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COUNTRY STRATEGY OUTLINES

Agenda item 6

GHANA - CSO

ABSTRACT

Ghana is a low-income, food-deficit country with an annual per capita gross domestic product (GDP) of 450 dollars and a food self-sufficiency rate of about 70 percent. Approximately 31 percent of the population live below the poverty line. With only 28 percent of the poor living in urban areas, poverty is predominantly a rural phenomenon. The majority of the poor live in the rural savannah and forest area. WFP assistance has hitherto benefited mostly workers engaged in public-sector development projects and has been used as a wage supplement. It is proposed to direct such assistance to the poorest and most disadvantaged areas of the country and use it as an incentive towards self-help participatory activities for the development of rural infrastructure and agriculture. A portion of projected food assistance of about seven million dollars a year will also be used for the development of human resources.

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NOTE TO THE EXECUTIVE BOARD

This document contains recommendations for review and comments by the Executive Board.

Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session, the documentation prepared by the Secretariat for the Board has been kept brief and decision-oriented. The meