571)	26,536,916
Balance c/f		(219,611,35)	(257,771,339)	(307,044,531)	(264,979,903)

Source: Income and Expenditure Statement from GWCL, 2006-2010. [Government of Ghana/Ministry of Water Resources, Works and Housing. National Housing Policy. Accra: Author]

<sup>106</sup> Ibid, p. 24

In April 2010, Ghana signed onto a global compact, Sanitation and Water for ALL: A Global Framework for Action (SWA) – an initiative to increase investment in water and sanitation in order to meet the MDGs on sanitation and water. Under the initiative, the government of Ghana was expected to invest US\$350 million annually. It is clear from the above analysis that the country is still yet to achieve this goal.

### ***Institutional and Policy Weaknesses***

If housing is to be described as ‘adequate’, it must provide not only a roof over one’s head but also accessible basic services such as water and sanitation. This underlies the need for institutions providing homes, water and sanitation to coordinate their activities to avoid overlaps, inefficiencies and ineffectiveness in service delivery. The existing institutional mandates have assigned urban and rural water supply to GWCL and CWSA respectively. However, there is lack of clarity about the agency responsible for peri-urban areas and small towns.

A related challenge is posed by the existing decentralized development and administrative framework. Although Legislative Instrument (LI 1961) was passed in 2010 to strengthen administrative decentralisation by allocating functions and human resources from central government agencies, such as GWCL and CWSA, to MMDAs, this is yet to be implemented at the district and local levels.

Also important is the disconnect between the privatization of housing, water and sanitation, and the government’s commitment to various international protocols and conventions as well as existing national policies that call for citizens’ right to these services. In a developing country like Ghana with a sizeable part of its population being low-income, privatization of basic services will likely result in the many citizens not having access to these services. Although the Public Utility Regulatory Commission (PURC) is mandated to regulate the pricing of basic services, the Commission has come under intense public condemnation following price hikes of electricity and water.

## **5.13 FOOD AND NUTRITION SECURITY**

### **5.13.1 Overview of Food and Nutrition Policies**

Food production policies and programmes have been historically separated from nutrition policies and programmes partly because of the sectoral nature of policy formulation and planning in Ghana and the limited inter-sectoral collaboration. The Ministry of Food and Agriculture (MoFA) has been the focal ministry for food and agriculture policy formulation and programming and its main link to nutrition has been mainly through its Women in Agriculture Development Directorate (WIAD). Following the International Conference on Nutrition in Rome in 1992, however, governments began treating food and nutrition as two sides of the same issue.

All national development plans since then have addressed nutrition to varying degrees. The drawback in the attempts to achieve food and nutrition security (FNS) at all levels and by all actors over the years has been implementation difficulties and limited collaborative efforts. Funding of FNS programmes and projects have been mainly by development partners with minimal government contribution. That has resulted in unsustainability of laudable programmes. There has also been very limited collaboration in the efforts of development partners resulting in unnecessary duplications, ineffective implementation and greatly reduced impact.



### 5.13.2 Analysis of Current Situation

#### *Institutional and legislative frameworks*

The Sustainable Development Goals (SDGs) provide a development framework for Ghana and other developing countries. Goal 2 is to “end hunger, achieve food security and improved nutrition and promote sustainable agriculture”. Targets under SDG 2 include ending “all forms of malnutrition”, “hidden hunger” (lack of essential nutrients), and over-nutrition. It also aims to increase agricultural productivity and the incomes of small-scale food producers. Many of the other 16 goals enhance food and nutrition security.

The African Union’s Malabo Declaration encourages all African countries to increase spending in the agricultural sector in order to stimulate agricultural growth, reduce poverty, and achieve food and nutrition security. The declaration also gives a commitment to ending hunger in all parts of Africa by 2025 by increasing production, cutting down post-harvest losses, and reducing incidences of malnutrition.

At the sub-continental level, the Regional Agricultural Policy for West Africa (ECOWAP) aims, among other objectives, at ensuring food security, reducing food dependence and achieving food sovereignty for the people in the region.

In Ghana, the Ghana Shared Growth and Development Agenda (GSGDA) I and II planned for food security and improved nutrition among the population, but especially among infants, young children and women of reproductive ages. GSGDA I made the development of a comprehensive national nutrition and food security a policy objective. Subsequently, the NDPC and the Ministry of Health, in collaboration with other ministries and development partners, prepared a National Nutrition Policy (NNP) document. The goal of the NNP is to ensure optimal nutrition of all people living in Ghana throughout their lifecycle.

At the agriculture sector level, the Food and Agriculture Sector Development Policy (FASDEP II) and the plans derived from it – the Medium Term Agriculture Sector Investment Plan (METASIP I and I) – gave considerable prominence to “Food Security and Emergency Preparedness”. The strength of the policies, plans, programmes and projects articulated at the national and district levels is that they address (or are intended to address) real and specific issues based on evidence on the ground while the weakness lies with the limited resources to carry out well developed plans, strategies and programmes.

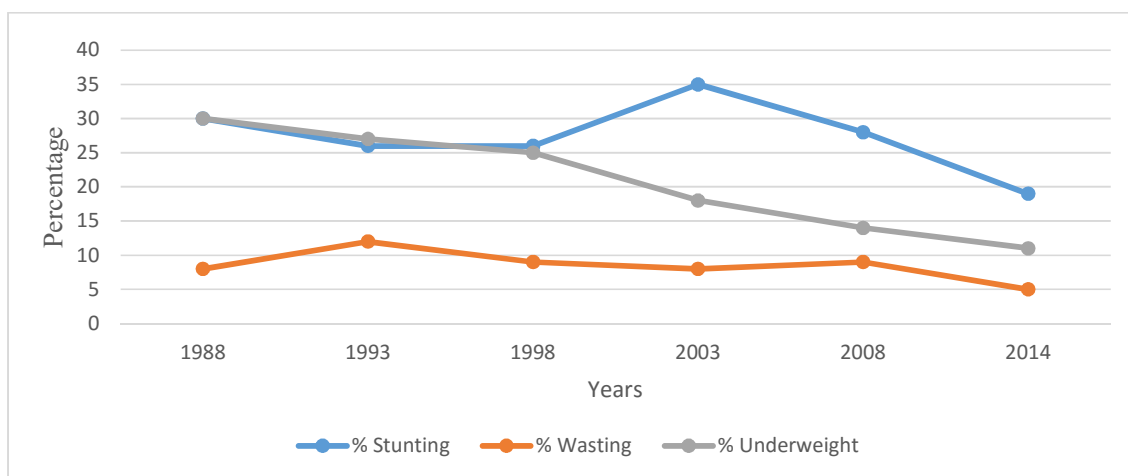
#### *Trends and Patterns in Nutrition*

Ghana’s food and nutrition security situation has shown general improvement, although the improvements have been rather slow and unequal across the population. In particular, there have been declines in undernutrition among women and children who constitute the most vulnerable groups. Ghana was the first African country to meet the Millennium Development Goal (MDG) 1 of halving poverty and hunger. In 2016, the Food and Agriculture Organisation (FAO) gave Ghana an award “for reducing the level of its malnourished population from 7 million in the early 1990s to less than 1 million today”. The Hunger and Nutrition Commitment Index (HANCI), which ranks governments on their political commitment to tackling hunger and undernutrition, rates Ghana’s status as moderate on a scale of low to high. Out of 45 countries the HANCI ranks Ghana 16th on Hunger Commitment and 17th on Nutrition Commitment.

Despite these gains, food security and nutrition challenges persist in Ghana, as evidenced by the spatial and gendered distribution in figure 6.35. It shows the percentage of children under five years who are classified as malnourished in the 2014 Ghana Demographic and Health Survey report. It indicates that 11 percent of children were underweight, 19 percent of children were stunted, and 5 percent were wasted.

Further analysis by age group shows that stunting peaks in children aged 24-35 months (28 percent) and is lowest (6 percent) in children aged 6-8 months.

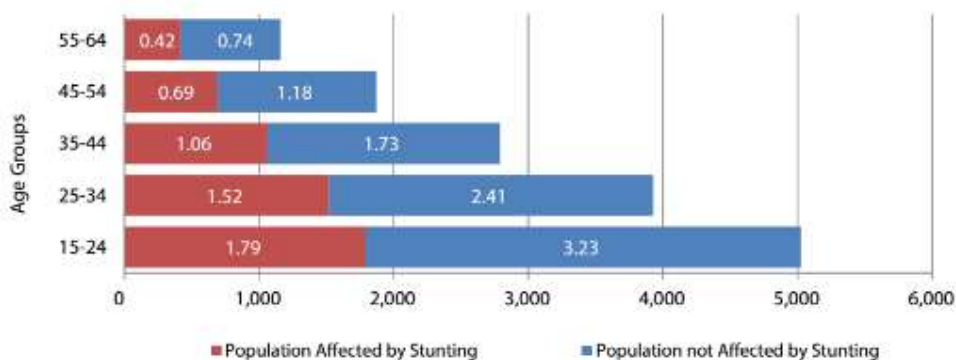
**Figure 5.32: Trends in stunting, wasting and underweight of Ghanaian children under 5, 1988 to 2014**



Source: Ghana Statistical Service, Ghana Health Service and ICF Macro (2015). Ghana Demographic and Health Survey 2014. Accra: GSS; Gharthey, A. B. (2010). Nutrition Policy and Programs in Ghana: The Limitation of a Single Sector Approach. Health, Nutrition and Population (HNP) Discussion Paper. Washington, DC: World Bank.

Stunting in childhood can have lasting effects into adulthood. Figure 5.33 provides estimates of adults in the working-age population who were stunted before reaching the age of 5 years.

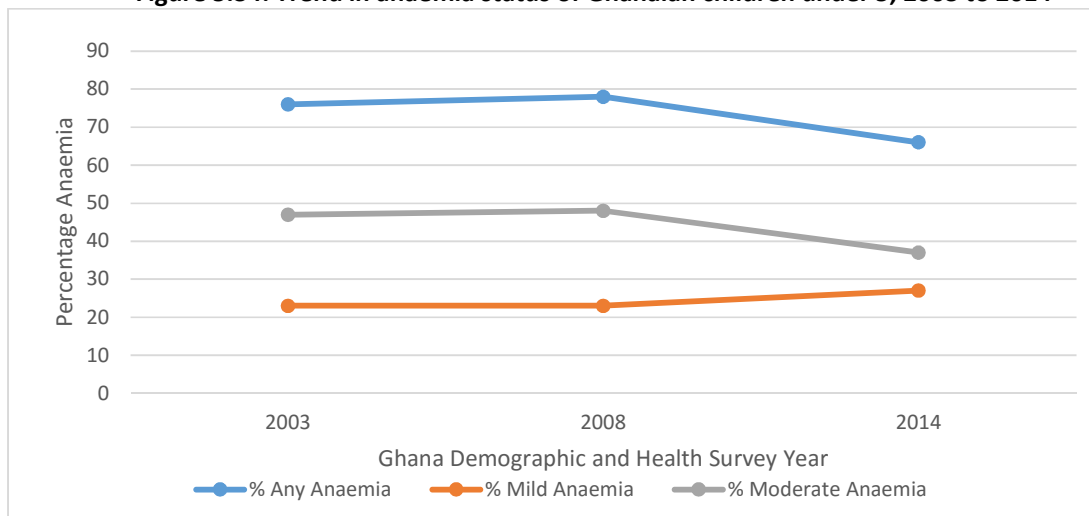
**Figure 5.33: Working-age population affected by childhood stunting, by age (millions of people)**



Source: Model estimations based on demographic information from GLSS6, GSS 2012/13

The prevalence of child anaemia has greatly reduced from 78 percent in 2008 to 57 percent in 2011 but the rate is still above 40 percent, the WHO cut-off point for a severe public health problem (Figure 5.34).

**Figure 5.34: Trend in anaemia status of Ghanaian children under 5, 2003 to 2014**



**Source: Ghana Statistical Service, Ghana Health Service and ICF Macro (2015). Ghana Demographic and Health Survey 2014. Accra: GSS.**

Regional disparities exist on all the indicators discussed. Thirty-four percent of the population of Upper West Region are food insecure, followed by 15% in the Upper East Region and 10% in the Northern Region, amounting to approximately 453,000 people. The 2014 Ghana Demographic and Health Survey indicates that the Northern and Upper West Regions had stunting rates of 33.1% and 22.2% respectively, above the national average of 18.8%. The rate for the Upper East Region was 14.4%. An analysis of what makes the Upper East Region stand out from among the three northern regions might provide a clue as to what to do about persistent food and nutrition insecurity in the northern part of the country.

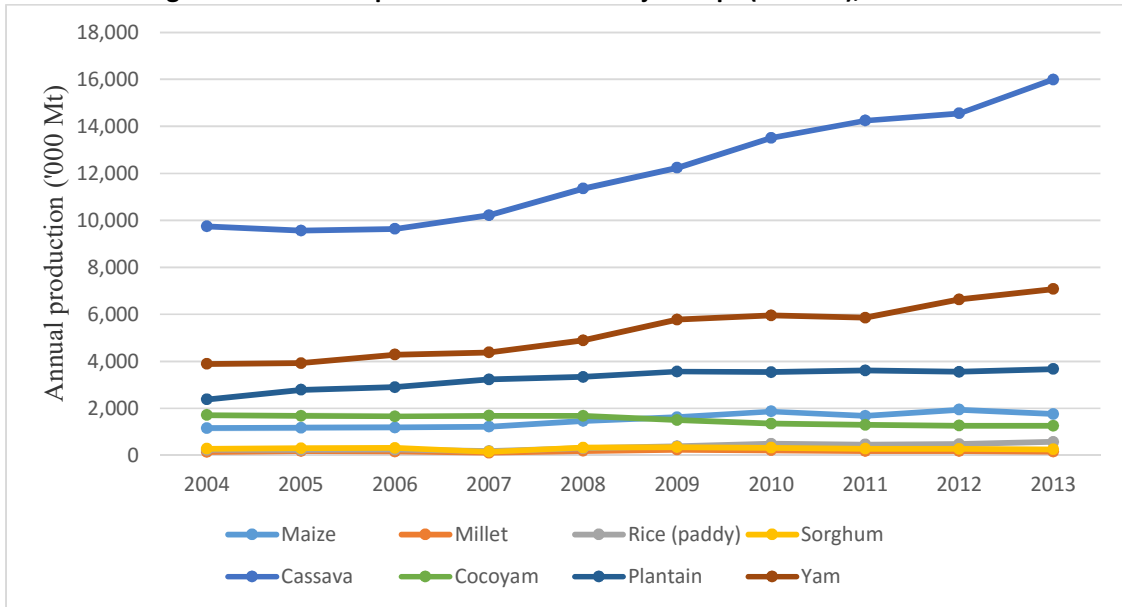
Over-nutrition lives alongside incidences of undernutrition. The results of periodic nationwide surveys show that overweight and obesity among Ghanaians have been on the increase. Females, urban residents, the highly educated, the wealthy and those who are married have higher levels of overweight and obesity. Obesity is also more common in the southern part of Ghana than in the northern. Among the ten administrative regions, the Greater Accra Region has the highest prevalence of overweight and obesity. An explanation for these spatial differences could lie with urbanisation which is accompanied by changes in life style, including in diet and physical activity.

### **Food Security Trends and Patterns**

Household food security is a major underlying determinant of nutritional status. According to the Profiles Task Team,<sup>107</sup> 3.2 million Ghanaians (about 12% of the population) are food insecure or vulnerable to becoming food insecure. Of this number about 1.2 million (5%) are food insecure. About 59% of the food insecure are in the three northern regions. Food production trends have not been impressive. The crop production trend in Figure 6.38 shows that, apart from cassava, there were hardly any increases in total quantities produced over the years.

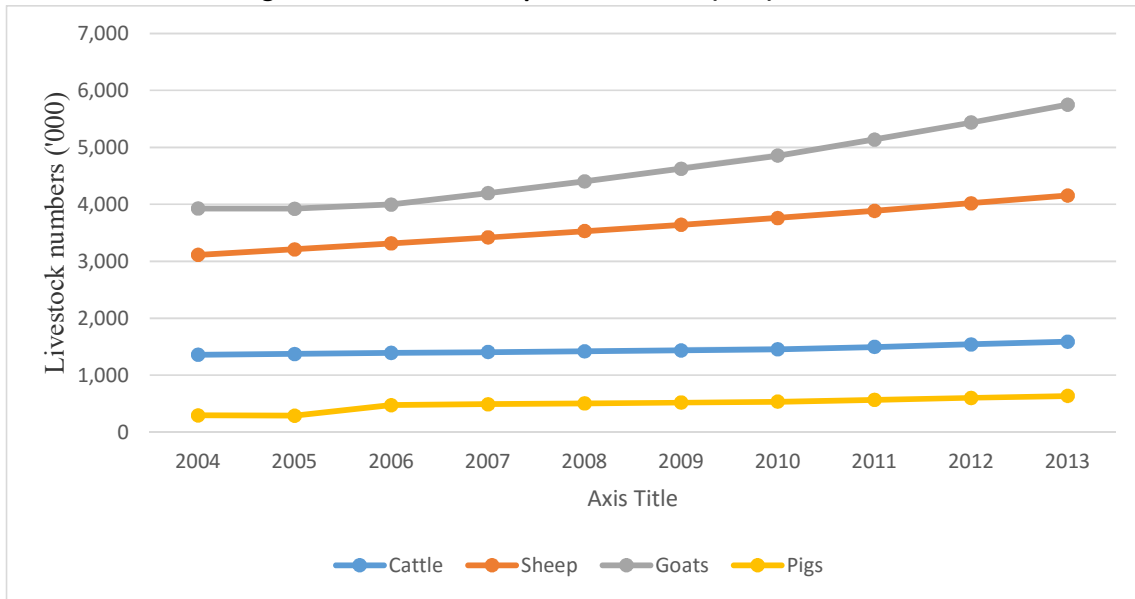
107 Profiles Task Team (2013). Overview of the Ghana Nutrition Profiles. Retrieved from <http://www.fantaproject.org/sites/default/files/.../Ghana-Overview-PROFILES-Feb2013.pdf> on 20.10.2016

**Figure 5.35: Annual production trend of major crops ('000 Mt), 2004-2013**



Source: Ministry of Agriculture/Statistics, Research and Information Department. (2015). Agriculture in Ghana: Facts and Figures (2013). Accra: Author.

**Figure 5.36: Livestock Population Trends ('000), 2004-2013**



Source: Veterinary Services Department/Statistics, Research and Information Department (2015)

Figure 5.36 indicates that the production of the small ruminants (sheep and goats) as well as poultry had been increasing over the years. Ghana is experiencing rapid urbanisation and the growth in the demand for cassava products (particularly gari) and for meat in urban areas must have been the driving force for investments in the production of cassava, small ruminants and poultry.

## 5.14 SPORT AND RECREATION

### 5.14.1 Introduction

*The State shall ensure that adequate facilities for sports are provided throughout Ghana and that sports are promoted as a means of fostering national integration, health and self-discipline as well as international friendship and understanding.*

#### **(Article 37 (5) of the 1992 Constitution)**

This section reviews the rise and fall of sports in Ghana, analyses the importance of recreation in promoting good health and national development, and proposes strategies for a renaissance in sports and recreation in Ghana over the course of the long-term plan.

### 5.14.2 Benefits of Sports and Recreation in Development

Sport in all its forms and its contribution to national development has become a rapidly expanding field of study. Governments commit resources to promote sports and provide infrastructure because of its tangible and intangible contribution to socio-economic development. Table 5.27 below shows the benefits of sport for socio-economic development.

**Table 5.27: Benefits/contribution of sports to the development of other sectors**

Benefit	
Gender	Breaks down gender stereotypes by providing structured social opportunities for girls and women to increase social contacts and participation in public life. Improves self-esteem.
Social Integration	Helps to enhance integration of marginalised groups in society. Promotes identity and solidarity within communities.
Peace Building	Promotes positive interaction between people, communities and cultures. Creates a structured outlet for aggrieved people to peacefully resolve conflict.
Health	Reduces expenditure on medical treatment. Promotes physical, mental and emotional wellness. (e.g., control of cholesterol and high blood pressure).
Employment	Sports teaches life skills development, which facilitates direct and indirect employment and business opportunities.
Communication	The popularity and reach of sports makes it ideally suited for carrying sensitive social messages, such as on HIV/AIDS, sanitation, and personal health.
Education	Promotes academic performance and helps keep students in school.
Economy	Sports contributes directly and indirectly to gross domestic product (GDP) through sporting events, merchandise sale, as well as infrastructure development and management, among others.

**Source: NDPC (2016)**

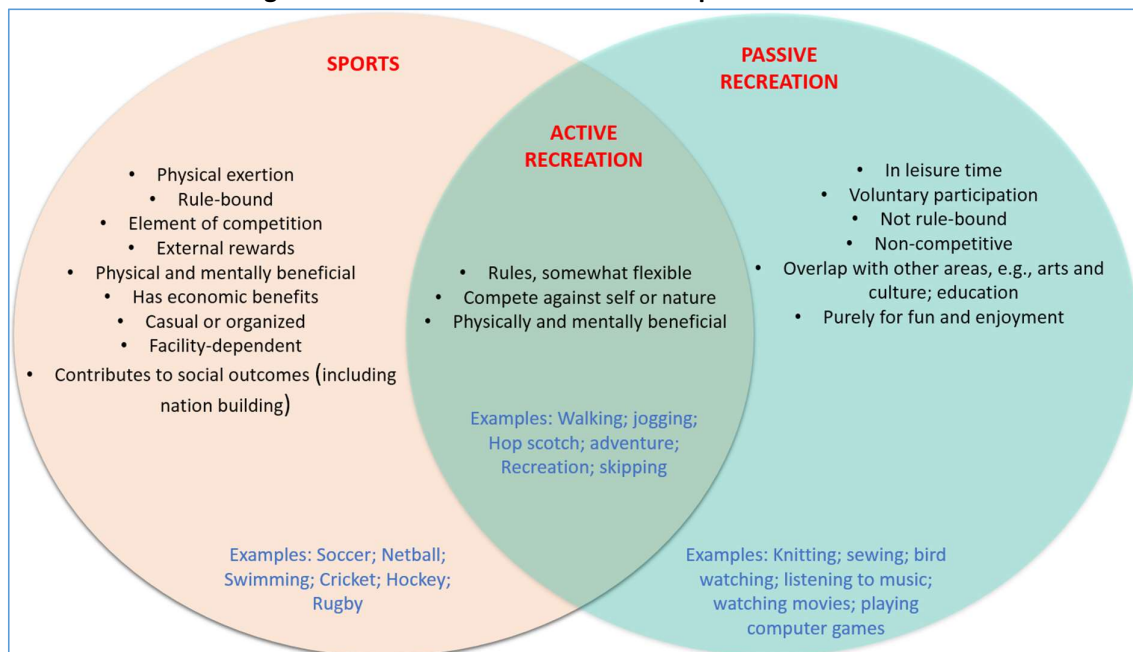
The overarching power of sports in development led the United Nations Inter-Agency Task Force on Sport for Development and Peace to reach a similar conclusion in 2003. The African Union and the Economic Community of West African States (ECOWAS) have also emphasised the importance of sports in national development.

The benefits of sports, however, may be tempered with some risks. Joggers and cyclists, for example, are often at some risk from traffic accidents. Heart attack or heat stroke may occur for those taking up exercise while carrying an undiagnosed illness. Some sports or physical activity may also be associated with high levels of drinking, either as part of the social activity around the sports or enhancing performance.<sup>108</sup> As with other social activities, sports may also give rise to all sorts of social vices, including violence, cheating and drug abuse. However, these negative aspects in no way diminish the potential benefits of sports for society.

Closely related to sports is recreation, which denotes leisure or “discretionary time”. Recreation may be communal or solitary, active or passive, outdoors or indoors, healthy or harmful, and useful to society or detrimental.<sup>109</sup> Many recreational activities are designated as hobbies, which are activities done for pleasure on a regular basis. These activities include playing or listening to music, watching movies or television, gardening, hunting, sports, studies, travel and hiking. Harmful recreational activities include gambling, recreational drug use or delinquent activities which violate social norms and the law.

As with sports, good recreation may produce some health benefits, such as reducing obesity and the risk of osteoporosis (a disease in which the bones become porous, brittle and liable to fracture).<sup>110</sup> Public spaces such as parks and beaches are essential venues for many recreational activities.

**Figure 5:37: The Intersection between Sports and Recreation**



<sup>108</sup> Oughton, C. and Tacon, R., (2007). Sports contribution to achieving wider social benefits. A report for the Department of Culture, Media and Sport. University of London.

<sup>109</sup> Bruce C. Daniels (1995). Puritans at Play: Leisure and Recreation in Colonial New England. St. Martin’s Press, New York.

<sup>110</sup> Parent, M., Rousseau, M; El-Zein. M.; Latreille,, B.; De’sy, M.; Siemiatyeki, J. (2010). Occupational and recreational physical activity during adult life and the risk of cancer among men. *Cancer epidemiology*: 35(2): 151-159.

### 5.14.3 Historical Perspective of Sports in Ghana

#### ***Pre-Colonial Days***

In the pre-colonial days, the testing nature of the environment made the daily lifestyle of Ghanaians physically intensive. There was the need to hunt successfully and take part in wars. Various Asafo groups participated in mock wars to prepare themselves against outside invaders. There were different types of indigenous sports and recreational activities peculiar to each ethnic group. Major activities included archery, foot racing, throwing of spears and wrestling. Swimming and diving were popular along the coast.

Acrobatic displays were also performed along the beach during festivals. Fencing with sticks and spears were popular activities in the northern part of Ghana. In the south-eastern part of the country, Ewe people of both sexes played games like *akatavui*, *siti* and *kantata* in the evening as recreational activities. Fanti people played games such as *odzimdzim*, *osibir*, *nankor*, *apenpantwer*, *penkyempe*, *anto-ekyir*, *kyekyekule* and many more. Games among Ashanti and Brong-Ahafo people included *oware*, *kwasiada flankaa* and *ampe*.

These activities were either occupational or cultural. The occupational sources consisted of activities that provided the economic needs of the people, while the cultural aspect provided recreation. Some of the games were accompanied by songs, drumming and dancing, with the movement of dancers requiring considerable coordination, stamina, strength, and skill.<sup>111</sup>

#### ***Colonial Period***

The colonialists did not understand the cultural context of traditional physical activities. Some saw them as curious and others regarded them as paganism, with one observer noting: They went to dance by turns in a ridiculous manner making antic gestures with their arms, heads and shoulders, their feet having the least share in the action.<sup>112</sup> With this lack of understanding, the colonialists imposed European sports in the schools (under “physical education”) as part of the evolving project of colonisation.

As a result of this imposition, educated Africans soon gave up traditional sports and learned to play cricket, football, golf, squash and tennis. The more Ghanaians became educated, the less they participated in indigenous physical activities. An attempt was made by the colonialists to preserve some indigenous physical activities, especially drumming and dancing, in schools as part of “cultural appreciation”. In order to promote sports and recreation in schools and in the communities, the colonial government insisted that schools have playing fields and cultural centres.

#### ***Sports and Recreation Promotion in Colonial Times***

Sports in the colonial days were promoted by commercial firms, which helped finance inter-departmental competitions. Middle schools in most parts of the country participated in organised sports, which were planned and controlled by the educational units. These units maintained playing fields in their schools; parents were required to pay sports fees, with the money going into the organisation of school competitions. It was not until 1952 that the Gold Coast Amateur Sports Council (GCASC) was created for the purpose of controlling and promoting amateur sports among all sports associations. The existing associations were:

- Amateur Athletics Association.

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<sup>111</sup> Asare, E. (2015). *The Impact of British Colonisation on the Development of Education and Physical Education in Ghana*. ProQuest LLC. Ann Arbor.

<sup>112</sup> Thompson, R.F. (1974). *African Art in Motion. Icon and Act, in the Katherine White Collection*. Los Angeles UCLA Art Galleries P. 34

- Amateur Cricket Association and
- Amateur Tennis Association.

Provision was made for the recognition of other associations that were formed later on. The associations were autonomous and they arranged their own competitions and were affiliated to international sporting bodies. The government sponsored national athletes and boxers to participate in the Helsinki Olympic Games in 1952 and the Vancouver Commonwealth Games in 1954. Although the Gold Coast team did not win any medals in those games, the experience they gained not only helped raise standards of performance in sports, but also helped to reveal the lack of technical knowhow and the need to achieve higher standards of performance in all forms of sports.

The colonial government created open spaces for recreation in some communities as a means of promoting good health. A representative from the health department always sat on the technical committee that reviewed applications for building permits. The government also built community centres in some cities for indoor recreational activities. In addition, some employers made available recreational centres for their employees. These centres were equipped with games like table tennis, badminton and billiards. In many cases, departments officially promoted football and volleyball.<sup>113</sup>

### ***Post-Independence Era***

The period from 1957 to 1966 may be described as the heyday of sports development in Ghana. Mr. Ohene Djan was Director of Sports under a newly established Central Organisation of Sports (COS) with the responsibility of organising and promoting sports. In order to achieve rapid results, gifted sportsmen and women were given employment in state enterprises like the Farmers' Council, the Workers' Brigade and the COS. The following results were achieved in rapid succession.

#### Athletics:

- In 1962, at the Commonwealth Games in Perth, New Zealand, Ghana's Mike Ahey set a record of 8.05 metres in long jump to take the gold medal. At the same games, Ghana's 4x100 yards quartet shared the new Games' record with England with a time of 40.60 seconds.
- At the 1966 Commonwealth Games in Kingston, Jamaica, Ghana's athletics team of six men and two women not only won two gold medals but established two Games records in each case. Stanley Allotey won the 200 metres gold medal in 20.6 seconds and teamed up with E.C.C. Addy, B.K. Mends and J.A. Addy to win the 4x400 metres relay.
- In Africa, Ghana dominated athletics for over a decade.

#### Boxing:

- At the 1960 Rome Olympic Games and the 1964 Tokyo Olympic Games, Clement Quartey and Eddie Blay won a silver medal and a bronze medal, respectively.
- At the 1962 and 1966 Commonwealth Games in Perth and Kingston respectively, Ghana won a total of five gold, six silver and two bronze medals. Ghana was adjudged the best boxing nation within the Commonwealth.

#### Football:

- In 1959, Ghana beat Nigeria 7-0 in football.
- In 1962, the Black Stars went to Europe on a competitive tour. They played twelve matches, won eight and narrowly lost three. After the tour, the Black Stars drew 3-3 with the mighty Real Madrid of Spain. One year later, they beat the Italian national team 5-2.

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<sup>113</sup> *The Tibo Committee report on Ghana sport 1967; pages 15 & 16*



- In 1964, the Black stars defeated East Germany 3-0.
- At the Tokyo Olympic Games in 1964, the Black Stars beat Japan, considered a top seed, by 3-2 and drew 1-1 with Argentina.
- On the continent, the Black Stars won the 1963 and 1965 Africa Cup of Nations.
- The name, Black Stars, inspired respect in their opponents.

#### Table Tennis:

- Between 1964 and 1968, Ghana's E.A. Quaye and Ethel Jacks held the African men and women singles championship titles. Ethel Jacks teamed up with Ernestina Akuetteh to become the African women's doubles champions.
- At the Third All-Africa Table Tennis championship in Nigeria in 1968, Ghana won three gold medals and the overall championship.

These achievements were accomplished because of strong central government support and the personal interest of the then President as well as the vision and commitment of Mr. Ohene Djan, who, as a Vice-President of FIFA, used his position and influence to the support Ghanaian sports.

#### **5.14.4 Decline of Sports in Ghana**

The spectacular achievements attained by Ghana in various sports after independence gradually gave way to mediocrity in the succeeding two decades as the Ghanaian economy went through a long period of crisis and decay and government funding of sports declined. This was evident from Ghana's poor performance at the 1987 All-Africa Games in Nairobi, Kenya, and the Olympic Games in Seoul, South Korea. In the Commonwealth Games in Auckland, New Zealand, Ghana managed to win only two silver medals in boxing. In 1972, Ghana participated in Olympic Games soccer in Munich but suffered crushing defeats. The results were: Ghana 0-Colombia 3; Ghana 0-East Germany 4; and Ghana 0-Poland 4.

The specific factors for the decline of sports in Ghana included the following:

- No policy or strategy to provide adequate sports facilities and equipment.
- Existing playing fields and facilities were neglected and fell into decay.
- Unattractive employment benefits for sports administrators
- Open spaces for sports and playing fields were encroached upon.
- No management succession plan at the COS.
- Shortage of qualified technical and management personnel to develop sports.
- Short-term tenure of office of sports authorities.
- Sports equipment unavailable and unaffordable.
- Lack of funds to support grassroots development of sports.
- No support services or scientific approach to selection and training of sportspersons.

### **5.15 CHILD AND FAMILY WELFARE**

#### **5.15.1 Overview of Policies on Child and Family Welfare**

That Ghanaian society places high social value on children, both for their own sake and for the economic and social benefits they bring to their families and societies is undeniable. This is demonstrated variously through, for instance, the importance placed on childbirth within and outside marriage and the social stigmatisation of childlessness. These values are reflected in the attempts by various governments to safeguard the welfare and future of children. One way that this has been done is through the significant

commitment of governments, from the colonial era to post-independence period, to formally educate children.

Policies in this regard have included the establishment of child protection institutions, such as the Ghana National Commission on Children (GNCC). An important landmark to ensure child rights and protection was the passage of the Children’s Act in 1998. Following its ratification of the Convention on the Rights of the Child (CRC), the government in 1995 initiated a comprehensive law reform process to ensure full compatibility between national laws and the convention. The passage of the Children’s Act (Act 560) was the primary result of this process. It brought all laws relating to children into a single, child-focused legislation and at the same time incorporated the CRC into the national laws of the country.

### 5.15.2 Analysis of Current Situation

#### *Institutional, legal and policy framework*

The Children’s Act, described above, is the main legislation covering child and family welfare. Following the Act, a number of other laws and policies were adopted pursuant to children’s rights and promotion (Table 5.28).

**Table 5.28: Key Child Protection Laws**

Area of Child Protection	Laws
Child and Family Welfare	Children’s Act, 1998 (Act 560) National Gender and Children’s Policy (2004) Child Rights Regulation 2002 (LI 705) National Plan of Action for Orphans and Vulnerable Children 2010-2012
Birth Registration	Children’s Act (560)
Custody and Maintenance of Children	Children’s Act 560
Domestic Violence	Domestic Violence Act 2007 (Act 732)
Adoption	Children’s Act, 1998 (Act 560)
Child Labour	Constitution; Labour Act 2003 (Act 651), National Plan of Action for the Elimination of the worst forms of Labour 2008-2015
Child Victims / Witnesses in Criminal Proceeding	Human Trafficking Act, 2005 (Act 694)
Sexual Abuse	Criminal Offences (Amendment) Act 1994(484)
Child Sex Work	Criminal Offences (Amendment) Act 1994 (484)
Trafficking Children	Human Trafficking Act (Act 694); National Plan of Action for combating Human Trafficking; Human Trafficking Amendment Act
Children on the Move	Refugee Law 1992
Gender Based Violence	Domestic Violence Act, 2007 (Act 732), Criminal Offences (Amendment) Act 1994 (484)
Children Affected by HIV/ AIDS	National Policy Guidelines on Orphans and other Children made Vulnerable by HIV/AIDS
Early Childhood Education	Early Childhood Care and Development Policy, 2004

An assessment of the progress of Ghana’s Children’s Act ten years after its passage noted that the reality of children’s lives remained in sharp contrast to the picture the legislation sought to draw, due in part to a hostile environment for child protection and the implementation of child’s rights. Other factors included

institutional constraints, specifically in regard to resources, cross agency coordination and awareness of the Children's Act on the part of professionals, policy-makers and the general public.

One reason for this situation is the relative absence of the family in policy discourse and practice for children's welfare. The government's involvement with communities and families in the protection of children is largely non-existent. This lack of alignment of government's priority with that of families and communities could possibly explain why the universal promise of children's right has not been a reality.

What is needed, then, is an inclusive approach that addresses children and family issues. There also needs to be greater coordination. At the moment, different institutions are in charge of portions of the provisions of the Children's Act. Again, there is a disconnection between the laws and community approaches to dealing with child and family welfare issues, and also between laws and practice. Finally, the existing policies, Acts and frameworks are mainly issue-specific such as the National Programme for the Elimination of the Worst Forms of Child Labour in Cocoa Hazardous Child Labour Framework, the National Plan of Action for the Elimination of the Worst Forms of Child Labour, the National Plan of Action for Orphans and Vulnerable Children, and the National Plan of Action for Combating Trafficking. As a result, there is duplication in service provision, in terms of target groups and types of initiatives, indicating a need for an integrated approach, which involves the creation of a network of services that work together to enhance the functioning of children and families.

A comprehensive system that was more proactive than reactionary was needed in the face of widespread abuse of children both within and outside the family. A nationwide child protection baseline study conducted by UNICEF in 2012 revealed that the abuses inflicted on girls were the most significant child protection issues. Sexual abuse and exploitation of girls was reported in every region; they suffered from various forms of violence and isolation, some of which were rooted in negative cultural values.

It was clear there was a need for a child protection system that will cover social welfare, education, health, security and justice as well as the institutions that provide them. In 2015, a Child and Family Welfare Policy was launched. The policy stresses collaboration among various institutions involved in child protection, while empowering children and families to take informed actions about abusive situations.

In terms of interventions, children and families are at the centre of the government's social protection programmes. The Government over the years has rolled out 44 social intervention programmes aimed at reducing the burden of unemployment, poverty and other related socio-economic challenges faced by various families. Five of the interventions are directly targeted at child and family welfare: the National Health Insurance Scheme (NHIS), Livelihood Empowerment Against Poverty (LEAP), School Feeding Programme, Capitation Grant and Free School Uniform Programme. (See full Child and Family Welfare report for a discussion of the content, impacts and limitations of these programmes).

International organisations and development partners take great interest in child and family welfare. UNICEF, in particular, provides funding for a range of projects and programmes, including those for the development of the Child and Family Welfare Policy. It has also supported the funding of studies, such as the mapping of the child protection system as well as a baseline study on child protection in Ghana. Other organisations include World Vision International and Catholic Relief Services. In addition, some businesses, through their corporate social responsibility, have addressed community needs, which span areas like sanitation, education, health and infrastructural development. Even though their focus is not on children, their activities have benefitted whole communities including children. Sometimes they implement projects that target children, such as the construction of classroom blocks, offering educational scholarships and the distribution of learning/education materials to school children.

### ***Childhood in Contemporary Ghana***

The experiences of children in Ghana vary: while some grow up income poor but rich in family interaction, others live in gated residences with little interaction with children outside their homes. Some children experience nurturing and loving family relationships while others know neglect and abuse. What is common to all children is growing income inequities and segregation (in education, in home life, in play) that have implications for social cohesion as it limits the opportunity for people from diverse backgrounds to build shared values and develop a sense of belonging to the same community.<sup>114</sup> This section highlights a few characteristics of 'normal' childhoods in contemporary Ghana.

### ***Gender Socialisation***

One of the earliest forms of socialization is into gendered identities. However, a study conducted in 2016 by the Campaign for Female Education (Camfed) indicates that there is less conformity to gendered stereotypes and ideologies (see Gender Equality chapter) in urban areas relative to rural areas and the three northern regions.<sup>115</sup> The findings corroborate other studies that have indicated that gender roles and expectations and their impact on child upbringing is declining.<sup>116</sup>

### ***Care Deficit***

While many children receive care within loving family settings, other children experience care deficit. While in small communities and neighbourhoods, one can assume that other adults may have an eye on children, in large urban areas, children may spend significant parts of their day independently. At its extreme, we see children in the streets, even at night, performing odd jobs or begging. A care deficit is relatively easy to identify when children are left to fend for themselves, but care deficits can also be seen in economically well-off families. In particular, care deficit might occur in urban households where both parents are actively engaged in the job market, where extended family support for childcare is lacking, and children may be effectively raised by house helps who themselves are often young and cannot properly socialize these children.

### ***Language and Identity***

There is an emerging subculture of families, mainly middle-class and in urban areas, speaking English with their children, in an effort to boost their opportunities in school and life in general. This is encouraged by some schools that ban students from speaking 'vernacular', thus reinforcing the notion that Ghanaian languages are inferior to English. However, there is ample evidence that a child's mother tongue is important for their identity, contributes to a healthy self-concept, and helps them to have a sense of belong to a community. Thus "if the child speaks only English, then that child may be advantaged in relation to English, but the child will be disadvantaged in relation to his mother tongue and the child will not benefit from the cognitive development that comes with speaking more than one language".<sup>117</sup>

### ***Exposure to media***

Children in urban households may spend part of their after-school hours watching television, and children in low-income neighbourhoods are attracted to sport betting centres (where fans place bets on

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114 Judith Maxwell (1996), *Social Dimensions of Economic Growth*. Eric John Hanson Memorial Lecture Series 8. Edmonton: University of Alberta.

115 Campaign for Female Education. (2016). *The Role of Parents in their Children's Aspiration, Life Choices and Educational Attainment from a Gendered Perspective*. Accra: Author.

116 Annor, F. (2014), *Managing Work and Family Demands: The Perspectives of Employed Parents in Ghana*. In *Work-Family Interface in Sub-Saharan Africa*, New York, NY: Springer International Publishing, pp. 17-36.

117 Ghana Institute of Linguistics, Literacy and Bible Translation (GILLBT), Accra, 2014.

broadcasted games) and 'game centres'. Many more children now than before use the internet and electronic gadgets (such as smartphones and tablets). These activities are harmful to children's development because children are watching or playing with media unsupervised rather than engaging in healthy play and exercise. One solution is to take up recommendations of the Sports and Recreation chapter to provide more sports and recreational facilities, which can potentially pull children away from these preoccupations to physical and leisure activities that can enhance their mental and physical health.

### ***Living Arrangements of Children***

According to the 2010 population and housing census, 42.4% of members of households were children of household heads. The population of other members in households dropped from 21.7% in 2000 to 11.9% in the 2010 census, implying that households are becoming more nucleated. Further, 57 percent of children aged 0-17 years in Ghana lived with both parents and 17 percent of children did not live with either of their biological parents. Many of the latter group were fostered.

Child fostering is a common cultural practice in Ghana that involves the delegation of parental responsibilities to a trusted adult, either a close relation, trusted friend, or a person with standing in society (such as a priest or teacher).<sup>118</sup> Foster arrangements are often initiated out of necessity, usually because the natal family of orientation is unable to fulfil their roles due to illness, death or divorce. Additionally, there is apprentice fostering where the fostered child is sent to live with an adult with the intention of receiving training in the vocation of the foster parent. However, some families do not have the capacity to provide adequate care. Moreover, child fostering can leave children vulnerable to abuse and exploitation; fostered children are treated differently, subjected to verbal abuse and/or exploited economically through excessive household chores.<sup>119</sup> The Care Reform Initiative (CRI) under the Ministry of Gender, Children and Social Protection in 2008 seeks to establish a more consistent and stable approach to caring for vulnerable children in Ghana so that each child will be assured of a permanent home in a more supportive and loving family. However, implementation is challenged by inadequate financial and technical support.

Given the uncoordinated placement of vulnerable children in foster-care and adoption (where parental responsibility for a child is legally transferred), it was difficult to monitor the welfare of children who came into the alternative care system. The Children's Act that guides children's placement in alternative care system lacks details on how to determine the adoptability of children, as well as the eligibility and suitability of prospective adoptive parents. There is also no comprehensive register on fostered and adopted children. These and other challenges led to the current amendment to the Children's Act to comply with alternative care provisions under the Convention on the Rights of the Child, the African Charter on the Rights and Welfare of the Child. The bill also establishes a central authority on adoption to ensure a better regulation of inter-country adoptions.

### ***Children Living Under Vulnerable Circumstances***

It is safe to say that the majority of Ghanaian children experience normal healthy development in a nurturing and safe family setting. The Child and Family Welfare strategy needs to consider these children, and also children vulnerable to harm and exploitation, including orphans, child workers, trafficked children, children living on the street or in correctional facilities, children with disability, children engaged in commercial sex work, and children in poverty. It is to this second category of children that we turn.

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118 Nukunya, G. (2003). *Tradition and Change in Ghana: An Introduction to Sociology* (2nd Ed.). Accra: Ghana Universities Press.

119 United Nations International Children's Emergency Fund (2012). *Baseline Study*.

## ***Orphans***

The 2010 population and housing census indicates that eight percent of children in Ghana have lost one or both parents, and one percent were orphans. The Eastern region had the highest proportion of orphans, possibly because of the many AIDS orphans in Manya Krobo, which also has the only community-based orphan care arrangement where children orphaned by HIV/AIDS are taken into their homes and provided with education, health, food, socio-emotional and recreational needs. Orphans and other vulnerable children are disadvantaged in education, health, and general psychosocial well-being.

A UNICEF study identified a number of care arrangements available to orphaned and vulnerable children or OVC (that is, “any person below 18 years who has lost one or both parents, and who is exposed to moral, physical and psychological danger as a result of neglect and/or abuse or incapacity whether or not one of the parents is alive”)<sup>120</sup> in the country and these were categorised as family or household, community-based, and institutional (that is, homes and orphanages, outreach ministries, rehabilitation homes, and learning centres). By 2012, there were 148 residential homes accommodating about 4500 OVC.<sup>121</sup> These homes were mainly staffed by individuals with no professional training in education or counselling. By 2012, there were 148 residential homes accommodating about 4500 OVC.<sup>122</sup> Another category of children is made up of those living in child-headed households where the main caregiver is a minor under eighteen years of age. Childhood headed households might be the result of independent child migrants and children orphaned by HIV/AIDS.

## ***Children with disability***

In Ghana, there is very little data on children with disabilities (e.g. vision, speech and hearing impairment, and other forms of physical, emotional and intellectual challenges). These children often experience marginalisation and vulnerability.<sup>123</sup> The 2010 Population and Housing Census (PHC) reported that about 2% (120,576) of the population (7,586,475) of school going children aged between 6-14 years had some form of disability.<sup>124</sup> The National Disability Act (715) has very minimal provisions for children with disabilities. (See the Chapter on Disability for a fuller discussion of the situation of Ghanaians, including children, with disability).

## ***Child workers***

Another category of vulnerable children is the group engaged in child labour. Children have a long history of taking part in domestic and economic activities in Ghana and this can be positively seen as an aspect of children’s socialization and their contribution to their family’s welfare. However, the International Labour Organization (ILO) argues that there is limited awareness of child labour and its consequences precisely because of the perception that child work formed part of society’s way of growing. This suggests a blurred line between socialization and child labour and exploitation.

The ILO allows that, in developing countries, children between 12 and 14 may engage in “light work” to the extent that their physical and mental health is not threatened or their education and training

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120 Ministry of Employment and Social Welfare (2010). National Forum on Orphans and Vulnerable Children. Accra: Author.

121 Ghana Audit Service (2013). Performance Audit Report of the Auditor General on the Regulation of Residential Homes for Children.(orphanaes) by the department of Social Welfare (DSW). Accra Retrieved October 28, 2015 from [www.ghaudit.org/gas/site/reports/downloads\\_report/486](http://www.ghaudit.org/gas/site/reports/downloads_report/486)

122 Ghana Audit Service (2013). Performance Audit Report of the Auditor General on the Regulation of Residential Homes for Children.(orphanaes) by the department of Social Welfare (DSW). Accra Retrieved October 28, 2015 from [www.ghaudit.org/gas/site/reports/downloads\\_report/486](http://www.ghaudit.org/gas/site/reports/downloads_report/486)

123 United Nations Children’s Fund (2015). Out-of-school children. New York: Author

124 Ghana Statistical Service (2012). 2010 Population and Housing Census. Accra:

impeded<sup>125</sup> Therefore, not all forms of child work is harmful. However, the ILO discourages labour which involves children below 14 years in developing countries and, in particular, proscribes children below 18 years performing “hazardous work”; that is, “work that is likely to jeopardize their physical, mental or moral health, safety or morals”<sup>126</sup>.

One of the most common forms of child labour involves children performing tasks at the home of third parties under exploitative conditions. It is an informal form of work with no regulations, stipulated hours of work or minimum wages. The child labour report of the GLSS 6 revealed that about 22 percent of children between 5 and 17 years were engaged in child labour, and that these were more likely to be in the rural than urban area.<sup>127</sup> Of these about 14 percent were engaged in hazardous forms of labour.

**Figure 5.38: Children working at a stone quarry and on a cocoa farm**



*Source: citifmonline*



*Source: onepercentfortheplanet.org*

### ***Trafficked Children***

Children who are trafficked are treated as commodities, resulting in their physical, sexual or emotional abuse.<sup>128</sup> Trafficked children within Ghana are compelled to work in agriculture, mining, manufacturing, and hospitality, as domestic servants and in commercial sex industries. According to anecdotal information, money earned by trafficked children is often taken by adults, including trafficking agents, and by parents. These children receive nothing more than their food and board. Trafficking deprives child victims/survivors of a range of rights, including the right to education, healthcare and freedom from violence and to not be subjected to torture, or cruel treatment.

In the baseline study on child protection by UNICEF in 2012, over 29% of child and adult survey respondents ranked trafficking for child labour third (after transactional sex and children’s exposure to pornography) in terms of which situation they were most concerned about. The Anti-Human Trafficking Unit of the Ghana Police Service reported 238 investigations and referred 21 individuals for prosecution for trafficking-related crimes in 2015.<sup>129</sup> In recent years, cross-border trafficking of women and children as commercial sex workers or as domestic servants has assumed an alarming proportion in some African countries including Ghana.<sup>130</sup>

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125 International Labour Organization (n.d.). ILO Conventions and Recommendations on Child Labour. Retrieved from <http://www.ilo.org>

126 International Labour Organization (n.d.). ILO Conventions and Recommendations on Child Labour. Retrieved from <http://www.ilo.org/ipecc/facts/ILOconventionsonchildlabour/lang-en/index.htm>

127 Ghana Statistical Services (2014), Child Labour Report. Accra:

128 Clerk, G. (2012), Child Labour in Ghana: Global Concern and Local Reality. In R. K. Ame, D. L. Agbenyiga and N. A. Apt (eds., Children’s rights in Ghana: Reality or rhetoric? Lanham, MD: Lexington Books.

129 United Nations High Commission on Refugees. (2015). Report on Trafficked Persons. Geneva Author.

130 Adepaju, A. (2005). Patterns of Migration in West Africa. In T. Manuh (Ed.), At Home in the World? International Migration and Development in Contemporary Ghana, West Africa. Accra: Sub-Saharan Publishers: pp. 24-55

**Figure 5.39: Trafficked children working on the Volta Lake and a mining area**



*Source: vibeghana.com*



*Source: modernghana.com*

### ***Street children***

Street children are among the most visible of all children, living and working on streets in cities and, at the same time, they are among the largely invisible children; the hardest to reach with essential services (e.g., education and health care) and the most difficult to protect. Once on the street, children become vulnerable to various forms of exploitation and abuse, are exposed to the vagaries of the weather, and their daily lives are likely to be very different from the ideal childhood defined in the Convention on the Rights of the Child. A study on the situation of orphans and vulnerable children barely mentioned children living and working on the streets as part of the category of vulnerable children.<sup>131</sup>

A 2008 study estimated about 20,000 street children in Accra alone.<sup>132</sup> The number could include children who live and work on the street, as well as those who work on the street all day but have homes they return to at the end of the day. In all the regional capitals and many smaller towns and communities, there are several children living and/or working on the streets, facing the same challenges as street children in Accra and other areas.<sup>133</sup> Moreover, there is a phenomenon of second generation of street children who are born to street children and raised on the streets. The new child and welfare policy does not provide any strategy to deal with this group of people.

In Ghana, street children are almost synonymous to 'Kayayei'- girls who have migrated from the three regions of northern Ghana to markets in southern Ghana, living and working on the streets, especially in Accra. They work as head porters in the markets during the day and find shelter at the same places or large lorry parks near the market centres. Many of these girls experience various forms of abuse; they are raped, coerced into prostitution, exploited by people whose goods they carry, and have their earnings stolen from them. Similar to the kayayei are boys who migrate, especially from rural areas to Accra and other cities to work as cobblers, truck pushers and errand boys, among others. They also sleep in open spaces and are as well subjected to exploitation from people they work for.

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131 Bortei, Doku Aryeetey et al. (2011). *Telling the Untold Story. A Study on the Situation of Orphans and Vulnerable Children in Ghana*. Accra:

132 Boakye-Boateng, A. (2008). *Street Children: Experiences from the Streets of Accra*. Research Journal of International Studies, 8, 76-84.

133 Beauchemin, E. (1999). *The Exodus: The Growing Migration of Children from Ghana's Rural Areas to the Urban Centers*. Catholic Action for Street Children (CAS) & United Nations International Children's Emergency Fund.



**Figure 5.40: Female Head Porters at work and others sleeping in front of shops**



*Source: vibeghana.com*



*Source: mchghana.com*

### ***Children in Correctional Facilities***

While it may be easier to acknowledge the vulnerability of children who are victims of abuse, that of child offenders is difficult to recognize because of the criminal guilt associated with them. Nonetheless, being in detention renders the children more vulnerable since they suffer triple vulnerability - as children, criminals and detainees.<sup>134</sup> In a study of three correctional facilities in Ghana, it was found that the actual life experiences of juvenile offenders are easily relegated to the bottom of Ghana's priorities for vulnerable children.<sup>135</sup> Generally, the few correctional facilities in the country are not well resourced and some of the challenges they face are inadequate funding, nutrition and healthcare, accommodation and lack of access to education. The goal of rehabilitation of children is also compromised by lack of adequate numbers of professional staff. In addition to not coming out with adequate skills, child offenders are often stigmatized and discriminated against by society.

To help address the challenges of the juvenile justice system in Ghana, a justice for children policy was officially launched in October 2016 to bridge the gap between formal and community responses to children who are in contact with the justice system. The policy provides the foundation for a coordinated justice system for children and its objectives include prevention of child delinquency, promotion of formal and community justice systems, and financial and human resourcing. A key aspect of the policy is the importance given to strengthening the capacities of the family and community to help prevent child delinquency and also help to administer justice for them. Additionally, the policy has been linked with the Child and Family Welfare Policy in order to ensure coherence between the two policies. Like other policies in Ghana, the strategies for monitoring and evaluation have not been fully articulated.

### ***Traditional Practices that Harm Children***

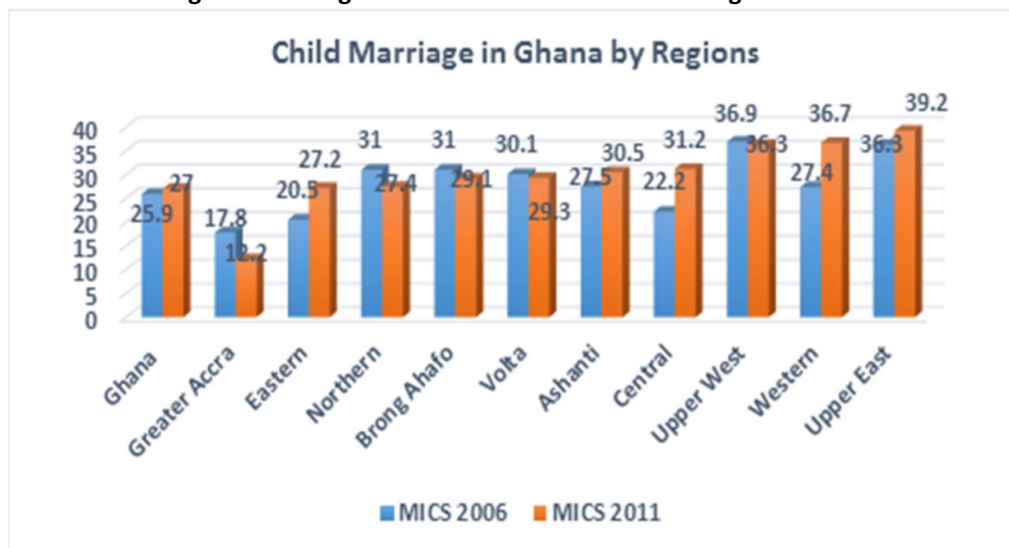
Harmful traditional practices are those that negatively affect the physical, mental and socio-emotional health of a group of persons. Most of these harmful practices are targeted at girls for reasons that the Gender chapter explains, and which have to do with patriarchy and gender ideologies. Some of these harmful practices are female genital mutilation (FGM) and trokosi and early and forced marriages. Of the three, Ghana has taken decisive steps to reduce the incidence of FGM and trokosi arrangements. Early marriage, on the other hand, is on the increase; the Multi Indicator Cluster Survey shows that the incidence of child marriage rose from 25.9% in 2006 to 27% in 2011 (Figure 5.41). Though the legal age

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134Ayete-Nyampong, L. (2012). Children in Conflict with the Law. In R. Ame, D.L. Agbenyiga, & N.A. Apt (Eds.), Children's rights in Ghana: reality or rhetoric? Lanham, MD: Lexington Books.

of marriage is 18 years, over five percent of children aged 12 -17 are married while 0.8 are in informal or consensual unions.<sup>136</sup>

**Figure 5.41: Regional Distribution of Child Marriage in Ghana**



**Source: United Nations Children’s Fund. (2015). Child Marriage in Ghana. Accra:**

While some studies have attributed child marriage to poverty, others have linked the practice to parents’ desire to protect their children from violence, sexual harassment and indiscriminate sexual activities with its accompanying challenges. Among the consequences of child marriage are sexual and reproductive health problems, such as ruptured uterus, fistula, maternal mortality and morbidity, and child mortality. Child marriage could also have a negative impact on the education of females. In Ghana, child marriage is more common in rural areas than urban areas as it increased from 30.6% in 2006 to 36.2% in 2011 across rural areas and it reduced from 20.5% to 19.4% across urban areas.

## 5.16 YOUTH DEVELOPMENT

### 5.16.1 Overview of Youth Policies in Ghana

The place of young people in contemporary Ghanaian society is complex and dynamic, shaped by “traditional” roles and norms; by drivers of social change and “modernity” such as education, urbanisation, mobility and information technology; by global phenomena such as de-agrarianisation, modernisation/Westernisation and globalisation; and by Ghana’s peculiar political, economic and social histories. This confluence of contexts and factors may explain the conflicting pictures presented of Ghanaian youth in public and policy discourses.

In the immediate post-independence period, and with a focus on industrialisation through agriculture, the Young Farmers League was formed, with the support of the government to train and motivate young people to consider occupations in farming. The organization, with over 1,000 farmers at its peak, was envisaged as an important key to the anticipated mechanisation and modernisation of agriculture. Eventually, the Young Farmers League was subsumed by the Young Pioneers, which had the goal of inculcating in young people the virtues of patriotism and hard work, and providing them with

<sup>136</sup> Ghana Statistical Service. (2012). Population and Housing Census Summary Report of Final Results. Accra:

opportunities for “healthy recreation” and skills training. Young Pioneers also pledged to be “a guard of workers, farmers, co-operators and all other sections of our committee”.<sup>137</sup> In this way, it may be thought of as a precursor to the National Service Scheme (NSS).

In the period from Nkrumah’s overthrow in 1966, in which the country went through military regimes with only intermittent periods of constitutional rule, the interest of successive governments in young people was largely political; there were hardly any cohesive policies targeted at young people. In fact, from the mid-1960s to 1972, with the dismantling of state industries and farming cooperatives and the turnabout to a market-oriented development approach, young people were disenfranchised as assets such as land and capital settled into the hands of the adult elites.

The skill-based interventions have included the Skills Training and Employment Placement (STEP) Programme, the Rural Enterprise Project, Alternative Livelihood Programme, the Village Infrastructure Project (VIP) and projects implemented by the Social Investment Fund (SIF). Despite these programmes, youth unemployment rose from 14.8% in 1992 to 29% in 2009,<sup>138</sup> suggesting that these programmes were not effective.

In 2005, the National Youth Employment Programme (NYEP) was launched with the stated goal of providing employment for young people between the ages of 18 and 35.<sup>139</sup> The NYEP had the goal of “empowering the youth of Ghana to contribute more productively towards the socio-economic development of the country through sustainable development”. The rationale for the programme was the need to address the under- and unemployment rate that was approximately 26% at that time, resulting partly from a labour market incapable of absorbing job seekers.<sup>140</sup> The stated goal in 2006 was to provide 175,000 jobs within the first year of the programme.<sup>141</sup> Subsequently, the target became the creation of 500,000 more jobs in the first three years, from 2006 to 2009, although this time was later shifted to 2011.<sup>142</sup> In 2012, the programme further set a goal to employ 700,000 young people.

A big component of the NYEP was its agri-business module which also aimed to support young people to engage in agri-business by providing such inputs as seedlings and fertilisers at subsidized rates, and technical support at agricultural centres. In the first year of the NYEP, the agri-business module employed almost 18 per cent of the total of 92,075 young people. The next year, the agri-business module again had the largest segment of youth workers at 25,383 (or 23 per cent) out of 108,403 persons.<sup>143</sup> The NYEP’s agri-business module appeared to run parallel to the Youth in Agriculture Programme (YIAP) set up in 2009 under the Youth in Agriculture Programme of the Ministry of Food and Agriculture. Both the YIAP and the NYEP’s agri-business component fits the self-employment orientation of NYEP/GYEEDA as the YIAP was encouraged to approach agriculture as a ‘commercial business venture’.<sup>144</sup> Both programmes also fit the model of interventions aimed at encouraging young people’s participation in agriculture as a solution to youth unemployment on the one hand and the problem of agricultural sustainability with an ageing farmer population on the other.

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137 Apter, D. E. (1972). *Ghana in transition*. Princeton, NJ: Princeton University Press, cited in Poe, D. Z. (2003). Kwame Nkrumah's contribution to Pan-African agency: an Afrocentric analysis. New York: Routledge. p. 344.

138 Institute of Statistical, Social and Economic Research. (2010). *The State of the Ghanaian Economy in 2009*. 138 “No excuse for being unemployed—Minister” (2006, December 20). *Ghanaweb*. Retrieved from [www.ghanaweb.com](http://www.ghanaweb.com) Accra: Author.

139 Ministry of Manpower, Youth and Employment. (2006). *Youth Employment Implementation Guidelines*: Ghana Youth Job Corps. Accra: Government of Ghana.

140 Ministry of Youth and Sports (2013). *Ministerial Impact Assessment & Review Committee on Ghana Youth Employment and Entrepreneurial Agency (GYEEDA)*. Accra: Government of Ghana. Retrieved from <http://gbcghana.com/kitnes/data/2013/08/29/1.505895.pdf>

142 Ghana News Agency (2011). *New National Youth Employment Programme Modules to Focus on Employable Skills*. Retrieved from [www.myjoyonline.com](http://www.myjoyonline.com) on 15 January 2012.

143 Figures in a photocopy of an undated powerpoint presentation received from National Youth Employment Program offices in December 2011. Final figure also presented in the Government of Ghana 2009 budget.

144 From Youth in Agriculture Program website: [http://mofa.gov.gh/site/?page\\_id=1173](http://mofa.gov.gh/site/?page_id=1173)

A greater emphasis in policy discourse on self-employment or “entrepreneurship” was signalled by the “rebranding” and restructuring of NYEP into the Ghana Youth Employment and Entrepreneurship Development Agency (GYEEDA) in 2013”. In terms of inclusion, GYEEDA added modules specifically targeted at youth in agrarian rural areas; it stated a commitment to non-discrimination on the basis of sex, political affiliation or residence, and persons with disability were specifically mentioned as a sub-category of youth group who were to benefit from skills training. In addition to directly providing work, GYEEDA was also meant to coordinate all youth programmes to promote synergies and to avoid duplication.

Another nation-wide programme that placed emphasis on self-employment is the Local Enterprise and Skills Development Programme (LESDEP). LESDEP was launched in 2011 as a public-private effort under the Ministry of Local Government and Rural Development but collaborates with different ministries. It provides skills training to young people, financial assistance and other supports to help young people establish business. The implementing and funding partners for LESDEP included the NYEP/GYEEDA.

In 2015, GYEEDA was replaced by the Youth Employment Agency (YEA) when the parliament passed into law the Youth Employment Agency Act. The YEA in part addressed a major limitation of GYEEDA: the absence of a law to guide its organization and operations, which is largely blamed for the financial mismanagement that plagued GYEEDA. The YEA is to coordinate all youth employment programmes as well as directly assist young people to find and create jobs. Apart from working with a broader range of actors both within and outside of government, the YEA is a departure from GYEEDA in setting up a regular source of funding from taxes, the Ghana Education Trust Fund, as well as donations and grants. It also goes further to devolve aspects of governance and implementation (including selection of participation) to regions and districts, and has representation from youth groups, though this is very limited. These various programmes indicate an awareness on the part of the state of the need for policy attention to young people. However, there are clear deficits in the approaches used.

First, despite the preponderance of programmes policy attention has only been on youth un/employment. While youth employment is of course an urgent socioeconomic issue, it is important to have policies that address young people’s well-being more holistically. Second, the design and implementation of these programmes are generally not based on evidence about young people’s circumstances, experiences and needs. There was no evidence that with the NYEP and YIAP, training was based on an assessment of marketable skills or on available avenues and supports for (self)-employment. On an even more basic level, there is a dearth of credible statistics on youth un/underemployment, neither is there adequate disaggregated data that help us to understand the situation of the youth (15-35 years) and of sub-categories of youth. Third, programmes are fragmented under different agencies and authorities.

However, the needs of young people cannot be contained in one ministry but must be “mainstreamed” in much the same way that gender mainstreaming is encouraged. For this integration to happen, there must be some coherence between the National Youth Policy and a national development plan. Four, while recent youth policies purport to target all young people, in policy rhetoric and as a matter of necessity given the modules, the programme appears to be geared towards young people with some formal education (more specifically school dropouts) who may need a stop-gap measure as they transit into the work place. Finally, there has been little or no monitoring and evaluation of the goals, impacts and processes of the programmes, which may be a major reason it took many years for the dysfunction of the NYEP/GYEEDA to be uncovered.

## 5.16.2 Analysis of Current Situation

### *Legislative, institutional and policy frameworks*

The concerns of the youth have a space in government policy to the extent they are captured under a ministerial portfolio. However, the portfolio has been attached and reattached to different ministries; for instance, the 'Youth' portfolio was added to the Ministry of Manpower, Youth and Employment in 2005<sup>145</sup> but was made a part of the Ministry of Youth and Sports in 2009. These shifts may indicate either the absence of a solid commitment to improving the lives of young people and/or a lack of understanding of how to achieve that goal.

Under the current Ministry of Youth and Sports (MYS) is another important body, the National Youth Authority (NYA), formerly the National Youth Council, set up in 1974. The National Youth Authority (NYA) has a mandate to implement programmes for the political and socio-economic 'empowerment' of young people in Ghana, and to coordinate the activities of other organizations formed around and for young people. The NYA has joint responsibility with MYS for the implementation of the National Youth Policy.

A number of multilateral bilateral agencies, non-governmental organizations, associations and clubs also work nationally and at community levels on behalf of young people. These parties variously run training and educational programmes, provide resources such as credit or capital, engage in advocacy, among other activities. The programmes of all these organisations should ideally fall in line with the National Youth Policy and be overseen by MYS.

The institutions described above operated within an overarching youth policy until 2010, when Ghana's National Youth Policy was launched. In 2014, an Action Plan for the implementation of the National Youth Policy was made public. In the policy, youth are given high profile as a potential human resource for the nation, and the subtitle of the policy is indicative of this 'Towards an empowered youth, impacting positively on national development'. Further, the policy states:

The youth constitute the true wealth and future of our country [...]. A National Youth Policy provides the opportunity for Government to engage the youth and other stakeholders in meaningful partnership to develop appropriate interventions and services for youth empowerment.

While the National Youth Policy acknowledges that young people are a resource in respect of their 'imagination, ideals, energies and vision' it also recognises that this resource must be uncovered and developed. The policy therefore speaks to the need to intervene in order to 'empower' young people to fulfil their potential, for the common good. In terms of the particular ways in which young people will be empowered, the policy contains certain priority areas.

Additionally, the policy provides a categorisation of youth needing special attention. These are school dropouts, students in tertiary institutions, unemployed and under-employed young people, female youth, pregnant adolescent youth, youth in crime, youth at risk, youth with disability and health challenges, and youth with special talents.

While the creation of a youth policy is an important step, the current policy does have some flaws. First, it does not adequately recognise the heterogeneity of young people, except in references to vulnerable sub-groups. Second, its analysis and solutions do not appear to be based on empirical research. And,

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145. Incidentally, this Ministry has undergone several name and mandate changes. In 2005, it changed from the Ministry of Manpower Development and Employment to the Ministry of Manpower, Youth and Employment, and developed the National Youth Employment Programme (NYEP). In 2009, it became the Ministry of Employment and Social Welfare.

finally, the discussion of young people's role in national development suggests less a youth-led or initiated change than their participation in an already-determined agenda of development. Lack of youth participation in all aspects of social life is a challenge that should be addressed.

### ***Special Challenges of Youth***

As has been mentioned in this chapter, young people's interests, needs, opportunities and challenges are several. However, many of these issues are common to the wider population, hence policy initiatives that benefit the country will benefit young people. For instance, a stronger economy with decreased poverty and increased job creation, a better health system, and stronger rule of law will all have a positive impact on young people. In that sense, the other chapters of this Social Development Strategy indirectly address young people's issues. This chapter, therefore, focuses on three dimensions of young people's well-being that are important for various reasons. First, employment is discussed because it is presented in policy documents as the main challenge of young people. Conversely, participation in political and civic life is highlighted in this report because of its relative neglect as a policy issue. Finally, violence and crime affects young people's physical and psychological health, and constrains their life opportunities, whether they are perpetrators or victims.

### ***Youth Employment as a Policy Issue***

A recurring concern in the reviewed policies is the level of youth under- and unemployment. The National Youth Policy sees the unemployment and underemployment of young people as "a major development challenge" and the fault of "inadequate and inappropriate training for the job market". It recommends training of young people and the creation of jobs. As well, the policy recommends providing young people with information on the labour market and teaching them to generate employment for themselves.

In the policy narratives, there are two main reasons for under/unemployment: one is the unavailability of jobs and the second is lack of (proper) training for the existing job market. The corresponding solutions are either to create more jobs and or to provide young people with appropriate training. The second perspective, focusing on the employability of young people comes through mainly in discussions about the goals of technical and vocational education and training (TVET) and tertiary education – to prepare young people for work. It is presented in the Education Strategic Plan (ESP):

To provide relevant education with emphasis on science, information, communication and technology to equip individuals for self-actualisation, peaceful coexistence as well as skills for the workplace for national development.

### ***Youth employment Trends and Patterns***

The chapters on Employment and on the Informal Economy and Labour Relations in this Social Development Strategy provide a detailed analysis of the trends and patterns of youth employment. In summary, young people experience higher rates of unemployment and underemployment than adults. Moreover, in Ghana as everywhere else in the world, young people are less likely than adult workers to enjoy full employment under acceptable conditions.

The higher incidence of unemployment, underemployment and decent work deficits among young people is especially troubling for two main reasons: First, the energies of the largest age group are underutilised precisely at the time in their lives when they should be most productive. Second, the inability to find decent work early on in life diminishes one's chances of full and productive employment later on, potentially setting young people on a negative life course.

## ***Youth Participation in National Activities***

Young people between 15 and 35 years form a large part of the population, and therefore their exclusion from national life undermines efforts at social development. In this section, we examine specifically young people's participation in electoral processes and in governance, through civic engagement.

Young people are often drafted into partisan and electoral politics as "foot soldiers"; these are mainly young men who are available to be used as channels of information from leaders to party members; to mobilize people and votes; to be bodies for rallies; and to act as bodyguards or 'macho' men. Despite their deployment in these ways, foot soldiers are often not included in decision-making within the parties--for instance, in regard to internal elections for executives or presidential candidates---where experience and financial contributions are often the prerequisite for having a voice or influence in party structures.<sup>146</sup> Thus, one reason for young people's marginalization is the ways in which institutions are set up. These institutions are infused by older political elites with the same gerontocratic orientation that we have stated exists in the larger society.

A second explanation for young people's political exclusion is their own lack of interest in participating, either as a result of apathy or feelings of disenfranchisement. However, young people's activism in alternative spaces of political engagement might suggest that the lack of interest and apathy are less the problem than young people's sense that the current political systems are flawed, corrupt or exclusionary. Young people are therefore more likely to express themselves politically through social media, or through civic protests such as did the Occupy Ghana movement which was created mainly by young people (as we will discuss in the next section).

While these alternative spaces provide valuable outlets and pressure valves for young people, they are no substitute for participation in formal institutions of governance, with whom still rests the authority and the resources to develop and implement policies, including those on social development. It is therefore important to both expand the inclusiveness of political structures and also boost young people's own interest in participating in electoral processes.

Beyond formal roles within governance structures, young people should be encouraged to participate in decision-making, especially in policies and programmes that directly concern them. As discussed earlier, various programmes and policies drawn up for young people, including the current National Youth Policy, have not meaningfully involved young people. At most, these have involved information or 'consultation' whereas true participation would involve partnership and some degree of control over processes.<sup>147</sup>

Young people's participation is not limited to electoral processes and governance. Indeed, their engagement in associations and youth organisations is often more active than their involvement in electoral processes and governance institutions. Young people's civic engagement, especially in collective action movements, usually seeks to challenge or change governance structures or the state itself and can therefore be considered threatening. However, governments must support youth engagement in civic action and accept young people's actions as part of a democratic, inclusive culture and as a means of building in young people a sense of civic duty.

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146 Bob-Milliar, G. M. (2014). Party Youth Activists and Low-intensity Electoral Violence in Ghana: A Qualitative Study of Party Foot Soldiers' Activism. *African Studies Quarterly*, 15(1), 125–152.

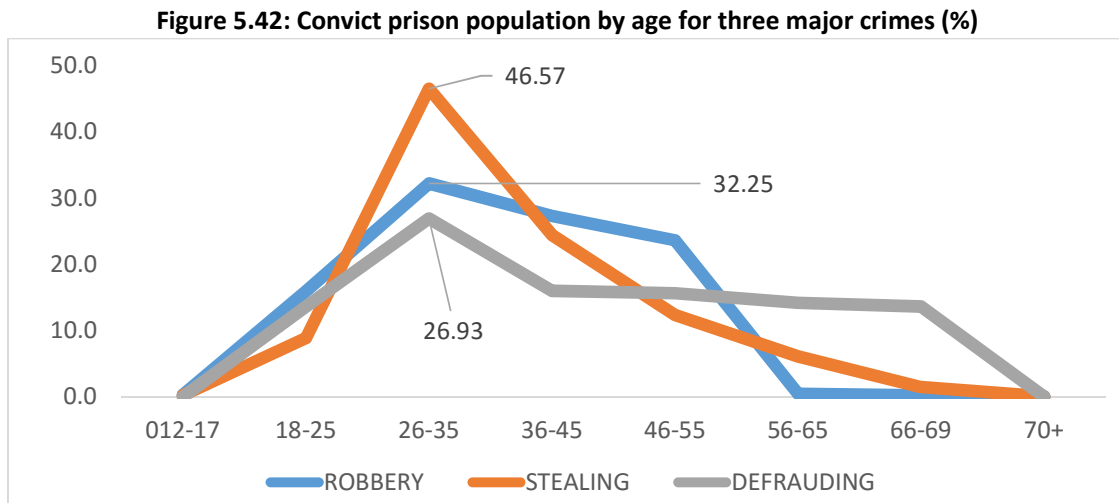
147 Arnstein, S. R. (1969). A Ladder of Citizen Participation. *Journal of the American Institute of planners*, 35(4), 216-224.

## Youth, Violence and Crime

This section is dedicated to discussing young people's experience of violence and crime because of their special vulnerabilities in this area as a consequence of their levels of poverty and unemployment, their age, and other social disadvantages.

### Youth as Perpetrators of Violence and Crime

Public perception tends to associate young people with crime and acts of violence. Indeed, the limited empirical evidence available does suggest that young people are more likely to engage in crime. As Figure 5.42 shows, greater proportions of young persons between 26 and 35 are imprisoned for robbery, theft and fraud than the adult population over 36 years.



**Source:** Presentation by Director-General of the National Development and Planning Commission, Roundtable on Young People's Employment Aspirations and Prospects, 14 December 2016, Accra.

Again, a spatial and demographic analysis of crime using police data from 1980 to 1996 revealed, among other findings, that the majority of armed robbers were between 18 and 36 years; that 94% of incidents of highway and other forms of robbery (which by definition involves violence or intimidation) were committed by persons between 18 and 30 years and that 83% of incidents of criminal assault was committed by people between 18 and 38 years of age. Further, nearly all offenders were male.<sup>148</sup> While the data used for this study are two decades old, we can make the reasonable assumption that the patterns of crime (if not the actual statistics) have not changed significantly, and if these findings are taken together with the more current statistics, the conclusion is that perpetrators of crime are overwhelmingly young and male.

Young people are also involved in acts of violence in general, the majority of which involves personal assault, including of a sexual nature. As with crime, perpetrators of violence tend to be male and young; indeed, research suggests that the rates of violence in a society is correlated with the proportion of young men in the population.

Apart from being initiators of violence, there is also evidence that young people are used as instruments of violence by more powerful persons. Male youth form the majority of the group of persons known as 'foot soldiers' of political parties. These are often low-income males who are directed by political elites to

148 Appiahene-Gyamfi, J. (2002). An Analysis of the Broad Crime Trends and Patterns in Ghana. *Journal of Criminal Justice*, 30, 229-243.



perpetrate 'low-intensity violence' through intimidation and assault. Male youth are again to be found among 'land guards' who are used as a kind of militia in contentions over commercial land.

An important question that is unanswered by the statistics is what constitutes drivers of violence and crime. The available evidence suggests that young people's self-initiated violent and criminal activity, and their use by others as instruments of such acts, are better explained by economic and social factors than by any inherent tendencies on the part of youth. Poverty and unemployment are catalysts towards violence and crime. For instance, young people's willingness to serve as foot soldiers has been explained in terms of a system of patronage that provides them jobs and money in an economic environment that offers few such opportunities. Similarly, young people's roles in violent gangs or as land guards may be seen as an avenue out of poverty.

Another way that poverty can lead to violence is that, in the absence of work which can give one self-respect and a positive masculine identity, young men's 'manhood' is perverted to include acts of violence towards others, including physical dominance over women.<sup>149</sup> Thus, even social or psychological problems and interpersonal violence can be traced to economic conditions.

Violence and crime also tends to fill the vacuum created by the absence of effective governance, including policing. As one might expect, geographic patterns observed in incidence of crimes can be related to the uneven allocation of police and material resources to different parts of the country.<sup>150</sup> Moreover, lack of trust in the police is one motivation for young people to engage in violence in the form of vigilante action. Interestingly, in spite of the high levels of involvement in vigilante action, young men hold a negative view of it compared to the older generation who perceive it to be an effective means of social policing.<sup>151</sup> This suggests that these young men would rather prefer a situation where there was effective policing as an alternative to vigilantism and other forms of violence.

### ***Youth as victims of crime and violence***

The focus on youth perpetrators of crime and violence often obscures the fact that the youth are also victims. There are again gendered dimensions to crime and violence as young men and women have differential exposure to these acts. The available evidence suggests that the majority of victims of violent crime are males and that females tend to be the target of non-violent crimes such as extortion and swindling.<sup>152</sup>

One aspect of crime and violence that merits urgent attention is physical assault of women, which includes physical and sexual abuse. Women, overwhelmingly, are the main victims of interpersonal and sexual violence and males are largely the perpetrators. One reason for this relative neglect of gender-based violence in policy and public discourse is the extent to which it is normalised so that both men and women have come to accept it as part of social relations of gender.<sup>153</sup> For example, the 2015 Ghana Demographic and Health Survey indicates that more female (28%) than male (13%) respondents believe a man can beat his wife for any number of 'offences' ranging from refusing sex with him to burning his food.

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149 Oduro, G.Y., Swartz, S., and Arnolt, M. (2012). Gender-based Violence: Young Women's Experiences in the Slums and Streets of Three sub-Saharan African Cities. *Theory and Research in Education*, 10(3) 257-294; Oduro, G. Y. (2012). 'Children of the Street': Sexual Citizenship and Unprotected Lives of Ghanaian Street Youth. *Comparative Education*, 48(1):41-56; Wood, K. and Jewkes, R. (2001). 'Dangerous' Love: Reflections on Violence Amongst Xhosa Township Youths. In R. Morrell (Ed.) *Changing Men in Southern Africa*. London: Zed Books.

150 Appiahene-Gyamfi, J. (2002). An Analysis of the Broad Crime Trends and Patterns in Ghana. *Journal of Criminal Justice*, 30, 229-243.

151 Tankebe, J. (2009). Self-Help, Policing and Procedural Justice: Ghanaian Vigilantism and Rule of Law. *Law and Society*, 43(2): 245-270.

152 Appiahene-Gyamfi, J. (2002). An Analysis of the Broad Crime Trends and Patterns in Ghana. *Journal of Criminal Justice*, 30, 229-243.

153 Cole, C. M. (2007). 'Give Her a Slap to Warm Her Up': Post-Gender Theory and Ghana's Popular Culture. In C.M. Cole, T. Manuh and S. Miescher (Eds.), *Africa After Gender?* Bloomington, IN: Indiana University Press.

Gender-based violent acts occur within familiar spaces of school and home, and within familial and intimate relationships. This implies that females are most in danger, not from strangers, but from persons they interact with in their everyday lives.<sup>154</sup> In the same way that acts of violence have one root cause in poverty, so social and economic disadvantage is connected to victimisation. Poverty makes one more vulnerable by situating one in dangerous spaces such as the street or low-income neighbourhoods where there are higher incidences of interpersonal violent crime.<sup>155</sup> Poverty also makes poor females more likely to enter into unsafe relationships for financial security. Indeed, one study found that young Ghanaian women are more likely to be victims of sexual violence and abuse when they were in a stable relationship than when they were not.<sup>156</sup> With no other recourse, they “negotiate between three powerful groups of men (their regular boyfriends/minders, the ‘killers’ on the street, and men seeking prostitutes) in a highly gendered and vulnerable manner”.<sup>157</sup>

### 5.16.3 Objectives of youth development

The objectives of the youth development policy may be spelt out as follows:

- i. A youth population that is healthy (emotionally, physically and psychologically) and free from violence, crime and drug addiction.
- ii. A nation where all young people are able to take advantage of opportunities created by the economy for a decent job, and where all honest work is given respect.
- iii. A nation of patriotic, disciplined, honest youth citizens with the knowledge, the will and the opportunity to participate in governance and civic life.
- iv. A government that is attentive to the potential and challenges of the youth, with evidence-based policies and programmes supported by a strong and coherent institutional framework.

### **Employment**

Design and implement youth employment programmes based on empirical evidence about young people’s preferences, their strengths and weaknesses in regard to the job market, and their particular challenges.

- i. This would include collecting sex, age and location disaggregated data in national surveys and within MDAs.
- ii. Integrate youth employment programmes into larger policies/programmes to address employment and employability.
- iii. Target youth employment at diverse groups of youth, again based on empirical evidence about differences among the ‘youth’ population, whether based on sex, location, education, etc.
- iv. Educational institutions to partner with corporate Ghana to create avenues for the youth to obtain work experiences through attachments, internships and volunteer opportunities.
- v. Strengthen link between education and the labour market and develop policies to support out-of-school youth
- vi. Career guidance counselling offices to be set up and/or strengthened in schools to provide young people with information and guidance about school and programme choice that will ultimately lead them to available, personally fulfilling work.

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154 Oduro, G.Y., Swartz, S. and Arnolt, M. (2012). Gender-based Violence: Young Women’s Experiences in the Slums and Streets of Three sub-Saharan African Cities. *Theory and Research in Education*, 10(3) 257-294.

155 Appiahene-Gyamfi, J. (2007) Interpersonal Violent Crime in Ghana: The Case of Assault in Accra. *Journal of Criminal Justice*, 35, 419-43; Oduro, G. Y. (2012) ‘Children of the Street’: Sexual Citizenship and Unprotected Lives of Ghanaian Street Youth. *Comparative Education*, 48(1):41-56.

156 Oduro, G. Y. (2012) ‘Children of the Street’: Sexual Citizenship and Unprotected Lives of Ghanaian Street Youth. *Comparative Education*, 48(1), 41-56.

157 Oduro, G. Y. (2012) ‘Children of the Street’: Sexual Citizenship and Unprotected Lives of Ghanaian Street Youth. *Comparative Education*, 48(1), 41-56, p. 52.

- vii. Government to work with traditional authorities to make land available to young people who are able and willing to farm.

#### **Political Participation and Civic Engagement**

- i. Include civic education in public basic and secondary education institutions and encourage private schools to have a similar policy.
- ii. Government should provide NCCE with the human and financial resources, and shore up its public image, to carry out their mandate of civic education.
- iii. Provide opportunities to young people to practise political and civic engagement.
- iv. Upgrade youth leadership and training centres and ensure sufficient budgetary allocations.
- v. Create a National Youth Federation with representation at district to national levels.
- vi. Promote a spirit of volunteerism, through educational curriculum.
- vii. Institutionalise a non-partisan political youth organisation platform, a National Youth Federation, to provide advocacy, training and peer mentorship in political leadership.

#### **Reduce the incidence of youth as both perpetrators and victims of crime and violence**

- i. Reduce the incidence of poverty and inequality in the general population, and specifically among the youth
- ii. Increase effective policing.
- iii. Develop interventions (at home, in school, and neighbourhoods) to break the cycle of violence and crime.
- iv. Develop interventions against gender-based violence targeted at both boys and girls.

### **5.17 DISABILITY AND NATIONAL DEVELOPMENT**

The social development goal of an equitable, healthy and disciplined society provides the imperative for attending to questions of disability in the long-term national development plan, as the well-being of persons with disabilities is both an indicator of social development as well as a catalyst for further development. To begin with, the right of all Ghanaian citizens to a decent and meaningful life under conditions of freedom, dignity, autonomy and equality is guaranteed by the Constitution of Ghana<sup>158</sup> and is further enshrined in numerous international agreements to which Ghana is signatory.<sup>159</sup> Constituting about 3.0% of the total population<sup>160</sup>, persons with disabilities face challenges to enjoying these rights. The extent to which persons with disability attain these freedoms is one measure of social development, as it addresses the question of equity. Secondly, the goal of building such an equitable, healthy and disciplined society requires the active participation of all citizens, including persons with disabilities. Inclusive disability policies will reduce the barriers that impede the access of persons with disability to social and economic opportunities that will both enhance their well-being and encourage their contribution to national development.

Disabilities include various forms of long-term physical and psychological impairments that can reduce an individual's ability to carry out activities or roles considered normal for their social contexts.<sup>161</sup> However, the functional ability of persons with disability may vary widely according to the degree of impairment.

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158 Chapter 5 of the 1992 Constitution. Particularly, Article 29 guarantees the basic rights of persons with disability.

159 These international declarations and conventions include the United Nations Declaration on Human Rights, 1948; the United Nations Standard Rules on the Equalization of Opportunities for Persons with Disabilities, 1993; the United Nations Convention on the Rights of Persons with Disability, 2006; the African Charter on Human and People's Rights; and the African Decade of the Disabled (2000-2009).

160 Ghana Statistical Service. (2012). 2010 Population and Housing Census. Accra: Author.

161 Mbogoni, M. and Me, A. (2002). Revising the United Nations Census Recommendations on Disability. Washington, DC: United Nations ; World Health Organisation (2011). World report on disability. Geneva: Author, p.4; Government of Ghana (2006). Persons with Disability Act (Act 715). Accra: Author.

### 5.17.1 Conceptions and definitions

#### *Types of Disability*

**Physical disability:** Physical disability affects a person's mobility or dexterity in activities such as walking, climbing stairs, and standing, gripping/holding, reaching and kneeling. Examples of physical ailment or impairments that can result in physical disability include polio, cerebral palsy, absence of a body part, effects of leprosy, muscular dystrophy, problems with joints and spinal cord, club feet and rickets.

**Visual or sight disability:** Disability related to vision includes limited or no visual perception of an object's figure, shape, form and colour. Visual disability can result from scratched cornea, diabetes-related eye conditions, dry eyes and corneal graft, among other conditions.

**Hearing Disability:** Complete or partial deafness can be evident at birth or occur later in life from several causes, including accidents or illnesses such as meningitis.

**Cognitive or intellectual disabilities:** A person is intellectually disabled when he or she has difficulty carrying out age- and context-appropriate activities due to impairment or delay in cognitive functioning. This type of disability implies a disorder in one or more of the basic psychological processes involved in understanding or using language.<sup>162</sup> Cognitive disabilities in children result in deficits in adaptive behaviour and are usually manifested during the developmental period, which adversely affect a child's educational performance, among other implications.

**Emotional/Behavioural Disabilities:** This category of disabilities is characterised by a significant change in behaviours, expression of emotions, and cognitive functions such as planning, self-regulation, and evaluation of the consequences of behaviour.<sup>163</sup> These have implications for a person's ability to learn, to maintain healthy relationships, and to fulfil other social roles.

It is possible for a person to have more than one type of disability. For instance, autism combines impairment in cognitive as well as emotional and behavioural functioning. Finally, the causes of disability are varied; while some disability is genetic or from birth, others are the result of life circumstances, such as accidents and old age.

#### ***Cultural constructions of disability in Ghana***

Cultural constructions of disability are the customs, beliefs and practices of the people that influence how they react to persons with disability. The perception of persons with disability is overwhelmingly negative, grounded mainly in ignorance and superstition. Such persons are often shunned or stigmatised or, at best, treated as objects of pity and charity.

These perceptions are evident in popular discourses (including the language used) about disability, which suggests that people with disabilities are cursed or are receiving spiritual retribution for their actions. For example, in parts of the Brong-Ahafo Region, children with intellectual disability are thought to be proof that their mothers committed the taboo of eating fish from a river called "nsuakoraa".<sup>164</sup> Again, among the Akpafus in the Volta Region of Ghana, eye cataract is believed to be a punishment from the gods for

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162 National Dissemination Centre for Children with Disabilities. (2009). Categories of Disabilities Under IDEA. Washington: Author. Retrieved from <http://nichcy.org>

163 World Health Organization. (1992). The ICD-10 Classification of Mental and Behavioural Disorders: Clinical descriptions and diagnostic guidelines. Geneva: Author.

164 Agbenyega, J. S. (2003). The Power of Labelling Discourse in the Construction of Disability in Ghana. Clayton: Faculty of Education, Monash University

offences by the victims or their family members. Disability is also seen as a result of witchcraft or sorcery. These beliefs are re-enforced by interpretations of the doctrines of traditional and Christian religions, and also by film and television which are replete with visuals and storylines that link disability with witchcraft. Even the labels used for persons with disability are overwhelmingly negative; across Ghana, physically-challenged individuals are variously referred to as “bafan”, “appakye”, “afonlenle” and “pozo”—all local words for “a cripple”. Persons with “mental retardation”, as it is still inappropriately referred to in Ghana, are variously called “asotowo” and “buluus” (both meaning fools) or, as among the Akans, “nea wanyin agya n’adwene ho” (one who has left his mind behind). Such perceptions and labelling dehumanise persons with disability, and focus on their limitations rather than on their abilities.

The above cultural construction of disability within Ghanaian society has resulted in a pattern of social exclusion. Weak institutional support has further compounded the plight of persons with disability in Ghana. Institutions such as the Department of Social Welfare, the Labour Department, and those set up to oversee education, health care and employment have been largely ineffective in responding to the needs of persons with disability. For example, even though over half of persons with disability in Ghana are not economically active<sup>165</sup>, there is no comprehensive social welfare package. Generally, the built environment is not disability friendly neither does the healthcare system adequately respond to their needs, as will be discussed in greater detail in this chapter.

### 5.17.2 Overview of Disability Policy

In colonial Ghana, social welfare for the general populace (and, by extension, the welfare of persons with disability) were delivered informally by family and communities, missionaries, and voluntary agencies.<sup>166</sup> However, a shift occurred in 1929 with the establishment of the Colonial Development Fund to support social welfare in the British colonies<sup>167</sup> and in 1944 a Social Department was set up mainly to cater for the needs of the urban population. In 1957, the Control of Beggars and Destitute Ordinance was passed to control and maintain an asylum and provide burial for the aged, “infirm” and destitute.

The main policy attempt to addressing disability in post-independent Ghana was in 1959 when President Kwame Nkrumah proposed urgent steps to develop a programme of education, rehabilitation, and social integration for persons with disabilities. Institutional changes resulted from this, including the setting up of a Rehabilitation Division within the Department of Social Welfare and Community Development and the creation of the National Advisory Committee on the Rehabilitation of the Disabled which was mandated to coordinate the activities of all agencies, both governmental and voluntary, to improve the well-being of the “disabled”.

Between 1966 and 1992, Ghana did not witness any national policy shift on the disability front until the Fourth Republic in 1992, where clear provisions for persons with disability were espoused in the Constitution. In summary, the 1992 Constitution provides for the fundamental human rights of all Ghanaians and, further, imposes an obligation on the parliament to legislate laws to protect and promote the rights of persons with disability to live a decent life with their families and participate fully in social and economic activities. The Constitution also guarantees the right of persons with disability “against all forms of exploitation, regulations and treatments of discriminatory, abusive or degrading nature.” The right of persons with disability to uninterrupted access to all places to which the public have access is also protected under the 1992 Constitution.

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165 Ghana Statistical Service. (2012). 2010 Population and Housing Census. Accra: Author.

166 Hill C. A. (1960). The Administrative Structure of Social Welfare in West Africa in Social Welfare in West Africa, Report of Seminar on Social Work in West Africa. Accra: University of Ghana.

167 Ibid

In 2006, the Disability Act 2006 (Act 715) was passed. It is made up of sections that variously focus on rights, employment, education, transportation, health, among other provisions. The last two sections speak to the establishment of the National Council for Disability and its administrative and financial provisions. Giving meaning to the provision in the Disability Act 2006, the National Council on Persons with Disability has been established with the mandate to propose policies and strategies to ensure full and equal participation of persons with disability in national development. The Disability Act is presently under review as it has been found to be in conflict with the United Nations Convention on the Rights of Persons with Disabilities.

Another important policy is the National Disability Policy of 2000 which aims to improve the quality of life of persons with disability and to mainstream them into the development process. The policy focuses on the needs of persons with disability to receive the appropriate training, adequate technical aides and support services to increase their capacity to deal with the challenges in life in a dignified manner.

The Children's Act 1998 also contains important guarantees for the right of children with disability to be treated with dignity. Section 10 of the Act reads "No person shall treat a disabled child in an undignified manner". The law also provides for the child's right to "special care, education and training wherever possible to develop his maximum potential to be self-reliant". These provisions are strengthened in the Disability Act 2006. Similarly, the Labour Act 2003 and Labour Regulation 2007 make provisions that address the unemployment situation of persons with disability. The Labour Act focuses on the employment of persons with disability, and calls for the registration of all persons with disability who need employment at a special employment centre which is then obligated to look for jobs for such persons. The Labour Act 2003 and the Labour Regulation 2007 also provide tax incentives for individuals and organizations that employ persons with disability. The Labour Regulation 2007 is however silent on the percentage of tax rebate to be given to employers for employing a PWD. Therefore, the guideline needs to be in the public domain if it is to have the intended impact. Similarly, the Labour Regulation 2007 indicates that persons with disability who set up enterprises can enjoy incentives to be prescribed by the Minister of Manpower Youth and Employment but is silent on the nature of incentives.

The UN Convention on the Right of Persons with Disabilities (CRPD) which Ghana has ratified also provides a universal, legally binding standard that ensures that the rights of persons with disability are guaranteed everywhere in the world. Thus, the Convention promotes, protects and ensures the full and equal enjoyment of all human rights by persons with disability. It covers a number of key areas such as accessibility, personal mobility, health, education, employment, habitation and rehabilitation, participation in political life, equality and non-discrimination.

The foregoing overview of social welfare and disability legislations and policies clearly shows consistent effort by policymakers in post-independent Ghana to improve the situation of persons with disability. The challenge is the extent to which these provisions have impacted the daily lives of persons with disability. The next section undertakes a contextual analysis of the current situation of persons with disability in Ghana. It reviews the social, political, economic, and technological and the media context as it relates to the disability situation.

### **5.17.3 Analysis of Current Situation**

#### ***Demographic Characteristics of Persons with Disability in Ghana***

The 2010 population census estimated that there were 737,743 persons with some form of disability (constituting 3 percent of a total population of 24.66 million at the time). Across regions, the proportions vary marginally, with Volta and Brong-Ahafo Regions recording the highest and lowest disability rates respectively (Table 5.29).

Table 5.29: Distribution of persons with disability in Ghana, 2010

Regions	TOTAL POPULATION		WITH DISABILITY	
	Number	Percent	Number	Disability Rate
<b>All Regions</b>	<b>24,658,823</b>	<b>100.0</b>	<b>737,743</b>	<b>3.0</b>
Western	2,376,021	9.6	66,016	2.8
Central	2,201,863	8.9	75,939	3.4
Greater Accra	4,010,054	16.3	103,939	2.6
Volta	2,118,252	8.6	91,767	4.3
Eastern	2,633,154	10.7	94,579	3.6
Ashanti	4,780,380	19.4	124,501	2.6
Brong Ahafo	2,310,983	9.4	54,038	2.3
Northern	2,479,461	10.1	61,294	2.5
Upper East	1,046,545	4.2	39,924	3.8
Upper West	702,110	2.8	25,746	3.7

Source: Ghana Statistical Service, 2010 Population and Housing Census

As shown in Table 5.30, 38 percent of persons with disability in Ghana have multiple disabilities. Nonetheless, the most common type of disability in Ghana is sight or visual disability (40 percent) followed by physical disability (25 percent).

Table 5.30: Distribution of disability type by region

Region	POPULATION WITH DISABILITY		DISABILITY TYPE							
	Number		Sight	Hearing	Speech	Physical	Intellectual	Emotional	Other	More than one form of disability
<b>All Regions</b>	<b>737,743</b>		<b>40.1</b>	<b>15.0</b>	<b>13.7</b>	<b>25.4</b>	<b>15.2</b>	<b>18.6</b>	<b>10.4</b>	<b>38.3</b>
Western	66,016		41.6	13.2	13.7	25.2	14.8	16.3	9.3	34.1
Central	75,939		42.9	14.1	12.9	28.6	13	15.3	8.2	35.1
Greater Accra	103,939		42.2	10.3	13.2	23.3	16.8	21.3	11.2	38.4
Volta	91,767		44.3	15.6	13.5	26.6	16.8	21.1	7.6	45.5
Eastern	94,579		42.3	15.9	15.2	29.4	15.6	18.1	7.9	44.5
Ashanti	124,501		40.2	14.5	14.1	25.9	14.4	16.1	10	35.3
Brong Ahafo	54,038		33.0	16.9	16.6	27.7	16	21.3	9.2	40.7
Northern	61,294		28.7	17.7	12.3	18.4	15.9	23.6	21.9	38.5
Upper East	39,924		40.0	21.3	12.4	21.9	12.9	13.2	8.1	29.7
Upper West	25,746		37.5	17.7	10.6	21	12.8	18.2	15.8	33.6

Source: Ghana Statistical Service, 2010 Population and Housing Census

Slightly more than half (54 percent) of persons with disability live in rural areas and there are 90 males for every 100 female (Table 5.31).

**Table 5.31: Distribution of disability by locality**

Region	Locality Type		% distribution and sex ratio of PWDs by region and sex				
	URBAN	RURAL	Male Number	Female Number	Sex Ratio		
<b>All Regions</b>	339,414	46.0	398,329	54.0	350,096	387,647	90.3
Western	26,801	40.6	39,215	59.4	32,641	33,375	97.8
Central	31,412	41.4	44,527	58.6	34,416	41,523	82.9
Greater Accra	94,181	90.6	9,758	9.4	49,104	54,835	89.5
Volta	25,797	28.1	65,970	71.9	41,301	50,466	81.8
Eastern	40,109	42.4	54,470	57.6	44,034	50,545	87.1
Ashanti	71,997	57.8	52,504	42.2	58,112	66,389	87.5
Brong Ahafo	23,344	43.2	30,694	56.8	26,927	27,111	99.3
Northern	16,259	26.5	45,035	73.5	31,185	30,109	103.6
Upper East	5,924	14.8	34,000	85.2	19,580	20,344	96.2
Upper West	3,590	13.9	22,156	86.1	12,796	12,950	98.8

**Education and Disability**

A key goal of education policy in Ghana over the past decade has been universal access, including to persons with disabilities. This is evidenced by numerous laws, policies and international agreements (Table 5.32).

**Table 5.32: Summary of national policies and international protocols on educating persons with disability**

NATIONAL LEGAL & POLICY COMMITMENTS	INTERNATIONAL PROTOCOLS AND CONVENTIONS
The 1992 Constitution of Ghana	United Nations Decade of Disabled Persons 1983-1992
Children’s Act, 1998	World Declaration on Education for All (1990)
The Disability Act, 2006	World Declaration on Education for All (1990)
The Education Act, 2008	The Standard Rules on The Equalization of Opportunities of Persons with Disabilities (UN, 1993)
The Education Act, 2008	Statement and Framework for Action (UNESCO, 1994)
The National Youth Policy Of 2010	UN Convention on The Rights of The Child (1998)
The Education Strategic Plan 2010-2020	Flagship Initiatives, 2000
Inclusive Education Policy 2014	The Millennium Development Goals, 2000 The Dakar Framework for Action, 2000
	UN Convention on The Rights of Persons with Disabilities (2006)

In particular, Article 25 (1) of the Constitution of the Republic of Ghana (1992) states that all persons shall have the right to equal educational opportunities and facilities. Furthermore, the Children’s Act 1998 (Act 560) clearly spells out the rights of children with disabilities: “A disabled child has a right to special care, education and training wherever possible to develop his maximum potential and be self-reliant”. The Disability Act (2006) further strengthens the right to education of children with disability by legally binding parents and guardians to send such children to school. Similarly, the Education Strategic Plan (2010-2020) contains express provision for persons with disability by requiring the Ministry of Education to “provide



education for those with physical and mental impairments, orphans, and those who are slow or fast learners, by including them, wherever possible, within the mainstream formal system or, only when considered necessary, within special units or schools”.

To strengthen the pedagogical resources available to children with disabilities, educational, vocational and technical training institutions in each region of Ghana are to have on their curricula sign language and braille. All public libraries are also to be fitted with disability-friendly learning material and equipment. These provisions are yet to be implemented as the legislative instruments required to give operational direction to policy implementers have not been drafted. Indeed, the Disability Act is currently undergoing review to make it compatible with the Conventions on the Right of Persons with Disabilities. The Education Act 2008 (Act 778), which contains similar provisions, is also under revision.

In 2013, Ghana launched an Inclusive Education Policy with a goal to “redefine the delivery and management of education services to respond to the diverse needs of all pupils/students within the framework of the Universal Design for Learning (UDL)”<sup>168</sup>. The policy provides for the inclusion of students with special needs into regular schools. It also offers a platform for addressing the varied educational needs of all Ghanaians of school-going age using the Universal Design for Learning (UDL)<sup>169</sup> and ensuring that the teaching and learning environment is friendly to all students.<sup>170</sup> Standard guidelines for the implementation of the Inclusive Education Policy have been developed to guide educational institutions in pedagogy and in the provision of the minimum access required for infrastructure and learning aids.

Despite these provisions, many persons with disability do not have access to education; out of the total population of persons with disability three years and older, about 40 per cent have never attended school compared to 23.5 percent for non-disabled persons. Only about 5 percent of persons with disability had some post-secondary education and above. Moreover, 42 percent cannot read or write in English or in any Ghanaian language compared to the national average of 25 percent.

This situation may be explained by a number of factors, including the fact that the number of special schools for children with disabilities is inadequate and mainstream schools are not sufficiently accessible, both physically and in regard to pedagogical resources; indeed, presently it is the responsibility of parents/guardians of children with disabilities to provide learning aids and assistive devices. Further, the specific needs for each disability group relative to inclusive and/or special education have not been clearly mapped out by education stakeholders. There are other economic and social barriers including poverty and discrimination that impact on access and retention of children with disabilities.<sup>171</sup>

While there are clear inclusive education policy guidelines in terms of what is needed in mainstream schools to meet the education needs of persons with disability, there is not as yet implementation of the policy guidelines.

### ***Health and Disability***

The Disability Act 2006 obliges the Ministry of Health to, among other responsibilities, provide care for persons with severe disability, set up assessment centres to diagnose disabilities, train health professionals in disability issues, and integrate disability issues in healthcare programmes. Little has been

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168 Ministry of Education (2013). Final Draft Inclusive Education Policy. Accra: Author.

169 The architectural principles of Universal Design for Learning (UDL) serves the general purpose of making learning accessible to more learners in inclusionary programmes. The idea is that with modifications of representation (materials), expression (methods of communication), and engagement (how learners respond to curriculum) a much wider range of learners can be included in regular classroom instruction. The tenets of UDL should be adopted in all schools to promote participation of all learners.

170 Ministry of Education. (2013). Final Draft Inclusive Education Policy. Accra: Author, p. 7.

171 Ghana Federation of Disability Organizations. (2008). Context Analysis of the Disability Situation in Ghana. (A research paper produced by JMK Consulting Ltd on behalf of the Disability movement). Accra: Author

done to respond to these legislative requirements. The National Health Insurance Scheme (NHIS) remains the major affordable health programme in Ghana; however, it does not cover rehabilitation services and assistive devices, which are major needs for many persons with disability. Overall, then, persons with disability are challenged with access; first, many hospitals that provide basic health care are not disability-friendly and, second, the additional specialist medical services needed by many persons with disability are limited and expensive.

### ***Rehabilitation of Persons with Disability***

The United Nations Convention on the Rights of Persons with Disabilities recognises the rights of persons with disability to rehabilitation services to support their independence and social integration. The Ministry of Gender, Children and Social Protection and the Department of Social Welfare run rehabilitation centres in all the 9 regional capitals which are meant to provide training facilities for all persons with disability aged 17 to 40 years in carpentry, shoemaking, craft work, tailoring and, recently, in electronics repairs and computing. The centres are few in number, only available in urban areas, and under-resourced. Moreover, their scope is limited in that they do not have programmes (such as peer and parent counselling) that effectively support social integration into community life.

### ***Employment and Disability***

According to the 2010 Population and Housing Census (PHC), the three most common sectors in which persons with disability are employed are agriculture, forestry and fisheries (49 percent). Further, about two-thirds (66 percent) of employed persons with disability were self-employed without employees.<sup>172</sup>

In Ghana, legislation and policies have been developed that provide for their participation and rights in the labour market. These include the Labour Law (2003), Disability Act (2006), National Employment Policy (2015) and Public Service Commission's (PSC) Human Resource Management Policy Framework and Manual for the Ghana Public Services (2015). To encourage employment of persons with disability, institutions that employ persons with disability are entitled to special incentives such as a tax rebate. However, this tax rebate and other incentives have not been specified. Also, a quota system was previously in effect so that employers with a certain number of employees were obliged to have a percentage of persons with disability employed. However, the system was poorly monitored and has been discontinued.

The absence of a legislative instrument for the operationalization of the labour law and Disability Act has been an obstacle for potential employers and for persons with disability themselves. Coupled with this is inadequate physical accessibility to public transportation, public buildings and work places; lack of and appropriate assistive resources; negative perceptions of the abilities of persons with disability; and low self-confidence among persons with disability themselves.

### ***Access to the Physical and the Built Environments***

Accessibility is defined as persons with disabilities having access, on an equal basis with others, to the physical environment, transportation, information and communications technologies and systems (ICT), and other facilities and services. This section examines these dimensions in turn.

Both the 1992 Constitution and the Disability Act provide that any place to which the public has access shall have appropriate facilities for the disabled, although there is no minimum accessibility standard to guide owners of public properties that want to comply. The ten-year moratorium on owners of existing

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172 Ghana Statistical Service. (2012). 2010 Population and Housing Census. Accra: Author.

commercial facilities to comply with the provision of the Act expired in 2016, however, many buildings do not have adequate accessibility, and this includes hospitals, schools, and work places, which means that efforts to provide services and support the integration of persons with disability into social and economic life is affected.

To increase physical mobility, the Disability Act requires government to factor the needs of persons with disability into the design and operations of the transport network, including reserved seats on all public transport. Access to public means of transportation increases a person's mobility and consequently that person's ability to participate fully in the socio-economic development discourse of the country. The reality, however, is that the transport network and services continue to be unfriendly to persons with disability.

Assistive devices help persons with disability to increase their mobility and access to life opportunities. There are no policies at both the national and district levels which require District Assemblies or the Department of Social Welfare to provide such devices to unemployed persons with disability. The Disability Act 2006 however provides tax exemptions for a person who manufactures technical aids and appliances for persons with disability in Ghana. Many persons with disability who could not afford the wheelchair use their hands to help them move about.

### ***Information and Communication Technology***

Information and communication technology can lower some of the barriers that persons with disability face in integration in society. By using technology such as the internet, or devices that translate text to speech, persons with disability are capable of handling a wider range of activities independently.

Nonetheless, people with disabilities face a variety of barriers to the use of technology. For instance, despite the National Telecommunication Policy statement that 'universal access and universal service to information and communication is a...right of every citizen',<sup>173</sup> the National Media Commission (NMC) does not explicitly enjoin media houses to ensure that the information they provide is accessible to persons with disability. Importantly, the government must budget for the procurement of assistive devices to be provided at subsidized costs and as well provide tax-incentives for the manufacture of such devices.

### **Political Participation**

The Constitution provides for equal participation of and right of every citizen (including persons with disability) to vote in elections and referenda and, more specifically, provides that "disabled persons shall be protected against all exploitation, all regulations and all treatment of a discriminatory, abusive or degrading nature" (Article 26[4]). In practice, however, participation among persons with disability in politics and governance is very low in Ghana, with only one PWD occupying a ministerial position. Since 1992, there have been three Parliamentary candidates who were disabled, however, only one was able to win a seat and no acknowledged PWD has been appointed as District Chief Executive (DCE). Thus, the participation of persons with disability in decision making is very low at local to national levels.

Since early 2000s, DPOs have worked with other NGOs and the Electoral Commission (EC) to promote the full participation of persons with disability in Ghana's elections and there has been some significant improvement with regard to the participation of persons with disability in the electoral process. Prior to the 2016 general elections, the Electoral Commission (EC) announced that it would provide tactile ballot jackets at all designated polling stations to help persons with visual impairment to vote independently.

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<sup>173</sup> National Telecommunication Policy

The EC has also made provision for persons with disability who may not be able to appear at the polling station to cast a ballot or to appoint a proxy to vote on their behalf.

In August 2016, the Ghana Federation of Disability Organisations (GFD) under STAR-Ghana's 2016 Election Project launched the guidelines for the inclusion and participation of Persons with disability in the general election in 2016. The guidelines contain key challenges persons with disability face in terms of elections and social inclusion, some of which include inaccessibility of information and polling stations, policy exclusion on the part of political parties and inequalities in political appointments<sup>174</sup>. It also spells out modalities to engage political parties, civil society organisations (CSOs) and policy makers on issues concerning persons with disability.

### **Sports and Recreation**

Sports and recreational activities contribute to the health and wellbeing of all people (see Sports and Recreation chapter for a more detailed discussion). The Disability Act 2006 calls for the relevant ministry to ensure access of persons with disability to the same opportunities in recreational activities and sports as other citizens. However, there is no clear strategy for the development of sports for persons with disability. Although the Ministry of Sports has as a policy to support persons with various disabilities in sports, programmes for them are organized on ad hoc basis and the country is yet to have a public centre for disability sports where facilities are customised for different categories of disability.

The National Sports Council has established the National Paralympics' Committee which is in charge of managing sports for the physically and intellectually disabled persons to participate in local games and the World Paralympics games. There appears to be lack of coordination between this body and the sports wings of the various disability movements.

### **5.18 SUPPORT FOR THE AGED**

Until about three decades ago, population ageing was more characteristic of developed than developing countries. However, the phenomenon is being seen increasingly in developing countries as life expectancy increases, mainly as a result of improved living conditions and modern medicine. The percentage of the world's population aged 60 years and above is estimated to increase from 12 percent in 2015 to 22 percent in 2050; that is, 2 billion people will be 60 years and over in 2050 and 80 percent will be in low- and middle-income countries. Thus, ageing is perhaps the most defining global population dynamic.

Ghana, like other developing countries, is going through a demographic transition. The population of persons over 60 years increased from 4.6 percent in 1960 to 6.7 percent in 2010. An ageing population has implications for social development because the aged are an identifiable social group whose well-being must be attended to and whose strengths can also be invested into social development. In responding to both the challenges and potential of an ageing population, a clear understanding of their conditions is important then.

A functional categorization of the elderly that distinguishes among their characteristics and needs at various ages is appropriate. This will allow a recognition of the elderly who are economically, politically and social active as still a viable part of the development process. This is the category referred to as "young old"—that is, persons between age 60 and 74 years—who can be reintegrated into the labour force. Those aged 75- 84 years--the "old old"-- may enjoy a healthy life and perform daily basic activities, while the

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174 Retrieved from <http://www.graphic.com.gh/news/politics/streamline-issues-of-disability-into-2016-manifestoes-gfd.html>

“very old” (85 years and above) may be more physically and socially dependent.<sup>175</sup> Therefore, different policy strategies will be required to provide the different needs of the various categories of the elderly adequately. However, regardless of age or capacities, the elderly should enjoy well-being, respect, and the “long-term care and support of others that are consistent with their basic rights, fundamental freedoms and human dignity”.<sup>176</sup>

### 5.18.1 Overview of Ageing Policy

Ageing as an area of policy concern at a global level was first discussed more than three decades ago at the First World Assembly on Ageing held in Vienna, Austria in 1982 and then at the Second World Assembly on Ageing in Madrid in 2002. The purpose of these assemblies was to address the concerns of an ageing global population and the implication for development. In part as a response to this global attention to ageing, Ghana drafted an ageing policy in 2002 to address the needs of its elderly population and launched it in 2010 under the title: National Ageing Policy: Ageing with Security and Dignity.<sup>177</sup> Ageing in security implies a sense of dignity and absence of threats that may prevent the elderly from having access to material and other needs.

Box 5.3 contains the strategies outlined in the aged policy of Ghana to improve the wellbeing of the aged. The strategies cover most aspects of the life of the aged and are inspired by international recommendations and declarations. However, the policy has not been successfully implemented in many respects.

#### Box 5.3: Support Strategies under Ghana's Ageing Policy

- The strategies outlined in the policy to improve the living standards of older persons include:
- i. Upholding the Fundamental Human Rights of Older Persons
  - ii. Ensuring Active Participation of Older Persons in Security and Development
  - iii. Reducing Poverty among Older Persons
  - iv. Improving Health, Nutrition and Wellbeing of Older Persons
  - v. Improving Housing and Living Environment of Older Persons
  - vi. Strengthening the Family and Community to Provide Support to Older Persons
  - vii. Improving Income Security and Enhanced Social Welfare for Older Persons
  - viii. Providing Adequate Attention to Gender Variations in Ageing
  - ix. Strengthening Research, Information Gathering and Processing and Coordination and Management of Data on Older Persons
  - x. Enhancing Capacity to Formulate, Implement, Monitor and Evaluate Policies on Ageing
  - xi. Improving Financing strategies to Ensure Sustainability of Implementation of Policies and Programmes of Older Persons.

Beyond specific legislation targeted at the aged, the well-being of this segment of the population can be improved by broad interventions to address poverty and health. For instance, the well-being of the elderly may be improved through successful implementation of the Sustainable Development Goals (SDGs) and the African Union’s approach of inclusive and equitable development. The 1992 Constitution of Ghana and the long-term plan have similar guiding principles.

In this vein, the elderly has benefitted from two major non-age specific policies that have national coverage and have been implemented during the past decade: the Livelihood Empowerment Against Poverty (LEAP) and the National Health Insurance Scheme (NHIS). LEAP is a cash transfer to poor households with vulnerable persons (defined to include persons aged 65 years and over) to aid them to

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175 Weeks, J.R. (2012). An Introduction to Population. Belmont: Wadsworth/Cengage Learning.

176 World Health Organization (2016). Mental Health and Older People: Fact Sheet. April 2016. Retrieved from <http://www.who.org>.

177 Ministry of Employment and Social Welfare (2010). National Ageing Policy: Ageing with Security and Dignity. Accra: Ministry of Employment and Social Welfare.

meet their basic needs. Beneficiary households receive other services such as training in modern agricultural farming. The NHIS provides the elderly aged 70 years and above access mainly to primary and secondary health delivery facilities. However, it does not cover most of the non-communicable diseases that afflict old persons.

The private sector has also contributed to efforts to address the needs of the elderly in Ghana. Box 5.4 describes activities of two private sector initiatives. There are several others, such as commercial nursing agencies that provide elderly care givers who are hired by households to supplement the work of the family.

### 5.18.2 Analysis of Current Situation

#### **Box 5.4: Two Cases of Private Sector Initiatives that Support the Elderly**

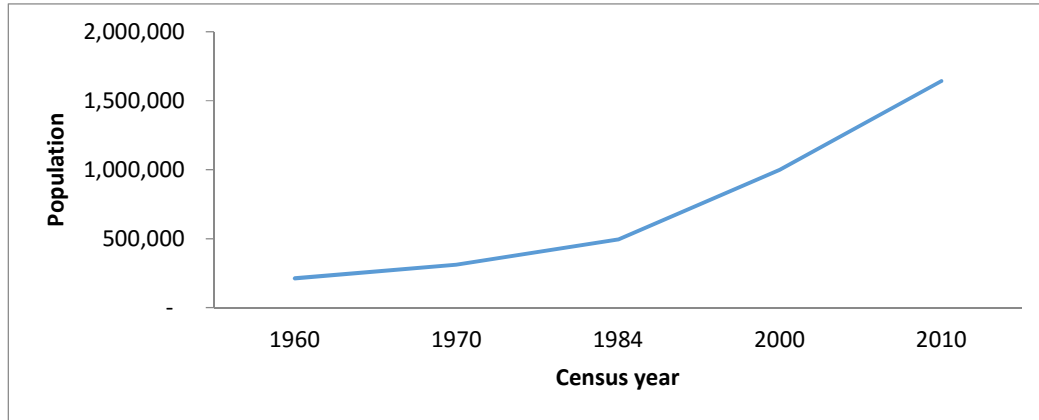
The private sector has also played some important roles in addressing issues on the elderly. Two organizations are mentioned here: 1) HelpAge Ghana which is an affiliate of the HelpAge International and 2) Association of Ghana's Elders (AGE). The mission of HelpAge International is to promote the wellbeing and inclusion of older adults in society and reduce poverty and discrimination in later life. Its advocacy activities address these areas. It also has day care facilities that have provided day time care for the elderly who need such facility. One of the areas of focus of HelpAge International is campaign against conditions in cities that affect the wellbeing of the elderly- lack or limited space for physical activity, promotion of poor diets in the built environment, lack of green spaces in many areas, housing facilities that are inappropriate for the elderly, hostile streets, poor public transportation facilities and systems that have no regard for the need of the elderly. The Association of Ghana's Elders (AGE) is open to all the elderly and membership starts from 50 years. It addresses eight key areas: socio-cultural activities aimed at working against social exclusion of the elderly, for example, by capturing their life stories in books and documentaries, promoting high quality health care among the elderly through AGE Wellness Programmes; aiding them to gain financial independence through accessing discount on products for them, among others. AGE also promotes the club concept with activities that can bring the elderly together for interaction.

All the data, tables and figures are derived from the publication of the results of the 2010 Population and Housing Census by the Ghana Statistical Services which is titled 2010 Ghana Population and Housing Census: The Elderly in Ghana.

#### ***Population Distribution of the Elderly Population***

The population of the elderly has increased almost eight-fold between 1960 and 2010 – from 213,477 to 1,643,381. The age distribution of the elderly population, as reported in the 2010 Population and Housing Census showed that 68.2% of the elderly were in the 60-74-year age bracket; 22.2 percent were aged 75 to 84 years, and 9.6% were 85 years and over (Table 5.33) and (Figure 5.43).

**Figure 5.43: Growth of the elderly population, 1960-2010**



Source: Ghana Statistical Service (2013)

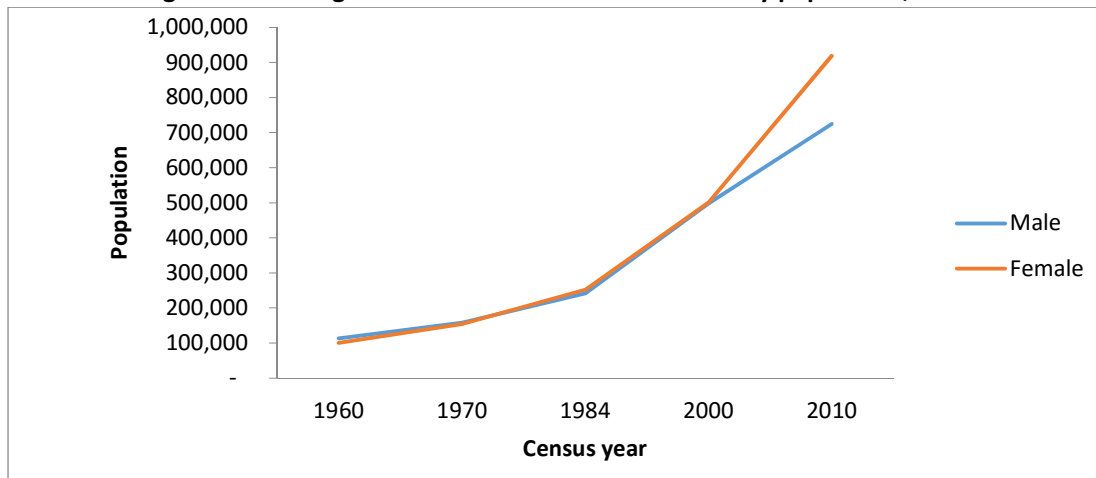
**Table 5.33: The age distribution of the elderly population, 2010**

Age	Number	Percent
60- 64	475,849	29.0
65-69	293,871	17.8
70- 74	351,330	21.4
75- 79	205,953	12.5
80- 84	159,084	9.7
85+	157,294	9.6
<b>Total</b>	<b>1,643,381</b>	<b>100.0</b>

Source: Ghana Statistical Service (2013). 2010 Ghana Population and Housing Census: The Elderly in Ghana.

Differences exist between the sexes with respect to their absolute numbers, rate of growth, and distribution among age categories. As can be seen from Figure 5.44, the increase in the female elderly population was rapid during the 2000 and 2010 intercensal period, resulting in a widening gap between the male and female elderly population.

**Figure 5.44: The growth of the male and female elderly population, 1960- 2010**



Ghana Statistical Service (2013). 2010 Ghana Population and Housing Census: The Elderly in Ghana. Accra: Author, p. 24.

In 1960 and 1970 censuses, the sex ratios of all the age categories were above 100, indicating that there were more than 100 males per every 100 females in the elderly population (except those aged 80 years and above). After the 1970 census, sex ratios were below 100 for all the age groups (with the exception of the 75-79-years category).

The population aged 60 years and above is projected to increase from almost one million (988,000) in 2000 to over six million (6,319,000) by 2050. The female aged population will continue to grow faster and will increasingly be far higher than the male population for the advanced ages. Policies addressing the needs of the elderly will have to take the sex structure of the aged population into consideration.

**Table 5.34: Sex ratio of the elderly population, 1960- 2010**

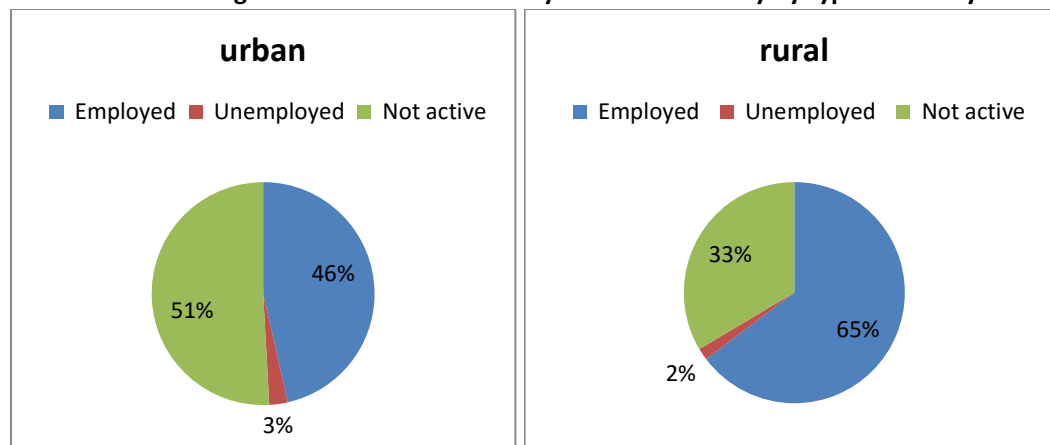
Age	1960	1970	1984	2000	2010
60- 64	116.3	105.9	91.3	83.8	91.3
65-69	113.3	102.7	94.3	99.6	86.4
70- 74	111.6	104.0	98.0	89.8	74.1
75- 79	109.5	105.3	102.5	103.9	76.3
80- 84	--	99.1	92.7	--	64.5
85+	--	--	--	--	62.8

*Source: Ghana Statistical Service (2013).*

#### ***Economic Activity and Occupational Status of the Elderly***

The majority of the elderly are economically active (either employed or unemployed and looking for work), although the elderly in rural areas have higher economic activity rates than those in urban areas (Figure 5.45). This is partly a function of the differences in mix of occupations in these areas: The main economic activity in rural areas is farming and, often, the elderly can engage in farming to advanced ages. In urban areas, on the other hand, non-agricultural activities, both formal and informal work, dominate (see Employment chapters) and these may not offer as much opportunity for older persons to continue to work.

**Figure 5.45: Economic activity rate of the elderly by type of locality**



*Source: 2010 Ghana Population and Housing Census*

The vast majority of those who are economically active are self-employed without employees; the category of occupation in the total national population with the lowest income level. Again, 9 out of every 10 of the elderly are employed in the private informal sector of the economy where unionization is uncommon and most of such workers have not enrolled in any pension plan.



The majority of the elderly are skilled agricultural and forestry workers who are mostly food crop farmers (63.1%), 13.3 percent are service and sales workers, and 8.4 percent are craft and related traders (Table 5.35). These three occupations constitute 84.8 percent of all the occupations of the elderly. Very small proportions of the elderly population are professionals (2.7%), managers (2.2%) and technicians and associated professionals (1.3%). Only 5.8 percent work in the formal sector where pension plans are accessible to them and unionization is common. Consequently, low levels of enrolment in pension schemes remain a major characteristic of the elderly population of Ghana. According to a 2012 World Bank Report <sup>178</sup>, the pension coverage in Ghana was only 7 percent. These conditions, coupled with dwindling material support from their children and kin, may result in limited access to material resources among the elderly.

Females among the elderly have far lower literacy rate and educational status than the males. Forty-five percent of the males compared to seventy-three percent of the females are not literate in any language. More than 70 percent of the females compared to a little more than 40 percent of males have no formal education. The gender gaps in educational status influences the occupation and wages (see Gender Equality and Women’s Empowerment chapter.)

**Table 5.35: Occupation of the elderly economically active, by sex**

Occupation	Total		Male		Female	
	No.	%	No.	%	No.	%
Managers	20,683	2.2	10,789	2.2	9,894	2.1
Professionals	26,165	2.7	18,397	3.8	7,768	1.6
Technicians	12,364	1.3	9,580	2.0	2,784	0.6
Clerical Support Workers	7,614	0.8	6,243	1.3	1,371	0.3
Service and Sales Workers	127,725	13.3	31,806	6.6	95,919	19.9
Skilled Agric. & Forestry	607,152	63.1	327,092	68.1	280,060	58.2
Craft and Related Trades	81,218	8.4	37,146	7.7	44,072	9.2
Plant and Machine Operators	18,545	1.9	17,420	3.6	1,125	0.2
Elementary Occupations	32,411	3.4	9,522	2.0	22,889	4.8
Other	27,899	2.9	12,319	2.6	15,580	3.2
Total	961,776	100.0	480,314	100.0	481,462	100.0

**Source: 2010 Ghana Population and Housing Census**

#### ***Living arrangements, ownership of dwelling and household size***

A higher percentage of the elderly reside in rural areas than in urban areas, and males are more likely than females (57 versus 53 percent) to live in rural areas. Less than two-thirds of the elderly are household heads. Another 11 percent are spouses (wife/husband) of the head. Headship is an important status of adults in Ghana and it is a common practice in Ghanaian societies to have a head as an elderly person who may play little active economic role. Generally, household headship is a social function that is linked to their future status as ancestors. Household headship may also suggest ownership of the house; however, house ownership is quite low among the elderly. On the average, less than a third (28.9 percent) own the house they occupy. Close to a fifth of all the age categories of the elderly are residing in rented dwelling and about a tenth are squatters (Table 5.36).

178 World Bank/Human Development Unit, Sub-Saharan Africa Region. (2012). Pensions in Sub-Saharan Africa. Washington DC: Author.

Low rate of house ownership among the elderly can be partly attributed to low pension package and inflation effects on payment of benefits, although this is relevant to the minority of the elderly who have been in formal employment. It suggests that one solution is to reform the pension system so that older persons can meet a need that is not only about shelter but about the cultural and social identity that comes with owning a home.<sup>179</sup> Another solution which may affect more older persons is affordable mortgage for older persons.

It is possible that some of the aged own a house but are not living in them. But the findings of a survey of 264 elderly persons in selected districts in the Ashanti Region indicated that only 22 percent of the elderly owned their house,<sup>180</sup> suggesting low rates of home ownership among the elderly.

**Table 5.37: Present holding/tenancy arrangement by age (%)**

	60 – 64	65 - 69	70 - 74	75 - 79	80 - 84	85+	Total
Owner occupied	27.9	36.0	28.5	31.6	30.8	32.0	28.9
Renting	17.6	19.7	17.7	18.6	19.6	17.8	17.9
Rent-free	21.9	18.5	21.0	20.9	19.3	19.2	21.4
Perching	12.9	10.2	12.5	10.3	9.3	11.5	12.5
Squatting	10.0	7.7	9.9	8.3	10.7	9.5	9.7
Other	9.7	7.9	10.3	10.4	10.3	9.9	9.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

**Source: Computed from 2010 Ghana PHC dataset**

More than half of all the age categories have large household sizes with 5 or more members but 10 percent of the elderly are the only members of their households (Table 5.38). Even among those 85 years or older, 10.8 percent live alone. This has implications for their access to provision of care regarding daily living activities. Some children of the elderly and/or their family have hired domestic workers and some depend on their networks to provide care for their aged parents/relatives<sup>181</sup>. This is a new type of occupation where the caregiver is not a house help or a nurse who has been trained to provide health care for a person in such need. The need for training such elder carers is urgent. There is also an important gendered dimension to living arrangements. Since women tend to outlive men, they are more likely to live alone and to experience isolation and loneliness. Secondly, because men are in better-remunerated occupations, they are more likely to own or rent houses than women who are more likely to live as dependents of other family members, which may lead to women being more burdened by care work in old age or, as a result of being dependent on others, vulnerable to accusations of witchcraft and other forms of abuse.

**Table 5.38: Size of households in which the elderly reside (%)**

Age	Household Size					Total
	1	2	3	4	5+	
60 – 64	10.4	10.9	10.7	11.0	57.0	100.0
65 – 69	9.4	10.5	11.0	11.6	57.6	100.0
70 – 74	10.3	11.0	10.8	11.4	56.4	100.0
75 – 79	11.1	11.4	10.8	10.5	56.2	100.0

179 Obiri-Yeboah, D.A. and Obiri-Yeboah, H. (2014) Ghana's Pension Reforms in Perspective: Can the Pension Benefits Provide a House a Real Need of the Retiree? *European Journal of Business Management*. 6 (22), pp. 121- 132.

180 Anning, A. (2012). *The Emerging Problems of the Aged in Ghana: Issues of Housing and Basic Care: A Case Study of some Selected Districts in the Ashanti Region*. Unpublished Thesis. Department of Planning, College of Architecture and Planning, Kwame Nkrumah University of Science and Technology.

181 Sackey, B.M. (2009). Family Networking and relationships in the Care of the Seriously Ill. In C. Oppong, P. Antwi and K. Waerness (Eds.), *Care of the Seriously Sick and Dying: Perspectives from Ghana*. Bergen: BRIC.

Age	Household Size					
	1	2	3	4	5+	Total
80 – 84	11.4	11.4	10.5	10.5	56.2	100.0
85+	10.8	10.8	10.4	10.7	57.3	100.0
All Ages	10.0	10.6	10.1	10.8	58.6	100.0

*Source: 2010 population and housing census*

## 5.19 ROLE OF THE MIDDLE CLASS IN THE TRANSFORMATION AGENDA

### 5.19.1 Origins of Ghana’s Middle Class

The concept of “middle class” is a multi-dimensional and robust one that encompasses, among other things, income, education, occupation, and participation in various civic activities including politics. By this definition, Ghana’s middle-class has been active in the country’s development at least since the years of colonialism. They were made up primarily of lawyers, civil servants, clergymen and merchants at a time when the colonial authorities practised what they called “indirect rule” – administering the colony through chiefs rather than the educated few, particularly the middle class.

Under this arrangement, the middle class and the chiefs inhabited their separate worlds under colonialism, seldom interacting with each other, until a land grab by the colonial authorities brought them together to fight a common enemy: the Queen of England. Angered by the Crown Lands Bill of 1896 and the Lands Bill of 1897, which sought to vest local lands in the queen at the expense of current and future generations, the two groups came together to form the Gold Coast Aborigines’ Rights Protection Society (ARPS) in 1897.

Among the founders and sympathisers of the ARPS were John Mensah-Sarbah, J.W. de Graft-Johnson, J.W. Sey, J.P. Brown and J.E. Casely-Hayford. Mensah-Sarbah, a British-trained lawyer, provided legal support for a delegation to London that forced the colonial authorities to rescind the Bill. Along with some of his contemporaries in 1904, he helped establish the Mfantshipim School in Cape Coast, with the motto, Dwin Hwe Kan (“Think Ahead” or “Be Visionary”). He and other lawyers would go on to use their legal knowledge to challenge some colonial laws that they found to be inimical to the interests of the Africans. For instance, they advocated pay parity between Africans and Europeans in the civil service, and also called for greater Africanisation of the civil service.

With the primary objective for its formation completed, the ARPS eventually faded out, but it is generally credited with organised resistance to colonial practices that eventually led to establishment of groups such as the National Congress of British West Africa (NCBWA), the United Gold Coast Convention (UGCC), and the Convention People’s Party (CPP), which agitated for independence. The leaders of these groups later participated in the leadership of the country, one way or another, before and after independence. By independence in 1957, the ranks of the middle class had expanded and their composition had also evolved to include more civil servants with higher education, teachers, lecturers, journalists, sports personalities, accountants, surveyors, engineers, architects as well as business men and women with various degrees of commercial and political influence.

### 5.19.2 African context of Ghana’s middle class

Recent research into the African middle class has sought to provide a more analytical basis for the identification and discussion of the middle class within the context of national development. One of the most notable studies, which included Ghana, was conducted by the African Development Bank in 2013. The study found that “strong economic growth in the past two decades has helped reduce poverty in Africa and increased the size of the middle class” – from 27.0 percent of the continent’s population in

1980 (126 million people) to 34.0 percent in 2010 (350 million people). The report, however, issued the following caveat:

*About 60% of Africa’s middle class, approximately 180 million people, remain barely out of the poor category. They are in a vulnerable position and face the constant possibility of dropping back into the poor category in the event of any exogenous shocks.*

To account for this vulnerability, the researchers divided the “middle class” into three categories of:

- i. the “floating class”,
- ii. the “lower middle class”, and
- iii. the “upper middle class”.

These were further grouped into middle classes “with floating classes” and those “without floating classes” (See Table 5.39). In this schema, those in the floating class earned a daily average income of US\$2.00-US\$4.00, indicating that they had barely escaped poverty and in fact ran the risk of falling back into it with the slightest disruptions to their source of livelihood, such as prolonged illness or a family emergency that drains their meagre resources.<sup>182</sup>

**Table 5.39: Overview of the Middle Class in Africa by Sub-Classes.**

Year	Floating class*	Lower-Middle**	Upper-Middle***	Middle Class without floating class		Middle Class with floating class	
	in thousands	in thousands	in thousands	in thousands	% of population	in thousands	% of population
1980	51,132	41,443	22,770	64,213	14.6	115,346	26.2
1990	73,591	53,425	30,512	83,937	14.4	157,529	27.0
2000	105,874	60,499	38,076	98,575	13.1	204,449	27.2
2010	198,739	83,189	44,735	127,924	13.4	326,664	34.3

Source: AfDB Statistics Department estimates.  
 \*Floating class (\$2-\$4), \*\* Lower-middle class (\$4-\$10), \*\*\* Upper-middle class (\$10-\$20).

The bookends to this spectrum of the African middle class were the “poor class”, who earned less than US\$ 2.00 a day, and the “rich class”, who earned more than US\$ 20.00. In addition to associating the middle class with growth in such things as automobiles and fixed broadband services, the research discussed the implications of the expansion of the middle class for the provision of housing, development of the mortgage market, and “human capital investment”, in terms of the “likelihood among the middle class to send their children to school.” It adds: “In countries where public schools are seen not to provide good education, private schools provide an alternative option, especially for the middle and upper classes.”

This observation, however, does not necessarily mean progress, and may in fact account for the deterioration of public school education, as the middle class, rather than help to strengthen the very public schools that made them have abandoned them in favour of private schools that the vast majority of their compatriots cannot afford. (This point is discussed further under “The Contemporary Ghanaian Middle Class”). Beyond its economic-materialistic view of the middle class, the ADB report also drew the following conclusion about the wider role that the African middle class has played, and can continue to play, in the continent’s development:

<sup>182</sup> At the time of the research, the international poverty line was US\$1.25, established by the World Bank in 2008. In 2015, the Bank revised it to US\$1.90 to account for differences in inflation around the world. The international poverty line is different from national poverty lines, which are computed by each country’s statistics authority and in the local currency.

*“The middle class is also helping to improve accountability in public services through more vocal demands for better services. The middle class is better educated, better informed and has greater awareness of human rights. It is the main source of the leadership and activism that create and operate many of the nongovernmental organizations that push for greater accountability and better governance in public affairs, a position that augurs well for creating a suitable environment for growth and development.”*

### **5.19.3 The Contemporary Ghanaian Middle Class**

Within the aggregates of the African middle class portrayed by the ADB resided the contemporary Ghanaian middle class, which was estimated to be 4.8 million in 2011 with a total daily consumption of between US\$ 18.4 million and US\$ 96 million at the time. A broader definition of the middle class is required that looks not just at their swelling ranks but also their changing composition, growing roles in national development, the shortcomings of those roles, and how best to address those shortcomings in the transformation agenda of the long-term plan.

A major component of the Ghanaian middle class has been variously described as the “business elite”, “business class”, and “nouveau riche”.<sup>183</sup> They came to prominence amidst the economic and social turmoil of the 1970s and 1980s, taking advantage of the shortage of essential commodities and the virtual collapse in governance to enrich themselves, with the connivance of the political leadership at the time. They became the face of kalabule, the hoarding and sale of goods above the stipulated official prices, and associated socio-economic ills.

This sub-class of the middle class did not necessarily have high levels of education – just the clout to feed off a dysfunctional system, with the active collaboration of the “political elite”, who were invariably well educated and who dispensed favours and patronage in exchange for bribes and other forms of material inducements. The middle class, therefore, “used the state to accumulate wealth for themselves, rather than to advance a genuine programme of national development.”<sup>184</sup>

The “lettered” segment of the middle class – educated but not in the public service, and working mostly in the professions, including teaching at universities – were among those most affected by this perverse redistribution of scarce state resources through patronage. Many of them, including an estimated 10,000 trained teachers, left the country in a silent revolution, but those who stayed on initiated a very vocal opposition to the economic and governance disintegration of the 1970s and early 1980s, culminating in the tortuous process that eventually returned the country to democracy in 1993. Working closely with them in this regard were various civil society organisations, including non-governmental organisations (NGOs), religious organisations and some journalists.

Four main components of the contemporary Ghanaian middle class emerge from this overview: (1) the business or entrepreneurial class, including managers of companies or the self-employed; (2) state elites, including public servants and elected or appointed officials; (3) professionals, and (4) those involved in a broad range of civic activities, including religious organisations; proprietors or managers of non-governmental organisations; political party executives; journalists; professional or business associations; and community-based organisations.

While data on the incomes of the Ghanaian middle class are not available, their overall expanding economic clout can be deduced from trends in the ownership of certain household assets over time. The

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<sup>183</sup> This section of the discussion is based partly on Luckman, R., et al., “The middle classes and their role in national development”, Centre for Democratic Development, Accra, Policy Brief

<sup>184</sup> Ibid.

significance of this growing clout cannot be over-emphasised due to its implications for the provision of certain services such as education, health, housing, transportation, and electricity not just for the middle class but for the general population.

Table 5.40 shows the marked increase in the ownership of some of these assets, which comes with rising household incomes as poverty declines and newly affluent consumers seek to bridge the gap between their material needs and their financial capabilities. Ownership of a “box iron,” for example, declined from 16.90 percent in 2005 to 12.2 percent in 2013, while that of an electric iron rose from 22.3 percent in 1998 to 29.3 percent in 2006 and then to 45.5 percent by 2013. Notably, between 2005 and 2013, ownership of an electric iron in rural areas more than doubled from 10.8 percent to 22.2 percent, in line with increased access to electricity. Ownership of similar assets, such as electric fans, food processors, freezers, microwave ovens, television sets, rice cookers, and toasters increased substantially between 1998 and 2013. (The rise in the share of air conditioner ownership may seem small – from 0.30 percent to 1.10 percent – but it represented growth of about 270.0 percent; for the Greater Accra Metropolitan Area (GAMA), the increase was 450.0 percent, from 0.8 percent to 3.6 percent).

**Table 5.40: Household Ownership of Selected Assets (%), 1998-2013.**

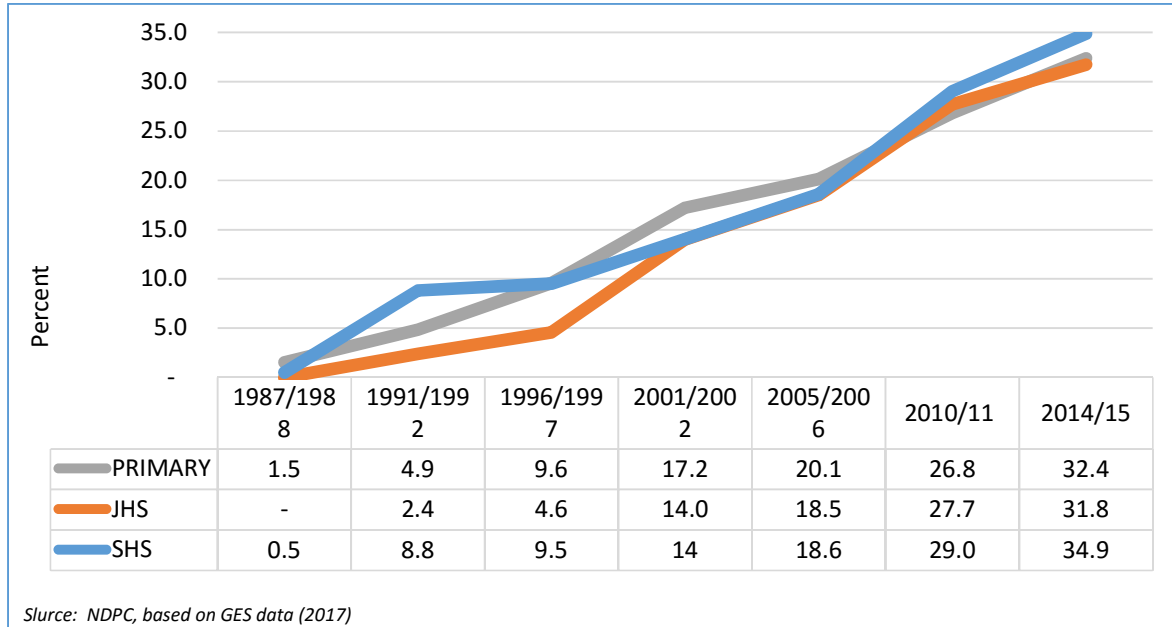
	GLSS 4 (1998-1999)	GLSS 5 (2005-2006)	GLSS 6 (2012-2013)
Air conditioner	0.30	0.40	1.10
Box iron		16.90	12.20
Car	2.20	3.30	4.90
Electric Iron	22.30	29.30	45.50
Fan	21.80	31.60	49.50
Food processor/blender		0.90	12.60
Freezer		5.20	7.00
Microwave		0.90	5.10
Mobile phone		19.70	80.30
Radio	13.70	49.90	50.60
Radio cassette	40.20	36.30	11.40
Refrigerator	15.20	20.50	33.10
Rice cooker	-	-	12.40
Satellite dish		0.10	7.70
Sewing machine	30.10	22.60	15.80
Stove (electric)		1.70	1.00
Stove (gas)		13.10	28.70
Stove (kerosene)		6.40	1.90
Television	21.40	33.30	57.20
Toaster			2.00
Washing machine	0.10	0.40	0.90

**Source: Ghana Statistical Service, 2015**

The electricity crises that have bedevilled the country since the mid-1990s can be partly explained by this rapid growth in electrical appliances without adequate generation of electricity for household, commercial and industrial use. As poverty falls and incomes rise, as expected under the long-term plan, and Ghana moves towards high-income status, policy and planning will have to take full account of the desire of the newly affluent along the middle-class spectrum and provide the necessary essential services, not just for that class but for the entire society, including those yet to escape poverty.

The effects of the growth of the middle class on public education has also been palpable, and of mixed blessings. Figure 5.46 shows trends in the private sector’s share in basic education facilities since 1987. At the three main levels – primary, JHS and SHS – they accounted for about one-third in 2014/2015, up from less than 2.0 percent each in 1987.

**Figure 5.46: Private Sector Share of Basic Education Facilities (1987-2015)**



Despite their increased numbers, the new private schools cater for only a small proportion of children of school-going age. For example, despite the near doubling of private-sector share of senior high school facilities from 18.6 percent in 2005/2006 to 34.9 percent in 2014/2015, its share of enrolment barely increased, from 7.15 percent to 8.83 percent. This means that government schools continue to carry the lion’s share of enrolment.

**Table 5.41: Public-Private Schools Shares of Enrolment (%), 2005-2014**

<b>Public-Private School Shares of Enrolment (%)</b>				
	<b>2005/06</b>		<b>2013/14</b>	
<b>Kindergarten</b>				
Public	77.03		75.42	
Private	22.97		24.58	
<b>Total</b>	<b>100.00</b>		<b>100.00</b>	
<b>Primary</b>				
Public	84.82		76.77	
Private	15.18		23.23	
<b>Total</b>	<b>100.00</b>		<b>100.00</b>	
<b>JHS</b>				
Public	85.43		79.95	
Private	14.57		20.05	
<b>Total</b>	<b>100.00</b>		<b>100.00</b>	
<b>SHS</b>				
	2005/06		2013/14	
Public	92.85		91.17	
Private	7.15		8.83	
<b>Total</b>	<b>100.00</b>		<b>100.00</b>	

Lack of investment in educational infrastructure and logistics in public schools over the years has led to over-crowding, a reduction in enrolment, and a consequent increase in the number of children of school-going age who are not attending school. Rather than invest in infrastructure to keep pace with the

growing demand for education, the state elites resorted to limiting access to public secondary schools, which remain the best, through contrived examinations. The following excerpts attest to this attempt to limit educational opportunities, a measure which invariably affected children from poor homes:<sup>185</sup>

***Education Sector Review Report (2002):***

A large majority of SSS students perform poorly in the Senior Secondary School Certificate Examination (SSSCE). There have been noticeable increases in the number of pupils obtaining Grade E and above in recent years, however the vast majority of candidates still obtain grade E or fail the SSSCE. For 1999, 2000 and 2001, 48% of candidates failed in Core Mathematics while 21% obtained Grade E. In English Language for those same years, 34% of candidates obtained Grade E, while 43% failed. There is a huge gap in the performance of the better endowed schools compared to the new and less well-known schools. For example, 26% of all candidates in Mathematics, nationally, had Grades A to D, compared to 82% from Presbyterian Secondary School (PRESEC, Legon).

There is a clear case for allowing the new schools located in rural deprived areas to complete the SSS in four years rather than three. The Education Reforms Review Committee of 1994 and the National Education Forum of 1999 both recommended the 4-Year SSS. Another option is to raise the entry BECE from Aggregates 6 – 30 to 6 – 20. This would reduce participation in the SSS to unacceptable levels.

***Education Sector Report (2004):***

In 2003, 61.6% of entrants nationally, attained an aggregate grade between 6 and 30, the level required to enable them to enter second cycle education; in 2004 this figure was 61.3%. The BECE examination is structured so as to ensure that approximately 60% each year gain this aggregate grade, and so little variation is to be expected.

These actions were confirmed by a committee later commissioned by the Ghana Education Service which found that “the norm referenced grading system with the percentage passes already fixed (also referred to as the ‘Stanine’ system) which was used in the BECE [was] the major cause of the inefficiencies” and sub-par performance observed by some educators at the secondary school level.<sup>186</sup> It may be concluded that children from poor households disproportionately bore the brunt of these exclusionary policies, widening the gap between the poor and the middle class and accentuating inequality.

Housing is another area where the progress of the middle class appears to have been at the expense of the larger population. Most senior civil servants, appointed or elected officials, heads of state-owned enterprises, and CEOs of private companies, are often provided free (or at least subsidised) housing. The sense of urgency needed to provide affordable housing for the general population is, therefore, hardly present in policy making. The few affordable housing projects, often aimed at civil servants and a few private sector salaried employees, have proven inadequate for the most part. In some instances, they have been bedevilled by allegations of corruption as members of the state elite share them among themselves, relatives and cronies in the middle class, even before they have been completed.

Hence, while residential accommodation for the high-end middle class and the rich has improved in both quantity and quality over the years, with the emergence of high-end gated communities, affordable housing remains beyond the reach of the vast majority of workers, with an estimated housing deficit of 3.6 million rooms in 2010, made up of 1.7 million and 1.9 million in urban and rural areas, respectively.

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185 This issue is extensively dealt with by Addae-Mensah, I., *Education in Ghana: A Tool for Social Mobility or Social Stratification?* (2000), J. B. Danquah Memorial Lectures, Ghana Academy of Arts and Sciences, Accra.

186. Mireku, K. *The BECE Grading System Committee Report: Implications for Minimum Educational Qualifications for Basic Education Certificate*, University College of Education, Winneba, Ghana (undated).



With the consequent rise in rents, and a punitive (informal and illegal) rental regime that requires as much as 2-3 years' advance payment from potential tenants, many workers have resorted to building their own houses in unplanned peri-urban communities. These communities seldom have the full complement of basic amenities such as electricity, water, sanitation, and public transportation, resulting in slums that fringe major cities and towns around the country. (It has been estimated that it takes on average about 20 years for an individual to complete a house in Ghana.)

In their study of the contemporary Ghanaian middle class, the Centre for Demographic Development-Ghana (CDD-Ghana) and the Overseas Development Institute (ODI) also took a critical look at "middle class leadership and broader public interests", focusing primarily on the role of the middle class in civil society organisations such as NGOs.

They acknowledged "middle class individuals and groups" that are "actively engaged in advocacy and building alliances across class boundaries", citing CDD-Ghana itself, Third World Network-Africa, the Centre for Policy Advocacy, the Institute for Economic Affairs, and the Tamale-based Institute for Policy Alternatives as examples. "However," they added, "nearly all are Accra-based and all are highly dependent on international donor funding".

The study identifies "gaps" between the ideals of middle class-led advocacy groups and the constituencies, often the poor, that they purport to represent; gaps between these groups and policy makers; and gaps "arising from the narrow social base, inadequate resources and weak technical capacity of most pro-poor advocacy groups".

The study concluded: middle class reformers have been active in pressing for a range of pro-poor changes. But huge gaps remain between their social equity agenda and their ability to secure tangible benefits for the poor and excluded....

To this conclusion may be added the poor state of governance among these middle class-led civil society organisations. Despite their repeated calls for democracy and openness in other institutions, most of these civil society organisations are highly autocratic in their administration, dominated, as they often are, by a few individuals who are the civic equivalent of "life presidents". Such personalisation of organisations that ostensibly stand for democracy and transparency may be identified as one of the causes of their overall weakness on the middle-class spectrum.

Their excessive dependence on external donors, many of them think tanks with ideological or other globalist objectives, also means that what these CSOs may consider priorities may be more in line with the priorities of their benefactors than those of national development. This exposes them – and the nation – to manipulation in a world where each country is struggling to pursue and protect its interest, in line with its national development goals.

#### **5.19.4 Policy Response**

##### ***Strategic Interventions***

- i. Education and other social services: The middle class should be more vocal and assertive in future advocacy for improvement in essential social services – in public education, health, housing and transportation – that would benefit all segments of Ghanaian society.
- ii. Democracy and governance: Various middle-class organisations have been instrumental in the processes that brought independence and democracy to Ghana. These efforts need to be intensified, with particular emphasis on promoting cohesion, tolerance across socio-economic groups, and minimising social friction.

- iii. Civil society organisations: Dialogue between various CSOs and policy makers needs to be intensified to narrow and possibly eliminate any gaps. At the same time, CSOs should engage with their constituencies more to ensure that they in fact represent their interests. This will call for less dependence on external donors and a greater search for domestic resources to support their work.
- iv. Social policy research: Social policy should be driven by increased research into income distribution across all socio-economic groups, in addition to strategies for poverty eradication, to support the formulation of fiscal policies that promote the kind of inclusive and equitable society envisioned under the long-term plan.
- v. Corruption and the middle class: Given their dominance in governance, in both the public and private sectors, the middle class may be held responsible for the scourge of corruption that has bedevilled Ghana's development since independence. Equally, it has the responsibility for leading the "war on corruption".
- vi. Middle-class values: The middle class should be judged by more than money, education, and influence; it can also serve as a medium for the development and propagation of positive values for development, including the following: honesty, integrity, respect for time, respect for the law, and professionalism in their work.

## 5.20 THE FUTURE OF WORK

The success of the long-term plan will to a large extent be measured by the number of jobs created by each successive government and, more importantly, the quality of those jobs: whether or not they offer decent wages to enable families afford the basic necessities of life and live happy and fulfilling lives. How workers perform their tasks to attain these objectives will be no less important, as changes in technology, production processes as well as industrial and social organisation would come together to transform the nature of work in the 21st century.

The interaction between technology and workers has been a source of anxiety, sometimes expressed in violent labour protests, since the industrial revolution of the 18th to 19th century, with the advent of mechanised production that initially supplemented but then eventually replaced the drudgery involved in manual labour.<sup>187</sup> Fears of massive unemployment as machines replaced humans proved to be unfounded, however, as economies underwent structural change and created more and better jobs instead; many of these jobs, such as manufacturing machines and maintaining them, would not have existed without the industrial revolution. The social fallout, such as the emergence of child labour, slums, poverty and rising inequality, were eventually dealt with, with various degrees of success, through progressive social policies.

### 5.20.1 Current Nature of Work in Ghana

The dominance of the informal sector in Ghana, accounting for nearly 90.0 percent, and within that petty trading (or "own-account" activities of all types by individuals without employees) means that the nature of work in Ghana has seen very little change for a long time. Indeed, in 1874, after visiting Accra, a correspondent of the Illustrated London News reported the following:

*The principal street of Accra is an amusing sight: Some effort appears to be made to keep it clean and the sales people sit upon little mats, or upon low stools which are used all over this country. They line both sides of the street, and expose for sale every sort of*

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187. The Luddites Movement, made up of artisanal textile weavers, was among the most vociferous opponents of automation in England's textile industry in the 19th century.

article prized by the natives, and the goods being contained in wooden trays everywhere in use here.

More than 140 years later, the following was reported by a media house in Accra: “AMA boss cautions hawkers against taking over walkways”, with the following story:

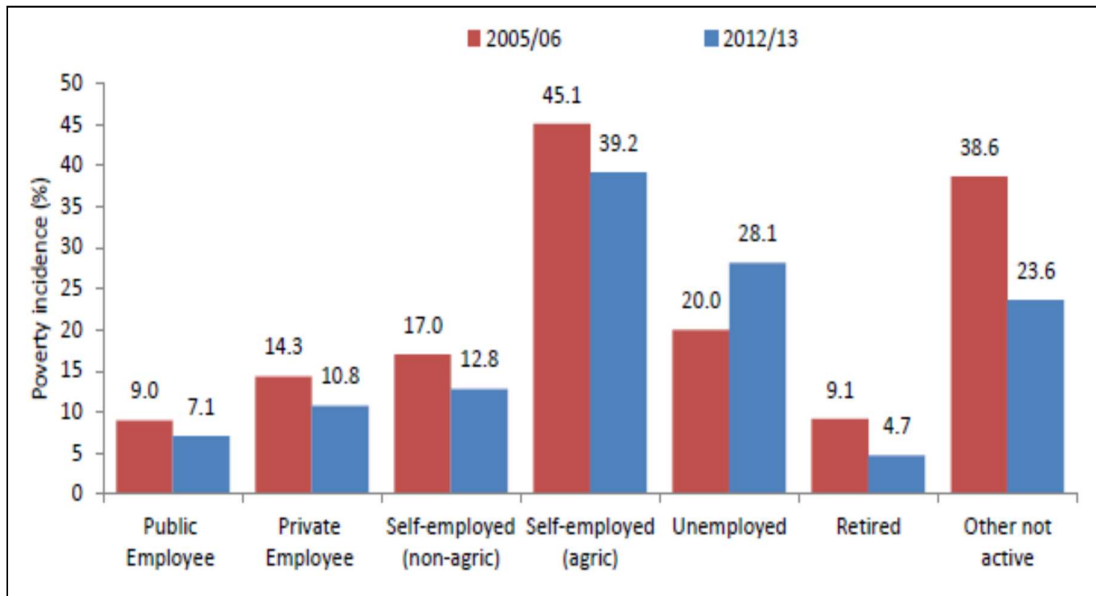
Mr Mohammed Adjei Sowah, the Accra Metropolitan Chief Executive (MCE), has cautioned traders not to display their wares on the streets and walkways in the Central Business District. According to him, selling on the streets posed a threat to the lives of the commuting public. He further advised the traders not to display their wares beyond the red line demarcation by the Accra Metropolitan Assembly (AMA).

Source: *Citifmonline.com*, 22<sup>nd</sup> April, 2017.

Not surprisingly, poverty is highest among workers in the informal sector (See Figure 5.47).

Informality also implies high degrees of decent work deficits, as evidenced in Table 33. For example, only 38.1 percent of workers had written contracts, with the remainder having either no contracts or only oral contracts, both of which leave them open to exploitation. Similarly, the majority were neither entitled to paid holidays nor sick or maternity leave.

**Figure 5.47: Incidence of Poverty by Employment Status (%), 2005-2013.**



**Table 5.42: Workers with contracts and other benefits (%), 2012/13.**

Currently employed population	Male	Female	Both sexes
<b>Signed written contract with employer</b>			
Yes, written	38.7	37.0	38.1
Yes, oral/verbal	38.0	38.2	38.1
No	23.3	24.7	23.8
Total	100.0	100.0	100.0
<b>Trade Union available at work place</b>			
Yes	30.1	26.5	28.9
No	69.9	73.5	71.1
Total	100.0	100.0	100.0
<b>Taxes already deducted from pay</b>			
Yes	30.1	22.0	26.1
No	69.9	78.0	73.9
Total	100.0	100.0	100.0
<b>Entitled to paid Holidays</b>			
Yes	40.8	37.3	39.6
No	59.2	62.7	60.4
Total	100.0	100.0	100.0
<b>Entitled to paid sick leave or maternity</b>			
Yes, sick leave	38.5	18.0	31.6
Yes, maternity	5.9	9.9	7.3
Yes, both	4.4	19.4	9.4
No	51.1	52.7	51.7
Total	100.0	100.0	100.0
<b>Receive any retirement pension</b>			
Yes	31.5	26.6	29.9
No	68.5	73.4	70.1
Total	100.0	100.0	100.0
<b>Entitled to any social security</b>			
Yes	30.5	26.3	29.1
No	69.5	73.7	70.9
Total	100.0	100.0	100.0
<b>Entitled to subsidized medical care</b>			
Yes	21.2	16.4	19.6
No	78.8	83.6	80.4
Total	100.0	100.0	100.0

The formal economy is made up primarily of workers in the public sector as well as medium-to-large firms, operating largely within the law and providing the kinds of legal and social protection, such as leave and sick leave that support decent work and are not found in the informal sector. Capital investment and technological sophistication in most of these firms, however, tend to be low, adversely affecting labour productivity, international competitiveness and job creation. In 2015-2016, for example, Ghana was ranked 95 out of 134 countries under the broad category of “Efficiency Enhancers” in the World Economic Forum’s Global Competitiveness Index Report. Under the category’s sub-classifications, it was ranked 96 in “Technological Readiness” and 104 in “Higher education and training”.

Contextual factors, such as weak infrastructure and a highly volatile macroeconomic environment, have also adversely affected the expansion of modern industrial activities and by extension the creation of more decent jobs. Not surprisingly, wage employment is unusually, at annual average of only 20.2 percent, compared to 8.6 percent in rural areas

**Table 5:43: Workers by Employment Type (%), 2012/2013.**

	Urban			Rural			Ghana		
	Male	Female	All	Male	Female	All	Male	Female	All
<b>Wage employment</b>	47.5	19.1	32.5	12.9	4.5	8.6	29.5	11.7	20.2
<b>Self-employed with employees</b>									
Non-agricultural	7.5	7.3	7.4	1.8	1.5	1.7	4.5	4.4	4.4
Agricultural	1.9	1.3	1.6	2.7	1.1	1.9	2.3	1.2	1.7
<b>Self-employed without employees</b>									
Non-agricultural	15.8	44.5	30.9	7.2	18.2	12.8	11.3	31.2	21.8
Agricultural	10.8	8.3	9.5	48.7	30.1	39.1	30.5	19.3	24.7
<b>Contributing family worker</b>									
Non-agricultural	3.2	6	4.6	1.4	3.1	2.3	2.2	4.5	3.4
Agricultural	6.1	7.7	7	21.5	38.4	30.2	14.2	23.3	18.9
<b>Domestic employee</b>	0.4	0.3	0.4	0.1	0.2	0.1	0.3	0.2	0.2
<b>Apprentice</b>	3.1	1.4	2.2	2.5	1.1	1.8	2.8	1.3	2
<b>Casual worker</b>	3.4	4	3.7	1.2	1.7	1.5	2.3	2.8	2.6
<b>Other</b>	0.3	0.1	0.2	0	0.1	0	0.1	0.1	0.1
<b>All</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### 5.20.2 Evolution of Industrial Revolutions

With the current rapid changes in technology, especially information and communication technology, and their potentially disruptive impact on employment and work, these anxieties are being revived, and governments, researchers, and international development organisations have responded by initiating discussions around what some describe as the “Fourth Industrial Revolution” and how to prepare for it.

The First Industrial Revolution was primarily characterised by the use of water and steam to mechanise production, while the Second Industrial Revolution was driven by electric power and fossil fuels, leading to mass production, mass distribution and mass consumption on a previously unprecedented scale. The Third Industrial Revolution revolved around “miniaturisation” of the previously bulky technologies of the Second Revolution through electronics, information and communication technology, and automated production. The Fourth, also known as the “digital revolution”, improved on the third by expanding its scope and increasing its speed.

While the previous revolutions focused almost entirely on the production end of the economy, the Fourth Industrial Revolution has gone beyond production to encompass management, marketing, logistics, retailing, and even governance. Its effects are being felt in all sectors ranging from agriculture (e.g., precision farming) to industry (e.g., digital manufacturing) to services (e.g., e-commerce and e-government). The Fourth Industrial Revolution has been characterised by speed that is said to be more “exponential rather than [the] linear pace” of the previous revolutions.<sup>188</sup>

In Ghana, for example, whereas in the past it took years for a business or a home to get a land line telephone installed, it is now possible for an individual to get a telephone service almost instantaneously, due to the advent of mobile telephony. Also, mobile money transactions in Ghana grew by over 13,000 percent, from GH¢594.12 million to GH¢78.508 billion, between 2012 and 2016, an annual average growth of 2,600 percent. This was made up of 8,313,283 active mobile money users in 2016, up from 345,434 in 2012, with transaction volume of 550,218,427, compared to 18,042,241. These figures are expected to rise exponentially in the next 5 years and peak thereafter. With Telcos paying interest to customers on mobile money balances and offering innovative services like life insurance, the survival of

188 Schwab, Klaus, “The Fourth Industrial Revolution: What it means, how to respond”, (www.weforum.org), 2017.

traditional banks is at risk, and they may be largely extinct in the next 15-20 years, suffering the same fate as “Comm Centres”, which died out as mobile phones became affordable and commonplace and apps like WhatsApp made it possible to send documents directly without faxing.

### **5.20.3 Preparing for the Future of Work**

In 2015, the International Labour Organisation (ILO) launched a Future of Work Initiative to stimulate global discussions on the issue. Under the Initiative, member countries are to “address the implications of transformational change in the work and mitigate issues of inequality, poverty, unemployment and under-employment, and large-scale exclusion” around the following themes:

- Work and society
- Decent jobs for all
- Organisation of work and production
- Governance of work

The compiled country reports are expected to form the basis for a global report in 2018 on the Future of Work. Besides government-led national dialogues, private think tanks, academic institutions and individuals are undertaking research that can contribute greatly to how a country anticipates and plans for the Future of Work. (In May 2016, a preliminary forum was organised by the ILO and the government of Ghana in Accra on the Future of Work as part of the UN agency’s global consultations.)

### **5.20.4 Technological Upheavals of the Future**

The nature of work in the 21st century will invariably be transformed by technology, for better or for worse, depending on a country’s state of preparedness. Indeed, that transformation, for countries, like Ghana, has already begun and will almost certainly intensify in the years and decades to come. Preparedness, thus, becomes the watchword for public policy, now and in the future.

For instance, given the rapid growth of mobile money transactions, which now include interest on customers’ outstanding balances and an assortment of financial services, traditional banking in Ghana may all but disappear in the next 10-15 years, as consumers increasingly bank, shop and make payments of all sorts from the comfort of their homes or work places; front office banking staff will become redundant and most mid-to-high level banking professionals may have to transition to investment banking and other financial services, which will emerge to replace traditional banking, or move into other sectors altogether. Retailing would gradually move to mobile platforms (in addition to malls), threatening traditional markets and petty trading as sources of livelihoods.

Such disruptions, with various degrees of intensity, are to be expected across all aspects of the Ghanaian economy and society – from producers to consumers and the state. Gaining a greater understanding of the technologies that will instigate these changes and preparing for them accordingly will be critical not only for creating new types of work to replace disappearing ones but also facilitate the formulation of policies to support the “victims” of these technological changes as well as strengthen Ghana’s international competitiveness.

The following five technological changes, which will drive the Fourth Industrial Revolution, will play a critical role in the transformation of work in the 21st century as well as the way Ghanaians would live, commute, shop, interact with each other, and undertake countless other tasks in their economic, social and civic lives.

- Nth Generation mobile telephony
- Artificial Intelligence
- Robotics

- Autonomous vehicles
- 3D printing

***Nth-generation mobile telephony:*** There is virtually no end to the generations of mobile telephony beyond the current 4th generation. Improvements in this technology, which has already shrunk physical space within and across nations in a way that would have been unimaginable only 25 years ago, will continue in terms of speed, portability, and sophistication. Faster and reliable mobile telephony will provide further boost to e-commerce, for example, with possible job losses in traditional retailing, but an increase in new jobs made possible by these changes.

***Artificial Intelligence:*** These are automated devices (or machines) with the ability to assess their environment, including speech recognition, and act the way human beings may act. They are deemed to pose a threat to employment, while offering opportunities in terms of complementing manual work. The likely benefits include improved efficiency or minimised risks to workers.

***Robotics:*** Used primarily in various industrial activities to either offset labour shortages or high labour costs, robots are increasingly moving from the factory floor to homes, serving, among other things, as cleaners. In the factory, they also offer efficiency and precision that may not always be found in manual work.

***Autonomous vehicles:*** The name of these self-driving vehicles are a reminder of the name “automobile”, which replaced their manually operated predecessor horse-and-buggies. The extent of their “disruption” on transportation, both commercial and private, remains largely unknown, beyond limited trials in some countries.

***3D Printing:*** Viewed as the main driver of the production aspect of the Fourth Industrial Revolution, 3D printing is already being used to manufacture, on a small scale, everything from surgical instruments to automobile parts. Concerns, however, over governance, such as intellectual property, as well as the environmental impact of 3D printers, including toxic emissions, have slowed its growth but not completely halted it.

### 5.20.5 Policy Response

#### ***Strategic Interventions***

Building an agile economy: While at the broadest level Ghana will seek to build an industrialised, inclusive and resilient economy, at the basic and structural level policy must aim at building an agile economy that responds to rapid changes in the world while creating ample employment opportunities and supporting social development. A key feature of such an economy would be the following:

- Multi-shift 24-hour economy with 6/8-hour work days: Most of Ghana’s current economy is one-shift (8:00am to 5:00pm), with few firms, mostly in the industrial sector (such as mining and large-scale manufacturing), producing around the clock in three shifts of 8 hours each. The dominance of the one-shift system limits job creation and is one of the reasons why the unemployment rate remains very high, and will remain so, unless fundamental reforms are undertaken to create a multi-shift economy with work culture to match.

Policy must promote this multi-shift economy, especially in sectors with the potential to serve both domestic and international clients around the clock. Besides the industrial sector, this would include sub-sectors in the knowledge economy, such as design and printing, ICT services of all kinds (including call centres), education services, and engineering. A conventional 3-shift system

will result in three 8-hour shifts (for a total of 24 hours), while an innovative 4-shift system will create four 6-hour shifts for the same number of hours. Both systems imply increased labour productivity and a corresponding increase in labour compensation. A social wage system, however, will be required to sustain it.

- **Social Wage:** While some countries consider “basic income” as a tool for dealing with any employment dislocations that the economy of the future would create, Ghana already has various social protection systems, such as the School Feeding Programme and the Livelihood Empowerment Against Poverty (LEAP), that it can build on into a well-established social wage system. Besides fighting poverty, reducing inequality and fostering social development, a social wage will also contribute to the stability between labour and management needed for successful industrialisation.

The four key elements of social wage are:

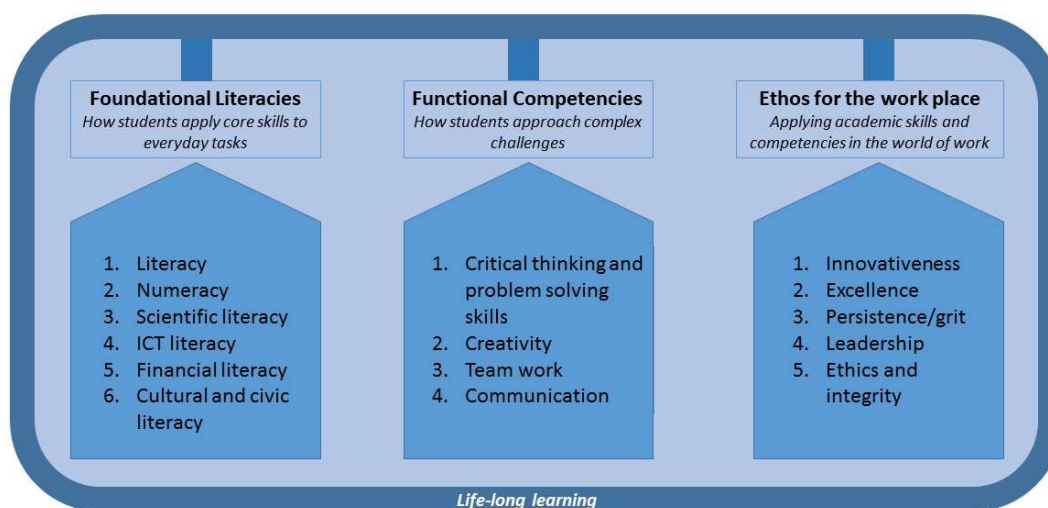
- High-quality basic education:** High quality, affordable and accessible basic education (from KG to SHS) is critical to the establishment of an effective and viable social wage. Under this scheme, secondary education would be the minimum level for every Ghanaian child, and efforts would also be made to expand opportunities for high-quality tertiary education, including technical and vocational training.
- High-quality health services:** This would entail universal access to efficient and reliable health services, with emphasis on public health, to be supplemented with an effective Food and Nutrition Security Policy.
- Efficient public transport system:** This would entail affordable, reliable and accessible public transportation, with particular attention to the disabled, children and the aged. It will reduce the share of wages spent by workers on transportation, facilitate punctuality and predictability in commuting, and help reduce “geographical unemployment” by reducing the cost of job search and facilitating cost-effective travel by workers.
- Affordable housing:** Policy should aim initially at addressing the current housing deficit and revoking punitive rental laws, followed by the promotion of home ownership, especially among young workers in both the public and private sectors, through the simultaneous development of the mortgage and housing sectors (See Chapter on Housing).
- Dynamic Labour Markets:** Conduct more frequent labour market surveys to provide up-to-date information to policy makers on both current developments and potential future trends in the labour market. These surveys should reflect structural changes in the economy and their implications for employment, earnings, and the general welfare of workers. The surveys should initially be of 6-month intervals, with the objective of reducing them to monthly intervals by the 12th year of the long-term plan. This should provide up-to-date information of policy making.
- Education and Skills for the 21st Century:** The current educational system in Ghana is unduly restrictive, destroying talent and creativity, especially at the basic education levels, and at the tertiary level oftentimes forcing students into programmes of study that they have no interest but they must accept because they represent the only opportunities for tertiary education. These restrictions in part have resulted from the prolonged period of under-investment in education and an archaic academic culture that somehow sees student suffering or frustration as virtue. These practices must end if Ghana is to thrive in the 21st century.

Figure 5.58 outlines the basic elements of a future educational system needed to support a 21st century labour force while promoting life-long learning. At the base of all education, including technical and vocational training, should be the six foundational literacies. This will be critical for retraining and re-skilling as technology leads to rapid changes in the labour markets and works endeavour to keep pace. Functional literacy will be critical to building efficient systems and effective institutions that respond to



the needs of the public or their customers in time and satisfactorily. Ethos for the workplace would be the “mortar” that will hold everything together in the future work place.

**Figure 5.58: 21st Century skills and values for Ghanaian students and workers.**



Source: World Economic Forum, 2016 (modified by NDPC for the LTNDP)

### 5.20.6 Creating Employment into the Future

Between the launch of the Plan and the anticipated changes in the future of work, government will have to pursue creative and aggressive policies to generate enough employment opportunities, especially for the youth. This, among other things, will require a re-evaluation of popular but ineffective strategies for job creation in agriculture, and the demand, supply, and institutional dimensions of job creation.

#### ***Limits of Agriculture as a Source of Employment***

The notion of using primary agriculture, especially food and cash crop farming, as a means of creating employment, particularly for the youth, has a long history in Ghanaian governance, dating back to the Workers Brigade of the 1960s through Operation Feed Yourself to more recent and varied schemes of Youth in Agriculture. The nature of agriculture, however, is such that it sheds jobs as it becomes more efficient and labour productivity rises. For example, when one worker can produce the equivalent of 10 workers, the remaining nine workers effectively become redundant. This principle accounts for the steady decline in agriculture as a share of both employment and GDP in industrialised economies, although they agriculture output per worker is far higher than it is in a county country, with a high level of agricultural employment.

The current paradox where agriculture accounts for over 40.0 percent of workers and yet there are labour shortages in several farming communities is a reflection of the low productivity of agriculture, which translates into low farmer incomes. With these low incomes, farmers are unable to pay young unemployed people enough to dissuade them from going to the cities, where wages are higher and stable throughout the year.

In the immediate term, agro-processing and other manufacturing sectors, such as pharmaceuticals, provide the greatest potential for addressing youth unemployment; agricultural policy should focus on raising productivity and farmer incomes, not creating employment.

Figure 5.49: A Schema for Job Creation



Figure 5.49 summarises the overall policy processes by which adequate number of jobs and decent work would be created under the long-term plan. The demand for labour by firms will primarily depend on the pace and quality of growth. A study conducted for the Commission found that agriculture and the financial sectors had the lowest job-intensity of growth (as stated above, agriculture actually sheds jobs as labour productivity in the sector rises; in the financial sector, automation has steadily reduced the need for labour, except at the senior staff level). The greatest source of employment generation in the short to medium term include agro-processing (along with other forms of light manufacturing) along with relatively untapped areas like landscaping (which has the combined advantage of creating temporary and permanent jobs while beautifying and sustaining the environment).

Labour supply will be a function of education and skills development. In this regard, as noted in the preceding section, education must focus on providing foundational and functional literacies that do not only raise productivity ultimately in Ghana but also provide workers with creative thinking and problem solving skills once they enter the labour market. Efforts must also be made to distinguish between hard skills (mostly applied knowledge, such as carpentry and computer programming) and “soft” skill, which revolve around intangibles like respect for time, honesty, integrity, and the pursuit of excellence.

Lastly, government must create the right conditions for all these factors to come together for the mutual benefit of employers and employees alike, by enacting appropriate labour laws that respect the rights, health and safety of workers, while equally respecting the interests of firms.

## **5.21 MIGRATION AND DEVELOPMENT**

Until recently, migration has been managed only from the immigration and security point of view with little emphasis on its importance for national development. This section of the plan reviews trends, patterns and new approaches to migration and development, followed by strategies for maximising the benefits of migration within the context of the long-term plan.

### **5.21.1 Labour Migration: Brain Drain, Brain Gain and Brain Waste**

The emigration of highly skilled Ghanaians in the 1960s and 70s as well as the late 1980s and 1990s led to massive brain drain, especially in the health and education sectors. An estimated 56 per cent of doctors and 24 per cent of nurses and more than 60 per cent of faculty positions at Polytechnics and 40 per cent at public universities (National Migration Policy, 2014) emigrated to other countries due to unfavourable political, economic and working environments, leading to falling educational and health outcomes. In some cases, these skilled emigrants accept sub-standard jobs for their upkeep leading to brain waste or underemployment; Ghanaian emigrants who return home contribute to development in various ways. Portability of social security benefits however continues to be a problem, forcing Ghanaian professionals who would have considered returning home earlier to wait until retirement for fear of losing their social security benefits.

### **5.21.2 Irregular Migration**

#### ***Migration of Unskilled Youth***

Unskilled youth migrate from Ghana through the very dangerous trans-Saharan migratory route to Europe often perishing in the Sahara Desert or the Mediterranean. As undocumented migrants, they are left at the mercy of unscrupulous employers without adequate access to social services and social protection, and subject to mass deportations. Female migrants are particularly subject to exploitation and abuse.

The objective to be pursued include preventing/reducing the incidence of irregular migration; promoting inclusive socio-economic development to minimise the need for irregular migration, increasing public awareness about the dangers of irregular migration to promote informed migration decision making, creating preventive measures against irregular migration, promoting regional and international policy dialogue on irregular migration, promoting safe migration opportunities for unskilled would be migrants; and establishing efficient and effective return and reintegration structures to extend counselling services to people who are deported or repatriated to Ghana.

#### ***Human Trafficking and Human Smuggling***

Ghana has also been recognized as country of origin, transit, and destination of victims of trafficking. Child trafficking is especially prevalent in the Central, Western and Volta Regions, with fishing communities as destinations. Migrant smuggling, which involves seeking assistance from agents/smugglers is usually employed by irregular migrants to enter host countries illegally. Ghana has ratified the Protocol Against the Smuggling of Migrants by Land, Sea and Air, and enacted an anti-smuggling law, the Immigration (Amendment) Act, 2012 (Act 848).

### **5.21.3 Border Management**

There is increasing in-migration from the sub-region due to political stability and economic opportunities. Ghana's borders, however, are porous and prone to irregular migration, such as human trafficking, smuggling and potential security threats. Ghana's border management system is also weak and

characterised by inadequate collaboration among security agencies within and across borders. The Immigration Service Act, 1989 (PNDCL 226) and the Immigration Act, 2000 (Act 573) which is the regulatory framework for monitoring the entry, residence, employment and the exit of foreigners in Ghana does not have the subsidiary legislation or operational guidelines for its implementation.

#### **5.21.4 Refugees and Asylum-Seekers**

Ghana has a history of receiving refugees and asylum seekers in the sub-region because of its relative political stability and has hosted large volumes of refugees from Liberia, Sierra Leone, Togo and Côte d'Ivoire in the past. It is currently estimated that 19,443 refugees are in Ghana from La Côte d'Ivoire (9,300), Liberia (5,300), Togo (3,689) and other countries (1,154). In spite of this history as a receiving country for both refugees and asylum seekers for many years, Ghana has no clear policy framework, nor the institutional capacity for managing refugees and asylum seekers and has been relying largely on the UNHCR to manage refugee situations.

#### **5.21.5 Diaspora and Resource Transfers**

Ghanaian migrants are found in more than 33 countries (IOM, 2009). The Ministry of Foreign Affairs and Regional Integration, estimated that there are 311,836 Ghanaians resident abroad with 268 associations, registered by 42 out of the 54 missions abroad in all regions of the world. An increasing number of students who are leaving the country to study on scholarship but opt to stay abroad rather than risk unemployment at home are increasingly becoming part of the Ghanaian diaspora. Migrant remittances, running into hundreds of millions of dollars annually, help the country in three ways: (1) by contributing to international reserves, (2) contributing to the construction sector, as most remittances are for home construction, and (3) household income. Countries with well-constituted diaspora engagements benefit from migrant resources beyond money to include social networks, technology, and skills transfers.

#### ***Enabling Environment for Diaspora Engagement***

Creating the enabling environment for diaspora transfer resources should include promotion of diaspora-homeland relationships, including cultural exchanges with second and third generation Ghanaian diaspora and linkages between them and the youth in Ghana; minimizing distrust between the diaspora and Government through reciprocal rights and obligations, including extension of citizenship and voting rights –and in this regard, reviewing the ROPAL to make it possible for the Ghanaian diaspora to participate in elections through Ghana missions abroad.

#### ***Remittances***

A regulatory framework should be developed to facilitate mobilization of remittances, reduce the cost of remittance transfers; promote financial literacy among emigrants and develop financial products for diaspora investments.

#### ***Skills and Technology Transfer***

Promoting engagement with transnational networks to facilitate skills and technology transfer for development will require creating a database and skills bank of all Ghanaian emigrants, developing a legal framework to protect the intellectual property rights and patents of investors to boost diaspora investor confidence in the country; facilitating the circulation and (or) transfer of competencies, expertise and experiences from the Ghanaian Diaspora, sensitizing and equipping the skills sector in Ghana to maximize benefits from transnational skills transfers, creating opportunities for engagement with emigrants, such

as online platforms and diplomatic missions, developing a framework to engage Ghanaian diaspora professionals to offer short-term pro bono professional services in Ghana.

### ***Return, Readmission, and Reintegration of Ghanaian Emigrants***

The objective is to facilitate the return, readmission, and reintegration of Ghanaian emigrants. Strategies include establishing a specific agency to coordinate the readmission and reintegration of Ghanaian returnees; developing a framework/policy on the return, readmission, and reintegration of Ghanaian emigrants; strengthening government capacity to manage return migration, developing return migration programmes to include preparation prior to return to equip potential returnees with information on resettlement and socio-economic opportunities including jobs in Ghana; assisting returning migrants with re-engagement in their sector of work; creating bi-lateral and multi-lateral partnerships on migrant return and reintegration; Developing guidelines for the evacuation of Ghanaian nationals abroad, during situations of political crisis, deportation or natural disaster; Offering rehabilitation services to forced returnees, including counselling services to people who are deported or repatriated to Ghana.

### **5.21.6 Interests, Rights, Security and Welfare of Citizens and Migrants**

The influx of migrants into countries can create potential tensions which can lead to xenophobia and human rights abuses. Ghana has had its fair share of tensions between migrants and host populations. These include movement of Fulani herdsmen from the Sahelian region in search of pasture during dry seasons leaving in their wake, destruction of farms, participation of foreigners in retail trade and illegal mining activities which have led to tensions and conflicts with local populations. The well-being of trafficked women and children migrant domestic workers, refugees and asylum seekers as well as stateless persons calls for more concerted efforts to promote and protect the interests, rights, security and welfare of citizens and migrants within Ghana in accordance with international norms and conventions as well as local development interests.

### ***Migration Management***

Migration Management in Ghana is fragmented with the dominance of the immigration control paradigm, with security as its utmost objective. The absence of a national migration policy until recently meant that there was no holistic migration agenda, with insufficient attention to some dimensions of migration, policy gaps, lack of coherence between the migration and other policies, incoherent institutional and legal structures, and insufficient evidence base for migration management.

### ***Migration Data and Information Management Systems***

There is however insufficient and accurate data on migration. The last comprehensive migration survey in Ghana was 1994. Data is needed for instance on the number of Ghanaian emigrants, international migration flows, migrant profiles, labour migration, remittances, irregular migration, and displacement. Migration data is currently scattered in various institutions without a converging point, inadequately shared and disseminated, collected in formats incompatible with the needs of potential users with disparities in the definition of migration variables among others.

### **5.21.7 Internal Migration: Rural-Urban Migration and Internal Displacements**

#### ***Rural-Urban Migration***

Rural-urban migration is a coping strategy by disadvantaged populations in the face of uneven spatial development with deficits in employment, social services and infrastructure in sending areas. While

migrants from rural and poor communities may send remittances back to their communities to alleviate poverty, sending communities may suffer from food insecurity (ageing of farmers due for instance to the abandonment of agriculture by the youth in favour of urban life and other forms of employment), social care deficits especially with regard to women migrating and leaving families behind, affecting the education and well-being of children among others. Properly planned and managed urban settlements are engines of growth. Rapid and unplanned urbanization however puts pressure on social services and infrastructure, leads to uncontrolled urban sprawls and slums, environmental deterioration, unemployment, poverty, weak urban governance, capacities and resources instead of aiding economic growth (cf. urban policy; urban management – development of slums in Ghana).

### ***Internal Displacements***

Internal displacements are due to conflicts, natural disasters and large scale development projects among others. Ghana has experienced natural disasters in the form of flooding, pest and insect infestations, earth tremors and landslides that have resulted in displacement of populations in different parts of the country. The three northern regions in particular have been prone to the recurrence of annual flooding especially whenever the Bagri Dam in Burkina Faso is opened. In September 2010, over 121,000 people in 26 districts in the three northern regions, comprising the Northern, Upper East and Upper West, were displaced by floods. Ghana has also experienced ethnic conflicts such as the Nanumba (1980), Gonja and Vagla (1984), Konkomba and Bimoba (1990), and Nawuri and Gonja (1991) and in the recent past, the Mamprusi-Kusasi conflict and Andani - Abudu chieftaincy conflict in Bawku. These conflicts are largely fuelled by the struggle for land resources and chieftaincy, weak early warning systems; weak crisis and emergency management capacity; inadequate strategic stocks for emergency response or relief, and administration for disaster victims, especially flood affected communities; and lack of logistics for effective and efficient hazard monitoring and supervision to anticipate emergencies in order to adequately prepare to respond to them.

## **5.22 OBJECTIVES AND INDICATIVE STRATEGIES FOR ATTAINING GOAL TWO**

### **5.22.1 Poverty and Inequality**

#### ***Strategic Objective 1: Eliminate extreme poverty and reduce income and spatial inequality***

##### **Indicative strategies:**

1. Ensure implementation of inclusive and employment-generating growth policies.
2. Expand infrastructural development to support poverty reduction.
3. Promote alternative livelihoods in rural areas, including non-farm income-generating activities.
4. Accelerate agricultural transformation through the application of science, technology and innovation.
5. Increase investment in education and health, particularly in rural areas.
6. Ensure balanced allocation of national resources across ecological zones, gender, income and socio-economic groups, including PWDs.
7. Provide equal opportunities for social and economic development geographically and among social groups.
8. Accelerate the establishment of development authorities for all special development zones.

### **5.22.2 Gender Equality and Women's Empowerment**

#### ***Strategic Objective 2: Achieve gender equality and empower all women and girls***

##### **Indicative strategies:**

1. Strengthen institutional mechanisms for gender integration and mainstreaming in development decision making at all levels.
2. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and empowerment of all women and girls at all levels and end all forms of discrimination against all women and girls in Ghana.
3. Implement reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources.
4. Enhance the use of technology, particularly information and communications technology, to promote the empowerment of women.
5. Promote greater accountability for gender equality from policy makers at all levels.
6. Ensure effective monitoring and evaluation of the goals and targets for gender equality at all levels.
7. Sustain advocacy for gender equality at all levels of decision making.
8. Ensure women's full participation and equal opportunities in leadership at all levels of decision making in political, economic and public life.

### **5.22.3 Social Protection**

#### ***Strategic Objective 3: Ensure the well-being and participation of the vulnerable and excluded in national development***

##### **Indicative strategies**

1. Expand social protection interventions to reach all categories of vulnerable children.
2. Establish the Ghana Social Protection Floor.
3. Strengthen and progressively expand existing social protection interventions to cover all vulnerable groups.
4. Ensure implementation of institutional arrangements for the implementation of the National Social Protection Policy.
5. Consolidate and harmonise the existing fragmented social intervention programmes under a national social protection agency.
6. Ensure adequate budgetary allocation and early release of funds for social protection interventions.

### **5.22.4 Education**

#### **Pre-tertiary Education**

#### ***Strategic Objective 4: Build high-quality, equitable and inclusive pre-tertiary education system and promote lifelong learning opportunities for all***

#### **Indicative strategies**

1. Ensure provision of educational facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.
2. Implement educational reforms to enhance the relevance of curricula to national development.
3. Ensure that all children have equitable opportunities to access schooling.
4. Promote effective linkages between management processes and schools with a view to enhancing internal school management processes for efficient delivery of education services.
5. Improve teaching and learning environments to increase learning achievement and better schooling outcomes.
6. Provide predictable financing to support education objectives and outcomes.
7. Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet to facilitate teaching, learning and research.

#### **5.22.5 Tertiary Education**

##### ***Strategic Objective 5: Develop industry-relevant, globally competitive and inclusive tertiary education system***

#### **Indicative strategies**

1. Develop sustainable strategies for financing infrastructure in public tertiary institutions.
2. Strengthen the linkage between industry and tertiary education.
3. Implement measures to attract students into science courses.
4. Ensure provision of adequate and timely financing for quality tertiary education.
5. Increase and expand financial support to brilliant but needy students.
6. Establish a fund to support research by both private and public tertiary institutions.

#### **5.22.6 Health and Health Services**

##### ***Strategic Objective 6: Ensure healthy lives and promote well-being for all ages***

#### **Indicative strategies**

1. Ensure provision of sustainable, equitable and easily accessible healthcare services, including mental health.
2. Improve and expand infrastructure for healthcare delivery at all levels.
3. Adopt measures to enhance efficiency and effectiveness of health service delivery, including the use of ICT.
4. Strengthen capacity of the health sector to reduce morbidity, mortality and disability.
5. Ensure universal, sustainable and affordable health care financing.
6. Integrate traditional medicine into national health service delivery.
7. Prioritise public health as a key strategy for promoting healthy lives and reducing the burden on health systems.

#### **5.22.7 Housing, Water and sanitation**

##### ***Strategic Objective 7: Ensure access to improved water and sanitation***

#### **Indicative strategies**



1. Promote universal access to housing, water and sanitation.
2. Strengthen institutional support and empowerment of sub-sector agencies and MMDAs.
3. Support and strengthen the participation of local communities in improving water and sanitation management.
4. Promote effective land use and spatial planning to facility water supply.
5. Enhance investment and innovative financing mechanisms.
6. Promote appropriate environmental sustainability measures and enforce local bye-laws on environmental sanitation and hygiene.

#### **5.22.8 Food and nutrition Security**

***Strategic Objective 8: Attain and sustain food and nutritional security throughout Ghana***

##### **Indicative strategies**

1. Promote sustainable nutrition-sensitive food production systems.
2. Ensure the development of sustainable food maintenance systems.
3. Promote lifestyles and food consumption systems that control overweight, obesity and diet-related non-communicable diseases.
4. Implement programmes to adequately address the nutritional needs of adolescent girls, pregnant and lactating women and the elderly.
5. Promote nutrition security.
6. Promote nutrition education in health care centres and schools.
7. Improve food safety standards.

#### **5.22.9 Sports and Recreation**

***Strategic Objective 9: Restore Ghana's eminence in international sports of all kinds, while promoting both sports and recreation for personal and national development.***

##### **Indicative strategies**

1. Provide visionary and dynamic leadership in all sporting disciplines.
2. Increase and maintain quality sports and recreation facilities throughout the country.
3. Finance all sporting disciplines equitably.
4. Promote traditional sports and recreation activities.
5. Encourage the participation by Ghanaians of all ages in sports and recreation.
6. Restore Ghana's pre-eminence in international sports and athletics.
7. Support persons with disabilities to participate in sports and recreation as a means of integrating them into the process of social and economic development.

#### **5.22.10 Child and family welfare**

***Strategic Objective 10: Achieve integrated child development and improved family welfare***

##### **Indicative strategies**

1. Promote effective coordination of child protection and family welfare systems at all levels.
2. Ensure strict enforcement of laws on child labour and trafficking.

3. Enhance the technical and financial resources for child protection and welfare at all levels.
4. Promote effective coordination of child protection and family welfare systems at all levels.
5. Strengthen the capacity of correctional facilities to effectively execute their mandate.
6. Eliminate the worst forms of child labour.
7. Enhance resource base for implementation of the Child Protection and Family Welfare Policy.

#### **5.22.11 Youth Development**

***Strategic Objective 11: Pursue comprehensive development and inclusion of the youth in national development at all times***

##### **Indicative strategies**

1. Mainstream youth development issues into national development frameworks, plans and programmes in all sectors.
2. Provide the youth with labour market information and opportunities for skills training and employment.

#### **5.22.12 Disability and National Development**

***Strategic Objective 12: Provide equal opportunity for persons with disability (PWDs) in national development***

##### **Indicative strategies**

1. Ensure access to the built environment, goods, services and assistive devices for PWDs.
2. Ensure access to lifelong learning opportunities for all PWDs to enhance their adjustment and access to social and economic opportunities.
3. Ensure eradication of disability-related discrimination.
4. Ensure sustainable employment opportunities for PWDs.
5. Ensure decent living conditions for persons with disability.
6. Ensure full access and enjoyment of existing social protection schemes by PWDs

#### **5.22.13 Support for the aged**

***Strategic Objective 13: Ensure the well-being of the aged***

##### **Indicative strategies**

1. Enhance the participation of the aged in national development.
2. Enhance efficiency in Pensions Scheme management.
3. Strengthen systems of care and support for the aged.
4. Ensure healthy lifestyles among the elderly as preventive health care from early adulthood.

#### **5.22.14 Migration and development**

##### ***Strategic Objective 14: Develop adequate capacity for effective migration management***

###### **Indicative strategies**

1. Sustain the demographic dividend through inclusive and equitable development policies that will provide ample opportunities for all Ghanaians, especially in the field of education and in the labour market for the youth.
2. Reposition and prioritise the National Population Council for effective coordination of population-related programmes and activities. This should include statutory inclusion on the Governing Board of the National Development Planning Commission.
3. Promote efficient population management through proper spatial planning and development.
4. Ensure implementation of programmes to mitigate the negative impact of migration.
5. Formulate and implement programmes to harness the benefits of migration for socio-economic development.

## CHAPTER SIX

### GOAL THREE: BUILD WELL-PLANNED AND SAFE COMMUNITIES WHILE PROTECTING THE NATURAL ENVIRONMENT

#### 6.1 INTRODUCTION

This chapter deals with the two types of “environment” in development planning: The built environment and the natural environment. The built-environment refers to “human settlements,” including location of economic activities and the emergent issue of urbanisation and how to manage it (relative to rural areas), while the natural environment refers to such things as lands and forests, water bodies, and mineral resources, and how to preserve them. In planning human settlement, infrastructure for both economic and social use, is important. The complex nature of infrastructure planning and provision is such that the topic has been treated separately in a companion document called the Ghana Infrastructure Plan (GIP). The key components of that plan are presented here, after the discussion of the built environment and the natural environment.<sup>189</sup>

**Figure 6.1: Artist’s Impression of a Typical Ghanaian Community in the Future**



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189 The Ghana Infrastructure Plan may be obtained from the Commission, or accessed from its website, [www.ndpc.gov.gh](http://www.ndpc.gov.gh)

## A. SPATIAL DEVELOPMENT AND NATURAL ENVIRONMENT

### 6.2 SPATIAL DEVELOPMENT

#### 6.2.1 Situational Analysis

Spatial planning gives physical and geographical expression to the economic, social, cultural and ecological policies of society. It provides a vivid description of the locational dimensions of development in territorial space and offers an opportunity to achieve a spatially integrated and orderly development of human settlements through efficient utilisation of the social, economic and environmental resources underpinning these settlements. Spatial plans help to provide guidance for balanced national, regional or district development and help to strategically locate settlements that can sufficiently serve large concentration of population or wide sphere of influence. This is very much in line with Article 36(2)(d) of the 1992 Constitution, which requires the state to undertake:

*... even and balanced development of all regions and every part of each region of Ghana, and, in particular, improving the conditions of life in the rural areas, and generally, redressing any imbalance in development between the rural and the urban areas.*

#### 6.2.2 Legal Framework for Planning

The legal system for land use and spatial planning and human settlements management in Ghana is shaped by the following core laws:

- i. The 1992 Constitution: Chapter 20 and Articles 86-89 and 240-256 specify the concept of decentralisation and local government and the principles of co-ordination of development planning by the National Development Planning Commission.
- ii. The National Development Planning Commission Act, 1994 (Act 479): This Act establishes and specifies the composition, roles, functions and authority of the National Development Planning Commission, as the highest co-ordinating body of development planning functions in Ghana.
- iii. The National Development Planning (Systems) Act, 1994 (Act 480): This Act specifies institutions and agencies which are planning authorities, their roles and functions, as well as procedures by which planning authorities can carry out their development planning functions.
- iv. Land Use and Spatial Planning Act, 2016, (Act 925): This Act repeals the Town and Country Planning Ordinance, 1945 (CAP 84) and parts of the Local Government Act, 1993 (Act 462). It establishes the systems and institutional framework for land use and spatial planning for the purpose of ensuring sustainable development of land and human settlements through a decentralised planning system, judicious use of land and proper regulation of national, regional, district and local spatial planning and related matters. A number of Legislative Instruments are being prepared to provide detailed guidance for implementation of this Act.
- v. Local Government Act, 1993 (Act 462): This Act establishes the District Assemblies and assigns them a broad range of executive, legislative and deliberative functions. The law designates district assemblies as planning authorities with the mandate to prepare land use and spatial plans as well as administer development permits for all categories of developers. It also specifies the planning conditions in land expropriation and prescribes enforcement measures against unauthorised developers.

### 6.2.3 The Spatial Planning System of Ghana

The national development policy framework prepared and coordinated by the NDPC provides guidance and sets the tone for spatial planning, in consultation with the Land Use and Spatial Planning Authority (LUPSA). The Land Use and Spatial Planning Act mandates LUPSA to perform the land use and spatial planning functions of the national development planning system established under the National Development Planning Commission Act of 1994 as well as the National Development Planning (System) Act of 1994. The Authority is, among other functions, mandated to provide general technical and human resource support for land use and spatial planning and prepare a national spatial development framework. The Authority is also mandated to evaluate regional and district spatial development framework to ensure conformity with the national spatial development framework. The guidelines for land use and spatial planning prepared by the authority has prescribed a three tier, hierarchical spatial planning system comprising (i) spatial development frameworks (SDFs) (ii) structure plans (SPs) and (iii) local plans.

Spatial Development Frameworks are prepared at five geographic administrative levels, namely, national, sub-national, regional, sub-regional and district levels. They are meant to be conceptual and strategic, reflecting a long-term period not less than 20 years. They address the spatial development implications of issues about economic development, employment, housing, infrastructure services (waste, water, energy, etc.), education, health care, tourism and leisure, transportation, communications, culture and nature and the environment. They provide perspective and proposals for what kinds of development should take place, how much of it should occur, where this should happen, and how this should happen in order to take advantage of presented opportunities. SDFs also focus on the hierarchy of human settlements and the functional relationship among them. They also help to prioritise areas of high growth and development that require the preparation of a structure plan. Structure Plans are meant to follow the guidance of the SDF and identify the boundaries of development and provide a framework for preparing local plans.

A structure plan is a statutory framework used to guide the future development of a town or city or redevelopment of a part of these areas. It defines all land use zones, including residential, commercial, industrial, mixed use areas, major open space, agricultural areas and areas requiring special treatment, such as areas of outstanding natural beauty, conservation areas and areas of historic or cultural importance, as well as areas for upgrading or regeneration and security areas. It also shows the alignment and corridors of trunk and major transportation routes, trunk and major water, sewerage and power networks and other key features for managing the effects of development. It also specifies prohibited and permitted uses as well as uses open for consideration. Structure Plans provide a framework within which all Local Plans for the city or town should be in compliance.

A Local Plan is a plan which proposes the disposition of land by function and purpose, or to be preserved in its present state, to meet the present and future identified community needs within the time frame for which the plan is valid. Local plans should be prepared when needed and the uses of land must be in conformity with permitted uses of the land in the designated zoning classification, as identified in the approved Structure Plan.

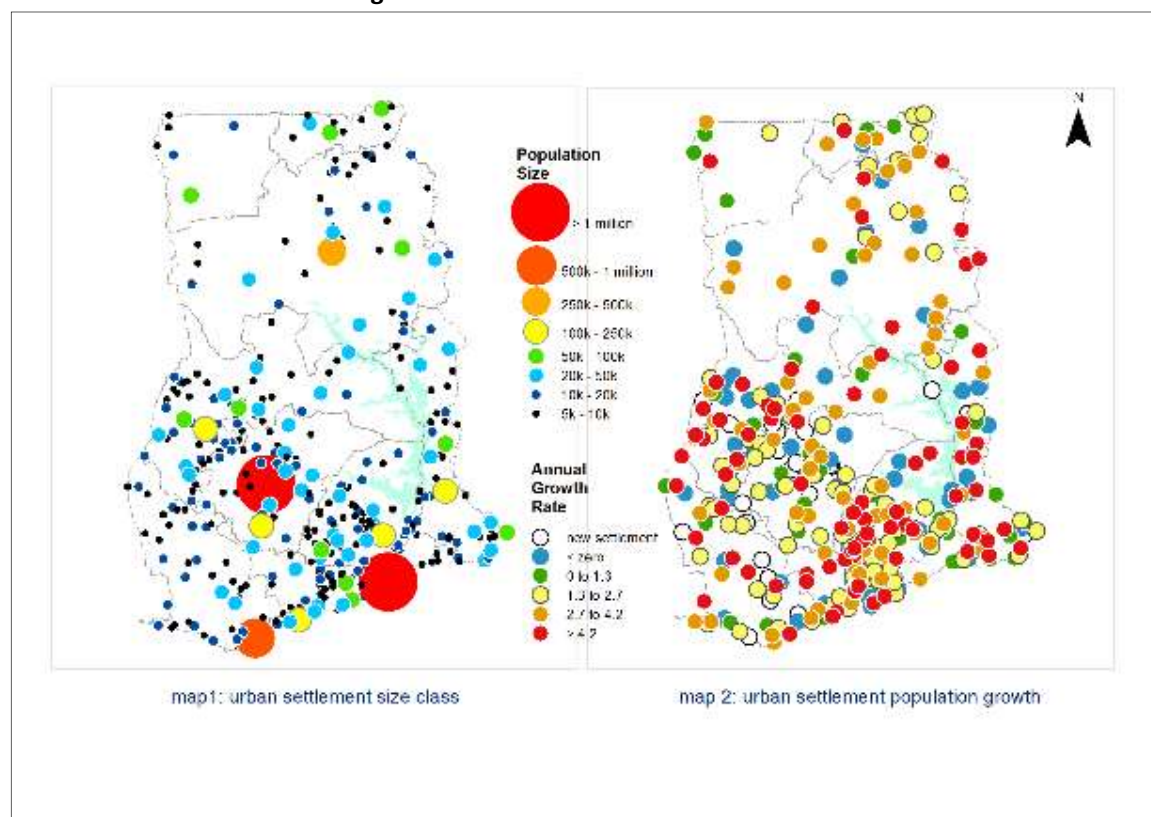
This model of spatial planning provides a direct connection between national development strategies and the spatial realisation of these strategies and local plans, through a 'chain of conformity'. In other words, each level of plan must be in conformity with the higher level of plan. Spatial plans prepared for the District must be in compliance with the parameters established in the regional spatial plan which must in turn conform to the National Spatial Development Framework.

## 6.2.4 Human Settlements Distribution

The 2015 National Spatial Development Framework estimates that as at 2010, the total number of urban settlements in Ghana were 388, with varying populations as indicated in Figure 6.2. These urban settlements are in six distinct clusters as follows:

- Class 1, comprising 4 urban settlements: Accra – 3.85 million, Kumasi – 2.2 million, Sekondi-Takoradi Metropolitan Area (STMA) – 0.588 million and Tamale – 0.275 million;
- Class 2, comprising 5 urban settlements between 100, 000 and 150, 000 (Sunyani, Koforidua, Ho, Cape Coast and Obuasi);
- Class 3, comprising 11 urban settlements between 50, 000 and 100, 000;
- Class 4, comprising 45 urban settlements between 20, 000 and 50,000;
- Class 5, comprising 103 urban settlements between 10,000 and 20,000;
- Class 6 comprising 220 urban settlements between 5,000 and 10,000.

Figure 6.2: Urban Settlements Distribution



Source: NSDF, 2015

A detailed analysis of urban settlement distribution patterns reveals that:

- All the large urban settlements are clustered in the south and include all class-1's, class-2's and class-3's, seven of the eleven class-5's, and about three-quarters of the class-6's. The only large class-3 city in the North is Tamale.
- The three largest cities form a triangle and are only 200 km apart: Accra, Kumasi, and STMA are each paired with a secondary city only about 60 km from their centres: Accra has Koforidua, Kumasi has Obuasi, and STMA has Cape Coast. The other two class-3 cities are slightly more distant: Sunyani at 100 km from Kumasi and Ho about 130 km from Accra.
- Settlements cluster in the triangle, at the coast, around regional capitals: More settlements are clustered around Accra than around Kumasi and STMA.

- Areas with a sparse settlement pattern include the north between Tamale and Kumasi and Tamale and Wa, presenting a challenge for cooperation and achieving synergies.

Rural populations have been observed to be either clustered around urban settlements or distant from urban areas and generally not clustered. According to the 2010 Population and Housing Census, 12.1 million people live in 24,660 rural settlements across the ten regions of Ghana (Table 6.1).

**Table 6.1 Rural settlements population and density in regions, 2010**

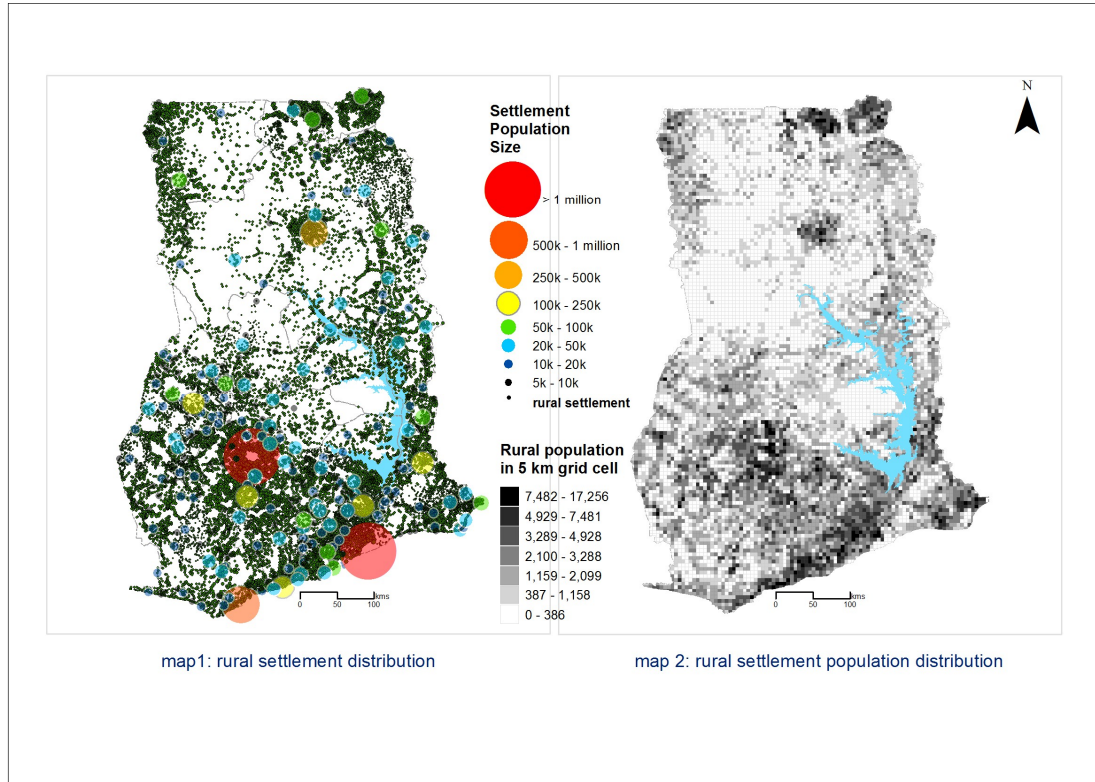
	Rural population '000	Rural population %	Area (km <sup>2</sup> )	Rural population / km <sup>2</sup>	No. of settlements	Average rural settlement population	No. of settlements / 100 km <sup>2</sup>
	a	b	c	d	e	f	g
Central	1,164	53	9,588	121	1,998	583	21
Greater Accra	379	9	3,735	101	737	514	20
Eastern	1,489	57	18,788	79	3,452	431	18
Upper East	827	79	7,591	109	1,371	603	18
Volta	1,405	66	20,627	68	3,157	445	15
Ashanti	1,883	39	24,419	77	3,298	571	14
Western	1,368	58	24,317	56	2,813	486	12
Brong-Ahafo	1,283	55	40,127	32	3,191	402	8
Upper West	587	84	18,855	31	1,085	541	6
Northern	1,729	70	69,945	25	3,558	486	5
Ghana	12,114	49	237,992	51	24,660	491	10

Source: NSDF 2015

Most of the rural population is dispersed with an average rural settlement density of about 10 rural areas per 100 km<sup>2</sup>. The rural settlements in the Northern, Upper West, Brong-Ahafo, Western, Ashanti and Volta regions are more dispersed with densities ranging from 5 per 100 km<sup>2</sup> to 15 per 100 km<sup>2</sup>, compared to fairly clustered rural communities in the south; 18 per 100 km<sup>2</sup> in the Eastern region and between 20 and 21 per 100 km<sup>2</sup> in the Greater Accra and Central Regions (Figure 6.3).



**Figure 6.3: Rural Settlement and Population Distribution**



**Source: NSDF, 2015**

Generally, dense rural clusters can be found around urban settlements, and in the north comprise those around Wa and Tamale and a group of three clusters around Bolgatanga, Bawku and Bungpurugu, while a lower density cluster is evident around Yendi stretching southward to Lake Volta. Dense rural clusters in the south are evident in the triangle area, especially around Kumasi and Accra and stretching along the coast to STMA, in Volta Region around Ho and Aflao, and around Sunyani. Spatial development policies will need to take this distinction into account.

### 6.2.5 Transportation and Human Settlements

In Ghana about 95% of movement of goods and services occurs on roads which serve as the main instrument for social and economic integration of human settlements. The road system includes three road types: trunk, feeder and urban roads. There are about 13,000 km of trunk roads, 12,000 km of urban roads, and 42,000 km of feeder roads (Figure 6.4).

Generally, rapid population and economic growth will significantly increase the demand for freight and passenger services on roads, and to some extent railroads and by air. The mobility demands are expected to be particularly high in urban areas and across national borders in response to regional policies aimed at integrating the West African sub-region.

#### **Trunk Road System**

The existing trunk road network connects all regions and urban settlements and could be characterised as largely adequate. At the same time, it is quite deficient and this includes poor maintenance,

unimproved surfaces, mixing domestic and international links, and growing congestion and slow travel speeds, especially around Accra and Kumasi and several other urban centres. Currently, the capacities of most trunk roads are limited and are unable to handle modern, high-speed, dual-carriage way and expressway travel. Most of the trunk roads are too narrow, have unlimited minor road access, with insufficient section banking. These trunk roads also pass through urban centres and ribbon development along the roads not only slows down traffic but also renders the roads unsafe.

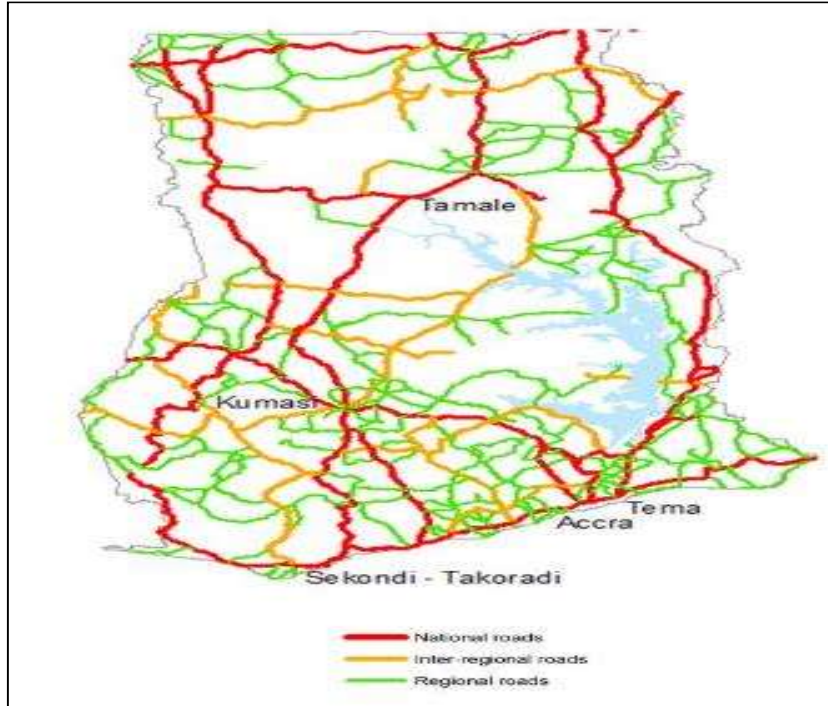
Only about 36% of the trunk road network is paved, 10% in asphalt or concrete, 26% surface-treated and the rest is gravel. The more urbanised regions of Greater Accra, Ashanti and Central have the highest quality road surfaces while the three northern regions have the lowest. Surface quality is linked to road type: national roads are better than inter-regional, and inter-regional are better than regional roads. Major cities and the principal international border crossings generally have better quality roads.

There are also several areas with weak trunk road connectivity. These include: (i) direct links in the northern regions between Tamale and Wa, between Wa and Bolgatanga, and between Bimbila and Tamale; (ii) no direct links from settlements in the centre of Western region to STMA; (iii) no direct links in Volta Region between Ho and the border crossing at Akano; and (iv) Lake Volta acts as a barrier for east-west travel between Volta Region and points west.

### ***Feeder Road Network***

Feeder roads are essential for good urban-rural links, particularly for transporting agricultural produce to and inputs from urban markets. While feeder roads are largely located in areas with higher rural populations, there are populated areas that seem to be under-served, in the meantime there are areas served that have low populations. Poor rural-urban links delay, constrain and prevent delivery of agriculture inputs and extension services, lower agricultural productivity, increase post-harvest losses, and result in higher food prices. Ghana's 18,000 km feeder road network has not been extended since 2007 (DFR, 2014). Feeder road quality varies: only 5% are asphalted, 64% are gravelled and the remaining 31% are of earth, often impassable during the rainy seasons. Moving forward, the goal of the Department of Feeder Road is to ensure a minimum feeder road network access of 2 km to the remotest village.

**Figure 6.4: Trunk Road Network**



Source: GHA, 2014

### **Urban Road Network**

Urban road systems are challenged by more intense road use, urban expansion and sprawl. More than 70 percent of arterial roads in the major cities are congested—and congestion will likely increase as private vehicle use increases five-fold while urban population triples by 2057. Although the Department of Urban Roads is decentralised, it does not appear to be represented in all districts. Only a few urban settlements have the official presence of the Department of Urban Roads, including the ten regional capitals as well as all the districts within the Greater Accra Metropolitan Area, Tema, Techiman, Obuasi and Bawku. The poor integration of land use and transportation continues to be a challenge, which is evident in the poor synchronisation between road construction and human settlement growth.

### **Rail Network**

Railroad infrastructure in Ghana remains very underdeveloped. The existing rail network is largely inoperative except for the mining segment in Western region and the line between Accra and Tema, which is used for passenger services and is overcrowded. The rail lines are quite outmoded and need to be totally replaced before they can accommodate today's modern and faster trains. The Ghana Railway Master Plan contains far reaching proposals for a country-wide rail network, and its implementation will have to be coordinated with the ECOWAS rail network in the region.

## 6.2.6 Development Impacts and Land Cover

The pressures of population growth, urban development, agriculture and economic development have very much impacted on the quality of land cover across all ecological zones of the country. Land cover refers to the physical and biological cover over the surface of land, including forests, grasslands, crop lands, wetlands and (built-up) human settlements. Effective management of Ghana's land cover is critical for sustainable development.

### ***National Land Cover Extent***

The NSDF (2015) estimates that as at 2014, forest, grassland, and crop cover accounted for 38 per cent, 34 per cent and 21 per cent while wetlands and built-up settlements cover less than 4 and 2 per cent of the total territory. During the last two decades, grasslands have decreased while the other types have increased. Grasslands fell by about 34,000 km<sup>2</sup>, or 32 per cent; forests gained 6,000 km<sup>2</sup> or 6 per cent, crop cover gained 22,000 km<sup>2</sup> or 66 per cent; settlements gained 2,400 km<sup>2</sup> or about 170 per cent; and wetlands gained 2,000 km<sup>2</sup> or 13 per cent. The loss of grassland nationally and the gains in forests, cropland and wetlands may be regarded as positive changes at the national level, although these changes must be examined at the regional, district and local levels.

### ***Land Cover Change Trends***

Within the regions however, there are significant differences in the net land cover changes. Forests declined over two decades in the four most-forested regions—Western, Eastern, Central and Ashanti. In the last decade, forest losses may be considered critical in Upper West (21%) and Western (15%) regions and less than 10 percent in Ashanti and Central. Volta's grassland gain and cropland loss of 30 per cent in the last decade is also critical. Greater Accra, Central and Western regions suffered wetlands loss of 22, 40 and 36 percent respectively. As expected, settlements cover increased everywhere over both decades; and over 69 per cent in four regions—Ashanti, Brong-Ahafo, Eastern, and Western—in the last two decades. Greater Accra gained grassland over both periods and Volta in the more recent period. The following key findings have been made about the general land cover situation.

***Human Settlements:*** Expansion of human settlements resulted in gain from cropland and this exceeded 25 per cent in Volta (38%), Upper East (32%), and Upper West (26%) regions. Forest loss occasioned by expansion of human settlements was high in Western (40%) and Eastern (35%); and settlement gain from wetlands loss was appreciable but low in Central (5%). In Brong-Ahafo, Greater Accra and Ashanti, almost half or more of the settlements cover was gained from grasslands, a positive finding.

***Crop cover:*** At the national level, some 14 per cent of forests were lost to cropland. Crop cover evasion or gain over forests is however extremely high in Western (91%) and Central Regions (84%), and moderately high in Eastern, Ashanti and Brong-Ahafo Regions. In the greater Accra Region, the cropland was gained mainly from wetlands (6%). Between 1990 and 2010, 55 per cent of national cropland was lost to other land cover types, of which 34 per cent was to grassland and 18% to forests. Only 3 per cent of cropland was lost to settlements and wetlands, implying that urban expansion is not a key cause of cropland loss. Cropland loss may be attributed to several factors including land degradation, desertification and soil erosion and to some lower extent settlements.

Forest cover gains or evasion of crop lands is high in Volta (26%) and Greater Accra (15%). The static component of forest cover is the highest in the regions with the most forest cover, and lowest in the northern regions.

**Wetlands cover:** land cover conversions from wetlands to forest is high in Central (24%) and Western (38%) regions. This phenomenon is positive and should be promoted to protect such wetlands.

### ***Extensive Urban Sprawl***

Sprawl is quite widespread around large cities, along arterial roads, and at the coast, as a result of increasing demand for housing, land speculation and ineffective land use control. The sprawl is further catalysed by the absorption of surrounding rural communities into cities and towns and increasingly creating a dormitory effect. The sprawl is also occasioned by the evasion of critical landscapes such as wetlands, forests and farmlands.

The incidence of sprawl has led to rapidly declining densities. Between 2000 and 2010, the annual growth rate of built-up cover (5.4%) was 1.2% faster than the urban population growth rate (4.2%), indicating that urban population densities are decreasing. The persistent decline in densities requires that local government authorities strengthen enforcement of zoning regulations relating to housing densities.

Urban concentration in coastal zone: The coastal area accounts for some 6 percent of Ghana's total land area but it contains about 30 per cent of the national population, about 40 per cent of urban population and over 60 of urban centres including the national capital and two regional capitals. Urban development is concentrated at the coast and is increasing rapidly. Between 1990 and 2010, the built-up cover of ten kilometres inland from the shoreline doubled at the rate of 3.6 per cent per year. In addition, the coastal area has a large number of assets, including ports, roads, tourist sites and fishing villages that may be vulnerable to sea-level rise.

### **6.2.7 Outlook**

From the preceding, the current status of spatial planning reflects a disconnection between national development strategies and the locational manifestation of development activities from the broader national level to the specific neighbourhood or local level. This is neither sustainable nor suitable for the country's long-term development aspiration. The quest to achieve a high-income country status by 2057, with correspondingly high levels of social and infrastructure development will require an equitable spread of development interventions and the efficient and optimum utilisation of land and land resources. The publication of the NSDF in 2015 provided a starting point for improving spatial planning in the country. However, additional actions will be required to ensure the efficient expression of development at all levels across the country.

### **6.2.8 Strategic Interventions**

The following strategic policy interventions have been outlined to achieve the core objectives for spatial development in Ghana. These are:

***Establish structural and functional linkages with the West African Coastal Megaregion;  
Designate a West African coastal megaregion and development corridor:***

The UN-Habitat in its series of State of African Cities Reports including the most recent one in 2014 identified "megaregions" and "urban corridors" as new urban forms that could be used to promote rapid economic growth. The report has identified one megaregion in West Africa, the Greater Ibadan-Lagos-Accra corridor that spans 600 km across four countries—Ghana, Benin, Togo and Nigeria. This megaregion, according to the UN-Habitat report generates most of the growth in GDP for Nigeria and Ghana. With a fast growing urban population of over 30 million, many experts consider this coastal urban corridor to be the engine of West Africa's regional economy.

Such a development corridor will provide opportunities to improve economic, functional and spatial linkages between Ghana and its immediate neighbours and potentially stimulate internal economies of scale. Several efforts are under way to improve sub-regional economic diversification and integration, including initiatives by the African Development Bank and various foreign agencies.

The only planned interventions in this corridor to date are the approved, though not yet aligned, Trans-West Africa Highway and the proposed railway network along the coast. These infrastructure projects are expected to increase the corridor's attractiveness to economic development and with it more rapid population growth and urbanisation<sup>190</sup>. The prospects for achieving the coastal megaregion and development corridor is re-echoed by the West African Growth Ring Project which among others proposes economic and spatial integration of Cote d'Ivoire, Ghana, Togo, Benin, Burkina Faso, Mali and Niger. This is to be achieved through customs reforms, transport and communication infrastructure.

***Ensure a balanced re-distribution of urban population and a spatially integrated hierarchy of human settlements;***

***Accelerate implementation of the national spatial development framework.***

In February 2015, the National Spatial Development Framework was published and aims at providing a strategic spatial expression for Ghana's development aspirations in terms of economic, social, environmental and other aspects over a 20-year period. The land use and spatial planning authority, together with other relevant organisations, will have to constitute a committee to oversee the prioritization and implementation of the NSDF proposal.

***Establish special growth centres and urban networks, with spatially targeted investment interventions.***

Urban networks are cities, towns and rural settlements within a reasonable distance from each other. The aspiration of this plan is to maintain a maximum distance/radius of about 100 km within an urban network. With a good transportation and communication network, settlements within such networks are expected to become linked together functionally, structurally and spatially to form an integrated urban region with balanced development. Mega projects such as airports, harbours, government administrative or military facilities, industries, specialised/tertiary educational facilities, vehicle testing or assembling centres and new suburban cities or regional malls can be used as instruments for consolidating urban networks.

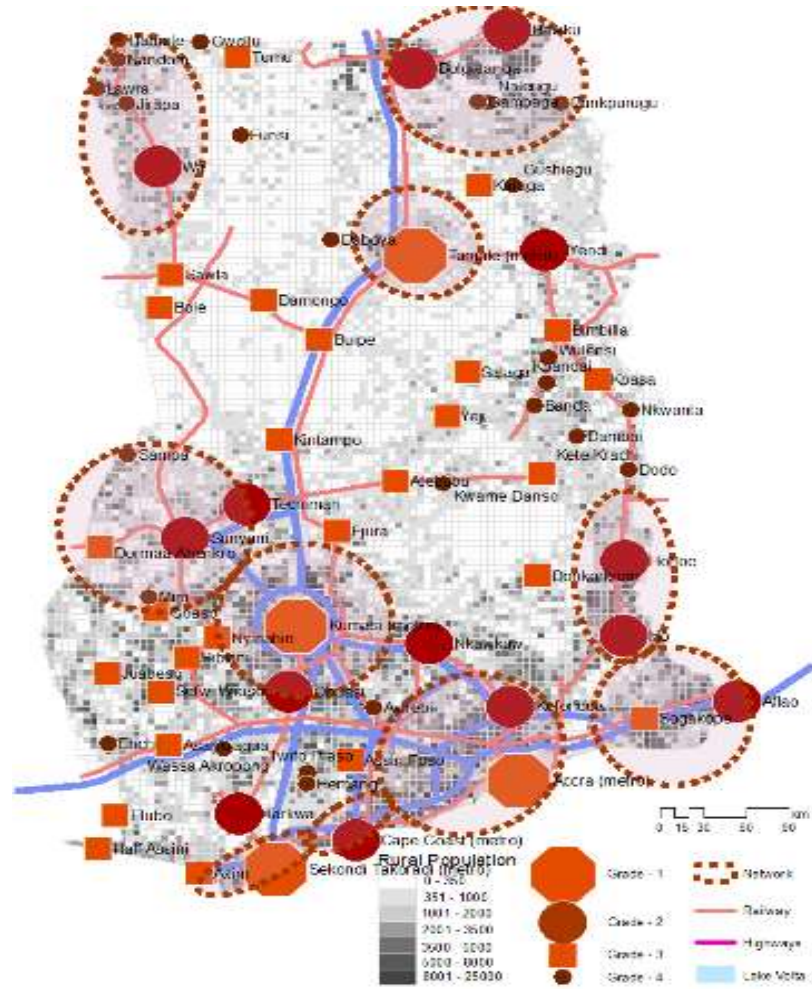
With an opportunity for settlements within each urban network to develop synergies by identifying and reinforcing each other's strength and compensating for weaknesses, they have more to offer together than they do as individual urban entities. The urban network approach facilitates efficient provision of infrastructure and services such as public transport, education, health as well as unique services like theatres and stadia- that may be unaffordable or unjustifiable on the demographic, locational or service strength of only one urban settlement. Consequently, such areas become attractive to private investments and lead to integration of the labour market as well as promote more diverse employment opportunities which in turn reduce urban and rural out-migration.

The proposed urban networks are: Sekondi-Takoradi Urban Network, Cape Coast Urban Network, Tamale Urban Network, Sunyani Urban Network, North-East Urban Network, Aflao Urban Network and Wa Urban Network (Figure 6.5).

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<sup>190</sup> Spatial Development Framework (2015, Vol II, pp3-60)

**Figure 6.5: Urban Networks**



*Source: NSDF, 2015*

**Implement the five tier hierarchy of urban centres involving villages, towns, secondary cities, cities and city regions (conurbations).**

The hierarchy of urban centres is based on area of influence or service coverage of individual settlements and the speed of the transportation system. These together determine the distance people are willing to travel to work, to shop, or to obtain services. Typically, these distances range from 10 km for small towns to 100 km or more for a large metropolis. For instance, 100 km radius for Accra, 50 km radius for medium-sized cities, 20 km for major district centres and 10 km for rural service centres. Based on these criteria, the Ghana National Spatial Development Framework (Table 35 & Figure 30) proposed the urban settlement hierarchy of 70 settlements in four grades. The hierarchy comprises 4 settlements at grade-1, 14 at grade-2, 31 at grade-3 and 21 at grade-4. The combined areas-of-influence of these settlements cover close to 90 percent of the national population (21.6 million), 95 percent of the urban population (12.1 million) and 80 percent (9.5 million) of the rural population. Each of these grades of settlements will be provided specified levels of services befitting their grade so they can function accordingly.

**Table 6.2: Urban settlements hierarchy by region and grade**

Grade	Greater Accra	Ashanti	Western	Northern	Upper East	Central	Eastern	Upper West	Brong-Ahafo	Volta
1	Accr	Kumas	STMA	Tamale						
2			Tarkwa	Yendi	Bawku	Cape	Koforidu	Wa	Sunyan	Aflao
		Obuasi			Bolgata		Nkawka		Techim	Ho
3		Ejura	Asankra	Bimbilla		Assin	Donkorkr	Tumu	Atebub	Damba
		Nyinah	Axim	Bole					Dorma	Kete
			Bibiani	Buipe					Goaso	Kpasa
			Elubo	Damong					Kintam	Nkwan
			Half	Gushieg					Mim	Sogako
			Juabeso	Karaga					Yeji	
			Sefwi	Salaga						
				Sawla						
4			Enchi	Bunkpur		Hema	Ofoase	Funsi	Kwam	Banda
			Wassa-	Daboya		Twifo		Gwoll	Sampa	Dodo
				Gambag				Hamal		
				Kpandai				Jirapa		
				Nalerigu				Lawra		
				Wulensi				Nand		

***Create structured metropolitan city regions around Accra and Kumasi***

Ghana’s two largest cities – Accra and Kumasi – are expanding at unsustainable levels and overspilling their boundaries into adjacent administrative areas. Both cities have dense urban cores and a sizeable number of other urban settlements within a reasonable commute distance. This will very much depend on improvement in travel times.

***Establish small town rural service centres to promote agriculture and agro-based industries***

The setting up of service centres to promote and support agriculture and agro-based industries in rural areas will enhance agricultural productivity, create jobs and strengthen the rural economies, thereby reducing rural-urban migration.

***Prepare spatial development frameworks for all regions and districts.***

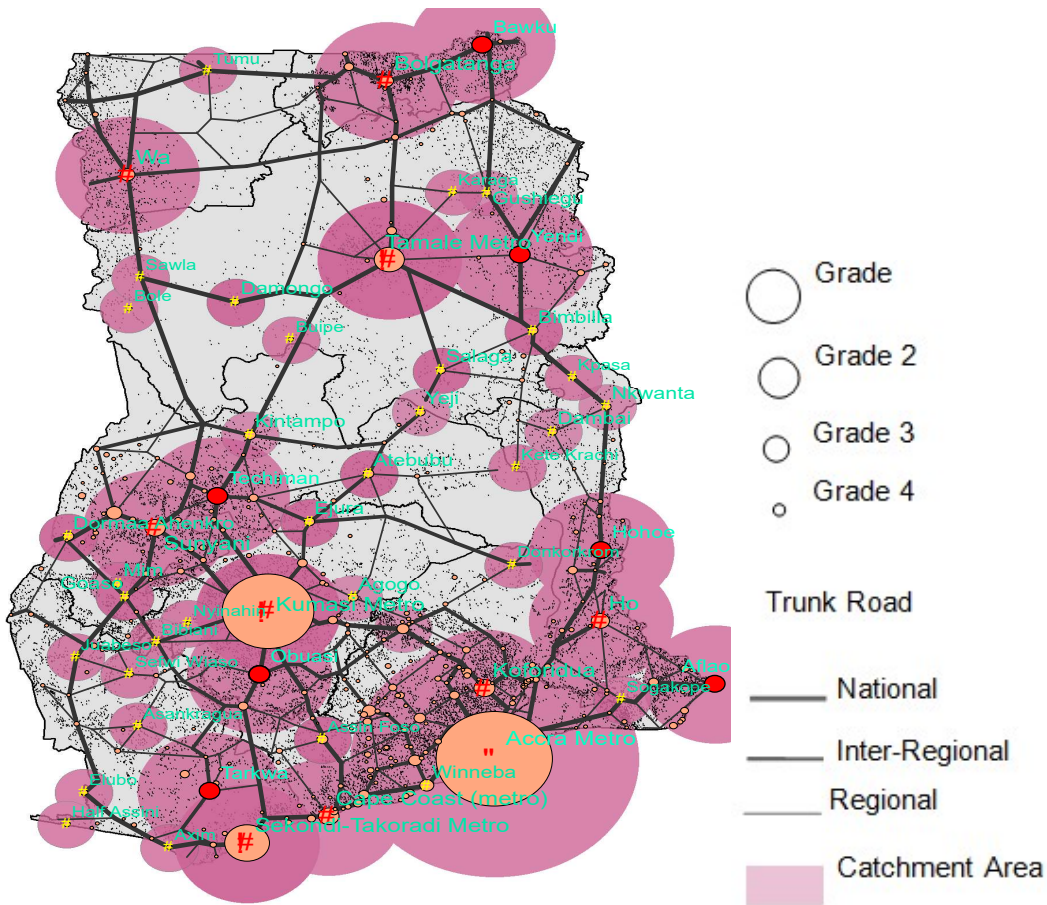
All District Assemblies are obliged under the Act 925 to, within three months of the coming into force of the Act, commence work on their Spatial Development Frameworks. This will provide guidance for the preparation of Structure Plans for all designated urban service centres and follow through with Local Plans. Development permits will be issued on the basis of Local Plans.

***Prepare Plans for all grades of settlements.***

This plan will designate the broad zoning for all major land uses such as residential, commercial, conservation areas, industries, education etc.



**Figure 6.6: Hierarchy of Urban Settlements**



Source: NSDF, 2015

***Improve regional, national and international connectivity***

Upgrade infrastructure services at sea ports and air ports for improved regional and international trade. In addition, undertake strategic development of border towns in partnership with neighbouring countries. These towns and cities are strategic for Ghana’s effort at promoting West African Regional integration. They will require strategic spatial planning effort to enable them portray a good image of Ghana as gateway towns.

***Decongest and reverse the decline in productivity of primary cities and other fast growing settlements***

Carry out systematic upgrading of slum areas, regeneration of decaying urban spaces and redevelopment of vibrant areas for mixed use. Critical components of the slum upgrading programmes should include water, sanitation, energy, access ways, drainage, open spaces, economic livelihood and shelter. The regeneration component will involve a total redevelopment of old industrial, warehousing and commercial hubs that have significantly fallen in land values. There are also areas that have not necessarily decayed but may require redevelopment to secure their full competitive values.

***Promote sustainable urban land use and prevent unsustainable sprawl of cities and towns.***

Designate and build satellite towns around all city regions. Such towns should be socially and economically coordinated with the central city to capitalise on synergies and economies of scale. Such towns can

provide special warehousing, bulk breaking, primary production, agriculture and housing functions. Urban densification through site and service schemes for housing development is also recommended. This could be achieved through infill development, vacant land taxation or compulsory purchase and compact developments. A minimum of 60 people per acre should be targeted in all urban areas. Compact developments in particular have the benefit of ensuring better accessibility and reducing the need to travel frequently, and thereby easing congestion and reducing pollution. They also promote social integration through social cohesion. Intensifying built up areas has a broader benefit of lowering infrastructure cost, and preserving land resources. Achieving this will require a strict implementation of zoning regulations.

Mixed land use should be promoted to reduce extensive car usage due to a reduction in the overall demand for commuter travel, shortening of average trip length and reducing the amount of land required for parking. Mixed use areas also promote civic interaction and promote social cohesion. This should be complemented with incorporating a system of public spaces in urban areas and a network of green infrastructure in all human settlements. Public spaces contribute to improved health and wellbeing; they reduce the impact of climate change; encourage people to walk and cycle; increase safety and reduce fear of crime. They can also improve residential neighbourhoods and safeguard property values. It is recommended that a minimum of 9 square metres per capita should be targeted through a hierarchy of public open spaces, including green belts, parks, botanical gardens, play grounds, cemeteries, forests, and wetlands.

***Ensure sustainable use and management of key natural resources that support the development of human settlements***

Establish a hierarchical urban green network in regional and district capitals and all large urban settlements. Also, establish a special enforcement regime for sensitive ecological areas (forest reserves, nature reserves, wildlife sanctuaries, green belts, coastal wetlands, water bodies, water catchment areas, open spaces and public parks) for purposes of ecosystem maintenance and biodiversity conservation. Protected land and wildlife areas may be used for the purposes of education, research, recreation and tourism, provided that such uses are compatible with the conservation of the environment.

Prime urban agricultural lands should be protected from encroachments by highly marketable and evasive land uses. The absence of effective land use planning and management, coupled with increasing levels of urbanization has made agricultural lands, especially at the urban fringes in urban areas very vulnerable. There will also be the need to undertake reclamation or eco-regeneration of natural resource areas which have been exploited.

Conserve and develop heritage assets including forts and castles, traditional architecture, historic urban cores, sites connected to the slave trade, churches and mosques, museums, markets as well as towns and parts of towns and streetscapes. In consultation with the Ghana Tourism Authority and Museums and monuments Authority, a definite Strategic Plan should be prepared or implemented if they already exist in line with the broader vision of this plan.

***Enhance the capacities of institutions for effective planning and management of human settlements***

Establish and operationalise institutional structures outlined in the Land Use and Spatial Planning Authority Act, 2016 (Act 925) – Land Use and Spatial Planning Authority, Regional Spatial Planning Committees and District Spatial Planning Committees. Accelerate the recruitment of spatial planners into the regions and districts to ensure that all Physical Planning Departments are fully staffed with at least 3 officers in each district. It is proposed that courses on human settlements planning and management are

introduced in polytechnics for middle level staff to develop the requisite human capacity to support physical planning at all levels.

The transition to digital land use and spatial planning and management at all levels of national planning should be expedited. The Land Use Planning and Management Information System (LUPMIS) and allied digital planning platforms already exist and should be promoted through constant training. Active stakeholder participation and transparency in human settlement planning and development permitting should be promoted as prescribed in Act 925. Professional bodies in the built environment should be supported to train civil society groups to play a watch-dog role and to promote civil society action in human settlement issues.

## 6.3 URBAN DEVELOPMENT

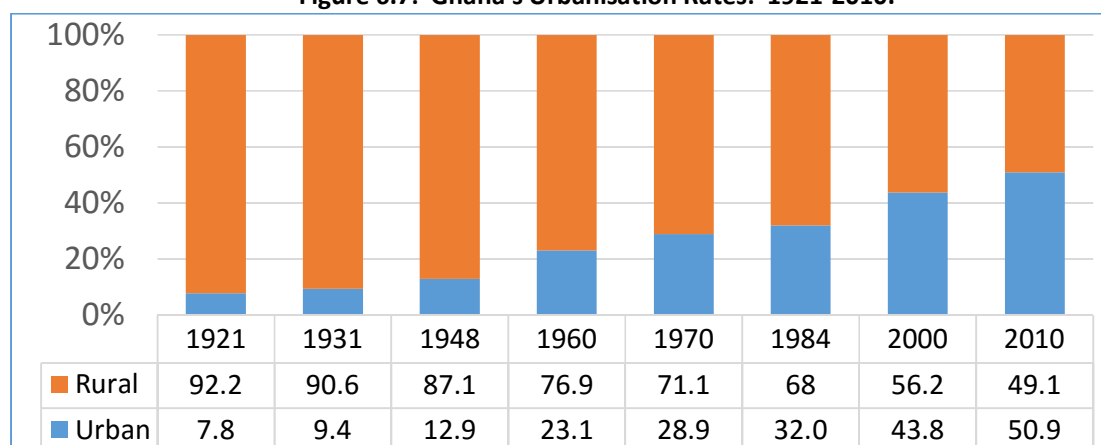
### 6.3.1 Situational Analysis

#### *Urbanisation trends and projections*

Figure 6.7 shows Ghana’s rate of urbanization between 1921 and 2010, the year of the most recent census and projections up to 2057. It indicates a continuous shift of the population from rural to urban areas. While the period between the 1920s and the 1950s witnessed a slower rise in the urban population, the immediate post-independence era witnessed a rapid pace, with the rate reaching 23.1 percent in 1960. This represented a near doubling of the rate of 12.9 percent recorded in 1948. The sharp rise in the level of urbanization in the 1960s is largely attributed to the development policies of Ghana’s first post-independence government, including import-substitution industrialization, expansion and development of social and physical infrastructure (hospitals, secondary schools and high institutions of education, electricity, water and road networks). These policies were largely urban-centred as they resulted in significant investments in towns and cities, hence, the attraction of rural populations to these places.

Future demographic shifts of the population are likely to be shaped by existing, as well as new and yet to be implemented policies, programmes and projects. Consequently, future urbanization trends on the basis of current data need to be read with caution because the processes and dynamics driving these trends can change.

**Figure 6.7: Ghana's Urbanisation Rates: 1921-2010.**



*Source: Based on data from GSS (2016), UN Population Prospects (2015)*

In the short to medium term, urbanization in Ghana will continue to be skewed as observed from existing data (see Table 6.3). This is largely due to historical processes of development in Ghana which saw significant investments in infrastructure and services in the rich cash crop and mineral regions of southern Ghana during the colonial rule, and the failure of post-colonial policies and strategies to reverse this pattern. In addition, the poor performance of agriculture and the rural economy in general due to under-investment in infrastructure and services have resulted in a rural-urban flow of the population. While regions in southern Ghana remained more urbanized than those of the north, with Greater Accra and Ashanti Regions having the highest level of urbanization (see Table 6.3. The Central Region, which until 1877 was the capital of the Gold Coast, was the second urbanized region after Greater Accra with 28 percent of its population living in urban centres in 1960. However, by 1970, Ashanti Region had become the second urbanized region with 29.7 percent of its population living in urban centres. It had an inter-censal growth rate of 4.6 percent compared to the growth rate of Central Region which had 2.1 percent.

The relatively low urban growth rate recorded for the period 1970-1984, with the exception of regions in northern Ghana, is largely due to the challenges with the national economy and political instability. Since 2000, the process of urbanization has gathered steam across the country with the exception of the Upper West Region where the level declined from 17.5 percent in 2000 to 16.5 percent in 2010. It is not too clear what accounted for the decline but excessive out-migration from the region to other regions, especially southern Ghana could be a probable factor. Nevertheless, the regions of northern Ghana (Northern, Upper East and Upper West) remained the least urbanized regions and also the regions with the highest level of poverty – an indication of the possible association between urbanization and economic development.

Although Ghana's population became majority-urban in 2010, with almost 51 percent of Ghanaians living in urban centres, many regions are still largely rural and will remain so at least for the next two decades. This is because for the last five decades, only the Greater Accra and Ashanti Regions have had their levels of urbanization higher than the national average, on account of their two large metropolis – Accra and Kumasi.<sup>191</sup> Indeed, the 2010 Population and Housing Census revealed that there were over 400 urban centres in Ghana, however, the six metropolitan centres and the two largest centres (Accra and Kumasi) accounted for over 43 percent and 31 percent, respectively, of the total urban population.

**Table 6.3: Proportion Urban and Annual Growth Rate, National and Regional 1960-2010**

Region	Percentage urbanized					Annual growth (%)			
	1960	1970	1984	2000	2010	1960/ 1970	1970/ 1984	1984/ 2000	2000/ 2010
<b>National</b>	23.1	28.9	32.0	43.8	50.9	4.7	3.3	4.6	4.2
<b>Western</b>	24.7	26.9	22.6	36.3	42.4	2.9	1.7	6.1	3.7
<b>Central</b>	28.0	29.1	28.8	37.5	42.1	2.1	1.7	3.7	3.2
<b>Greater Accra</b>	72.6	85.3	83.0	87.7	90.5	6.1	3.5	4.8	4.4
<b>Volta</b>	13.1	16.0	20.5	27.0	33.7	3.9	3.5	3.6	3.9
<b>Eastern</b>	21.1	24.6	27.7	34.6	43.4	3.4	2.9	2.8	3.3
<b>Ashanti</b>	25.0	29.7	32.5	51.3	60.6	4.6	3.1	6.3	4.7
<b>Brong-Ahafo</b>	15.6	22.1	26.6	37.4	44.5	6.1	4.6	4.7	4.8
<b>Northern</b>	13.0	20.4	25.2	26.6	30.5	7.6	4.9	3.1	4.8
<b>Upper East</b>	3.9	7.3	12.9	15.7	21.0	7.8	6.5	2.3	5.0

<sup>191</sup> ibid

Region	Percentage urbanized					Annual growth (%)			
	1960	1970	1984	2000	2010	1960/ 1970	1970/ 1984	1984/ 2000	2000/ 2010
Upper West	5.0	6.7	10.9	17.5	16.5	4.0	5.7	4.7	4.2

Source: GSS (2012, 2013)

### ***Rapid urbanization and skewed distribution of urban population***

Although Ghana has witnessed rapid rate of urbanization for the past three decades, the rate varies significantly among the regions. In all, the Greater Accra and Ashanti Regions have witnessed the faster rate with urbanization levels of 90.5 percent and 60.6 percent respectively in 2010. Thus, although Ghana recorded an urbanization level of almost 51 percent in 2010, no other region as in previous census years exceeded the national average except the Greater Accra and Ashanti Regions. A critical examination of the trend and pattern of the urbanization process suggests that many of the regions, especially the three northern regions, Volta and Brong-Ahafo Regions are unlikely to exceed the national average for possibly the next two decades due to their current low level of urbanization and the existing pattern of migration.

The high level of urbanization in the Greater Accra and Ashanti Regions is mainly as a result of these two regions hosting the metropolitan centres of Accra and Kumasi respectively. Indeed, these two regions have consistently accounted for a disproportionate share of the total urban population which in 2010 stood at over 40 percent – although there were over 360 urban settlements in Ghana. This skewed concentration of the urban population reinforces existing development imbalances of investments, economic activities and services.<sup>192</sup> The concentration of population in the large metropolitan centres is directly linked to migrants’ strong perception of these centres as offering better economic livelihood opportunities relative to other urban centres.<sup>193</sup> An analysis of Ghana’s urbanization trajectory up to 2030, indicates that the metropolitan Accra and Kumasi are likely to be the main destinations for migrants and population concentration as they continue to be the destinations for investments and global capital.<sup>194</sup>

Recent development experience indicates that a balance or uniform development is nearly impossible as stressed in the World Development Report 2009: Reshaping Economic Geography.<sup>195</sup> This is more the case in a market-oriented environment where capital seeks locations where profits and investments can be maximized, usually large cities with the infrastructure and services as well as large pool of potential customers or consumers. It needs to be stressed that the predominance of Accra and Kumasi in terms of economic activities, investments and population is largely undesirable.<sup>196</sup> This is because it has been argued that primacy tendencies cause inefficient and inequitable distortions to the national political economy as well as diseconomies of scale in the primate cities themselves. Again, such a situation tends to stifle growth of other secondary urban centres or impede a process of broad-based socio-economic development which benefits a larger proportion of the national or regional population. Furthermore, the mass concentration in cities such as Accra within the context of limited infrastructure and services

192 Aryeetey, E., Owusu, G. and Mensah, E. J.: ‘An Analysis of Poverty and Regional Inequalities in Ghana’, GDN Working Paper Series 27, Washington/New Dehli: GDN.

GoG/MLG&RD (2012a). National Urban Policy Framework. Accra: Government of Ghana/Ministry of Local Government and Rural Development.

193 Awumbila, M., Owusu, G. and Teye, J.K. (2014). Can rural-urban migration contribute to poverty reduction? Evidence from Ghana. MOP Working Paper 13 (April 2014). [migratingoutofpoverty.dfid.gov.uk]

194 Owusu, G. and Oteng-Ababio, M. (2015). Moving unruly contemporary urbanism toward sustainable urban development in Ghana by 2030. *American Behavioral Scientists (ABS)* 59(3), 311 –327.

195 World Bank (2009). *World Development Report 2009: Reshaping Economic Geography*. Washington, DC: World Bank.

196 GoG/MLG&RD (2012a). National Urban Policy Framework. Accra: Government of Ghana/Ministry of Local Government and Rural Development.

GoG (2015). *Ghana National Spatial Development Framework (2015- 2035) Volume II: Overall Spatial Development Strategy*. Accra: Government of Ghana.

undermine the growth and inefficiency of the city with negative implications for both businesses and households.

### ***Dysfunctional land use management and urban sprawl***

Ghana's land management practices, particularly the mode of alienation and systems of tenure, breed land use conflicts, within the existing context where land is held privately under customary institutions, while planning remains a public function for local governments (with no control over the acquisition of land beyond the issuance of planning permits).<sup>197</sup> While the weakness of local government over development control and land management prevail largely due to limited logistics and personnel, the high demand for land for various uses under conditions of rapid urbanisation contributes to "haphazard development, urban sprawl of the cities and large towns, and squatter/ informal settlements – all with grossly deficient basic urban infrastructure and services" (GoG/MLGRD, 2012: 16).

The malfunctioning land management system is largely due to the informal mode by which lands are organized through chiefs and heads of families/clans who in many instances are ignorant of planning regulations and building bye-laws and/or show little appreciation for even the need for physical planning.<sup>198</sup> The result of this process of land allocation and development is the haphazard development process which is manifested in poorly sited and serviced communities in both the fringes and inner-areas of cities – outcomes which sometimes defy any planning norms and regulations.

A related concern is the rising land values and its impact on access to housing and other land-based resources. Contributing to the poor urban planning are the problems of weak and dysfunctional urban land markets which are partly the result of the inability of the dual tenurial system (customary and statutory) to adequately respond to the conditions of rapid urbanization and increasing demand for land – inefficiencies which translate into increasing land prices and speculation, and a distorted land market.

Inadequate development control and poor land use planning and zoning, exacerbated by an inefficient land market, high speculations and spiralling land prices have fuelled the rapid conversion of fertile agriculture/farmlands to residential uses, especially in the peri-urban areas of the large cities such as Accra and Kumasi.<sup>199</sup> Not only has this situation deprived many of their livelihoods and displacement of farm population but this has implications as well for the long term food security of Ghana's teeming urban population.

### ***Increasing environmental deterioration***

Environmental deterioration arising from poor planning and land use; weak investments in sanitation and waste management infrastructure and services; choked/silted drains; and attitudinal indiscipline of the growing urban population, are now a poignant feature of the Ghanaian urban landscape. Although urban environmental management is the function of MMDAs, they have failed to respond adequately to the urban waste management challenges, resulting in ever expanding cities with poor sanitation and waste management systems due to weak capacities and the lack of transparency and accountability in city governance.<sup>200</sup>

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197 Obeng-Odoom, F. (2013). *Governance for Pro-poor Urban Development: Lessons from Ghana*. London: Routledge

198 Owusu, G., Oteng-Ababio, M. and Afutu-Kotey, R. L. (2012). Conflicts and governance of landfills in a developing country city, Accra. *Landscape and Urban Planning* 104(1), 105-113.

Obeng-Odoom, F. (2013). *Governance for Pro-poor Urban Development: Lessons from Ghana*. London: Routledge

199 Gough, K. V. and Yankson, P. W. K. (2000). Land markets in African cities: The case of peri-urban Accra, Ghana. *Urban Studies*, 37, 2485–500.

Owusu, G. (2008). 'Indigenes' and migrants' access to land in peri-urban areas of Ghana's largest city of Accra. *International Development Planning Review (IDPR)* 30(2), 177-198

200 Crook, R. and Ayee, J. (2006). Urban service partnerships, 'street level bureaucrats' and environmental sanitation in Kumasi and Accra, Ghana: Coping with organisational change in the public bureaucracy. *Development Policy Review*, 24, 51–73.

The deteriorating environmental challenges of Ghanaian cities take two different dimensions: firstly the choked drains, uncollected garbage, overflowing sewerage and liquid waste and poor air quality associated with the “Zongos” and slums in the inner city areas as well as public places such as markets and transport terminals. The second dimension is the destruction of water and other ecologically-sensitive locations in the peri-urban areas due to urban sprawl and, limited planning and development control in these areas. The absence of in-house facilities such as toilets, piped-water, and waste collection, places excessive pressure on the already overstretched public services, resulting in their rapid deterioration.

Not only does poor sanitation and the general environment impose costs on households and businesses, but there are negative health and other social consequences as well. Several studies have documented the negative health outcomes of poor sanitation on households, especially the vulnerable members of the household, children.<sup>201</sup> Indeed, poor environmental conditions linked to poor sanitation and hygiene at home which translate into losses in productivity; loss of wage due to ill-health, treatment costs, etc., have been well-established.<sup>202</sup> Other negative health outcomes and costs include occasional outbreaks of typhoid, cholera and diarrheal diseases, which tend to have disproportionate impact on children. In Ghana, poor environmental sanitation prevailing in many poor urban communities has made outbreaks of cholera and other poor environmental-related diseases an annual occurrence. It is estimated that poor sanitation and hygiene cost the nation nearly US\$ 290 million annually, that is, about 1.6 percent of GDP.<sup>203</sup>

Equally requiring serious attention is the environmental footprints of Ghanaian towns and cities in the face of the threat of global warming and climatic change. According to ICF, although cities occupy only a relatively small proportion of the earth’s surface, they consume about 75 percent of the planet’s resources, including energy resources central in the emission of greenhouse gases.<sup>204</sup> In addition, cities demand other resources that induce land use and land cover changes which are associated with greenhouse emissions, such as the current sprawl associated with large cities in Ghana.

Furthermore, recent architecture and building designs of glazed and glass-built structures for both residential and commercial use in urban areas in a tropical country such as Ghana raises concerns about energy efficiency and sustainability measures in the face of global warming and climate change.<sup>205</sup> These high-energy demanding buildings obviously have implications for the country’s already stressed energy resources and costs to households and businesses but also the ecological footprints of Ghanaian cities. This trend has far reaching negative implications for Ghana’s attempts to promote environmental sustainability.

### ***Weak rural-urban economic linkages***

According to GoG/MLGRD, urban and rural development depends on strong functional linkages facilitated by road networks, service and goods production and distribution, and political and administrative connections.<sup>206</sup> However, these economic linkages tend to be weak due to the absence of a strong production base which connects the rural and the urban centres. In particular, the role of agriculture

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Oteng-Ababio, M. (2010b). Missing link in solid waste management in Greater Accra Metropolitan Area, Ghana. *Geojournal*, 28, 322–329

201 ADB (Asian Development Bank) 2014. *Economic Costs of Inadequate Water and Sanitation: South Tarawa, Kiribati, Mandaluyong City*. Manila, Philippines: Asian Development Bank.

202 *ibid*

203 NDPC (2013). *The Implementation of the Ghana Shared Growth and Development Agenda (GSGDA), 2010-2013: 2012 Annual Progress Report*. Accra: NDPC

204 ICF (2016). *Urban Governance and Services in Ghana: Institutional, financial and functional constraints to effective service delivery*. Accra: Cities Alliance.

205 Wellington, H.N.A., 2009. *Gated cages, glazed boxes and dashed housing hopes – In remembrance of the dicey future of Ghanaian housing*. CSIR/GIA eds., *Proceedings of the 2009 National Housing Conference, Accra, 7-8 October 2009*.

206 GoG/MLG&RD (2012a). *National Urban Policy Framework*. Accra: Government of Ghana/Ministry of Local Government and Rural Development.

which is critical to fostering such linkages remains weak in Ghana. Reference here is to urban industrial base requiring rural agriculture production as raw materials, which therefore reinforces the growth and development of both rural and urban economies. Though agriculture is a major economic sector in Ghana, productivity has not benefited from economies of scale, and urban economies have yet to benefit from a rising domestic demand from rural areas and revitalized local markets.<sup>207</sup> Thus, many Ghanaian urban centres, especially those of medium size, fall back on their traditional role of central trading places, and economic stagnating cities eventually contribute to low agricultural productivity.

In some sense, urbanization in Ghana is becoming counter-productive as it is creating ever-larger agglomerations but without the economies normally associated with this process. For urban development to occur, linkages between the city and its hinterland must be strengthened so that increased rural-urban interactions are made to work in favour of both the rural and urban poor. It means for instance that farmers from surrounding areas can have access to market spaces and are welcomed in the city as traders and not only as mere carriers of food products.

### ***Weak infrastructure and service financing mechanisms***

Investments and financing mechanisms for urban development in Ghana in the context of rapid urbanization appear weak. While MMDAs have been charged with the overall responsibility for the development of towns and cities, the slow pace of fiscal decentralization has resulted in a mismatch between delegated functions, funding and other resources for implementation.<sup>208</sup> Funding for urban development come from central government's transfers, namely, the District Assemblies Common Fund (DACF) and the District Development Fund (DDF). However, these funds are limited in relation to the magnitude of funding required for infrastructure and other services confronting urban-based local governments. Funding for large-scale urban development initiatives come directly from the central government and its central agencies usually from loans and grants procured from Development Partners. Donor-funded projects tend to be consistent and comprehensive enough and are often not along the lines of promoting urban centres as engines of growth.

Studies in Ghana have indicated that inadequate and poor funding of city governments as a result of limited fiscal decentralization by the state and absence of adequate stream of funding for urban development have negative impact on the effectiveness and responsiveness of municipal governments<sup>209</sup>, and partly accounts for the citizens' relatively low rate of participation in local government elections.<sup>210</sup> However, Ghana's current status as a lower middle-income country means that over time, grants and concessionary loans will decline and therefore market-based financing options need to be explored. But ICF's report on urban governance and services delivery argued that this new demand for market-based financing options to support services delivery would require higher standards of transparency and accountability in revenue generation and expenditure management by city governments, a situation which is rarely the case currently as demonstrated in the audit reports of the Assemblies over the years.<sup>211</sup>

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207 ISSER (2008). The State of the Ghana Economy in 2007. Accra: ISSER

208 ICF (2016). Urban Governance and Services in Ghana: Institutional, financial and functional constraints to effective service delivery. Accra: Cities Alliance.

Owusu, G. and Asante, F. A. (2014). District Assembly financing of local level development. In Quartey, P., Aryeetey, E. B-D. and Ackah, C. G. (eds.), Domestic Resource Mobilisation for Inclusive Development in Ghana, Accra: Sub-Saharan Publishers/ISSER, pp. 113-137.

209 ICF (2016). Urban Governance and Services in Ghana: Institutional, financial and functional constraints to effective service delivery. Accra: Cities Alliance.

Thomi, W., Yankson, P.W.K and Zanu, S (eds.) (2000). A Decade of Decentralisation in Ghana: Retrospect and Prospects, Accra: EPAD Research Project/MLG&RD.

210 Addoquaye Tagoe, C. (2015). Local governance and gender participation in Ghana. Owusu, G., Osei, R.D. and Asante, F.A. (eds.): Contemporary Issues in Development: A Reader, Accra: University of Ghana/Sub-Sahara Publishers (In Press)

211 ICF (2016). Urban Governance and Services in Ghana: Institutional, financial and functional constraints to effective service delivery. Accra: Cities Alliance.



A related challenge of municipal and metropolitan regions is the consistent fragmentation of these regions and creation or proliferation of municipalities by central government. This practice is making many municipalities less viable in terms of revenue potential and have thus become wholly dependent on central government for all capital and recurrent funding since funds are now spread more thinly across a larger number of political and administrative units.<sup>212</sup> In short, there is an organisational and financial burden associated with the proliferation of MMDA administrations, as well as the opportunity cost of failing to optimise resources across a wider strategic area to achieve minimum economies of scale in terms of the delivery of infrastructure and operation of services that are amenable to common action. These challenges resulting from fragmentation of local government areas, especially metropolitan region, are compounded by weak regional planning and non-cooperation of adjoining municipalities.<sup>213</sup>

### ***Weak application of modern technology and limited data***

In broad terms the use of modern technology such as remote sensing and geographic information systems (GIS) in urban planning and monitoring of area development in Ghana is weak. While the potentials for GIS and other computer-based application in urban planning and management are great, there is limited application of these technologies in Ghana largely due to limited skills and qualifications, as well as equipment to promote their use. Thus, despite the explosive use and utility of Information and Communication Technology (ICT) and computer-based technology, planning and mapping of urban areas in Ghana remain rudimentary as many planning offices of the MMDAs and TCDP still fall on traditional technology (e.g. topographical sheets) and actual field physical inspections as the main means of planning and enforcement of development controls and other building and zoning regulations. Indeed, a study of statutory institutions in the land sector in 2005 by the Institute of Statistical, Social and Economic Research (ISSER), University of Ghana, found non-use of modern logistics/equipment and limited computerization as one of the key constraints hampering the effectiveness and efficiency of the MMDAs and TCPD in planning and land use zoning.<sup>214</sup>

It has been argued that continued development of ICT provides a major opportunity for the management and allocation of scarce resources in a rapidly changing urbanising environment.<sup>215</sup> Thus, the quality of urban planning and management can be upgraded and handled in an advanced manner with the aid of computers by offering relatively quick decision-making and response to analytical questions and monitoring issues.<sup>216</sup> In addition, GIS and other computer-based applications in urban planning can facilitate the rapid retrieval and storage of information as well as model different development scenarios and evaluate these scenarios for the purposes of coming out with better alternative solutions.<sup>217</sup>

Related to the subject of limited application of modern technology in urban planning is the issue of the limited research and data on Ghanaian cities and towns. While census and other national surveys such as Ghana Living Standard Survey (GLSS), Ghana Health and Demographic Survey (GHDS) and Urban Multi-cluster Indicator Survey (MICS) conducted by the Ghana Statistical Service (GSS) have provided some important information on Ghanaian cities, they are insufficient in terms of their depth and currency.

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212 Owusu, G. (2015). Decentralized development planning and fragmentation of regional development in Ghana: The case of the Greater Accra Metropolitan Area. *Ghana Journal of Geography* 7(1), 1-24

213 *ibid*

214 ISSER (2006). National Land Survey Report. Accra: ISSER

215 Owusu, A. B., Kufogbe, S. K. and Yiran, G. A. B. (2013). Challenges in the design and implementation of geo-spatial data infrastructure for urban land use planning in Ghana. In Owusu, G., Agyei-Mensah, S., Yankson, P.W.K. and Attua, E. M. (Eds.), *Selected Readings in Geography*. Accra: Woeli Publishing Services, pp. 34-48

216 Yaakup, A., Johar, F., Sulaiman, S., Hassan, R. and Ibrahim, A. R. (2002). GIS and development control system for local authority in Malaysia. GISDECO 2002, ITC, The Netherlands, May 15-18

217 *ibid*

According to GoG/MLGRD, “it is generally acknowledged in research and policy circles that there is a paucity of up-to-date information on cities in Ghana”.<sup>218</sup>

### ***Insecurity and fear of crime***

Ever-growing and unplanned cities and towns tend to overstretch the resources of the state not only in terms of services and infrastructure but also policing.<sup>219</sup> This consequently results in a situation whereby several parts of cities, especially poor and inner-city areas, as well as newly developing communities in peri-urban areas, are not covered by the police and other security and crime preventive agencies of the state.

A study by the Ghana Statistical Service (GSS) and the UN Office on Drugs and Crime (UNODC) in the four main metropolitan areas of Ghana, namely, Accra, Kumasi, Sekondi-Takoradi and Tamale, found that about 35 percent of respondents felt unsafe walking alone in their communities after dark, and almost 20 percent felt unsafe when they were alone in their homes after dark. The same survey further revealed that almost 56 percent of respondents felt that they were likely to become victims of burglary in the next 12 months after the survey.<sup>220</sup> The rising incidence of crime is partly the result of routine activities, lifestyles, and opportunities for crime fostered by social change.<sup>221</sup> In other words, the reason for the spike may be as a result of the socio-economic challenges triggered by urbanization and growing population concentration in cities.<sup>222</sup>

A key response to the rising urban crime, fear of crime and insecurity of Ghanaian households is the development of the “architecture of fear” – fortification of buildings, or what is popularly referred to in crime studies as target hardening. Target hardening in the Ghanaian context refers mainly to residential building designs characterized by high walls with or without barbed wires; metal burglar-proofed windows and doors; foreign-breed security dogs; surveillance equipment, etc. These are now a common sight associated with ‘self-contained houses’ in all urban residential neighbourhoods, especially in the middle and upper-class residential neighbourhoods of large Ghanaian cities.<sup>223</sup>

The downside of the target hardening measures to prevent crime is the tendency for these measures to weaken social cohesion and community bonding as individuals and households are increasingly separated by walls and other barriers, including restrictions about rules of occupancy which are quite alien to the Ghanaian society.<sup>224</sup> Target hardening is generally ineffective as households are still vulnerable to criminal attacks outside their homes, particularly in places where social cohesion and community bonding are weakened.<sup>225</sup> Inclusive urban communities as envisaged in many policy documents cannot be promoted in an environment where walls divide rather than serve as bridges between households and individuals.

### ***Weak urban governance and institutional coordination***

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218 GoG/MLG&RD (2012a). National Urban Policy Framework. Accra: Government of Ghana/Ministry of Local Government and Rural Development, p. 19

219 Owusu, G., Wrigley-Asante, C., Oteng-Ababio, M. & Owusu, A. Y. (2015). Crime prevention through environmental design (CPTED) and built-environmental manifestations in Accra and Kumasi, Ghana. *Crime Prevention & Community Safety* 17(4), 270-290

220 *ibid*

221 Appiahene-Gyamfi, J. (2003). Urban crime trends and patterns in Ghana: The case of Accra. *Journal of Criminal Justice* 31, 13–23

Oteng-Ababio, M., Owusu, G., Wrigley-Asante, C. & Owusu, A. Y. (2016). Longitudinal analysis of trends and patterns of crime in Ghana, 1980-2010: A new perspective. *African Geographical Review* <http://dx.doi.org/10.1080/19376812.2016.1208768>

222 Owusu, G., Wrigley-Asante, C., Oteng-Ababio, M. & Owusu, A. Y. (2015). Crime prevention through environmental design (CPTED) and built-environmental manifestations in Accra and Kumasi, Ghana. *Crime Prevention & Community Safety* 17(4), 270-290

Oteng-Ababio, M., Owusu, G., Wrigley-Asante, C. & Owusu, A. Y. (2016). Longitudinal analysis of trends and patterns of crime in Ghana, 1980-2010: A new perspective. *African Geographical Review* <http://dx.doi.org/10.1080/19376812.2016.1208768>

223 *ibid*

224 *ibid*

225 *ibid*

Weak urban governance and institutional coordination is at the core of malfunctioning cities and urban development. Indeed, all the above challenges of urbanization in Ghana can be placed directly or indirectly under poor urban governance and the weak performance of institutions charged with urban development. The National Urban Policy Framework summed up the urban governance challenges in Ghana as follows:

weak governance structures; lack of capacity of the MMDAs to perform urban management functions under the decentralization policy as outlined in the provisions of the Local Government Act, 1993 (Act 462) and the National Development Planning (Systems) Act, 1994 (Act 480); failure of MDAs to transfer functions, personnel and resources to the MMDAs as required under the decentralization policy; failure of MMDAs and RCC to effect institutional coordination, as required under Act 462; parallel statutory provisions; and external donor programmes and projects whose implementation arrangements tend to undermine the decentralization policy. The prevailing institutional situation weakens urban governance and, consequently, urban development.<sup>226</sup>

To these urban governance challenges summarized by GoG/MLGRD can be added the continuous fragmentation of metropolitan regions into 'independent' and 'autonomous' local government areas. The fragmentation does not only compound the social, economic, and environmental consequences of decentralized development, it also restricts comprehensive solutions through inhibiting the necessary cooperation within metropolitan regions, particularly the problems of sprawl. It also raises a number of planning and development administration challenges including administrative boundary disputes; non-cooperation of adjoining local government areas; challenges of land management; rapid metropolitan growth and traffic congestion and; increased overheads cost due to ballooning recurrent expenditures.

### 6.3.2 Outlook

The skewed concentration of the urban population in and around the large metropolitan areas in southern Ghana, mainly Accra-Tema and Kumasi, and to some extent Sekondi-Takoradi will likely continue given that destination choices in rural-urban migration is largely linked to livelihood opportunities and prospects. It is expected that the growth of Sekondi-Takoradi as a major metropolitan area is going to be strengthened largely on account of its oil and gas industries, what is often described as 'oil-induced urbanization'.<sup>227</sup>

It is, however, expected that the skewed distribution of the urban population within what has been described as the 'golden triangle', namely Accra-Tema, Kumasi and Sekondi-Takoradi will be reduced in the long term as other secondary towns in the regions are strengthened.<sup>228</sup> A case in point is the rapid growth of Tamale and to some extent Wa and Bolgatanga in northern Ghana; the market town of Techiman and towns like Sunyani and Berekum in the Brong-Ahafo. Equally significant is the emerging conurbation in the Central Region stretching from Kasoa and surrounding towns (Mandela, Amanfrom, Buduburam, etc.) all the way to Winneba. Although the rapid urbanization in this part of the Central Region is partly due to the spill over population of the Greater Accra Metropolitan Area (GAMA), it is going to shape the urban population of the region in very significant ways in the decades ahead.

Recent government of Ghana policies and development interventions suggest conscious efforts to intervene and manipulate the spatial economy, and consequently the distribution of the population, especially if policy measures such as the Draft National Infrastructure Plan, 2013; National Spatial Development Framework, 2015; National Urban Policy Framework and Action Plan, 2012; planned

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226 GoG/MLG&RD (2012a). National Urban Policy Framework. Accra: Government of Ghana/Ministry of Local Government and Rural Development, p. 17.

227 Obeng-Odoom, F. (2009). Oil and urban development in Ghana. *African Review of Economics and Finance* 1(1), 17-39.

228 Songsore, J. 2003a: Regional Development in Ghana: The Theory and the Reality. Accra: Woeli Publishing Services.

creation of new administrative regions with new regional capital; Public-Private Partnership (PPP) Act for financing and delivery of urban services and infrastructure; and many other related policy interventions are effectively implemented. Consequently, these planned interventions and others contained in the long-term national development plan will likely result in reduction in infrastructure-driven migration in the future to the primate cities due to the provision of adequate infrastructure, services, and investments in new growth poles. An example is the recent effort to establish public and private universities and polytechnics in some of the regions with positive net outmigration. This is likely to reverse the trend of the influx of people to a few urban centres like Accra and Kumasi in the medium to long term.

Currently, most of the high-order public services are centralized in Accra, Kumasi and few other centres. The primacy of Accra and Kumasi is likely to exhibit deceleration if the decentralization programme is well implemented and functional. Indeed, the current ever increasing sprawl of the Greater Accra and Kumasi metropolitan areas could result in serious development challenges. In terms of spatial planning, even if vertical development/densification is made an imperative, the projections of future urbanization coupled with limited space, these large metropolitan areas will experience daunting challenges.

Also, mineral resource driven urbanisation as pertains in the Western Region is likely to lose its importance in the long-term owing largely to the heavy mechanization of the mining sector. Mining-induced urbanization could be realized in the short to medium term if small-scale mining is given impetus as this sector is labour-intensive and hence labour-absorbing. The oil-find and exploitation in Western Region is unlikely to trigger significant urban growth due to improvement in air travel, and the very specialized skill requirements of the oil and gas sub-sector. Cocoa and other cash crops and ancillary services in the Western Region could fuel a positive net-migration.

If present population growth rates persist, the major driver of urban population growth in the urban areas in future will be natural increase in population. This is because of the efforts at increasing physical and economic access to health services in the country. Child and maternal mortality is reducing and the trend is likely to continue in the future. Migrants to Ghanaian cities tend to be predominantly young thereby contributing to the high rates of natural growth. This calls for a sustained investment in infrastructure and urban services to cater for the projected population increase.

### **6.3.3 Strategic Interventions**

A broad range of cross-cutting strategies are proposed for sustainable urban development in the country and in line with the UN-Habitat's New Urban Agenda (Habitat III). These are outlined below:

#### ***Strengthen urban governance***

Avoid continuous fragmentation and proliferation of municipalities, especially in larger metropolitan areas and where possible institute measures to merge municipalities and instead promote joint planning zones to enhance coordination, planning and management of land use, and efficient provision of infrastructure and services. Improve interjurisdictional coordination by addressing institutional, legal, and administrative bottlenecks regarding coordination. Also, strengthen the use of remote sensing (such as aerial photographs and satellite images) and a Geographic Information System (GIS) to enhance urban development and management. In addition, there will be the need to enhance research and development (R&D) system to underpin urban innovation.

It is also recommended to review, strengthen and resource the decentralized structures and substructures to make them effective in local governance. Involve relevant state and non-state agencies and institutions in the governance of cities and towns, and improve and enforce legislation and standards on urban development. Also, institute practical measures to continually enrich the capacities and outlook of key

actors in urban development and management. In addition, special courts should be established to handle issues pertaining to urban development.

### ***Strengthen urban land management***

Implement the provisions of the recently passed Land Use and Spatial Planning Bill to harmonize all laws on land use and spatial planning to ensure effective planning and management of human settlements including land and their other resource uses as well as deal with urban sprawl.

Promote efficient land markets by unifying the informal and formal land markets to enhance secure property rights and enforcing property rights to allow for systematic and transparent valuation and sale of land, while making land use regulations more market-friendly. Land reforms should also make provision for affordable housing to reduce the housing deficit.

### ***Develop innovative urban development financing mechanisms***

The local level authorities should identify robust revenue streams and the central government should also increase commitment to the urban sector. Revenue mobilization of MMDAs in developing the urban sector has over the years been as a result of poor assessment methods, limited tax coverage, weak efficiency in collection, loss on account of exemptions, poor enforcement, user charges lower than operational costs and unpredictable transfer of funds from the government. In order to ensure urban development, the finances of local level authorities must be strengthened through creating robust tax and non-tax based revenue streams; attracting private sector capital to the urban sector and systematically monetizing land. To enhance land monetization, a transparent and comprehensive framework must be put in place where land-use patterns must be maintained, and the process of land development sequenced strategically to generate resources for infrastructure development.

MMDAs should increase collection of user charges by levying charges for all measurable services where the beneficiaries are identifiable. Appropriate user charge level must be determined based on actual service use and regulated by the relevant service regulator. The charges should among others cover O&M costs, depreciation, debt servicing costs, and provide minimal profit for the authorities to create an equity base over the period. In addition, MMDAs should be entitled to utilize land-based instruments to augment their revenues.

A substantial amount of revenue for investments in urban infrastructure could be obtained through PPPs. This should be done under an extended '4P' framework—People–Private–Public Partnerships as experience across the world indicates that in urban renewal and management, the role of 'People' in design of projects and partnerships is crucial, much more so than in large infrastructure projects such as highways, airports, power, power plants and so on, in which 'People' have a relatively limited role in the ongoing governance of the projects and their outcomes. Therefore, best practices and model documents for 'PPPP' must be evolved and deployed for Ghana's urban management agenda to succeed. These PPPP projects may become more viable if a subvention from property and other urban taxes is imaginatively used to meet any financial gap in the projects where felt necessary.

### ***Build capacity for managing urbanisation***

Lack of sufficient capacity across all levels of government has been one of the root causes of Ghana's urban development challenges. Traditionally, capacity building, though critical, has been given low priority, which is evident in the absence of dedicated municipal cadres and robust urban management structures. Substantial skill gaps exist across almost all areas of urban management. This is driven as much by the lack of credible and specialized supply side institutions as it is by poor demand from those

responsible for urban management in cities. Addressing the capacity deficit must be a key endeavour of the long-term plan and the following strategies should be adopted to achieve this.

In line with national legislations, there should be support to strengthen the capacity of sub-national and local governments to implement effective local and metropolitan multi-level governance, across administrative borders, and based on functional territories. This should ensure and encourage the involvement of sub-national and local governments in decision-making, working to provide them with authority and resources to manage critical urban, metropolitan, and territorial concerns. It is important to promote metropolitan governance that is inclusive and encompasses legal frameworks and reliable financing mechanisms, including sustainable debt management, as applicable. Deliberate measures should be put in place to promote full and effective participation of women and equal rights in all fields and in leadership at all levels of decision-making, including local governments.

The central government must create a framework which should address issues of staffing, training, skill development and finances. The framework should further be used to develop a capacity building strategy for all MMDAs detailing staffing norms, rules that should reflect service delivery and governance norms to be met. The strategy must meet future needs, provide the environment for using acquired skills and incentivize knowledge and skills development.

To address the skill deficit in the short to medium-term, policies should enable recruitment from the private sector and hiring external consultants. MMDAs may consider the creation of a list of “empanelled urban practice professional institutions” to streamline and enable them to access external assistance/talent in a timely manner.

Facilitating Information Sharing between Urban Managers should also be a priority of the central government efforts. Existing city manager bodies should also be strengthened and networking opportunities should be created for urban managers to interact and learn. A modern ‘just-in-time and task-aligned’ approach is required to ensure that supply-side capability building institutions meet the demand side needs rapidly and effectively. Ghana’s urbanization is unstoppable. Urban managers must learn while doing.

Another priority is to consider increased allocation of financial and human resources, as appropriate, for the upgrading and, to the extent possible, the prevention of slums and informal settlements. Strategies should go beyond physical and environmental improvements, to ensure that slums and informal settlements are integrated into the social, economic, cultural, and political dimensions of cities. These strategies should include, as applicable, access to sustainable, adequate, safe, and affordable housing; basic and social services; and safe, inclusive, accessible, green, and quality public spaces; and they should promote security of tenure and its regularization, as well as measures for conflict prevention and mediation.

### ***Promote balance distribution of urban population***

Ghana’s urban population is heavily concentrated in southern Ghana particularly within the area described as the “Golden Triangle” – Accra-Kumasi-Sekondi-Takoradi. Deliberate effort will be required to promote a balanced distribution of the urban population to allow urban agglomerations to be better managed.

There is the need to promote concentration of the urban population away from the coastal region given the potential impacts of climate change including sea level rise and increased coastal erosion, saline intrusion of low-lying soils, increased frequency of coastal storms, and destruction of coastal communities. Promoting a balanced re-distribution of the urban population needs to be conceived within the context of strengthening rural-urban linkages.

Other indicative interventions to promote balance distribution of urban population are:

- Promote new and upgraded efficient transportation, communications facilities and other relevant services to improve connectivity between urban and rural areas;
- Strengthen the growth and development of urban networks around regional and selected potential-growth cities as counter-magnet to the large metropolitan areas;
- Improve urban services and infrastructure to support economic development and advance industrial investments and production;
- Target infrastructural investments in growth centres as the choice destination for investments and other economic activities;
  - i. Strengthen district capitals as centres for jobs, investments, and in-migration,
  - ii. Establish rural service centres and strengthen rural-urban linkages to promote agriculture and development of agro-based industries.
  - iii. Develop and implement high-capacity public transport systems in large metropolitan areas; and
  - iv. Prioritise high-return transport infrastructure.

### ***Solve challenges of urbanisation by leveraging innovation***

Managing Ghana's on-going urbanization requires a huge financial base as well as human resources. Given the scarcity of resources, it is critical to promote innovation and research in addressing the challenges facing urban development.

Technology has the potential to unlocking significant potential in building capacities. Innovative uses like, self-learning packages which simulate life situations relating to operations and maintenance could be developed in areas like water supply and sanitation, solid waste management and urban planning. Creative solutions, when developed should be up-scaled across the country to derive the maximum benefit.

## **6.4 RURAL DEVELOPMENT**

### **6.3.4 Situational Analysis**

#### ***Historical overview of rural development in Ghana***

The evolution of rural development in Ghana dates back to 1948 when the Watson Commission was set up to draw guidelines for administering. The primary concern of the colonial government was with law and order and maintenance of stable conditions for trade, agriculture and mineral exploitation in the rural areas. Rural development was not the focus of policy. The Kumasi to Takoradi and Kumasi to Accra railways were constructed to facilitate the transportation of the country's natural resources, especially gold, bauxite, and timber. Villages along the railways became marketing centres and many rural people migrated to these communities to make a living from trade.

The indirect strategies designed to tackle the complex problems of the rural areas especially those along the railway lines were disjointed. It was a top-down, urban-biased strategy with an assumption of trickle-down effects. Development was non-participatory and rural people viewed development as government business and not related to them. The strategy of urban-bias development created spatial imbalances in development, resulting in wide disparities between urban and rural areas. Although the Watson

Commission made recommendations for improving living conditions in the rural areas, the colonial administration lacked the political will to implement the recommendations.

### ***Post-Independence Era***

Following independence in 1957, industrialization was viewed as the path to modernization and rural development. Consequently, the sustenance of rural livelihoods through industrialization, increased agricultural production, and rural infrastructure development received priority attention. The objectives of industrial development were to use raw materials for industry, satisfy the basic needs of the population through job creation, and promote technological progress. In order to achieve these objectives, state-owned enterprises were established in Accra, Tema, and other urban centres. They produced a range of products, soap, toilet roll, milk, and sugar.

The introduction of State Farms and Workers Brigade was to bring some of the youth who failed to secure employment in the towns and cities back to the rural areas. However, because post-independence development strategies did very little to strengthen basic productive resources in the rural areas, rural-urban migration could not be reduced.

The post-independence approach to rural development was to provide basic infrastructure and services from the centre. There was high reliance on large-scale public sector investment for industrial development. Moreover, there was concentration on plans that were national in scope and sectoral in nature. It was believed that the benefits of socio-economic development would trickle down to rural areas. Laudable as the post-independence rural development strategies were, they were not comprehensive enough. In practice, what existed at the operational level were sectoral policies and various un-integrated rural programmes aimed at quite different goals with different implementation procedures.

The political transformation which took place in Ghana in the early 1970s led to renewed interest in rural development. Shortly upon assuming power in 1969, the Progress Party (PP) government of the Second Republic ushered in a One-year Rural Development Plan as a prelude to a medium-term plan to be introduced later. The purpose of the One-Year Plan was to complete projects and programmes initiated under the National Liberation Council (NLC). It was also aimed at accelerating rural industrialization and liberalization of the Ghanaian economy in order to attract foreign investment and encourage domestic entrepreneurship. It was the first attempt at integrated rural development in Ghana, featuring small farmer agriculture, provision of physical and social infrastructure and rural industries.

An assessment of the rural development landscape in the country shows that attempts have been made by successive governments to implement various strategies to develop the rural areas with varying degrees of success. These main strategies include: (1) Single project (social amenities) strategy; (2) Agricultural production strategy; (3) Sectoral approach; (4) Accelerated project implementation strategy; (5) Integrated area based development strategy; and (6) Regional decentralised strategy.

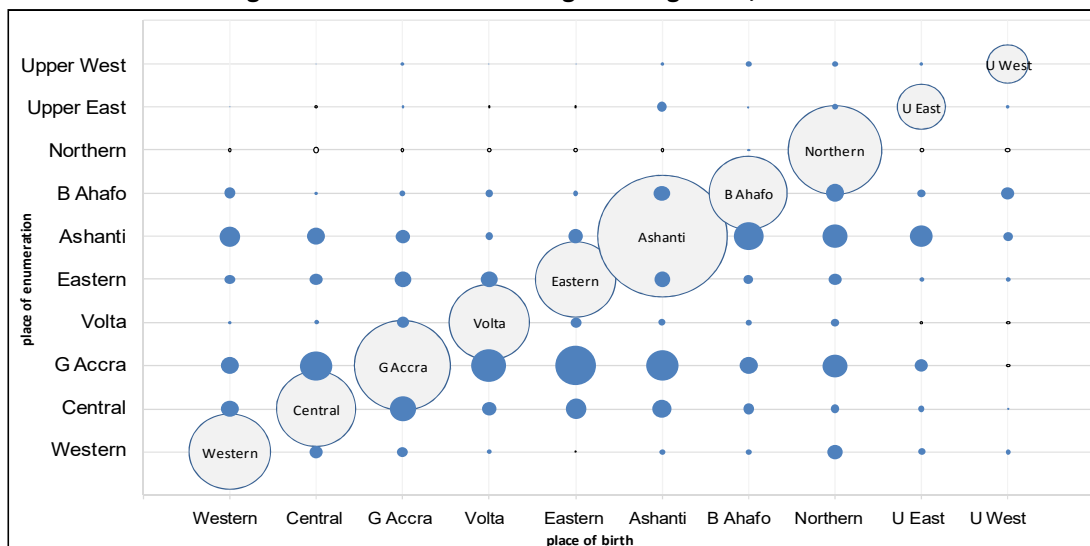
#### **6.3.5 Rural Settlements and population distribution**

The rural population may be broadly divided into (i) villages that are clustered around or near to urban settlements, and (ii) villages that are more distant from urban areas and generally not clustered. Most of the rural population is clustered. Dense, rural clusters in the north comprise those around Wa and Tamale and a group of three clusters around Bolgatanga, Bawku and Bungpurugu, while a lower density cluster is evident around Yendi stretching southward to Lake Volta. Dense rural clusters in the south are evident around Kumasi and Accra and stretching along the coast to STMA, in Volta Region around Ho and Aflao, and around Sunyani.



Inter- and intra-regional migration has had a major role in population distribution, and this is likely to continue. Figure 6.8 shows the estimated inter-regional migration in Ghana, between 2000 and 2010. It is estimated that about 35.0 percent of the national population migrated, with 18 percent between regions and 15 percent within regions. Regions with large shares of lifetime migrants—Accra (51%), Ashanti (41%) and Western (36%)—have more attractive qualities, such as good jobs and better educational opportunities, than those with low shares—Upper West (16%), Northern (13%) and Upper East (11%). Similarly, regions with high shares of intra-regional migrants—Ashanti (23%), Eastern (18%) and Volta (18%)—would have localities with more attractive qualities than others in the region, while those with low shares—Upper East, Northern and Upper West—would have fewer of such localities.

**Figure 6.8: Estimated inter-regional migration, 2000-2010**



**Source: NSDF Study 2013 based on GSS 2010 Population and Housing Census**

A region's attractiveness, measured by the distance over which people have migrated and its popularity as a destination, is likely to influence future migration flows. Greater Accra was the most widely preferred destination between 2000 and 2010: the first choice of migrants from adjacent regions—Eastern, Volta, and Central—as well as Ashanti, and the second of Northern and Brong-Ahafo migrants. Ashanti, the next most popular, was the first choice of migrants from Northern, Brong-Ahafo, and Upper East and the second of Western and Central migrants. Central, the third most popular, was the first choice of migrants from Greater Accra, the second of Eastern and Ashanti migrants, and the third of Western region migrants, some perhaps moving to Central but working in Western. Brong-Ahafo was the preferred destination of Upper West migrants and the third choice of Northern and Upper East region migrants. Although few migrated from Greater Accra, those that did preferred Central, Eastern and Ashanti regions, again perhaps still working in Greater Accra. The three northern regions did not attract significant numbers of migrants.

### 6.3.6 The rural economy

Ghana's rural economy is largely agrarian. About 70 percent of the rural population depends on the agriculture, forestry and fishing sectors. Of the remainder, the wholesale and retail (8%) and manufacturing (7%) sectors account for the largest shares. Food production is practised primarily on small-scale, family-operated farms that are plagued by poor infrastructure, low technology, and lack of access to finance, resulting in low productivity.

Livelihood activities in rural areas tend to vary with distance to urban economies. For example, in districts around Kumasi and along the coast, less than 50 percent of the rural labour force have agricultural jobs. In districts around Accra, Kumasi and STMA, 20-34 percent of rural workers are in wholesale and retail jobs. While economic diversification of the rural economy is a positive trend, there are questions as to the extent that urbanisation may be crowding out agriculture.

About 65 percent of Ghana's land areas is said to have agricultural potential, but only 10 percent is presently under permanent crops, 27 percent is arable, and 56 percent is permanent meadows. Ghana's large area of grassland, 34 percent of the land area, can potentially be put to agricultural use. Three regions—Northern, Upper East and Brong-Ahafo—account for 72 percent of national grassland cover while the Northern region alone has a third (31%). Upper East, Upper West, Northern, and Greater Accra have more than 50 percent grassland; Volta, Brong-Ahafo and Eastern regions between 26 and 33 percent; and Ashanti (13%), Central (11%) and Western (4%) have the low grassland cover. Satellite imagery shows that cropland is highly fragmented into small units; where these units are separated by grassland, there may be potential to convert the units into cropland to create larger and more productive farms.

In general, agricultural yields in Ghana are below world standards. Productivity in the cocoa sub-sector has been low (0.4 MT/ha), compared to benchmark countries like Cote d'Ivoire with yields of 0.6 MT/ha. Nonetheless, the cocoa industry in Ghana has a potential (field station) yield of 1.0MT/ha, which leaves a yield gap of 60%<sup>229</sup>. Cassava yields in Ghana are 12.7MT/ha, compared with a potential of 28.0MT/ha, which leaves a yield gap of 55% and a gap of 34% compared to the yield in Thailand.<sup>230</sup> The maize subsector averages a yield of 1.8MT/ha against a potential yield of around 6 MT/ha<sup>231</sup>, which leaves a yield gap of about 70% against field station yields, and a yield gap of 64% against the yield in South Africa<sup>232</sup>. The rice yield (2.0MT/ha) has a yield gap of 74% against China and while oil palm (5.6MT/ha) has a gap of 74% against Malaysia (21.9MT/ha)<sup>233</sup>.

### **6.3.7 Access to basic services**

Rural communities in Ghana are generally deprived and are characterised by higher poverty levels and poor access to basic services. In 2013, the poverty incidence in rural areas was about 37.9 percent while the incidence in urban areas was 10.6 percent. The difference in proportion of people living in extreme poverty was also wide with 15 percent and 1.9 percent for rural and urban populations, respectively. For the same year, 65 percent of rural population had access to safe water compared to 76 per cent for urban areas. While the proportion of unemployed people in rural areas (3.5%) was lower than the national average of 5.2%, employment in rural areas was less secure. About 84.5 percent of workers in rural areas were engaged in vulnerable (mostly seasonal) employment compared to 52.1% for urban workers. Figures on access to education, health care, electricity and police stations, all suggest that urban residents are better off than their rural counterparts.

### **6.3.8 Outlook**

The increasing rate of urbanisation in most regions across the country has a direct consequence on the transition and development of rural communities. Most rural communities today will transit at different times into peri-urban and later urban areas. It is therefore important that rural communities receive the needed interventions so as to avoid the many challenges confronting urbanised communities of today.

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229 MoFA 2011

230 MoFA 2011

231 MoFA 2013

232 <https://www.pecad.fas.usda.gov/highlights/2013/04/SouthAfrica/>

233 Ironic given that Malaysia got its Palm Oil growing technology from Ghana.

In the medium to long term, it is envisaged that agriculture and agri-business, especially the latter, will become the mainstay of rural economies. Increased access to telecommunications, electricity and improved transport links to urban areas, coupled with a conducive business environment could see an increase in small- and medium-scale enterprises to support services for both the agricultural and non-agriculture businesses. The development of new businesses will be important to diversify the rural economy and reduce the risk of over-reliance on agriculture. The expected reduction in rural-urban migration, together with improved access to education and vocational training will create a sizeable pool of skilled labour force in the rural areas.

### **6.3.9 Strategic Interventions**

For sustainable rural development with strong linkages to urban centres, the following strategic interventions are proposed:

#### ***Agriculture Modernization***

Core elements of attention under this strategy may include investments in smallholder irrigation systems, improved extension services, modern agronomy practices (including organic farming, use of high yielding crop varieties), modern animal husbandry, improved storage systems, and fish farming.

Aquaculture is one of the fastest-growing food sectors in Ghana. With the availability of several water bodies across the country, coupled with the dwindling stock of fish from our traditional sources (sea, river, lakes, etc.), if it is developed in a regulated and environmentally and socially responsible way, aquaculture intensification has the potential to produce the fish needed to meet the demand for safe and highly nutritious food by a growing population such as ours. Every effort must be made to apply the latest in science and technology to enhance productivity and raise incomes in the rural areas.

#### ***Agro-processing Enhancement***

Agro-processing has a strong forward and backward linkage with the agriculture sector as it provides ready market for its produce as well inputs in agriculture respectively. Due to this strong synergy, there is the need to promote and enhance some key agro-processing businesses as a strategy for rural development in most parts of the country. These could include processing and packaging of fresh fruits, fruit juice production, herbs and flower farming and packaging, cooking oil (coconut, oil palm, palm kernel, groundnut, fish, flower, etc.) extraction and packaging, shea nut processing, animal feed production and all forms of fish processing.

#### ***Transformation of Rural Financial Services***

Rural banking is one of the fastest growing services in the country, especially in the age of mobile money. The sector is an essential enabler for the growth and development of rural economies. It aims at mopping up unbanked funds from the various rural economic actors and in turn roll out as credits and investment funds for the growth and expansion of businesses. Some identified areas of strategy and potential growth to achieve the gains in this sector include: increased operational penetration of rural commercial banks, use of mobile money technology to create new financial services, such as crop insurance, as well as cooperative credit unions.

Currently, rural insurance schemes are being explored and implemented on low scales, mainly in the agricultural sector. This needs to be analysed further, through increased use of ICT, and scaled up to minimize investment risks in most of the economic activities at the rural areas.

### ***Rural Electrification***

Rural electrification was initiated in Ghana in the 1970s with the objective of reducing urban-rural inequality and increasing economic activity in the rural areas. Though there are some challenges with the scheme, mainly due to poverty levels of rural people, high cost of grid extension, and poor management of the process, a strong political will and funding/management structure will lead to increased investment in the exercise so as to achieve the benefits inherent in the programme objectives. Investments in solar technology for rural electrification are a sustainable option moving forward.

### ***Rural Market Centres***

Most rural farmers are disadvantaged in marketing their produce mainly due to the absence of established markets in their locality or poor market infrastructure. Improved market infrastructure has the potential of increasing economic activities and subsequently serving as growth poles for economic development in respective rural enclaves. Some areas with high potential for growth via improved market infrastructure include Asewewa (Eastern Region), Fumbisi (Upper East Region), Juabeso (Western Region), Adeiso (Eastern Region), Adawso (Eastern Region), Sobele (Upper West Region), Bamboi (Northern Region), Banda (Brong-Ahafo Region).

### ***Road Infrastructure Development***

Better rural roads enable households to exploit agricultural and non-agricultural opportunities more efficiently, justifying investment in road construction and improvements. For purposes of rural development, accelerated integration of rural and urban settlements will be required and this can be achieved effectively through improved access of rural communities to the national road feeder and trunk road network.

### ***Information and Communication Technology and Development***

The Ghana Investment Fund for Electronic Communications (GIFEC) has promoted ICT in the most deprived communities in the country in the last six years via the establishment of Community ICT Centres. The increased ICT penetration in the rural areas has significantly helped to reduce bureaucracy within the public at large and provided individuals with a minimum level of ICT knowledge. There should be increased investments in this sector in order to consolidate sectoral gains over the period. Areas of potential benefits in the use of the rural ICT facilities include e-Health, ICT Capacity building, school connectivity, rural pay phone, easy business, post office connectivity, e-fishing, public education and library connectivity projects.

### ***Rural human capacity enhancement***

Developing a strong human capacity base for rural development could be achieved by promoting quality basic education, formal and informal technical and vocational education training, organised apprenticeship for knowledge and skills transfer, and improved primary healthcare delivery. Improved access to basic service will also help attract and retain skilled persons in rural areas.

## **6.5 DISASTER MANAGEMENT**

### **6.4.1 Introduction**

The United Nations defines a disaster as a serious disruption of the functioning of a community or a society. Disasters involve widespread human, material, economic or environmental impacts, which exceed the ability of the affected community or society to cope using its own resources. Disasters, be they man-made or natural, can interrupt essential services, such as health care, electricity, water, sewage/garbage removal, transportation and communications. These interruptions can seriously affect the health, social and economic networks of local communities and the country. The diversion of scarce resources to rehabilitate victims and repair or replace damaged social and economic infrastructure easily disrupts planned development activities. Disasters tend to have a major and long-lasting impact on people long after the immediate effect has been mitigated.

### **6.4.2 Situational Analysis**

The disaster history of Ghana suggests that three hazards – floods, drought and earthquakes – are the main precursors of disasters. While flooding disasters tend to be more visible and attract the attention of mainstream media, other disasters such as drought, pests and epidemics are also equally alarming. The cholera outbreak in 2015, for instance, recorded over 500 cases and 5 deaths.

#### ***Urban flooding***

One of the main causes of flooding in towns and cities is the poor and non-adherence to planning schemes for the built up areas. This has resulted in encroachment on natural water courses, inadequate drainage systems, and obstructions in drains which increases the risk of flooding anytime it rains. Erosion, coupled with the lack of maintenance, leaves both natural and constructed drains silted and or blocked, thus reducing their carrying capacity and thereby increasing the risk of flooding. Inadequate capacities of some critical culverts, insufficient stream channel capacity and obstruction of flows by buildings across natural stream courses and deposition of garbage into the streams are some of the other causes of flooding. The over reliance on direct conveyance of runoff through channels instead of integrated flood management which includes source controls, is a major flaw in the design and management of urban drainage systems. Also, increasing development has significantly expanded impervious surfaces, thus resulting in a rise in the volume and rate of runoff generated.

#### ***Rural flooding***

Rural floods are also a major problem in major river basins, especially in the alluvial plains of Northern Savannah. Most major river basins in Ghana have settlements and farms along their flood plains, many of which are affected whenever the rivers overflow their banks. River discharges typically range from less than 100m<sup>3</sup>/s during the dry season to about 3,000 m<sup>3</sup>/s during annual peak flows. Since most of the major river basins extend beyond the national borders, flows in the rivers are also dependent on the management of the waters from the neighbouring countries. Poor reservoir management, especially for Bagre dam in Burkina Faso, is a major source of river flooding as untimely spillage of excess water results in severe flooding of low lying areas along the White Volta and its tributaries.

#### ***Fire***

In recent times, the increased occurrence of fire outbreaks and explosions at fuel stations have become issues of concern, thus bringing attention to disasters caused directly and principally by identifiable deliberate or negligent human actions. In the first quarter of 2016, over 2400 fire outbreaks were recorded in Ghana. Most of these fires were caused by faulty electrical wiring and misuse of electrical

gadgets. In 2013, it is estimated that approximately 11,000 Ghanaians were affected by fire and explosion, and the cost of damage exceeding US\$7 million. The explosion and flooding that occurred in Accra on 3rd June 2015 and resulted in the death of over 150 people and damage in excess of US\$ 100 million is a stark reminder of the need to adequately put in place risk mitigation measures for both natural and man-made disasters.

### ***Displaced persons***

Since the 1990s, Ghana in collaboration with UNHCR has been managing refugees from Liberia, Togo, Sudan, Sierra Leone and other African countries. Currently, the two main refugee camps are at Krisan and Buduburam in Western and Central Regions respectively. There are also refugee reception centres at Essipong (Western Region), Bole (Northern Region) and Accra (Greater Accra Region). The Buduburam Camp, at its peak hosted 41,853 refugees, mostly Liberian nationals.

The National Disaster Management Organisation (NADMO) has over the years put in a lot of work to improve disaster risk management in the country. It has developed hazard maps (geological, fires, hydro metrological, and pest and insect intersection), improved communication facilities in most regions, and set up early warning systems in high risk communities, and trained community volunteers. These notwithstanding, there are limited capacities within government authorities and among communities to cope effectively with disaster risks created by our development processes.

## **6.4.3 Outlook**

### ***Natural Disasters***

The projections for the future climate of Ghana suggests that the wet seasons will get wetter while the dry season will get drier. In line with these projections, it is expected that the proportion of total annual rainfall that falls in heavy events will increase. On the other hand, there is a projected trend towards a decrease in the dry season rainfall (January-June). If risk mitigation measures are not put in place, these trends suggest that there will be an increase of drought and flooding risks in Ghana, particularly in the northern parts of the country. Coastal areas are likely to experience increased risk of coastal erosion and flooding due to the projected rise in sea levels and increased incidence in tidal surges. The projected changes in climate conditions could also result in an increased incidence of pest infestations across the country.

### ***Human-induced disasters***

The pursuit of an accelerated socio-economic growth and a diversified economy, coupled with rapid urbanisation will be associated with huge infrastructure development, increased industrial and commercial activities, development within high-risk zones, and changes in lifestyle. These will be associated with their own disaster risks from human-induced hazards arising from accidents (industrial, road, air, rail, on river or sea, building collapse, fires, mine flooding, oil spills, etc.). Chemical, Biological, Radiological, and Nuclear (CBRN) hazards rank very high among the human-induced risks that require adequate preparedness and planning. Terrorist activities and secondary incidents are other human-induced risks that cannot be ruled out.

Over the medium- to long-term horizon, Ghana will remain exposed to a range of natural and human-induced hazards that could result in disasters, which if not properly managed could erode some of the development gains. While natural hazards are beyond our control, we can build resilience by reducing the risks, preventing losses, responding effectively, and recovering quickly from the shocks associated with disasters.

#### 6.4.4 Strategic Interventions

To enhance Ghana's preparedness and response to disasters, the following are proposed:

##### ***Develop a National Disaster Management Framework***

Such a framework will serve as a strategic document to guide the preparation of local level disaster management plans. The framework should integrate the Sendai Framework for Disaster Risk Reduction, to which Ghana is a signatory. The framework should include a coordination mechanism within and across sectors, and relevant stakeholders at all levels. In addition, relevant legislations and regulation required to operationalise the framework should be put in place. The framework should be a simple-to-use document from which other organisations can draw up Disaster Management Plans to suit their specific context.

Build capacities of local authorities to develop and implement disaster risk reduction and response plans. Local authorities should be trained and resourced to assess disaster risks and supported to develop ***appropriate mechanisms to reduce risks, prevent losses, respond effectively and recover quickly from*** disasters. These should include measures for rehabilitation and reconstruction, where required as well as, dealing with the psychological trauma experienced by the victims and others directly or indirectly affected by the disasters.

##### ***Enhance the resilience of vulnerable communities and critical infrastructure***

Suitable measures should be put in place to ensure that vulnerable communities, important social and cultural amenities, as well as critical infrastructure are able to withstand the shock associated with the most common disasters. Investments in flood defences, including sea defence walls, dykes, and detention basins could protect communities and critical infrastructure from the effects of flooding. Disaster reduction investments should also tackle the increasing risks from terrorism and cyberattacks. Critical infrastructure like power, water supply, and healthcare need to be well protected at all times. Also, large public gatherings, the parliament house, the seat of government, among others should always have rigorous measures in place to prevent any security or terrorist attacks.

##### ***Strengthen public education and awareness in disaster risk reduction***

It is important that individuals are always aware of the disaster risks that they are exposed to and what actions to take in the event of a disaster. Awareness creation and educational campaigns should seek to promote a culture of disaster prevention, resilience and responsible citizenship, mutual learning and knowledge sharing. Both formal and informal mechanisms including campaigns, social media and community mobilization may be adopted, taking into account specific audiences and their needs.

##### ***Develop and maintain early warning systems***

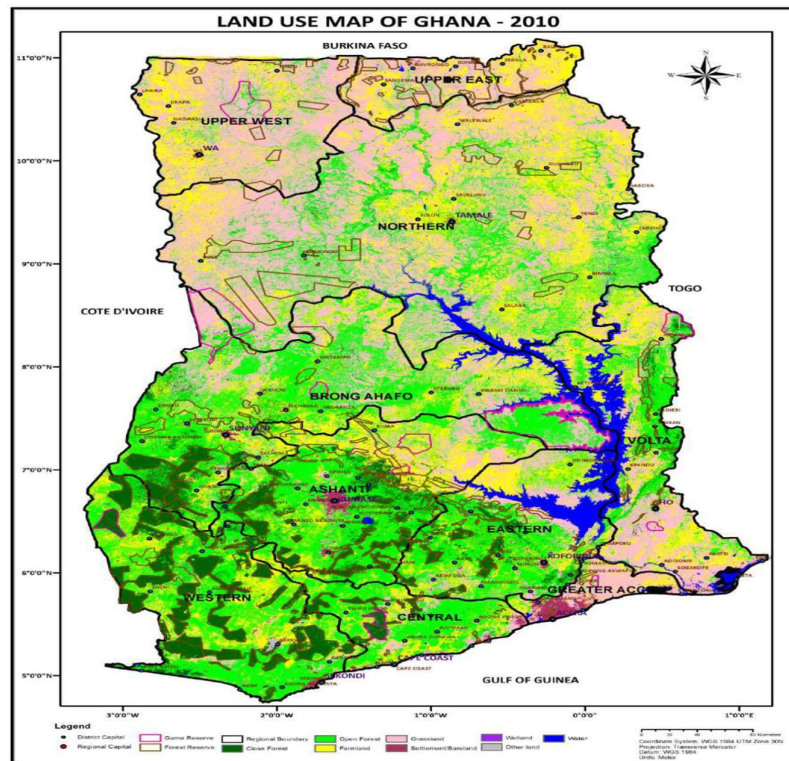
The National Disaster Management Organisation (NADMO) should be resourced to develop a network of people-centred, multi-hazard, multi-sectoral forecasting and early warning systems across the country. Such a system could include emergency communications mechanisms, social technologies and hazard-monitoring telecommunications systems tailored to the needs of the end-users, including socio-cultural requirements and indigenous knowledge. The aim should be a simple and low-cost, but effective warning equipment and facilities.

## 6.6 LAND MANAGEMENT AND ADMINISTRATION

### 6.5.1 Introduction

Land is a critical resource for Ghana's development. Primary land-based products and activities notably agriculture, mining, timber and infrastructure are major elements of the country's growth and socio-economic development. Efficient land use and management is therefore pivotal to achieving accelerated development and addressing issues related to environmental and natural resources management in the country. Land issues, including disputes, ownership rights, and titling, have held back development activities in many parts of the country. Thus, the quest for an accelerated and transformational development of the country must confront the land question with the view to curbing its draining consequences on the development process.

Figure 7.8: Land Use Map of Ghana



### 6.5.2 Situational Analysis

#### *Land Stock*

The total surface area of Ghana is about 238,535 km<sup>2</sup> divided into three main ecological zones: the High Forest zone (HFZ), Transitional Zone (TZ) and the Savannah Zone (SZ). Five percent of the total surface area is covered by inland water bodies, including rivers, lakes and reservoirs. Approximately 39.0 percent of the total surface area is forest, and 56 percent is predominantly under agriculture or human settlement. However, about 69% of the total land surface area of the country is estimated as being prone to severe or very severe soil erosion and soil fertility decline, while about 30 percent is affected by desertification. Coastal erosion is gradually reducing the land mass at annual rates ranging from 1.0 m per year in Accra to about 4.0 m per year in Keta.

#### *Overview of historic land policies*



Past attempts at land policies and governance in Ghana have either proved inapt or impotent in tackling these threats as observed by the 1999 Ghana national land policy. Though no single codified land policy document had been written until 1999, the land policies of the various political administrations could be gleaned from the statutes they passed.

The first ever land law in the Gold Coast was the Public Land Ordinance of 1876, which gave the government ready access to land required for public purposes subject to compensation except for the so-called unoccupied lands. An attempt in 1896 and 1897 by the colonial authorities to place all lands under the ownership of the queen of England were met by strong opposition, leading to the creation of the Aborigines' Rights Protection Society, which successfully put a stop to the bill.

The focus of the immediate post-colonial administration of Ghana was to establish the socialist base for the country's development starting with a mixed economic order in which the state dominates and regiments private sector activities. The post-colonial policies enabled the administration to compulsorily acquire private property for purposes wider than the colonial policy of services to the government. The Administration of Lands Act in particular introduced a unique form of Eminent Domain powers, which allowed the government to take control and allocate stool lands without compensation and without the consent of the traditional owners. The Act on public land acquisition has been used to acquire vast tracts of land without due compensation. However, the vast majority of these public lands remain unused or underused, thereby depriving the owners of the benefits derivable from the productive capacities of these lands. Due to the weak institutional capacity to protect the portfolio of lands acquired through Eminent Domain powers of the state, encroachment on these lands is commonplace to the point where the original purposes for acquiring the lands have become virtually impossible to realise.

### ***Land ownership and tenure***

At the heart of Ghana's land matters are the issues of land tenure and land ownership, which have an effect on land use. Ghana, like most developing economies, operates a dual land tenure and governance system. On the one hand is the official system based on English land law, introduced between 1874 and 1957, and has been subsequently entrenched and expanded by post-colonial administrations. The other is the customary system, which determines the original allocation of land rights to individuals, families, clans and chieftom based on the principles of discovery, conquest or long occupation. These two systems are not without long-standing adverse interactions, which have over the years become a constraint to investment, particularly in the agricultural sector.

### ***Land administration***

Ghana's land governance history has been chequered but largely influenced by the country's colonial past. The laws that form the framework for land governance in the country were based on the English property law system. These laws, without due recognition to the nuances in traditional land tenure systems, created cumbersome land title procedures which contributed to the general indiscipline in land acquisition and use. Land boundaries in the country are generally not demarcated and so the establishment of land ownership tends to be problematic. The National Land Policy was therefore launched in 1999 to address the critical issues hindering effective and efficient land administration. These issues, many of which still persist, included land ownership, security of tenure, land use and development and environmental conservation on sustainable basis. In recent times there has been an increase in speculative acquisition of land on a large scale (land grabbing) by business men to the detriment of local communities.

## ***Land use***

Within the current Ghana planning system, the MMDAs have the mandate to determine the best uses for all lands to which all developers are theoretically obliged to tailor their developments. The intractable challenge of the planning regime in Ghana is the rapid rate of development, which is forcing the planning system to play catch up at all times. Land-use plans, where they exist, have been poorly implemented over the years. Many towns and cities across the country are characterised by poorly planned settlements. Urban sprawl is now a common phenomenon in most of the major urban centres.

The poorly planned and unsustainable exploitation of land-based resources to meet legitimate needs have in many instances resulted in irreparable damage to productive lands and destruction of biodiversity. Rapid deforestation and poor cultivation practices, erosion, overgrazing and wildfires have contributed to land degradation. On the coast, land degradation is a consequence of the heavy concentration of people and industries, over exploitation of mangroves, and the increasing rate of coastal erosion.

## ***Public land acquisition and management***

In the past government employed the powers of eminent domain as a tool to enable state access to land for various purposes. Whilst the colonial government adhered to the public good principle, post-colonial administrations have used the powers to acquire fresh lands or converted existing publicly acquired lands to purposes that do not conform to the strict “public good” definition. Cabinet or governmental level directives often back these conversions, which mandate the Lands Commission, the official managers of public lands, to subdivide and allocate land for urban and other uses, subject to the payment of rents and other consideration. The processes of allocation have been criticised repeatedly for being opaque and favouring the rich and politically connected at the expense of the poor, marginalized and vulnerable. These lands have also become prime candidates for land speculation as they are allocated at substantial discount usually to the well-connected who almost immediately or after a while resell them at a premium.

### **6.5.3 Outlook**

Presently the vast majority of the land area of Ghana is unused and offers potential for accelerated development of the country. Though the land stock of Ghana may appear abundant, it is actually finite and the competing future demands on it will generate pressures on the available stock. The need therefore for greater prudence and strategic approach to the use of land to meet these competing needs will become all the more pressing as the century unfolds. This will require a robust and adaptable land governance system that incentivises and shapes future land use decisions along ways that maximises economic, social and environmental development of the country.

### **6.5.4 Strategic Objective for Land Management**

The long-term objectives for land management in Ghana must be: (1) establish a secure property rights regime that guarantees fair access to land, underscored by a transparent and credible land registration system; and (2) ensure effective, socially and environmentally compatible land use planning and development.

### **6.5.5 Strategic Interventions**

Promote a property market with a clear and secure property rights regime. Creating transparent and credible land registration system that guarantees fair access to land is essential for a secure property regime and an efficient property market. This should include the full computerisation, merger and harmonization of the Deed and Title registers and nationwide land ownership survey and registration to

significantly increase the percentage of documented and state protected land rights in the country. Other recommended measures include: regularise and document the rights of squatters and encroachers on public lands that are no longer viable for their intended use; and actively promote fair access to land particularly by women, the marginalized, the youth, and other vulnerable groups.

### ***Reduce the volume and rate of land disputes***

The large number of land disputes is a major hindrance to the utilization of land for development. This challenge can be addressed by setting up a strong decentralised system of land dispute resolution that is fast, impartial, affordable, authoritative, socially embedded and equipped with the power to enforce its judgments. The creation of the Land Division of the High Courts as proposed under the 1999 National Land Policy, and expanding the capacity of and jurisdiction of Magistrates' Courts to leverage their use of informal and flexible procedures, understanding of local facts and the high respect accorded them by communities to adjudicate land disputes could help resolve many of the land disputes. Citizens' Advisory Bureaux could also be set up at district levels to offer free land related legal advisory and support services.

Build strong and transparent land administration institutions that are responsive to customer needs. Land administration services should be transparent, less cumbersome, easily accessible and trustworthy. Land administration and registration services should be decentralised to district levels and the operations digitised and automated. Providing an option for delivery of land related public services online will drastically cut down customer travel costs and waiting times.

Build a digital land information infrastructure that effectively addresses the market's information deficiency challenges

Promote continuing innovation and investment in land information technology and continuously expand and improve the accuracy, sufficiency and currency of publicly accessible land information. Professional bodies should be supported to develop market relevant standards and competencies in rendering impartial and accurate advice to market participants.

### ***Promote effective and socially compatible land use planning***

A land use planning system that effectively balances present and future competing uses and demand pressures on land is critical for the land sector. Government should collaborate with the private sector and traditional authorities to promote effective land use planning and development control that is swift, effective and socially compatible. There is the need to create outstanding, attractive, well-planned, safe and sustainable communities that attract people and businesses.

### ***Build a functional valuation and property taxation system***

Replace existing rating system with a land value taxation system – a property levy based on pure land values (excluding capital improvements). This should be backed by the use of automated valuation models and GIS. Other recommended measures are: encourage the wider involvement of private sector valuation firms in the preparation of valuation list/roll under the supervision of the Lands Commission, and develop a system that monitors actual repeat sales of same properties to enable the accurate assessments of profit on property sales, capital gains and so forth.

### ***Ensure judicious and cautious use of compulsory purchase powers***

The use of compulsory purchase powers should be strictly restricted to acquisition of lands for pure public and merit goods purposes justified by a strong business case and a fair-compensation payment guarantee.

Under-utilised land held by public departments should be released for new housing or commercial developments to boost economic development. In doing so, prime urban or commercial agricultural public lands should be allocated on market value and commercial terms. There should be zero subsidy, while ensuring transparency and economic efficiency in the allocation, income generation and management of public lands.

***Develop capacity for effective survey and mapping to underpin land registration and administration services***

Promote the development of capacity for low-cost and affordable boundary survey for rural and low value land rights, using, for example, large-scale aerial maps or updated satellite imagery. Also promote a mutually beneficial collaboration with the private sector to build a nationwide up to date mapping database, and increase cadastral surveying capacity in response to future demands for land registration services.

***Redefine Eminent Domain***

Future land governance strategy must more clearly define the scope of eminent domain powers restricting its use to the acquisition of land for pure public use purposes. It must also aim to infuse transparency and fairness into the processes of allocating public lands. To defray the outstanding compensation bill, allocation of public lands for non-public or merit good purposes must be on commercial terms to reduce rent seeking and corruption. Besides, a strategy to defray all outstanding compensation must be a priority for government in the future land governance plan. A responsible programme for recognizing or regularizing the titles of occupiers without formal allocation from government to enable them unlock greater value from their holdings.

## **6.7 MINERALS EXPLOITATION**

### **6.6.1 Introduction**

Ghana is well endowed with mineral resources and has a relatively well-established mining sector. The major minerals produced in the country include gold, bauxite, manganese, diamond and lately crude oil. Other commodities produced include a variety of crude construction materials, such as clay, lime, limestone, salt, sand and gravel. Studies have shown that the country has great deposits of barites; basalts; clays; dolomites; feldspars; granites; gravels; gypsums; iron ores; kaolins; laterites; limestones; magnesites; marbles; micas; phosphates; phosphorus; rocks; salts; sands; sandstones; slates; and talcs that are yet to be fully exploited. There is also great potential for solar salt production along the coastline from Elmina to Keta.

### **6.6.2 Situational Analysis**

***The Minerals and Mining Policy***

The Minerals and Mining Policy, 2014, provides a written declaration of the framework of principles to guide the management of the mining and minerals sector. Section 6 of the policy is on environmental regulation of mining. The objective is to achieve an acceptable balance between mining and the physical and human environment as well as ensure that internationally accepted standards of health, mine safety and environmental protection are observed by all participants in the mining sector. By consolidating various policies in the mining sector, the policy seeks to secure the continued development of a thriving mining industry that will contribute to sustainable economic development in the future.

## Contribution to the economy

The mining sector has long played an important role in Ghana's economy, contributing about 2.0 percent to GDP in 2016 but accounting for as much 44.2 percent in merchandise exports, almost all of it gold (diamond, manganese, and bauxite have together accounted for just about 1.0 percent of merchandise exports over the past decade). With crude oil exports accounting for another 12.1 percent, the "broader" mining sector (both minerals and petroleum) accounted for nearly 60.0 percent merchandise exports in 2016, or US\$6.3 billion. Due to a liberal investment regime and limited Ghanaian participation in the capital-intensive mineral and petroleum sector, the actual contribution of the sector to the country's international reserves does not fully reflect the high export earnings. In the area of employment, the sector in 2014 provided over 38,000 jobs in the large-scale mining and mine support services industry. It is estimated that about 1 million people are engaged in artisanal and small scale mining (ASM). The contribution of the mining sector to government's revenue between 2005 and 2012 is shown in Table 6.7 below.

**Table 6.7: Mining Sector's Share of Government Revenue, GH¢, 1990-2016**

MINING SECTOR SHARE OF GOVERNMENT REVENUE, GH¢ (1990-2016)									
	CORPORATE TAX BY MINING FIRMS	MINERAL ROYALTIES	P.A.Y.E (EMPLOYEE TAXES)	RECONSTRUCTION LEVY	WITHHOLDING TAX	MISC.	TOTAL INCOME	TOTAL GRA COLLECTION (GRAC)	MINING SHARE OF GRAC
	(A)	(B)	(C)	(D)	(E)	(F)	G= A+B+C+D+E+F	(H)	I=G/H
1990	282,594	189,344	-	-			471,938	5,281,807	8.94%
2000	1,578,917	11,873,694	5,924,380	-			19,376,990	140,944,527	13.75%
2001	2,481,289	12,735,839	7,611,168	425,147			23,253,443	195,016,275	11.92%
2002	2,350,116	15,345,247	10,145,767	2,647,463			30,488,593	275,774,778	11.06%
2003	6,813,770	19,438,758	14,104,945	1,678,588			42,036,061	382,407,839	10.99%
2004	10,033,114	21,574,371	13,435,771	5,318,591	11,310,661		61,672,509	533,311,470	11.56%
2005	26,988,964	23,595,190	15,437,126	1,951,628	13,490,703	12,509,203	93,972,813	644,638,505	14.58%
2006	21,566,208	31,625,479	18,271,007	1,582,873	17,381,530	-	90,427,097	734,135,448	12.32%
2007	47,415,690	40,882,042	34,587,597	-	21,208,062	136,537	144,229,928	910,235,784	15.85%
2008	73,554,697	59,006,509	47,139,242	-	30,804,675	277,934	210,783,058	1,222,475,246	17.24%
2009	124,600,880	90,415,902	103,061,985	-	36,288,407	-	354,367,174.02	1,790,557,800	19.79%
2010	241,578,778	144,697,345	132,469,345	-	36,350,000	-	555,095,469.08	2,338,542,674	23.74%
2011	649,902,536	222,024,705	178,037,079	-	-	472,361	1,050,436,681	3,705,747,795	28.35%
2012	893,773,828	359,392,853	207,495,934	-	-	540,362	1,461,202,977	5,403,032,412	27.04%
2013	518,545,259	364,673,038	220,131,570	-	-	697,447	1,104,047,314	5,880,322,065	18.78%
2014	429,533,132	470,366,082	291,731,324	-	-	1,062,004	1,192,692,542	7,426,082,366	16.06%
2015	320,948,380	485,623,657	478,096,157	-	-	904,097	1,285,581,291	9,091,116,859	14.14%
2016	674,710,692	550,728,650	367,349,843	-	39,844,558.81	526,073	1,633,169,817	10,452,099,251	15.63%

Source: Minerals Commission, 2017.

## Environmental and social challenges

The sector continues to be challenged by health, environmental and social consequences of mining activities. The displacement of communities, the disruption or destruction of livelihoods, environmental damage, and disputes related to employment, tensions between locals and migrant workers, are major causes of social conflicts in mining communities. Issues of environmental concern include land and soil degradation, air and water pollution, noise and vibration, and solid waste disposal. The over dependence of some communities on mining has resulted in the creation of "ghost towns" following the closing of the mines.

In recent times, the menace of illegal small-scale mining, otherwise known as “galamsey”, has become the single most important source of environmental and social concern in the country. The increased involvement of foreign nationals along with the use of heavy equipment has turned galamsey into a sophisticated and complex operation, with virtually no regulations. Galamsey operations leave behind a trail of uncovered pits, pools of heavily contaminated water, large tracts of land with no vegetative cover, and contaminated land and rivers resulting from the chemicals (mostly mercury) used in the illegal operations. The poor and hazardous working conditions expose the workers to all kinds of health and safety risks which leading to several deaths and injuries. Attempts to use the military to stop galamsey have only produced mixed results.

### **6.6.3 Outlook**

The discovery of oil and gas in commercial quantities and its production in late 2010 along with the exploitation of traditional mineral resources such as gold, diamond, bauxite and manganese, have served as important impetus in pursuit of the country’s socio-economic development. The proven reserves of oil and gas, the discovery of new fields, as well as other mineral resources indicate that the extractive industry will continue to play a pivotal role in the development of the country, both in terms of revenue, jobs and other ancillary investment and businesses. The sector can serve as a basis for industrialisation through mineral processing, establishment of petrochemical industry and production of agrochemicals including fertilizer, with strong linkages to the rest of the economy. The mining industry could, however, serve as exploitative enclaves, hence effective measures would be required to effectively regulate the industry and promote sustainable management principles.

### **6.6.4 Strategic Interventions**

The strategic interventions for achieving the long term objectives for the sector include:

Develop a framework for efficient minerals revenue management -A transparent framework to determine and track the use of mineral revenues at both national and community levels is required to ensure that minerals revenues are used judiciously for national development. Such a framework will foster stronger working relationships among communities, government and mining companies.

#### ***Diversify mineral production base and develop minerals value chains***

A large proportion of the minerals extracted are exported out of the country with little or no value-addition. This denies the country of huge economic and social benefits that will enhance national development. Viable value chain options should be developed and strengthened for minerals mined in the country to derive maximum benefits for the country. The huge potential for industrial minerals like clay, kaolin, and mica should also be developed to stop the over reliance on the few traditional minerals.

#### ***Promote sound environmental and social practices in the minerals and mining sector***

Sustainable mining requires that mining activities along the value chain are conducted in a manner that do not impact adversely on the environment. Ghana’s mining sector has been associated with environmental degradation and community upheavals. Compliance and enforcement of measures, especially preventative ones, to avoid and control pollution and land degradation from exploration and mining activities should be improved. In addition, the sustainable development of mining communities should be promoted to prevent the development of ‘ghost’ towns once the mines are closed.

Develop and implement policy and regulations to differentiate the various categories of mining operations. There is the need to have in place systems to differentiate and regulate artisanal small scale

mining (ASSM), small-scale mining (SSM), medium-scale and large-scale mining operators. This will enhance sanity and streamline operations of the various actors within the mining sector to ensure effective regulation.

### ***Decentralise the operations of the Minerals Commission***

The Minerals Commission is responsible for regulating and managing the utilisation of the mineral resources of Ghana and coordinating the implementation of policies relating to mining. For effectiveness, it is recommended that the Minerals Commission is resourced and decentralised, especially to active mining districts, so that it is closer to the miners in order to ensure regular guidance and monitoring of their activities.

## **6.8 FOREST MANAGEMENT**

### **6.7.1 Introduction**

Forests are extremely important natural resources with immense economic, socio-cultural and ecological benefits for Ghana. They serve as habitat for biodiversity, protect water sources, enhance soil structure and fertility and prevent soil erosion. Forests also play an important role in the fight against climate change by absorbing carbon dioxide from the atmosphere and moderating climatic conditions. Forest resources provide shelter, fuelwood and charcoal for the population. Non-Timber Forest Products (NTFP) also provide medicine and food. Forest and forest fringe communities depend largely on renewable resources from the forests for their livelihood/survival and are at risk in the event of deforestation and forest degradation. The sustainable management and use of forest resources is essential for meeting current needs and ensuring the requirements of future generations.

### **6.7.2 Situational Analysis**

#### ***Changes in forest cover (See Editors' Comments 49)***

Ghana has three main ecological zones: the High Forest zone (HFZ), the Transitional Zone (TZ) and the Savannah Zone (SZ). The forested area covers about 39 percent of the landmass and it is defined as any land spanning more than 0.5 ha., with trees higher than 5 meters and a canopy cover of more than 10 percent. Information obtained from satellite images suggests that in the 25-year period between 1990 and 2015, the country's total forest cover increased at an average annual rate of around 0.3 percent. This increase is attributed to the national afforestation programme, natural regeneration, and the significant reduction in the incidence of forest fires. Over the same period, however, the country has experienced a decline in the total area of closed forests and an increase in the size of open forests, largely a result of the expansion of agricultural activities but also due to increasing urbanisation and the impact of small scale illegal mining. The area of closed forest has decreased from 2.704 million ha in 1990 to 1.556 million in 2015 indicating an average loss of about 46,000 ha per year (35 thousand football fields). The changes in the forest area of Ghana are summarized in Table 6.8.

**Table 6.8: Forest Cover in Ghana (1990-2015) (See Editors' Comments 50)**

<b>Year</b>	<b>Closed Forest (Ha)</b>	<b>Open Forest (Ha)</b>	<b>Total Forest Land (Ha)</b>
1990	2,704,422.0	5,922,979.8	8,627,401.9
2000	2,317,165.7	6,591,441.3	8,908,607.0
2010	1,785,801.6	7,409,335.0	9,195,136.6
2015 (Est.)	1,556,146.4	7,780,853.6	9,337,000.0

**Source: FPP Report (2014)**

### ***Forest and Wildlife Policy***

The 2012 Ghana Forest and Wildlife Policy, a revision of the 1994 Policy emphasises the non-extractive values of the forest and seeks to create a balance between timber production and marketing, while ensuring good governance and transparency in the forestry sector. The policy objectives are to:

- i. Managing and enhancing the ecological integrity of forest, savannah, wetlands and other ecosystems;
- ii. Promoting the rehabilitation and restoration of degraded landscapes through forest plantation development, enrichment planting, and community forestry;
- iii. Promoting the development of viable forest and wildlife based industries and livelihoods, particularly in the value-added processing of forest and wildlife resources;
- iv. Promoting and developing mechanisms for transparent governance, equity sharing and people's participation in forest and wildlife resource management and
- v. Promoting training, research and technology development that supports sustainable forest management.

The current policy has, addressed many of the shortcomings of the 1994 Forest and Wildlife Policy, however, issues on information sharing with the public have not been adequately addressed.

### ***Forest Conservation***

Currently, there are 280 forest reserves in Ghana under the management of the Forestry Commission, covering a total area of about 23,729 km<sup>2</sup>, or 11 per cent of the total land area of Ghana. About 75 per cent of these reserves have been designated production reserves, which are exploited for timber, while the remaining 25 per cent are protection reserves. There are also currently 21 legally-constituted wildlife protected areas, including six national parks, six resource reserves, three wildlife sanctuaries, and one strict nature reserve which facilitate the in-situ conservation of biodiversity. The Forestry Commission has designated 29 forest reserves as Globally Significant Biodiversity Areas (GSBAs), because of their importance as habitats for various species. Infractions occur within all protected areas and remain a major concern, these infractions include illegal farming, illegal harvesting of plantation timber, forest fires, hunting, illegal mining and sand winning. The infractions have resulted in loss of habitat in the reserves and decline or loss in biodiversity, an example of such biodiversity loss is Miss Waldron's Red Colobus Monkey declared by IUCN as extinct in 2003.

Apart from the infractions given above, major challenges to the proper protection, conservation, and sustainable use of the country's rich forest resources include: inadequate collaboration between stakeholder institutions, weak enforcement of relevant laws and regulations, lack of a comprehensive database on forest resources, inadequate human and financial resources, as well as demand for forestry products due to population growth and urbanisation.

### ***Timber Production***

Since 2006, tree felling quotas for off-reserve areas have been suspended so no tangible Annual Allowable Cuts (ACCs) have been set for off-reserve areas. Out of the 82 timber species inventoried in 2001, 64 of them form the commercial species exploited by timber companies and have been grouped as follows:

- i. 18 Scarlet Star species comprising the main traditional commercial timbers now under threat of economic extinction because of high level exploitation in the past (200.0% of the sustainable level).
- ii. 16 Red Star species significantly being over removed and will eventually become economically extinct, if the levels are not controlled.



- iii. 30 Pink Star species, some of which are being exploited but not at an alarming rate, i.e., less than 50 per cent of the sustainable harvest.

### **Forestry's Contribution to the Economy**

It is estimated that around 2 million people depend directly or indirectly on Ghana's forests for their livelihood, such as collecting wood for fuel, making of charcoal, wood carving, producing rattan goods, and building canoes. The contribution of forestry to the country's Gross Domestic Product (GDP) and exports, however, has declined in recent years. Between 2007 and 2016, its share of GDP fell from 4.2 percent to 2.0 percent, while that of exports, which had reached a high of 12.0 percent in 1997, fell from 6.0 percent to 2.0 percent between 2007 and 2016. This was partly the result of efforts to conserve the country's forests and eliminate illegal logging. The volume of exports declined from 498,843.32 m<sup>3</sup> in 2000 to 267,379.45 m<sup>3</sup> in 2015.

The domestic timber market is dominated primarily by informal sources using inefficient and unsustainable practices. Although timber demand is high, there is very limited investment in new equipment and needed resources, because conditions are believed not to be conducive for continuous private sector engagement. The processing mills overall are constrained by limited supply of timber and range of species from natural forests. According to the Forestry Commission, as of 2013, there were 84 sawmills and 12 companies with plywood capacity in the formal sector, directly employing about 120,000 people. The timber industry has experienced over-capacity and low production yields irrespective of the application of efficient processing methods and the use of appropriate machinery suited to the sizes of materials available. In addition, the timber industry is experiencing a dwindling raw material base, low morale and performance of forestry staff as well as having low value-added processing of timber.

Currently, consumption of timber and use of wood based fuels off-reserves are beyond sustainable levels. The timber Annual Allowable Cut is being exceeded in the off-reserve forest areas. In the savannah ecosystem, the Mean Annual Increment (MAI) is less than the loss from harvesting of wood fuels. Commercial utilisation of woodland resources, in areas where they are perceived as public goods, that is, free of charge and of accessible by all, contribute to unsustainable management practices. There is also generally poor accountability by loggers in the exploitation of off-reserve resources resulting in considerable loss of the land owners, farmers and District Assemblies.

### **Forest Plantation Development**

Forest plantation development in Ghana started in the 1920s where the policy was to plant mainly indigenous species in the High Forest Zone (HFZ). The objectives at that time also included introducing exotic species for fuel wood near large population centres and to fuel boilers for electricity generation or for mining use. The exotic species planted included *Eucalyptus torelliana* and *Eucalyptus tereticornis*. In the Savannah Zone (SZ), however, many exotic species were tried from 1951 to supply timber, poles, and fuel wood. Species that showed promise included *Azadirachta indica* (neem), *Senna siamea* (yellow cassia), *Cedrela mexicana* (mahogany), *Dalbergia sissoo* (Indian rosewood), *Gmelina arborea* (Malay beechwood), and *Tectona grandis* (teak). Records show that *Cedrela* was introduced from the Caribbean in 1898, and teak from Burma. Records indicate that *Tectona grandis* trials in the country date back to 1905 under the German administration in the Volta Region of the country.

The major forest plantation development programme was undertaken from 1963 to 1987, mostly in the "degraded" parts of the forest reserves due to easy access to land in those areas. They were undertaken mainly through the "Taungya" system and by 2002 an area of 19,378.26 ha in the High Forest Zone was covered with plantation. Over 70 per cent of these plantations consist of Teak. Other species established include *Cedrela odorata* (Cedrela), *Terminalia* spp. (Ofram and Emire), *Gmelina arborea*, (Cassia),

*Eucalyptus* spp, *Heritiera utilis* (Nyankom), *Aucoumea klaineana* (Aucoumea), *Nauclea diderrichii* (Kusia), *Khaya ivorensis* (Mahogany), *Triplochiton scleroxylon* (Wawa) and *Mansonia altissima*, (Aprono).

### 6.7.3 Outlook

Population growth and the anticipated rapid socio-economic development in Ghana, is expected to increase the pressure on forest resources in the medium- to long-term. Increased demand for food, energy, human habitat, and transportation will have direct implications on the forestry sector, especially forest encroachment and degradation. In addition to human activities, desertification and other forms of land degradation, together with the impacts of climate variability and change are likely to pose an increased risk to the nation's forests.

With appropriate interventions, the timber and lumber industry can be revived to contribute to national development. Developing the timber value chain and promoting sustainable lumbering practices, and efficient use of timber and timber products are key issues that will need to be addressed.

### 6.7.4 Strategic Interventions

To safeguard and ensure the sustainable use of forest resources, the following Strategic Interventions are recommended.

#### ***Implement rigorously the Ghana Forestry Development Masterplan (2016-2036)***

The Forestry Development Masterplan is the blue print for the development of Ghana's forestry sector. The Masterplan addresses the current and future challenges of the sector under eight thematic areas; namely:

- i. sustainable management and utilization of forests, wildlife, wetlands, and savannah ecosystems;
- ii. rehabilitation and restoration of degraded landscapes through plantations development, community forestry, woodlot development, and natural regeneration;
- iii. reducing GHG emissions from deforestation and forest degradation through climate smart agriculture and agro-ecological farming within the forest areas, while reducing poverty and conserving biodiversity;
- iv. development of viable forest and wildlife based industries and livelihood enterprises, particularly in the value-added processing of forest and wildlife resources;
- v. institutional and legislative reforms for transparent governance, equity sharing and stakeholder participation in forest and wildlife resource management;
- vi. promoting innovations, capacity development, research and technology development that supports sustainable timber, wood fuel, and wildlife management.
- vii. Stimulating political and institutional support for the implementation of the forest and wildlife policies and programmes at all levels of governance,
- viii. Development of sustainable predictable financing instruments to support forestry activities.

#### ***Promote sustainable consumption and production of forest resources***

Both the timber and non-traditional forest products are at risk from overexploitation due increasing demand to meet pressing economic and socio-cultural needs. It is possible to meet the dual objectives of meeting development needs and avoiding over exploitation by adopting consumption and production patterns that focus the efficient use of forest resources thereby reducing the quantities required.

### ***Promote development of commercial nurseries***

Commercial nurseries, largely under-developed, hold the potential for meeting Ghana's needs and creating lucrative export opportunities around the world as the drive for sustainable development and reforestation intensifies.

## **6.9 COASTAL AND MARINE AREAS MANAGEMENT**

### **6.8.1 Introduction**

Ghana has 550 km of coastline and the coastal zone is generally a low lying area, not more than 30 m above mean sea level on the landward side and not deeper than 6 metres in to the sea. The marine area comprises a narrow continental shelf extending outwards from the coastline to between 25 and 35 km offshore, except off Cape Coast and Saltpond, where it reaches up to 80 km in width. This creates a 20,900 km<sup>2</sup> continental shelf and 218,100 km<sup>2</sup> of Exclusive Economic Zone (EEZ), the fifth largest in West Africa. The coastal zone stretches across the Western, Central, Greater Accra and Volta regions. It makes up about 6 percent of the country's total land and is home to about 30 percent of the population. The economic values placed on coastal ecosystems are high. For example, the coastal zone accounts for about 80% of Ghana's annual fish production of over 450,000 metric tonnes. Several of the country's critical infrastructure, including power generation plants and over 60 percent of industries are located within the coastal zone.

### **6.8.2 Situational Analysis**

#### ***Coastal and marine resources and services***

The coastal and marine areas contain important resources that provide economic, socio-cultural and regulatory functions. The major primary activity of the zone is fishing. Other activities of economic importance that occur in the zone are agriculture, transportation, salt production, oil and gas exploration, sand and stone winning, recreational and industrial developments. The beaches, forts and castles along the coast are important tourist attractions.

Coastal wetlands, including mangroves, lagoons and estuaries provide a range of ecosystem services and resources ranging from building materials, hunting, and fishing areas, to sources of water for humans and livestock as well as medicines. The wetlands also provide useful regulatory functions including shoreline protection, nutrient supply, flood control, and water purification. The area is also known to be important internationally, for the provision of feeding, roosting and nesting sites for thousands of birds, especially migratory species which led to the establishment of five Ramsar sites along the coast.

#### ***Pressure from human activities***

Resources in the coastal and marine areas are under increasing threat from human activities. The increasing demand for land and building materials, environmental degradation caused by waste from industries, and unsustainable fishing practices have worsened the pressures on Ghana's coastal and marine ecosystems thereby threatening their survival, and hence the survival of many coastal communities that depend on them. Poor waste management services, inadequate wastewater treatment facilities and the unsanitary use of beaches for open defecation have also contributed to the increased pollution and degradation of coastal and marine ecosystems.

### ***Coastal erosion and habitat risks***

The coastal zone is vulnerable to the impacts of climate change, with coastal erosion being a major concern. The potential rise in sea level would result in wetland flooding, contamination of agricultural soil, loss of habitats, and the wiping away of entire communities. A total of 1,110 km<sup>2</sup> of land area may be lost because of a projected 80 cm rise of sea level by 2100. Hundreds of thousands of people will be affected, with property damage running into billions of Ghana cedis. Critical infrastructure, such as railways and roads, within the coastal zone are also at risk from coastal erosion and tidal surges.

There is currently no single integrated policy document on coastal and marine resources. The reason may be due to the absence of one coordinating institution responsible for coastal and marine resources. There are however several sectoral policies and plans directed at the sustainable management of coastal and marine resources. Coordination among the various departments and agencies remains weak and implementation of interventions tend to be disjointed.

### **6.8.3 Outlook**

The challenges facing Ghana's coastline are formidable and these will worsen in the future unless ameliorative measures are taken. The coastal zone is under increasing pressure from the changing demographic dynamics and economic activities in a modernising Ghana. Rapid urbanisation within the zone will result in increased demand for land and other coastal and marine resources, increased industrial activities, and an increase in the volume of liquid and solid waste generated. In the medium to long-term, there is likely to be a need to develop more beaches as the national average income levels increase and the number of foreign tourists rises. Increased human activities within the coastal and marine zones could have an adverse impact on sensitive ecosystems and habitats.

Parts of Ghana's coastline are prone to the effects of sea level rise from climate change which poses a risk to coastal communities, agricultural lands and sensitive ecosystems. With many of the nation's critical infrastructure, including power generating plants, oil and gas infrastructure, harbours, roads and museums located within the coastal zone critical infrastructure, a rise in sea level could have a dilapidating effect on the economic and social activities. Many communities along the coast continue to be battered by tidal waves and this is projected to become more frequent and intense as the ocean becomes warmer as a result of climate change.

### **6.8.4 Strategic Interventions**

The long-term objective for Ghana's coastal and marine areas are two-fold; namely: (a) Protect sensitive coastal areas and marine habitats and ecosystems, and (b) Ensure the sustainable use of coastal and marine resources. The strategic interventions to help achieve these dual objectives include:

#### ***Map and assign conservation status to sensitive coastal and marine areas***

Coastal districts should map out their coastal and marine areas and identify the most suitable uses. Sensitive coastal and marine areas such as feeding and nesting grounds, spawning areas, estuaries and mangroves should be assigned conservation status, and clearly indicated on the district spatial planning map. Marine resource and port operations should be considered.

#### ***Establish a Coastal Zone Commission***

A Coastal Zone Commission is proposed to promote effective stakeholders' participation in the affairs of the coastal zone to ensure the sustainable use of coastal and marine resources. One of the primary roles

of the Commission will be to update existing plans and documents so as to develop an inclusive Integrated Coastal Management Plan and effectively coordinate the implementation of the plan.

***Strengthen the involvement of local communities in the management of coastal and marine resources***

Local communities should be encouraged and resourced to sustainably manage their coastal and marine resources. They should be encouraged to play an active role in deciding how the resources are used, tapping from their indigenous knowledge and cultural beliefs and practices.

***Establish a bank of genetic marine and coastal resources to restore threatened species and degraded eco-systems***

A safe and well equipped repository will be required to store genes of marine and coastal resources, which could be used to restore de-graded ecosystems and threatened species should the need arise. The stored genes could also be used for studies and research to develop more resilient varieties.

***Promote education and public awareness on coastal and marine areas.***

The public should be educated on the important role of coastal and marine areas to national development. The challenges and opportunities within these areas should be highlighted, together with the need to ensure that these areas are sustainably managed. Both formal and informal channels of education and awareness creation should be used, with suitable strategies for the various target groups.

## **6.10 CLIMATE VARIABILITY AND CHANGE**

### **6.9.1 Situational Analysis**

***Historical Climate trend***

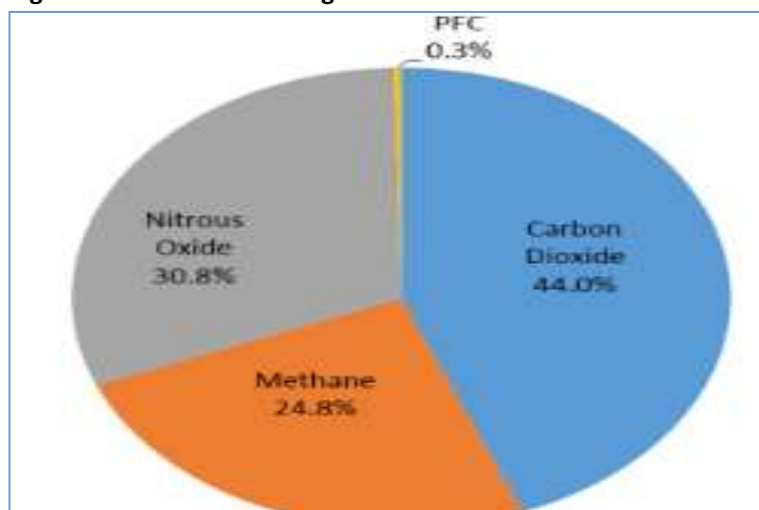
Historical data for Ghana from 1960 to 2000 showed a discernible rise in temperature and a decrease in mean annual rainfall in all the six agro-ecological zones in the country. A 1° C rise in average mean temperature was later recorded a between 1960 and 2010. The average rate of increase in temperature has been 0.21° C per decade, with a more rapid increase in the savannah ecological zones. Over the same period, mean annual rainfall figures have dropped by between 100 and 250 mm across the country, with the biggest decline experienced in the forest and transition zones. In addition, there has been an increase wind storms. All these changes have serious implications for the current and future development of the country.

***Green House Gas emissions***

Ghana's total greenhouse gas (GHG) emissions were 33.66 million tonnes (Mt) carbon dioxide-equivalent (CO<sub>2</sub>e) in 2012. This represented about 0.1% of the total global emissions. The 2012 emission figure reflected a 10.7 percent increase on the total emissions recorded in 2010 and an increase of 106 percent and 136.37 percent above the 2000 and 1990 levels respectively. In 2012 carbon dioxide was the most important of all the GHGs with a share of 44 percent of the total national emissions, followed by nitrous oxide (N<sub>2</sub>O) and methane (CH<sub>4</sub>) which comprised 30.8 percent and 24.8 percent respectively. The remaining 0.3 per cent of the total national emissions was made up of perfluorocarbons (PFCs) contributing 0.11 MtCO<sub>2</sub> e. The agriculture, forestry and other land uses (AFOLU) sector is the largest contributor to GHG emissions (45 percent) followed by the energy sector (40 percent) and the waste sector (13 percent). In 2012, CO<sub>2</sub> was the most important of all the GHG (including AFOLU) with a large

share of 44 percent of the total national emissions, followed by N<sub>2</sub>O and CH<sub>4</sub>, which comprised 30.8 percent and 24.8 percent respectively as shown in Figure 6.9.

**Figure 6.9 Contributions of gases to the national emissions in 2012**



Source: Ghana's First Biennial Update Report, 2015

### ***Climate Change Impacts***

Although Ghana's emissions account for only about 0.1% of total global emissions, the country is vulnerable to impact of climate change in terms of increased flooding, drought and extreme temperatures, vector-borne disease, and seismic hazards. Ghana is considered to have a moderate level of vulnerability to, and preparedness for, climate change. In 2015, the country was ranked as the 8th most globally impacted by extreme weather events.<sup>234</sup> Some of the anticipated impacts on climate change in Ghana are:

#### ***Extreme weather events***

Ghana's climate is highly variable and the country can expect more intense weather events, such as torrential rains, excessive heat and severe dry winds because of climate change. Floods are the most frequently occurring extreme events, especially in the coastal areas, with about 19 flood episodes in the period 1970-2016<sup>235</sup>. In 2015, in one of the worst disasters in the country's history, a combination of flooding and an explosion at a petrol station led to the death of 150 people and more than US\$ 100 million worth of damage. Analysis of precipitation trends shows that the proportion of total annual rainfall that falls in 'heavy' events is projected to increase, especially in the northern parts of the country. Extreme dry events are projected to increase over almost all Ghana, with the Upper West and Upper East regions being the regions with the highest exposure.

#### ***Biodiversity destruction and decline in ecosystems***

Ecosystems which contain important biological diversity and provide food, water and livelihood security to many coastal communities are particularly sensitive to changes in climatic conditions. The biodiversity of these systems is already being threatened by human activities, and will further decline with climate

234 Kreft, S., Eckstein, D., and Melchior, I. (2016) Global Climate Risk Index 2017, Briefing Paper, <https://germanwatch.org/de/download/16411.pdf>

235 Guha-Sapir, D., Below, R. and Hoyois, P. (2014). EM-DAT: International Disaster Database – [www.emdat.be](http://www.emdat.be) – Université Catholique de Louvain – Brussels – Belgium

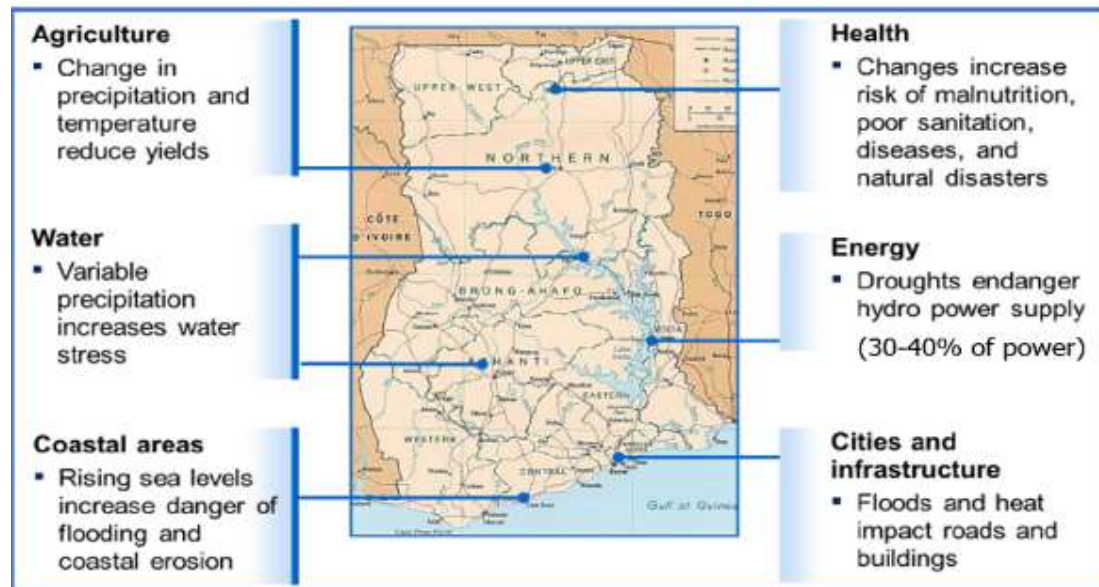
change. It is predicted that there will be substantial reduction in the fish protein supply for the West African region by 2050, with Ghana likely to experience up to a 40 percent drop in annual landed value by 2050, with a substantial amount of job losses. In the transitional or forest zone, projected climate trends could result in the early termination and late onset of rainfall, which is likely to convert the current twice-annual rainfall pattern into one, a situation that will impact negatively on agricultural production, livelihoods as well as food and nutrition security.

**Rise in sea level**

Around 3 percent of the population within the coastal zone are at risk as a result of inundation and shoreline recession. The incidence of storm surges is expected to intensify with increasing sea surface temperatures, which has serious implications for the country, as more than 25 per cent of its coastal area is exposed.<sup>236</sup> Major areas, such as central Accra, are vulnerable to inundation as this will cause significant damage to infrastructure and the economy. The projected 80 cm rise in sea level by 2100, will affect low-lying coastal communities, destroy coastal ecosystems, contaminate agricultural lands and pose a threat to critical infrastructure such as forts, castles, roads, oil and gas pipe lines, and power plants. Additional hazards include air and water pollution, depletion of natural resources and related ailments such as respiratory illness and water-borne pathogens.

Most ecological zones of Ghana are hit by this rapid change in climate with effects already manifested in major sectors of the economy, such as agriculture, fisheries, and forestry, with some of these ramifications triggering severe economic and social decline. Figure 6.10 below shows a summary of the dominant climate change impacts in different ecological zones in Ghana.

**Figure 6.10: Summary of Projected Climate Change Impact**



Adapted from Ghana’s First Biennial Update Report, 2015

236Dasgupta, S., Laplante, B., Murray, S., and Wheeler, D. (2009) Exposure of developing countries to sea level rise and storm surges, *Climatic Change* 106, 567-579

## 6.9.2 Policy Response to Climate Change

In 2014, the National Climate Change Policy (NCCP) was launched to provide strategic guidance on tackling the challenges and opportunities posed by climate change. The vision outlined in the NCCP is “to ensure a climate-resilient and climate-compatible economy while achieving sustainable development through equitable low-carbon economic growth for Ghana”. The policy seeks to achieve the objectives of effective adaptation, social development and climate change mitigation under five thematic areas, namely:

- i. agriculture and food security;
- ii. disaster preparedness and response;
- iii. natural resources management; and
- iv. energy, industrial and infrastructural development.

The NCCP recognizes that the human impact of climate change falls, for the most part, on the poor, and – very often – on women and children, the aged and the physically challenged. As such, social protection and social safety nets to smooth out inequities and building a more cohesive society are emphasised in the policy to enhance climate resilience and inclusive national development.

Ghana has responded positively to various international calls on enhanced mitigation actions including low carbon growth, Nationally Appropriate Mitigation Actions (NAMAs) and REDD+<sup>237</sup>. Ghana has identified 55 NAMAs in the energy, waste, agriculture, forestry and industrial processes as priority interventions to reduce GHG emissions. These interventions include solar and wind power, waste-to-energy projects, sustainable urban transport systems and the establishment and management of forests, among others. Forestry Commission, has also developed the National REDD+ strategy address the issues of forest degradation and deforestation, as well as promote the sustainable management of forests.

## 6.9.3 Outlook

### *Future Climate Projections*

Future climate change temperature scenarios developed based on the forty-year observed data (1960-2000) indicate that temperatures will continue to rise an average of about 0.6°C, 2.0°C and 3.9°C by the year 2020, 2050 and 2080 respectively, in all agro-ecological zones. Rainfall is also predicted to decrease on average by 2.8%, 10.9% and 18.6% by 2020, 2050 and 2080, respectively, in all agro-ecological zones. The rainforest zone is likely to be the wettest zone in Ghana with the coastal and northern zones experiencing the least rainfall.

### *Projected Green House Gas emissions*

With a growing population and the ambition to become an industrialised high-income nation, Ghana’s GHG emissions are expected to increase. Under the business-as usual scenario, emissions are projected to rise from 19.53 MtCO<sub>2</sub>e in 2010 to 37.81 MtCO<sub>2</sub>e in 2020, to 53.5 MtCO<sub>2</sub>e in 2025 and 73.95 MtCO<sub>2</sub>e in 2030. The bulk of the increase in emissions is expected from road transport systems, electricity generation from crude-fired thermal plants, biomass use and land use changes.

Under the Paris Climate Agreement (COP21) signed in December 2016, Ghana made an unconditional commitment to reduce greenhouse gas emissions by 15 percent by 2030 relative to the business as usual scenario. An additional 30 percent emission reduction is attainable on condition that Ghana receives external support in the form of finance, technology transfer and capacity building to cover the full cost of

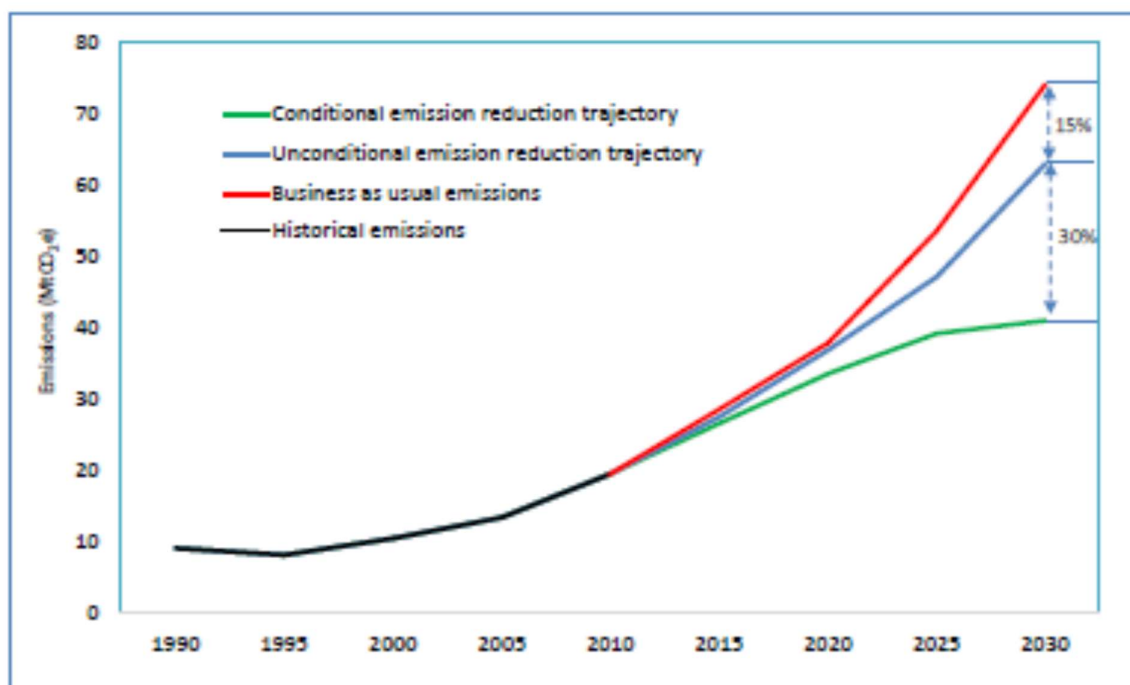
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<sup>237</sup> REDD+: refers to "reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries".



implementing the identified mitigation action (conditional scenario). Ghana's projected emission reduction trajectories are shown in the Figure 6.11 below.

**Figure 6.11: Ghana's emission reduction trajectory**



Source: Ghana's INDCs report, 2015

### ***Climate Change and Gender***

Variability in climate, coupled with the socio-economic conditions of women in Ghana, shows that any climate related disaster is likely to have the worst impacts on women in particular and the poor in general. Activities such as bushfires in the savannah region and logging in the forest zones have tended to reduce the composition and density of vegetation. These activities have negative implications of widespread acceleration of erosion, reduced crop yields and desertification. With greater proportion of women engaged in the agricultural sector, they tend to be hit hardest. Moreover, the sociocultural and land tenure practices in Ghana deny women sufficient access to fertile lands making their crops more vulnerable to climate change. In most Ghanaian households, the provision of water is mainly the responsibility of women and girls. During the dry season and droughts, women usually spend long hours walking long distances to fetch and carry heavy loads of water every day. Depending on varied climate change scenarios, cases of cholera, diarrhoea, malaria, malnutrition and heat related deaths may increase. Women and children are likely to be hit hardest as they tend to be more vulnerable to these health hazards.

#### **6.9.4 Strategic Interventions**

The following strategic interventions aim to tackle climate change and its impact and strengthening resilience and adaptive capacity to climate-related hazards.

### ***Accelerate and sustain the implementation of Ghana's Climate Commitments***

Under the Paris Climate Change Agreement (COP21) reached in December 2015, Ghana committed to cutting emissions in a concerted effort with other states to keep significantly cut emissions. Ghana's Nationally Determined Contribution (NDCs) contain a set of policy actions in key sectors to achieve at least 15 percent reduction in emission by 2030 compared to the business-as-usual scenario. This commitment is legally binding and forms part of global efforts to keep global warming well below the 20 C critical threshold, beyond the earth is predicted to experience potentially irreversible and catastrophic effects.

### ***Deepen the mainstreaming of climate change in development plans***

The successful implementation of the National Climate Change Policy and climate change intervention will depend on how well the relevant issues are captured in national and sub-national development plans, as well as the capacity to design, implement and track climate change activities. MDAs and MMDAs should be supported and equipped with knowledge, tools and competence to mainstream climate change in the planning, implementation, monitoring and evaluation processes.

### ***Utilise indigenous knowledge on climate***

Traditional communities rely mostly on traditional knowledge in dealing with climate variability. It would be useful to integrate these knowledge systems with scientific knowledge and emerging technologies to develop suitable coping strategies for climate change adaptation and disaster risk reduction, particularly for rural communities. There is a need for more research into indigenous knowledge in weather prediction and forecasting, disaster risk reduction and climate change adaptation.

### ***Address issues on gender and vulnerable groups***

Women and child are likely to be disproportionately affected by the impacts of climate change. Climate change interventions should therefore pay particular attention to the capabilities and need of women, children and other vulnerable groups. Their adaptive capacities should be strengthened to enhance their resilience to climate change.

### ***Develop and implement climate-smart agriculture as a means of ensuring food security***

Increased temperature and erratic rainfall patterns will impact negatively on agricultural productivity. Under high temperatures, fish stocks are negatively affected. Additionally, droughts and floods are likely to affect livestock. Breeding high temperature and drought tolerant cultivars will aid in yield stabilization and increase.

### ***Promote sustainable natural resources management***

Natural resources play an important role in carbon capture and storage, thus reducing the amount of carbon dioxide in the atmosphere. Increasing carbon sinks could be achieved through plantation development, afforestation, reforestation and forest restoration, including planting trees along all streets of major cities and towns. Other interventions could focus on improved management and resilience of terrestrial, aquatic and marine ecosystem, ecosystem based adaptation, community based natural resource management, and economic incentive measures.

### ***Promote clean energy options***

The increased use of fossil fuel and fuelwood increases GHG emissions should be curbed. Alternative clean energy sources, including solar, wind and biofuel should be developed and promoted to meet the energy

increasing demand. Also, energy efficiency measures, cleaner technologies and mass public transport systems should be vigorously pursued to reduce energy demand and pollution from emissions.

### ***Establish a National Climate Change Research Institute***

It would be necessary to set up a permanent National Climate Research Institute (NCRI) that will operate in a multi-disciplinary manner. Such a unit would need to be staffed with climate scientists, crop modellers, agronomists, soil scientists, meteorologists, agricultural economists, agricultural extension officers and specialists from all other relevant fields of study. The research institute will collaborate with other agencies and research centre to churn our new knowledge, products and services to support the quest for a climate-resilient and low-carbon economy.

## **B. INFRASTRUCTURE FOR NATIONAL DEVELOPMENT: THE GHANA INFRASTRUCTURE PLAN (GIP)**

This part of the long-term plan is a summary of the Ghana Infrastructure Plan (GIP), a companion document which provides the physical expression of the social and economic aspirations outlined in the long-term plan.

**Vision of the Ghana Infrastructure Plan (2018-2047):** To build world-class infrastructure assets that are efficient, dependable, resilient, sustainable, accessible, and inclusive, with the capacity to support Ghana's export-led growth and higher standards of living for all Ghanaians.

**Duration of the Ghana Infrastructure Plan:** The Plan, with several flagship projects, especially on energy, will span 30 years, within the context of the Long-term National Development Plan, which will be implemented from 2018-2057 (40 years).

**Implementation of the Infrastructure Plan:** The Infrastructure Plan will be implemented as an integral part of the Long-term National Development Plan, in conjunction with the *National Spatial Development Framework*, which was completed in 2015.

**Role of the Private Sector:** Ghanaian businesses will be empowered, through appropriate policies and state support, to lead in the implementation of the **Infrastructure Plan** through skills development, enhanced equipment capacities, and the local production of a wide range of construction materials, among others.

**Getting Value for Money:** The following major initiatives have already commenced, in collaboration with the Ministry of Finance, to ensure a sound environment for the implementation of the Infrastructure Plan:

1. **Development of a Database of Unit Costs for Infrastructure:** This will help address the wide cost variations that often characterise infrastructure of the same specifications at different parts of the country.
2. **Procurement Value Chain Analysis:** The objective is to identify bottlenecks in procurement in Ghana and propose strategies for minimising and eliminating them.
3. **Ghana Infrastructure Database:** To create public awareness around infrastructure on matters of cost, project type, project location, project duration, contractors, among other critical issues.

**Principles for Infrastructure Delivery:** All infrastructure delivered under the Plan will be:

1. **Cost-effective** (subject to rigorous standards of modern procurement practices to ensure value-for-money, while attaining and maintaining the highest standards possible).

2. **Accessible to all** (especially for PWDs, the aged, children, etc.)
3. **Efficient** (designed to maximise the use of natural resources, such as natural light – e.g., skylights – natural air, land, and space).
4. **Environmentally sustainable** (e.g., strike appropriate balance between requirements for the built-environment and the need to preserve the natural environment for current and future generations.)
5. **Maintenance framework:** All infrastructure planning and delivery should include implementable and measurable frameworks for effective maintenance to ensure maximum benefit for the public across generations.

**Strategy for Infrastructure Delivery:** The plan will rely on an integrated approach to infrastructure delivery that takes into account the *inter-related* infrastructure needs of an industrialising and urbanising society. For example, the increasing numbers of high-rise buildings in Accra (certain to be repeated in the rest of the country in the near future) will have implications for electricity demand, water use, and sanitation services, as well as traffic management in the host communities. This must be handled in an integrated and efficient manner through coordinated planning across various government ministries and agencies as well as district assemblies.

The major components of the GIP are:

- I. Energy Infrastructure
- II. Transportation Infrastructure
- III. Water Infrastructure
- IV. Human Settlements and Housing
- V. Social, Civic and Commercial Infrastructure
- VI. ICT Infrastructure
- VII. Institutional Development of the Construction Industry
- VIII. A Results Framework
- IX. A Financing Plan<sup>238</sup>

## 6.11 ENERGY INFRASTRUCTURE

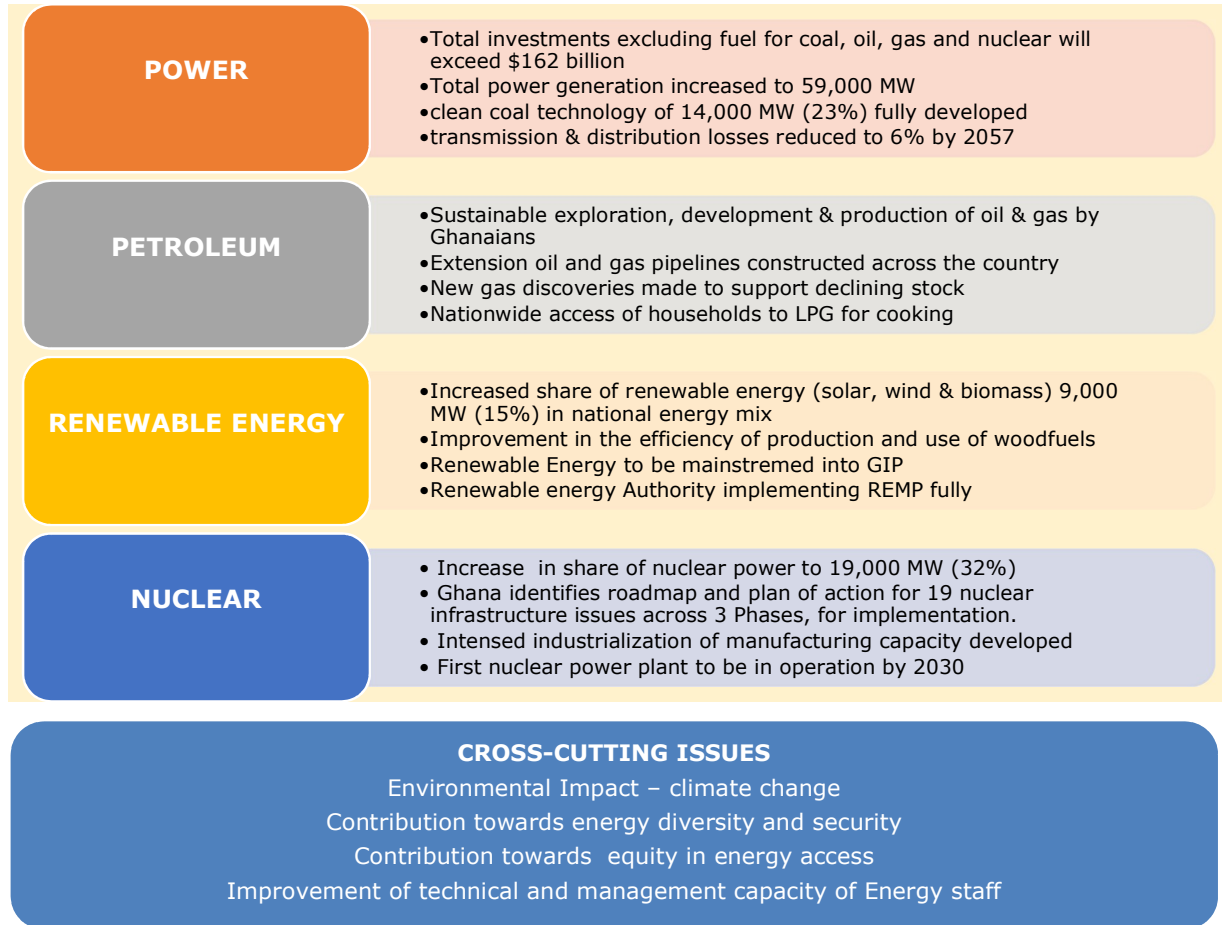
The significance of a National Energy Infrastructure Plan is derived from the fact that a reliable and robust national energy infrastructure stimulates economic growth, poverty alleviation and general wellbeing. The remarkable economic and social development achieved in high-income countries such as Australia, South Korea and the United States of America could not have been accomplished without significant increase in access of industries, social services and households to reliable and affordable energy services.

It is imperative therefore, that if the country is to achieve economic growth and prosperity, and eradicate poverty as anticipated under the Long-Term National Development Plan (LTNDP), then adequate amounts of reliable and affordable electricity would have to be available to industry, social services and households. The key activities, outputs, issues and investments of the Energy Infrastructure Plan that would contribute towards the attainment of the objectives of the 40-year LTNDP are summarised in the figure 6.12 below.

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<sup>238</sup> The results framework and the full financing plan appear in the GIP.

**Figure 6.12 Major activities under the Energy Infrastructure Plan, 2047**



### 6.10.1 Electric Power – Generation Expansion

The development of the electricity infrastructure plan is based on the vision to transform the country’s economy into a high-income status by 2057. The fulfilment of this vision is premised on the availability of adequate, reliable, least-cost and environmentally sustainable electricity to foster sustainable socio-economic growth. Consequently, the objectives of the electricity infrastructure plan are:

- i. Expand, modernise and maintain an electricity supply infrastructure, which ensures enhanced generation, transmission and distribution of electricity for domestic use and export;
- ii. Develop an optimal electricity generation mix, which can ensure security of electricity supply;
- iii. Exploit all fuels and develop an optimal fuel mix for electricity generation to ensure least-cost energy service delivery;
- iv. Promote efficiency along the electricity supply chain.

The implementation of appropriate energy policies, legal and regulatory frameworks, institutional arrangements, human capacity development and innovative financing schemes would augment the fulfilment of these objectives. The strategies adopted for the supply side are as follows:

#### **Existing Hydro Plants**

The existing hydro-power plants, i.e. Akosombo, Kpong and Bui will be operating at their dependable generation capacities throughout the planning horizon. It is envisaged that the Akosombo plant, which

underwent a retrofit in 2000, will undergo refurbishment during the plan period. In the case of Kpong, its units are currently being retrofitted so it is not expected to undergo any further refurbishment. Bui will also be retrofitted during the plan period. Hence their current total capacity of about 1400 MW will be maintained. However, their contribution the generation mix is expected to drop from the current 26 percent to 2 percent by 2047.

### ***Renewable Sources***

There are several rivers which have untapped hydro resources, the capacity of each of the plant is below 100 MW. These untapped hydro resources sum up to about 800 MW and include Hemang (90 MW), Juale (90 MW) and Pwalugu (60 MW). It is expected that these identified mini hydro sources will be developed during the plan period. Their share of the generation mix is expected to be around 1 percent in 2047, bringing the total share of hydro, i.e., existing and potential to 3 percent.

The plan also includes harnessing other renewable sources of energy such as, solar, wind, wave and biogas which are in line with Government's policy to promote renewable sources to mitigate greenhouse gas emissions, reduce air pollution and contribute to energy security. It is expected that the full potential of wind, approx. 800 MW capacity, will be developed. The capacity of solar plants will rise to 6,500 MW by 2047. The total installed capacity of renewable energy sources by 2047, including mini hydro is projected at 9000 MW, constituting around 15 percent of total installed generation capacity. Renewable Energy will be mainstreamed into infrastructure delivery to leverage funding opportunities under the GIP.

### ***Gas***

Gas fuelled thermal plants are expected to provide the main source of electricity generation during the early years of the plan. Domestic gas as fuel are expected to supply 16 percent share of the installed capacity, whereas imported gas takes 15 percent share. Domestic gas supply is expected to peak in 2019 with capacity of 1,580 MW and will thereafter decline gradually due to limited known reserves, terminating by 2044. Imported gas is capped at 2,780 MW from 2027 onwards due to the capacity limit of the West African gas pipeline. It is envisaged that no additional pipeline will be constructed and that gas imports from Nigeria and elsewhere will be in the form of LNG, which will be introduced in 2020. LNG is expected to be the main fuel for gas plants constituting a 21 percent share in the generation mix with installed capacity of 12,670 MW by 2047. A high proportion of Gas fuelled thermal plants will be combined cycle plants, which are more cost effective and operate in the baseload mode.

### ***Coal and Nuclear***

One of the key considerations in the proposed plan is realisation of coal and nuclear options. These are expected to provide baseload power alongside the hydro plants.<sup>239</sup> In line with the strategic vision to operate a least cost generation mix, it is envisaged that coal and nuclear will be the main baseload generation options from 2023 to 2047. The share of coal, which is expected to come on line in 2020, will grow to 25 percent by 2047 with a total installed capacity of 15,100 MW. In line with the on-going nuclear power planning programme, the entry point of nuclear is expected to be 2030. Its share will increase to 31 percent by 2047 with a total installed capacity of 19,000 MW.

The option for coal was based mainly on cost considerations and information available at the time of the preparation of the infrastructure plan. As the cost of alternative sources decline in the future, appropriate

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<sup>239</sup> A baseload is the minimum continuous supply of electricity needed to run an economy. It contrasts with peak electricity, which is the extra electricity required beyond "normal" use, such as an increase in air-conditioner use when the temperature increases. Nuclear plants are known for their baseload advantage because they can run for long periods without any interruption.

actions would be taken to reduce the share of coal and other non-renewable sources of energy in favour of renewable ones without compromising Ghana’s industrialisation agenda, which required adequate and cheap electricity – as has been the case with today’s industrialised countries.

The Table below provides a snapshot of sources of electricity generation in Ghana and a selected number of countries as of 2013. It shows a very high share of coal, as the cheapest source electricity in industrialised economies, and by extension the source of their economic might and international competitiveness.

**Figure 6.9: Source of electricity Generation in Selected Countries**

	Ghana	Cote d'Ivoire	South Africa	United States	Germany	South Korea	Japan	China	Malaysia	Brazil	Turkey
Hydro	63.97	22.82	0.46	6.32	3.67	0.80	7.52	16.77	7.65	68.56	24.74
Coal	0.00	-	93.67	39.95	46.77	41.43	32.43	75.44	38.58	3.82	26.56
Oil sources	-	6.16	0.08	0.86	1.15	3.98	9.82	0.12	3.86	4.66	0.72
Natural gas	10.40	70.12	-	27.02	10.96	26.93	38.68	1.83	48.98	12.10	43.77
Nuclear	-	-	5.57	19.17	15.51	25.80	0.90	2.06	-	2.57	-
Renewable sources, excluding hydroelectric	0.02	0.90	0.23	6.32	20.62	0.84	5.51	3.56	0.93	8.24	4.08
Oil, gas and coal sources	10.40	76.28	93.74	67.83	58.88	72.34	80.92	77.39	91.42	20.57	71.05
Electric power consumption (kWh per capita)	382	252	4,326	12,988	7,019	10,428	7,836	3,762	4,512	2,529	2,745
Electric power transmission and distribution losses (% of output)	21.54	19.47	8.49	5.96	3.90	3.40	4.58	5.80	4.04	16.40	15.46

(Source: WB WDI)

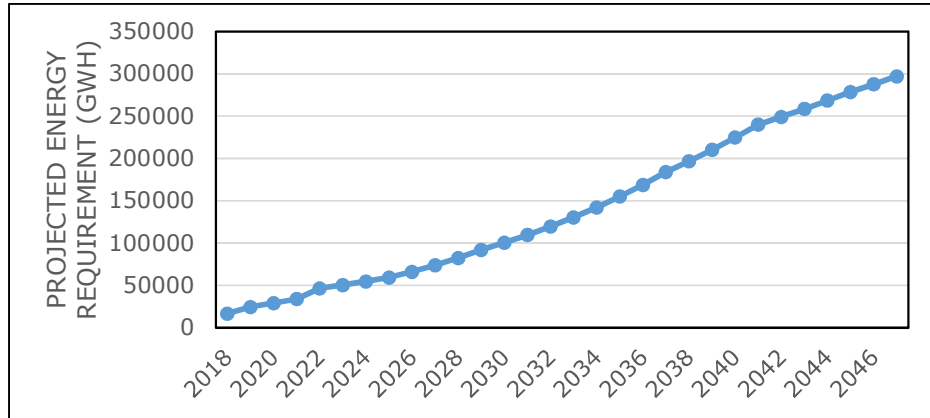
### Reserve Margin

To guarantee supply security and ensure a reliable and stable power generation system, a 20 percent reserve margin has been proposed. Therefore, the planned scenarios to meet projected demand takes into consideration a 20 percent reserve margin on annual basis.

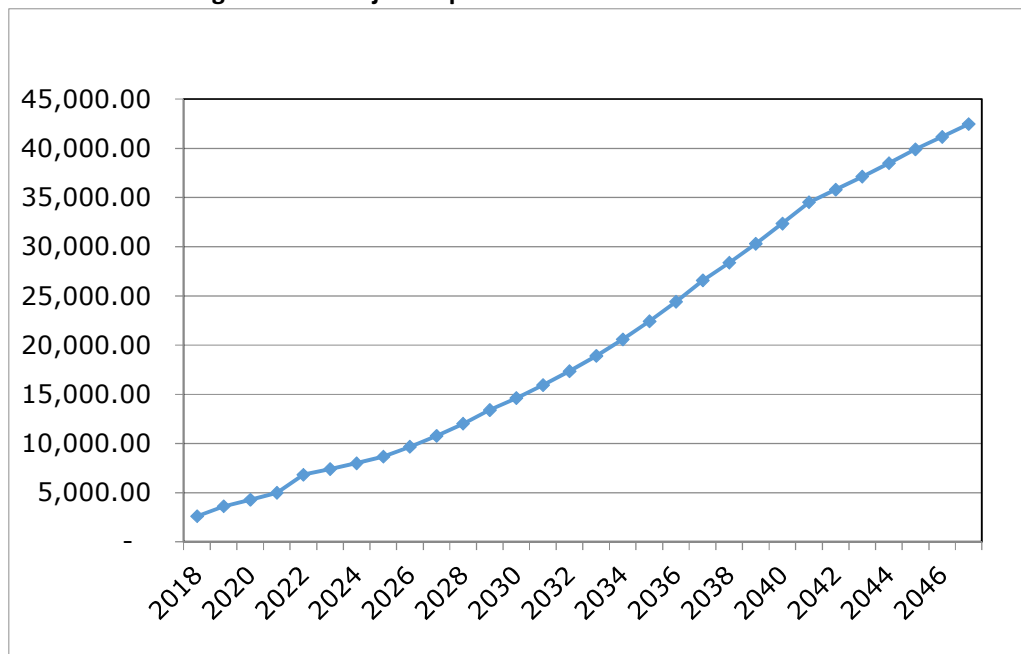
### Electricity Generation Planning Methodology

The planning methodology involves the determination of electrical energy demand within the period set for the Ghana Infrastructure Plan (GIP) i.e., 2018 to 2047. The total GDP was projected to increase from about US\$ 46.0 billion in 2018 to about US\$ 1,370 billion by 2047 at an average annual rate of 11.8 percent. The per capita GDP was projected to increase from US\$ 1,546 in 2018 to US\$ 27,195 in 2047 at an average rate of 9.9 percent. It is expected that government policy on energy efficiency coupled with the emergence of energy efficient technologies will lead to a significant reduction in energy use intensity as the country industrialises to move its economy forward. Figure 6.13 and 6.14 present the projected energy requirements and the associated peak load demand, respectively. An energy demand of about 300,000 GWh is expected to be required to meet the national developmental objectives in 2047 with a peak load of about 45,000 MW.

**Figure 6.13: Projected energy demand from 2018-2047.**



**Figure 6.14: Projected peak load demand from 2018-2047**



**Optimal Generation Mix**

The results of the analysis of energy demand, peak demand requirements, power plant capacities, fuelling options and costs, and other factors influencing electricity generation within for the report period 2018 to 2017 are presented below in Table 6.10.

**Table 6.10: Optimal Electricity Generation Mix for the period of 2018-2047, MW**

Source/Year	2018	2021	2025	2029	2033	2037	2041	2045	2047
Large Hydro	1,382	1,382	1,382	1,382	1,382	1,382	1,382	1,382	1382
Mini Hydro	0	6.03	114	291	500	500	500	500	500
Waste	0	5	25	25	50	50	100	100	100
Biomass	0	68	175	250	400	450	650	800	800
Biogas	0.1	4	10	17	50	100	150	200	200
Wave	0	10	25	100	200	200	200	200	200
Wind	0	125	200	500	500	500	800	1,000	1,500



<b>Solar PV</b>	88	373	615	1200	2,500	3,000	4,200	6,000	6,300
<b>Imported Oil</b>	200	200	200	0	0	0	0	0	0
<b>Local Gas</b>	830	1,580	1,280	980	980	980	350	0	0
<b>Imported Gas</b>	795	1,980	2,180	2,780	2,780	2,780	2,780	2,780	2,780
<b>LNG</b>	0	550	2,500	5,650	7,720	10,540	12,570	12,140	12,670
<b>Coal</b>	0	700	3,400	4,700	6,650	9,250	11,850	14,450	15,100
<b>Nuclear</b>	0	0	0	1,000	3,000	6,500	12,500	17,100	19,000
<b>Total</b>	3,095	6,715	11,731	18,725	26,412	35,982	47,582	55,852	59,932

### ***Planning for Electric Vehicle Charging and Electric Train Systems***

An efficient transportation sector will play a critical role in the design and reconstruction of Ghana’s cities and towns. Demands for electricity will rise rapidly as electricity utility companies will need to provide service to modern electric vehicles that will require reliable power supply for their day-to-day activities. Electric distribution companies will establish electric vehicle (EV) charging stations in cities and towns. Charging stations shall be deployed where there is on-street parking, at taxi stands, in parking lots in ministries, hotels, airports, shopping centres, convenience shops, fast food restaurants, places of religion etc., as well as in driveways and garages at home. Fuel pump stations should also incorporate charging stations.

### ***Energy Efficiency and Challenges***

Energy made available from energy efficiency and conservation practices is often considered as a hidden energy “resource”. Because of technical and fuel supply constraints, the thermal power plants in the country operate below their rated capacity factor, which leads to low operational efficiency. Furthermore, it has been estimated that about 30 percent of final electricity use is wasted, about 4 percent of electricity transmitted is lost, and 22.75 percent of electricity distributed is also lost.

Energy efficiency practices such as, labelling of electrical appliances, installation of power factor correction equipment, and transmission and distribution system loss reduction strategies reduce electricity losses and extend equipment life. These strategies further decrease the stress on electricity supply infrastructure and contribute to long-term electricity supply security, promote economic growth due to reduction in the cost of fuel imports and improve public health by lower GHG emissions. The factors that drive up the costs of electricity delivery to consumers, or add regulatory risk to utilities shall be mitigated by energy efficiency practices. The main challenges facing the promotion of energy efficiency and conservation practices are obstacles such as, high initial cost, limited understanding of benefits, attitudes and behaviours as well as enforcement of regulatory regimes.

### ***Electricity Transmission Plan***

A reliable power system is critical to the socio-economic improvement in the lives of the citizenry of every nation. A robust transmission network is the foundation of a stable and reliable power system. In turn, achieving the required level of reliability of any transmission network depends on developing and complying with reliability planning criteria. GRIDCo, together with the key stakeholders in the power sector, particularly the regulatory agencies, has developed reliability planning criteria over time to accurately plan and operate the transmission system and assess its performance. Several measures will be put in place to reduce transmission losses from the current 4% to 2.5% over the next 40 years.

### ***Electricity Distribution Plan - Efficient and Reliable Power Distribution System***

An efficient electricity distribution system that provides reliable delivery of power needs well-trained human resources to effectively and efficiently operate and manage the power distribution system so as to deliver:

- i. Robust and modernised power distribution infrastructure with very wide electricity coverage;
- ii. Power distribution network having very low system losses and high reliability performances comparable with the best in the industry;
- iii. Cost effective/affordable electricity tariff for consumers;

The power demand projections for Ghana are linked to increase in economic activities in the cities and rural communities. This will call for strategic planning of the distribution network infrastructure to meet the anticipated high projected power demands. Electric utility companies are expected to undertake power distribution master plans every ten (10) years to review their plans for providing cost effective power infrastructure for all sectors of the economy. These plans are to be monitored and revised periodically by the NDPC and the Energy Commission to ensure that they are implemented on schedule.

The following measures will be adopted to reduce distribution losses:

- i. *Modernisation of the Distribution Network Infrastructure:* Upgrading and modernisation of power distribution grids has been a major concern for power utilities all over the world due to their immense benefits. The upgrade/modernisation will boost security, efficiency and reliability of the distribution power grid. The upgrading fits in well with the planned modernisation of Ghana's cities and unplanned settlements in both urban and rural areas.
- ii. *Smart Grid Technologies:* Technological advancements will affect all players in the redevelopment of cities and towns. Considering this, the smart grid<sup>240</sup> technologies will be required to bring efficiency and effectiveness into the operations of the electricity utilities in Ghana.
- iii. *Distribution System Losses Reduction:* Distribution system losses or aggregate technical and commercial (AT&C) <sup>241</sup>losses are a transparent measure of the overall efficiency of the power distribution business, as it measures technical as well as commercial losses. This involves the estimation of the difference between the energy purchased and energy sales electric distribution network expressed as a percentage of the energy purchased. Over the years, the AT&C loss have been a serious concern as it has been impacting negatively on the major electricity distribution utilities in the country.

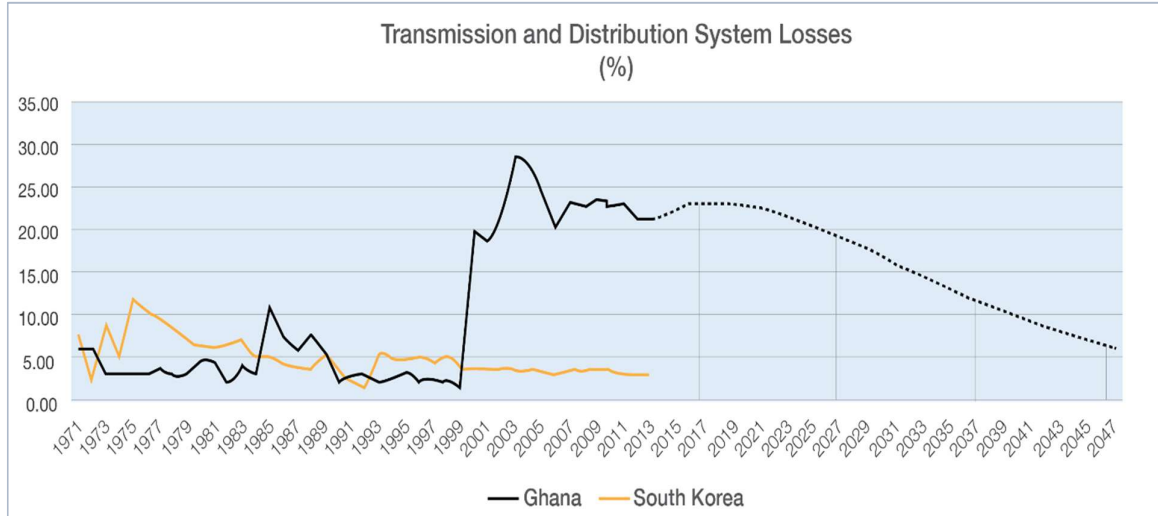
As at December 2015, the AT&C loss figures of ECG and NEDCo were 22.72 % and 23.10 % respectively. This gave a weighted AT&C figure of 22.75% for the entire power distribution network in Ghana. Figure 6.16 below shows the historical transmission and distribution system losses values for Ghana and South Korea, and the projected losses for Ghana over the next 30 years. It can be seen that Ghana was averagely doing well from 1971 through to 1999 than South Korea. However, from the year 2000 onwards, the combined transmission and distribution system losses have been increasing rapidly while that of South Korea has been reducing due to several factors.

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<sup>240</sup> Smart Grids are operational systems and applications, field devices and communication networks that work together to add intelligence to the basic electrical infrastructure.

<sup>241</sup> Technical Losses are naturally occurring losses (caused by actions internal to the power system) and consist mainly of power dissipation in electrical system components such as transmission lines, power transformers, measurement systems, etc. Non Technical Losses, on the other hand, are caused by actions external to the power system, or are caused by loads and conditions that the technical losses computation failed to take into account. The aggregate of T & D loss and loss due to non-realization of billed demand is termed as Aggregate Technical and Commercial Losses (AT & C loss).

**Figure 6.16: Historical Transmission & Distribution Losses for Ghana and South Korea**



Factors contributing to the high transmission and distribution losses in Ghana are high demand growth, inadequate network expansion investments, insufficient planning of the transmission, sub-transmission and distribution systems with short term objective of extension of power supply to new areas, large scale rural electrification through long, medium and low voltage lines, improper load management, inadequate reactive power compensation, power theft, poor metering systems. The weighted AT&C losses will be reduced to 6% over the next 40 years.

#### **Technical Losses Reduction**

Distribution technical losses occur naturally and consist mainly of power dissipated in electricity system components such as transmission and distribution lines, transformers, and measurement systems. A number of solutions have been recommended for addressing electrical distribution networks losses in Ghana.

#### **Commercial Losses Reduction**

Commercial losses in the electrical network are caused by actions external to the power system. It consists primarily of electricity theft, non-payment by customers, and errors in accounting and record keeping. To handle this canker effectively and efficiently will require the undertaking of the following drastic measures:

- i. Advanced Metering Infrastructure and Automatic Meter Reading;
- ii. The Automatic Meter Reading (AMR) system will provide a facility for remote disconnection and reconnection of electricity supply from an AMR control centre,
- iii. Replacement of legacy credit meters with pre-payment meters to improve collection efficiency and timely closing of monthly financial statements;
- iv. Customised Application Software;
- v. Customer Installation Sealing;
- vi. Re-routing of Concealed Service Tails;
- vii. Energy Audits;
- viii. Legal Measures for Control of Theft.

**Collection Losses Reduction**

Collection losses are also a challenge to the attainment of financial efficiency, going forward, many industry best-practices should be considered by power distribution companies in addressing losses, including:

- i. Efficient payment system;
- ii. Meter installations for all non-metered customers;
- iii. Provision of customer call centre;
- iv. Credit card/debit card payments.

**Savings for Implementing Loss Reduction Measures**

The table below shows the extent of savings for implementing loss reduction measure in the transmission and distribution systems. It shows that if the appropriate cost reduction measures are put in place and the targets are achieved, more than \$130 Billion of power would be saved over the next 40 years.

**Table 6.11: Savings to GRIDCO by avoiding transmission losses**

Year	2017	2027	2037	2047	2057
Power Generated (GWh)	14,000	74,000	180,000	300,000	300,000
Transmission Losses- Technical & Commercial %	4	3.5	3	2.5	2.5
Actual Transmission Losses (GWh)	560	2590	5,400	7,500	7,500
Average Cost of bulk power Transmitted (in US \$)	0.1	0.1	0.1	0.1	0.1
Annual GRIDCO savings from 2017 (US \$ million)	56	259	540	750	750
No. of Years from 2017	0	10	10	10	10
Total GRIDCO power savings from 2017 (in US\$ million)	-	2,590	5,400	7,500	7,500
Cumulative GRIDCO Total Power Savings from 2017 (in US \$million)	-	2,590	7,990	15,490	22,990

**Table 6.12: Savings to ECG by avoiding distribution losses**

Year	2017	2027	2037	2047
Power Generated (Gwh)	14,000	74,000	180,000	300,000
ECG share of power Generated	70	67	63	60
ECG Actual power share (GWh)	9,800	49,580	113,400	180,000
Technical & Commercial losses %	22.75	19	14	10
ECG Actual power losses (GWh)	2,230	9,420	15,876	18,000
Average Cost of power (in US\$)	0.25	0.23	0.21	0.2
Annual savings of ECG (in US\$ million)	557	2,167	3,334	3,600
No. Years from 2017	0	10	10	10
Total ECG power savings from 2017 (in US\$ million)	-	21,666	33,340	36,000
Cumulative Total ECG power savings (in US\$ million)	-	21,666	55,006	91,006

**Investment requirements**

The infrastructure requirements for the expansion of the electricity network has an associated high investment cost as presented in the table below (Table 6.13). The required investment covers the entire generation mix as well as transmission and distribution networks. The cumulative investment

requirement for the entire planning period is about 161 billion US dollars. The investments do not cover the cost of coal, gas, oil and nuclear fuel supplied. It does not also cover operating and maintenance expenses or decommissioning costs.

**Table 6.13: Investment Requirements (million US dollars)**

Source/Year	2018-2021	2022-2025	2026-2029	2030-2033	2036-2037	2038-2041	2042-2045	2046-2047	TOTAL US\$ x 10 <sup>6</sup>
Small Hydro	1	0	822	330	0	0	0	0	1,153
Biomass	1	10	40	5	50	60	80	0	246
Biogas	5	4	45	30	60	80	120	100	445
Wave	5	12	38	184	220	20	10	5	494
Wind	0	300	500	500	600	400	500	400	3,200
Solar PV	407	600	700	1200	2600	1000	2,400	3600	12,507
Solar CSP		5	10	100	100	100	100	10	425
Gas	1,269	1,841	2,970	2,088	2358	1,260	630	477	12,893
Coal	2,900	3,900	1,800	3,900	5200	5,200	5,200	1,300	29,400
Nuclear	168	774	5,500	10,700	20800	20,800	20,800	5,200	84,742
Transmission	100	500	500	720	1400	1600	1600	1500	7,920
Distribution	200	400	600	700	1200	1500	1400	1391	7,391
Total	5,056	8,346	13,525	20,457	34,588	32,020	32,840	13,983	160,909

### 6.10.2 Renewable Energy

The Government of Ghana has identified renewable energy as one of the options to contribute to the overall energy supply mix and minimise the adverse effects of energy production on the environment. Indeed, renewable energy programmes and projects implemented in recent years have demonstrated that such interventions have enormous potential to reduce poverty and improve the socio-economic development of the country, particularly, in rural communities. Fossil fuel price volatility coupled with its increasing cost and implications for climate change, as well as efforts to reduce pollution, has led to an unprecedented global investment in renewable energy (RE) sources in recent times. A major milestone for the RE industry in Ghana, was the enactment of Renewable Energy Act (Act 832) in 2011 and the preparation of the Renewable Energy Masterplan (REMP) in 2017. These laws, policies and strategies have helped in increasing investments by both the public and private sectors.

The vision of the Renewable Energy Masterplan is to ‘develop the renewable energy sector with the capacity to sustainably utilise resources and transform Ghana into a renewable energy research, production, and services hub. The goal of the Renewable Energy Masterplan (REMP) is to provide investment-focussed framework for the promotion and development of renewable energy resources for economic growth, improved social life and minimise the adverse effects of climate change.

#### Objectives

The RE objectives and targets are as follows:

- i. Increase the supply of renewable energy<sup>242</sup> in the national interconnected grid electricity supply system from 38 MW (1 % of total generation) in 2015 to 9,000 MW in 2047, representing 15% of total installed capacity;
- ii. Increase the contribution of renewable energy in the national energy mix from 1% in 2018 to 10% by 2030; and then 15% by 2047.
- iii. Reduce the dependence on biomass as main fuel for thermal energy applications (cooking and heating);

<sup>242</sup> Renewable energy as defined by the Renewable Energy Act 2011 (Act 832). In the Act, hydropower capacity up to 100 MW is considered renewable.

- iv. Provide renewable energy-based decentralised electrification options in 1000 off-grid communities;
- v. Promote local content and participation in the renewable energy industry.

### ***Targets and Action Plan***

The masterplan provides action plans for renewable energy technologies (RETs). For each of the RET areas (solar, wind, hydro, biomass, etc.), the action plan analysed the resource availability and opportunities in developing the resource, and recommends interventions for their promotion and development. Further details and actions are provided for each of the technologies under every resource with specific considerations given to the challenges and strategies to promote it.

### ***Energy from Renewable Sources***

#### Solar Energy

The country's average solar irradiation ranges from 4.5–6.0 kWh/m<sup>2</sup>/day, with the highest levels of solar irradiation mostly in the northern part of the country. The annual sunshine duration ranges from 1,800 to 3,000 hours annually. On the other hand, daily average sunshine duration varies from 5.3 hours in the cloudy and semi-deciduous forest zones like Kumasi in the middle-belt to 7.7 hours in the dry and savannah zones like Wa in the northern part of the country<sup>243</sup>. About 6,500 MW of solar energy, including 200 MW of concentrated solar power is expected by 2047. A lot more thermal and mechanical technologies that provide end-use services not related to electricity such as solar water heaters, solar dryers, and solar and wind for consumption and irrigation would be scaled-up.

#### Wind Power

Ghana's wind potential is considered as marginal with average annual wind speeds of between 4m/s to 6m/s at 50m-hub height above sea level especially along the coast, east of Greenwich Meridian and on some island communities in the Volta Lake. According to NREL satellite data, wind speeds in some mountainous regions in the country especially along the Togo border are estimated to be above 8m/s. An assessment of wind resource at eight sites along the coast between 2011 and 2013 indicated average monthly wind speeds at 60m elevation as capable of development of a utility scale wind farm with a capacity of about 200 – 400 MW. Total wind energy resource by 2047 is estimated at 1500 MW.

#### Wave Power

Preliminary assessment has shown that the waves at the East of the meridian are strong, indicating strong potential for tidal wave development achieving a minimum 200 MW by 2047.

#### Mini-Hydroelectric Power Plants

The untapped hydro resources sum up to about 800 MW and include Hemang on the Pra River (90 MW), Juale on the Oti River (90 MW), Pwalugu on the White Volta River (60 MW), Lanka on the Black Volta River (95 MW), Abemia on the Tano River (50 MW), etc. It is expected that all of these identified mini hydro sources will be developed during the planning period achieving at least 500 MW.

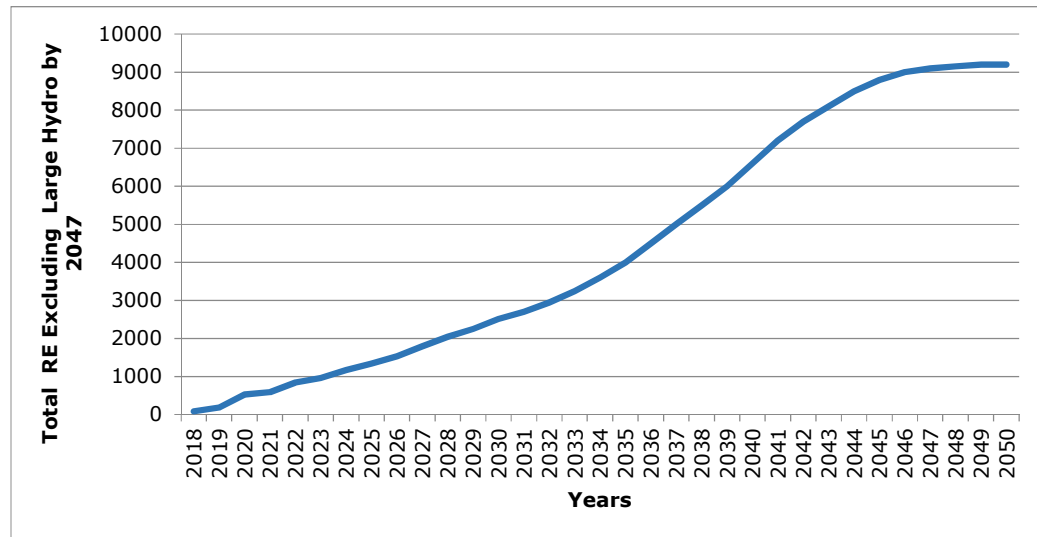
### ***Key assumptions for setting the targets***

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<sup>243</sup> Togobo, W.A., *Investment Opportunities in the Power Sector*. 2011.

The cumulative growth trend in renewable energy installed capacity by year 2047 is illustrated in the chart below (Figure 6.17).

**Figure 6.17: Cumulative growth trend in renewable energy installed capacity by year 2047**



### ***Impact on Land Use***

The Renewable Energy Plan strategies to minimise the adverse impact of the various renewable energy technologies and targets on land use through spatial planning. Renewable energy technologies such as utility scale solar and wind, and plantation based schemes require appreciable land mass for development with its attendant effect on other land uses. For instance, the land requirement for solar PV installations ranges from 3.5 to 8 acres per MW. Unlike wind facilities, there is less opportunity for solar projects to share land with other economic uses such as agriculture. To address this challenge, the REMP would be mainstreamed into the Ghana Infrastructure Plan (GIP) of the LTNDP to ensure proper zoning of land for the various interventions. Through spatial planning, the impacts of utility-scale renewable energy systems could be minimised by siting them at locations where there is less competition for land use, for example; along railway carriageways, the right of way of highway corridors, degraded lands, abandoned mining sites, power transmission corridors, etc.

About 2,000 MW of solar PV will be installed along 4,000 km of railways to be constructed throughout the country. The use of roof space in commercial, industrial, public and private facilities for solar installations would be strongly encouraged and promoted. About 9 million houses will be built and solar PVs will be installed on 1 million rooftops.

### ***Key Implementation Plan***

In line with the Renewable Energy Act, the Ministry of Energy and the Renewable and Alternative Energy Directorate will implement the following key activities as part of achieving their objectives. The planned activities include:

- i. encouraging the Volta River Authority, Bui Power Authority and the proposed Renewable Energy Authority to grow and expand the renewable energy electricity space through public and private sector led investments;
- ii. strategic investments and expansion of the National Interconnected Transmissions System (NITS) driven by GRIDCo, to accelerate the interconnection of utility renewable energy projects;

- iii. implementation of the Renewable Energy Purchase Obligation (REPO) to ensure that the distribution companies, ECG and NEDCo and all other bulk customers integrate electricity generated from renewable resources in their distribution and consumption mix;
- iv. ensuring that net-metered systems have access to the distribution grid, in line with the 'Net-Metering Code' through actions of ECG and NEDCo;
- v. placing priority on the contribution that Private sector investments play in achieving the targets in the REMP, especially, utility scale projects. The REMP will continue to create opportunities through the RE-FiTs, competitive procurement of RE projects and purchase obligations to increase investment in the sector;
- vi. financial incentives and procurement preferences from Government to private sector actors engaged in the local assembly and manufacturing of renewable energy technologies and related services. Manufacturing and assembling of renewable energy technologies is pivotal to the overall success of the plan, and strategic links in the renewable energy value chain would be fully implemented;
- vii. strengthening the Ghana Standards Authority to ensure that local production of renewable energy technologies meet international standards.

### 6.10.3 Nuclear Power

The roadmap<sup>244</sup> for Ghana's nuclear power programme identifies actions for each of the 19 infrastructure issues spanning across the three phases of development. Appropriate Agencies have been identified to be responsible for the various infrastructure actions in the roadmap. An overall time frame of 14 years has been proposed from programme initiation to plant commissioning. This is strongly predicated on strong government commitment and dedicated funding for activities. Phase 1 and 2, cover the developmental phase, is programmed for eight years, whereas Phase 3, the construction phase, is programmed for six years. It is expected that Ghana's first nuclear power plant will be in operation by 2030.

**Figure 6.18: Roadmap for Ghana's Nuclear Power Programme**



#### Key Assumptions to achieve Targets

- i. Strong evidence of Government's supports by providing sufficient oversight, logistics and fund commitment;
- ii. Active participation of all key stakeholders;

<sup>244</sup> The roadmap for Ghana nuclear power programme, NPID-120000-STG-001, January 2016



- iii. Functional role appointment (and competence development programme) of the regulatory authority;
- iv. Consistent following of roadmap and effective demanding and reporting of progress at top governmental level;
- v. Strong GNPPO with regarded authority and needed flexibility to effectively manage and coordinate the programme development;
- vi. Strategic Inter-Governmental Agreements and Consultancy engagement;
- vii. One unit envisaged to be constructed under the programme;
- viii. Turnkey (EPC) type of contract for the construction of the NPP;
- ix. A 1 – 3 years transition period for transfer of operation of NPP from EPC contractor to Ghanaian operator;
- x. Full scope of Ghanaian operating personnel to be ready at least a year before commissioning of the NPP.

### ***Industrial Involvement***

Developing local or national industrial participation<sup>245</sup> for a nuclear power programme involves the arrangement or rearrangement of several industries in the country for services, materials supply, fabrication and construction, as part of the integrated supply chain that should be established for the programme. Though for the first nuclear power plant, the most common scheme is a turnkey EPC contract for both the nuclear island and the balance of plant of the EPC contractor will engage subcontractors and suppliers to engineer, design, construct and commission the nuclear power plant units which typically is a mix of local industrial organisations and international suppliers. Again, the owner/operator organisation will take on projects that are related to the turnkey project with the EPC contractor (e.g., grid upgrades, roads, training centres and administrative facilities) and will enter into contracts with local industrial organisations to support these projects. Therefore, there is the need to develop national institutions to support the programme.

### ***National Position***

The national position<sup>246</sup> is the outcome of a deliberative process and study that establishes the governmental strategy and commitment to develop, implement and maintain a safe, secure and sustainable nuclear power programme known as knowledgeable decision. It should be noted that an intention to develop a nuclear power programme is not a decision to embark on a nuclear power programme. According to the current roadmap for nuclear power development, a comprehensive report which will present an assessment of the 19 infrastructure issues including a complete prefeasibility for an implementation of a nuclear program is expected by 2017.

### ***Funding and Finance***

The nuclear power programme so far has not been given the necessary funding support to develop the needed nuclear power infrastructure required for the introduction of nuclear energy into Ghana's energy mix. It must be noted that the development of the needed nuclear infrastructure is a national requirement that cannot be owned by any third-party. Thus, strong government commitment, ownership and dedicated funding for the program is critical. It is considered that strong funding support from government would also encourage stronger international developmental support for the country's nuclear power infrastructure development.

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<sup>245</sup> IAEA NE series No. NG-T-3.4: Industrial involvement to support a national nuclear power programme, Vienna, 2016

<sup>246</sup> IAEA NE series No. NG-T-3.14: Building a national position for a new nuclear power programme, Vienna, 2016.

A first-run estimate (cost) over a fourteen-year period (according to the roadmap) for developing the required nuclear infrastructure gave a total of US\$ 125 million. These estimates account for only the investments needed to develop the necessary infrastructure, and do not include the costs associated with the construction of the nuclear power plant itself.

### ***Urgent Actions Requiring Government's Attention***

The roadmap requires all these studies to be completed by the end of 2017 to enable the government to formulate a knowledgeable commitment to the nuclear power programme. It is therefore imperative that government gives critical attention to ownership of the nuclear power programme by government, the establishment of owner/operator organisation, and setting aside dedicated funds for all other work tasks of the GNPPO.

### ***Nuclear Fuel***

If Ghana is to depend solely on nuclear fuel imports, the supply of nuclear fuel is considered a lesser problem because nuclear fuel is cheap, constituting about 14 percent of the entire electricity generation costs, compared to 89 percent in gas and 78 percent in coal. In addition, a relatively small quantity of fuel is needed per unit power generated and there is also the possibility of storing nuclear fuel for some time before usage. Nuclear power therefore enhances energy security due to these factors.

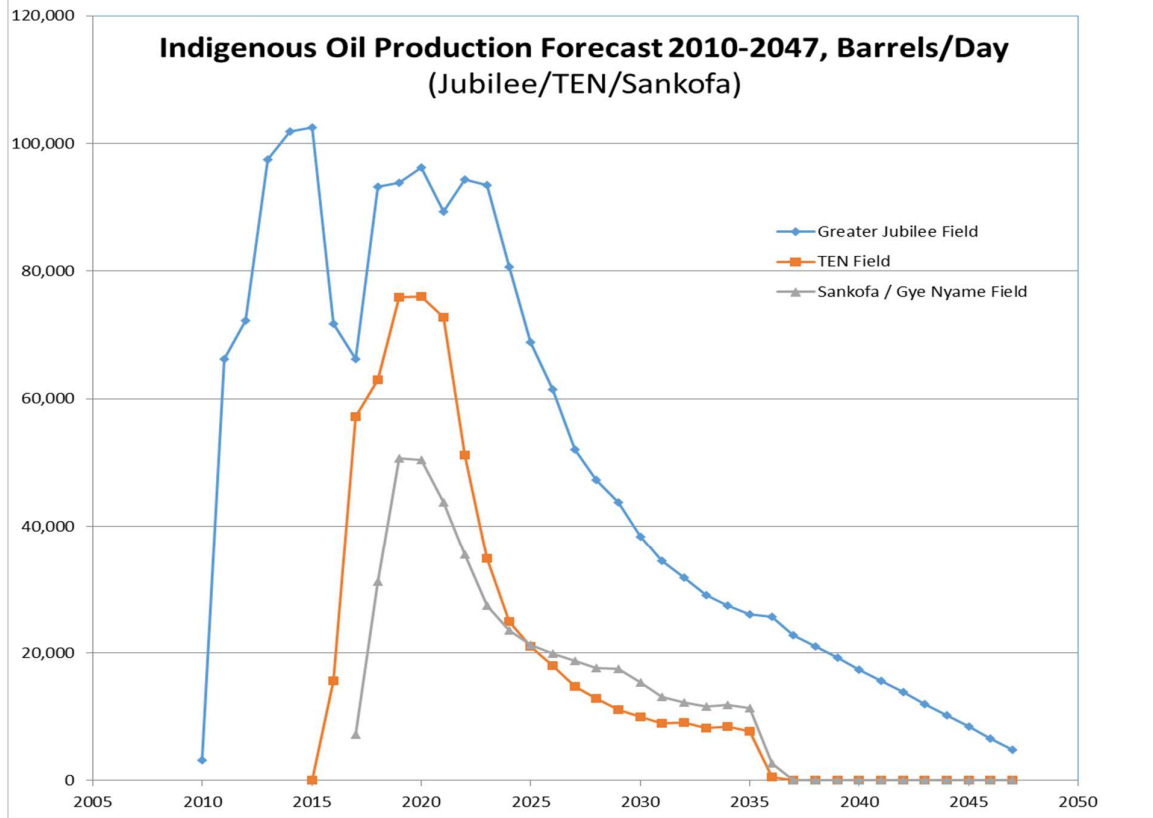
#### **6.10.4 Petroleum**

The goals of the petroleum sub-sector are to ensure the sustainable exploration, development and production of the country's oil and gas resources; foster the judicious management of the oil and gas revenue for the overall benefit and welfare of all Ghanaians and promote the indigenisation of related knowledge, expertise and technology.

### ***Oil Production Potential***

Ghana's oil production potential points to a gradual decline in all the oilfields from year 2020 (as presented in Figure 6.19). Unless new fields come on-stream, the country is must find alternative fuel support in the medium to long term.

**Figure 6.19: Oil Production Forecast 2010-2047 (Barrels/Day)**



**Oil Infrastructure Plan - Demand Forecast for Petroleum Products**

The demand profile for various petroleum products is shown below (Figure 6.20). It shows significant increase in Premium and LPG by 2050 as a result of increase in number of vehicles and also houses. The actual shape of the curve will be determined by the proportion of electric vehicles on the road and household consumption patterns.

**Refinery, Storage and Transport**

The Tema Oil Refinery (TOR) is currently the only refinery in Ghana. It has a capacity of approximately 45,000 barrels per day, which is 60 percent of the nation’s current demand of 75,000 barrels per day. Additional refinery capacity of 15,000 barrels per day has been proposed by Government by year 2020, and then another 30,000 barrels by 2030. It is expected that pipelines (and/or vessels) will be used to transport Ghana’s indigenous oil production for processing at the existing Tema Oil Refinery and the new refineries. The existing and proposed storage and pipeline infrastructure for petroleum products are shown in Figure 6.21.

Figure 6.20: Annual Petroleum Product Demand Forecast, Million-Tonnes/Year

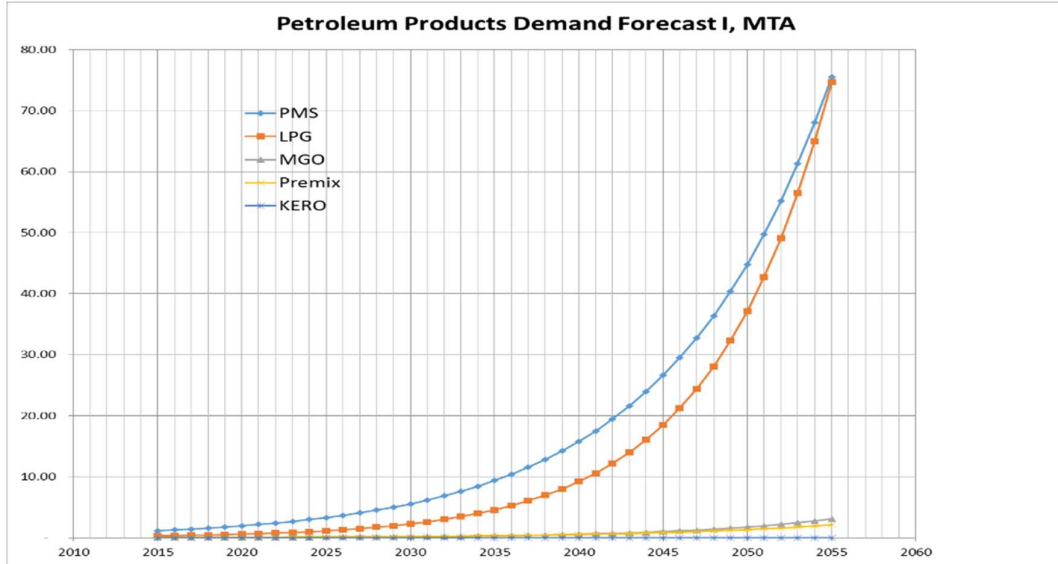
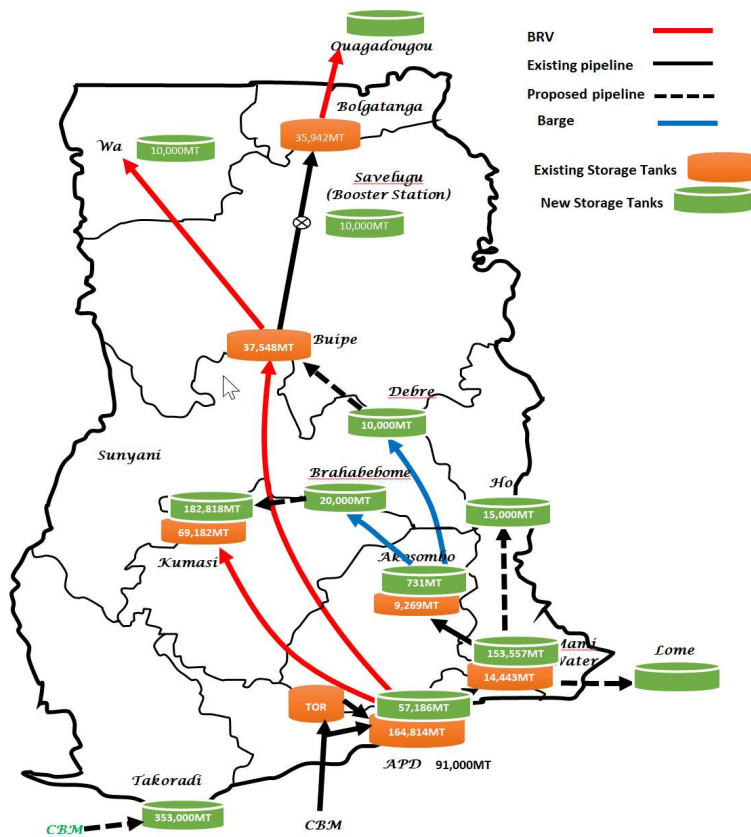


Figure 6.21: Existing and Proposed Petroleum Products Infrastructure



### **The Gas Infrastructure Plan**

Ghana imports natural gas from Nigeria for electricity generation. Nigeria has proven natural gas reserves of about 180 Tcf<sup>247</sup>. Some experts however put Nigeria’s natural gas reserves at about 110 Tcf while others put it as low as 47 Tcf if strict commerciality criteria are applied<sup>248</sup>. Nigeria’s current total natural gas export commitments are about 27 Tcf. However, commitments to increasing domestic gas demand leaves about 12 Tcf of uncommitted natural gas resources, which is sufficient to generate 50 GW of power for 50 years<sup>249</sup>. N-Gas, a subsidiary of Nigeria National Petroleum Corporation (NNPC) was expected by contract to supply an initial amount of 170 MMscf/day of natural gas through the 678 km West African Gas Pipeline (WAGP). The WAGP supplies have been unreliable, subject to major interruptions and consistently below agreed supply volumes due to gas supply constraints in Nigeria, accidental damage to the pipeline on two occasions and non-payment for gas supplies.

The capacity of WAGP can however accommodate future growth in gas demand up to 474 MMscf/day maximum with compression additions. This would suffice for a 3,000 MW combined cycle power plant. However, since the commissioning of the pipeline in 2009, it has operated on the average below the contracted volume of 120 MMscf/day (which can generate about 750 MW from a combined cycle power plant) With significant domestic associated and non-associated gas reserves discovered recently, the gas supply prospects in Ghana has improved.

### **Gas Demand Forecast for Power and Non-Power Loads**

Efforts shall be made to direct gas to non-power sectors including industrial heat, residential and commercial, CNG for transportation, fertilizer/urea, methanol, dimethyl ether, ammonia/ammonium nitrate, petrochemicals, etc. Given the uncertainties over future gas supplies, the development of new power and gas infrastructure and the demand for power, three alternative scenarios for gas demand projections have been considered. The high case scenario indicates gas demand of 4,750 MMscf/day by 2047. The following three scenarios have been prepared based on the above summary of reserves and resources are presented in Table 6.14.

**Table 6.14: Scenarios for Gas Reserves and Resource, (Bcf)**

<b>Field</b>	<b>Low supply</b>	<b>Base supply</b>	<b>High supply</b>
Jubilee*	256	490	591
TEN	209	363	402
Sankofa and Gye Nyame	929	1,107	1,191
MTA*	3	128	173
Hess		177	177
Shallow Tano			193
Other non-associated gas			1,000
Other associated gas			1,000
<b>Total</b>	<b>1,397</b>	<b>2,265</b>	<b>4,730</b>

**\* NB: Estimates from Greater Jubilee Full Field Development Plan, 2015**

To obtain a picture of future production volumes, unproven oil and gas fields are included in the analysis. Exploration in Ghana is continuing at a rapid pace and further discoveries are likely. However, these possible further discoveries have only been considered in the high case scenario forecast. The timetable for the start of supply for the unproven fields is only indicative.

<sup>247</sup> BP Statistics 2016

<sup>248</sup> Harnessing Africa’s Natural Gas Resources: A New Opportunity for Africa’s Energy Agenda by the World Bank

<sup>249</sup> Harnessing Africa’s Natural Gas Resources: A New Opportunity for Africa’s Energy Agenda by the World Bank

## 6.12 TRANSPORT

### 6.11.1 Road Transport and Road Safety

Road transportation is the predominant mode of travel in the country, with an estimated market share of over 95% for passenger and 90% for cargo traffic. The main challenge of road transportation is the inconsistency in the road surfaces of the classified network. As much as 77% of national roads are unpaved. In cases where they are paved, some sections are usually in poor condition, making their use unreliable and increasing vehicle operating costs.

#### *Vision*

The vision of the road transport sector is “to provide an integrated, efficient, cost-effective and sustainable transportation system responsive to the needs of society, supporting growth and poverty reduction and capable of establishing and maintaining Ghana as transportation hub of West Africa.”

#### *Existing Condition of Ghana’s Road Network*

As of 2015, only 23 percent of the road network was paved.

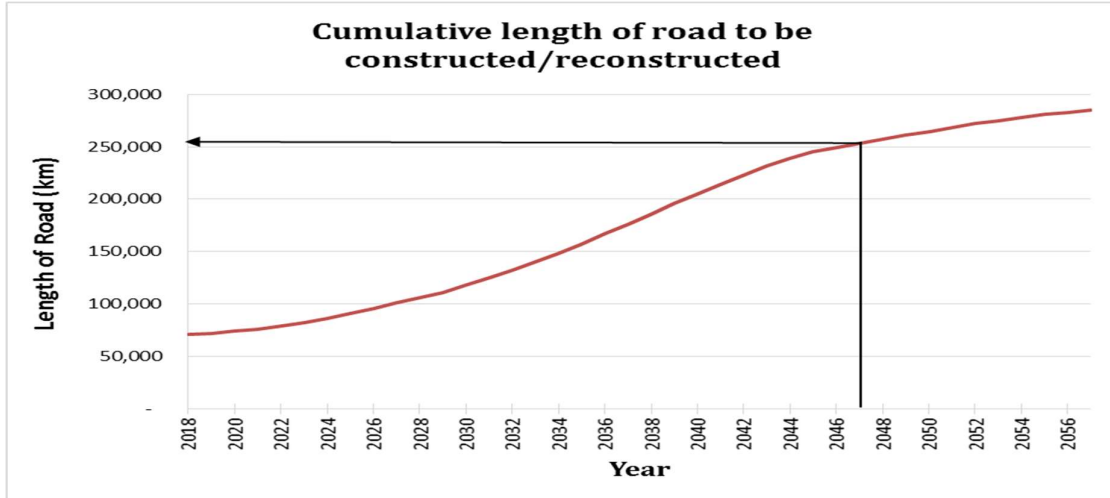
**Table 6.15: Existing Condition of Ghana’s Road Network**

Road Agency	Rigid	Asphaltic Concrete	Surface Treated	Gravel	Earth	Total Paved	Total Unpaved
GHA	39	2,356	6,672	5807	-	9,066	5,807
DFR	-	-	1,928	27,231	12,886	1,928	40,117
DUR	3	956	5,044	5,226	4,232	6,004	9,458
Total	42	3312	13,644	38,264	17,118	16,998	55,382
% Percentage	0.06	5	19	53	23	23	77

#### *Projected Road Network Size*

The length of the road network will increase from 72,000 km in 2018 to 253,000 km by 2047, see below. Basically, about 181,000 km of new roads will be constructed or reconstructed during the development phase. This does not include the maintenance and rehabilitation of existing roads.

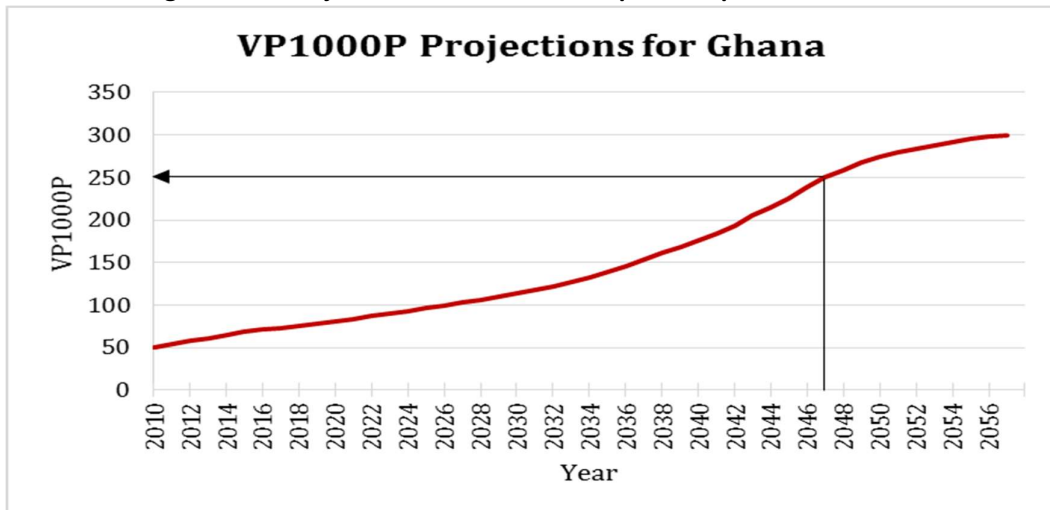
**Figure 6.22: Cumulative length of road to be constructed/reconstructed.**



**Vehicle Population per 1000 Persons**

It is expected that Ghana’s Vehicle Population per 1000 Persons (VP1000P) will be 250 by 2047 (see Figure 6.23 below), much lower than current average for high-income countries. This is because efforts shall be made to use more mass transport, largely buses and railway.

**Figure 6.23: Projections for Vehicle for Population per 1000 Persons**



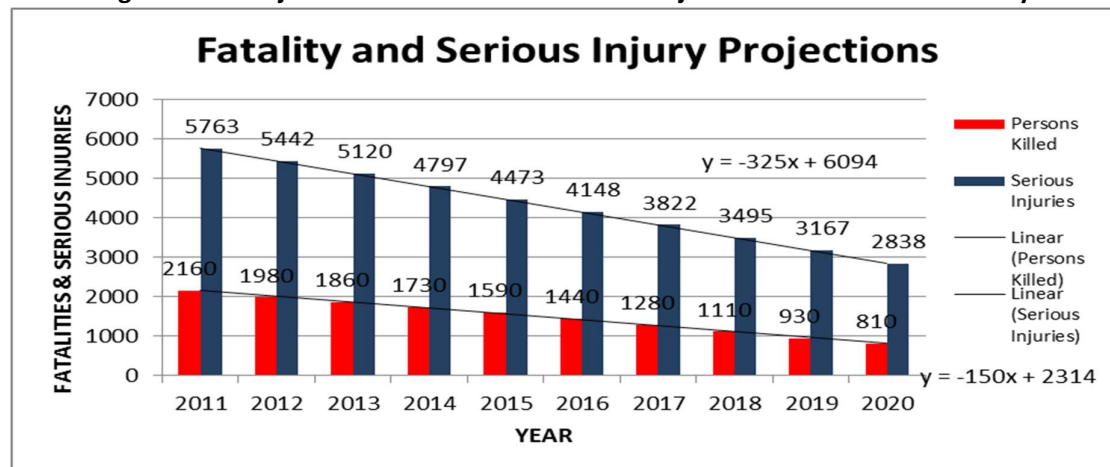
**Developing the Road Grid System to accommodate Electric Vehicles**

Ghana will develop the necessary infrastructure and create nationwide charger networks in the cities and the countryside. Electric Vehicles (EVs) will increase Ghana’s electricity demand, which has already been addressed in the Energy Infrastructure Plan. For electric cars, there are wider community benefits. Increased adoption will result in fewer or no emissions.

## Road Safety

The National Road Safety Commission (NRSC) is leading the implementation of the Third National Road Safety Strategy (NRSS III) that will aim at reducing the number of persons killed and seriously injured (KSI) in road traffic crashes by 50 percent by 2020.

**Figure 6.25: Projections for fatalities and serious injuries in road traffic crashes by 2020**



## Road Investment Requirement

The total investment to expand the current network length to the long-term objective of attaining 253,000 km of roads will require a financial outlay of US\$ 271.7 billion. An additional investment of about US\$ 40.1 billion will be required for improvement and redevelopment of the existing road network.

### 6.11.2 Aviation

Ghana desires to become an aviation hub for West Africa, currently the country captures only 10% of the aviation market in the sub-region, second to Nigeria that captures 57% of the market. There is the need to purposely develop plans and strategies that will facilitate the development of the sub-sector to enhance its contribution to the socio-economic development of the country.

#### Vision

The vision for aviation therefore is “to position Ghana as the preferred aviation hub and leader in the airport business in West Africa.”

#### Existing State of Ghana’s Aviation Sub-Sector

Implementation of the liberalised skies policy and a favourable fifth freedom right policy increased the number of airlines operating in the country. Kotoka International Airport (KIA), operates passenger and freight terminals, and has highest traffic for both domestic and international travels. Tamale and Kumasi Airports have also been refurbished and upgraded to the status of international airports but full operations are yet to commence. Sunyani and Takoradi Airports handle only domestic air travel. Other facilities are used for emergency, medical and tourism purposes including airstrips with short runways.



### ***Air Traffic Forecast***

It is expected that air traffic will increase within the planning horizon resulting from an increase in economic growth as well as tourism development. This projection is also consistent with recent trends and the high growth potential of the aviation industry (see Figure 6.26).

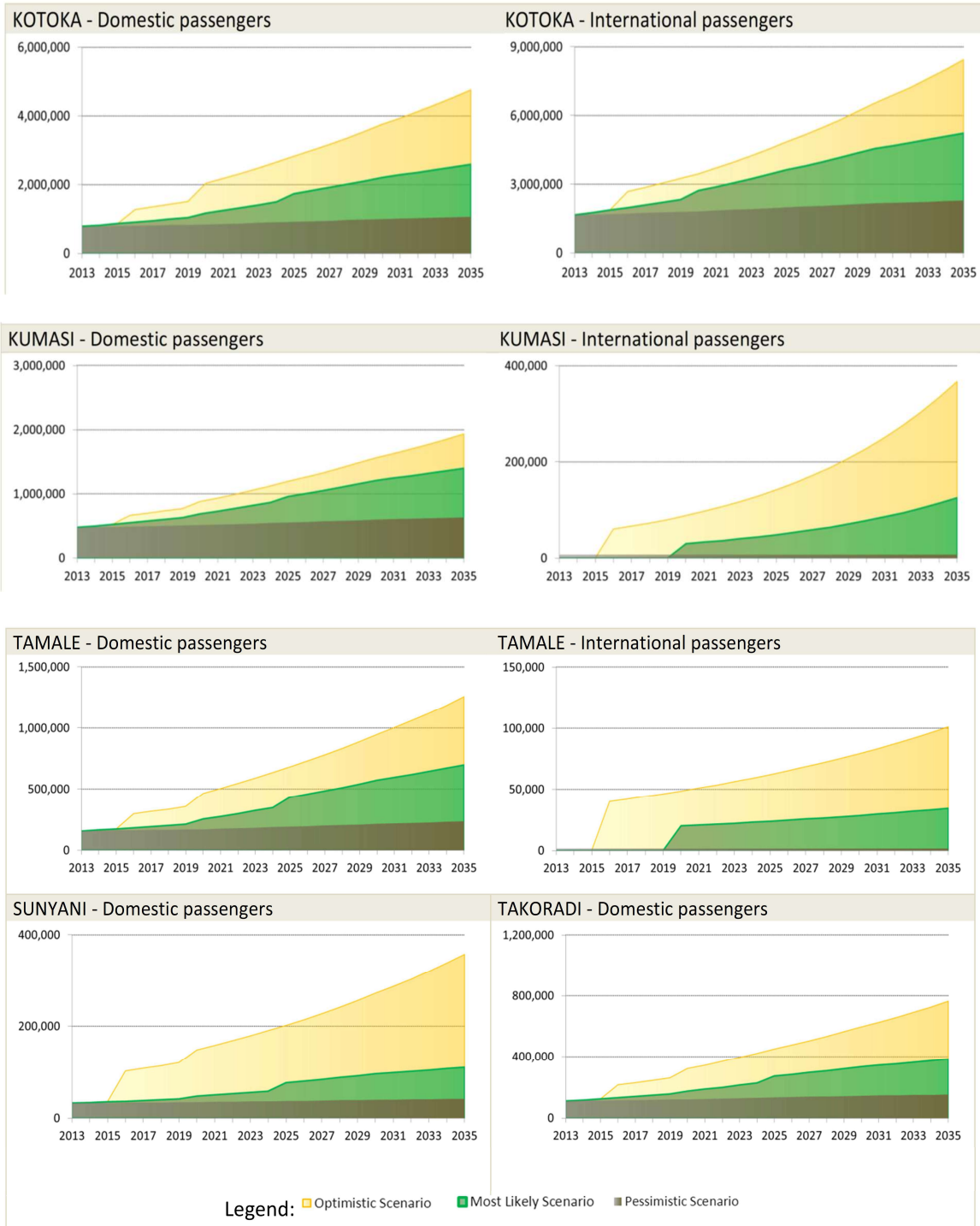
### ***Ghana's Airports Development***

Within the planning horizon, there will be enhanced interconnectivity between the country's airports. This will facilitate the movement of passenger and freight in an efficient and effective manner. To this end, there is the need to regulate the use and development of land within the vicinity of Ghana's airports to enhance aviation safety and security. Table 6.16 below shows a summary of airports/aerodromes envisioned for the development of the country's aviation industry. Major projects include the redevelopment of a new Kumasi Airport at Ankaase on a 10,000 hectare land. The government and the private sector will also develop a new world class aeropolis at Prampram.

**Table 6.16: Summary of airports/aerodromes envisioned for the country's aviation industry**

Airports	Region	Category of Airport		Future Airport Status
		Current	Future	
Kotoka International Airport	Greater Accra	D	D	Hub Airport
Kumasi	Ashanti	C	C	International
Tamale	Northern	C	C	International
Sunyani	Brong Ahafo	B	B	Regional
New Takoradi (Princess Town)	Western	-	B	Regional
Ho	Volta	A	B	Regional
Wa	Upper West	B	B	Regional
Bolgatanga	Upper East	A	B	Regional
Cape Coast	Central	-	B	Regional
Koforidua	Eastern	-	B	Regional
Prampram	Greater Accra	-	C	International
New Kumasi (Ankaase)	Ashanti	-	C	International
Mole	Northern	F	A	Regional Airstrip
Yendi	Northern	F	A	Regional Airstrip
Okwenya-Akuse	Eastern	F	A	Regional Airstrip

**Figure 6.26: Air Traffic Forecast for Ghana's Airports**



### 6.11.3 Maritime

Ports and inland water transport systems play strategic roles in Ghana’s socio-economic development. It is estimated that 90% of Ghana’s international trade in merchandise by volume is routed through the seaports. However, the performance of the maritime sub-sector is hampered by a number of challenges that impede its role as an engine of growth.

#### ***Vision***

The vision is “to provide an efficient and reliable multimodal transport/ logistics and local connection transport system, and contribute to enhance regional economic development within a safe, affordable and sustainable environment.”

#### ***Existing Situation of Ghana’s Maritime Sub-Sector***

Ghana’s two main seaports are located at Tema and Takoradi. Adjoining these two seaports are the Tema and Sekondi Fishing Harbours respectively. With respect to inland water transportation, the Volta Lake is the main means for inland water transport in Ghana. The effectiveness and efficiency of operations in the maritime industry are hampered by challenges including:

- i. poor transport networks in and out of the ports;
- ii. inadequate spatial planning and enforcement towards the integrated development of a port cluster;
- iii. inadequate use of ICT in port operational systems and processes to ensure efficiency;
- iv. facilities are generally not in good condition and therefore need maintenance or rehabilitation;
- v. aging equipment, inadequate navigational aids and a lack of regulation for canoe construction, use and operations.

The Ghana Ports and Harbour Authority has prepared two master plans to guide the expansion and development of Tema and Takoradi Ports. The plans are being executed over the GIP period.

#### ***Development of Tema Port***

The infrastructure development of the Tema Port is phased to respond to the traffic demand forecast indicated in Table 6.17, with a planned total infrastructure investment estimated at about USD 2.0 billion, spread over the period 2016 to 2033.

**Table 6.17: Cost of Planned Infrastructure Development at Tema Port (2018-2043)**

Cargo/Target Year	Estimated Infrastructure Investment (USD\$)		
	2023	2033	2043
Container (1000 TEU)	2,095	3,494	4,581
Bagged Cargo (1000 tonnes)	1,427	1,664	1,696
Dry Bulk (1000 tonnes)	4,777	6,765	8,184
Liquid Bulk (1000 tonnes)	1,102	1,536	3,077
General Cargo (1000 tonnes)	1,111	1,577	2,195

### ***Development of Takoradi Port***

The operations of Takoradi Port will be re-positioned through an extensive expansion and modernisation programme to better serve the needs of the oil and gas, mining and the trading sectors. The development strategy is to invest in the basic port infrastructure of breakwaters and dredging on behalf of the state, and cede the various terminal operations and services to private entities that could develop and operate over prescribed or negotiated concession terms and conditions. Total investment costs for the extension of Takoradi Port is estimated at USD 990 million.

### ***Boankra Inland Port***

The Boankra Inland Port (BIP) will be an international business and distribution centre, offering similar services as a port without a waterfront. This is to be sited on a 160 hectare site in Boankra in the Ashanti Region at an estimated cost of US\$ 120 million.

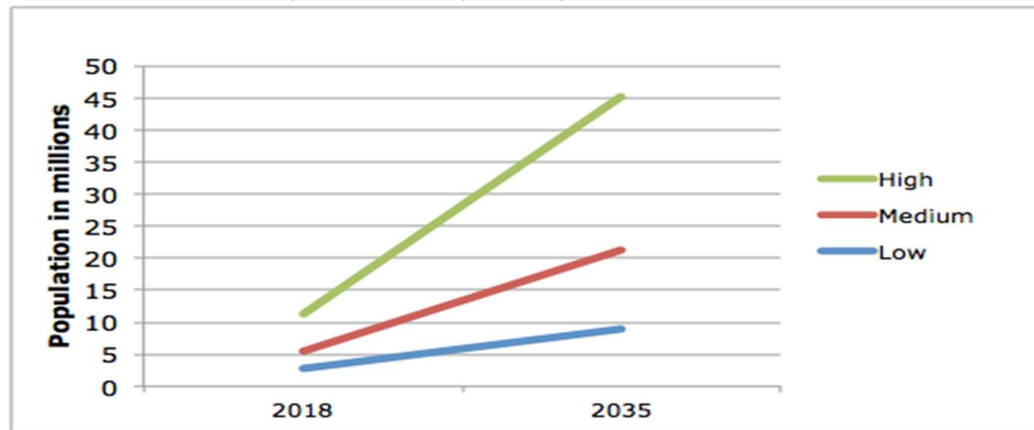
### ***Artisanal Fishing and Canoe Landing Facilities***

The following towns will be selected for improvement and development into Fish Landing Sites for artisanal vessels: Ada, Teshie, Jamestown, Tema in the Greater Accra Region; Axim and Dixcove in the Western Region; Elmina, Winneba, Mumford, Senya-Beraku, Gomoa-Fetteh and Moree in the Central Region; and Keta in the Volta Region.

### ***Inland Water Transport System***

It is estimated that from year 2018, the average number of passengers crossing the Volta Lake could reach 11.3 million passengers per year. Forecasts for 2035, however, predict possible figures of up to 45.6 million passengers (Figure 6.27). This implies that passenger traffic around the principal crossing sites is expected to grow from 500,000 in 2018 to 3 million passengers per annum by 2047.

**Figure 6.27 Yearly Passenger Traffic Forecast (2018-2035)**



Freight transport on the Volta Lake from the southern to the northern part of the country is expected to grow from 262,000 tonnes in 2018 to 1 million tonnes by 2035, while that between the northern and central Lake areas will grow from 80,000 tonnes in 2018 to 360,000 tonnes in 2035. Consequently, ferry, local and tramping<sup>250</sup> services as well as lake port infrastructure will be developed to support the growth in both freight and passengers.

<sup>250</sup> A boat or ship engaged in the tramp trade is one which does not have a fixed schedule

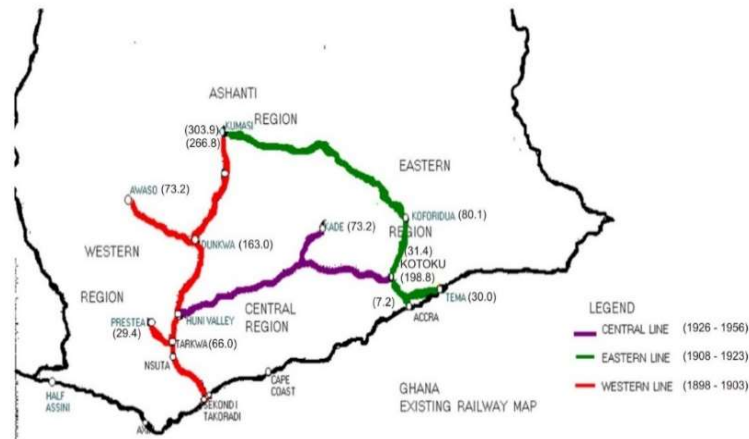
#### 6.11.4 Railway

Among the many advantages of rail transport is its suitability for transporting bulk goods and passengers over long distances cheaply and safely as well as its potential to reduce dependency on fuel. Rail transport currently forms less than 1% share of Ghana's transportation modal mix for passenger transport and 3% for freight. Towards achieving the objective to make rail transportation attractive in Ghana, there is the need to ensure that the right investments are made in order to achieve greater efficiency within the sector.

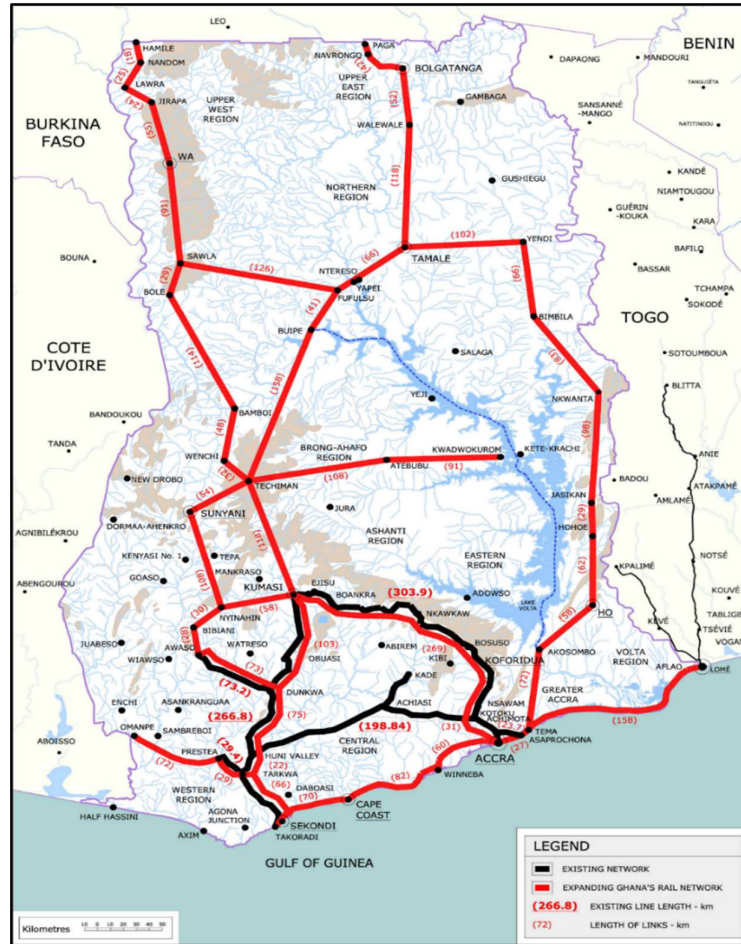
The current railway network in the country consists of a 947 km route with 1067 mm gauge tracks, located in the southern part of the country, forming a triangle, with the Western Line traversing Takoradi – Kumasi, the Eastern Line from Accra to Kumasi and a Central Line that runs parallel to the coast line linking the Western Line to the Eastern Line (see Figure 6.28).

Long spells of neglect since the railway was built in the colonial era have today resulted in only 13% of the existing tracks being somewhat operational. Majority of the rolling stock and additional infrastructure are in a dilapidated state and need urgent rehabilitation. In 2013, a Railway Master Plan was designed by the GRDA to initiate a rail infrastructure intervention. The Master Plan defines 6 different phases for rehabilitating and extending the railway infrastructure in the country to suit a high-income country status and serve the citizenry. By the end of the plan period, when rail passenger traffic is expected to grow from a projected 730,000 at 2015 to 1.38 million passengers per day, cover a distance of 4,007 km across the entire country (see Figure 6.29).

**Figure 6.28: Existing Railway Line in Ghana**



**Figure 6.29: Extended Railway Network**



The implementation of the master plan will require an investment of about US\$ 26 billion covering consultancy, infrastructure and stations; rolling stock; and signal and telecommunications, over the next 30 years to deliver the 4,007 km of planned standard gauge railway lines and additional lines for the sub-urban networks. The costs also include the procurement of passenger and freight rolling stock, as well as carriage wagons. Again, more than 160 station buildings will be constructed, together with more than 2,000 office and residential buildings as well.

The country shall also have sub-urban railway networks constructed in Accra, Kumasi, Tamale and Sekondi-Takoradi. These will be planned and developed as part of the overall redevelopment of the cities, over the plan period. Accra, for example, will have the country's first underground railway line constructed along the Liberation Road/Independence Avenue, between Accra and Adenta.

A large number of north-south and transversal rail lines, as well as the Trans ECOWAS railways route will be constructed as part of the developments. An entirely new coastal line from Aflao, through Accra, to Takoradi through Cape Coast, 498 km in length, will serve as part of the trans ECOWAS railway line. The Railway Master Plan proposes that the existing central line should not be utilised for this purpose, however, should the central line be adopted, the proposed coastal line will still be revisited in future. The Government of Ghana will own the railway infrastructure, but it is imperative that a new railway regulatory body be established to ensure safety in the operations of the various companies likely to participate in the country's new railway system, as well as be responsible for fixing any fees to be levied on the Train Operating Companies for using the infrastructure. Also, setting up a Railway Development

Fund in addition to other sources of funding for railway infrastructure development will contribute towards improving and maintaining the infrastructure.

## 6.13 WATER, SANITATION, FLOOD AND IRRIGATION MANAGEMENT

### 6.13.1 Water Resources Management

The water resources management plan deals with all the components and structures in the water cycle. The national vision is to “have assured water and healthy water ecosystems for the present and future through an efficient and effective management system”. The vision is underpinned by Ghana’s Vision for Water 2025, the Global Water Vision 2050, the Africa Water Vision 2025, and the Sustainable Development Goals.

The overarching goal is to “ensure sustained availability, development, and management of water resources for an industrialised, inclusive and resilient economy; and an equitable, healthy and disciplined society.”

#### ***Current State of Water Resources***

There are three main river systems, namely: Volta, South Western and Coastal river systems which Ghana shares with its neighbours. These river systems have a combined annual runoff of about 56.4 billion cubic metres (m<sup>3</sup>). The freshwater coverage of the three river systems and the associated major rivers is shown in Table 6.4 below. As indicated in the table, the Volta river system is by far the largest source of freshwater, accounting for more than one-third of the total annual runoff. The South Western and Coastal systems contribute 29% and 6%, respectively, of the total runoff. The runoffs in each of the river systems are characterized by wide disparities between the wet season and dry season flows. Additionally, the distribution within the country is far from uniform, with the south-western part better watered than the coastal and northern regions. The country’s water resources are largely underdeveloped. However, population growth and urbanisation have exacted heavy demands on land, water and other natural resources. The demands have resulted in changes in flow regimes, loss of ecosystem function and pollution.

Total Actual Renewable fresh water Resources (TARWR) are estimated to be 53.2 billion cubic m<sup>3</sup>/yr, of which 30.3 billion m<sup>3</sup>/yr are generated internally. The remaining estimated 22.9 billion m<sup>3</sup>/yr originates from outside of the country’s international borders. Thus, Ghana does to a large extent depends on collaboration with its riparian neighbours on sharing its water resources.

Freshwater ecosystems are in a quite unhealthy state. The continued and unregulated activities of small-scale miners (*galamsey*) are almost entirely responsible for the deterioration in the quality of some water bodies such as the Tano, Pra, Birim, Offin and Ankobra Rivers. The quality of naturally occurring groundwater resources in Ghana is generally good for multipurpose use except for some cases of localised pollution and high natural levels of iron, fluoride and other minerals.

**Table 6.18: Surface freshwater systems in Ghana**

DRAINAGE SYSTEMS	RIVER BODIES	CATCHMENTS
<b>Volta River</b>	Black Volta, White Volta, Oti, Daka, Pru, Sene, and Afram	65% of freshwater coverage
<b>South Western</b>	Bia, Tano, Offin, Ankobra and Pra rivers	29% of freshwater coverage
<b>Coastal</b>	Ayensu, Densu, Ochi-Amisshah, Ochi-Nakwa, and Tordzie/Aka rivers	6% of freshwater coverage

Source: Ghana’s Third National Communication Report to the UNFCCC (2012)

Ghana also has a rich collection of wetlands which provide services and resources for basic necessities of life, ranging from building materials, hunting, and fishing, as well as sources of water for humans and livestock. Five of these wetlands are designated as sites of international importance, commonly referred to as Ramsar sites.

With an estimated total actual renewable freshwater resources (TARWR) of 53.2 billion m<sup>3</sup>/year (excluding groundwater), Ghana has enough freshwater to support the projected water demand for domestic, agriculture, and industrial uses over the next 40 years, if properly developed and managed. Currently, the national freshwater resources per capita of about 1,941 m<sup>3</sup>/year makes Ghana a water-rich country. Based on a high population growth scenario, the annual water availability per capita will drop below the threshold of 1,700 m<sup>3</sup> for water-rich countries by the year 2021. Freshwater resources are at risk because of (a) inappropriate management, (b) high rates of logging, (c) fuel wood extraction, (d) poor agricultural practices, (e) surface mining, (f) desertification, and (g) negative impacts of climate variability and change.

### ***Groundwater resources***

Ghana is also endowed with groundwater resources, with yields of between 6 and 180 cubic metres/hr. Occurrence of groundwater, however, is controlled principally by the local geology, topography and climate. In northern Ghana, aquifers have been located at between 10 and 150 metres deep. In southern Ghana, borehole depths range between 25 and 90 metres, with an average of 42 metres. Only about 5 percent of the urban water supply is from groundwater<sup>251</sup>. In the Volta basin, annual groundwater production through boreholes, hand dug wells, and piped systems has increased substantially, reaching an estimated 88 million m<sup>3</sup>/year, giving approximately 44 percent of the population improved access to potable water.

Groundwater resources in Ghana are of generally good quality, except for some cases of localized pollution and areas with high levels of iron, fluoride and other minerals. Saline groundwater occurs in some areas within the coastal belt. Ghana's groundwater potential remains largely under-developed due largely to the low levels of socio-economic development.

### ***Water Storage***

There are about 23 formal large and medium reservoirs in Ghana, and over 2,000 small and micro reservoirs and ponds. The small and micro-reservoirs and ponds are located mostly in the three northern regions and mainly for domestic use, irrigation and livestock rearing. Lake Bosomtwe, which is the only significant natural freshwater source, has a surface area of about 49 km<sup>2</sup>, while the Volta Lake, which was formed after the construction of the Akosombo hydro-electric dam, covers about 8,502 km<sup>2</sup>.

Ghana's per capita water storage of 6,500 m<sup>3</sup> is higher than that of North America (6,000 m<sup>3</sup>), Australia (4,800 m<sup>3</sup>) and Brazil (3,400 m<sup>3</sup>). The relatively high per capita water storage is mainly due to the large volume of the Volta Lake, which is used for power generation, with limited use for agricultural, industrial, and domestic use. Excluding the Volta Lake, Ghana's per capita water storage is just about 12 cubic metres<sup>252</sup>.

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251 WRC, Hydrogeological Assessment Project of the Northern Regions of Ghana, Final Technical Report Vol. 1, Accra: CIDA, 2011).

252 Robyn Johnston and Matthew McCartney, Inventory of water storage types in the Blue Nile and Volta river basins. Colombo (Sri Lanka: International Water Management Institute, 2010), 48; and UNEP/GRID-ARENDAL, An Overview of the State of the World Fresh and Marine Waters (UNEP.org, 2008)



## ***Water Usage***

Current water withdrawals are mainly for domestic, irrigation, livestock, and industrial purposes. In 2015, the total water withdrawn was approximately 41,896 million m<sup>3</sup>, which amounted to about 8 percent of the total actual renewable water resources. The bulk of water withdrawals was for irrigation (68 percent), while domestic use and industrial use accounted for about 22.0 percent and 10.0 percent, respectively. Thus, only a small proportion of total renewable water resources are withdrawn, with irrigation constituting the highest use of water in Ghana.

Currently, basic domestic water requirement is estimated at 50 litres/cap/day (18.3 m<sup>3</sup>/cap/year), but this is expected to increase significantly as individual well-being improves with anticipated national development. The basic domestic water requirement is projected to increase to 75 litres/cap/day by 2020 (a typical figure for lower middle-income countries) and then reach 400 litres by 2047, the terminal year of the Ghana Infrastructure Plan under the long-term plan. In terms of withdrawal and usage per capita, Ghana's rate of about 80 m<sup>3</sup>/capita/year<sup>253</sup> is very low and there exists the opportunity to increase water withdrawals for productive uses, such as irrigation and industry.

## ***Water quality***

Water ecosystems in Ghana are generally not in a healthy state. In 2015, out of the 40 river systems that were monitored country wide, 60.0 percent were of poor quality, with 15% being grossly polluted. The assessment was based on the Water Quality Index (WQI) methodology, which assesses the 10 major variables that are critical to water pollution in Ghana. The minimum WQI was 38.3 recorded at Bonsaso on the River Ankobra and classified as poor water quality. The maximum WQI of 68.6 was recorded on the River Dayi (Volta River) at Hohoe and classified as fairly good. The overall mean was 52.5 and this is fairly good. The discharge of all manner of wastes into water bodies without any form of control and or treatment remains a major cause of water pollution in the country. By far, the menace of illegal small-scale mining, otherwise known as "galamsey", has become the single biggest source of destruction of major water bodies in Ghana, such as the Tano, Birim, Offin and Ankobra Rivers. This is evidenced by the elevation of parameters such as Total Suspended Solids (TSS), in these rivers.

## ***Estimated Future Water Availability and Requirements***

Currently, available national freshwater resources per capita are estimated at about 1,941 m<sup>3</sup>/p/year. A country is said to be not water stressed<sup>254</sup> when it has more than 1,700 m<sup>3</sup>/cap/year. Based on the Long-term National Development Plan (LTNDP) high population growth and the TARWR of 53.2 billion m<sup>3</sup>/year (excluding groundwater), it is anticipated that the annual water availability per capita would drop below the water stress benchmark figure of 1,700 m<sup>3</sup> by the year 2021. By the year 2047, the situation would be critical with annual water availability per capita at about 1,040 m<sup>3</sup>/p/year.

The country would be in a situation of water scarcity after year 2049 with annual freshwater resources per capita projected at 969 m<sup>3</sup> by 2053. This analysis was made based solely on surface freshwater availability. However, there is a huge groundwater resources potential which must be investigated, assessed and evaluated to constitute an additional potential resource base. As a first step, the mining and petroleum companies have a lot of data on groundwater resources will be collected for review.

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<sup>253</sup> Statista, The Water Statistical Portal, (Accessed from Statista.com, 2016); and WRC, Water Users Geo-Referenced Survey (Accra: WRC, 2015)

<sup>254</sup> A country or region is said to experience: water stress: < 1,700 m<sup>3</sup> /p, year; periodic or limited water shortages: 1,700 - 1,000 m<sup>3</sup> /p, year; water scarcity: < 1000 m<sup>3</sup> /p, year; chronic scarcity: 1000 - 500 m<sup>3</sup> /p, year; absolute water scarcity: < 500 m<sup>3</sup> /p, year

The anticipated major water uses that define water resources management infrastructure development are water supply for domestic/municipal, industrial (manufacturing, services, mining, and energy), and irrigation purposes. The study determined the water requirements for each of these uses from 2018 to 2047. The water requirements for these key water uses vary with population growth and well-being, urbanisation, environmental flow requirements, climate change considerations, the direction of development, and the degree of growth under the new national development framework.

Table 6.19 shows that future total water requirement (TWR) is likely to rapidly exceed the available resources from 2027. The TWR is expected to double from 2027 especially for industrial uses (6.4 times) and irrigation (2.2 times) in view of the transition towards an UMIC. In this case, 99% of the IRWR or 57% of the total actual renewable water resources (TARWR) would be committed. The country would therefore rely mostly on the external water inflows from 2029 to 2037. Therefore, it will be difficult to meet the projected requirements without damaging the environment, which calls for well-informed infrastructural interventions.

**Table 6.19: Estimated Water Requirements Based on Income Level Ratios (2018-2047)**

Year	Domestic WR (million m <sup>3</sup> )	Industrial WR (million m <sup>3</sup> )	Irrigation WR (million m <sup>3</sup> )	Total WR (million m <sup>3</sup> )	TWR as % of IRWR	TWR as % of TARWR
2018	782.80	234.84	4,114.42	5,132.07	17	10
2021	1,716.42	514.93	5,149.27	7,380.62	24	14
2025	3,125.94	937.78	9,377.83	13,441.55	44	25
2027	3,966.86	5,950.29	20,231.00	30,148.16	99	57
2029	4,270.82	6,406.22	21,781.16	32,458.20	107	61
2033	4,931.26	7,396.88	25,149.40	37,477.54	124	70
2037	5,568.72	8,353.07	28,400.45	42,322.23	140	80
2041	6,265.78	16,291.02	17,920.13	40,476.93	134	76
2045	7,006.97	18,218.12	20,039.93	45,265.01	149	85
2047	7,468.31	19,417.60	21,359.36	48,245.26	159	91

### 6.13.2 Water Supply Systems

The lack of access to water is considered as one of the key threats to the total wellbeing of the populace. The overarching vision of this plan is “to provide adequate, safe, affordable and sustainable water supply for all consumer categories by 2047.” This framework seeks to provide linkages to plans and strategies adopted by the main statutory sector agencies to facilitate the attainment of national goals set for infrastructure development and service delivery.

#### *Existing Water Supply Systems*

A general overview of existing water supply systems in Ghana indicates that most of the systems are operational but mostly below the required capacity due to various physical and operational bottlenecks. A summary of the existing systems is shown in the table below (Table 6.20).

**Table 6.20: Existing Water Supply Systems**

System Technology	Number of Systems
Point Source System (PSS)	28,718
Small Town Water Supply System (STSS)	391
Peri-urban Water Supply System (PUWSS)	17
Urban Water Supply System (UWSS)	71

### Water Demand Projections

In order to meet the set goals, an appropriate estimation of the water demand of target supply areas is crucial to facilitate the development of the various systems. Table 6.21 indicates the regional water demand projections for the planning horizon.

**Table 6.21: Regional water demand projections for the planning horizon**

Region	Baseline	Projected Demand (1000 m <sup>3</sup> /day)						
	2016	2018	2022	2026	2030	2034	2038	2047
Greater Accra	413,310	432,541	519,925	612,566	700,493	794,933	911,964	1,302,237
Ashanti	441,339	465,493	576,662	655,687	727,280	840,721	930,676	1,238,384
Brong Ahafo	156,483	163,709	201,242	239,948	287,111	339,206	418,910	644,755
Central	204,545	217,423	250,846	287,563	333,194	374,326	425,995	589,160
Eastern	171,685	178,971	204,437	232,924	273,203	304,848	335,331	460,272
Northern	200,514	212,313	242,644	274,917	311,444	362,420	405,483	546,874
Upper East	57,326	58,710	85,908	96,349	107,796	124,491	146,084	201,323
Upper West	42,330	43,954	49,105	53,045	58,800	65,915	74,146	99,474
Volta	125,959	132,335	151,085	175,572	197,556	217,155	246,242	334,654
Western	88,920	92,532	88,571	100,012	111,806	126,229	142,466	182,830
Total	1,902,411	1,997,981	2,370,425	2,728,583	3,108,683	3,550,244	4,037,297	5,599,963

### Planned Infrastructure Development

Based on the water demand projections and gap analysis, the required infrastructure developments over the various horizons to meet the set goals have been carried out. These have been categorised into the following two modes of development:

- i. upgrading of existing systems to higher system technologies; and
- ii. expansion of existing systems to meet projected demands.

The collated summary of existing systems to be upgraded to higher system technology for the various planning horizons is presented below in Table 6.22.

**Table 6.22: Existing systems to be upgraded to higher systems for the various planning horizons**

System Technology	2018 Horizon	2022 Horizon	2026 Horizon	2030 Horizon	2034 Horizon	2038 Horizon	2042 Horizon	2047 Horizon
PS	1448	1120	896	717	657	547	228	114
STWS	309	376	381	402	336	321	315	313
PUWS	12	43	17	39	3	3	21	66
UWS	1	2	2	1	1	2	3	2

Similarly, the collated summary of existing systems to be expanded to meet projected demand for the various planning horizons is presented in Table 6.23.

**Table 6.23: Systems to be expanded to meet projected demand for the various planning horizons**

System Technology	2018 Horizon	2022 Horizon	2026 Horizon	2030 Horizon	2034 Horizon	2038 Horizon	2042 Horizon	2047 Horizon
PS	724	560	448	358	328	274	114	57
STWS	313	37	457	482	468	476	495	517
PUWS	1	58	7	33	15	3	6	48
UWS	5	7	6	8	7	5	5	10

### 6.13.3 Strategic Interventions

In order to achieve these objectives, a number of strategies will have to be adopted, including the following (which may be modified in the medium-term plans that will be prepared by successive governments to give expression to the long-term plan):

#### ***Strengthen cooperation with neighbouring countries on shared water resources***

Forty-three percent of Ghana's total actual renewable water resources originates from outside of its international borders. Thus water-use and water management practices in Togo, Burkina-Faso and Côte d'Ivoire will impact on the water quality and flows within Ghana's river systems, especially since Ghana's occur in the downstream end of the major river systems. Thus collaboration with its neighbours, and establishing mutually beneficial water-use protocols will be essential for developing Ghana's water resources potential to support socio-economic activities.

#### ***Ensure Integrated Water Resource Management in all water basins***

Water is an integral part of the ecosystem, a natural resource and a social and economic good, whose quantity and quality determine the nature of its utilisation. The integrity of water resources is linked to land management, socio-economic activities and environmental conditions. Thus managing water resources should reflect its linkages with other natural resources, as well as human activities that pertain in their basins. The concept of Integrated Water Resource Management promotes efficiency in water use, equity in the allocation of water across different social and economic groups, and environmental sustainability, to protect the water resources base and associated ecosystems.

#### ***Improve the management capacities to develop, regulate and manage the utilisation of surface and groundwater resources***

Those involved in managing water resources will require regular formal and informal training to develop their knowledge, skill and competence in modern tool, techniques and practices. This training should cut across public, private and civil society organisations.

#### ***Promote efficient water use across all sectors and at all levels***

Water is a finite resource, a social as well as an economic good. It has various competing economic, social and ecological uses; thus its excessive use in one area could affect the quality and quantity of water available for other uses. It is, therefore, prudent to promote the efficient use of water to ensure water availability for present and future generations. Water reuse and water recycling must form an integral part of water resources management under the long-term plan.

***Ensure the protection and conservation of river basins and wetlands for water security and enhanced resilience to climate change***

Rivers and wetlands are vulnerable to human activities and the effects of climate change. They can suffer irreversible damage from direct or indirect exposure to harmful incidents, which could significantly impact on water availability in terms of quality and/or quantity. Thus, sound protection and conservation measures will be required to ensure water availability for its varied uses.

***Strictly control and monitor discharges to water bodies***

The wanton discharge of liquid and solid waste into water bodies is a major source of water pollution. This increases the cost of water treatments, affects the suitability of water for farming, recreational and cultural activities, and affects the health of humans, plants and animals. Current regulations on effluent discharge to water bodies should be reviewed and strictly enforced. Also, the current water quality monitoring regime should be strengthened and up-scaled to cover all major water bodies in the country.

**6.13.4 Integrated Waste Management**

An integrated and sustainable waste management system is essential for the creation of an equitable, healthy and well-planned society. The national vision is to “provide an integrated and sustainable waste management and sanitation infrastructure and services that ensure a healthy living environment for all and supports agriculture and industrial development”. Part of the strategic objectives of the LTNDP is to ensure safe treatment and disposal of waste through provision of adequate infrastructure based on sustainable technologies to reduce environmental impact.

***Current Situation***

Currently, large volumes (about 40 – 60 litres/capita) of greywater are generated each day from domestic and industrial activities and mostly disposed of in nearby drains. Only about 3.9 percent of the population of Ghana (3.6 percent urban, 0.3 percent rural) has access to sewerage systems and this generates about 61,500 m<sup>3</sup> of sewage a day. The situation is not too different with respect to solid waste management. A little over 50% of the population has access to solid waste collection services. The remainder employ unacceptable disposal methods such as burning, dumping in open public spaces and burying on compounds. There are few properly designed and constructed solid waste disposal sites in small towns and rural communities. Crude dumping without any site management practice is the predominant mode of disposal in small towns and rural communities across the country.

***Expected Sanitation Outcomes***

The following outcomes are expected with respect to liquid waste management (sanitation) by 2047:

- i. Affordable and sustainable household and public sanitation facilities and appropriate technologies for 70% access provided;
- ii. Adequate infrastructure for conveyance, treatment and disposal including reuse (sewage and septage) provided. One hundred percent (70%) coverage of improved sanitation (sewerage and on-site) by 2033 and 2041 for urban and rural communities, respectively (See Table 6.24).

**Table 6.24 Expected Targets for Sanitation**

Year	Urban		Rural	
	Sewerage (%)	Improved On-site Technology (%)	Sewerage (%)	Improved On-site Technology (%)
2021	5	40	1	30
2025	10	45	2	35
2029	20	60	5	50
2033	30	70	10	60
2037	40	60	15	65
2041	50	50	20	80
2045	60	40	30	70
2047	70	30	30	70

**Expected Solid Waste Management Outcomes**

The framework expects the following outcomes to be achieved with respect to the management of solid waste:

- i. Facilities and services for 95% source separation and minimisation of waste provided on individual, institutional, commercial, etc., premises.
- ii. Infrastructure for 100% collection and transportation of municipal waste provided.
- iii. Infrastructure for 100% effective management of Municipal Electrical and Electronic Waste (MEEW) provided.

Infrastructure for waste treatment and disposal provided as indicated in Table 6.25, below.

**Table 6.25: Expected Targets for Solid Waste Management**

Category	Solid Waste Treatment Infrastructure Development Targets (2047)		
Metropolitan	Landfill - 35%	Recycling/Composting Facility - 50%	Incineration/W2E - 15%
Municipal	Landfill/Controlled Dump - 40%	Recycling/Composting Facility - 50%	Incineration/W2E - 10%
District	Controlled Dump - 55%	Recycling/Composting Facility - 45%	

**Land Area Requirement**

By 2047, it is projected that about 9 km<sup>2</sup> of land area per annum would be required for landfills (Table 6.26). Due to an increasing rate of urbanisation and the resulting scarcity of land for final waste disposal, it may be desirable to secure lands in outlying areas of urban clusters within metropolitan and municipal areas for future use.

**Table 6.26: Land Area Requirement for Municipal Solid Waste Disposal**

Year	Land Area Requirement (km <sup>2</sup> )			
	Metropolitan	Municipal	District.	Total
2018	0.96	1.23	0.28	2.47
2021	1.03	1.32	0.30	2.65
2025	1.06	1.36	0.31	2.72
2029	1.12	1.43	0.33	2.88
2033	1.41	2.39	0.50	4.29
2037	1.49	2.52	0.52	4.54
2041	1.57	2.67	0.55	4.79
2045	2.66	5.37	0.92	8.96
2047	2.73	5.53	0.95	9.21

### **6.13.5 Drainage, Flood Control and Coastal Protection**

In recent years, river flooding has become a perennial problem in Ghana, especially for those living in settlements along waterways. According to the National Disaster Management Organisation (NADMO), floods have accounted for nearly 65% of the disasters in the country.

The vision for this sector, therefore, is to “improve drainage, and reduce the risks of flooding and coastal erosion on people, the economy, environment and society.” An increased awareness of flood risks, together with better information and tools for assessment is critical to prevent devastating loss of life and property.

#### ***Existing State of Drainage, Flood Control and Coastal Protection Management***

Floods have occurred in recent times in Accra, Cape Coast, Takoradi, Kumasi, Koforidua, Bolgatanga and Ho. Flooding has led to the destruction of coastal infrastructure in urban areas and small fishing villages, threatened important cultural and historical resources, hindered coastal tourism development, and affected the socio-economic life of the local populations in many areas, especially around Keta, Ada, Accra, Nkontompo and Shama.

The initial drainage master plan schemes prepared in the country consist predominantly of open U-shaped or rectangular concrete lined drains and open trapezoidal shaped drains. In some cities, the master plans and the necessary drainage designs have been completed but implementation of drainage improvement works have been slow. During the plan period, the masterplans will be updated taking into consideration the need for underground drains and scaling up implementation.

#### **Strategic Interventions**

##### ***Reduction of Flooding in Northern Savannah Zone***

There is the need for the development of civil and cultural systems for water resources management to ensure the proper planning, evaluation, monitoring and funding of water resources projects that are coming up in the Savannah Accelerated Development Authority (SADA) zones. Other strategies include the following:

- i. organise and reinforce consultations among countries sharing common water resources with the country, the riparian countries of the Volta Basin and all development partners interested in and concerned with the development of water resources of the basin;
- ii. harmonise the national policies relating to the management of the water resources of the Volta basin, through the adoption and enforcement of integrated water resources management throughout the basin;
- iii. Replace vegetation by replanting trees to minimise the rate of soil erosion and subsequent sediment transport into the rivers.

##### ***Reduction of Flooding in Urban Centres***

The effect of urbanisation on flooding is to the increase in volume of runoff and the shorter time of concentration as a result of channel improvement and high level of paved areas. The need to strengthen and enforce land use planning in urban centres cannot be overemphasised. Land use planning should take into consideration the flood risk map of the area.

In future, permanent underground storm sewers will be provided to replace the current open channels. This system will provide a unique measure for solid waste control from channels to resolve the enormous

problems currently associated with open concrete channels. By replacing open drains with underground drainage systems, cities can now benefit from increased environmental amenities, greater recreational space and healthier conditions by using the vast tracts of land hitherto given over to rapid flowing open concrete channels. The following are proposals for flood reduction in urban centres among others:

- i. carry out an assessment of the current drainage capacities in urban settlements and delineate flood prone areas;
- ii. overlay flood prone areas with social and economic hotspots to guide the development of interventions;
- iii. prepare development plans for the urban communities as well as the hydraulic infrastructures and carry out cost-benefit analyses, and social and environmental impact assessments of each of the plans.

### ***Reduction of Coastal Floods and Erosion Degradation***

Ghana's coastline stretches over 540 km and the composition of the coastline material ranges from rock to fine sand. The issues confronting Ghana's coast are enormous and much more complicated than a single agency can handle. The country strategy should be focused on the following:

- i. removing barriers to coordinated action against coastal erosion and flooding;
- ii. setting up of an inter-agency group to focus on coastal management programmes in the country;
- iii. strengthen weak regulatory and planning frameworks;<sup>28</sup>
- iv. Coordinating key stakeholders, including traditional authorities and civil societies for an integrated approach to solving coastal flood shocks;
- v. financing and investing in coastal protection and capacity-building programmes, including awareness and sensitisation and supporting the development of new coastal policies and regulatory frameworks;
- vi. teaching communities to combat coastal erosion and adapt to climate change.

#### **6.13.6 Irrigation**

The irrigation sub-sector in Ghana remains underdeveloped. Just about 2% of the area developed for irrigated agriculture falls under public irrigation schemes. This is because investment into public irrigation development has not been adequately pursued. It is therefore imperative that dedicated focused commitment is made towards irrigation development. This will help sustain food production and therefore, help improve incomes and reduce poverty. The overarching vision "is to harness the natural resources of water and land to produce enough food to achieve national food and nutrition security, as well as increase foreign exchange through exports by 2047."

The Ghana Irrigation Development Authority (GIDA) has the mandate to lead irrigation development through policy formulation and implementation of strategies and regulations. GIDA is currently repositioning itself through restructuring and modernisation which involves a revision of the mandate of the Authority and a shift in activities from direct involvement in irrigation implementation and management to the role of sub-sector planner, facilitator, regulator, advisor, supervisor and public service provider.

#### ***Current State of Irrigation***

Ghana has a total land area of 23.8 million hectares of which the cultivable land area is estimated to be 13.6 million hectares. The irrigable potential is 1.9 million hectares but only 30,000 hectares (2%) has been developed by both formal public and private sectors, leaving over 98% of the potential untapped. It is said

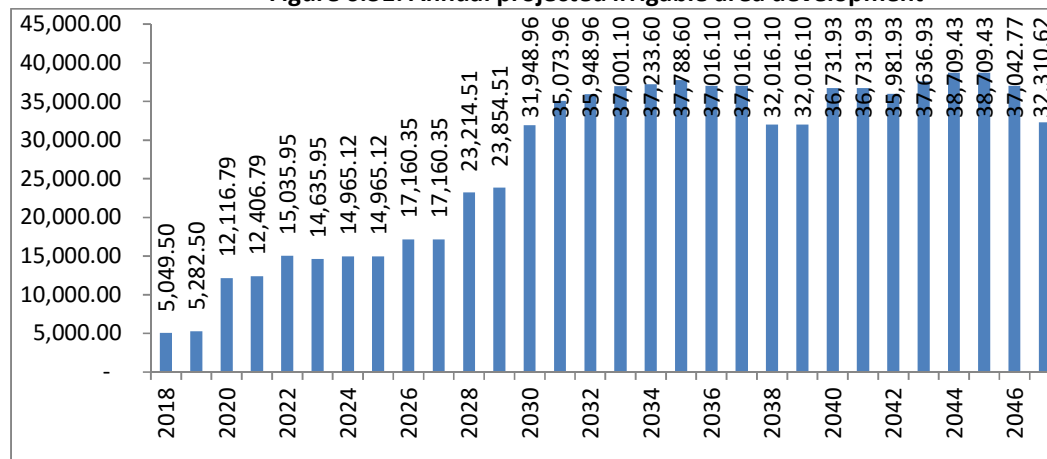


that about 200,000 hectares, i.e., 11% of potential of informal private sector is developed but this figure is yet to be verified. Ghana’s irrigation infrastructure is categorised into formal, informal and commercial systems. Presently, only about 11,000 hectares of irrigable land is funded by the public or formal sector. Small scale informal irrigation accounts for 189,000 hectares while commercial irrigation accounts for 21,000 hectares. There are 56 public irrigation schemes distributed throughout the various regions of Ghana.

### Projected Irrigable Area Development

It is estimated that about 822,762 hectares will be put under various irrigation systems in the country during the 30-year GIP period (see Figure 6.31). In addition to the existing total current formal irrigation coverage of 30,000 hectares, the total irrigated area envisaged to be covered by the programme will be 852,762 hectares, forming about 45% of the estimated nationwide available irrigable land of 1.9 million hectares.

**Figure 6.31: Annual projected irrigable area development**



## 6.14 INFRASTRUCTURE DEVELOPMENT

### 6.15.1 Introduction

“Logistics is the integration of transport (including customs clearance), warehousing, freight forwarding, and information services. By directly improving the competitiveness of products and services, efficient, smooth, and low-cost logistics services make a significant contribution to the economy and to people’s livelihoods and national prosperity.” – Asian Development Bank, Transport Efficiency through Logistics Development, 2013

The full impact on economic growth and social development of the kind of extensive infrastructure development proposed under the long-term plan cannot be felt unless there are corresponding efforts to develop the logistics sector. This section provides an overview of the concept of logistics and the institutional and process reforms required to ensure that its development complements that of infrastructure.<sup>255</sup>

<sup>255</sup> The discussion is based on the West Africa Growth Ring Corridor (WAGRIC) Project (2017), sponsored by Japan International Cooperation Agency (JICA) and comprising Ghana, Burkina Faso, Côte d’Ivoire and Togo.

### 6.15.2 Logistics Infrastructure

The typical logistics infrastructure is presented in Table 6.27. Facility infrastructure concerns physical infrastructure, such as ports, airports, terminals, road networks, and freight vehicles, as well as governing regulations, which aim for smooth operation of the infrastructure. Integration of these facilities and coordination of their operations are essential for an efficient logistics system.

Technology infrastructure refers to technological advancement deployed for logistics services. This includes the components of a single-window system (one-stop service system), various ICTs such as vessel tracking and container tracking systems, an Electronic Data Interchange system (EDI) and other information systems. Available human resources and their corresponding skills/knowledge as well as industrial resources are included in this group.

Institutional infrastructure refers to the legal instruments (international and domestic), financial system and other international and domestic laws that govern trade and transport operations. Favourable policies, such as lower tariff and tax policy incentives and respect for international conventions, are among the inducements most sought after by international traders.

**Table 6.27: Types of Logistics Infrastructure**

Infrastructure Type	Description
a. Facility Infrastructure	<ul style="list-style-type: none"> <li>• Hard infrastructure (ports, roads, railways, dry ports, distribution centres, warehouses, etc.)</li> <li>• Soft infrastructure (traffic control, transportation management,</li> </ul>
b. Technology infrastructure	<ul style="list-style-type: none"> <li>• ICT (single-window system, information network, information platform, cargo tracking, etc.</li> <li>• Human resources (education, skills, language, work ethic, etc.)</li> <li>• Industrial resources (power supply, water supply, etc.)</li> </ul>
c. Institutional Infrastructure	<ul style="list-style-type: none"> <li>• Legal framework (laws, policies, regulations, customs, finance, subsidies, taxes, insurance, etc.)</li> <li>• Social awareness (customer preferences, etc.)</li> </ul>

Source: Modified from Kuse, H. et al., (2010)

### 6.15.3 Overview of International Logistics Systems

Customs services of a country play a major role in international trade and can either attract or drive away traders. Outdated systems and procedures are seen as greater barriers to international trade than tariffs. Excessive bureaucratic clearance procedures imposed by Customs and other concerned agencies increase transaction costs and prolong the delays to the clearance of import/export cargoes and transit cargoes. There has been innovation made to address the above issue and one of these innovations is the single-window system. Single-window systems –sometimes called “one-stop shop” – where traders can submit all import, export and transit information required by regulatory agencies at one time through a single electronic gateway rather than submit essentially the same information repeatedly to various government entities have dramatically reduced clearance time for export and import cargoes. However, along with such institutional barriers, infrastructure barriers contribute to increased costs and delays.

International trade is exposed to both barriers. Hence international logistics calls for improvement of both. Physical integration of nodes (e.g. port, airport, terminals) and links (e.g. road, railway, maritime) from origin to destination is a prerequisite for directing the flow of cargoes. Within this chain of infrastructure is a series of logistical activities which involve packaging, storing, consolidation,

transportation, deconsolidation, cargo handling and other activities that are part of the logistics chain. Figure 6.32 illustrates a simplified international logistics scheme and the associated chain of actions:

First stage: Cargoes for international shipment are assembled at the origin and normally loaded in a container. This takes place at the warehouse of an international trader or at a consolidation terminal.

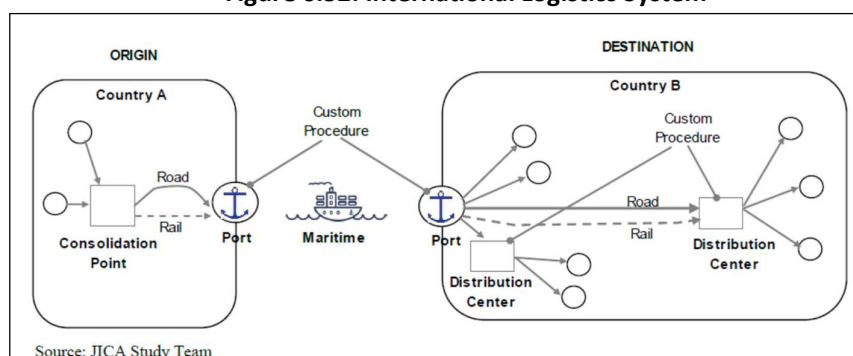
Second stage: Containers for export are then transported via road or rail to reach a terminal normally located in the vicinity of a port. Customs formalities will take place now (or can be done in the first stage) and the container along with other cargoes for export are assembled.

Third stage: Containers are loaded onto the ship and the maritime journey commences. Depending on a destination, this takes a few weeks. A vessel tracking system is deployed during this period to ascertain the location of the cargo ship the containers are on.

Fourth stage: Upon arriving at the port of destination, containers are unloaded and brought via road or rail to a terminal and subjected to Customs inspection. Most of the delays occur at this stage of the logistics chain.

Fifth stage: Cleared containers are then brought to a warehouse (one warehouse if all the cargoes are owned by the same trader) by container trucks. If the cargoes inside the container are owned by different consignees, the container is opened and repacking takes place.

**Figure 6.32: International Logistics System**



Source: JICA Study Team

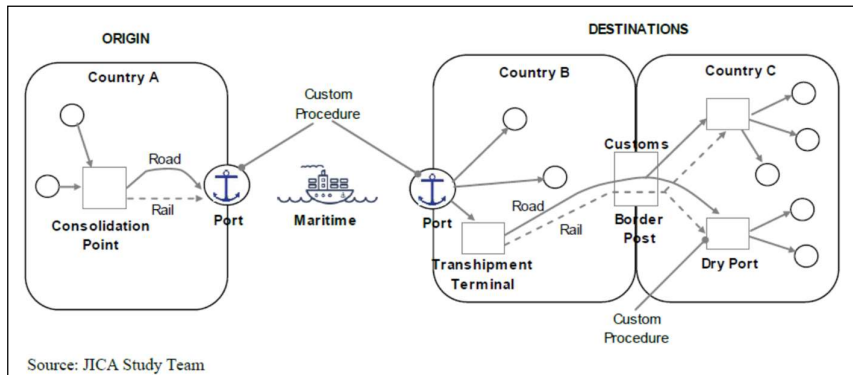
#### 6.15.4 Overview of Transit Facilitation to Landlocked Countries

Transit facilitation is a common practice in the region due to the existence of several landlocked countries for which access to seaports – normally the gateway of trade – is only possible through the use of the port facility of neighbouring countries. To make this arrangement possible, a bilateral agreement between the countries concerned is normally signed or, in some cases, the agreement is at regional level (e.g. at the level of the Union économique et monétaire ouest-africaine (UEMOA) and the Economic Community of West African States (ECOWAS)) and supplemented by bilateral agreements.

Once a legal framework is set up between the parties, free movement of cargoes is expected to commence. In most cases, Customs formalities are undertaken at the dry port of the destination country, passing through the transit country (e.g. Ghana) without much delay or restraint. During the transit of cargoes, ICT, particularly a cargo tracking system, is particularly useful for identifying the location of the transit cargo until it exits at the border. The primary interest of the transit country (Country B) is to ensure that cargoes indeed arrived at the intended destination (Country C) and will not be diverted to its own market. Tax is not levied on transit cargoes thus the government of a transit country is at the losing end

if the cargoes are diverted into its market. In the illustration in Figure 6.33, cargoes destined for Country C normally have their Customs formalities at its own dry port.

**Figure 6.33. Transit Facilitation with Single Transit Country**

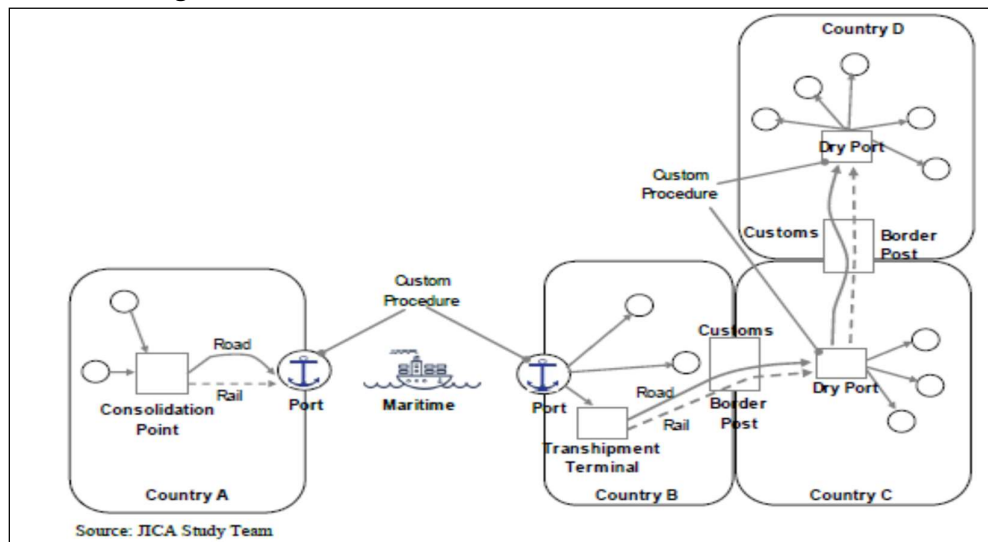


Source: JICA Study Team

Source: JICA Study Team

There are cases where there are at least two countries the cargoes have to pass through by land before reaching their destination, as illustrated in Figure 6.34. In this case, transit countries B and C will monitor the movement of the cargoes in their territory until they successfully exit across the border. Monitoring of cargo movement in the region is a mixture of utilising modern technology (e.g. container/cargo tracking systems) and traditional methods such as by Customs escort. Likewise, both countries provide safe areas (e.g. transit terminals inside the dry ports) where transit truck drivers stop to get some rest. Customs formalities in this case are at the final destination country.

**Figure 6.34: Transit Facilitation with Double Transit Countries**



Source: JICA Study Team

Source: JICA Study Team

### 6.15.5 Key Actors in Logistics and Domestic Trade

#### **Government**

It is often said that for the most part, the government's aim is to create a level playing field for all logistics actors. The government is generally a provider of infrastructure (which includes trunk roads, railways,

ports and airports) and is equally required to enact the legal framework that governs trading and logistics operations.

### ***Freight Forwarders***

An international freight forwarder is an agent for the exporter and can move cargo from door-to-door, providing several significant services such as: tracking inland transportation, preparing shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, and filing of insurance claims.

Most freight forwarders serve as agents, which means that they facilitate the linking of logistics chains as required by the exporters. However, there are also a few large firms capable of handling the entire logistics chain. Such a firm not only facilitates Customs procedures and other documents required for cargo shipment but also has the necessary infrastructure – such as storage and transportation (road and railway) – significantly expanding its scope in the total logistics chain.

### ***Trucking Companies***

There are two systems that have significant implications for the operation of trucking companies in the country:

- First is the cargo quota system for imported non-strategic goods, a bilateral agreement between a coastal country and a landlocked country where a volume of cargo is allocated to the trucking companies of each country. The normal practice is 1/3 and 2/3 in favour of a landlocked country and supervised by the Shippers' Council of the landlocked country. The accord is an attempt to avoid perceived threats to national trucking industries by explicitly allocating freight shares for international trucking.
- Second is the truck queuing system implemented by transport associations of both countries (coastal and landlocked). Trucks arriving at the port register their arrival with their association (e.g. a Burkinabè truck would register with *l'Organisation des transporteurs routiers du Faso* (OTRAF)) and join the queue using the first in-first out (FIFO or *tour de rôle*) rule. The newly arrived truck waits at the back of the queue until its turn and loading will be supervised by its association.

### ***Shippers***

Shippers' concerns are for the security and integrity (no damage) of their cargo as well as to ship in fastest time and at lowest price possible. Shippers in the West African sub-region are given ample time to retrieve their cargo upon arrival at the ports of coastal countries. Normally, shippers are given a maximum of 7 to 11 days to complete administrative procedures. Longer than this, shippers must pay extra charges, including for demurrage and container stripping and stuffing. For example, the daily amount to be paid for a 20-foot container at Tema Port is US\$2.5.

Interviews with different logistics actors in the sub-region yielded inconclusive answers regarding the allowable number of days given at each port before a charge is applied. Some find the period enough to clear their cargoes but some find it inadequate for completing Customs and other administrative procedures to clear their shipment. The ideal scenario would see Customs procedures further improved and the maximum number of allowable days reduced.

### ***Consumers***

This group is interested in paying the lowest possible price and receiving their goods in good quality and as promptly as possible. Likewise, they are concerned with the negative incidents that affect freight

movers such as ships (e.g. oil leak), trucks, and railways. Of particular concern to this group is the negative environmental effect of freight carriers as well as the safety risk they posed. Trucks are the most frequent target of their complaints because they are the mode most used by this group.

**Pressure Groups (Civil Society Groups)**

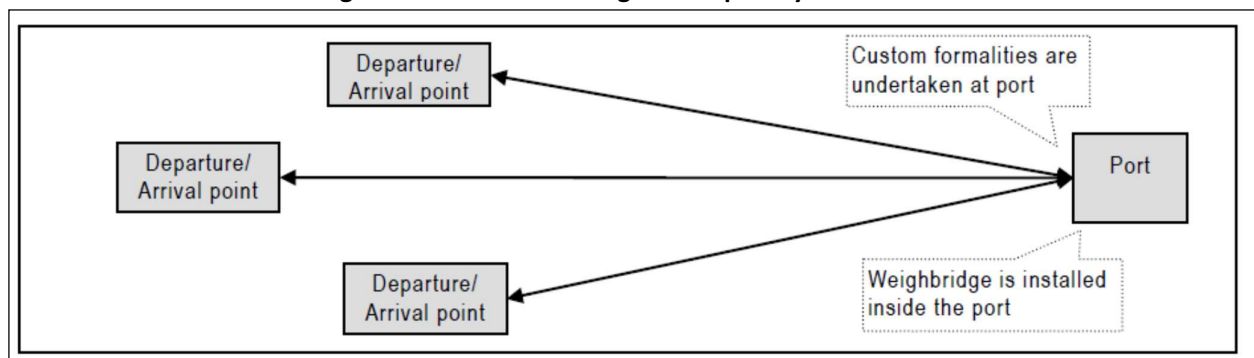
This group normally works outside the government and seeks to influence government policies to remove barriers affecting the movement of freight. Group such as Borderless Alliance is a typical pressure group. They demand better governance and seek to highlight weak spots of the logistics system such as harassment and delay that raise costs that are ultimately passed down to consumers in the region.

**6.15.6 Freight Transport System**

**Domestic Freight Transport**

For domestic freight transport, the clearance of freight for export and import is normally undertaken at the port of the concerned country, as illustrated in the figure below. A container for instance, loaded with imported freight may go directly to the warehouse of an importer once formalities at the customs office inside the port are done. The same procedure is applied for export where all formalities are undertaken in the vicinity of the port. In future, however, this procedure might be changed to decongest the port and thus increase its capacity. This can be done by construction of a facility such as a Dry Port and Truck Terminal, closer to the port and intended for domestic freight. The construction of a transit truck park in Ashaiman, near Tema, is expected to have a substantial impact in terms of improving port capacity and decongesting roads in the port city.

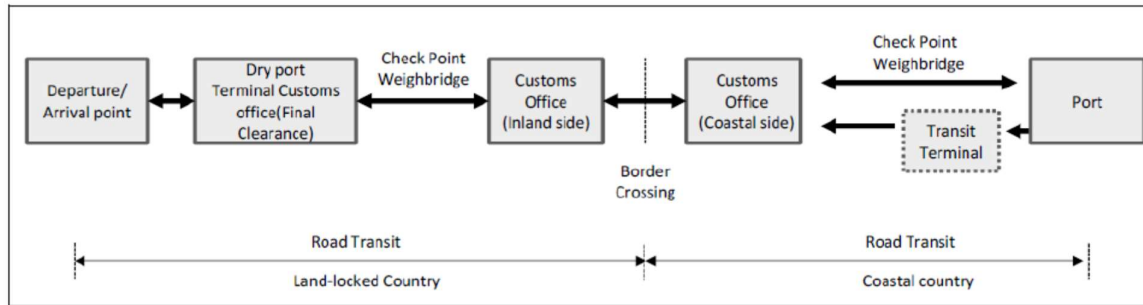
**Figure 6.35: Domestic Freight Transport System**



**International Freight Transport and Tariff System**

The transit transport flow connecting landlocked countries and ports is shown in the figure below. With the port as a starting point, freight departing from the port passes through a boundary Customs house of a coastal country, then goes through the transit procedure at the boundary Customs house of the landlocked country, and finally arrives at the Customs house of the final destination. The route is reversed for export.

**Figure 6.36: International (Transit) Freight Transport System**



Source: Yachiyo Engineering Co., Ltd. and INGÉROSEC Corporation, 2012

### 6.15.7 Truck Routes and Pricing System

Trucks remain the most popular means of transporting freight in the country because of limited rail networks and high cost of air transport. Furthermore, an additional merit is the suitability of truck services for seamless door-to-door freight transport operations. This transport service is not possible with rail because a change of transport mode from rail to truck is necessary at the freight station to complete delivery of freight.

Despite its advantages (e.g. more security), containerised transporting of freight is still not very popular in the logistics business, accounting for less than 20% of total imported freight unloaded at ports, as reported by the 2012 JICA study. Some of the reasons include unsuitability of privately owned trucks to transport containers, need to return containers to port, and high deposit/guarantee fees.

The same JICA study estimated that between 60% and 80% of imported freight is transported by trucks as bulk cargo (without container). This popular means of transport charges rates based on the weight of freight.

## 6.15 INFORMATION AND COMMUNICATION TECHNOLOGY

### 6.16.1 Introduction

Ghana is one of the pioneers in national information and communications technology (ICT) reforms in Africa. In 1994, the country became the first on the continent to liberalise the telecommunication sector to encourage competition<sup>256</sup>. Since the 2000s, Ghana has been active in developing ICT policies and strategies to promote socio-economic development.

Following the development of the 2003 ICT Policy for Accelerated Development (ICT4AD), other national policies such as the National Telecommunication Policy (2005) and the National Cyber Security Policy and Strategy (2016) have been developed. In addition, some sector specific policies and strategies, including the ICT in Education Policy (2008) and the E-Health Strategy (2010), have also been developed.

In recent years, Ghana's ICT sector has seen appreciable improvements in mobile and internet penetration, international and inland fibre optic connectivity as well as ICT parks and incubators. However, the country is yet to fully exploit the opportunities offered by these resources, especially for

<sup>256</sup> Ghana National Telecommunication Policy (2004)

intensive use for e-government, e-business, e-commerce, e-health, e-education, e-research, etc. As the country seeks to become a high-income economy by 2057, there is the need for an ICT infrastructure and policy plan to help achieve this long-term socio-economic goal.

#### **6.16.2 Goal of ICT Infrastructure Development**

The overarching goal of the ICT Infrastructure and Policy Plan is to “build 21<sup>st</sup> century digital infrastructure to drive economic growth, improve governance, enhance competitiveness, and support social development, while positioning Ghana to play a leading role in the development and export of technology globally”.

The objective is to “ensure that all public and private organisations as well as citizens have access to quality ICT infrastructure and services regardless of location and status”.

#### **6.16.3 Priority Focused Areas**

In line with the Long-term National Development Plan, this ICT Infrastructure and Policy Plan is anchored in the following priority areas:

- i. Telecommunication infrastructure
- ii. ICT facilities
- iii. National digital and e-government infrastructure
- iv. Geographic information system database
- v. ICT infrastructure financing
- vi. Areas for ICT policy updates
- vii. Areas for ICT laws updates

#### **6.16.4 Telecommunication Infrastructure**

##### ***Broadband Infrastructure***

Broadband access has increasingly become very significant for economic growth of nations. According to the World Bank, in middle-income countries such as Ghana, a 10% increase in broadband penetration causes a 1.38% increase in economic growth<sup>257</sup>. Telecommunication infrastructure forms the fundamental backbone for broadband penetration in any country. According to the Internet World Statistics<sup>258</sup>, Ghana’s internet penetration per population as at March 2017 was 27.8%. This rate is below that of leading countries in Africa, such as Kenya (77.8 %), Mauritius (62.7 %), and Morocco (57.3 %). Ghana’s penetration rate is also way below that of international leaders such as Norway (96.3%), Netherlands (95.5%), and United Kingdom (91.6%). As Ghana seeks to become a high-income nation, there is the need to do more to catch up with not only our African neighbours, but global leaders in ICT as well.

Required Actions:

- i. Ensure that all households and citizens have access to broadband services;
- ii. Ensure that Ghana becomes the leader in internet penetration in Africa;
- iii. Ensure that Ghana becomes the leader in broadband penetration in Africa; and
- iv. Ensure that Ghana achieves internet and broadband penetration rates comparable to that of leading countries in the world.

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<sup>257</sup> World Bank ICT 4 Development Report 2009

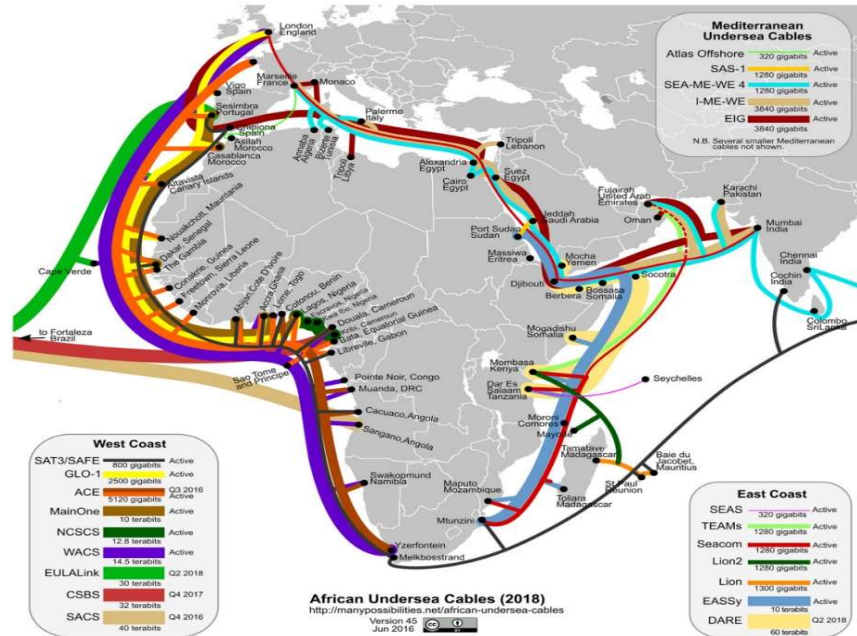
<sup>258</sup> <http://www.internetworldstats.com/stats1.htm>



## Fibre Optic Infrastructure

In recent years, Ghana has advanced in international and local fibre optic connectivity. The country is now connected to five international submarine fibre optic cables as shown in Figure 6.37.

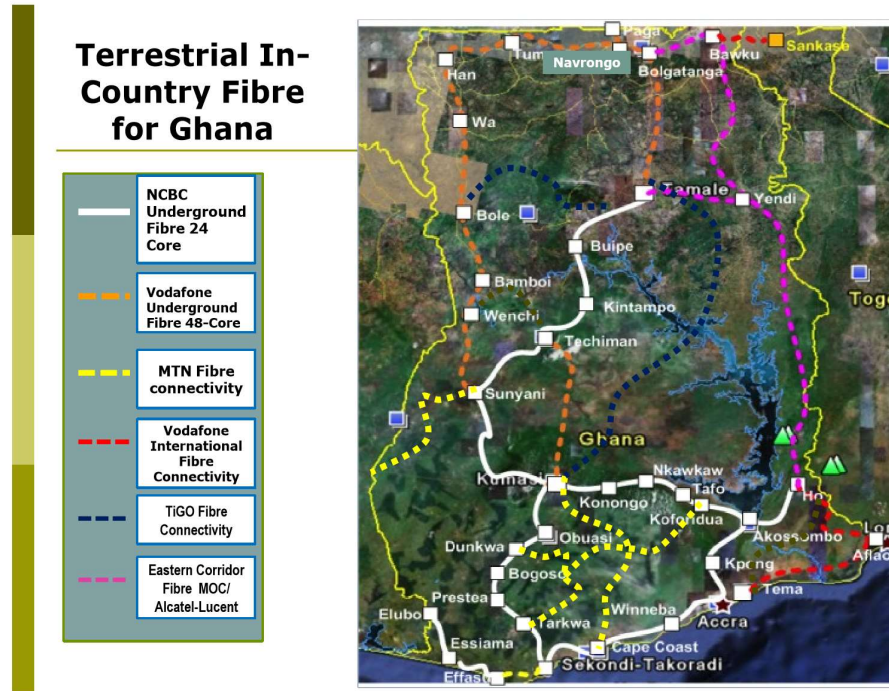
Figure 6.37: African Undersea Cables (2018 Project)<sup>259</sup>



Inland fibre optic network connectivity has also improved as shown in Figure 6.38.

<sup>259</sup>Source: <http://manypossibilities.net/african-undersea-cables>

Figure 6.38: Terrestrial In-Country Fibre for Ghana



Source: Ministry of Communication

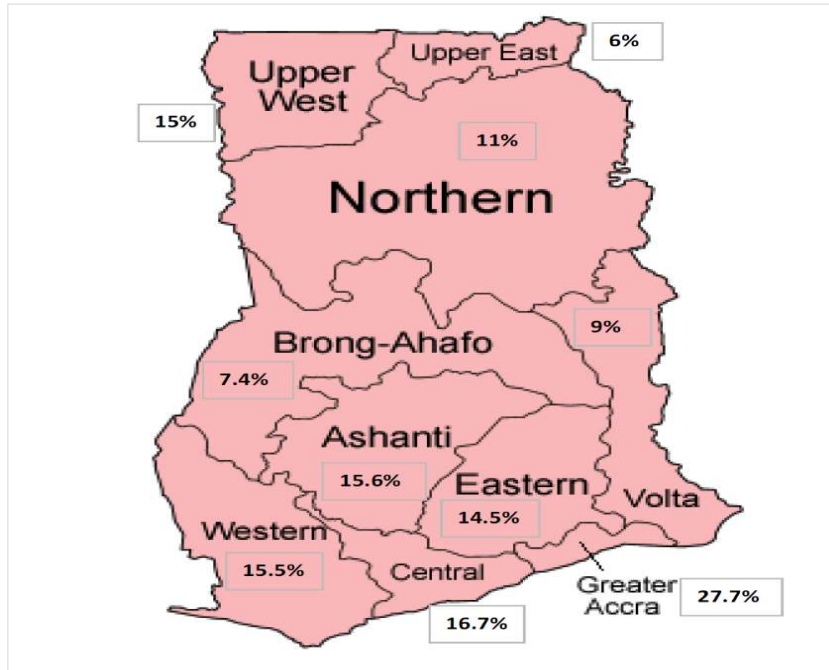
Figure 6.38 shows the coverage of inland fibre optic networks as at the year 2016. The latest achievement was the completion of the Eastern Corridor Fibre Optic Network to connect Ho to Bawku with a link from Yendi to Tamale. This network is expected to connect over 120 rural communities and provide ducts for extension.

### Internet Penetration

Notwithstanding the significant improvement in international and inland fibre optic networks, broadband internet access across the country remains low. According to 2017 International Telecommunication Union (ITU) figures, only 17.1% of Ghanaians use the Internet<sup>260</sup>. In addition, there are wide variations in regional access to the internet as shown in Figure 6.39.

<sup>260</sup> <https://www.oecd.org/aidfortrade/casestories/casestories-2017/CS-03-A4AI-Affordable-Internet-in-Ghana.pdf>

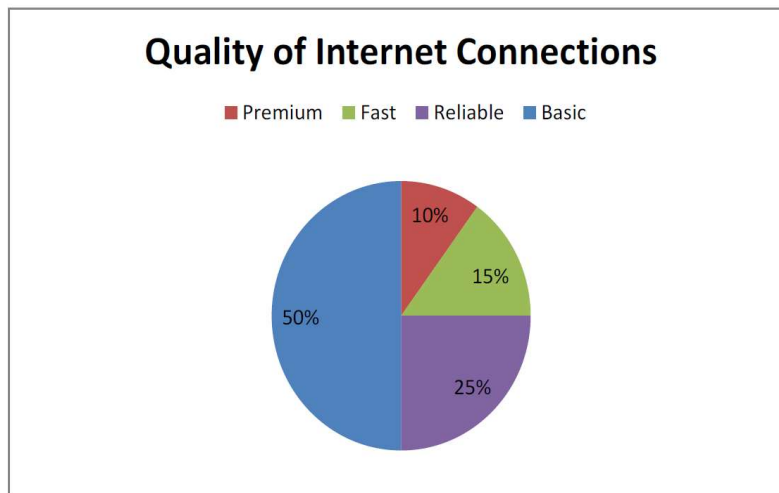
**Figure 6.39: Internet Penetration in Ghana by Region (2013)<sup>261</sup>**



Source: USAID Report for Ministry of Communications and GIFEC, 2013

Also, as shown in Figure 6.40, bandwidth capacity remains low while the usage has largely been for news and social media and less for economic purposes.

**Figure 6.40: Quality level of Internet Connections (2013)<sup>262</sup>**

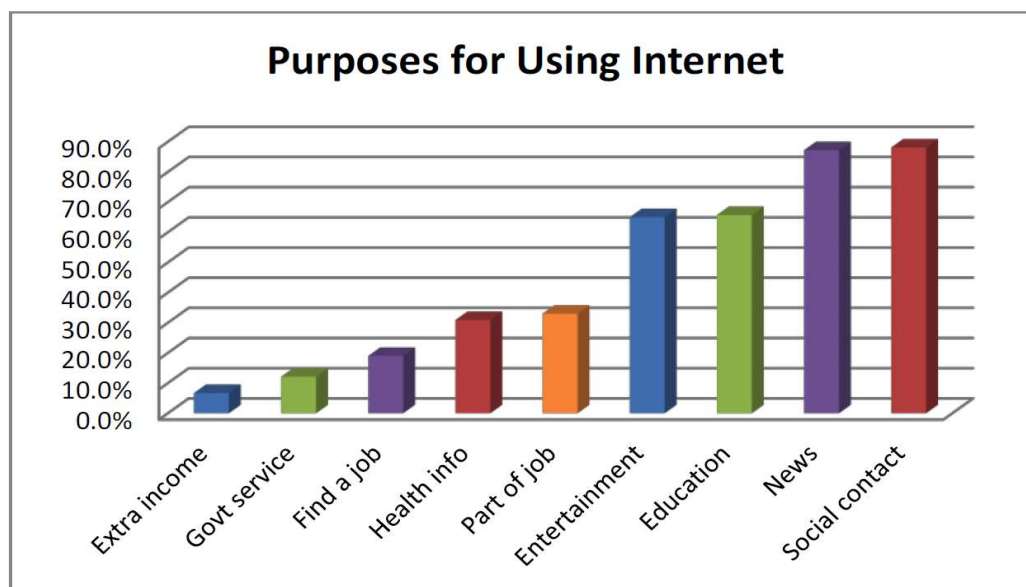


Source: USAID Report for Ministry of Communications and GIFEC, 2013

<sup>261</sup> USAID 2013, Digital divide in Ghana: Analysis and recommendations, Report for the Ghana Ministry of Communications and Ghana Investment Fund for Electronic Communications (GIFEC)

<sup>262</sup> USAID 2013, Digital divide in Ghana: Analysis and recommendations, Report for the Ghana Ministry of Communications and Ghana Investment Fund for Electronic Communications (GIFEC)

Figure 6.41: Purposes for Internet Use in Ghana<sup>7</sup>



Source: USAID Report for Ministry of Communications and GIFEC, 2013

Required Actions:

- i. Extend fibre optic cables to all rural, remote, and underserved areas;
- ii. Extend fibre optic cables to all schools; extend fibre optic cables to all health facilities;
- iii. Extend fibre optic cables to all public places;
- iv. Extend fibre optic cables to all buildings and homes; and
- v. Provide necessary infrastructure to achieve last mile fibre optic connectivity to remove digital divide.

**Wireless Infrastructure**

Ghana's telecommunication sector is dominated by wireless connectivity. According to the National Telecommunication Agency's (NCA) statistics for December 2016<sup>263</sup>, subscriptions for mobile telephones stood at 136.34% while that of fixed lines was 0.90%. Nevertheless, there are a number of challenges with wireless infrastructure and services, including, mobile subscription being largely for voice and less for data; some locations in the county experience poor quality service; lack of order and bureaucracy for siting mobile telecommunication masts; limited use of advanced wireless technologies such as radio frequency identification (RFID) and Internet of Things (IoT) for data capturing and communication.

Required Actions:

- i. Use incentives to ensure universal mobile access delivery throughout the country;
- ii. Encourage use of data services to promote mobile business and commerce;
- iii. Develop a comprehensive policy to streamline telecommunication mast siting and co-sharing; and
- iv. Promote the use of embedded RFID and IoTs for direct data capturing and communication.

**6.16.5 ICT Facilities**

ICT facilities such as innovation parks, incubators and community information centres (CICs) have become important resources for socio-economic development in digital economies.

<sup>263</sup> <http://www.nca.org.gh/assets/Uploads/Voice-Statistics-December-2016.pdf>

### **ICT Parks**

The development of science and technology parks has become an important national strategy for technological innovation and job creation. These ICT parks house clusters of technology companies and provide synergies for both local and global companies to promote a vibrant industry for software, hardware and communication devices. In 2016, the construction of Ghana's first ICT Park began in the Tema Free Zone Enclave. The layout design is shown as follows.

**Figure 6.42: Design Layout for the Tema ICT Park**



**Source: Ministry of Communications**

When completed, the park is expected to generate revenue and employment. More of such parks are needed in other parts of the country to help promote a vibrant ICT industry to manufacture ICT products and provide services for local consumption and export.

Required Actions:

- i. Establish one ICT park in each regional capital
- ii. Establish one special purpose ICT innovation Park to collaborate with KNUST to promote local manufacturing of computer, mobile, and network devices.

### **ICT Incubators**

ICT incubators, including mobile hubs (mHubs) and mobile laboratories (mLabs), help to nurture start-ups and young entrepreneurs to develop innovative ideas in concrete products and services. These incubators provide office spaces, utilities, internet facilities, shared resource centres, training etc., and help establish networks of entrepreneurs, industry professionals, trainers and investors to promote ICT development, innovation and job creation. Ghana as a country, however, is yet to take full advantage of ICT incubators. The few ICT incubators in the country are: Meltwater Entrepreneurial School of Technology (MEST) with private and foreign ownership, Ghana Multimedia Incubation Centre (GMIC) and KNUST Business incubator.

Required Actions:

- i. Establish one ICT incubator in each ICT Park created;
- ii. Establish at least one ICT incubator in each regional capital; and
- iii. Get each University or Polytechnic offering Computer Science, IT or Information Systems programme to establish at least one ICT incubator on campus.

***Business Processing Outsourcing***

Business Processing Outsourcing (BPO) has increasingly become a significant socio-economic sector, especially in emerging economies such as India and South Africa. It is estimated that as at 2013, South Africa's BPO sector was generating over USD 1.5 billion and 54,000 direct jobs while that of Morocco was also generating about USD 1 billion and over 60,000 jobs<sup>264</sup>.

In 2016, the Accra Digital Data Centre, established through a renovation of 12 old warehouses of the Public Works Department, was completed and inaugurated to provide BPO services. The centre is expected to provide digital jobs and thereby help to generate revenue as well as reduce unemployment in the country.

Given the potential role of BPOs for revenue generation and job creation, there is the need to establish more of such centres in various parts of the country.

Required Action:

Establish at least one BPO centre in each regional and district capital for job creation and revenue generation.

***Community Information Centres***

Over the years, the Ministry of Communication, through its implementation agency, GIFEC, has established many CICs. By 2016, over 120 CICs with internet access had been established in various rural, underserved and remote communities as well in some government institutions. Despite the growing number of CICs in various underserved communities, access to fast internet services remains a challenge for most of them. It is therefore important to extend fibre optic networks and broadband internet services to such areas.

Required Actions:

- i. Ensure all underserved communities and institutions have CICs;
- ii. Extend fibre optic connectivity to all CICs; and
- iii. Provide broadband internet access to all CICs.

***Smart Cities***

Smart cities are an ICT-based urban development innovation that depends critically on the Internet of Things (IoT). Smart city innovation uses digital technology to plan, design and monitor occurrences in urban areas. Because of their usefulness, smart cities are becoming popular in advanced economies as the preferred strategy for sustainable urban planning, development and management<sup>265</sup>.

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<sup>264</sup> McKinsey Global Institute (2013), Lions go digital: The Internet's transformative potential in Africa

<sup>265</sup> United Nations E-Government Survey 2016: E-Government in Support of Sustainable Development

Unfortunately, Ghana is yet to take advantage of the smart city innovation. Some of the problems in our cities can be solved through smart city innovation, such as water pipe bursts, cabling cuts, traffic congestion, fire outbreaks, defective vehicles on roads and streets, building without permits, managing street lights, detecting and managing potholes, crime monitoring etc.

Figure 6.43 shows a conceptual model of a smart city with various components and requirements.



Required Actions:

- i. Develop national policies and guidelines for smart city development;
- ii. Upgrade the national capital into a smart city; and
- iii. Upgrade all regional capitals into smart cities.

### ***ICT in Public Places***

ICT facilities in public places are almost non-existent in Ghana. Beyond the community information centres, which are largely sited at rural and underserved communities, most public places such as transport terminals, recreational centres, schools, hospitals and libraries do not have internet facilities. As Ghana seeks to achieve high income status, it is important that such places are connected to the internet for use, especially by people on the move.

Required Actions:

Connect the various public places to broadband internet services:

Transport terminals:

- i. Airports,
- ii. Seaports,
- iii. Train Stations,
- iv. River Ports,
- v. Bus Terminals, etc.

<sup>266</sup> Source: <https://www.dreamstime.com/stock-illustration-smart-city-concept-internet-things-different-icon-elements-modern-design-future-technology-living-image78407701>

Inside transport access:

- i. Trains,
- ii. Buses,
- iii. Airplanes,
- iv. Boats,
- v. Ships, etc.

Recreational centres:

- i. Stadia,
- ii. Tourist Sites,
- iii. Theatres,
- iv. Public Parks, etc.
- v. Community centres;
- vi. Educational Facilities;
- vii. Correctional Facilities;
- viii. Health Facilities;
- ix. Libraries, etc.

Once such places are connected, internet cafes, public kiosks and business centres can be setup to provide commercial services to generate revenue and employment.

#### **6.16.6 National Digital and E-Government Infrastructure**

The ongoing E-Transform Ghana Project being funded by the World Bank<sup>267, 268</sup> is expected to provide the necessary ICT infrastructure for an effective, efficient and transparent e-government and economic system. The project, which began in 2014 with a 2019 deadline, is expected to cover several areas, including:

- i. National Identification System
- ii. E-Government Portal
- iii. National Data Centre
- iv. E-Payment Gateway
- v. Public Key Infrastructure
- vi. Open Data Repository
- vii. E-Parliament System
- viii. E-Immigration System
- ix. E-Procurement System
- x. E-Justice System
- xi. Digitisation of Paper Records
- xii. Integrated E-Health System
- xiii. Educational Portal
- xiv. E-Services
- xv. Tertiary Institutions Access (TIA) System
- xvi. Innovation Incubators
- xvii. Enterprise Architecture and Interoperability Framework etc.

The project is in various stages of finalisation and will be completed by the deadline.

Required Action:

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<sup>267</sup> See: <http://projects.worldbank.org/P144140/gh-ettransform-ghana?lang=en&tab=overview>

<sup>268</sup> <http://nita.gov.gh/eGhana-Project>



Complete the e-transform project and all related components by the 2019 deadline.

### 6.16.7 Geographic Information System Database

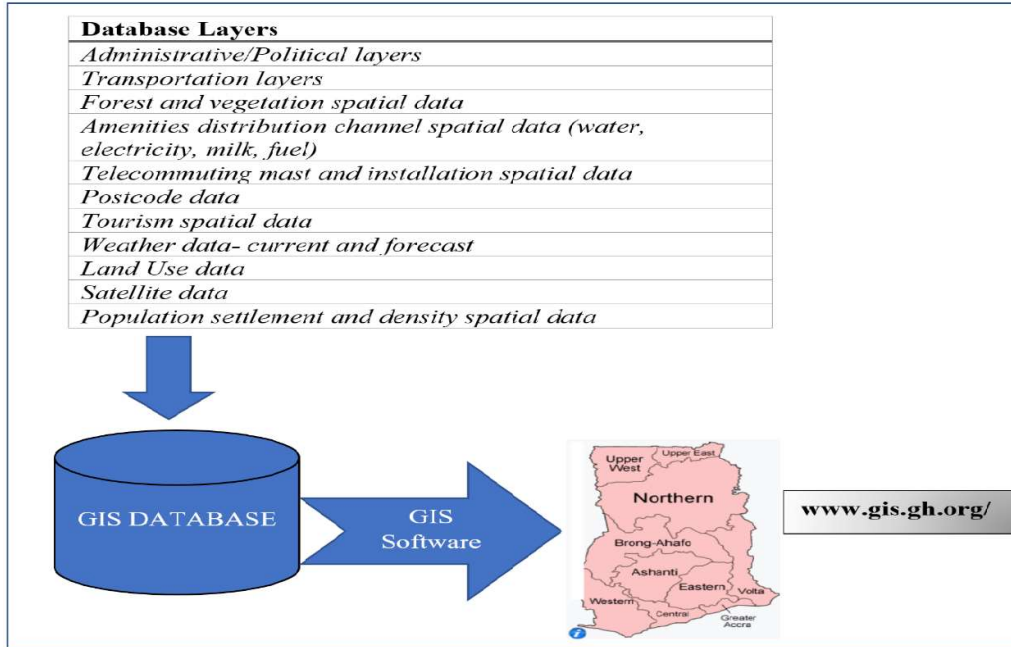
Locating infrastructure in Ghana remains problematic because reliable online location infrastructure and services for identifying places, buildings and facilities such as houses, streets, roads, installations, etc., are very limited. Available maps are also largely paper-based and therefore do not support online and mobile access. In 2015, the National Spatial Development Framework was developed. The related action plan is to translate the framework into an online GIS database with the details in Table 6.28.

**Table 6.28 GIS Database Layers**

Layers	Attributes	Feature Types	Comments
<b>Administrative Coverage</b>	Code, name, location, feature, representation, last updated date	Regions, districts, towns, villages etc.	Nested design—towns and villages are in districts, which themselves are in regions.
<b>Political Coverage</b>	Code, name, location, feature, representation, last updated date	Regions, constituencies, polling stations and sub-stations etc.	Nested design—polling station in electoral area, which is in a constituency and constituency in a region.
<b>Buildings</b>	Code, name, location, feature, current owner, representation, last updated date	Residential, commercial, state etc.	Owner linked to national identification database. Has a transaction table that contains changes in ownership over time.
<b>Transportation Network</b>	Code, name, type, segments, representation, date of last update	Street, road, railway, waterway, airway etc.	Include both current and existing plans. Capture and update data on density, speed and delays.
<b>Cable Network</b>	Code, name, type, segments, representation, last updated date	Fibre, telephone, television, electricity etc.	Map out and capture data on cable networks for analysis and updates
<b>Pipe Network</b>	Code, name, type, segments, representation, last updated date	Water, oil, irrigation, drainage, sewerage, milk etc.	Capture and update data on paths, flow, blockage etc.
<b>River Network</b>	Code, name, type, segments, representation, last updated date	Streams, tributaries, major rivers, floods etc.	Monitor the flow direction of rivers and any barrier impeding flow. Analyse upstream and downstream activities.
<b>Land Use</b>	Code, location, last updated date	Farming, settlement, mining, recreation, tourism, irrigation	Use satellites and GPS capture and update land use data.
<b>Spatial Coverage</b>	Code, name, type, density, representation, last updated date	Population data, vegetation coverage, weather coverage, disease coverage, soil type coverage, etc.	Use remote sensing and digital genesis innovation to capture and update special coverage data.

**Source: GIP Team (2017)**

**Figure 6.44: High level GIS Database Design Framework**



Source: Ministry of Communications

Figure 6.44 presents a high level architecture for mapping the GIS database to online access via a digital map of Ghana through a designated web address.

Given the dynamic nature of spatial data, the GIS database is expected to capture and store space and time-based data to provide opportunities for trend and time series analysis. Thus, feature attributes and their representations will be periodically updated with new images and dimensions with date/time data to show changes and trends, to inform policymaking and analysis. For example, the GIS database should be able to provide reference of the state of the Ankobra river at a given historical time and its status given the intensive pollution from “*galamsey*” activities by 2016 as shown in Figure 15.10.

Required Actions:

- i. Develop and implement the online GIS design; and
- ii. Develop and implement the GIS online application.

### **National ICT Survey Database**

In modern times, national surveys have been extended to provide statistics on ICT infrastructure, access, usage and economic contribution. With feedback from national surveys, a country can monitor and evaluate trends and usage of ICT by citizens as well as private and public-sector organisations. Such statistics also provide feedback on ICT investments as well as scientific data for measuring progress and benchmarking with regional and international standards.

An annual ICT survey is yet to be fully established in Ghana as an essential and regular activity to provide the necessary statistics for ICT performance measurement and comparison with other countries and global trends. The 2010 population census by the Ghana Statistical Service (GSS) provided some data on household ownership of desktop and laptop computers as well as internet access by gender, age and geographical location. However, given the limited scope of the indicators used and outdated nature of the results it is difficult to use them for monitoring and evaluation.

Generally, the absence of annual survey data makes it difficult to measure ICT contribution to employment and GDP<sup>269</sup>. Given the growing importance of national ICT survey data therefore, it is imperative to establish the necessary database infrastructure and institutions for the collection, analysis and reporting of annual ICT statistics for the socio-economic development of the country.

Required Actions:

- i. Establish comprehensive ICT indicators in line with international standards;
- ii. Institutionalise publication of annual ICT survey report; and
- iii. Deploy a national database infrastructure for ICT survey data.

#### **6.16.8 ICT Infrastructure Financing**

ICT infrastructure provision requires huge capital expenditure for initial setup and maintenance. The global trend for alternative funding besides government sources include: Public Private Partnership (PPP), Loans, Private Equity (PE) and Universal Service Fund (USF). Among these sources, PPP remains the most popular option. However, to ensure maximum government ownership, it is important that PPP and PE arrangements incorporate Build Operate and Transfer (BOT) arrangements so that ownership can be transferred to the government after expiration of the agreement period. Another variation of the PPP agreement is buy build and operate, which can be used for assets that have become obsolete and therefore need capital injection for rejuvenation.

In 2004, Ghana established a universal service fund, which is managed by the Ghana Investment Fund for Electronic Communications (GIFEC) as the implementation agency of the Ministry of Communications to provide financial resources for ICT infrastructure and services to remote and rural communities. By 2014, GIFEC had funded several projects.

Apart from direct funding, GIFEC has also used PPP arrangements to fund some projects. In line with its mandate, GIFEC funding has been limited to underserved and remote communities and organisations. For example, its school ICT projects have focused mainly on basic, secondary, technical, and some colleges of education. Universities and Research Institutions that require more intensive fibre optic and broadband connectivity are yet to benefit immensely from such projects. Thus, the need for alternative sources of funding continues.

In most developing countries, Public Private Partnerships (PPP) arrangements in the form of build, operate and transfer (BOT)/special purpose vehicle (SPV) continues to be the preferred option for financing national ICT infrastructure requirements.

Required Action:

Develop and implement a comprehensive Public Private Partnership policy and guidelines for ICT infrastructure financing.

#### **6.16.9 Areas for ICT Policy Updates**

Several ICT related policies and laws have been developed in the country over the years. The 2003 ICT for Accelerated Development (ICT4AD) Policy was the first of its kind. The tables below show the various policies with their publication years at the national and sector levels.

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<sup>269</sup> <http://www.mofep.gov.gh/?q=news/210610>

**Table 15.2: National ICT Policies**

Year	Title
2003	ICT for Accelerated Development (ICT4AD) Policy (2003)
2005	National Telecommunication Policy (2005)
2015	National Cyber Security Policy and Strategy (2016)

Source: GIP Team (2017)

**Table 15.3: Sectoral ICT Policies and Strategies**

Year	Title	Sector
2008	ICT in Education Policy (2008)	Education
2010	National E-Health Strategy	Health
2016	Interconnect Clearing House Policy, 2016	Telecommunication

Source: GIP Team (2017)

While the National Cyber Security Policy and Strategy as well as the Interconnect Clearing House Policy are recent and thus reflect current trends in ICT, the other policies such as ICT4AD are obsolete and must be revised to meet current trends.

Required Actions:

- i. Implement the National Cyber Security Policy;
- ii. Implement the National Interoperability Framework;
- iii. Implement the National Enterprise Architecture;
- iv. Review, update and add to existing ICT policies and strategies to meet modern trends taking into account the policy pillars below; and
- v. Develop related sectoral policies to direct ICT transformation at the MDA and MMDA levels.

The following policy pillars (as depicted in Table 6.29) have been defined to ensure that Ghana emerges as a technologically advanced country, with digital governance systems, digital societies and a digital economy.

**Table 6.29: Policy Pillars**

No.	Policy Pillar	Description
1	E-Personal Identification	Establish a comprehensive single, unified and multi-purpose e-identity for citizens and foreign residents.
2	E-Property Identification	Develop a comprehensive online accessible database of landed and movable properties such as vehicles, houses and lands to help reduce conflicts on ownership and transfers.
2	E-Location System	Develop a comprehensive online GIS system to support physical delivery, place location, courier and security (police and fire) service access.
4	E-Government	Use ICT to e-transform public sector operations and process to make the government more transparent, accountable and open to citizens.
5	Cashless Economy	Advance existing online, mobile and card-based payment systems to transition the economy from a cash-based to a cashless economy by gradually reducing the use of physical money and cheques.
6	E-Commerce	Promote online buying and selling by easing current constraints in online transactions and promote online sales of made in Ghana goods.
7	Digital Inclusive Society	Ensure that every citizen regardless of location or status has electronic access to government information and services through mobile and internet channels.

No.	Policy Pillar	Description
8	E-Employment	Use the opportunities provided by ICT to create job opportunities for the unemployed and the underemployed and provide ready access to information for job seekers.
9	E-Voting	Transition Ghana's democracy into a reliable and secured electronic voting platform to avoid violence and risks associated with elections.
10	E-Education	Promote the use of ICT resources at all levels of academic and professional education and ensure that all schools and have adequate ICT skills and resources.
11	E-Health	Use ICT to extend health services to the doorstep of all citizens and general health information for research to prevent diseases and epidemics.
12	ICT Industry	Promote the ICT sector to move from mere support to development of hardware and software products and improve training and professionalism.
13	E-Capability	Ensure the adequacy and availability of highly skilled professionals in software development, hardware manufacturing and data analytics.
14	E-Agriculture	Use ICT to provide the necessary information for the agricultural sector and ensure that farmers have readily available information about crops, pricing and storage right from their farms.
15	E-Research	Use modern ICTs such as big data, analytics and internet of things to collect and analyse national data on epidemiology, mortality, employment/unemployment, to inform the strategic direction of the country as well as connect various research teams to create knowledge for the development of Ghana economy.
16	ICT for Rural Development	Extend CIC to all rural communities and develop local information portals as well as connect them to the national and sector portals.
17	Legal and Regulatory Framework	Ensure that the right laws are developed and regularly updated to be abreast with advancements in the ICT sector.
18	Sectoral strategies and frameworks	Ensure that MDA and MMDAs develop sectoral ICT strategies in line with the national ICT policy.

Source: GIP Team (2017)

## 6.16 HUMAN SETTLEMENTS, SHELTER AND SOCIAL INFRASTRUCTURE

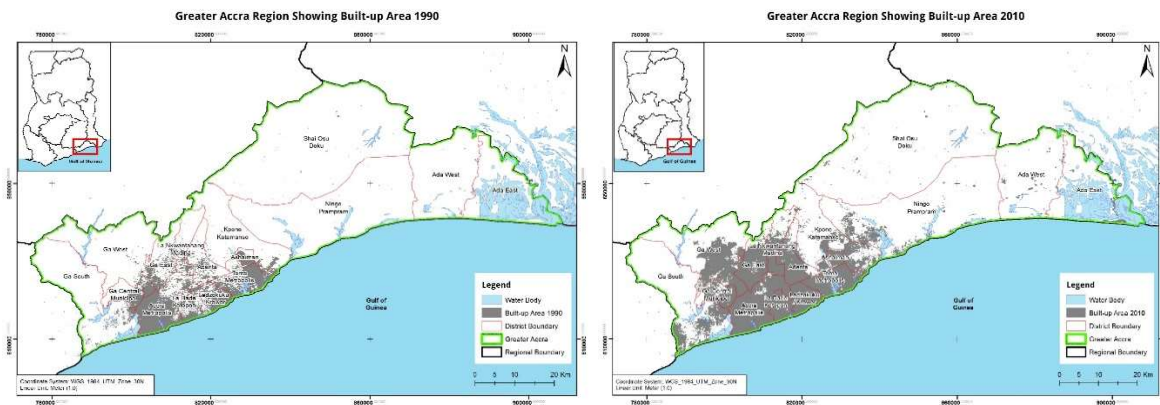
The country's vision for the human settlements, housing and civic infrastructure sector is to "safeguard the quality of the living environment, while ensuring that settlements are accessible, safe and sustainable, with adequate housing supply and social infrastructure that are efficient and equitably distributed, all towards developing cities as engines of growth and development".

Generally, the spatial pattern of settlements in the southern parts of the country are more nucleated (clustered), with higher built-up population densities. The northern parts of the country, on the other hand, have dispersed settlements, with lower population densities, making them less supportive of basic infrastructure and services than the former, which among other things, instigates an out migration phenomenon towards the southern parts of the country, particularly to Accra, the capital and the most populous city in the country, as well as Kumasi, the second most populous city in the country, causing settlements in these areas to expand rapidly and putting undue pressure on existing infrastructure, causing them to stretch beyond elastic limit.

Rapid population growth and increased urbanisation means shelter is a very critical commodity in Ghana. Over the years, the demand for housing in the country has far outpaced supply; given the high cost of building and renting, majority of the citizenry are priced out of the housing market, thereby reinforcing the housing deficit. The result is growth of informal housing delivery systems. with resultant issues such as overcrowding, decline in the quality of housing and its ancillary facilities, etc. The housing sector is thus presented with challenges arising in both quantitative and qualitative terms.

Again, the rapid growth has prompted massive urban sprawl and led to the formation of Metropolitan Regions, whose boundaries are beyond the regional and district boundaries (See Figure 6.45). The Greater Accra Metropolitan Area is a typical example, where settlements have spilled over into the Central and Eastern regions, merging with the built up footprints of these areas, and putting undue pressure on existing infrastructure.

**Figure 6.45: Built up foot print in Greater Accra between 1990 and 2010**



A simple “needs assessment” conducted, based on the standards set in the Zoning Guidelines and Planning Standards<sup>270</sup>; reveal a significant deficit in the provision of social infrastructure. Facilities for Health and Education are markedly skewed towards the southern part of the country, although the western region has been quite neglected, especially where health facilities are concerned.

Systems to support the judiciary services in the execution of justice in the country are also considerably inadequate, with major correctional facilities in the country, significantly overcrowded and lacking the required ancillary facilities to foster reformation and rehabilitation rather than just incarceration and denial of freedom.

Again, to ensure that development is done in a sustainable way, it is important to protect the ecological assets of the country. It will be in the best interest of the country to incorporate green spaces, parks and gardens etc. in the development process, not only as a way of preserving the environment, but to improve the health and the safety of the citizenry.

<sup>270</sup> This document was produced by the Ministry of Environment Science and Technology in collaboration with the Town and Country Planning Department, in November 2011, to serve as a guide and to describe the criteria acceptable for the use or development of a piece of land or an area, as well as to determine the scale, location and site requirements of various land uses and facilities.

Given the vision of the country to attain high-income status by the end of the plan period, human settlements, housing as well as social infrastructure will be given critical attention, to ensure that the citizenry live in dignity, under habitable conditions, and have their infrastructure needs adequately met.

The National Spatial Development Framework (NSDF) proposes a network of human settlements based on a hierarchy, to ensure symbiotic synergies are developed between the highest levels of settlements, through the medium to the least in the hierarchy of settlements in the country. Strong transportation networks, and other social and civic infrastructure in health, education, energy, ICT and waste management will to be incorporated to ensure the efficient delivery of services.

Based on this, growth nodes have been identified, around which development growth should be planned. These nodes are endowed with resources that could be tapped into to promote industrialisation. They are thus expected to attract large proportions of the population. It is therefore proposed that future housing supply be planned around these. The 2010 PHC established a housing deficit of about 2.1 million.

Again, the demand for housing in Ghana is influenced by the ability of the household to afford and to pay for it. However, given the current situation in the country, only about 50% of households are capable of renting a house for Gh¢300 or less per month and 35% requiring accommodation with rents of GHC10 or less. The government must adopt and follow sustainable housing processes to enable the citizens to acquire housing with secure tenure in an integrated society within a safe and healthy environment.

To ensure the successful implementation of the proposals made in the human settlement, housing and social and civic infrastructure sector plans, these must be linked directly to the provision of energy, water, transport, ICT, waste management, (etc.) sectors. Over the plan period, the human settlements sector is expected to achieve the following goals:

- i. Sustainable city planning and urban development;
- ii. Cities without slums and/or informal settlements;
- iii. Efficiency in the use of urban land;
- iv. Improved functionality, efficiency and resilience of both existing and new settlements;
- v. Enhanced quality of life and environment of rural communities and small towns;
- vi. Improved institutional capacities to effectively manage urban development and space; and
- vii. Healthy, prosperous and equitable cities.

The housing sector is expected to achieve the following goals:

- i. Provision of adequate new housing through stimulation of market efficiency and competition with public assistance for no and low-income households who cannot afford adequate housing;
- ii. Sustainable management of existing housing stock through enhancement of market mechanisms and land redevelopment to ensure optimum housing choice;
- iii. Developed and enhanced systems for sustainable housing supply and inventory management;
- iv. Sustainable human settlement growth and development that encourages liveable neighbourhoods with compact mixed-use development guaranteed;
- v. Improved institutional capacities to effectively manage urban development and space;
- vi. Improved functionality, efficiencies and resilience of human settlements; and
- vii. A mature, robust and functioning housing market to efficiently supply and allocate through the market system guaranteed.

In the Social and Civic Infrastructure Sector, the following goals are expected to be achieved:

- i. A healthy and productive population that reproduces itself safely;
- ii. Social and civic infrastructure facilities that are robust and responsive, and also support society's wellbeing and transition to a high income country;

- iii. Informal commercial facilities and spaces regularised and modernised; and
- iv. Environmental quality of urban life improved.

Various initiatives proposed for implementation within the period include the following:

- i. National Urban Regeneration Programme;
- ii. Commercialisation of Local Building Materials, Construction Technology and Skills Improvement;
- iii. Public Institutional Housing Scheme (Redevelopment & Rehabilitation);
- iv. Mass Housing Scheme (Ownership and Rental);
- v. Revitalisation of distressed mining towns;
- vi. Smart growth of rural communities and small towns etc.

The successful implementation of the sector plans will ensure efficient land and settlement management, adequate housing and civic infrastructure supply, to improve the delivery of services for an enhanced quality of life for the citizenry.

## **6.17 CONSTRUCTION INDUSTRY DEVELOPMENT**

### **6.17.1 Introduction**

The construction industry plays a central role in infrastructure delivery and economic development through forward and backward linkages. As forward linkages, the output of the construction industry serve as inputs and raw materials for other industries. For instance, construction output, including all types and forms of infrastructure such as buildings, roads and dams, are used as inputs by the financial, transport and energy sectors and industries. Backward linkages on the other hand relate to growth in the industries that supply inputs, such as building technicians and professionals, to the construction industry. To enhance this crucial role within the context of the long-term national development plan, the challenges of the sector are analysed below, with and indicative strategies for its full and proper development.

### **6.17.2 The Construction Industry Defined**

The construction industry is the sector of the national economy engaged in the preparation of land for construction, actual construction, alteration and repair of buildings, roads and other infrastructure. It is traditionally divided into two main sub-sectors — building construction and civil engineering. The construction industry thus encompasses all the businesses involved in building residential or commercial property, highways, motorways, bridges, pipelines, telecommunications, sewers, water treatment systems, roads, subway tunnels and light rail transit lines, among many other kinds of infrastructure. It incorporates the contractors (including sub-contractors and specialist contractors), consultants, researchers, skilled and unskilled operatives and other human resources engaged at various stages in the project delivery process for building and civil engineering works. Their work enhances the building process.

### **6.17.3 Overview of the Construction Industry**

The Ghanaian construction industry derives many of its practices from the British construction industry. In 2016, it accounted for about 15.0% of GDP, although it employed only 3.3% of Ghanaian workers. The Ministry of Works and Housing (MoWH), which is responsible for the registration and classification of some contractors, had more than 20,000 building contractors on its register. The industry has few barriers to entry, thus allowing businesses without the requisite qualifications, personnel, or resources to register as contractors.



The ministries of Roads and Highways (MRH) and Works and Housing (MoWH) are responsible for the policies that affect Ghana's construction industry. While the two ministries are responsible for the registration and classification of road and civil engineering contractors and building contractors respectively, neither ministry has a monitoring or regulatory function with respect to contractor performance. All Ghanaian construction firms register with the Registrar-General's Department and have to submit annual returns. However, this is not strictly enforced and there are no published sanctions for non-compliance.

A major feature of the Ghanaian construction environment is the separation between design and construction. Professionals tend to operate independently of each other, with allegiance to their respective professional bodies such as the Ghana Institution of Architects (GIA), Ghana Institution of Engineers (GhIE) and Ghana Institution of Surveyors (GIS). The adversarial relationships which traditionally characterise the construction industry thus tend to be very prominent in Ghana. There is a welcome development by way of recent efforts aimed at establishing a central agency responsible for regulating the industry. While these efforts have not progressed as expected, it is anticipated that through coordinated action by industry stakeholders, the necessary processes leading to the establishment of an industry regulator will soon be completed.

#### **6.17.4 Performance Standards in the Construction Industry**

As far back as the 1950s, Ghanaian construction firms were involved in delivering some of the excellent works that preceded independence and the massive infrastructure development afterwards. However, such excellence has declined over the years. The inconsistency in delivery performance of the Ghanaian construction industry in recent years is a major cause of concern among clients and other stakeholders. Failure to meet performance targets is a common shortcoming. Contractors are sometimes perceived as deficient in the application of requisite management techniques and their performance is one of the weakest links in overall industry performance. This is by no means the only factor responsible for industry underperformance; there are many associated factors that undermine the industry's ability to deliver. Poor management and leadership of construction firms is a major cause of underperformance. It is not at all unusual for the larger indigenous Ghanaian contracting firms to be owned by proprietors who may have little or no formal knowledge of the construction industry, project management or organisational management. Such proprietors generally do not employ personnel with the technical know-how to manage their firms for sustainable growth. Management of company resources is sometimes undertaken on an *ad hoc* basis with no formalised structures. Additionally, the Ghanaian construction industry is affected adversely by high inflation and high cost of capital.

Both large and small contractors find it difficult to get finance for projects. Delays in the payment of contractors for work done are very common and constitute a major cause of hold-ups in the completion of projects. Construction projects in Ghana record cost overruns of 60% to 180% on average and time overruns of between 12 months and 24 months. There is also a seeming lack of commitment towards health and safety as construction workers work in a generally unsafe environment. The effects of these and many other problems make it difficult to attract investment in Ghanaian construction firms. There are no listed construction companies on the Ghana Stock Exchange and there are no Ghanaian construction firms in the Ghana Club 100 ranking of prestigious companies which demonstrate excellence in performance. The performance of financial institutions, especially the domestic banks in the Ghana Club 100 rankings, shows that investments in technology and innovation enable local firms to take on and match foreign-owned competitors.

Improvements in practices and processes are urgently needed to advance the overall performance of Ghanaian contractors. In this sense, the progress made in many countries, including some African countries, offers useful lessons for the Ghanaian construction industry. In particular, the Ghanaian

construction industry has to keep pace with rapid changes and innovation in the global construction industry through the use of new techniques and new technologies. Urgent coordinated action involving all key stakeholders is required to bring the improvements needed.

### 6.17.5 Skills Development

Ghana's construction industry can boast of many distinguished professionals such as engineers, architects and quantity surveyors who have been involved in the delivery of many landmark projects. Most of these professionals are trained at the Kwame Nkrumah University of Science and Technology (KNUST) in Kumasi. In recent times, new training institutions have emerged, increasing the numbers being trained. However, some concern has been raised over the quality of these new institutions and their products. Problems with teaching personnel are among the major causes of underperformance in training institutions, which in turn affects the quality of human resources in the industry. Proprietors and managers of Ghanaian construction firms are described as not having the requisite knowledge of construction issues to enable effective management. Many of the larger indigenous construction firms do not employ professionals with the right training, skills and competencies for twenty-first century management of construction firms.

The training of skilled tradesmen may not be sufficient to enable them to produce excellence in projects. A large proportion of operatives, especially those in skilled trades, do not have a formal qualification in relation to their trade. There is also a perception that Ghana may not be producing the numbers of professionals for the construction industry that are able to meet the needs of the Ghanaian economy's growth and development. For example, with 839 registered architects at the end of 2016, Ghana has in excess of 33,000 inhabitants per architect. This ratio is very high compared to other countries with developed construction industries (Table 6:30).

**Table 6.30: Number of Persons per Architect in Selected Countries<sup>271</sup>**

Country	Total Number of Architects	Number of Persons per Architect
China	33,750	40,000
Romania	5,580	3,827
Slovakia	1,600	3,378
Czech Republic	3,300	3,183
Poland	13,700	2,789
Bulgaria	2,900	2,527
Brazil	80,000	2,500
Hungary	4,000	2,491
Latvia	900	2,269
Estonia	600	2,233
France	29,900	2,187
Lithuania	1,500	2,133
Croatia	2,250	1,955
United Kingdom	33,500	1,880
Turkey	40,600	1,840
Austria	4,600	1,835
Ireland	2,600	1,729
Finland	3,250	1,662
Sweden	5,800	1,567

<sup>271</sup> Arch Daily, 2017. Does Italy have way too many architects? Available at <http://www.archdaily.com/501477/does-italy-have-way-too-many-architects-the-ratio-of-architects-to-inhabitants-around-the-world>

Country	Total Number of Architects	Number of Persons per Architect
Netherlands	10,680	1,567
Switzerland	5,380	1,478
Slovenia	1,400	1,468
Norway	3,600	1,385
USA	222,360	1,300
Bosnia & Herzegovina	3,000	1,280
Greece	16,400	988
Cyprus	900	958
Spain	51,000	906
Belgium	13,200	836
Germany	101,600	806
Denmark	7,200	775
Luxembourg	680	772
Portugal	14,000	688
Macedonia	3,000	687
Malta	650	646
Italy	147,000	414
<b>Ghana</b>	<b>839</b>	<b>33,373</b>

*Source: Arch Daily, 2017 and Ghana Institute of Architects, 2017*

With about 1,500 quantity surveyors in good standing at the end of 2016, there are more than 17,000 persons to 1 quantity surveyor, compared with 1,400 persons to 1 quantity surveyor in the UK. While in recent times more educational institutions are offering training for construction professionals, the quality of training needs to be monitored in line with best-practice global trends. New postgraduate courses such as the MSc. Procurement Management, MSc. Construction Management, and MSc. Project Management introduced by KNUST will help boost the capacity of managers in the construction industry.

In addition to high-quality graduate professionals, the level of skilled and unskilled workers needs to be developed through a system that ensures that all operatives possess relevant trade qualifications and certification. Training institutions such as the Centre for Technical, Vocational Education and Training (COTVET) can provide programmes leading to certification as well as continuing development opportunities for all operatives and artisans employed in the Ghanaian construction industry.

#### 6.17.6 Factors affecting Construction Industry Outputs

The following factors are among the challenges facing the construction industry: <sup>272</sup>:

- i. The inability to secure adequate working capital;
- ii. Inadequate management;
- iii. Insufficient engineering capacity;
- iv. Poor workmanship.

Key challenges identified in other studies as affecting industry performance are:

- i. Poor leadership and management of construction firms;
- ii. Poor access to credit;
- iii. Delays in payment from government and government agencies;
- iv. Cumbersome payment processes;

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<sup>272</sup> Ofori, G. (2012). Developing the Construction Industry in Ghana: the case for a central agency. Working Paper, National University of Singapore.

- v. Inability to compete in the competitive system of procurement;
- vi. Lack of capacity to compete with foreign-owned firms;
- vii. Personnel issues, low workloads and bribery and corruption;
- viii. Low technology, inadequate supervision of contracts, poor preparation for projects, revision of bills of quantities, politicisation of the contract bidding process, and lack of effective barriers to entry.

Fourteen of the most recurrent factors were subsequently identified in a survey. Each is briefly reviewed below.

Most Ghanaian construction firms operate within small geographical areas unlike UK construction firms which mostly have nationwide coverage with a significant number operating internationally. Some of the top UK contractors such as Vinci and Skanska are local representatives of multinational construction firms while some of the larger contractors such as Balfour Beatty and Taylor Wimpey are major players at the global level.

In Ghana, apart from a small number of foreign owned companies, contractors mainly operate within a particular town or city. About 22.7% of those surveyed described themselves as regional companies, whilst 18.7% described themselves as the local representatives of a regional company and only 4% presented as the local or regional arm of a national construction company.

#### ***Payment Delays***

The strongest factor influencing contractor success is payment delays by the government for completed projects, according to 88% of respondents. The effect of long payment delays is that where loans are contracted to construct projects, interest grows significantly and thus affects the overall profits of contractors which, in many cases, are small to start with. In addition, high inflation devalues both the prime cost and the profits made by contractors where there are protracted delays in payment.

#### ***Perception that Contract Awards are based on Political Affiliation***

Another significant factor arising from this survey is the perception that most public contracts are awarded on the basis of political affiliation, according to 83% of respondents. Political influence in the procurement process for public projects means that contractors who underperform (or in some cases abandon projects after receiving advance mobilisation payments) are able to win prestigious public projects in the future without any consideration of previous failings. Many contractors are unwilling to speak up about this situation and successive governments do not demonstrate openness about contract awards or a willingness to address the situation.

#### ***Lack of Capacity to compete with Foreign Firms***

The study also reveals that many Ghanaian contractors lack the capacity to compete with foreign-owned firms. Laxity in the regulatory systems means that contractors may be able to register in high financial categories without sufficiently demonstrating requisite financial capacity. Weak financial positions hamper their ability to meet capital eligibility criteria for high-profile and more profitable projects. Where poorly resourced contractors are awarded projects, they invariably experience cash flow problems.

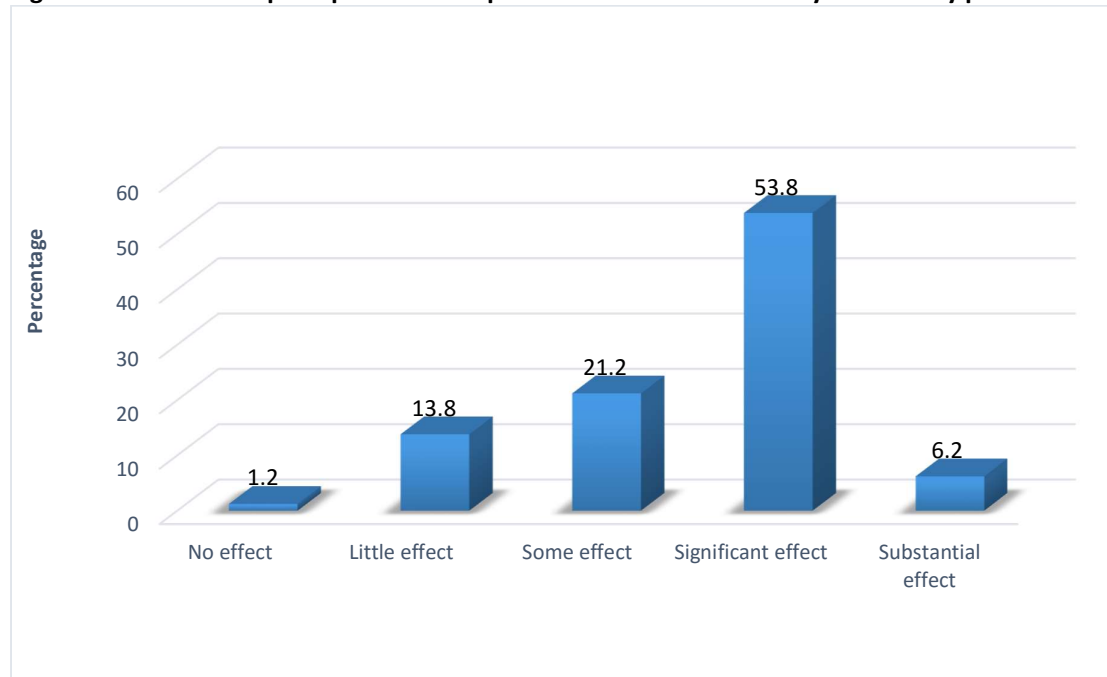
#### ***Perceptions of Bribery and Corruption***

The perception of bribery and corruption in the Ghanaian construction industry is very strong, with 78% of respondents alluding to the significant effect the phenomenon has on overall performance of the

industry (Figure 6.46). It was alleged during the interviews that political parties, their officials, and some public officials are in most cases paid a percentage of the overall contract sum for public projects and that payment in some instances is demanded ahead of the formal start of the procurement process.

The study found that in many cases, contractors who pay or are willing to pay the illegitimate fee win contracts regardless of competence or the level of competition. This in many cases results in shoddy work as contractors inevitably lack the competence or financial muscle to achieve the levels of quality specified in project designs and specifications.

**Figure 6:46: Effects of perception of corruption in construction industry on industry performance<sup>273</sup> (%)**



Source: Ofori-Kuragu, J.K. 2013

### ***Low Levels of Technology Use***

The survey explored the impact on contractors’ performance of the level of technology available to them. Nearly 64% of respondents identified low technology available to contractors as having a significant impact on industry performance. Low levels of technology reflect low levels of mechanisation within the construction industry and low utilisation of new and improved technologies easily available and in wide use in other countries. There is very little investment in research and development (R&D) as a deliberate strategy to improve levels of technology within the industry. Linkages between industry and academia have not been developed and as a result, outputs of the academic sector have not been harnessed to address the problems of the industry.

### ***Poor Preparation of Projects***

Poor preparation for projects was also identified as an important factor in contractor underperformance. This was the position of nearly 64% of respondents, with only 14% of those responding not supporting this position).

<sup>273</sup> Ofori-Kuragu, J.K, 2013. Enabling World-Class Performance in Ghanaian Contractors: A Framework for Benchmarking.

This demonstrates awareness among the participating contractors of the importance of good project preparation. However, this awareness has not translated into improved project implementation preparation. The result has been a high incidence of project delays and cost overruns. Available project management software has not been exploited for the benefit of the industry.

***Inability of Ghanaian Contractors to Compete in Competitive Bidding***

Another factor which affects the performance of construction firms is the inability to participate in competitive bidding processes. Many of the high-profile construction projects are won and executed by foreign-owned firms. This may be due to the lack of expertise or other resources required to take part in tendering processes. This has implications for their turnover and profitability, which in turn affects their ability to make the scale of investment that will improve their performance.

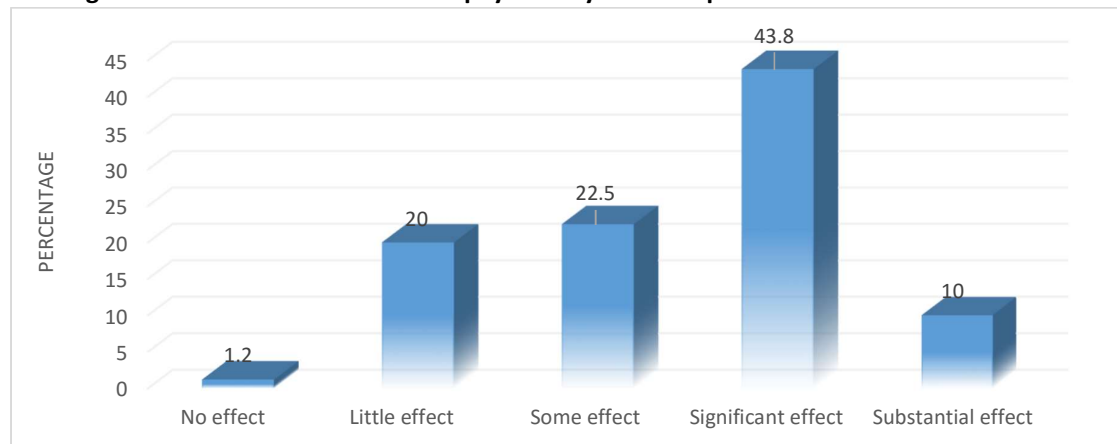
***Poor Access to Credit***

More than 65% of respondents perceived this to have a strong effect on contractor performance compared with less 10% who did not see it as seriously affecting contractor performance.

***Cumbersome Payment Systems***

Most Ghanaian contractors are mainly reliant on government sources for projects. Most public projects are in turn facilitated by government departments and agencies. Awarding departments and agencies may consequently have to endorse completed projects before payments are sanctioned by the Ministry of Finance. Where projects are located in the regions, several visits may need to be made to Accra to process documentation before payments are received.

**Figure 6.47: Effect of cumbersome payment systems on performance of construction firms<sup>274</sup>**



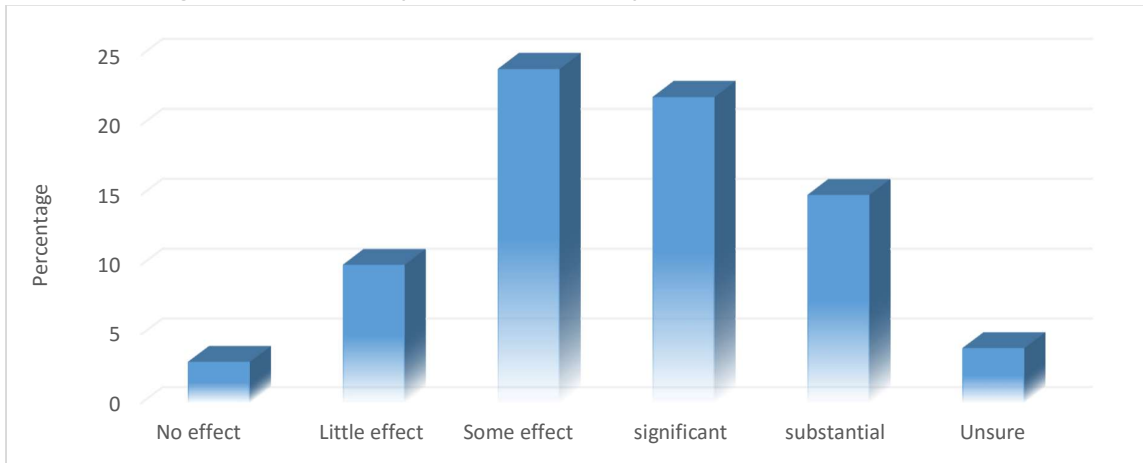
Source: Ofori-Kuragu, J.K. 2013

***Personnel Issues***

A well-motivated workforce is important for overall output within an organisation. It is therefore important that organisations focus on their staff members and their welfare as a means of improving organisational productivity. Figure 6.48 shows the distribution among respondents of how personnel issues affect construction performance.

<sup>274</sup> Ofori-Kuragu, J.K, 2013. Op. cit.

**Figure 6.48: Effect of personnel issues on performance of construction firms**

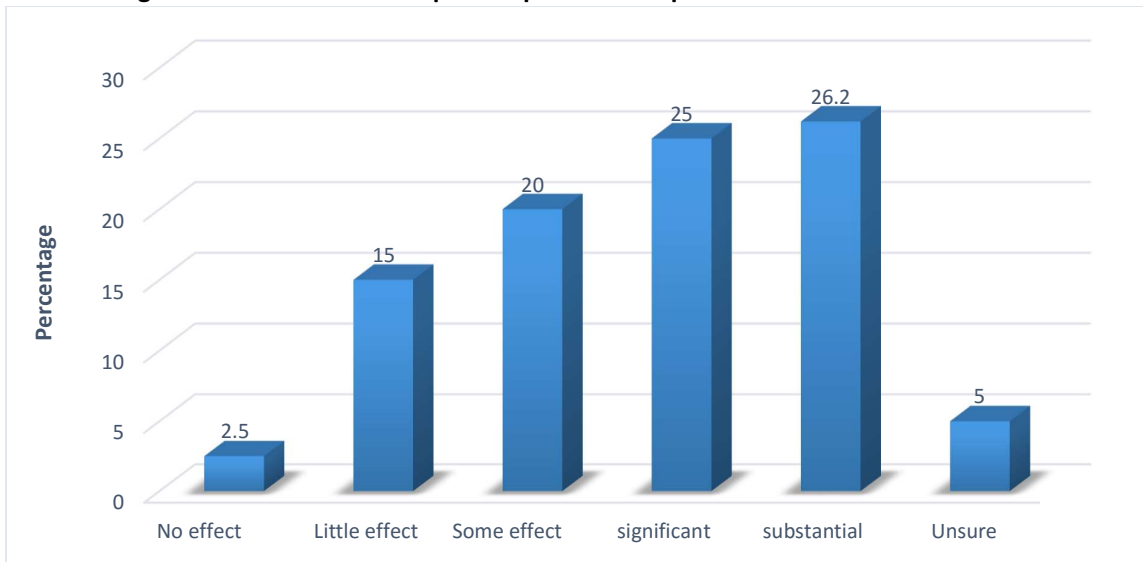


Source: Ofori-Kuragu, J.K. 2013

***Inadequate Supervision***

The quality and effectiveness of project supervision contributes greatly to project success. Inadequate supervision leads to poor quality which leads to losses arising from re-doing work and making good. Nearly 65% of respondents agreed that the adequacy of supervision affects construction output (Figure 6.49).

**Figure 6.49: Effect of inadequate supervision on performance of construction firms**

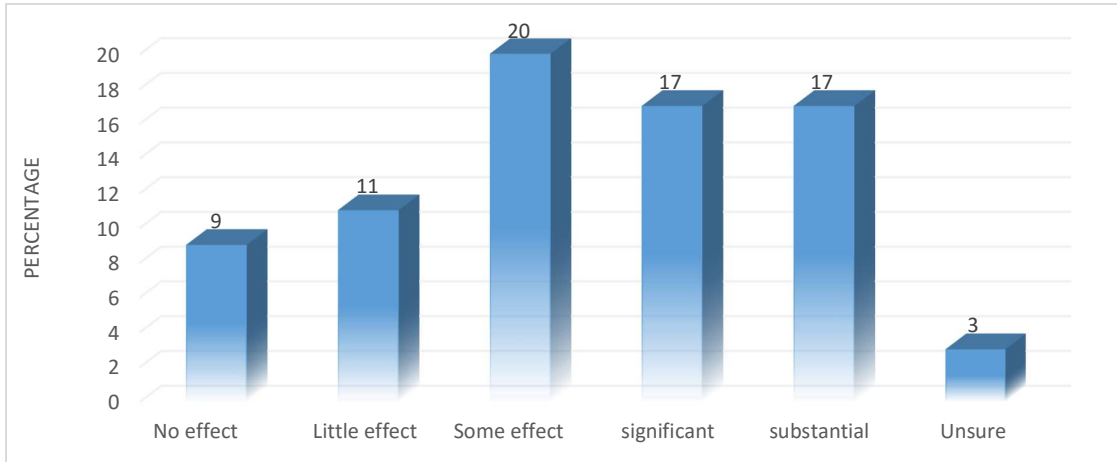


Source: Ofori-Kuragu, J.K. 2013

***Revisions in Bills of Quantities***

Revised bills of quantities (BOQs) arise from revisions in designs and may have a negative impact on project costs and implementation. Taking additional care can minimise the occurrence of such revisions. Figure 6.50 shows the distribution of respondents' perceptions of the effect of revisions in BOQs on overall project performance.

**Figure 6.50: Effect of revision of BOQs performance of construction firms<sup>275</sup>**

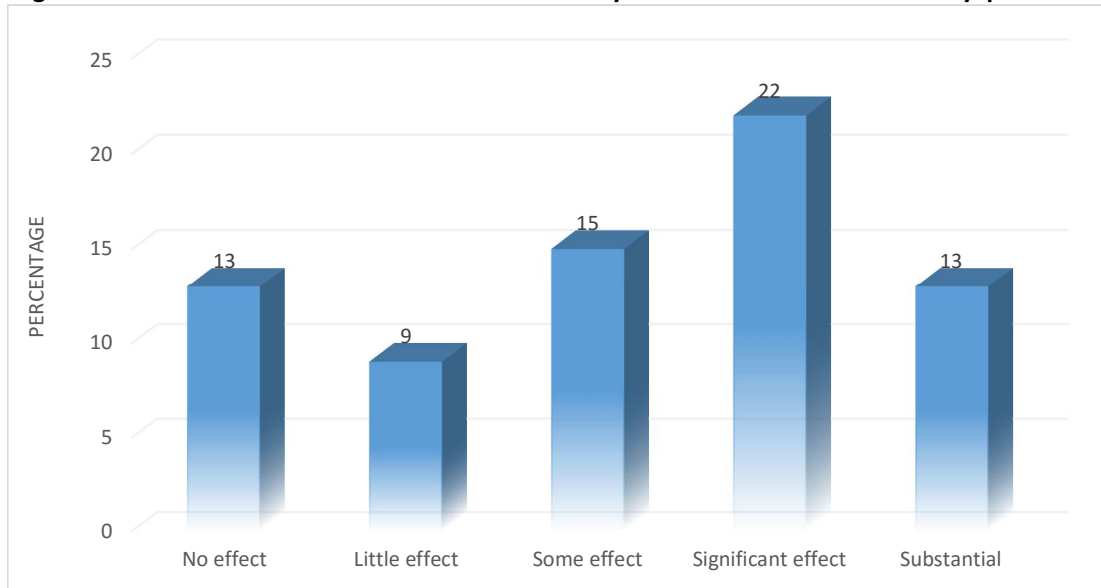


Source: Ofori-Kuragu, J.K. 2013

***Processes for becoming a Contractor in Ghana are too easy***

There is a perception that the processes involved in becoming a contractor in the Ghanaian construction industry are too easy. The suggestion here is that there are not enough safeguards to ensure that entities without the requisite qualifications do not become contractors or win contracts. The registration processes and general regulatory framework need to be strengthened to ensure that contractors and would-be contractors have both the technical and financial capacity for the classes of membership for which they apply. Figure 6.41 shows the contractors’ perspective on how the lack of effective barriers to entry affects performance in the industry.

**Figure 6.41 How lack of effective barriers to entry affects construction industry performance<sup>276</sup>**



Source: Ofori-Kuragu, J.K. 2013

***Low Workload of Contractors***

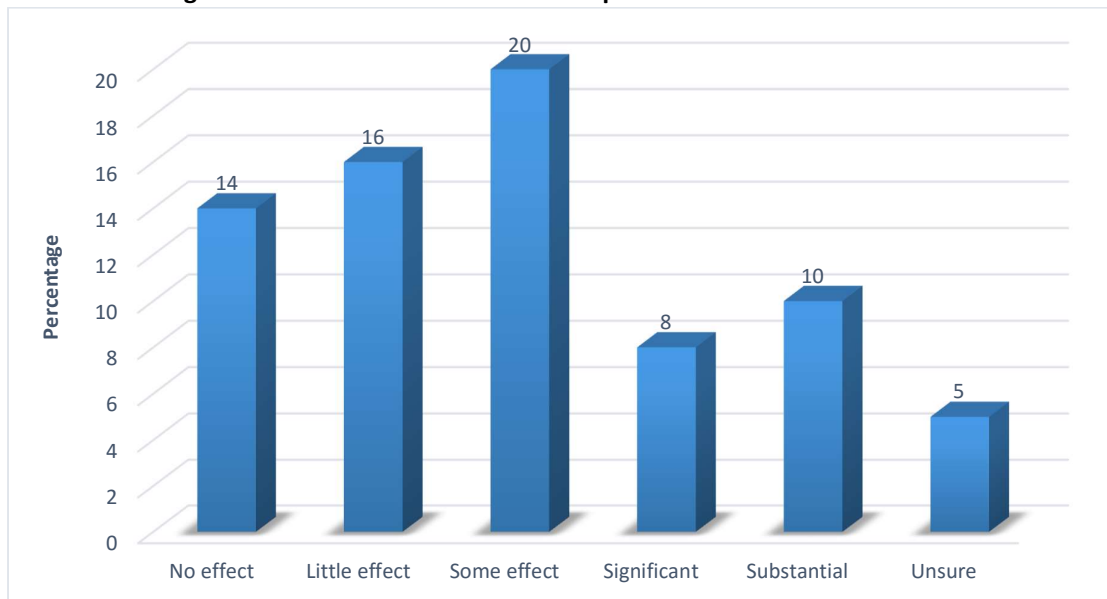
<sup>275</sup> Ofori-Kuragu, J.K, 2013. Op. cit.

<sup>276</sup> Ofori-Kuragu, J.K, 2013. Op. cit.



Another concern is the low workload of Ghanaian contractors. The number of contractors relative to the size of the economy means that too many contractors are chasing a limited number of jobs. Contractor turnover is thus small and profit margins low. This has a wide range of effects on other areas such as contractors' ability to invest in technology, research and development, and their solvency. Figure 6.42 shows the distribution of contractors' perceptions of how low workload affects construction performance in Ghana.

**Figure 6.42 Effect of low workloads on performance of construction firms<sup>277</sup>**



Source: Ofori-Kuragu, J.K. 2013

### 6.17.7 Strategies for Improving Ghana's Construction Industry

The following indicative strategies are not exhaustive but are meant to contribute substantially to the development of the construction industry in Ghana.

#### ***Improving Access to Finance and Credit for Construction Projects***

- i. Re-establishment of the Housing and Construction;
- ii. Construction firms should broaden the scope of services they offer to include participation in new and emerging areas such as facilities and asset management as well as speculative commercial developments;
- iii. Innovative approaches to financing construction projects including the use of Public-Private-Partnerships (PPP);
- iv. The use of joint ventures with foreign construction firms to raise finance from overseas sources. During the procurement processes for projects, contracts could be modified to provide for foreign contractors partnering with Ghanaian contractors with the right experience;
- v. Partnerships between Ghanaian construction firms and foreign financial and investment institutions to raise capital for infrastructure projects;

<sup>277</sup> Ofori-Kuragu, J.K, 2013. Op. cit.

- vi. The use of government financial instruments such as sovereign bonds to lower the cost of borrowing from foreign sources;
- vii. The provision of loan guarantees and incentives such as tax breaks for construction firms to lower the costs of domestic borrowing from commercial banks;
- viii. Finance major infrastructure through “inter-generational financing” – borrowing on which repayment is spread across the generations that will benefit;
- ix. Ensure that funding for public sector projects are secured and ring-fenced before projects begin so as to minimise delays and escalation of financing costs arising from project delays;

### ***Home Construction***

Home construction can be used as a strategic tool to boost the output of the Ghanaian construction industry and overall national development. Some strategies to achieve these are:

- i. Develop a comprehensive programme to reduce the large housing deficit and serve as a major driver of industry development and economic growth. This can be achieved through innovative initiatives and strategic partnerships between traditional real estate developers, construction firms, financial institutions, central and local government and other stakeholders in the industry;
- ii. Develop a comprehensive mortgage market with health and education sector workers used as “anchor clients” for the larger housing market. The large number of workers in the two sectors, the predictability of their working lives and incomes as well as their presence in every corner of the country make them ideal candidates for anchor clients, helping them directly to create wealth through home ownership while developing the wider mortgage market for workers of other sectors.
- iii. Simplify the land acquisition process to enable real estate developers to easily obtain new lands for development. Government land banks can provide litigation-free opportunities for investors and developers;
- iv. Promote PPPs in the development of real estate property between the central or local government authorities and real estate developers. This can be achieved through the use of public lands and private sector capital.

### ***Promoting and Supporting Research***

- i. Increase collaboration between research and academic institutions and industry in setting the research agenda to ensure it focuses on the needs that genuinely have an impact on the construction industry. This will also help improve the uptake of research outcomes by the government, its agencies and industry;
- ii. Increase support and funding for research on the critical issues affecting the construction industry and overall national development. This can be achieved through support for research institutions, funded academic research and postgraduate scholarships;
- iii. Promote research innovation through awards for excellence and achievement, especially in the areas of new technologies, new materials and new approaches to construction. Ghanaian researchers should be challenged and motivated to ensure research outputs keep pace with developments and emerging trends in the industry.

### ***Performance Monitoring and Measurement***

Strategies to improve performance in the Ghanaian construction industry include:

- i. Developing a formal performance measurement system to promote high standards among Ghanaian construction firms;

- ii. Undertaking a comprehensive review of the processes used in the industry, including the pre-contract processes, construction-phase processes and post-construction processes, to ensure these are in line with global best practices;
- iii. Identifying the critical success factors (CSFs) which are required for performance excellence in the construction industry;
- iv. Identifying a set of common key performance indicators (KPIs) for measuring performance;
- v. Establishing an independent agency for the implementation of the performance measurement system and to promote the industry-wide KPIs;
- vi. Promoting collaboration between Ghanaian consulting firms and best-practice international counterparts to work jointly on projects in Ghana. This will, among other things, promote technology transfer and help Ghanaian consultants learn from the experience of others;
- vii. Increasing education and awareness within the industry of new approaches such as Building Information Modelling (BIM), Green Building principles, Collaborative Working, Lean Construction, Six Sigma tools, Value Management, Off-site construction, Sustainable construction and increase the uptake of these new approaches to the delivery of construction projects in Ghana. In line with this, it is recommended that educational and training institutions should revise their curricula to integrate these new approaches. Additional research efforts can focus on these areas to learn from best global practices and adapt these to the Ghanaian construction industry;
- viii. Providing continuing professional development (CPD) opportunities through short courses and postgraduate programmes for construction industry managers;
- ix. Establishing a training and certification regime that ensures that all artisans and operatives — both skilled and unskilled — undergo training and obtain formal certificates to work in the Ghanaian construction industry.

### ***Leadership of the Construction Industry***

Some strategies to improve leadership in the industry are as follows:

- i. There should be a central agency responsible for leadership and regulation of the Ghanaian construction industry. This body will also be responsible for maintaining a register of construction firms in good standing;
- ii. There should be increased support for the development of strong professional bodies for all functions within the Ghanaian construction industry and promotion of collaboration among these professional bodies;
- iii. Establish an industry-led forum of all stakeholders which will provide leadership and advocacy on issues that affect the industry. The pan-industry body will provide a single voice for making representations to the government and other industry regulators.

### ***Development of Local Materials and Equipment***

Recommendations for improving the availability and uptake of local materials and equipment include:

- i. Provide incentives to input suppliers and manufacturers of local building materials to help lower the costs of production and thus the costs on the market. There should be a clear cost benefit to using local materials;
- ii. Provide increased support to local research establishments for research into refining local materials while identifying new possibilities. Research and academic training institutions should be funded to offer technical services and support for users of local building materials;
- iii. The use of local building materials wherever possible for public projects should be obligatory while the private sector should be encouraged to utilize local materials on projects;

- iv. Learn how to improve quality while lowering costs from the experiences of other countries where the equivalent of locally produced building materials such as burnt clay bricks are widely used;
- v. Offer training programmes to develop skilled artisans in the use of local building materials;
- vi. Support academic and research institutions to develop construction plant and equipment locally;
- vii. Provide financial support to Ghanaian companies which manufacture construction plant and equipment locally;
- viii. Partner with foreign manufacturers to assemble construction plant and equipment locally;
- ix. Provide incentives such as tax waivers and exemptions to local and foreign-owned manufacturers of both local materials and construction plant.

### ***Reducing Construction Costs***

Some recommendations to reduce overall construction costs are:

- i. Improving project preparation including accurate estimates and bill preparation, accurate drawings and minimising variations;
- ii. Developing and introducing a comprehensive building cost information system specially adapted to the Ghanaian construction industry with data on all project types to aid project costing and estimating;
- iii. Benchmarking building cost information with leading countries and working progressively to reduce costs in line with leading performers globally;
- iv. Using modern methods and tools for project preparation such as the integration of building information modelling into project preparation, the use of estimating software, software for the preparation of bills of quantities, use of project management software and the broader use of new and emerging technologies for overall management of the different stages of the project life cycle;
- v. Increasing use of off-site construction techniques and prefabricated components in projects;
- vi. Improving the procurement process to ensure that the best bid that provides value for the client's money is accepted;
- vii. Reducing over-reliance on lowest evaluated tenders to eliminate the practice where tenders are underpriced to help contractors win contracts after which adjustments in the price are made;
- viii. Requiring all drawings and documentation for public projects to be fully completed before the procurement process commences;
- ix. Using local alternatives to expensive imports especially for public projects. The increased patronage of locally produced materials will ultimately lead to significant reductions in price to enhance competitiveness;
- x. Using appropriate financing methods which ensure the best value-for-money for public funds;
- xi. Promoting the use of lean construction techniques in the implementation of projects;
- xii. Promoting the use of value management and value engineering as part of the preparation of projects.

### ***Skills Development***

Some suggestions for developing a skilled workforce are as follows:

- i. Developing an industry-wide certification programme which ensures that all trades operatives and artisans in the Ghanaian construction industry meet basic training, competence and certification to practice;
- ii. Reviewing the training programmes and curricula for construction professionals to ensure these are consistent with global trends and global best practices;

- iii. Researching the numbers of professionals being trained in all categories to ensure they are adequate for the industry's needs;
- iv. Introducing new professional qualifications for management categories in the construction industry to ensure all managers of construction firms have relevant professional qualification such as Prince 2, Project Management Professional (PMP) Certification;
- v. Supporting the development of professional bodies especially for groups such as structural engineers and building services engineers which do not have professional bodies.

## **6.18 INDICATIVE STRATEGIES FOR ATTAINING GOAL 3**

### **6.18.1 Spatial Planning**

1. Ensure a balanced re-distribution of urban population and a spatially integrated hierarchy of human settlements:
  - Accelerate implementation of the national spatial development framework.
  - Establish special growth centres and urban networks, with spatially targeted investment interventions.
  - Implement the five tier hierarchy of urban centres involving villages, towns, secondary cities, cities and city regions (conurbations).
  - Create structured metropolitan city regions around Accra and Kumasi
  - Establish small town rural service centres to promote agriculture and agro-based industries
  - Prepare spatial development frameworks for all regions and districts.
  - Prepare Plans for all grades of settlements
2. Improve regional, national and international connectivity
3. Decongest and reverse the decline in productivity of primary cities and other fast growing settlements
4. Promote sustainable urban land use and prevent unsustainable sprawl of cities and towns.
5. Ensure sustainable use and management of key natural resources that support the development of human settlements
6. Enhance the capacities of institutions for effective planning and management of human settlements

### **6.18.2 Urban Development**

1. Strengthen urban governance
2. Strengthen urban land management
3. Develop innovative urban development financing mechanisms
4. Build capacity for managing urbanization
5. Promote balance distribution of urban population
6. Solve challenges of urbanisation by leveraging innovation

### **6.18.3 Rural Development**

1. Promote Agriculture Modernization
  - invests in smallholder irrigation systems
  - improve extension services, modern agronomy practices (including organic farming, use of high yielding crop varieties) and modern animal husbandry,
  - improve storage systems and fish farming
2. Promote and Enhance key Agro-processing Businesses
  - process and package fresh fruits and herbs; cooking oil (coconut, oil palm, palm kernel, groundnut, fish and flower) extraction and packaging

3. Transform Rural Financial Services
  - increase operational penetration of rural commercial banks
  - use mobile money technology to create new financial services, such as crop insurance, as well as cooperative credit unions.
4. Increase Investments in Rural Electrification
5. Establish and Improve on Rural Market Centers
6. Develop and Improve Rural Road Infrastructure
7. Promote Information and Communication Technology and Development
8. Develop and Enhance Rural human capacity

#### **6.18.4 Water Resources Management**

1. Strengthen cooperation with neighbouring countries on shared water resources
2. Ensure Integrated Water Resource Management in all water basins
3. Improve the management capacities to develop, regulate and manage the utilisation of surface and groundwater resources
4. Promote efficient water use across all sectors and at all levels
5. Ensure the protection and conservation of river basins and wetlands for water security and enhanced resilience to climate change
6. Strictly control and monitor discharges to water bodies

#### **6.18.5 Disaster Management**

1. Develop a National Disaster Management Framework
2. Enhance the resilience of vulnerable communities and critical infrastructure
3. Strengthen public education and awareness in disaster risk reduction
4. Develop and maintain early warning systems

#### **6.18.6 Natural Environment**

1. Reduce the volume and rate of land disputes
2. Promote effective and socially compatible land use planning
3. Build a functional valuation and property taxation system
4. Ensure judicious and cautious use of compulsory purchase powers
5. Develop capacity for effective survey and mapping to underpin land registration and administration services
6. Redefine Eminent Domain

#### **6.18.7 Minerals Exploitation**

1. Diversify mineral production base and develop minerals value chains
2. Promote sound environmental and social practices in the minerals and mining sector
3. Decentralise the operations of the Minerals Commission
4. Promote value addition across all mineral chains

#### **6.18.8 FOREST MANAGEMENT**

1. Implement rigorously the Ghana Forestry Development Masterplan (2016-2036)
2. Promote sustainable consumption and production of forest resources
3. Promote development of commercial nurseries

#### **6.18.9 Coastal and Marine Areas Management**

1. Map and assign conservation status to sensitive coastal and marine areas
2. Establish a Coastal Zone Commission
3. Strengthen the involvement of local communities in the management of coastal and marine resources
4. Establish a bank of genetic marine and coastal resources to restore threatened species and degraded eco-systems
5. Promote education and public awareness on coastal and marine areas.

#### **6.18.10 Climate Variability and Change**

1. Accelerate and sustain the implementation of Ghana's Climate Commitments
2. Deepen the mainstreaming of climate change in development plans
3. Utilise indigenous knowledge on climate
4. Address issues on gender and vulnerable groups
5. Develop and implement climate-smart agriculture as a means of ensuring food security
6. Promote sustainable natural resources management
7. Promote clean energy options
8. Establish a National Climate Change Research Institute

## CHAPTER SEVEN

### GOAL FOUR: BUILD EFFECTIVE, EFFICIENT AND DYNAMIC INSTITUTIONS

#### 7.1 INTRODUCTION

The Long-Term National Development Plan (LTNDP) has a vision to transform Ghana into a high-income democratic country over the 40-year period 2018-2057. This chapter of the plan frames the key governance issues and indicates the policy measures required to reform and modernise governance institutions to realise the plan's vision. The chapter seeks to:

- Set the context for governance for the purposes of the long-term national development plan;
- Examine ways of deepening democratic governance in Ghana;
- Make recommendations to strengthen the capacity of the public sector to deliver development and transformation; and
- Address cross-cutting issues, including human security and public safety, promoting and deepening corporate governance and strengthening governance in the civic sector.

#### 7.2 SETTING THE CONTEXT

##### 7.2.1 Introduction

Institution building is about governance, and governance is generally defined as the deliberate and concerted engagement between the public, private and civic sectors towards successful and sustainable realisation of development aspirations. "Good governance" therefore results from empowered and active engagement between state and non-state actors (private sector and civic sector) leading to the realisation of what is collectively desirable.

"Good governance" at the institutional level involves the organs of state operating separately in accordance with the doctrine of separation of powers but also acting as checks and balances on each other and complementing each other to the benefit of the polity and the citizenry.

In the public sector, "good governance" entails ensuring the safety and security of people and the realisation of civil liberties, rights and freedoms. It involves the rule of law, and having an efficient bureaucracy, technocracy or public administration system that is consultative, anticipates and responds to the needs of citizens, the private and the public sectors. It also requires a public sector that delivers quality public services by way of health care, education, housing, transport infrastructure, water and sanitation and social welfare schemes that cushion the vulnerable (the aged, persons with disabilities and the poor). Good governance includes having responsive and accountable, decentralised public sector offices. A stable and sound macroeconomic environment hinges on good governance.

Well-functioning markets, enforceable property rights, simplified and enabling business registration services, effective and speedy enforcement of contracts and adjudication of cases, strong work ethic, high levels of transparency, minimal fraud and corruption are the drivers of a strong private sector. These depend on good governance. Similarly, the growth of the private sector to create more jobs and deliver services, as well as its willingness to declare profits and pay taxes, is dependent on having strong administrative institutions, which is also a feature of good governance.



In the civic sector, having empowered and active civic participation in governance and development at all levels as well as loyal, patriotic, tax-paying citizens are functions of good governance. Good governance also allows people to make choices, enjoy their civil rights and liberties and realise their aspirations.

## **7.2.2 An Overview of Institutional Development and Governance in Ghana**

Since independence in 1957, institutional development and governance in Ghana has evolved in various ways. The euphoria that greeted Ghana's independence was indicative of a nation that was committed to developing its democratic governance institutions for politico-economic and social transformation. A semblance of a "democratic developmental" state was created in the early years of independence, leading to projects such as the Akosombo Dam, Tema Harbour, public universities, other academic institutions and the Accra-Tema Motorway.

The *coup d'état* of 1966 ushered Ghana into a long period of political and economic instability with debilitating effects on the public and civil service. By the early 1980s, comprehensive financial, economic and governance reforms had become inevitable. In 1993, Ghana transitioned into a stable multiparty democracy, its Fourth Republic. Ghana has since remained within the bracket of Africa's top-10 most democratically governed nations, according to the Mo Ibrahim Index of Good Governance. The Global Peace Index has consistently rated Ghana as one of the top five most peaceful countries in Africa.

Though there has been steady progress in the elements of good governance under the Fourth Republic, Ghana still has some democratic deficits to overcome. Over the 40 years of plan implementation, the nation needs a governance system that is fit for the purpose and can sustain the country's development. The constitutional amendment process in 2012 responded to some of these challenges and received overwhelming endorsement from the public. The amendments have, however, not been enacted. This requires urgent attention to contribute to developing the required governance architecture for the LTNDP.

The challenges which need to be addressed are the following:

- (i) Deepening democratic governance in Ghana;
- (ii) Strengthening the capacity of the public sector to deliver development and transformation;
- (iii) Human security and public safety;
- (iv) Promoting and deepening corporate governance in Ghana; and
- (v) Strengthening governance in the civic sector.

## **7.3 DEEPENING DEMOCRATIC GOVERNANCE IN GHANA**

### **7.3.1 Introduction**

Under the 1960 Constitution, the First Republic had a presidential system of government in which the President was directly elected by the people but did not have a Vice-President. All ministers had to be Members of Parliament. It was a system under which the President had powers to unilaterally appoint and remove Justices of the Superior Courts and could, by Legislative Instrument, override an Act of Parliament<sup>278</sup>.

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<sup>278</sup> Article 55 (2) and (3) of the 1960 Constitution stated as follows: "(2) The first President may, whenever he considers it to be in the national interest to do so, give directions by legislative instrument"; "(3) An instrument made under this Article may alter (whether expressly or by implication) any enactment other than the Constitution"

The 1969 Constitution (Second Republic) introduced a purely Westminster parliamentary system of government. There was a Prime Minister who was the leader of the political party with the majority in Parliament as head of government and a President elected by a Presidential Electoral College<sup>279</sup> as Head of State. All Ministers of State were appointed from Parliament.

Based on the experience gained in operating the 1960 and 1969 Constitutions, the 1979 Constitution (Third Republic), adopted an US-style presidential system of government. It provided for a directly-elected president who ran with a vice-presidential candidate; and who was head of state and head of government. The President and ministers of state were not Members of Parliament.

Against this background, the 1992 Constitution (Fourth Republic) provided a fusion of aspects of the British parliamentary and the US presidential systems. It envisaged a president directly elected (unlike the US system) by the people who would be the head of state and head of government and be supported by a Vice-President elected on the same ticket. The president was required to appoint the majority of ministers of state from Parliament (which is closer to the Westminster system). This hybrid system which was designed to preserve the strengths of the Presidential and Parliamentary systems, has yielded challenges of its own.

### **7.3.2 The Executive**

The executive arm of government in Ghana comprises the President, the vice-President, cabinet and non-cabinet ministers, ministers of state and deputy ministers. Although regional ministers and deputy regional ministers are provided for in Chapter 20 of the Constitution (dealing with 'Decentralisation and Local Government'), they form part of the executive. The Council of State, the National Security Council, the National Development Planning Commission and the Attorney-General's Department are institutions which advise and support the President in ways spelt out in the Constitution.

The Constitution vests actual executive authority in the President of the republic. Even though the Constitution assigns the president seemingly inordinate powers to appoint key public officials, almost all such appointments are to be made either in consultation with or on the advice of other constitutional bodies. The hybrid character of the Constitution gives the President a certain measure of control over the legislature from where the majority of ministers are drawn. The President also appoints the chief executives of Metropolitan, Municipal and District Assemblies but with the prior approval of two-thirds of the members of the Assembly present and voting.

#### ***Critical concerns about the Executive***

Some of the critical concerns that have been raised about the executive are the following:

- (i) The considerable power vested in the Presidency, particularly in the areas of appointments, disciplinary issues and dismissals, may not be healthy for democratic practice. The powers conferred on the President under the Presidential Office Act of 1993<sup>280</sup> allow for appointments that may not have the requisite scrutiny or orientation for public service;
- (ii) In view of this, institutional checks on the Presidency do not appear to work in practice, since the other arms of government may not be effective in these matters;
- (iii) There is no role defined for the Vice-President and there are no provisions for what happens in case he or she dies or resigns;

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<sup>279</sup> The Presidential Electoral College under Article 41 (3) of the 1969 Constitution consisted of all members of the National Assembly, 3 chiefs elected by each Regional House of Chiefs, and 15 persons elected by all District Councils in each region

<sup>280</sup> Act 463 of 1993

- (iv) The performance of some ministers in office has raised concerns as to their capacities for the office to which they are appointed; a more rigorous screening process of ministerial nominees is required as well as a clear orientation programme following their appointment;
- (v) The constitutional requirements for regional and gender balance in public appointments should be more meaningfully and vigorously met in presidential appointments.

### ***The Presidential (Transition) Act, 2012***

Of equal concern is Section 14 and the Schedule to the Presidential (Transition) Act of 2012<sup>281</sup>. The last category of public officials who cease to hold office on the coming into office of a new President is stated in the Schedule to be “*persons appointed by the President or a Minister of State as members of Statutory Boards and Corporations*”. This has resulted in the automatic dissolution of statutory boards and the boards of public corporations after a change of national political leadership, delaying the effective functioning of these entities. This provision has also been interpreted as affecting the management of public corporations and state-owned entities. A mechanism to ensure some stability and continuity during the period of transition is needed.

### ***Ceiling on the Number of Ministers of State***

The Constitution in Article 78 (2) gives power to the President to appoint ministers of state without a ceiling on the number of appointments. While a President may make such appointments as may be necessary for the effective conduct of the business of state, attention must be paid to the cost of running the nation’s public administration system, efficiency and value-for-money. Parliament must have a say in such appointments, with due regard for their substantive contribution to the President’s development agenda and their implications for the government’s budget.

### ***Indicative Strategies for Dealing with the Above***

To deal with these critical concerns, the following policy measures, some of which are already contained in the recommendations of the Constitution Review Commission, should be considered for implementation during the plan period:

- The hybrid executive system should be maintained but the constitutional requirement that the majority of ministers be appointed from Parliament should be removed as recommended by the Constitution Review Commission.
- The institutional system of checks and balances should be streamlined and strengthened to facilitate effective conduct of the functions of the Council of State, the National Security Council, the National Development Planning Commission and the Judicial Council vis-à-vis the Presidency and ensure the required obligations from the latter.
- Provision should be made in the Constitution for a replacement for the Vice-President, should this be required (in the event of death, resignation or incapacity) and a more explicit role should be defined for him or her as recommended by the Constitution Review Commission.
- Presidents should be encouraged to adhere to the constitutional provision for regional and gender balance in appointments to public offices, particularly those of ministers and deputy ministers<sup>282</sup>.
- A more rigorous screening process for ministerial nominees should be applied before their submission for vetting by Parliament; a structured and comprehensive orientation programme should also be provided on appointment, covering issues of government, general and economic history of Ghana, time management, public financial management, and the procurement law,

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<sup>281</sup> Act 845 of 2012

<sup>282</sup> Constitution, Article 35 (6) (b)

among others. A transparent performance review process should also be conducted for all ministerial appointees.

- A rigorous pre-appointment screening process as well as a robust orientation programme should be required for Presidential staffers and advisors also.
- The Presidential Office Act, 1993, Act 463, should be reviewed to provide guidelines for qualifications and positions for Presidential staffers and a ceiling placed on the number of that may be appointed.
- The Schedule to the Presidential (Transition) Act, 2012, Act 845, should be amended to make it clear that it is persons appointed by the President or a minister of state as members of the board of directors of statutory boards, public corporations and state-owned enterprises who cease to hold office on the coming into office of a new President and not the management and/or employees of these entities who have been appointed through due process by the Public Services Commission.

### **7.3.3 The Legislature**

#### ***Expansion of Parliament***

Ghana's legislature has since the beginning of the Fourth Republic been characterised by considerable expansion in membership, which has not necessarily resulted in visibly improving functional effectiveness. From 200 members in January 1993, the number of MPs increased to 275 in 2013, representing an overall increase of 37.5% in two decades.

The structural explanation for expansion may be Article 47 (5) of the Constitution which requires the Electoral Commission *“to review the division of Ghana into constituencies at intervals of not more than seven years, or within twelve months after the publication of the enumeration figures after the holding of a census of the population of Ghana, whichever is earlier, and may, as a result, alter the constituencies”*. That provision, together with Article 47 (1), gives discretion to the Electoral Commission to prescribe the number of constituencies, and Article 47 (7) on the definition of *“population quota”* for purposes of determining the number of inhabitants in a constituency. However, this may have to be reviewed to include capping the number of constituencies into which Ghana may be divided.

#### ***Relational Capacity of the Legislature***

The relational capacity of the Legislature concerns the capacity of Parliament to relate to the other arms of government on an equal footing. The requirement of Article 78 (1) of the Constitution for the President to appoint the majority of ministers from Parliament has arguably compromised the independence of Parliament and must be reviewed.

What it has meant in practice is the assurance to a President that there should be sufficient numbers of ministers to push through a particular legislative agenda and other measures without due scrutiny. This has weakened the principle of separation of powers. In other countries where hybrid systems operate, there is no requirement for the majority of ministers to be MPs. The situation also puts the ability of Parliament to act as an effective check on the Executive at risk and weakens the development of MPs as legislators.

#### ***Private Members' Motions***

Article 108 of the Constitution prohibits parliamentary initiation of legislation with financial or fiscal implications for the government. Such legislation can be introduced only by the Executive. Over the years,

the interpretation of this Article has effectively barred Parliament from initiating any legislation. It is therefore necessary to provide a clearer definition of what Bills with financial or fiscal implications.

### ***The Parliamentary Committee System***

The functioning of the Committee System of Parliament also needs to be reviewed for effective oversight of government business. For instance, only two committees - the Public Accounts Committee and the Subsidiary Legislation Committee - are chaired by the Minority. Other committees that could be chaired by the Minority in Parliament, such as the Committee on Government Assurances, should be designated as such to strengthen effective control.

### ***Parliamentary Budgetary Allocations and Releases***

The relational capacity and independence of Parliament has been limited by the budgetary allocations and releases to the House to fulfil its constitutional mandate, including oversight of Executive activities. Attention must be paid to resourcing Parliament properly to perform its functions effectively on behalf of the citizens of Ghana.

### ***Institutional capacity of the legislature***

Parliament is also constrained by the lack of sufficient institutional capacity to meet the demands of its mandate. Weak institutional capacity contributes to the perception of a weak and under-performing Parliament. While crucial investments have been made in recent times to address the deficits, such as information (through provision of internet services, a library and a Research Department) and the establishment of a Parliamentary Training Institute, there are other capacity gaps that need to be assessed and addressed, as indicated below.

#### Parliamentary Library and Researchers

The Library of Parliament is presently inadequate. The introduction of e-Library services should help to address space, furnishing and book-stock issues. The provision of aides and research assistants – including assigning National Service personnel – to MPs should boost individual research capacities.

#### Parliamentary Research

The collective research capability of Parliament is equally important. Each of the various committees of Parliament operates with some administrative and secretarial staff to support it. But in addition, the committees must have independent, capable research staff attached to them. The Research Department itself needs to be strengthened and better resourced to ensure MPs have the requisite expertise and knowledge at their disposal.

#### The Legislature: Other Matters of Concern

Two scenarios which have not been provided for must be anticipated and suitable arrangements outlined in the event of their occurrence:

- (i) When there is a President who does not have a majority in Parliament; and
- (ii) If an independent presidential candidate who by definition does not have any Members of Parliament wins the presidential elections and has to appoint the majority of ministers from Parliament.

### ***Policy Measures for Implementation***

The following policy measures, some of which are contained in the recommendations of the Constitution Review Commission, should be implemented during the Plan Period:

- Article 47 of the Constitution on the creation of constituencies should be reviewed by reconsidering the intervals at which constituencies may be created; redefining the concept of “population quota”; and putting a cap on the number of constituencies that may be created (and by implication, the number of MPs that Ghana may have) at any time.
- As far as practicable, Presidents should be encouraged to avoid appointing Regional Ministers and Deputy Regional Ministers from Parliament, in view of the location of their responsibilities.
- The Constitution should be amended to define what is meant by Bills with financial or fiscal implications under Article 108 as recommended by the Constitution Review Commission.
- Parliament should be encouraged to develop conventions on issues on which the House should speak with one voice as the Parliament of Ghana rather than as MPs representing different political parties.
- MPs should be provided with Aides and Research Assistants.
- An e-Library system should be introduced in Parliament and the physical library improved.
- The Research Department of Parliament should be strengthened and resourced to perform the requisite functions.
- Parliament should be encouraged to consider more Committees to be chaired by the minority such as the Committee on Government Assurances.
- Future constitutional amendments should make provision for situations where an elected President may not have a majority in Parliament, including circumstances involving independent presidential candidates.

#### **7.3.4 The Judiciary**

The Constitution in Article 125 (1) guarantees the independence of the Judiciary. Article 127 (1) stipulates that the Judiciary shall not be subject to the control or direction of any person or authority in the exercise of its power in terms of judicial functions, administrative responsibilities and financial administration. The Judiciary is further insulated from external control by Article 127 (2) which provides that neither the President nor Parliament or any other person shall interfere with Judges and judicial officers or any other person exercising judicial power. The Constitution gives the Judiciary autonomy in the preparation of its annual budget. The financial security of judges is also assured as their salaries and emoluments are charged to the Consolidated Fund and cannot be varied to their disadvantage. Judges also retire on their salaries. However, the following issues give cause for concern.

#### ***Appointment of Judges***

The role of the President in the appointment of Judges: the Chief Justice is appointed by the President “acting in consultation with the Council of State and with the approval of Parliament”.

Other Supreme Court Justices are appointed by the President acting on the advice of the Judicial Council and in consultation with the Council of State and the approval of Parliament. The President acting on the advice of the Judicial Council appoints Judges of the Court of Appeal and the High Court.

Therefore, the President and the Council of State are key actors in the appointment of judges. Given that the President appoints the majority of the 25-member Council of State and the processes of consultation between the President and the Council of State are largely unknown to the public, the President’s control over the process is considerable. A presidential favourite could quite easily pass through the appointment process without too much opposition to the detriment of better qualified candidates.

Another potential avenue for presidential control of the Judiciary is in Article 128 (1) of the Constitution. The Article states that the Supreme Court shall consist of the Chief Justice and not less than nine other Justices of the Supreme Court. Since no upper limit is stated, there is the potential for padding of the Supreme Court and, possibly, influencing the outcome of cases in which the government has special interest. The June 2005 African Peer Review Mechanism (APRM) Ghana Country Report and the Constitution Review Commission urged an amendment of the Constitution to provide a cap on the number of Supreme Court Justices.

### **7.3.5 Fostering Harmony and Cooperation among the Arms of Government**

#### ***The Issues***

Good governance requires and results from the organs of state working in complementarity as well as providing a system of checks and balances to the benefit of the polity and the citizenry. The effective functioning of the relationships between them would have this effect but would require harmony and cooperation between the arms of government.

In the Government White Paper on the Justice Yaw Appau Report on Judgment Debts, pertinent comments were made in reference to the Report's account of the Rockshell International Limited versus the Attorney-General (page 86) to the effect that it would be in the national interest if the three arms of government learned a bit more than the limitations within which each operates. This was in reference to the fact that some judgement debts had been awarded without due regard to the size of the public purse.

#### ***Policy Measure for Implementation***

- The government's proposal in the White Paper for an annual Executive-Legislature-Judiciary Conference for the three arms of government to share information about the operations and limitations of each of the parties should be pursued.

### **7.3.6 The Council of State**

The composition of the Council of State has raised concerns as to whether such a body can effectively give unbiased advice to the President. The preponderance of presidential appointees on the Council can create the impression of bias. Also, lack of public education and information about the work of the Council of State has led to doubts about its usefulness. It is important that the Council is strengthened to play its role with full independence as an additional measure for accountability and sound governance.

#### ***Institutional Capacity of the Judiciary***

The institutional capacity of the Judiciary is not adequate for its mandate. With approximately 350 Judges and about 300 courts across the country, there is a major problem of caseload management. The legal year often ends with large numbers of cases pending, reflecting this inadequacy. The Alternative Dispute Resolution (ADR) system may have contributed to the expeditious disposal of cases; however, it may be too soon to assess its real impact (given that the Act was passed in 2010).

Along with Ghana's decentralisation efforts, it is important that courts are established in every district to check abuse and misuse of power. The recent embarrassing revelation of judicial corruption in Ghana argues for a more strenuous screening system in the appointment of Judges and a system of continuous performance monitoring.

### ***Education for Para-Legal Staff***

The majority of Ghanaians encounter the law and justice system through interactions with magistrates, the police, commissioners of oaths, bailiffs, court clerks or letter writers and other officials who perform “law-related” jobs. While judges and lawyers have “Continuing Legal Education” and refresher courses, these parties who service the courts as well as para-legal staff in the Judicial Service and in chambers do not have structured and ongoing capacity building.

### ***Legal Aid***

The Legal Aid Scheme was introduced in 1987 and is currently regulated by the Legal Aid Scheme Act<sup>283</sup> of 1997. The Scheme is intended to facilitate access to the courts by the poor and address the dearth of knowledge of the law among the citizenry. Unfortunately, the Scheme has never really attracted the interest of practicing lawyers largely on account of its under-funding. Apart from the paucity of financial support for the Scheme, its over-centralisation, delays in payment of the meagre fees to the few lawyers who take up Legal Aid cases and the very low publicity about the Scheme have all contributed to its relative ineffectiveness.

### ***Policy Measures for Implementation***

Against the backdrop of the above analysis, the following policy measures should be implemented during the plan period:

- The contribution of the Council of State in the appointment of Justices of the Superior Courts has not been demonstrated and it would be more appropriate to leave their appointment to the President acting on the advice or in consultation with the Judicial Council and with the approval of Parliament.
- As recommended by the APRM and the CRC, the Constitution should be amended for a limit to be placed on the number of Justices that may be appointed to the Supreme Court.
- In tandem with decentralisation, there should be at least a Court of Appeal in every region, a High Court in every metropolis and municipality and a Magistrate’s Court in every district.
- There should be a more strenuous screening of persons to be appointed Judges and a system of continuous performance monitoring.
- Formal training and continuing education programmes for para-legal staff in both the public and private sectors should be introduced.
- The Legal Aid Scheme Act should be reviewed to set the Scheme up as a Directorate of Public Defenders whose conditions of service should be analogous to those in the Office of the Director of Public Prosecutions.

### **7.3.7 Government Machinery**

The Government machinery is used in this context to refer to the general public service and the civil service in particular, through which government policy is initiated, processed, approved and implemented. To attain the long-term vision, the government machinery should be strengthened and a number of deficits addressed, particularly the following:

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<sup>283</sup> Act 542 of 1997



### ***Instability in Government Machinery***

Changes in the numbers and nomenclature of ministries and departments, and associated costs – With changes in political leadership, ministries, departments and agencies (MDAs) have been created, aligned and realigned depending on the inclinations of the government of the day. In order to ensure continuity, consistency and rationalise administrative costs, there has to be some certainty and stability in the structure of government machinery.

### ***Ministerial Realignment and Restructuring***

The issue of sectoral alignment and restructuring is closely associated with the issue of instability in the numbers and nomenclature of MDAs. Sectors such as education, youth, local government and science may at some point stand alone or be aligned with other themes/sectors. Some sectors such as social welfare, cooperatives, town and country planning and environment may find themselves moved from one sectoral home to another depending on the leadership vision. Such alignments and realignments often involve huge costs and stress to the human assets of the public services.

### ***Duplications in State Agency Mandates***

There have tended to be duplications in the mandates of some public services. The work of the Information Services Department (ISD), the National Commission for Civic Education (NCCE) and the Commission for Human Rights and Administrative Justice (CHRAJ) has tended to be duplicated by other entities. Pre-school education has been the responsibility of the Ministry of Education, the Department of Social Welfare, the Ministry of Gender, Children and Social Protection and Metropolitan, Municipal and District Assemblies (MMDAs) without proper distinction between the roles of the various agencies. This has not favoured efficiency.

### ***Establishment of Autonomous Public Services***

Though the Constitution allows it, the creation of autonomous services within the public services has not necessarily led to more efficiency and effectiveness. Services appear to have sprung up depending on the capabilities of interested parties to make their case. As a result, the Ghana Education Service, the Ghana Health Service, the Statistical Service, the Ghana Revenue Authority (comprising the Internal Revenue Service, the Customs, Excise and Preventive Service and the Value Added Tax Service), the Legal Service and the Local Government Service have all sprung out of the civil service. With their improved conditions, these services attract personnel from the civil service, which suffers as the main implementer of government policies.

### ***Allocation and Releases of Public Service Budgets***

The main civil service also suffers from persistent non-release or late release of budgetary allocations for goods and services, with the result that personnel are paid but they do not work since they do not have resources with which to work.

### ***Policy Measures for Implementation***

Given the above, the following policy measures should be implemented:

- The Constitution should be amended to put a cap on the number of ministries that may be created and determine what they should be named and how they should be aligned.
- Current ministerial arrangements should be reviewed and realigned for greater efficiency.

- The Ministerial Re-Alignment Project under the OHCS should be evaluated; identified duplications and overlaps among the various MDAs eliminated; and the Project brought to closure.
- A clear-cut policy on the creation of new services within the public services should be developed, including a cap on the number of services that may be created.
- The reasons for non-release and late release of approved budgetary allocations for goods and services for the public services should be examined with a view to their resolution.

### **7.3.8 Accelerating and Sustaining Decentralisation in Ghana**

#### ***Background of Decentralisation in Ghana***

Decentralisation efforts in Ghana were made under the 1957 Independence Constitution and the Local Administration (Amendment) Decree<sup>284</sup> of 1974. However, the most far-reaching experience began in 1988 with the enactment of the Local Government Law (PNDC Law 207) by the Provisional National Defence Council (PNDC) government. This saw the introduction of a non-partisan local government system in which candidates contested as individuals rather than on political party tickets. In the absence of political party activity, the law provided for the direct appointment of PNDC District Secretaries, as well as one-third of District Assembly members in consultation with chiefs and other interest groups in the district.

While the 1992 Constitution endorsed multi-party elections at the national level, the non-partisan local government system (which was based on the Canadian model) was retained. As a result, a partisan political system at national level was superimposed on a non-partisan local government system, which remains the current situation.

#### ***Components of Decentralisation***

Four components of decentralisation can be distilled from Article 240 of the Constitution. These are political decentralisation; administrative decentralisation, decentralised planning and fiscal decentralisation.

#### ***Political Decentralisation***

The Constitution's provisions are for political decentralisation by devolution to the MMDAs. The Constitution also enjoins Parliament to make appropriate laws that would transfer functions and powers to decentralised units from central government. It underscores the need for greater accountability of local government authorities to the citizenry and provides in Article 240 (2) (e) that "*people in particular local government areas shall, as far as practicable, be afforded the opportunity to participate effectively in their governance*". However, political decentralisation has been undermined somewhat by the appointment of Chief Executives (MMDCEs) by the President and the limited participation of local people in deciding who governs them at local level.

Over two and a half decades of implementation of the Constitution, various efforts have been made to enhance popular participation in local governance. However, both the CRC and the National Decentralisation Policy Framework II (2015-2019) (NDPF II) have suggested that the local government system must be made partisan in the future; and further participation by local people in the selection of MMDCEs should be considered.

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<sup>284</sup> NRCDC 258 of 1974

Given the multi-sectoral nature of decentralisation, an inter-ministerial coordinating mechanism has been introduced by the Local Governance Act<sup>285</sup> of 2016. The Inter-Ministerial Coordinating Committee (IMCC) on decentralisation, chaired by the President, is responsible for decentralisation policy initiation and coordination.

### **Administrative Decentralisation**

Article 240 (2) (d) of the Constitution provides that *“as far as practicable, persons in the service of local government shall be subject to the effective control of local authorities”*. This is the basis for administrative decentralisation which entails the transfer of functions and responsibilities from the central government to local government units and empowers local government authorities to exercise effective control over human resources of the local government. These arrangements must also emphasise capacity development of the human resources of local governments to enable them to initiate and plan development programmes and projects as well as execute them.

Since the operationalisation of the Local Government Service and the enactment of the Local Government (Departments of District Assemblies) (Commencement) Instrument<sup>286</sup> in 2009, several of the requirements of administrative decentralisation have been met. Ten hitherto “deconcentrated” Departments have been converted into devolved Departments of the MMDAs and the laws of three of the remaining seven have been reviewed and enacted by Parliament. These are the Land Use and Spatial Planning Act, 2016 (Act 925), the Sports Act, 2016 (Act 934) and the National Youth Authority Act, 2016 (Act 939). Decisions have also been taken to decentralise the Ghana Education Service (GES), the Ghana Health Service (GHS), the Ghana Statistical Service, the Rent Control Unit, the Department of Women and the Department of Children. A system of inter-service/ inter-sectoral collaboration and cooperation has also been introduced.

However, an assessment of administrative decentralisation shows some gaps that need to be filled. Three Departments intended for decentralisation and conversion into Departments of the District Assemblies at local level have yet to have their legislation enacted by Parliament. They are the Department of Cooperatives, the Ghana Library Authority and the Registry of Births and Deaths. In addition, although the Bills on the decentralised GES and the GHS have been finalised, they are yet to be enacted by Parliament. The mergers and amalgamations of Departments at district level have not been successfully managed and there are certain misunderstandings and conflicts in their operations.

While decisions have been taken to deconcentrate the National Disability Council, the Food and Drugs Authority and the Public Records and Archival Administration Department (PRAAD) to district level; and the National Peace Council, the Registrar-General’s Department and the Legal Aid Scheme to regional level, these are all yet to be implemented.

Human Resource Development Departments have been established in each of the 216 MMDAs. However, crucial human resource management functions such as staff recruitment and selection, staff transfers, staff retention and attraction, staff discipline and staff promotions are yet to be transferred to the MMDAs. Recruitment and selection of staff for appointments are still done at the centre by the Office of the Head of the Local Government Service (OHLGS). This arrangement limits the sense of allegiance of staff to the MMDAs and constrains the speedy resolution of human resource challenges of assemblies.

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<sup>285</sup> Act 936 of 2016

<sup>286</sup> L.I. 1961 of 2009

Provision has, however, been made in the Local Governance Act for these functions to be transferred to MMDAs in the future<sup>287</sup>.

Staff discipline and promotion mechanisms in MMDAs are either weak or non-existent. Though the OHLGS has taken steps to introduce performance measurement processes, years of service is still a key determining factor in advancement.

### ***Fiscal Decentralisation***

While Article 240 (2) (a) of the Constitution enjoins Parliament to enact appropriate laws to ensure that “---- resources are at all times transferred from the Central Government to local government units in a coordinated manner”, Article 240 (2) (c) also stipulates that “there shall be established for each local government unit a sound financial base with adequate and reliable sources of revenue”.

Currently, the financial resources available to the District Assemblies include the District Assemblies Common Fund (DACF), the District Development Facility (DDF), the Urban Development Grant (UDG) (for Metropolitan and Municipal Assemblies only), budgetary allocations to decentralised departments, transfers for the payment of staff of MMDAs and internally generated funds (IGF). Of all these revenue sources, the DACF and IGF are particularly crucial to the District Assemblies because budgetary allocations to decentralised departments are not yet fully under the control of District Assemblies, even though the introduction of the composite budgeting system in 2012 has provided the framework for this to happen. There are serious delays in the disbursement of the DACF, which is the main source of revenue for District Assemblies. While the delays are somewhat inherent in the DACF system itself (the monies have to be collected before they can be disbursed), bureaucracy also adds to the delays. The delays could be minimised if the Fund allocation could be directly transferred to the account of the DACF Administrator rather than through the Consolidated Fund as is the present practice.

Although MMDAs are by law empowered to mobilise internal revenues, their sources are rather low-yielding and difficult to collect. The central government’s revenue collection at district level involves the least difficult and easiest to identify sources of revenue. Therefore, the DACF with IGF cannot cover the cost of development and municipal services. The net effect is continued dependence of MMDAs on the central government.

Also contrary to the fiscal decentralisation principle of “finances follow functions”, the non-tax revenues of the decentralised Departments of the MMDAs whose functions have been transferred from the central government to the MMDAs continue to be paid into the Consolidated Fund. Thus while the functions have been transferred, the moneys with which the functions are to be performed continue to be centralised. Through the facilitation of the Fiscal Decentralisation Unit (FDU) of the Ministry of Finance, the Inter-Governmental Fiscal Framework (IGFF) has been developed which identifies all central government sources from which financial support and transfers are made to MMDAs. The Framework’s recommendations to streamline transfer sources and mechanisms to operate more efficiently and cost effectively are yet to be implemented.

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<sup>287</sup> Section 7 (2) of Act 936 provides that “Until legislation provides for the appointment of the staff of the Office of the District Assembly by the District Assembly, the staff of the District Assembly shall be appointed by the Head of the Local Government Service” and section 79 (2) states that “Until legislation provides for the appointment of the staff of the District Assembly by the District Assembly, the staff of the Departments of the District Assembly shall be appointed by the Head of the Local Government Service in consultation with the Public Services Commission”

### ***Decentralised Planning***

Two landmark pieces of legislation in the area of decentralised planning were enacted in 2016. These were the National Development Planning (System) Regulations<sup>288</sup> on decentralised development planning and the Land Use and Spatial Planning Act<sup>289</sup> on land use and spatial planning.

The major outstanding issues that have to be incorporated in the LTNDP to facilitate decentralised planning are the establishment of the Land Use and Spatial Planning Authority (LUSPA) envisaged under Act 925, and the enactment of the National Development Planning Commission Regulations. Other key actions required are the implementation of the Local Economic Development (LED) policy and the modification of the national Public-Private Partnership (PPP) policy to make it more MMDA-friendly or reflective of local conditions for investment and partnership.

### ***Economic Decentralisation and Public-Private Partnerships (PPP)***

Economic decentralisation and public-private partnerships are not mentioned in the Constitution as a component of decentralisation. Nevertheless, the future of local government is linked to these approaches, particularly in relation to the delivery of municipal services and the provision of infrastructure. There are examples of how some Metropolitan and Municipal Assemblies have taken advantage of PPPs to deliver services such as waste management and to establish markets, car parks and abattoirs. Such partnerships should allow local authorities to contract out delivery of services and infrastructure provision that are assigned to them by law for efficiency but still retain responsibility for their performance.

The current national PPP blueprint (launched in 2012) is rather centralised in its orientation. Therefore, it is not totally suited for the circumstances of MMDAs. The LTNDP must provide for the early revision of the PPP policy document in order that MMDAs are able to utilise it to deliver municipal services and provide infrastructure.

### ***Policy Measures for Implementation***

In view of the foregoing, the following policy measures should be implemented during the Plan Period:

#### ***Political Decentralisation***

- As recommended by the CRC, the Constitution should be amended so that Parliament at an appropriate time may enact legislation to make the local government system partisan.
- The Constitution should be amended further to allow for the election of MMDCEs by the electorate of the district.
- A Committee or Committees should be established to inquire into and make recommendations for the resolution of all outstanding district boundary demarcation disputes.
- Sub-district structures should be strengthened and made fully functional.
- The Inter-Ministerial Coordinating Committee (IMCC) on Decentralisation should be retained as an apex national body responsible for decentralisation policy initiation and coordination.

#### ***Administrative Decentralisation***

- Steps should be taken to establish the Departments of MMDAs responsible for Town and Country Planning, Sports and Youth Authority as envisaged by their enacted legislations

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<sup>288</sup> L.I. 2232 of 2016

<sup>289</sup> Act 925 of 2016

- Action should be expedited on the reviewed legislations of the Department of Cooperatives, the Ghana Library Authority and the Registry of Births and Deaths to facilitate their enactment by Parliament and establishment as Departments of the MMDAs.
- The Decentralised Education and Health Bills should be facilitated for enactment into law by Parliament to enable devolution of the GES and the GHS at the district level
- Decisions to decentralize the Ghana Statistical Service, the Rent Control Unit and the Departments of Women and Children should be implemented and appropriate Departments of MMDAs established.
- The IMCC should from time to time advise on which other Departments and organisations ought to be decentralised.
- Deconcentration of the National Disability Council, the Food and Drugs Authority and PRAAD to the district level; and the National Peace Council, Registrar-General's Department and Legal Aid Scheme to the regional level should be implemented.
- A time frame for the transfer of the key human resource management functions to MMDAs should be prepared and followed.

#### ***Fiscal Decentralisation***

- Steps should be taken to explore the transfer of DACF directly into the account of the Office of the DACF Administrator rather than through the Consolidated Fund
- Other sources of revenue that may be ceded to MMDAs for collection as IGF should be explored.
- As far as practicable, non-tax revenues of the decentralised Departments of MMDAs should be paid into the accounts of the MMDAs and not into the Consolidated Fund.
- The accepted recommendations of the IGFF/IGFT studies should be implemented.

#### ***Economic Decentralisation and Public-Private Partnerships (PPP)***

- The Local Economic Development (LED) Policy should be vigorously implemented by all MMDAs and monitored by the appropriate bodies.
- The PPP policy should be modified to accommodate the circumstances of MMDAs and district-level conditions to allow for its use to facilitate local level development.
- The practice of centralised purchases of goods and services by the central government on behalf of MMDAs, irrespective of their local development priorities, must be abolished. This will enable MMDAs to build their contract management and procurement capacity while contributing to local development by purchasing the necessary goods and services from local businesses. This has the overall advantage of keeping the monies spent in the local communities and raising local incomes.

### **7.3.9 Low Participation of Women and Other Disadvantaged Groups in Governance**

#### ***The Issue: Participation and Representation of Women***

The low level of women's representation in decision-making structures is inconsistent with Ghana's status as one of the most democratically governed countries in Africa. Only 280 of the total number of Assembly members or 4.72% are women<sup>290</sup> and women occupy only 12.75% of the seats in Parliament compared to 68% in Rwanda and 40% in South Africa. It is the application of affirmative action through the 30% appointment mechanism that has facilitated the greater presence of women in the MMDAs and raised the total percentage to 12.7%.<sup>291</sup>

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<sup>290</sup> Source: Research, Monitoring and Evaluation Unit of the Electoral Commission

<sup>291</sup> Dr. Esther Ofei-Aboagy: "Gender Equality and Related Issues in Local Governance in Ghana: An Overview". Published in 'Promoting Gender-Sensitive Local Governance: Who Is Doing What? Ongoing Initiatives and the Way Forward'. Edited by Institute of Local Government Studies and sponsored by the UN System Gender Programme, page 17

The constraints are socio-cultural and economic. They range from the lack of finances and time constraints to the management of multiple domestic, productive and political roles<sup>292</sup>. Socialisation for public life and the traditional understanding of public and private spaces for males and females have all discouraged women from participation in political activities. The roles of religion and low levels of education in creating this situation have also been noted.<sup>293</sup>

Various approaches have been used world-wide to encourage women's participation in governance at local and national levels. Ghana has had some experience of these approaches. While Ghana has used quotas of the appointed membership of assemblies at local government level, firm reserved quotas for appointments into public office at the central government level have not been applied. The second approach which has involved focused capacity building for women to engage in governance processes has been widely applied. The third channel has involved advocacy programmes by CSOs, donors and other parties to promote women's participation in governance.

However, the political parties are key entities to encourage women's participation in politics. Apart from decisions about who gets nominated to run for office, the parties can determine the forms of support and the extent to which issues of concern to women can become part of the national political debate. Therefore, their involvement in promoting women's participation and visibility in governance in the future is critical.

### ***The Issues: Participation and Representation of Other Groups***

With a view to correcting the previous absence of disadvantaged and vulnerable groups from governance particularly at the local level, section 48 of the 2016 Local Governance Act makes provisions for the inclusion of minorities and marginalised groups. It provides for their protection from discrimination, equality of treatment, special protection to vulnerable groups as a result of their ethnic, cultural, religious or other identity and the application of affirmative action measures. It also promotes diversity and inter-cultural education and other measures to promote effective participation of marginalised groups in public and political life. While these measures are far-reaching, the challenge should be in their implementation. To this end, each MMDA should be required to develop strategies to translate these principles into implementable local sets of actions.

### ***Policy Measures for Implementation***

The following policy measures should be implemented during the plan period:

- An effective affirmative action programme inclusive of quota systems and creation of equal opportunities to ensure equitable and active participation of women and disadvantaged groups in governance at both national and local levels should be developed and implemented.
- Political parties in particular should be provided with incentives to make provision for more women, persons with disabilities and other under-represented groups to be elected to party positions and to be nominated to run for political office.
- MMDAs should be required to develop local strategies to translate the principles in Section 48 of the Local Governance Act for the inclusion and integration of minorities and marginalised groups into implementable plans of action and set up oversight committees to ensure compliance with the principles.

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<sup>292</sup> Esther Ofei-Aboagye (2000): 'Promoting the Participation of Women in Local Governance and Development: The Case of Ghana'. Institute of Local Government Studies, Ghana

<sup>293</sup> Kate Addo-Adeku: "Essays on Gender and Development-An African Perspective" February 2014. Published and printed by Akrong Publications Limited, P. O. Box M 31, Accra, Ghana

## **7.4 STRENGTHENING THE CAPACITY OF THE PUBLIC SECTOR TO DELIVER DEVELOPMENT**

### **7.4.1 Introduction**

In order to achieve the targets and the transformation envisaged by the long-term national development plan (LTNDP), the public sector has to be adequately focused and oriented. The National Public Sector Reform Strategy (2017 to 2027) defines the public sector as consisting of the government and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programmes, goods and services.

Over the years, citizens' confidence in public institutions appears to have waned. From 2002 to 2014, increasing numbers of citizens indicated "little" or "no" trust in public institutions.

A review of relevant literature and data on Ghana's public sector identifies a range of challenges including overlapping functions, poor human resource management and limited modernisation reforms in the public sector as the major bottlenecks. These problems have persisted in spite of reforms embarked on since independence. The most recent reforms were undertaken between 1986 and 1993; and followed up from 1994 to 2004. An ongoing effort was initiated in 2005, which has included the development of a National Public Sector Reform Strategy (2017 to 2027).

The Strategy document indicates that the need for public sector reform has arisen from structural, institutional and fiduciary challenges which have hindered effective service delivery in the changing national and international contexts. Increased demand and expectations from the public, increasing dissatisfaction of the citizenry with public sector performance as well as the erosion of trust in government and the public services all require intervention. Other concerns relate to inadequate linkages between the growth in government expenditure and the potential growth of the economy; institutional, structural and functional inconsistencies and the continued dependence of some commercially, viable subvented agencies on the government budget. To address these challenges, the Strategy has as its objectives to: improve public service delivery; improve efficiency and productivity in the public sector; promote greater openness, transparency, and accountability; facilitate citizens' participation and engagement in local governance; and enhance ethical leadership capabilities and delivery qualities.

The desired outcomes envisaged from the Strategy document include improved service delivery, efficiency and value for money; increased private sector involvement in policy and service delivery; devolved functions and finances to the sub-national level, enhanced government transparency and accountability arising from stronger engagement of citizens in public service development and oversight. This was expected to result from enhanced and ethical public sector leadership and professionalism, strengthened strategic management and governance and better management of decentralisation associated with accountability.

Given the analysis provided by the Public Sector Reform Strategy and emerging priorities from the consultations, the key issues that the LTNDP focuses on are: (1) overlaps in functions of some public sector institutions and the need for rationalisation and realignment for more efficiency and responsiveness to the public (2) attracting, developing and retaining top talent and promoting meritocracy in the public service (3) modernising the public sector (national and sub-national) through reforms and technological innovation; and (4) challenges of public sector reforms in Ghana.

### **7.4.2 Rationalisation and Realignment of Public Sector Institutions**

There is a lack of clarity on the mandate of some public sector institutions which has resulted in overlapping roles, limited autonomy and external interference.



### ***Overlapping Functions of Public Sector Institutions***

Functional overlaps are evident between the PSC (as provided for in the Public Services Commission Act, 1994, Act 482) and the OHCS as contained in PNDCL 327 or the Civil Service Act of 1993 in relation to advising the government on appointments, efficiency and employment policy formulation. Again, there are overlaps between the functions of the PSC and the Fair Wages and Salaries Commission as contained in the latter's Act (Act 737 of 2007) with respect to principles and procedures for determining salaries and incentives of public servants. Other obvious overlaps include those between the National Commission for Civic Education (NCCE) and the Commission on Human Rights and Administrative Justice (CHRAJ) as provided for in Articles 218 and 233 of the Constitution.

These and other overlaps have to be identified, reconciled and corrected for effective action.

### ***Limited Autonomy of Public Sector Institutions***

The heavy influence of the government and interference by politicians poses a challenge to many public sector institutions as their independence and professionalism -- and consequently their service delivery -- are adversely affected. This is particularly evident during political transitions and on the assumption of office of a new government.

There have been instances in which governments and politicians have removed public officials appointed by the PSC with secured tenures from public office. In various submissions towards the development of the LTNDP, concerns were raised about compliance and enforcement of public service human resource rules and regulations. Particular statements included concerns about recruitment on merit versus family considerations (indicated by the PSC); and the need to insulate the Legislature from the influence of the Executive arm of government (identified by Parliament). The Fair Wages and Salaries Commission (FWSC) also indicated the need for insulation, proposing an independent Emolument Commission that would negotiate salaries for all categories of workers in the public service.

Reduction of politicisation would also reduce the risk of corruption, cronyism and nepotism and help to avert the illegal and sometimes violent takeover of public offices by political or interest groups.

### **7.4.3 Attracting, Developing and Retaining Top-Level Talent and Promoting Meritocracy in the Public Service**

The public service creates the enabling environment for private businesses and investments to thrive. It is therefore important to reform Ghana's public service along the following lines: strengthening the performance culture; establishing high-performance monitoring units; attracting best practices in the public sector; designing flexible schemes; realigning capacity-building programmes and instituting life-long training programmes.

#### ***The Challenges***

The Public Services Commission (PSC) identified several challenges with performance management systems within the public services for the long-term development plan process:

- Low executive commitment, involvement and support for the performance management systems;
- Inadequate understanding of the roles of Governing Boards and Councils in the performance appraisal system;
- Absence of rigour, objectivity and continuity in the administration of the performance appraisal system;

- Non-linkage of the performance appraisal process to an enforceable reward and sanctions mechanism;
- Ignorance of public servants about the merits of a performance management system;
- Inadequate linkage of the performance management system to staff development in terms of training and career development; and
- Ineffective monitoring and annual reporting and feedback mechanisms<sup>294</sup>.

### ***Performance Management System***

The cumulative effect of these challenges is the failure to ensure quality service delivery, responsive capacity development and employee productivity. For the PSC to enhance supervision and productivity, the performance management policy must be effectively implemented at all functional levels and a performance-oriented culture fostered in the public service<sup>295</sup>.

An efficient and effective public performance management system should attract and retain top talent in the public service. But in order to achieve this, the processes of recruitment and selection should be refined and effective. It is imperative that these are made open and generally competitive and include the objective criteria set out in the PSC Human Resource Policy document.

An efficient and responsive public sector should have the benefit of modernised, simplified and rationalised procedures. Efficient standards of performance and standardised ethics should be coordinated across ministries, departments and agencies in order to increase morale and transparency.

#### **7.4.4 Realigning Capacity Building and Life-long Training in the Public Sector**

An efficient and highly professional public bureaucracy thrives on regular impartation and upgrading of skills and knowledge. The skills mix required to support modern service delivery is constantly changing and without a regular upgrading of skills, public administrators cannot meet the challenges of modern public administration. This requires a review of the circumstances, orientation and direction of key institutions established to promote capacity development in the public services, including the Ghana Institute of Management and Public Administration (GIMPA) and the Institute of Local Government Studies (ILGS).

GIMPA was established soon after independence to meet the demand for a cadre of skilled public servants to drive the development aspirations of the nation. An elaborate structure of career-long training for the Administrative Class was developed starting from fresh entrants to senior management and chief executive positions. The severe economic downturn of the 1980s constrained the government's ability to sustain the programmes resulting a huge backlog of public servants who had not had the requisite training. In 2006-2007, an accelerated two-week programme was organised by GIMPA for about 600 officials in several batches to address this backlog. However, with the transition of GIMPA into a university under its new Act with the attendant fees for courses, opportunities and access for public and civil servants have been considerably reduced.

The establishment of the Institute of Local Government Studies (ILGS) in 1999<sup>296</sup> was intended to provide the same level of training and capacity building for staff of the Local Government Service. However, the size and operation of training budgets as well as the role of the MMDAs in determining sponsorship and types of capacity building have not resulted in efficient and equitable arrangements.

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<sup>294</sup> Public Services Commission Presentation to the NDPC on the LTNDP dated 18<sup>th</sup> February 2016

<sup>295</sup> Ibid

<sup>296</sup> ILGS was established in 1999 and given legal backing in 2003 under the Institute of Local Government Studies Act, Act 647

There are other training and capacity development institutions within the public services such as the Civil Service Training Centre, the Management Development and Productivity Institute (MDPI) and the universities. There are also sector-specific training and capacity development institutions in the sectors of education, health, finance, roads and several others. The LTNDP requires that an oversight body for coordinating all such training and capacity development within the public services be established with a view to ensuring that standards and international best practices are maintained and effective collaboration between these institutions is encouraged.

#### **7.4.5 Modernising the Public Sector (National and Sub-National) through Reforms and Technological Innovation**

Earlier work undertaken for the development of the Public Sector Reform Strategy (2017 to 2027) as well as the consultative processes for the LTNDP emphasise the modernisation of public sector institutions<sup>297</sup>. The desired reforms include the use of e-governance, other information technology and innovation to drive public service delivery. In this connection, it is imperative that within the medium-term, all public sector institutions move from hard paper files to computerised databases to expedite services to the requesting public, as is the trend in other parts of the world.

#### **7.4.6 Challenges of Public Sector Reforms in Ghana**

As indicated in earlier sections, Ghana has embarked on public sector reforms in the past. However, these reforms have not been sustained and a major challenge has been the lack of political commitment, adequate financial support and follow-through. Other concerns have been the lack of internal ownership by the public sector itself, inadequate acknowledgement of indigenous experiences and knowledge and partisan politicisation of reforms<sup>298</sup>. During the plan period, the Government of Ghana should demonstrate commitment to the reforms by providing 'ring-fenced' resources devoted to their implementation and modernisation of the public sector. The reforms should be decentralised to include sub-national institutions.

#### ***Policy Measures for Implementation***

The following policy measures should be implemented during the Plan Period:

- Areas of overlaps and duplication within the public services should be identified and a programme drawn up for their reconciliation and synchronisation.
- The National Public Sector Reform Strategy (2017 to 2027) should be implemented as far as possible and closely monitored.
- Various enactments and articles of incorporation establishing the different public sector organisations should be amended to incorporate requisite provisions to protect technical performance and the autonomy of public sector institutions from political interference.
- The PSC should be supported to review and institutionalize the performance management policy further and foster a culture of performance management in the public sector.
- The PSC should take action to strengthen public service capacity to implement performance management systems at all functional levels.
- The PSC should be required to undertake periodic review of the performance appraisal systems of the public services and a coordinated annual report under the LTNDP.

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<sup>297</sup> NDPC (2016) Hearings of the Public Sector Institutions, Accra

<sup>298</sup> Owusu F. (2012): "Organisational Culture and Public Sector Reforms in a post-Washington Consensus Era: Can Ghana's Reformers Learn from Ghana's Good Performers?" Available at: [http://www.public.iastate.edu/~fowusu/Progress-in-Development-Studies-paper\\_Owusu.pdf](http://www.public.iastate.edu/~fowusu/Progress-in-Development-Studies-paper_Owusu.pdf)  
Government of Ghana (2016) National Public Sector Reform Strategy (2017 to 2027). Public Sector Reform Secretariat. Accra

- The OHCS should be strengthened in order to play its role of overall coordination of training for civil servants to ensure equity, consistency and responsiveness for all civil servants.
- Coordination of training for MMDA staff should be the central responsibility of the Local Government Service acting primarily through the ILGS.
- Notwithstanding the above, individual MMDAs may develop specific training and capacity-building programmes based on needs identified at that level or in line with the strategic vision for that metropolis, municipality or district.
- The establishment of an coordinating entity for all training and capacity-building institutions within the public services should be pursued to ensure their conformity with accepted standards and international best practices.
- The public services should move in the direction of paperless offices based on a clear action plan within the context of the e-governance infrastructure proposed in the LTNDP.
- The government of Ghana should demonstrate commitment by ring-fencing resources to be devoted to implementing the required reforms and the modernisation.
- Public sector institutions should be strengthened and legally insulated from undue political influence and partisanship.

## 7.5 HUMAN SECURITY AND PUBLIC SAFETY

### 7.5.1 Introduction

The 1994 UNDP Human Development Report defined “human security” to mean “safety from such chronic threats as hunger, disease and repression”<sup>299</sup> as well as “protection from sudden and hurtful disruptions in the patterns of daily life – whether in homes, in jobs or in communities”<sup>300</sup>. The latter definition provides the basis for discussion of human security and public safety and the roles and performance of the key institutions, namely the Police, Prisons, and the Judiciary.

### 7.5.2 The Ghana Police Service

According to the Police Service Act 1970 (Act 350), the core functions of the service are to:

- Protect life and property
- Prevent and detect crime
- Apprehend and prosecute offenders
- Maintain law and order

While the police strive to perform these functions, there are several challenges that militate against their efforts. Studies conducted in 2014 identified seven main constraints to the discharge of duties by the Ghana Police Service. These challenges were: (i) the poor image grounded in increasing public perception of lack of professionalism; (ii) infiltration by miscreants; (iii) perceived collaboration with and/or protection of miscreants; (iv) perceived client and patronage relationship with ruling governments; (v) blatant disregard for human rights; (vi) increasing corruption especially in the Motor Traffic and Transport Department (MTTD) of the Service; and (vii) serious logistical (including human resource) problems.<sup>301</sup>

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<sup>299</sup> 1994 Human Development Report (HDR) of the United Nations Development Programme (UNDP), page 34. Available at [http://hdr.undp.org/sites/default/files/reports/255/hdr\\_1994\\_en\\_complete\\_nostats.pdf](http://hdr.undp.org/sites/default/files/reports/255/hdr_1994_en_complete_nostats.pdf) [Accessed:19/09/2016]

<sup>300</sup> Ibid

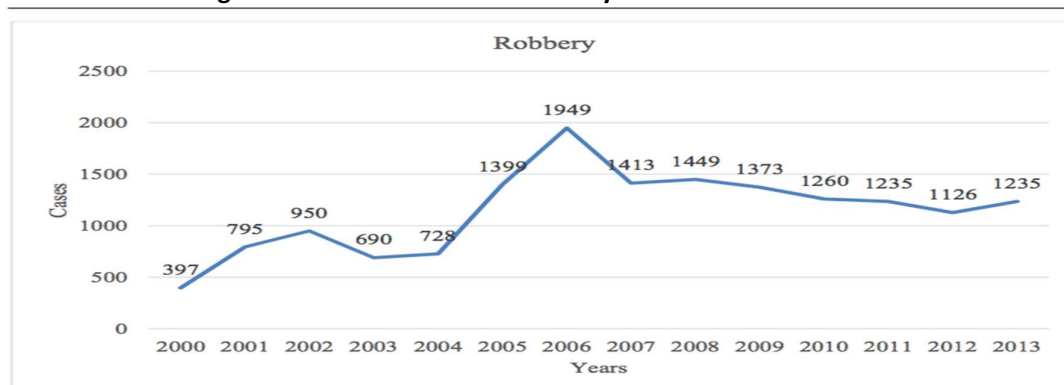
<sup>301</sup> Braimah, A. I., & Mbowura, C. K. Crime Combat in Developing Economies: The Dilemmas of the Ghana Police Service.

## Ghana Police Service: The Challenges

There is a public perception of the Ghana Police Service as infiltrated by and/or condoning the activities of miscreants. Problematic activities including “forgery, extortion, illegal road blocks and collaboration with or tolerance of armed robbers”.<sup>302</sup> It is also widely believed that police officers found culpable of crimes do not face the full rigours of the law which does not augur well for security or good governance.<sup>303</sup> Unprofessional conduct of the police has constituted breaches of human rights including cases in which suspects have lost their lives while in police custody. The 2014 and 2015 Human Rights Report of the USA State Department<sup>304</sup> and the UN Special Rapporteur<sup>305</sup> corroborated complaints of police impunity and brutality in Ghana.

The challenges are complicated by logistical and operational problems. The police-population-ratio (PPR) for Ghana is below the United Nations standard of one police officer to 500 citizens. The total number of police officers in Ghana was estimated at 32,117 in 2014<sup>306</sup> which translates to a PPR of 1:724. Other concerns include lack of sufficient accommodation, inadequate budgetary allocations, ineffective police-community collaboration and, importantly, manual record-keeping in police operations in this digital age. Statistics from the Ghana Police Service show that robbery cases increased from 397 in 2000 to 1,949 in 2006 but fell to 1,235 in 2013<sup>307</sup> as shown in the graph below. In spite of efforts at improving efficiency and effectiveness, the capacity of the police to deal with emerging crimes such as cyber-crime and terrorism also requires urgent attention.

**Figure 7.1: Trends in armed robbery in Ghana from 2000 to 2013.**



Source: Statistics from the Ghana Police Service. The pictorial linear graph is the authors' conception of robbery cases in Ghana.

The consequences of these challenges of the Ghana Police Service and the implications for human security and public safety deserve urgent attention.

### Policy Measures for Implementation

The following policy measures should be implemented during the plan period:

- Ghana should aim at attaining the UN-standard police-population ratio of 1:500.
- Visibility patrols should be increased and community policing should be emphasised.
- CCTV central monitoring systems should be introduced in all metropolises and municipalities.

<sup>302</sup> Ibid

<sup>303</sup> Ibid

<sup>304</sup> Country Reports on Human Rights Practices for 2015. United States Department of State. Bureau of Democracy, Human Rights and Labour.

<sup>305</sup> See UN report condemns standards in Ghana's prisons at <http://citifmonline.com/2014/03/09/un-report-condemns-standards-in-ghanas-prisons/> [Accessed 6<sup>th</sup> March, 2017]

<sup>306</sup> See <http://www.ghanaembassy.dk/content/security> [Accessed 9th January, 2017]

<sup>307</sup> Braimah, A. I. & Mbowura, C. K: Ibid, Note 3

- Innovations should be introduced in the payment of fines as well as the implementation of Regulation 157 of the Road Traffic Regulations, 2012, LI 2180 on spot fines<sup>308</sup>.
- The Motor Traffic and Transport Division (MTTD) should be reorganised as a specialised unit staffed by personnel with the requisite knowledge, skills and competence.
- The recently established Cyber Crime Unit should be strengthened and should establish special liaison relations with the Economic and Organised Crime Office (EOCO).
- MMDAs should be required to collaborate with the Police Service in community policing by providing accommodation for police personnel in communities within their districts.
- As far as possible, technology should be introduced and integrated into all policing activities.

### 7.5.3 The Ghana Prisons Service

The Ghana Prisons Service has the mission of ensuring "...the safe custody of convicted persons from courts as well as the provision of reformation and rehabilitation programmes for their successful resettlement into society."<sup>309</sup> Its vision "is to transform the Ghana Prisons Service into a highly efficient correctional Service, managed by a well-trained, disciplined and motivated staff."<sup>310</sup> However, the Service is confronted with various challenges that constrain the attainment of its mission.

#### ***Ghana Prisons Service: The Challenges***

Poor conditions of the Service, especially overcrowding of its facilities, have been underscored by both national<sup>311</sup> and international<sup>312</sup> organisations. The glaring inadequacies have been confirmed by the Ghana Prisons Service itself which stressed that "The prisons lack adequate space leading to severe overcrowding and hygiene issues [while] the structures are not suitable for rehabilitation and reformation [with] lack of natural light and fresh air [being] characteristic features of most of the prisons"<sup>313</sup>. It is reported that single room- accommodation could be home to an officer's family of six or seven.

The security of both inmates and staff of the Service is compromised. Inadequate accommodation has resulted in staff renting rooms outside camps, affecting the Service's ability to respond to emergencies such as jailbreaks. Compared to the other security agencies such as the Police and the Military, the Prisons Service has the poorest conditions of service<sup>314</sup>.

Despite efforts of the Ministry of Gender, Children and Social Protection (MoGCSP) to facilitate National Health Insurance (NHIS) registration for prisoners, standard facilities to meet the health needs of both inmates and staff are woefully inadequate. Unpaid hospital bills threaten inmates' access to institutional services and there are only a few health professionals in the Service to deal with emergency cases.

A 10-year Strategic Development Plan recently launched by the Prisons Service under "Project Efiase" seeks to reform and rehabilitate all the 43 prisons countrywide. This plan, which could lead to a substantial

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<sup>308</sup> The Regulation states as follows: "A person who commits a road traffic offence specified in the Seventh Schedule is liable to pay a spot fine. Where a person commits a road traffic offence which attracts a spot fine, a police officer in whose presence the offence was committed shall issue that person with a spot fine notice and record the offence in the counterpart driver's licence of that person".

<sup>309</sup> See <http://www.ghanaprison.gov.gh/aboutus.html> [Accessed: 6th January, 2017]

<sup>310</sup> Ibid

<sup>311</sup> A famous documentary about Ghana's Prisons by Seth Kwame Boateng, a journalist with Joy FM, revealed the dilapidated infrastructure and poor conditions in which inmates find themselves.

<sup>312</sup> Mendez, J. E. (2013): The Report of the Special Rapporteur on Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment highlighted the overcrowding, poor nutrition and health care, poor sanitation, lack of rehabilitation programmes and personal insecurity in Ghana's prisons and concluded that Ghana's prisons did not meet international human rights standards.

<sup>313</sup> See Ghana Prison 2

<sup>314</sup> See: State of Infrastructure: Ghana Prisons Service. Available at <http://www.ghanaprison.gov.gh/infrastructure.html>

face-lift, requires adequate funding. To guarantee human security and safety of inmates and the public, strategic action must be taken under the LTNDP.

### ***Policy Measures for Implementation***

The following policy measures should be implemented during the plan period:

- There should be new investments in prison expansion.
- A Prisons Hospital should be established and gradually developed into a Prisons Medical Service.
- The government should provide funding for the implementation of Project Efiase, the 10-Year Strategic Development Plan of the Service.
- There should be a general shift from the current system of confinement to custody in resettlement farms for less dangerous criminals.

### **7.5.4 The Judicial Service**

The Judicial Service has a vision of “Justice without Barriers” and a mission to “resolve legal conflicts according to law, impartially and efficiently [for] all persons without fear or favour, affection or ill-will. We do this by the true and proper interpretation, application and implementation of the laws of Ghana”. The Service has as its policy objectives the improvement of access to affordable and timely justice and the enhancement of public confidence in the justice delivery and court administration system. This vision, mission and objectives should be effectively translated into implementable plans and programmes in the LTNDP period to eradicate impunity and abate human rights abuses in Ghana.

#### ***Judicial Service: The Challenges***

The Judicial Service is faced with various challenges, including decline in public confidence in the institution arising from a judicial scandal in 2015. Other challenges include limited access to justice, especially for women and/or inadequate access to affordable and timely justice for vulnerable people. The limited number and poor quality of courts countrywide as well as lack of technical expertise of judges in some specialised cases have also hampered justice delivery. Trial processes have been unduly delayed, sometimes culminating in protracted pre-trial detention, threatening the security of suspects on remand. Article 126 (1) (iii) of the Constitution provided for the establishment of Regional Tribunals to facilitate administration of economic justice; however, this objective has not been realised. The Judicial Service does not have the financial capacity to secure the infrastructure it requires. It is not allowed to retain all of its internally generated funds (IGF), the bulk of it being transferred to the Consolidated Fund. The ‘Justice for All’ Programme, which seeks to increase access to justice for people, is a laudable initiative of the Service but is not yet widely accessible.

By constitutional provision, only the Superior courts have the prerogative to grant writs of *mandamus*, *quo warranto*, *certiorari*, prohibition and *habeas corpus*, which are utilised by courts to check abuse of power and impunity on the part of public officials. In an era of decentralisation, this needs to change to strengthen corrective mechanisms to address abuses at the sub-national level.

Public calls have been made for decoupling the Attorney-General’s Department from the Ministry of Justice. The coupling of the two perceptibly politicises the administration of justice, especially when it comes to the prosecution of political office holders. While it is true that Article 88 of the Constitution makes the Attorney-General a Minister of State, it does not necessarily couple that office with that of the Minister of Justice.

Judgment debts against the state are of particular concern as they affect public resources otherwise available for development. Judgement debts have arisen largely out of the failure of MDAs to seek

parliamentary approval before entering into contracts, especially with foreign entities. While there are directives from the Attorney-General's Department with regard to the award and abrogation of contracts, public officials who have failed to comply have not been effectively sanctioned.

The Constitution requires that contracts awarded to foreign entities must have parliamentary approval and the Supreme Court has interpreted Article 181 (5) of the Constitution to the effect that such international business or economic transactions undertaken without parliamentary approval are null, void and unenforceable<sup>315</sup>. However, when the government of Ghana has reneged on its obligation to pay and the cases have been taken to international arbitration, the nation has lost. This has been on the basis that it is the responsibility of the Ghana government to seek parliamentary approval, relying on the equitable doctrine that no person shall benefit from his/her own wrong.

The ruling of the Permanent Court of Arbitration (PCA) in the case of Balkan Energy (Ghana) Ltd. v. The Republic of Ghana [PCA Case No. 2010-7 dated 1 April 2014] is instructive in this regard.

### ***Policy Measures for Implementation***

Against the backdrop of these challenges in the judicial sector with consequences on the human security and public safety of Ghanaians, the following policy measures should be implemented during the plan period:

- Coverage of the Legal Aid Scheme should be expanded and made more effective, efficient, free or affordable and oriented to be accessible particularly for women and other vulnerable people.
- Court infrastructure should be expanded with the objective of ensuring a minimum of one Court of Appeal for each region, a High Court for each metropolis or municipality and one Magistrate's Court for each district.
- More specialised courts should be established.
- Judges should be sponsored for specialised courses to augment technical capacity in emerging areas.
- Alternative dispute resolution mechanisms should be promoted to expedite justice.
- The 'Justice for All' programme should be made more widely available and particularly to persons incarcerated in pre-trial periods.
- The Regional Tribunals should be abolished as recommended by the CRC.
- The Judicial Service should be resourced to identify ways in which to enhance its ability to deliver justice in a timely and innovative manner, including e-justice initiatives.
- Consideration should be given to extending the power of the High Courts to issue the prerogative writs of *certiorari*, prohibition, *mandamus*, *quo warranto* and *habeas corpus* to the Lower Courts to facilitate administration of justice at the sub-national level. This would require an amendment to Article 33 (2) of the Constitution.
- Article 88 of the Constitution should be amended to allow for the appointment of an Independent Prosecutor to prosecute economic, white collar and organised crimes against the state committed by political and public office holders.
- Parliament should be required to make the necessary modifications to clarify what is meant by "international business or economic transaction to which the Government is a party" which requires Parliamentary approval as indicated in Article 181 (5) of the Constitution to reduce the incidence of unnecessary judgement debts.

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<sup>315</sup> See Supreme Court cases of Attorney-General v. Faroe Atlantic Co. Ltd. [2005-2006] SCGLR 271 and Attorney-General v. Balkan Energy Ghana Ltd. [2012] 2 SCGLR 998. See Page 124, paragraph 393 of the ruling.



## 7.5.5 5.5 Political and Civil Violence

### ***Pre- and Post-Election Violence***

Ghana is considered as a bastion of democracy in the West African sub-region, largely arising from its successful, successive elections since 1992. However, each of the successful elections has been shadowed by perceived and actual violence, including the destruction of property. A range of reasons have been proffered for election-related violence including the winner-takes-all policy which has been seen as a motivation for political actors to maintain vigilante or militant groups.

Other potential causes include undefined roles for some members of the Executive in the electoral process, especially the RMs and MMDCEs. As Chairpersons of the Regional Security Councils (REGSECs) and District Security Committees (DISECs), they are potentially both “referees” and “players” during elections.

### ***Chieftaincy Dispute-Related Violence***

Chieftaincy disputes have also been a source of communal violence. The issues have related mainly to succession, appointment and removal from office and maintenance of stool and skin properties. The National House of Chiefs and Regional Houses of Chiefs have a special responsibility in this matter as provided for under Article 171 (b) of the Constitution. Further, Article 274 (3) (f) requires the Regional Houses of Chiefs to compile the customary legislation and lines of succession applicable in their jurisdictions. If this is achieved, some level of stability and certainty should be introduced into traditional authority and incidents of violence, reduced.

### ***Land Disputes Violence***

Major events that trigger land-related violence include undefined and ill-defined boundaries especially of stool and skin lands; and multiple sales of land. Finalisation and enactment of the Lands Bill should help to resolve boundary-induced disputes. Multiple sales of land should require improvements in land title registration and extension of these services to all parts of the country. Again, the provisions of the Land Title Registration Law<sup>316</sup> must be effectively enforced.

### ***Mob Rule and Instant Justice***

Mob rule or instant justice is a potent threat to public security and public safety of all persons in Ghana. The perpetrators are often anonymous and the circumstances unpredictable and uncontrollable. Public education as well as sufficiently deterrent sentences for those apprehended are important to discourage such incidents. The police and the courts have a special and heavy responsibility in that regard.

### ***Policy Measures for Implementation***

The following policy measures should be implemented during the plan period:

#### ***Pre- and Post-Election Violence***

- Consideration should be given to the proportional representation system to give political parties other than the dominant parties a voice in the governance of the country.
- Political parties should be allowed to contest in local elections, with consideration for 6-year terms for district chief executives overlapping with the national electoral cycle; a maximum

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<sup>316</sup> PNDCL 152 of 1986

of three consecutive terms should be set for such office holders. The role of political office holders in the electoral process, especially RMs and MMDCEs as Chairpersons of the REGSECs and DISECs respectively, should be more clearly defined. This requires amendments to the Security and Intelligence Agencies Act, 1996, Act 526.

- The National and Regional Peace Councils should be strengthened and resourced to play their roles as defined in the National Peace Council Act, 2011 (ACT 818) to minimise and eradicate pre- and post- election violence.

#### ***Chieftaincy Disputes Violence***

- The National and Regional Houses of Chiefs should be encouraged to update and ensure current compilation of customary laws and lines and succession applicable to each stool or skin.

#### ***Land Disputes Violence***

- The draft Lands Bill should be enacted and regulations formulated and disseminated.
- Land title registration should be extended to all parts of the country and its provisions enforced.

#### ***Mob Rule and Instant Justice***

- The police should be provided with incentives to prosecute mob rule and instant justice as far as practicable, and the courts encouraged to hand down deterrent sentences to convicted perpetrators.
- Public education and sensitisation on the dangers of mob rule and instant justice should be provided on an ongoing basis.

## **7.6 PROMOTING AND DEEPENING CORPORATE GOVERNANCE TO TRANSFORM THE PRODUCTIVE SECTORS OF THE ECONOMY**

### **7.6.1 The Concept of Corporate Governance**

Corporate governance refers to the structures and processes which govern businesses. While corporate governance is often applied to private enterprises, corporate governance lessons can also be applied to the public sector. Corporate governance thus entails creating an environment that creates security of investment for entrepreneurs, promotes transparency and accountability in business operations, protects the interest of business owners, fosters financial stability and aligns business practices to the growth and development aspirations of the country.

### **7.6.2 Corporate Governance in Ghana**

#### ***The State of Corporate Governance in Ghana and its Impact on Development***

The transformation of Ghana's economy from a commodity-based one should be facilitated by sound corporate governance to ensure the required investments by the private sector. However, challenges remain.

Recent corporate governance failures in Ghana have occurred mainly in the financial sector. In the first quarter of 2013 alone, over 30 microfinance companies collapsed. Prior to that, major corporate failures had occurred in state-owned enterprises (SOEs) as well as in the private sector as shown in the table below.

**Table 7.1: Some major corporate failures in Ghana<sup>317</sup>**

<b>Company</b>	<b>Date</b>
Ghana Airways Limited	2005
Juapong Textiles Limited	2005
Bonte Gold Mines	2004
Ghana Cooperative Bank Limited	2000
Bank for Housing and Construction	2000
Meridian BIAO Bank	1995
Bank for Credit and Commerce International (BCCI)	1991

**Source: Appiah (2011)**

More recent cases of poor corporate governance include the Auditor-General's Report's indictment of public organisations for misappropriation of funds, judgment debts and the loss of state funds in other corruption scandals.

The impact of corporate failures and malpractice emanating from poor corporate governance beyond the loss of public funds include cuts in on social services, loss of savings or capital, job losses, decline in investor confidence, and fall in foreign direct investment.

#### ***Institutions and Regulatory Framework for Corporate Governance in Ghana***

The main corporate governance regulators in Ghana include the Bank of Ghana, Securities and Exchange Commission (SEC), Ghana Stock Exchange, Registrar-General's Department, National Insurance Commission and National Pensions Regulatory Authority.

Some of the regulations aimed at promoting good corporate governance are the Companies Code of 1963 (Act 179), Securities Industry Law 1993 (PNDCL 333) as amended by the Securities Industry (Amendment) Act, 2000 (Act 590) and the Stock Exchange (Ghana Stock Exchange) Listing Regulations, 1990 (LI 1509), and the Bank of Ghana Act, 2002, (Act 612). There are guidelines in the public sector including the Securities and Exchange Commission Code of Good Conduct of 2002; the Corporate Governance Manual for Governing Boards and Councils of the Government Public Services by the Public Services Commission; and Codes of Professional Conduct by professional bodies.

The efforts at self-regulation by the chambers and professional associations through their codes and manuals provide frameworks for good conduct, performance standards and grievance handling (such as that of the Institute of Chartered Accountants - Ghana).

The codes and manuals may be combined with other efforts including training and capacity development. The State Enterprises Commission (SEC) and the PSC have provided such services for the boards of directors of the public corporations and state-owned enterprises. Professional associations such as the Institute for Human Resource Management Practitioners and the Institute of Directors have also provided such interventions.

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<sup>317</sup> Appiah, K., 2011. Corporate Failure Prediction: Some Empirical Evidence from Listed Firms in Ghana. China-USA Business Review, Vol. 10. No. 1, 32-41

## **Challenges and Areas for Redress**

Key corporate governance challenges in the public sector in Ghana include poor adherence to policy guidelines; politicisation of the public sector and inappropriate appointments of boards of directors or management members based on nepotism and cronyism; and insecure tenure of board members.<sup>318</sup>

The boards of public sector organisations need to be strengthened through strong representation of their core stakeholder institutions and a reduction of political patronage. The capacities of board members need to be developed with adequate understanding of their roles as the policy makers.

However, Ghana generally lacks a transformational corporate governance framework to drive a well-coordinated national development agenda. Fundamental laws that should transform the corporate governance and investment environment are outmoded. For instance, Ghana's Companies Act of 1963 (Act 179), which was largely adopted from the English Business Act of 1948, has not been fundamentally reviewed until recently. Lack of consistency with other legislation makes compliance with its provisions and enforcement difficult.

Weak regulatory enforcement and compliance has not facilitated optimal benefit from the Codes and Guidelines that are available<sup>319</sup> For example, compliance with the State Enterprises Commission Code of Best Practices is voluntary. Regulatory bodies are also not sufficiently resourced in terms of funding and personnel to execute their mandates. Some lack the autonomy to act.<sup>320</sup>

Over-liberalisation and deregulation of the markets also make it difficult to effectively monitor the operations of companies and businesses.<sup>321</sup>

## **Policy Measures for Implementation**

Against this background, the following policy measures should be implemented during the plan period:

- A transformative corporate governance framework should be designed to lead the country from being an exporter of raw materials to an industrialised exporter of value-added products.
- The country should be marketed as a sound investment hub, exploiting its good record of multiparty democracy.
- Guidelines for the appointment of boards of directors of public corporations and state-owned enterprises should be developed to strengthen and depoliticise their constitution.
- The process of reviewing the Companies Act, 1963, Act 179, should be expedited and coherence with other legislation and regulation ensured.
- The review of the Companies Code should take the following into account:
  - (i) Mechanisms to strengthen accountability obligations of Chief Executive Officers of private companies including the possibility of term limits.
  - (ii) Limitations on the sizes of boards of directors (of both public and private companies) to facilitate cohesion, coordination and effective decision making.
  - (iii) Prescription of age limits for board members (in both the public and private sectors).
  - (iv) Requirements for monitoring the performance of boards, including the conduct of self-assessments.

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<sup>318</sup> Public Services Commission (u.d.) Corporate Governance Manual for Governing Boards/Councils of the Government Public Services. Available online at: <http://www.psc.gov.gh/file/Corporate%20Governance%2027.02.15.pdf>

<sup>319</sup> Adegbite, O. G. (2012) Corporate Governance Developments in Ghana: the past, the present and the future. *Public and Municipal Finance*, Volume 1, Issue 2

<sup>320</sup> SEC, 2010; World Bank, 2010; Agyemang and Castellini, 2013

<sup>321</sup> Public Services Commission (u.d.) Corporate Governance Manual for Governing Boards/Councils of the Government Public Services. Available online at: <http://www.psc.gov.gh/file/Corporate%20Governance%2027.02.15.pdf>

- The enforcement capability of regulatory bodies should be strengthened.
- Liberalisation and deregulation policies should be reviewed from the perspective of the impediments they pose to monitoring companies and businesses.

## **7.7 STRENGTHENING GOVERNANCE IN THE CIVIC SECTOR**

### **7.7.1 Introduction**

The concept of the “civic sector” is used in the generic sense of being “non-state” and includes voluntary entities such as community-based organisations (CBOs), non-governmental organisations (NGOs), faith-based organisations (FBOs), professional associations, labour movements, students’ organisations and traditional authorities. The term civil society organisations (CSO) is often used to embrace all these groups.

The increasing recognition of the importance of the influence and activities of these groups on the citizenry and the conduct of public business is evident in the shift in focus from “government” to “governance”, thereby recognising the civic sector as a critical partner in national development. In Ghana, civil society is recognised as having contributed to the smooth political transitions that have occurred in the Fourth Republic.

The Constitution underscores this growing importance of civil society by providing in Article 35 (6) (d) that the state take all appropriate measures to promote the integration of the peoples of Ghana, prohibit discrimination and afford them all possible opportunities to participate in national decision-making and government. Article 37 (2) (a) reiterates the rights of effective participation including freedom to form associations free from state interference and to form organisations to support their developmental and economic interests. These constitutional injunctions require that as part of the long-term development process, the civic sector is supported and encouraged to contribute to strengthening governance in Ghana. In this regard, it would be appropriate to require CSOs to conform to democratic principles of transparency and accountability in their internal organisation and be consistent with the provisions of the national Constitution. To optimise the contribution of CSOs to transforming national governance, the following issues must be addressed:

- (i) Strengthening and promoting respect for law and order, including the aggressive prosecution of crimes of all kinds, ranging from petty larceny to grand corruption in the public sector;
- (ii) Promoting patriotism among all Ghanaians, including civic rights and responsibilities;
- (iii) Fighting corruption and waste in both the state and non-state sectors;
- (iv) Promoting culture and national values for development;
- (v) Strengthening the role of chiefs and traditional authorities as partners in national development; and
- (vi) Supporting the role of CSOs as partners in development.

### **7.7.2 Strengthening and promoting respect for law and order (Good Society)**

Ghana’s democracy must rest on a solid foundation of respect for law and order. The nation has scored high in international governance assessments such as the Mo Ibrahim Index on the “rule of law”. There are, however, some indications that that respect for law and order could be under threat.

One key threat is the perceived politicisation of the Ghana Police Service. Every change of government in the Fourth Republic has been followed by changes in the Police hierarchy. These changes feed a perception that supporters of the ruling party occupy certain strategic positions in law enforcement at the expense of the professionalism essential to the integrity and efficacy of the Police.

The criminal justice system is often perceived as similarly politicised and law enforcement agencies deal with criminality on partisan lines. This trend could lead to diminished respect for law and order. Therefore, professional autonomy and impartiality of law enforcement must be visibly and sustainably promoted in the Police Service.

Disregard for the rights of citizens by the criminal justice system has also contributed to erosion of confidence in it. There are instances of people who have served years of remand in Ghanaian prisons without trial and others who have been in prison custody awaiting interminable police investigations into their alleged offences. These issues, combined with perceived corruption among law enforcement agencies and the Judiciary, give credence to the idea that justice can be bought or sold.

Strong advocacy by citizens acting through their civic organisations and CSOs working together can wage a sustained fight to restore respect for law and order during the implementation of the long-term national development plan.

### **7.7.3 Promoting patriotism, including civic rights and responsibilities among all Ghanaians**

A loyal and dedicated citizenry committed to the peace and progress of its country is a prerequisite for national development. Several factors provide guideposts for fostering this orientation amongst Ghanaians, especially for the younger population.

The first is the history of the anti-colonial struggle and how the founders of the nation dedicated their lives to the cause of the freedom of Ghana. Reflections on why they undertook the struggle and their hopes for this nation should be a great source of patriotism for present and succeeding generations.

The inspiring words of the national anthem, the pledge and the “unofficial” national anthem, *Yen ara asaase ni*, repeated regularly on radio, television, at school morning assembly and on special occasions should inspire patriotism. Citizens, particularly the young ones, should be encouraged to learn and reflect on them. Those in leadership positions, however, must be seen to be living up to these values in order to not breed cynicism among the young.

The values espoused in the Directive Principles of State Policy (Chapter Six of the Constitution) provide ample encouragement and exhortation regarding the development of the New Ghanaian required to attain the lofty ideals of the long-term plan.

The love of country must encourage Ghanaians to unite to protect their freedoms. It is important therefore that schools, churches, the media, political parties and youth groups make it their primary obligation to foster patriotism amongst Ghanaians over all attachment to ethnicity, political parties or any other groups or associations.

### **7.7.4 Fighting Corruption and waste**

The grave damage that corruption has done to Ghana’s social and economic development is widely acknowledged. The resulting loss of vast sums of money has widened inequality and slowed poverty reduction efforts. Over the years, the government and various non-state partners have made strenuous efforts to reduce corruption through legislative reforms, institutional strengthening, prosecution and public education. However, there has been little visible impact on the scale of corruption.

Some of the specific efforts to promote integrity in public office include the constitutional assets declarations provisions for political and public office holders<sup>322</sup> and the Code of Conduct for Political Appointees. Legislation includes the Internal Audit Agency Act, 2003 (Act 658), and the Public Procurement Act, 2003 (Act 663) amended by Act 914 of 2016, and the Public Financial Management Act (Act 921 of 2016).

Various institutions have been established to tackle corrupt practices and enhance public sector integrity including CHRAJ<sup>323</sup>, the Economic and Organised Crime Office (EOCO)<sup>324</sup> and the Financial Intelligence Centre (FIC)<sup>325</sup>. At the same time, CSOs such as the Ghana Integrity Initiative (GII) and the Ghana Anti-Corruption Coalition (GACC) have been at the forefront of the advocacy and educational campaign against corruption.

The National Anti-Corruption Action Plan (NACAP), spanning 2012 to 2021, aims at promoting and mainstreaming integrity, transparency and accountability in all sectors of society. NACAP seeks to address corruption not only in the public sector but also in the private sector and in the activities of non-state actors. In 2017, the government began efforts to establish an Office of the Special Prosecutor to prosecute high-profile cases of political and bureaucratic corruption.

However, several challenges, including the following, have hindered the fight against corruption.

Though political and some public sector appointees have constitutional<sup>326</sup> and legislative<sup>327</sup> obligations to declare their assets, there is no requirement for verification and publication of what they declare. Compliance and monitoring can therefore not be ensured. There is no judicial punishment for violations of the constitutional Code of Conduct for Public Office Holders apart from the requirement for CHRAJ to investigate complaints of violations and take action that it considers appropriate. EOCO is under the Attorney-General's supervision and prosecution of ruling party officials in Ghana by the Attorney-General is a political decision and quite a rarity.

Some state anti-corruption institutions are constrained in terms of personnel, expertise and budgetary allocations and have had to rely on donors for support for their work.

#### **7.7.5 Promoting culture and national values for development**

Ghana's rich cultural heritage has transmitted the wisdom and positive elements of society from one generation to the next. For instance, cultural norms and practices observed over generations enabled Ghanaians to practice environmental conservation in the past. Respect for chiefs and elders demonstrated by prompt responses to traditional calls to duty, maintaining honesty and integrity and respect for elders fostered peace and social cohesion.

The challenge is how to integrate these positive cultural values in Ghana's modern development. If our national, cultural values are to become an integral part of national development, the school system and curriculum and other socialising agents must ensure that they are effectively inculcated in our young people and children in line with Article 39(2) of the Constitution.

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<sup>322</sup> Constitution, Article 24, Article 286 and the Public Office Holders (Declaration of Assets and Disqualification) Act, 1998, Act 550

<sup>323</sup> Constitution, Chapter 18

<sup>324</sup> Economic and Organised Crime Office Act, 2010, Act 804

<sup>325</sup> Established under the Anti-Money Laundering Act, 2008, Act 749

<sup>326</sup> Constitution, Article 286

<sup>327</sup> See Public Office Holders (Declaration of Assets and Disqualification), 1998, Act 550

### **7.7.6 Strengthening the role of traditional authorities as partners in national development**

While chieftaincy in Ghana may not have all the attributes of a democratic institution, it has a critical contribution to make to governance and national development. (The concepts of “chieftaincy” and “traditional authority” are used interchangeably in this document). As was observed by the Coussey Committee on Constitutional Reform in 1950, the institution was intrinsically bound with the life of Ghanaian communities – a statement which is valid today.

In the pre-colonial era, influential chiefs exercised political, judicial and religious powers. With the introduction of indirect rule by the colonial government, traditional authorities were designated as allies of the colonialists and allowed to retain some of their judicial, administrative and financial powers. In the immediate post-independence period, chiefs and traditional authorities lost most of their powers. Some of their powers were, however, restored under the Second and Third Republican Constitutions.

The institution of chieftaincy is fully guaranteed under the 1992 Fourth Republican Constitution. It provides structures – a National House of Chiefs, Regional Houses of Chiefs and Traditional Councils – for chiefs to assert control over traditional and customary matters and to decide matters relating to chieftaincy and advise governments on the same.

Chiefs have roles in the modern political system through their representation on the Council of State by the President of the National House of Chiefs. At regional level, chiefs are represented on the Regional Coordinating Councils. At district level, the law stipulates that chiefs are consulted in the selection of the 30% of Assembly members appointed by the President. Chiefs are often appointed to various national committees, commissions and boards.

While these appointments suggest that the position and roles of traditional authorities in Ghana are well recognised and respected, the prohibition of chiefs from active party politics has been seen as marginalising them from mainstream governance and development decision making. Secondly, as compared to pre-colonial and colonial times, their roles in local governance are limited.

This desire for participation in governance is fuelled by two factors. First, as custodians of land, chiefs and traditional authorities would like to be involved in decisions about land and other natural resources. Secondly, Ghana’s chieftaincy institution now consists of a wide range of accomplished professionals, including engineers, health practitioners, educationists, lawyers, entrepreneurs and experts in a wide variety of fields. Mainstreaming this vast pool of talent in the nation’s governance and development should help the nation’s forward movement.

The CRC Report (2011) proposed that special seats be reserved in Ghana’s unicameral legislature for representation of traditional rulers. Ultimately, it envisages the creation of a Second Chamber of Parliament that would be occupied exclusively or mainly by traditional rulers.

### **7.7.7 Supporting the participation of CSOs as partners in good governance**

The main impact of CSOs, particularly NGOs, in Ghana is influencing public policy and helping to empower citizens and respond to social interests. They influence public policy in three main ways: through participation in the early stages of policy formulation, advocacy for reforms, and influencing decisions by policy makers.

Several NGOs, coalitions and networks, however, are resource-constrained and dependent on donors and other forms of external support. Competition for resources, territorialism and the voluntary and/or not-for-profit nature of their operations limit their effectiveness. In Ghana, the relationship between NGOs



and CSOs broadly, on the one hand, and the state on the other, has not been adequately. This has sometimes led to lack of recognition of CSOs as partners in development with rights to participation as well as obligations.

Chapter Six of the Constitution enjoins the state to create the necessary conditions for individuals and groups to exercise freedom of association and assembly and to participate in government decisions at all levels. Though successive governments have tried to provide an enabling environment for NGO operations and refrained from taxing them for their operations, the civic sector has the capacity to contribute further to good governance and the implementation of the long-term vision for Ghana's development.

State financial support for CSOs has largely been unavailable. Governments often accuse CSOs of being agents of foreign powers when the latter benefit from donor funding and international assistance. Both governing and opposition political parties are sometimes suspicious of CSOs and advocacy groups, regarding them as competitors in accessing aid.

For over a decade, successive governments and CSOs have been engaged in processes leading to appropriate CSO policy and legislation. While various drafts have been produced, they have not been finalised for implementation. Nevertheless, government officials and Parliament are increasingly asking for technical assistance from the CSOs, especially the think tanks, when it comes to policy making. As Ghana's democratic consolidation deepens, CSOs should make even more valuable contributions to national development.

### ***Policy Measures for Implementation***

The following policy measures should be considered during the plan period.

#### ***Strengthening and promoting respect for law and order (Good Society)***

- As far as possible, the Police Service should be depoliticised, particularly by giving the Inspector-General of Police (IGP) and the top Commanders of the Police Service security of tenure that transcends the term of office of governments
- The criminal justice system should be reformed to better respect the rights of the public. In particular, limits should be placed on the period of pre-trial detention.
- Strong efforts should be made to address the perception that justice can be bought by or sold to the highest bidder.
- Checks and balances should be strengthened to eradicate loopholes in the criminal justice system.

#### ***Promoting patriotism, including civic rights and responsibilities among all Ghanaians***

- The study of Ghana's pre-colonial, colonial and post-independence history should be mandatory in the curricula of all basic and second-cycle educational institutions, with particular attention on how the current global system functions to the detriment or benefit of developing nations like Ghana.
- Every citizen should be encouraged to learn the national anthem and recite the words of the national pledge, along with patriotic songs such as *Yen ara asaase ni*. Sportsmen and women should be encouraged to learn and sing the national anthem at all public events.
- The Directive Principles of State Policy of the Constitution should be widely disseminated as the collective national ideology and reflected in the manifestoes of all political parties during election campaign periods, in addition to the provisions of the long-term national development plan.
- The guaranteeing of fundamental liberties of the Ghanaian shall be required of every government and promoted as the foundational underpinning of a united country.

- Schools, religious organisations, the media, political parties and youth groups, among others, should be encouraged to make it their primary obligation to foster patriotism, tolerance and good neighbourliness.

*Fighting Corruption and waste*

- All political and public office holders required to declare their assets should comply with the requirement and provide proof of compliance. Their placement on the government payroll should be contingent upon the provision of such proof.
- The Constitution should be amended to provide for the verification and publication of the declared assets, subject to appropriate legal protections for the privacy of the individuals and the integrity of the system.
- The Constitution should be amended or legislation enacted to provide sanctions for breaches of the Code of Conduct Chapter of the Constitution
- The Economic and Organised Crime Office (EOCO) Act of 2010, Act 804, should be amended to establish it as an independent investigative body for economic, white collar and organised crime.
- EOCO should be given powers of prosecution as have been given to the Customs Division of the Ghana Revenue Authority, the Food and Drugs Authority and the Ghana Standards Authority.
- The various anti-corruption agencies of state should be resourced in terms of personnel, expertise and money, all of which tend to be in short supply.

*Promoting culture and national values for development*

- The school curriculum should be revised to provide appropriately for teaching positive traditional, cultural values to pupils.

*Strengthening the role of traditional authorities as partners in national development*

- An Advisory Council for each MMDA including traditional rulers and other prominent individuals or organisations should be established to advise local government bodies in the same way the Council of State advises the President.
- Consideration should be given to giving chiefs the mandate to settle local disputes to reduce the burden of caseload management in the lower courts, improve the administration of justice, and put to use traditional methods of adjudication and arbitration (with the requisite update in skills and knowledge).
- The constitutional ban on chiefs taking part in active party politics should remain.
- Chiefs may be appointed to any national office for which they are qualified in accordance with Article 276 (6) of the Constitution but should not constitute a second Chamber.
- The President and his/her surrogates should comply with the constitutional requirement that chiefs be consulted in the appointment of the 30% representation to the MMDAs and any other requirements for consultation for appointments.
- Consideration should be given to making chiefs permanent members of ADR Committees at national, regional and district levels.
- As far as practicable, chiefs should be included in government delegations going abroad to showcase Ghanaian culture.

*The Role of Civil Society Organisations*

- Some level of public funding to enable CSOs to play their role in the public sector should be actively considered.
- The national policy framework and the draft “Not-for-Profit” Bill should be finalised and enacted.
- CSOs may form an effective umbrella organisation to give them the necessary voice, cohesion and power to be able to play their advocacy role more effectively in national affairs.

As far as practicable, the government should involve CSOs in the formulation of public policies at national and local levels.

## **7.8 SUMMARY OF INDICATIVE STRATEGIES FOR ATTAINING GOAL FOUR**

### **Deepening Democratic Governance in Ghana**

#### ***The Executive***

1. The hybrid executive system should be maintained but the constitutional requirement that the majority of ministers be appointed from Parliament should be removed as recommended by the Constitution Review Commission.
2. The institutional system of checks and balances should be streamlined and strengthened to facilitate effective conduct of the functions of the Council of State, the National Security Council, the National Development Planning Commission and the Judicial Council vis-à-vis the Presidency and ensure the required obligations from the latter.
3. Provision should be made in the Constitution for a replacement for the Vice-President, should this be required (in the event of death, resignation or incapacity) and a more explicit role should be defined for him or her as recommended by the Constitution Review Commission.
4. Presidents should be encouraged to adhere to the constitutional provision for regional and gender balance in appointments to public offices, particularly those of ministers and deputy ministers<sup>328</sup>.
5. A more rigorous screening process for ministerial nominees should be applied before their submission for vetting by Parliament; a structured and comprehensive orientation programme should also be provided on appointment, covering issues of government, general and economic history of Ghana, time management, public financial management, and the procurement law, among others. A transparent performance review process should also be conducted for all ministerial appointees.
6. A rigorous pre-appointment screening process as well as a robust orientation programme should be required for Presidential staffers and advisors also.
7. The Presidential Office Act, 1993, Act 463, should be reviewed to provide guidelines for qualifications and positions for Presidential staffers and a ceiling placed on the number of that may be appointed.
8. The Schedule to the Presidential (Transition) Act, 2012, Act 845, should be amended to make it clear that it is persons appointed by the President or a minister of state as members of the board of directors of statutory boards, public corporations and state-owned enterprises who cease to hold office on the coming into office of a new President and not the management and/or employees of these entities who have been appointed through due process by the Public Services Commission.

#### ***The Legislature***

1. Article 47 of the Constitution on the creation of constituencies should be reviewed by reconsidering the intervals at which constituencies may be created; redefining the concept of “population quota”; and putting a cap on the number of constituencies that may be created (and by implication, the number of MPs that Ghana may have) at any time.
2. As far as practicable, Presidents should be encouraged to avoid appointing Regional Ministers and Deputy Regional Ministers from Parliament, in view of the location of their responsibilities.
3. The Constitution should be amended to define what is meant by Bills with financial or fiscal implications under Article 108 as recommended by the Constitution Review Commission.

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<sup>328</sup> Constitution, Article 35 (6) (b)

4. Parliament should be encouraged to develop conventions on issues on which the House should speak with one voice as the Parliament of Ghana rather than as MPs representing different political parties.
5. MPs should be provided with Aides and Research Assistants.
6. An e-Library system should be introduced in Parliament and the physical library improved.
7. The Research Department of Parliament should be strengthened and resourced to perform the requisite functions.
8. Parliament should be encouraged to consider more Committees to be chaired by the minority such as the Committee on Government Assurances.
9. Future constitutional amendments should make provision for situations where an elected President may not have a majority in Parliament, including circumstances involving independent presidential candidates.

### ***The Judiciary***

1. The contribution of the Council of State in the appointment of Justices of the Superior Courts has not been demonstrated and it would be more appropriate to leave their appointment to the President acting on the advice or in consultation with the Judicial Council and with the approval of Parliament.
2. As recommended by the APRM and the CRC, the Constitution should be amended for a limit to be placed on the number of Justices that may be appointed to the Supreme Court.
3. In tandem with decentralisation, there should be at least a Court of Appeal in every region, a High Court in every metropolis and municipality and a Magistrate's Court in every district.
4. There should be a more strenuous screening of persons to be appointed Judges and a system of continuous performance monitoring.
5. Formal training and continuing education programmes for para-legal staff in both the public and private sectors should be introduced.
6. The Legal Aid Scheme Act should be reviewed to set the Scheme up as a Directorate of Public Defenders whose conditions of service should be analogous to those in the Office of the Director of Public Prosecutions.

### ***Government Machinery***

1. Given the above, the following policy measures should be implemented:
2. The Constitution should be amended to put a cap on the number of ministries that may be created and determine what they should be named and how they should be aligned.
3. Current ministerial arrangements should be reviewed and realigned for greater efficiency.
4. The Ministerial Re-Alignment Project under the OHCS should be evaluated; identified duplications and overlaps among the various MDAs eliminated; and the Project brought to closure.
5. A clear-cut policy on the creation of new services within the public services should be developed, including a cap on the number of services that may be created.
6. The reasons for non-release and late release of approved budgetary allocations for goods and services for the public services should be examined with a view to their resolution.

### **Fostering Harmony and Cooperation among the Three Arms of Government**

1. The government's proposal in the White Paper for an annual Executive-Legislature-Judiciary Conference for the three arms of government to share information about the operations and limitations of each of the parties should be pursued.

### **Accelerating and Sustaining Decentralisation in Ghana**

#### ***Political Decentralisation***

1. As recommended by the CRC, the Constitution should be amended so that Parliament at an appropriate time may enact legislation to make the local government system partisan.

2. The Constitution should be amended further to allow for the election of MMDCEs by the electorate of the district.
3. A Committee or Committees should be established to inquire into and make recommendations for the resolution of all outstanding district boundary demarcation disputes.
4. Sub-district structures should be strengthened and made fully functional.
5. The Inter-Ministerial Coordinating Committee (IMCC) on Decentralisation should be retained as an apex national body responsible for decentralisation policy initiation and coordination.

#### *Administrative Decentralisation*

1. Steps should be taken to establish the Departments of MMDAs responsible for Town and Country Planning, Sports and Youth Authority as envisaged by their enacted legislations
2. Action should be expedited on the reviewed legislations of the Department of Cooperatives, the Ghana Library Authority and the Registry of Births and Deaths to facilitate their enactment by Parliament and establishment as Departments of the MMDAs.
3. The Decentralised Education and Health Bills should be facilitated for enactment into law by Parliament to enable devolution of the GES and the GHS at the district level
4. Decisions to decentralize the Ghana Statistical Service, the Rent Control Unit and the Departments of Women and Children should be implemented and appropriate Departments of MMDAs established.
5. The IMCC should from time to time advise on which other Departments and organisations ought to be decentralised.
6. De-concentration of the National Disability Council, the Food and Drugs Authority and PRAAD to the district level; and the National Peace Council, Registrar-General's Department and Legal Aid Scheme to the regional level should be implemented.
7. A time frame for the transfer of the key human resource management functions to MMDAs should be prepared and followed.

#### *Fiscal Decentralisation*

1. Steps should be taken to explore the transfer of DACF directly into the account of the Office of the DACF Administrator rather than through the Consolidated Fund
2. Other sources of revenue that may be ceded to MMDAs for collection as IGF should be explored.
3. As far as practicable, non-tax revenues of the decentralised Departments of MMDAs should be paid into the accounts of the MMDAs and not into the Consolidated Fund.
4. The accepted recommendations of the IGFF/IGFT studies should be implemented.

#### *Economic Decentralisation and Public-Private Partnerships (PPP)*

1. The Local Economic Development (LED) Policy should be vigorously implemented by all MMDAs and monitored by the appropriate bodies.
2. The PPP policy should be modified to accommodate the circumstances of MMDAs and district-level conditions to allow for its use to facilitate local level development.
3. The practice of centralised purchases of goods and services by the central government on behalf of MMDAs, irrespective of their local development priorities, must be abolished. This will enable MMDAs to build their contract management and procurement capacity while contributing to local development by purchasing the necessary goods and services from local businesses. This has the overall advantage of keeping the monies spent in the local communities and raising local incomes.

#### **Low Participation of Women and Other Disadvantaged Groups in Governance**

1. An effective affirmative action programme inclusive of quota systems and creation of equal opportunities to ensure equitable and active participation of women and disadvantaged groups in governance at both national and local levels should be developed and implemented.

2. Political parties in particular should be provided with incentives to make provision for more women, persons with disabilities and other under-represented groups to be elected to party positions and to be nominated to run for political office.
3. MMDAs should be required to develop local strategies to translate the principles in Section 48 of the Local Governance Act for the inclusion and integration of minorities and marginalised groups into implementable plans of action and set up oversight committees to ensure compliance with the principles.

#### **Rationalisation and Realignment of Public Sector Institutions**

1. Areas of overlaps and duplication within the public services should be identified and a programme drawn up for their reconciliation and synchronisation.
2. The National Public Sector Reform Strategy (2017 to 2027) should be implemented as far as possible and closely monitored.
3. Various enactments and articles of incorporation establishing the different public sector organisations should be amended to incorporate requisite provisions to protect technical performance and the autonomy of public sector institutions from political interference.
4. The PSC should be supported to review and institutionalize the performance management policy further and foster a culture of performance management in the public sector.
5. The PSC should take action to strengthen public service capacity to implement performance management systems at all functional levels.
6. The PSC should be required to undertake periodic review of the performance appraisal systems of the public services and a coordinated annual report under the LTNDP.
7. The OHCS should be strengthened in order to play its role of overall coordination of training for civil servants to ensure equity, consistency and responsiveness for all civil servants.
8. Coordination of training for MMDA staff should be the central responsibility of the Local Government Service acting primarily through the ILGS.
9. Notwithstanding the above, individual MMDAs may develop specific training and capacity-building programmes based on needs identified at that level or in line with the strategic vision for that metropolis, municipality or district.
10. The establishment of an coordinating entity for all training and capacity-building institutions within the public services should be pursued to ensure their conformity with accepted standards and international best practices.
11. The public services should move in the direction of paperless offices based on a clear action plan within the context of the e-governance infrastructure proposed in the LTNDP.
12. The government of Ghana should demonstrate commitment by ring-fencing resources to be devoted to implementing the required reforms and the modernisation.
13. Public sector institutions should be strengthened and legally insulated from undue political influence and partisanship.

#### **7.9 The Ghana Police Service**

1. Ghana should aim at attaining the UN-standard police-population ratio of 1:500.
2. Visibility patrols should be increased and community policing should be emphasised.
3. CCTV central monitoring systems should be introduced in all metropolises and municipalities.
4. Innovations should be introduced in the payment of fines as well as the implementation of Regulation 157 of the Road Traffic Regulations, 2012, LI 2180 on spot fines<sup>329</sup>.

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<sup>329</sup> The Regulation states as follows: “A person who commits a road traffic offence specified in the Seventh Schedule is liable to pay a spot fine. Where a person commits a road traffic offence which attracts a spot fine, a police officer in whose presence the offence was committed shall issue that person with a spot fine notice and record the offence in the counterpart driver’s licence of that person”.

5. The Motor Traffic and Transport Division (MTTD) should be reorganised as a specialised unit staffed by personnel with the requisite knowledge, skills and competence.
6. The recently established Cyber Crime Unit should be strengthened and should establish special liaison relations with the Economic and Organised Crime Office (EOCO).
7. MMDAs should be required to collaborate with the Police Service in community policing by providing accommodation for police personnel in communities within their districts.
8. As far as possible, technology should be introduced and integrated into all policing activities.

#### **The Ghana Prisons Service**

1. There should be new investments in prison expansion.
2. A Prisons Hospital should be established and gradually developed into a Prisons Medical Service.
3. The government should provide funding for the implementation of Project Efiase, the 10-Year Strategic Development Plan of the Service.
4. There should be a general shift from the current system of confinement to custody in resettlement farms for less dangerous criminals.

#### **The Judicial Service**

1. Coverage of the Legal Aid Scheme should be expanded and made more effective, efficient, free or affordable and oriented to be accessible particularly for women and other vulnerable people.
2. Court infrastructure should be expanded with the objective of ensuring a minimum of one Court of Appeal for each region, a High Court for each metropolis or municipality and one Magistrate's Court for each district.
3. More specialised courts should be established.
4. Judges should be sponsored for specialised courses to augment technical capacity in emerging areas.
5. Alternative dispute resolution mechanisms should be promoted to expedite justice.
6. The 'Justice for All' programme should be made more widely available and particularly to persons incarcerated in pre-trial periods.
7. The Regional Tribunals should be abolished as recommended by the CRC.
8. The Judicial Service should be resourced to identify ways in which to enhance its ability to deliver justice in a timely and innovative manner, including e-justice initiatives.
9. Consideration should be given to extending the power of the High Courts to issue the prerogative writs of certiorari, prohibition, mandamus, quo warranto and habeas corpus to the Lower Courts to facilitate administration of justice at the sub-national level. This would require an amendment to Article 33 (2) of the Constitution.
10. Article 88 of the Constitution should be amended to allow for the appointment of an Independent Prosecutor to prosecute economic, white collar and organised crimes against the state committed by political and public office holders.
11. Parliament should be required to make the necessary modifications to clarify what is meant by "international business or economic transaction to which the Government is a party" which requires Parliamentary approval as indicated in Article 181 (5) of the Constitution to reduce the incidence of unnecessary judgement debts.

#### **Political and Civil Violence**

##### **Pre- and Post-Election Violence**

1. Consideration should be given to the proportional representation system to give political parties other than the dominant parties a voice in the governance of the country.

2. Political parties should be allowed to contest in local elections, with consideration for 6-year terms for district chief executives overlapping with the national electoral cycle; a maximum of three consecutive terms should be set for such office holders. The role of political office holders in the electoral process, especially RMs and MMDCEs as Chairpersons of the REGSECs and DISECs respectively, should be more clearly defined. This requires amendments to the Security and Intelligence Agencies Act, 1996, Act 526.
3. The National and Regional Peace Councils should be strengthened and resourced to play their roles as defined in the National Peace Council Act, 2011 (ACT 818) to minimise and eradicate pre- and post- election violence
4. The National and Regional Houses of Chiefs should be encouraged to update and ensure current compilation of customary laws and lines and succession applicable to each stool or skin.
5. The draft Lands Bill should be enacted and regulations formulated and disseminated.
6. Land title registration should be extended to all parts of the country and its provisions enforced.
7. The police should be provided with incentives to prosecute mob rule and instant justice as far as practicable, and the courts encouraged to hand down deterrent sentences to convicted perpetrators.
8. Public education and sensitisation on the dangers of mob rule and instant justice should be provided on an ongoing basis.

### **The Concept of Corporate Governance**

1. A transformative corporate governance framework should be designed to lead the country from being an exporter of raw materials to an industrialised exporter of value-added products.
2. The country should be marketed as a sound investment hub, exploiting its good record of multiparty democracy.
3. Guidelines for the appointment of boards of directors of public corporations and state-owned enterprises should be developed to strengthen and depoliticise their constitution.
4. The process of reviewing the Companies Act, 1963, Act 179, should be expedited and coherence with other legislation and regulation ensured.
5. The review of the Companies Code should take the following into account:
6. Mechanisms to strengthen accountability obligations of Chief Executive Officers of private companies including the possibility of term limits.
7. Limitations on the sizes of boards of directors (of both public and private companies) to facilitate cohesion, coordination and effective decision making.
8. Prescription of age limits for board members (in both the public and private sectors).
9. Requirements for monitoring the performance of boards, including the conduct of self-assessments.
10. The enforcement capability of regulatory bodies should be strengthened.
11. Liberalisation and deregulation policies should be reviewed from the perspective of the impediments they pose to monitoring companies and businesses.

### **STRENGTHENING GOVERNANCE IN THE CIVIC SECTOR**

#### **Strengthening and promoting respect for law and order (Good Society)**

1. As far as possible, the Police Service should be depoliticised, particularly by giving the Inspector-General of Police (IGP) and the top Commanders of the Police Service security of tenure that transcends the term of office of governments
2. The criminal justice system should be reformed to better respect the rights of the public. In particular, limits should be placed on the period of pre-trial detention.
3. Strong efforts should be made to address the perception that justice can be bought by or sold to the highest bidder.



4. Checks and balances should be strengthened to eradicate loopholes in the criminal justice system.

**Promoting patriotism, including civic rights and responsibilities among all Ghanaians**

1. The study of Ghana's pre-colonial, colonial and post-independence history should be mandatory in the curricula of all basic and second-cycle educational institutions, with particular attention on how the current global system functions to the detriment or benefit of developing nations like Ghana.
2. Every citizen should be encouraged to learn the national anthem and recite the words of the national pledge, along with patriotic songs such as Yɛn ara asaase ni. Sportsmen and women should be encouraged to learn and sing the national anthem at all public events.
3. The Directive Principles of State Policy of the Constitution should be widely disseminated as the collective national ideology and reflected in the manifestoes of all political parties during election campaign periods, in addition to the provisions of the long-term national development plan.
4. The guaranteeing of fundamental liberties of the Ghanaian shall be required of every government and promoted as the foundational underpinning of a united country.
5. Schools, religious organisations, the media, political parties and youth groups, among others, should be encouraged to make it their primary obligation to foster patriotism, tolerance and good neighbourliness.

**Fighting Corruption and waste**

1. All political and public office holders required to declare their assets should comply with the requirement and provide proof of compliance. Their placement on the government payroll should be contingent upon the provision of such proof.
2. The Constitution should be amended to provide for the verification and publication of the declared assets, subject to appropriate legal protections for the privacy of the individuals and the integrity of the system.
3. The Constitution should be amended or legislation enacted to provide sanctions for breaches of the Code of Conduct Chapter of the Constitution
4. The Economic and Organised Crime Office (EOCO) Act of 2010, Act 804, should be amended to establish it as an independent investigative body for economic, white collar and organised crime.
5. EOCO should be given powers of prosecution as have been given to the Customs Division of the Ghana Revenue Authority, the Food and Drugs Authority and the Ghana Standards Authority.
6. The various anti-corruption agencies of state should be resourced in terms of personnel, expertise and money, all of which tend to be in short supply.

**Promoting culture and national values for development**

1. The school curriculum should be revised to provide appropriately for teaching positive traditional, cultural values to pupils.

**Strengthening the role of traditional authorities as partners in national development**

1. An Advisory Council for each MMDA including traditional rulers and other prominent individuals or organisations should be established to advise local government bodies in the same way the Council of State advises the President.
2. Consideration should be given to giving chiefs the mandate to settle local disputes to reduce the burden of caseload management in the lower courts, improve the administration of justice, and put to use traditional methods of adjudication and arbitration (with the requisite update in skills and knowledge).
3. The constitutional ban on chiefs taking part in active party politics should remain.
4. Chiefs may be appointed to any national office for which they are qualified in accordance with Article 276 (6) of the Constitution but should not constitute a second Chamber.

5. The President and his/her surrogates should comply with the constitutional requirement that chiefs be consulted in the appointment of the 30% representation to the MMDAs and any other requirements for consultation for appointments.
6. Consideration should be given to making chiefs permanent members of ADR Committees at national, regional and district levels.
7. As far as practicable, chiefs should be included in government delegations going abroad to showcase Ghanaian culture.

**The Role of Civil Society Organisations**

1. Some level of public funding to enable CSOs to play their role in the public sector should be actively considered.
2. The national policy framework and the draft “Not-for-Profit” Bill should be finalised and enacted.
3. CSOs may form an effective umbrella organisation to give them the necessary voice, cohesion and power to be able to play their advocacy role more effectively in national affairs.
4. As far as practicable, the government should involve CSOs in the formulation of public policies at national and local levels.

## CHAPTER EIGHT

### GOAL FIVE: STRENGTHEN GHANA'S ROLE IN INTERNATIONAL AFFAIRS

#### 8.1 INTRODUCTION

A pioneer of the decolonisation process, Ghana has remained influential in Africa's development processes and played critical roles in the various multilateral organisations for development, peace, and security. This notwithstanding, a number of factors constrain the country's ability to be an effective actor in on the international scene relative to its interests.

Part of the problem is the fact that although contemporary international developments make it imperative for countries to closely align their development efforts with the dynamics of the global economy, Ghana does not have a clearly articulated policy and strategy for leveraging its contributions and asserting itself in pursuit of its national interests.

Against the background of growing interdependence, accelerated globalisation, and changing demographic trends, the survival of states is dependent on their ability to develop national architectures that provide the imperatives for building effective relations in the international community. In the case of Ghana, this means developing effective strategies to ensure the development of the right skills, capacities, and legal and policy environment that allow the maximisation of opportunities offered by the international community and the utilisation of such opportunities for development at the national level. Although considerations of the political and economic exigencies of various periods have formed the assumptions underpinning the formulation of Ghana's development strategies, these strategies have largely not been informed by the mutable dynamics of the international system. In instances where Ghana's international relations feature in its development plans, it has been limited to the recognition of Ghana's obligations in the international system. To the greater extent, the opportunities offered by the country's membership of the comity of nations have not fully reflected in its national development policies and strategies.

##### 9.1.1 Overview of Ghana's Role in the World

Ghana's interaction with the international community is a critical component of the Long-Term National Development Plan. Given her relatively modest economic and political power in global affairs, Ghana has attained some success with its foreign policy at various times since independence. It has pursued policies with the aim of maximising the benefits of its interactions with the international community but has also held its own and even making some unique contributions to its immediate surrounding and the world. Through multilateral diplomacy, for instance, Ghana has been keenly represented in activities relating to the maintenance of international peace and security at the United Nations. Within the African continent, Ghana has been an active supporter of regional platforms and initiatives developed to promote the socio-economic and political development of other African countries. It has supported Regional initiatives such as the West African Gas Pipeline Project to advance not just Ghana's but West Africa's economic fortunes. Within the ambit of economic diplomacy, political administrations within the last fifteen years have initiated policies to attract international investment as well as private remittances from Ghanaians living abroad for national development. Ghana has also been able to attract notable foreign grants into its economy.

Notwithstanding these developments, Ghana's past efforts at development have minimised in part by unanticipated developments in the global environment, such as falls in commodity prices, including gold and cocoa, or disruptions in international trade and finance caused by geopolitical developments beyond

its control. The confluence of these factors with a seeming inability of successive administrations to fully harness the country's strengths and maximise its opportunities in the international community defines Ghana's subdued locus in international affairs. Aspiring for a high-income status will thus demand a recalibration of the country's role in international affairs. This must be guided by reasonable consideration of the extent and value of the country's global partnerships and how they can be strengthened. It further demands some contemplation of how technology can be harnessed for national development, and how to enable a synergy between foreign policy and domestic policy in a way that ensures that the gains of foreign policy, such as increased investments, are met by requisite human resources and effective local content policies. Guiding questions should include: How can the power of technology start-ups be harnessed? How can Ghana's globally recognised peacekeeping credentials be leveraged for national interest? To what extent can the country's tourism potential be exploited and promoted vigorously?

This report maps out the strategy for strengthening Ghana's role in international affairs. This is preceded by a discussion of the policy and legislative context underpinning Ghana's role in international affairs, a discussion of trends in the international environment, and a strategic review of Ghana's context. The strategy is then presented in the framework of seven critical success factors that point to the achievement of Goal 5 of the Long-Term National Development Plan, strategies for achieving each critical success factor, and key performance indicators relating to each of the strategies.

### **9.1.2 Developments in the International Environment**

The international system is ever changing in largely unpredictable ways. It is sometimes characterised by conflict, and at other times by cooperation. It involves freezes and thaws in different epochs and every nation at any point in time must take into consideration the vicissitudes of the world outside its borders in its decision making and general attitude to the world. The international system is also amenable to changes on all fronts, including economics, trade, and security.

On the international stage, the neoliberal order is under attack and major events in 2016 will go down as a watershed in international relations. Within that year, the world saw an onslaught on the neoliberal economic order that has pertained over the last two decades in a way that was almost unpredictable a year or two before. This phenomenon is dubbed in some circles as 'the end of the end of history'. The notion that the world is at 'the end of the end of history' basically posits as false, the contention that the competition between neoliberalism and communism, democracy and authoritarianism, and openness and isolation were settled for good and that neoliberalism, democracy, and openness will mark a stable final phase of history at the end of the Cold War.

The rise of nationalism and xenophobic political ideas in politics, calls for protectionist policies, and the backlash against free trade regimes—especially in Europe and the United States appear to falsify the end-of-history thesis. More importantly, they portend wide ramifications for the world. Those countries that have been open, liberal and sought to promote democracy and liberal values around the world have been overhauled by elements within those countries that show a blatant dislike for the global outlook of their domestic policies and their international interventions that have anchored global collective decision making for the pursuance of collective interests and security. It is important to recognise that for the next decade, the international system will in the least, be in a unique transition or undergo a radical reset in the extreme. The rise of right-wing ideas and policies will have to undergo their own test to ascertain whether they are capable of replacing the neoliberal mechanisms of delivering prosperity and security for countries and the world over the long term.

On the side of economics, the dynamics of the global economy have changed considerably. On the whole, Newly Industrialised Countries and emerging economies have emerged as new centres of economic power, altering the power relations in the international environment. These dynamics over past decades

saw the rise of the Asian Tigers (South Korea, Hong Kong, Singapore, and Taiwan) and, more recently, Brazil, Russia, India, China, and South Africa—also known as the BRICS. Barring any severe economic downturns in the global economy, more countries are projected to join the league of Newly Industrialised Countries, including Mexico, Indonesia, Nigeria, and Turkey (the MINT countries), which in 2014 were tipped to rise to economic prominence in the near future. The significance of emerging economies and Newly Industrialised Countries reflects in the sway that they hold on the global economy. Emerging economies account for 60 percent of the global gross domestic product, increasing from less than 30 percent just a decade ago. According to the IMF, 80 percent of the post-2008 financial crisis economic growth and recovery was due to the role of emerging economies.

Emerging economies are affecting trade dynamics flow greatly; total trade between emerging and advanced economies has overtaken trade among advanced countries, while on the other hand, policy imperatives have emerged among countries of the Global South to trade among themselves, in the general scope of South-South cooperation. And due to significant growth rates and economic success at home, they have become alternative financial markets and development assistance to developing countries.

Emerging economies, however, do not represent a monolithic impact in terms of the indications and forecasts that they present to influence the underlying trade and economic policies of countries that want to interact with them. In the past several years, growth in star emerging economies, including Brazil, Russia, and China, have begun to slow while others such as India and Mexico are experiencing sustained growth. In the short term, it is projected that China's growth would continue to slow as it clothes itself properly of the characteristics of advanced economies—diversifying away from industry to services; developing its domestic market rather than overconcentration on exports and increasing consumption over investment. This suggests that even in the pack of emerging economies, there are financial and economic variations that must necessarily affect their interactions with other countries' economic and trade policies.

Along with the emergence of Newly Industrialised Countries, the Asia Pacific has become very important to the global economy. The region, labelled as the most dynamic region of the world by the 2016 International Monetary Fund Regional Economic Outlook Report, boasts of a number of newly industrialized countries and emerging economies, including China, India, Malaysia, Russia, South Korea, and Thailand, and as a result has become a hub for economic and financial activity. The rising economic influence of the region presents opportunities for trade, markets, and financial resources, and has attracted interests even among the most developed countries, many of whom have taken steps to recalibrate their economic, trade, and foreign policies to engage closely in the region. Over the past seven years, for instance, the United States, has negotiated and signed in February 2016 the Trans-Pacific Partnership Agreement with the region—a trade pact that the US government has economic opportunities for the United States. China, on the other hand, is holding the United States to a competition in the region, asserting regional leadership and spearheading the longstanding parallel pact, the Asia-Pacific Trade Agreement, of which it is a member with the rest of the region. It suggests that the Asia-Pacific region has become a ground for competition and it is the place to look for economic partnerships. In addition to economic relevance, emerging economies have attracted political and cultural relevance in many parts of the world. For instance, China is increasingly opening up media outlets in places like Africa and its telecommunications networks are competing with those from other regions. More and more African students are utilising educational opportunities in China as the latter makes deliberate efforts to attract international students through scholarship packages.

In terms of international peace and security, the international security environment has been fast-evolving since the turn of the 21st century. While international security remains threatened by conventional threats such as conflicts and wars existing in isolated swathes across many regions of the

world, sources of international insecurity have also emerged in the form of new threats such as terrorism and transnational organised crime. With regard to terrorism, the international community has been on high alert since the 9/11 terrorist attacks on the United States and the subsequent onslaught of the activities of Islamist terrorist groups in many regions of the world. On the other hand, the past decade has seen a surge in the activities of transnational criminal groups and cartels engaged in narcotics and arms smuggling, human trafficking, money laundering, and piracy. With their proclivity to operate in jurisdictions where structures of law enforcement are either porous or biddable, the full impacts of transnational criminal groups amount to undermining the stability of countries and the security of their civilian populations.

Considerations of synergies that exist among new security threats and their cumulative impacts on populations, especially in the context of the prevalent paradigm of human security, coupled with their ability to defy national boundaries and manifest across national jurisdictions, signal an infeasibility of any unilateral approach to addressing global insecurity in the 21st century. This truism has given a livewire to multilateralism in terms of international security cooperation to combat the new international security threats. The United Nations platform, through conventions, resolutions, and declarations, has courted multilateral commitments toward generating action against terrorist financing, money laundering, narcotics trafficking, and piracy, among other transnational organised crimes. At the other end of the spectrum, security cooperation at the bilateral and regional levels has become incumbent, urging developed countries like the United States and bodies like the European Union to double their security ties with vulnerable contexts to strengthen capacities and build security infrastructures.

In the area of development, there has been consistently dwindling Official Development Assistance (ODA) flows to developing countries, some of which due to their modest economic progress over the past decade are either no longer on the list of the poorest countries or have attained lower middle-income status and hence no longer qualify for grants and concessionary loans. In another breath, the financial difficulties that saddled many donor countries since the 2008 financial crisis have accounted for rollbacks on ODA commitments. The remaining alternative for many developing countries is the trading of financial assets in the international financial markets, often at high rates, a situation which threatens to return many developing countries to the debt crises they were saddled with a decade ago.

On another score, recent trends suggest that for some developing countries, a new source of capital has emerged to fill the financial flow deficit: remittances. For instance, in West Africa, foreign remittance flows to the region in 2014 amounted to 26 billion Dollars, representing 3.2 percent of West Africa's GDP, which exceeded total ODA flows to the region. It thus reemphasizes the changing character of the international financial markets where ODA flows. It suggests that going forward, developing countries need to reposition themselves to attract new sources of their development funding.

Finally, platforms provided by international organisations, now more than ever, are used by countries, both developed and developing, to promote their economic and national interests. Fundamental ways through which countries appropriate the platforms of international organisations is through promoting their citizens to take up leadership roles in international organisations, enabling them to wield influence in those organisations to promote their political and economic interests through lobbying. Besides, countries are increasingly seeking to become members of diverse international organisations either by becoming full members or seeking observer status. For instance, in Africa, for political and, perhaps, economic reasons, Palestine has secured observer status in the African Union (AU); while on the other hand, Israel has been lobbying strongly to regain an observer seat in the AU. China built the multi-million Dollar AU headquarters in Addis Ababa and thus has a lot of goodwill from the organisation. Elsewhere, the United States has been lobbying to join the ASEAN bloc in order to spread its influence and promote its economic and political interests in the Asia Pacific.

## 8.2 GHANA AND THE WORLD: OPPORTUNITIES AND CHALLENGES

Ghana's interaction with the rest of the world is shaped immensely by its strategic context. In order for Ghana to develop formidable strategies of foreign policy in the 21st century, it must harness its strategic context, projecting its strengths and maximising opportunities, while mitigating the threats and the weaknesses.

### *Strengths*

Democracy and good governance: Ghana was soon after independence plunged into a spate of military adventurism in its governance, interfering with the growth and stability of democratic governance in the country. At every turn, democratic forces tried to force a return to democracy leading to many false starts. By 1992, however, Ghana returned to constitutional rule and, ever since, has consolidated its democratic practice, having seen a peaceful transfer of political power from one regime to another across the two major political parties. Over the years, it has kept faith with its democratic practice in spite of challenges within its immediate environment such as being in a sub-region dogged with perennial political instability as well as internal challenges to its democracy in the form of occasional contestations of the electoral process and repudiations of electoral outcomes. Through its democratic practice, Ghana has carved a niche for itself as a model of democracy and good governance in Africa, ranking highly on many international indices of democracy, freedoms, and good governance, and hence, Ghana is considered among the international community as a favourable destination for investment and an oasis of peace and security.

Ghana's international relations: Ghana is an ardent believer in a liberal international order, favouring openness, multilateralism, and cooperation over closeness, unilateralism, and protectionism. As a developing country, the focus of Ghana's international relations over the years has been creating the partnerships that can generate the necessary investment to promote its development. In Ghana's bilateral relations, the focus for a very long time has been on traditional western partners with whom the country has engaged right from independence, but in recent times, changes in the global economic structure are reflecting in changes in Ghana's focus. The country is increasingly looking beyond and outside the traditional partners.

Ghana's international relations over the years in terms of bilateral and multilateral engagements have been varied across political dispensations. The Nkrumah-led government, which set the tone for Ghana's foreign policy came up at a time of heightened tension in the world—the Cold War. However, it navigated the global dynamics well enough that Ghana became a beneficiary of strong bilateral relations with the East-West Cold War adversaries for the most part. As a result, the Nkrumah government was able to secure funding for both the Akosombo Dam and the Bui Dam and Atomic Energy project from both the Americans and the Russians. Above all, the highlight of Ghana's foreign policy under the Nkrumah administration was its role in decolonization and pan-Africanism which culminated in the formation of the Organisation of African Unity (OAU) now African Union (AU).

The Busia-led government also pursued Economic Diplomacy quite vigorously although not with the same success that was seen under the Nkrumah era. Moves made by the Busia government clearly showed that it saw building outside partnerships as necessary for Ghana's development. The country under Busia also witnessed some unusual backlash to Ghana's foreign policy, specifically Ghana's dialogue with apartheid South Africa and the Aliens Compliance Order. These two decisions made Ghana stand out in the international community for criticism, even more so in Africa.

The Acheampong regime did not pursue economic diplomacy with the same deliberateness of prior regimes. The Acheampong regime, at any rate, went on a collision course with International Finance

Institutions as well as some bilateral partners with its debt-repudiation policy. It is, however, very interesting how his version of economic diplomacy managed to obtain some significant concessions on Ghana's debt that freed the country's finances and allowed room for some recovery in spite of his open defiance of international conventions. After obtaining power, the People's National Democratic Congress, led by Jerry Rawlings embarked on economic diplomacy with the goal of reducing Ghana's crippling debt and obtaining financial assistance to keep the state running. The Economic Diplomacy pursued under Rawlings chalked some considerable success. The country got on board the Structural Adjustment Programme under the auspices of the World Bank. Although the programme led to some serious challenges, arguably the programme did halt the economic downturn and put the country on the path to recovery.

The Kufuor administration is the one that really put economic diplomacy high up in the pecking order in Ghana's international relations. Gains such as the Highly Indebted Poor Country Initiative and the Millennium Challenge Account as well as some road construction are some of the tangibles of Economic Diplomacy in the Kufuor years. The Mills-Mahama administrations, for the most part, continued with economic diplomacy. The shift in global dynamics toward Asia was duly recognised by these administrations. Much of the bilateral relations that have led to investment in Ghana since 2009 have come from non-traditional economic partners such as China, Brazil, and India. Again, since 2009 these non-traditional partners have been involved in infrastructure development and the revamping of industries among other things. With a history of elaborate international bilateral and multilateral engagements, Ghana acquits itself as a responsible partner in the international system and puts it in a sound position to attract investment.

Memberships of international organisations: Ghana believes in multilateralism and as such seeks global and regional collaboration to address global problems. The 1992 Constitution, under the directive principles of state policy, binds Ghana to be committed to and honour its obligation to international organisations. The international organisations that Ghana must commit to are the United Nations (UN), the African Union (formerly the Organisation of African Unity, OAU), and the Economic Community of West African States (ECOWAS); apart from these, the constitution enjoins Ghana to be committed to obligations under any other international organisation it joins.

In the UN, Ghana has contributed enormously to international peace and security through its support for the course of the UN peace and security agenda generally and participation in peacekeeping in particular. With respect to international peacekeeping, Ghana's contribution has contributed to promoting peace and security since 1948 when UN peacekeeping began. Subsequently, it has remained loyal to the cause of international peace, security and justice ever, participating in over thirteen UN and other regional.

Peacekeeping missions. Apart from peacekeeping, Ghana's role in the UN has contributed to promoting peace and security and the resolution of some intractable conflicts around the world. For instance, during Ghana's tenure as the chair of the UN Security Council, it led peaceful processes towards peace and security in many parts of the world, including in Timor-Leste, Haiti, Burundi Côte d'Ivoire and the Middle East. Particularly, Ghana as chair led the adoption of two critical resolutions: Resolution 1701 (2006) on the cessation of hostilities between Israel and Lebanon, and Resolution 1706 (2006) which demanded that Sudan allows the expansion of the UN Mission in the Sudan in the Darfur region.

On the African continent, Ghana has demonstrated leadership in its membership of the AU and the ECOWAS. It was a founding member of the OAU and promoted Pan-African ideals in its contribution to the decolonization of Africa. Part of the pan-African ideal is a continental union and the OAU was formed in fulfilment of that ideal. In the West African sub-region, Ghana has had to assume a leadership role within ECOWAS by being at the forefront of peace and security initiatives since the 1990s in places like Liberia and Sierra Leone. Likewise, through the ECOWAS platform, it has championed regional integration



by leading efforts at intra-regional trade, free movement of persons, goods, and services as well as security collaboration to counter new security threats such as terrorism. There has also been a significant focus on Regional infrastructure (roads, telecom, energy), institution-building, leadership and governance.

**Culture, identity and values:** Ghana has a diverse culture, constituting the identities and lifestyles of many diverse groups. From its diversity, it has created symbols of national identity, including aspects of food and clothing from its diverse cultures, which have become distinctively Ghanaian. Coupled with the general hospitality of Ghanaians who are open and welcoming to people of different cultures and identities, there is an opportunity to cultivate the cultural diversity of Ghana in promoting tourism.

### ***Weaknesses***

**Cultural challenges:** Ghana as a country has not been very resilient and deliberate in its response to the waves of cultural exchanges that globalisation has spawned in recent times. Thus, the country has not been able to affect global culture as much as cultures from other places have affected the country. Ways of life and music and manners of expression that are not originally Ghanaian have come to stay in Ghana whereas the reverse cannot be said to prevail. In addition to this is an unresponsive public sector that needs re-orientation and reform, such reform (productive – lean and efficient, complementing the private sector) must include significant diminution of the culture of bribery and corruption.

**Economic vulnerabilities:** Ghana's economy has been too vulnerable to external shocks because of the country's dependence on commodity exports and ODA. Ghana's economy still faces some fundamental structural challenges. First, Ghana is still largely natural resource dependent, the country has not been able to make the full transition from natural resource extraction and exportation to an industrial phase. Second, the country's economy, for the most part, is in the informal sector which is difficult to regulate because they are often unregistered or do not operate within the formal financial system. Third, there is the increasing foreign ownership of the commanding heights of Ghana's economy. Owing to trade liberalisation and open markets, foreign firms have found Ghana a good place to do business but even though their involvement has led to economic growth, much of that growth does not affect the ordinary Ghanaian.

**Disconnect between Academia and Government:** The major challenge facing Ghanaian scholarship is its isolation from actual policy-making in the country. It is also seen as an esoteric activity outside the mainstream ideas and discourse of ordinary people. However, for policymaking purposes, the implementing bodies' hands are strengthened when the ideas and policies that are advanced and pursued in foreign policy are common positions that most people in the country hold. To this end, there is a need to connect academia to mainstream discourse in the media so that scholarly output becomes main material for public discourse and from which foreign policy makers may take input.

### ***Opportunities***

**Opportunities in Education:** Education occupies a critical position in the international system. Policies and programs are borne out by scholarly contributions from various parts of the world. Thus, the countries with the best scholarly contributions get to set the agenda for the others. Therefore, for countries like Ghana, a solid contribution to the international discourse through scholarship will help to make clear both how it sees the world and how the world should see it. Ghana's academia has acquitted itself well, by many standards, through the numerous excellent Ghanaian scholars in diverse fields. In addition, institutions like the University of Ghana and Ashesi University are doing very well and are getting international recognition. The missing link has been the lack of a deliberate strategy to use these resources in the pursuit of Ghana's national interest, hence the opportunity to do so now.

Opportunities from globalisation: The world is becoming increasingly interdependent and interconnected because of globalisation. Globalisation as a phenomenon is driven by factors such as technological advancements, increased mobility and trade liberalisation. Ghana has a liberal outlook on globalisation and this is enabling it to integrate into the globalised world. Because of this integration, there are many benefits, which have accrued to the country. In the context of mobility, for example, Ghanaians have benefited immensely from the ease of travel to access educational opportunities in other parts of the world. Currently, there are Ghanaians studying in universities all over the world providing a big pool of talent from which knowledge and skills are obtained to promote socio-economic development. Also, trade liberalisation has engendered some positive results for the Ghanaian economy. Not only has the economy been opened up to goods from other countries, there is access to wider markets for the export of Ghanaian goods. In a world where Information Communication Technology (ICT) has taken centre stage in the day to day activities, an ICT literate population is a must have for any country to compete in the global marketplace. Ghana has not been left out in this ICT revolution. It boasts of a sizeable ICT literate population that has been made possible in part by the efforts of the government of Ghana to boost ICT education in primary and secondary schools.

Opportunities in labour provision. The youth bulge in Ghana, if properly managed, can serve as an important resource at a crucial time for Ghana. As much of the rest of the world are increasingly becoming an ageing population, Ghana and for that matter, Africa is poised to be the next centre for global productive labour in the coming decades because of its extraordinarily high youth population. In all regions of the world, but Africa, growth in youth population has peaked. Specifically, the youth population in Africa in 2015 was 226 million, accounting for 19% of the world population. By 2030, the UN projects that Africa's youth population would reach 42%; and by 2055, it would be more than double the current level. The pattern is representative of many countries on the continent. In the case of Ghana, going forward, there is the opportunity to convert its youthful population into an asset to achieve economic development.

### ***Threats***

Threats from free movement: Ghana currently plays host to a number of foreign nationals from all over the world. Although this has drawn economic benefits for the country, there are also heightened social concerns in relation to security and rising crime rate. These crimes range from illegal mining to cyber-crime to murder and human trafficking and this poses serious threats to Ghana's national security. The influx of illegal foreign miners, for example, does not only pose threats to Ghana's national security but also human security as the environment is being degraded.

Threats from the use of technology: The advent of the Internet has brought with it uncontrolled access to information, regardless of a person's geographic location, once there is Internet access. The proliferation of the Internet and its unregulated nature has made it subject to abuse, especially by the youth. People are thus taking advantage of this to perpetuate crimes such as Identity theft, credit card fraud and child pornography, that could potentially jeopardise the growth and development of many young people. Overall, the Internet has brought with it, new ways of transacting business, communicating, learning, socialising and as a result transforming just about every aspect of daily life. Notwithstanding, it has engendered a fast growing environment for a wide range of malicious activities such as cybercrime and the country has gained global notoriety for cyber-criminal activity. With an average of 1000 crimes every year, Ghana ranks second in Africa and seventh in the world in a league for cybercrime. Ghana has suffered many setbacks because of the growing threat of cybercrime in the country. In terms of e-commerce, for example, PayPal has blacklisted Ghana for over a decade because of credit card fraud, making it difficult for people to engage in online transactions.

Unmistakably, the cyber threat is a fast growing and rapidly evolving complex phenomenon. With most of the critical infrastructure resting on cyberspace and given the important role computer systems and the Internet play in our daily lives now, Cyber insecurity is indeed the most pervasive risk issue faced by states and organisations worldwide. Ghana has been a victim of attacks on its main government website and other government agencies' websites as well as systems belonging to private banks. Thus, it is important to continuously monitor and take proactive measures to help thwart cyber-attacks.

Deteriorating security context of the West African sub-region. Ghana is situated in a sub-region that has been experiencing a deteriorating security environment. Threats such as terrorism and transnational crime continue to remain intractable security challenges for countries in the sub-region. Generally, the threat environment of the West African region has changed significantly. Conventional sources of insecurity and threats such as intra-state conflicts and civil wars have subsided. Over the past decade, origins of insecurity in the sub-region have become closely tied to new dynamics of threats including election violence, which has derailed the burgeoning democratic process in the West African space, while unleashing wanton violence on populations in places like Guinea, and Cote D'Ivoire. Transnational threats such as violent extremism and terrorism in the Lake Chad Basin, as result of the activities of Boko Haram and in the Sahel, from the activities of Al-Qaeda in the Maghreb, have upended West African security, with impacts on life and property. In addition, the West African region, due to a shift in the global narcotics market from North America to Europe, has become a transit point for global drug trafficking, where narcotics from Latin America is transited across the Atlantic to Europe, leaving some West African countries, such as Guinea-Bissau, 'narco-states'. Again, new centres of insecurity have emerged in the Gulf of Guinea that has seen oil and gas discovery and exploratory activities in recent years, and as such, has attracted maritime piracy in the littoral terrains of the West African sub-region. Over the years, maritime piracy has interrupted international maritime trade and increased the cost of international shipping in the region. Collectively, these threats have remained intractable security challenges for countries in the sub-region.

Climate change and resource conflicts; the effects of climate manifesting in the depletion of water resources, changes in rainfall patterns, crippling droughts and rising sea levels pose an existential threat to many places within Ghana and the African continent. The depletion of water resources and reduction of arable land will have devastating effects on human survival and risks sparking conflicts between nation states in a competition of scarce resources. The International Panel on Climate Change IPCC has put forward that Africa will be the most adversely affected region by climate change. The mainstay of many African economies of agriculture. African agriculture is 96% rain-fed and is likely to suffer as rainfall seasons become shorter and more intense. For West Africa, the Panel predicts that droughts will create food security challenges as arable land reduces as much as oceanic productivity. All these developments will elicit very different responses from people and governments alike and as such presents a major fault line moving forward.

Management of cross-border resources; Ghana shares vital resources (mineral and maritime) with its neighbours. It is expected that tensions and conflicts will arise out of the management of these resources or competition to secure exclusive rights for exploitation as natural resource become increasingly scarce and the need for them increases. Ghana already encounters diplomatic challenges with Burkina Faso over the perennial opening of the Bagre dam. It is also engaged in international arbitration with Côte d'Ivoire over its newly discovered oil resource. If these conflicts are not managed well it could heighten tensions and deteriorate relations between Ghana and its littoral neighbours in particular.

Fallouts from the Democratic Capital: Finally, it is worth noting that Ghana's democratic capital and its status as one of the stable countries in West Africa ironically constitutes a threat to its territorial integrity and the independence of its foreign policy. In this regard, there is no gainsaying that the more stable a country, the more likely it is to attract interests from developed countries. While this may be ideally

welcoming, it is worth noting that such attention could take the form of superpower manipulation and/or threats from enemies of such superpowers. Countries in the sub-region such as Cote d'Ivoire and Mali have for instance attracted terrorist actions by virtue of playing host to varying interests of countries such as France and the US.

### 8.3 GHANA BEYOND AID

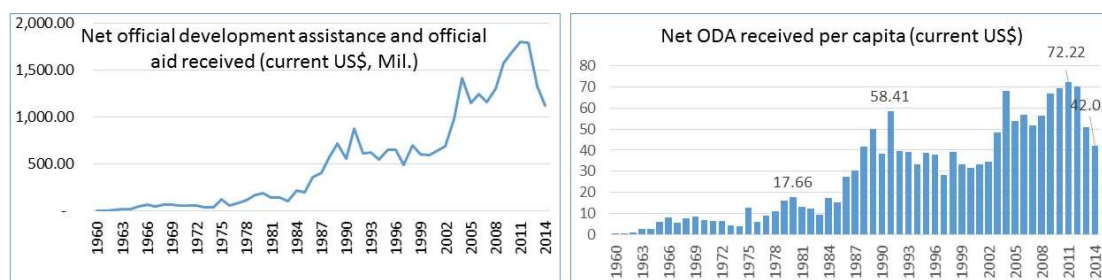
#### **Background**

Up until the mid-1950s, Ghana financed its own development without “foreign aid”, thanks to generally good commodity prices that led to successive years of budget surpluses, as well as relatively low levels of development under colonialism that did not require much government spending. The situation changed with government’s rapid development agenda from the mid-1950s onwards, straining government’s finances. By 1960, the budget surplus of £36.8 million in the 1954-55 fiscal year had turned into a deficit of £41.9 million, having risen steadily from 1955 onwards.

By 1960, Ghana had also become a net recipient of foreign aid, receiving US\$2.9 million (equivalent to US\$20.9 million in 2013 prices) in “net official development assistance and official aid” that year<sup>330</sup>. Coupled with a dramatic increase in supplier credit from abroad to finance the country’s growing imports, primarily consumer goods, this led to a rapid build-up of the country’s external debt, with foreign aid in the form of bilateral and multilateral loans and grants being a major part. In the years that followed, Ghana gradually became an aid-dependent country.

#### **Trends in Aid for Ghana**

The figure below shows trends in foreign aid in nominal and per capita (population-adjusted) terms. After the coup of 1972, government repudiated its external debt, leading to an impasse in government-donor relations and a consequent fall in aid. Once the impasse was resolved, aid resumed, but it was not until 1984, one year after government launched the Economic Recovery Programme with the assistance of the IMF, the World Bank and bilateral donors, that aid levels rose sharply. Between 1970 and 1979, annual aid averaged US\$80.8 million but it rose to US\$304.85 million between 1980 and 1989.



In the 1990s, aid inflows levelled off, reflecting broader global trends (per capita aid to Sub-Saharan Africa fell from US\$35.1 to US\$22.8 between 1991 and 1999). Once Ghana acceded to the Heavily Indebted Poor Countries (HIPC) initiative in 2001, aid levels picked up again in both nominal and per capita terms, peaking in 2011 at US\$72.2 per capita, one year after the country become a lower middle-income country and thus ineligible for certain forms of aid, including concessional lending reserved for poor countries. By 2014, aid per capita had plunged by nearly 42.0 percent to US\$42.05.

<sup>330</sup> World Bank, *World Development Indicators*, 2015.

## **Response to Middle-income Status**

The attainment of middle-income status (announced by the Ghana Statistical Service in November 2010) had been preceded in September of that year by a “Ghana Aid Policy & Strategy” signed between government and donors, spanning 2011-2015, with the objective of ensuring the following:

... aid programmes should be geared towards supporting Ghana’s objective of attaining the Millennium Development Goals and middle-income status by 2015 and 2020, respectively. To this end, the Ghana Aid Policy and Strategy aims to ensure aid effectiveness by aligning aid to Ghana’s national development priorities; and serves as a guide to Government, Development Partners, Civil Society Organizations and other stakeholders in the management and coordination of external aid in Ghana.

The strategy, however, was overtaken not just by the attainment of middle-income status but also the commencement of oil production on a large scale in 2011, with the anticipation that it would increase government revenue. This reinforced the donors’ position of scaling back aid. In 2012, government proposed a 10-year (2012-2022) “transitional arrangement” in the form of a “compact” with donors. The Compact was based largely on the second Ghana Shared Growth and Development Agenda (GSGDA II), the Millennium Development Goals, and the Multi-Donor Budget Support (MDBS) framework. Both government and donors expressed their “commitment to the aid effectiveness principles as agreed by the Paris Declaration (2005), the Accra Agenda for Action (2008) and the Busan Partnership for Effective Development Cooperation (2011).”

Various disagreements between government and donors rendered the Compact inoperative.

## ***Critique of Foreign Aid***

A major premise of foreign aid, which opponents and supporters alike have debated since the 1950s (when “development economics” was seen as the path to re-building newly liberated colonial societies) is that it would help bridge the gap between savings (which are low in poor countries) and investment (which is required for economic growth in these countries). The verdict on the efficacy of aid, however, has ranged from outright failure to qualified success, depending on a number of factors, such as a country’s development policies or its institutions of governance. Geo-political considerations – especially at the height of the Cold War when some donors were more interested in propping up favoured regimes than fostering development – have been cited as some of the causes of the failure of aid in some countries. Out of this aid debate has emerged a large literature on “aid effectiveness”, which culminated in the Paris Declaration, the Accra Agenda, “Busan” (mentioned above), as well as the United Nations’ strategy of Delivering as One (DAO). The stated aims of these initiatives are to promote effectiveness, ownership and partnership. However, actual compliance on both sides remains elusive. Below are some of the emerging challenges in donor-recipient relations:

- Lack of coordination: Despite repeated pledges to coordinate their activities, particularly in line with recipient nations’ development priorities, most donors continue to work in “silos” and sometimes at cross purposes and in competition with each other, leading to duplication of effort and waste of resources.
- High transaction costs: The insistence by some donors on operating outside agreed harmonised frameworks, such as the MDBS, means that government officials, already handicapped by low capacity, are required to engage multiple donors over the same issues multiple times.
- “Ownership” is often contingent upon what donors want, and not necessarily what the recipient nations deem a priority.

- Unreliable disbursement of aid: Failure by recipient nations to raise matching funds and weak operational practices by donors have been responsible for major shortfalls in programmed donor resources. This has a tendency to disrupt budget execution and slow down the pace of development.
- Projectised aid: The tendency to tie most aid to time-bound projects, often based on separate “project accounts” and “project assets”, without situating them within country systems, undermines sustainability. It accounts in part for the gap between aid and results, as project effects are often fragmentary, short term and ultimately marginal beyond the enthusiastic disbursement of “project funds”.

In one form or another, Ghana has been affected by the various deficiencies of aid listed above. Indeed, in some years, donor shortfalls have been as much as 50.0 percent. In order for the country to achieve its long-term goal of becoming a high-income country and strengthen its position in the world, including sharing its development experience with other countries, it will have to formulate an exit strategy from aid. This will require strengthening fiscal policy to increase revenue, improve spending quality and raise productivity in the public sector. Any aid that Ghana requests or receives in the interim should go towards building capacity for a successful exit strategy, with timelines.

#### 8.4 INDICATIVE STRATEGIES FOR ATTAINING GOAL FIVE

##### ***Strategic Objective 1: Promote a globally competitive and professional foreign service***

##### **Indicative Strategies:**

- **Undertake a comprehensive review of Ghana’s foreign policy since independence and identify new areas of strategic importance (both challenges and opportunities) for the country.**  
Given the fact that Ghana’s foreign policy has seen very little change since independence, when African liberation, for example, constituted a central focus of foreign policy, a comprehensive review is long overdue. The review, which, in addition to government officials, must involve retired diplomats and experts in international relations, should span the whole range of issues, including the use of soft power, in Ghana’s international relations within the context of the 21<sup>st</sup> century. The optimal number of embassies and their distribution around the world should also be part of the review, accompanied by measurable recommendations for implementation.
- **Strengthen research into international developments and their implications for Ghana**  
The increasing interdependency among countries demands that Ghana develop dynamic and formidable strategies in the conduct of its foreign policy. This requires well-informed positions, informed by cutting-edge research, on global affairs. This calls for a strengthening of the Legon Centre for International Affairs and Diplomacy (LECIAD) and broader collaboration with state agencies such as the National Development Planning Commission, and various institutions of higher learning.
- **Intensify and expand subject- and geographic-area specialisation in the Foreign Service.**  
In order to develop a globally competitive Foreign Service, there is a need to increase the number of subject and area specialists, with the capacity to undertake strategic analysis through cutting-edge research on current and potential events and recommend appropriate policy options to the government.

***Strategic Objective 2: Strengthen relations with the Ghanaian diaspora and the Pan-African world in general***

**Indicative Strategies:**

- **Strengthen engagement with the Diaspora for national development**

Ghana has a large diaspora throughout the world made up of Ghanaian emigrants as well as descendants of those emigrants, all of whom show varying degrees of interest in Ghana's development. There are also people of African descent who are not Ghanaian but through their Pan-African ideals show interest in Ghana's development. Together, these groups could make significant contributions to Ghana's development. Most discussions of the diaspora focus on remittances, but more important than remittances are their non-financial assets of experience, skills, and a global network of knowledge that they can bring to Ghana's development either through their physical presence in Ghana or the use of information and communications technology for teleconferencing as well as for basic telephone calls. Appropriate laws must be amended to allow Ghanaians with dual citizenship to hold elective or appointive office.

- **Strengthen economic, cultural, and political cooperation with other African countries as well as countries in the Americas**

Ghana's membership of the African Union (AU) enables it to participate in inter-continental activities that promote peace, social and economic development. There is scope for looking beyond Africa to strengthen relations with other countries, especially those in the Americas and the Caribbean, who share a common history and heritage with Ghanaians.

- **Strengthen Ghana's membership in the UN, AU, ECOWAS and other regional bodies to ensure mutual benefits from its role in each organisation.**

On the African continent, Ghana has exhibited leadership, starting with being a leading advocate in the 1960s of continental unity, and later a founding member of ECOWAS and other regional bodies. As a founding member of the Organisation of African Unity (OAU; now AU), Ghana promoted the Pan-African drive for self-determination and independence throughout the continent. It leveraged its membership of ECOWAS by being at the forefront of peace and security initiatives in countries like Liberia and Sierra Leone during their civil wars. In the medium to long term, Ghana's membership of both bodies will have to be strengthened by spearheading efforts for increased intra-regional trade, free movement of persons, goods, and services as well security collaboration to counter new security threats such as terrorism.

***Strategic Objective 3: Strengthen Ghana's capacity to provide international development assistance, including contributions to peace, security and humanitarian assistance, in Africa and beyond***

**Indicative strategies**

- **Share Ghana's experience in socio-economic development with other African countries**

While Ghana faces some challenges in its national development, it has also been able over the years to assist other African countries in need, including helping post-conflict countries to restore essential services such as electricity and public safety. Ghana also has a long history of contributing to international peace and security through the United Nations and regional organisations. It is time to formalise and expand these contributions through a dedicated state agency under the Ministry of Foreign Affairs and Regional Integration to be known as the Ghana Agency for Development Cooperation (GADC).

- **Initiate efforts to end aid dependency**

Policy pronouncements to see "Ghana beyond aid" must be accompanied by a credible road map to reduce and ultimately end the country's dependence on foreign aid, especially in the form of budget support. Future aid should be technical or humanitarian (in the unlikely event of a major disaster that overwhelms the country's resources) and geared towards building institutions rather than deepening dependency. Cooperation

with other countries should also be strengthened in areas of common global benefit or threat, such as terrorism or climate change.

- **Forge inter-continental collaboration to counter terrorism in all its forms**  
The emergence of security threats such as terrorism, cyber terrorism, transnational organised crime, and human trafficking has necessitated greater inter-continental collaboration towards addressing these challenges. Indeed, the ability of new security threats to defy national boundaries and enter multiple national jurisdictions signals the inadequacy of any unilateral approach to addressing global insecurity in the 21st century. Ghana over the long term must, therefore, intensify its cooperation with the international community in promoting peace and security as well as the resolution of conflicts around the world.

***Strategic Objective 4: Reposition Ghana as an attractive and globally competitive destination for business, tourism and culture.***

**Indicative Strategies:**

- **Create a favourable business environment**  
In order to attract investment into Ghana, the country needs a vibrant and competitive policy and legal framework. Policies that give Ghana an advantage over its peers and laws that make it easier and more profitable to do business in Ghana while contributing proportionately to the country's development are to be pursued. These include tax incentives that benefit both Ghana and investors equitably, an efficient bureaucracy, and strict adherence to the rule of law.
- **Strengthen Ghana's brand globally**  
The Brand Ghana Office must be reformed and strengthened with measurable goals that must be reviewed and assessed periodically in order to ensure a coherent set of activities which will serve as Ghana's platform in the world. Part of this strategy should be a deliberate effort to leverage our prominent business personalities and celebrities in various areas of endeavour as ambassadors of Ghana.
- **Give the private sector a role in formulating Ghana's commercial policies abroad.**  
It is important to establish an advisory council made up of leaders and associations of the Ghanaian private sector, as well as researchers and private individuals (including those from the diaspora), with a mandate to support efforts at entering new markets or expanding existing ones alongside efforts to develop the private sector and accelerate economic growth.



## CHAPTER NINE

### OPPORTUNITIES, CHALLENGES AND FINANCING FOR THE PLAN

#### *Opportunities and Challenges*

Some of the opportunities and challenges that successive governments will encounter in the course of the implementation of the Plan are presented below. The list is not exhaustive, and various governments may modify it as and when some of the challenges are addressed, and opportunities utilised, as new ones emerge over the 40-year period. At the operational level, these opportunities and challenges may be elaborated upon and integrated into successive medium-term plans.

OPPORTUNITIES	REMARKS
A culture of entrepreneurship	From time immemorial, Ghanaians have demonstrated a high degree of entrepreneurship, even in the most difficult circumstances. This trait has also served them well as immigrants throughout the world. In the right policy environment, this entrepreneurship will drive the growth and transformation agenda of the long-term plan.
Global name recognition	As the first British colony to gain independence south of the Sahara, Ghana has been in the international spotlight for decades. The leadership and performance of Ghanaians in international organisations, and the appearance of the Black Stars at three successive World Cup finals, have reinforced that name recognition. “ <b>Black Star</b> ” is a now global brand that everybody instinctively associates with Ghana. Made-in-Ghana products can benefit from this global name recognition.
Large stock of scientific and technological research	Despite funding limitations, the Council for Scientific and Industrial Research (CSIR) has accumulated a large stock of policy-relevant studies and research that can be drawn upon to drive key aspects of the Long-term Plan. SADA has already used CSIR research for its ambitious plan to transform agriculture in its ecological zone.
Declining levels of foreign aid	This decline in recent years should spur government efforts to improve domestic resource mobilisation, including measures to bring in large portions of the economy that operate beyond the reach of the tax authorities.
Proximity to key global markets	It takes 6-7 hours to reach key European markets, and 10-12 hours to reach US/North American markets – significantly lower than travel time to competing countries in Asia. This is an inherent competitive advantage for Ghanaian exporters, given efficient port services and overall logistics systems.
Global technological changes	Ghana need not and should not be a passive beneficiary or “victim” of the technological changes that are driving the Fourth Industrial Revolution; the Plan makes ample room for Ghana to be an active participant, both to solve its own development challenges and export them abroad.
Rising levels of investible capital world wide	The UN Office of Operations (UNOPS) reports that there are trillions of US dollars available world-wide to finance viable infrastructure projects. To be able to tap into these funds, however, a country, according to UNOPS, must have a “high-level” vision of where it

	would like to see itself in “40-50 year”. This includes the preparation of an infrastructure plan.
<b>CHALLENGES</b>	<b>REMARKS</b>
Perennial macroeconomic instability	This is largely the result of consumption-driven public spending, often funded from borrowing, which in turn crowds out the private sector, undermines monetary policy, and contributes to persistently high consumer inflation and a weak cedi. The sum effect is depressed economic performance, low government revenue, and further borrowing to sustain an inefficient government machinery, thus perpetuating a vicious cycle of debt, fiscal dislocation, and economic crisis.
Weak tax administration	A high rate of informality (accounting for nearly 90 percent of employment) failure to deploy modern technology, and lack of innovation to simplify tax-payment processes, are among the factors militating against effective and efficient tax administration. Taxes from the self-employed, many of whom earn substantial incomes, for instance, have been low for many years, averaging just over 1.0 percent of tax revenue between 2010 and 2015. Multi-practices, such under- or over-invoicing as well as transfer pricing, deprive the government of billions of cedis every year.
Excessive dependence on trade-related taxes	This dependence has delayed reforms needed to strengthen tax administration and capture unreported or under-reported incomes from firms and individuals as well as consumption-based taxes. Dependence on trade-related taxes is a sign of underdevelopment and therefore an impediment to progress.
Excessive dependence on foreign aid	The “aid dependency” destroys national self-confidence and creativity in finding viable solutions to the nation’s development problems. With donors sometimes operating at cross purposes through multiple projects and programmes with different government agencies, the cohesion and complementarity required for the effective management of development are undermined.
Low literacy and skills levels	With only 56% adult literacy rate and 77% of the youth with only junior secondary or lower education, Ghana is at a distinct disadvantage in competing in a global economy which places great premium on knowledge and skills. As of 2015, nearly 3 million children in Ghana were out of primary, JHS and SHS, leaving them with very grim career options and a life of deprivation.
Weak local government systems	This is reflected largely in the poor quality of service delivery by local governments and untapped revenue-generating potential for local development. To the degree that local governments represent the fundamental building blocks for development and transformation, these weaknesses pose a threat to successful implementation of the LTNDP.
Weak relationship between fiscal policy and economic planning	The relationship between fiscal policy and medium-term plans has been virtually non-existent in recent times. The result is that fiscal policy has been operated at variance with the realities of the economy. This partly accounts for the 72% deceleration in growth between 2011 and 2015, as exports and imports declined and GDP growth reached its lowest rate since 2000.

Overlapping and conflicting mandates among key government agencies	The overlapping, and sometimes conflicting mandates of some ministries and state agencies remains a source of tension between these organisations and an impediment to growth. Examples are: the Ministries of Education and the Ministry of Employment over the mandate of skills development; the Ghana Standards Board and the Ghana Food and Drugs Authority. Exporters have complained about delayed shipments and lost markets because of “turf wars” between these key state agencies.
Low domestic savings rate	Compared to countries with similar aspirations for economic and social transformation, Ghana’s gross domestic savings rate (made up of household saving, business profits, and government balances) is unusually low: 13.7% in 2015, compared to 28.1% for Malaysia, 33.1 for India, and 48.7% for China.
Low application of science, technology and innovation in development	Most production processes, from farms to factories to offices, are antiquated and hence highly inefficient. Cutlasses and hoes remain the main instruments on Ghanaian farms; many factories, due to the high cost of credit and an ever-weakening exchange rate, operate with obsolete equipment, while most office practices (in both the private and public sectors) have not undergone any innovation in years. The sum effect is low economy-wide productivity.
Lack of a national sense of urgency	Too often important initiatives to deal with particular problems or crises and prevent others from emerging are treated with institutionalised apathy, allowing the problems to fester and making solutions even more difficult in the future. The decision in 2017 to hive off thermal generation from VRA, 14 years after a road map was completed, the failure to build the first nuclear power plant in 2018 (10 years after the decision was taken) are examples.
Endemic corruption and waste in the public sector	Corruption diverts scarce public resources into individual pockets and hence holds back development. Inflating the cost of a school building to twice its actual cost, for example, means that only half the number of schools can be built. This applies to the entire procurement chain of the public sector. Similarly, waste, either in the form of legal but unnecessary spending or inefficient systems, leads to a loss of scarce public resources.
Weak operational capacity of the public sector	Weak hiring practices, lack of opportunities to upgrade skills, and lack of resources to implement planned or budgeted programmes have combined to weaken the capacity of the public sector to play its developmental role.
Significant infrastructure deficits (especially electricity)	While the shortfalls in electricity generation had largely been resolved as of 2016, the situation, which has persisted with various intensities for over 20 years, remains tenuous. Massive investments and reforms are still required in the energy sector in particular and the infrastructure sector in general (see the National Infrastructure Plan).
Lack of a national sense of urgency	An example of this is the unusually long time it often takes to pass some laws or implement certain policies. The Competition Bill, Consumer Protection Bill, and the Municipal Finance Authority Bill are but few examples of this viscosity in policy making that must be overcome as a precondition for the successful implementation of the LTNDP.

Lack of core values to guide national development	To quote a participant from one of the public forums held for the LTNDP, “you cannot fight corruption without ethics”. Ethics and values need to be adopted and operationalised in all institutions, private and public, to guide the actions of workers and Ghanaians in general. National values, such as those captured in the national anthem or the national pledge, need to be popularised and instilled in the general population.
Protectionism in key markets	While under a policy of economic liberalisation Ghana has substantially removed tariffs and other barriers to imports, it continues to face challenges in exporting to foreign markets. Some of these countries maintain low or zero tariffs on raw materials like cocoa beans but impose tariffs on processed or manufactured goods. This discourages manufacturing and industrialisation and creates unemployment.
Cyber and conventional terrorism	While Ghana has so far been spared the destruction of conventional as well as cyber terrorism, they both nevertheless remain potential threats to national security and, by extension, national development.
Weak regional and continental infrastructure	Land, air and sea infrastructure in the sub-region and Africa in general remains weak, limiting the potential for trade and expanding markets. Creative solutions, such as developing regional distribution depots for Ghanaian manufacturers, will be required.

### Financing the Plan

1. National – (Common Fund, GET Fund, GIIF, other dedicated funds, etc.)  
Besides the Common Fund, which provides the general source for financing national development, Ghana has a number of dedicated funds which are not properly synchronised with each other or aligned with government’s development priorities at any given time. Their statutory nature means they have first claims on revenue, leading to undue rigidities and much duplication in the financing of development. There is a need to amend the laws governing these fund and rationalise them to remove the rigidities and ensure their smooth application for development (a proposal for the amendment of GET Fund for its to applied exclusive to infrastructure development has been made under Goal 2 of the Plan).
2. Sub-national – (DACF, municipal financing, IGF, etc.) – The capacity to finance development at the local level varies according to the level of economic development and the strength of local institutions.
3. Other state – State-owned enterprises
4. Private sector
  - Domestic private sector – (deposit money banks, rural and community banks, insurance companies, stock market, Islamic banking, etc.)
  - External private sector – Foreign direct investment, portfolio investment, etc.
5. Development agencies – Focus on multilateral banks (as bilateral resources decline), with emphasis on technical assistance and capacity building for sustainability.
6. Civil society organisations - Principally community-based NGOs, mutual organisations, etc.)
7. Combatting Corruption and Waste:

Long-term Financing – Reconsider the role of development banks. The development of certain sectors, such as housing, require long-term financing that cannot readily be sourced from commercial banks. The failure of development banks in the past was not because of their inherent unsuitability (such banks have been used successfully in Asia, including the transformation of economies like those of South Korea and Taiwan). They failed because of improper governance resulting from undue political interference in what should be independent management decisions, such as hiring of managers and the granting of loans. Any new development banks must be insulated from such interference.

**APPENDIX A**  
**STRATEGIC RESULTS AND CATALYTIC INITIATIVES OF THE LONG-TERM PLAN**

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
<b>GOAL 1: BUILD AN INDUSTRIALISED, INCLUSIVE AND RESILIENT ECONOMY</b>														
<b>Gross Domestic Product (GDP)</b>														
1	GDP (Nominal, US\$, Billions)	2016	42.9	53.5	72.8	120.9	190.2	299.2	454.2	689.6	1,046.8	1,560.7	2,326.8	3,345.2
2	GDP Per Capita (US\$)	2016	1,515.6	1,806.9	2,244.2	3,434.5	5,020.5	7,372.1	10,457.0	14,867.8	21,225.6	29,927.1	42,455.3	58,401.6
3	GDP (Nominal, GHc, Billions)	2016	168.7	267.6	364.1	604.3	950.8	1,496.1	2,271.2	3,447.8	5,234.1	7,803.5	11,634.2	16,726.0
4	GDP Per Capita (GHc)	2016	5,910.9	8,308.12	11,220.9	17,172.7	25,102.3	36,860.4	52,285.1	74,339.2	106,128.2	149,635.6	212,276.4	292,008.0
<b>Sectoral shares of GDP (%)</b>														
1	Agriculture	2016	20.13	18.30	18.2	18.1	17.2	17.1	15.4	15.0	14.5	13.6	12.2	11.0
2	Industry	2016	25.59	27.60	28.1	28.7	30.0	30.1	32.3	33.0	34.4	36.4	37.8	39.0
3	Manufacturing	2016	5.10	5.60	9.50	13.10	15.00	17.50	18.20	19.00	21.00	22.00	24.00	25.00
4	Services	2016	54.28	54.10	53.7	53.2	52.8	52.8	52.3	52.0	51.1	50.0	50.0	50.0
<b>Merchandise Exports (%)</b>														
1	Manufactures share of merchandise exports (%)	2013	16.84	15.00	17.5	22.0	25.3	27.5	30.1	35.0	40.0	45.0	50.0	60.0
2	Hi-tech share of manufactures	2013	4.88	5.0	8.0	12.0	16.00	20.0	25.0	30.0	35.0	40.0	45.0	50.0
3	Commodities (% of merchandise)	2015	71.20	75.00	70.0	60.0	55.0	45.0	35.0	35.0	35.0	35.0	35.0	35.0
<b>Employment Shares (%)</b>														
1	Agriculture	2013	44.70	39.5	35.1	30.3	27.5	25.5	23.5	19.3	18.1	16.5	12.3	9.3
2	Industry	2013	14.40	14.1	14.5	14.9	15.9	17.5	18.6	20.4	23.7	25.4	25.4	25.7
3	Manufacturing	2013	9.30	10.10	11.10	11.43	12.30	13.90	15.00	16.60	19.95	21.10	22.50	23.10
4	Services	2013	40.90	46.4	50.4	54.8	56.6	57.00	57.9	60.3	58.2	58.1	62.3	65.0
<b>Structural Enablers of Growth</b>														
1	Domestic credit to private sector (% of GDP)	2015	20.27	25.00	35.7	47.2	56.7	61.8	67.3	72.3	77.3	82.3	87.4	95.1
2	Gross domestic savings (% of GDP)	2015	13.70	18.50	19.6	20.9	22.5	23.8	24.3	26.1	28.5	30.1	33.8	35.0

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
3	Gross fixed capital formation (% of GDP)	2015	23.61	24.00	25.7	27.1	28.4	29.7	33.4	35.0	34.5	33.1	30.0	30.0
4	Domestic Gov't Revenue (as share of GDP, %)	2016	19.3	21.3	21.8	22.0	22.0	22.0	22.0	24.0	24.0	24.0	24.0	24.0
5	Domestic Gov't Revenue (nominal, GHC, Bil.)	2016	32.57	57.01	79.38	132.94	209.18	329.14	499.66	827.48	1,256.17	1,872.83	2,792.21	4,014.25
6	Electricity consumption (kWh per capita)	2015	348	620	850	1,433	2,113	2,825	3,770	4,655	5,123	5,555	5,995	6,430
7	Electricity transmission losses (%)	2015	3.80			2.0								2.0
8	Electricity distribution losses (%)	2015	24.0		12.0		5.0		2.0					2.0
9	Research and Development (R&D)	2013	0.38			1.0		2.0		4.5				4.0
<b>Cyclical Enablers of Growth</b>														
1	Inflation (% change in CPI, annual)	2016	17.10	Low and stable inflations rates in line with plan targets										
2	US\$-Cedi Exchange Rate (% change, annual)	2016	-4.36	Annual depreciation of less than 1.0% over plan period										
3	Lending Rates (% annual)	2016	31.20	Low and internationally competitive lending rates										
<b>Catalytic Initiatives for Industrialisation and Growth</b>														
(Initiative and completion year)														
1	Ghana Industrialisation Strategy (GIS)	2016		X	X									
2	Manufacturing Advisory Council	2016		X	X									
3	Agriculture Advisory Council	2016		X	X									

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
4	Exports Advisory Council	2016		X	X									
5	Ghana Stock Exchange Rapid Growth Strategy	2016		X	X									
6	Fiscal Stability Council	2016		X	X									
7	Financial Sector Transformation Strategy	2016		X	X									
8	Productivity Development Strategy	2016		X	X									
9	Strategy for Transforming the Informal Sector	2016		X	X									
10	'Future of Work' Strategy	2016		X	X									
11	Labour Market Information System	2016		X	X									
12	Competition Law	2016		X										
13	Consumer Protection Law	2016		X										
<b>GOAL 2: CREATE AN EQUITABLE, HEALTHY AND PROSPEROUS SOCIETY</b>														
<b>Demographics</b>								40.59	43.44	46.38	49.32	52.15	54.81	
1	Population (Millions)	2016	28.9	30.38	32.45	35.19	37.88	4.0		3.8		3.5		57.28
2	Household size (National)	2010	4.55	4.5		4.3		3.0		2.5		2.4		3.5
3	Household size (Urban)	2010	4.1	3.8		3.5		66.8		70.5		73.1		2.4
4	Urbanisation rates (%)	2010	50.9	57.2		62.6								79.1
<b>Human Resource Development</b>														
1	National Human Resource Development Strategy	2016		X	X									
<b>EDUCATION</b>														
<b>BASIC AND SECOND-CYCLE EDUCATION</b>														
<b>ACCESS</b>														



	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
	<b>NET ENROLMENT RATES (%)</b>													
1	Kindergarten	2015/2016	79.5		90	100								
2	Primary school	2015/2016	91.5		100									
3	Junior high school	2015/2016	50.3		75	90	100							
4	Senior high school	2015/2016	25.2		40	85	100							
<b>QUALITY (INPUTS)</b>														
	<b>TRAINED TEACHERS (% of total)</b>													
1	Kindergarten	2015/2016	65.9		80	90	100							
2	Primary school	2015/2016	78.0		90	100								
3	Junior high school	2015/2016	90.0		95	100								
4	Senior high school	2015/2016	86.0		90	95	100							
<b>TEXTBOOKS-PUPIL RATIO</b>														
1	Kindergarten (minimum one core book)	2015/2016	0.2			1								
2	Primary school (minimum three core books)	2015/2016	1.7			3								
3	Junior high school (minimum three core books)	2015/2016	1.7			3								
4	Senior high school (minimum three core books)	2015/2016	0.5			3								
5	<i>English textbook per student</i>	2015/2016	0.5			1								
6	<i>Mathematics textbook per student</i>	2015/2016	0.5			1								

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
7	Science textbook per student	2015/2016	0.4			1								
	<b>CONTENT</b>													
1	Review curriculum in line with long-term plan	2015/2016		X	X									
	<b>PROCESSES AND SYSTEMS</b>													
1	Review relevance of BECE and boarding school system	2015/2016		X	X									
<b>QUALITY (OUTPUTS &amp; OUTCOMES)</b>														
<b>Outputs</b>	<b>COMPLETION RATES (%)</b>													
1	Primary school	2014/2015	99.6											
2	Junior high school	2014/2015	73.5		≥100									
3	Senior high school	2015/2016	46.0		60		≥100							
<b>Outcomes</b>	<b>PROFICIENCY IN CORE SUBJECTS (%)</b>													
1	English P3	2012/2013	28.4		40	75	100							
2	Maths P3	2012/2013	22.1		50	80	100							
3	English P6	2012/2013	39.0		60	90	100	<b>100</b>						
4	Maths P6	2012/2013	10.9		25	55	85							
<b>TECHNICAL AND VOCATIONAL INSTITUTES</b>														
<b>QUALITY (INPUTS)</b>														
	<b>TEACHERS WITH TECHNICAL QUALIFICATION (%)</b>													

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
1	<i>GES Institutions</i>	2015/2016	60.9		75	85	100	100						
2	<i>Other Public Institutions</i>	2015/2016	24.0		50	75	90	100						
3	<i>Total Public Institutions</i>	2015/2016	50.6		60	75	95	100						
4	<i>Private Institutions</i>	2015/2016	29.0		50	75	90							
<b>TERTIARY INSTITUTIONS</b>										35		45		
1	Tertiary Enrolment Ratio	2015/2016	14.2		25									75
<b>EDUCATION INFRASTRUCTURE</b>														
1	Basic schools needing major repairs (pub./priv.) (%)	2013/2014	22.0		10.0	0.00								
2	Basic schools with drinking water (%)	2013/2014	61.0		75.0	100.00								
	- <i>Public schools</i>	2013/2014	44.0		75.0	100.00								
	- <i>Private schools</i>	2013/2014	78.0		90.0	100.0								
3	Basic schools with toilets (%)	2013/2014	72.0		100.0									
	- <i>Public schools</i>	2013/2014	60.0		100.0									
	- <i>Private schools</i>	2013/2014	84.0		100.0									
4	Launch Education Infrastructure Rehabilitation, Rationalisation and Expansion Programme	2016		X	X	X								
<b>FINANCING EDUCATION INFRASTRUCTURE</b>														
1	Amend GETFUND Act (For exclusive and efficient financing of	2000		X	X									

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
	education infrastructure)													
<b>HEALTH</b>								10		5				
1	Infant mortality ratio (per 1,000 live births)	2015	41			22		20		5				
2	Under-five mortality ratio (per 1,000 live births)	2015	60			40		30		10		5		
3	Maternal mortality ratio (per 100,000 live births)	2015	144			54								0
4	Immunisation coverage (Penta 3) (%)	2015	85			100								
5	Malaria deaths (% of total malaria cases)	2016	4.7		1.5		0.0							
6	Under-5 malaria deaths (% of malaria deaths)	2016	40.1		10		0.0							
<b>GOAL 3: BUILD WELL-PLANNED AND SAFE COMMUNITIES WHILE PROTECTING THE NATURAL ENVIRONMENT</b>														
<b>Catalytic initiatives and long-term results for built and natural environment</b>														
1	Implement National Spatial Development Framework	2015		X	X	X	X	X	X					
2	Complete database for unit costs of infrastructure	2016		X										
3	Complete study of procurement value chains	2016		X										
4	Complete and put online National Infrastructure Database	2016		X										
5	Install computerised system for reporting	2016		X										

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
	electricity losses by the public													
6	Install computerised system for reporting water losses by the public	2016		X					15			10		
7	Non-revenue water loss (% of water produced)	2014	50		30		25							10
8	Launch electricity efficiency and conservation campaign	2016		X	X									
9	Launch water efficiency and conservation campaign	2016		X	X			10,362		15,020		20,156		
10	Number of rooms needed nationally (thousands)	2010	2,074	2,632	3,629			8,405		11,602		16,144		20,156
	<i>Urban households</i>	2010		1,707	2,775			1,957		3,418		4,012		16,144
	<i>Rural households</i>	2010		925	854							253,000		4,012
11	Length of road network (km)	2014	71,419									70		253,000
12	Road network in good condition (% of total)	2014	35											70
13	Publish 'Ghana: State of Infrastructure Report' every 4 years	2016		X	X	X	X							X
<b>GOAL 4: BUILD EFFECTIVE, EFFICIENT AND DYNAMIC INSTITUTIONS FOR NATIONAL DEVELOPMENT</b>														
<b>Catalytic initiatives for institutional development and transformation</b>														
1	Initiate public sector reforms and innovation	2016		X	X	X	X	X	X	X	X	X	X	X

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
2	Launch digitised M&E system to monitor quality of service delivery by government	2016		X	X									
3	Rationalise mandates of key state agencies to avoid conflict and duplication	2016		X	X									
4	Establish Office of Public Ethics	2016		X	X									
5	Establish National Census Fund	2016		X	X									
6	Establish National Elections Fund	2016		X	X									
7	Elect Local Government Officials	2016		X	X									
8	Pass Freedom of Information Law	2016		X										
9	Develop National Statistics Capacity	2016		X	X	X	X	X	X	X	X	X	X	X
10	Complete Civil Registration and National ID	2016		X										
11	Launch 'Good Society Campaign'	2016		X										
12	Review and Implement Constitution Review Commission's Report			X	X									
<i>Catalytic initiatives for strengthening Ghana's role in international affairs</i>														
1	Revise Ghana's foreign policy to reflect 21st century realities	2016		X	X									
2	Establish Ghana Foreign Service	2016		X	X									
3	Establish Ghana Agency for	2016		X	X									

	INDICATORS	BASELINE		PROJECTIONS										
		Year	Data	2018	2021	2025	2029	2033	2037	2041	2045	2049	2053	2057
	Development Cooperation													
4	Amend law to allow dual citizens to hold elective and appointive offices in Ghana for national development	2016		X	X									
5	Adopt 'Ghana Beyond Aid' strategy	2016		X										
6	Publish strategy and charter for improving quality of service by Ghana's missions abroad	2016		X	X									
7	Revitalise 'Brand Ghana' Office	2016		X	X									

**APPENDIX B**  
**INDEPENDENCE SPEECH BY DR. KWAME NKRUMAH**  
**6<sup>th</sup> March 1957**

At long last the battle has ended! And thus Ghana, your beloved country, is free forever!

And here again I want to take the opportunity to thank the chiefs and people of this country, the youth, the farmers, the women who have so nobly fought and won this battle.

Also, I want to thank the valiant ex-service men who have so cooperated with me in this mighty task of freeing our country from foreign rule and imperialism.

And, as I pointed out at our party conference at Saltpond, I made it quite clear that from now on, today, we must change our attitudes, our minds. We must realize that from now on we are no more a colonial but a free and independent people.

But also, as I pointed out, that also entails hard work. I am depending upon the millions of the country, the chiefs and the people, to help me to reshape the destiny of this country. We are prepared to build it up and make it a nation that will be respected by every other nation in the world.

We know we are going to have a difficult beginning. But again, I'm relying upon your support. I'm relying upon your hard work. Seeing you in these thousands, it doesn't matter how far my eye goes, I can see that you're here in your millions.

And my last warning to you is that you ought to stand firm behind us, so that we can prove to the world, that when the African is given a chance, he can show to the world that he's somebody. We are not waiting. We shall no more go back to sleep anymore.

Today, from now on, there is a new African in the world. That new African is ready to fight his own battle and show that after all the black man is capable of managing his own affairs.

We are going to demonstrate to world, to the other nations, young as we are, that we are prepared to lay our own foundation. As I said in the assembly just a minute ago, I made a point that we are going to see that we create our own African personality and identity. It's the only way in which we can show the world that we are ready for our own battle.

But today, may I call upon you all, that at this great day, let us all remember, that nothing in the world can be done unless it has the total support of God. We have done the battle.

And we again rededicate ourselves, not only in the struggle to emancipate all the territories in Africa. Our independence is meaningless unless it is linked up with the total liberation of the African continent.

Let us now, fellow Ghanaians, let us now ask for God's blessing, and for only two seconds, in your thousands and millions, I want to ask you to pause only for one minute, and give thanks to Almighty God for having led us through obstacles, difficulties, imprisonment, hardship and suffering to have brought us to the end of our trouble today.

One-minute silence.

Ghana is free forever!  
Agoo



[He summarised his message succinctly for those there and beyond who did not understand English by speaking Fante. Here is a translation of what he said, culled from the New African Magazine]:

What I just said was simply this:

Bondage and oppression have ended. From today, thank God, we are no longer in bondage. Let's agree among ourselves that we shall do whatever it takes to build a successful country. From hence, we are all free, free from bondage and oppression, the oppression which was imposed by the British has come to an end. We should, therefore, give thanks to God.

And we have to resolve to work even harder to develop our country, so that visitors coming into the country would see that our struggle for independence was not in vain. We worked hard and suffered to bring the country this far.

So I want you to thank all the foreign dignitaries who have come to share this great day with us. We thank you – our chiefs, elders, youth, women, men and children. God bless you all. Our ex-servicemen, God bless you.

Now a little English: [followed by a string of acknowledgements which are often omitted when the speech is quoted.]

I want simply to thank those who have come from abroad to witness this occasion. Here, I wish to quote Marcus Garvey. Once upon a time, he said he looked through the whole world to find a government of black people. He looked around but didn't find one. And he said he was going to create one. But Marcus Garvey did not succeed. But here today, the work of Toussaint [L'Ouverture], the work of Marcus Garvey, the work of [Kwegyir] Aggrey, the work of Caseley Hayford, the work of our nationals who have gone before us, has come to reality at this present moment. [The crowd roared]

[It was at this point that he invited the band to play the new national anthem, beckoning all those who had hats on to take them off.]

And here, I'd ask the band to play the Ghana national anthem. [Cheers]

[Overcome with joy Nkrumah, wept and took out his white handkerchief and wiped his tears. He brought the proceedings to an end with the chant of]

Freedom! [the crowd chanted freedom back] Freedom! [the crowd chanted freedom back] Freedom! [the crowd chanted freedom back]

May God bless you!

**APPENDIX C**  
***The 2030 Agenda for Sustainable Development***  
***(Sustainable Development Goals (SDGs))***

- Goal 1.** End poverty in all its forms everywhere
- Goal 2.** End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- Goal 3.** Ensure healthy lives and promote well-being for all at all ages
- Goal 4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 5.** Achieve gender equality and empower all women and girls
- Goal 6.** Ensure availability and sustainable management of water and sanitation for all
- Goal 7.** Ensure access to affordable, reliable, sustainable and modern energy for all
- Goal 8.** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 9.** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 10.** Reduce inequality within and among countries
- Goal 11.** Make cities and human settlements inclusive, safe, resilient and sustainable
- Goal 12.** Ensure sustainable consumption and production patterns
- Goal 13.** Take urgent action to combat climate change and its impacts (*Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change*).
- Goal 14.** Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- Goal 15.** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Goal 16.** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17.** Strengthen the means of implementation and revitalize the global partnership for sustainable development.

**APPENDIX D**  
**African Union's Agenda 2063 – 2013-2063**

**ASPIRATION 1: A PROSPEROUS AFRICA BASED ON INCLUSIVE GROWTH AND SUSTAINABLE DEVELOPMENT**

Goal 1: A High Standard of Living, Quality of Life and Well Being for All

Legend indicator reference

Goal 2: Well Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation

Goal 3: Healthy and Well-Nourished Citizens

Goal 4: Transformed Economies and Job Creation

Goal 5: Modern Agriculture for increased productivity and production

Goal 6: Blue/ ocean economy for accelerated economic growth

Goal 7: Environmentally sustainable climate resilient economies and communities

**ASPIRATION 2. AN INTEGRATED CONTINENT, POLITICALLY UNITED AND BASED ON THE IDEALS OF PAN AFRICANISM AND VISION OF AFRICAN RENAISSANCE**

Goal 8: United Africa (Federal or Confederate)

Goal 9: Key Continental Financial and Monetary Institutions established and functional

Goal 10: World Class Infrastructure criss-crosses Africa

**ASPIRATION 3. AN AFRICA OF GOOD GOVERNANCE, DEMOCRACY, RESPECT FOR HUMAN RIGHTS, JUSTICE AND THE RULE OF LAW**

Goal 11: Democratic values, practices, universal principles of human rights, justice and the rule of law entrenched

Goal 12: Capable institutions and transformed leadership in place at all levels

**ASPIRATION 4. A PEACEFUL AND SECURE AFRICA**

Goal 13: Peace, Security and Stability are preserved

Goal 15: A Fully Functional and Operational African Peace and Security Architecture

**ASPIRATION 5. AFRICA WITH A STRONG CULTURAL IDENTITY, COMMON HERITAGE, VALUES AND ETHICS**

Goal 16: African Cultural Renaissance is pre-eminent

**ASPIRATION 6. AN AFRICA WHOSE DEVELOPMENT IS PEOPLE DRIVEN, RELYING ON THE POTENTIAL OF THE AFRICAN PEOPLE**

Goal 17: Full Gender Equality in All Spheres of Life

Goal 18: Engaged and Empowered Youth and Children

**ASPIRATION 7: AFRICA AS A STRONG AND INFLUENTIAL GLOBAL PARTNER**

Goal 19: Africa as a major partner in global affairs and peaceful co-existence

Goal 20: Africa takes full responsibility for financing her development

**APPENDIX E**  
**LIST OF COMMISSIONERS**

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1. Prof. Kwesi Botchwey, Chairman
2. Dr. Esther Ofei-Aboagye, Vice Chair

***REGIONAL REPRESENTATIVES***

3. Prof. Seth Opuni Asiamah, Ashanti Region
4. Mr. Jacob Buabeng Ntim-Adjei, Brong-Ahafo Region
5. Dr. Ato Quarshie, Central Region
6. Mr. George D. Abdul, Eastern Region
7. Mr. Ebenezer Anuwa-Armah, Greater Accra Region
8. Prof. Seidu Al-hassan, Northern Region
9. Ambassador Donald A. Adabre, Upper East Region
10. Dr. Emmanuel K. Derbile, Upper West Region
11. Dr. Edith Tetteh, Volta Region
12. Mr. Joseph Kobinah, Western Region

***INDIVIDUAL EXPERTS***

13. Mr. Charles Abugre
14. Prof. Kwamena Ahwoi
15. Prof. Agyemang Badu Akosa
16. Mr. Steve Akuffo
17. Dr. Samuel Nii Noi Ashong
18. Dr. Fritz Gockel
19. Mr. Kwame Jantuah
20. Nana Oye Mansa
21. Prof. David Millar
22. Mr. Kwame Peprah
23. Dr. Dzodzi Tsikata

***EX-OFFICIO MEMBERS***

24. Minister of Finance
25. Governor of Bank of Ghana
26. Government Statistician
27. Director-General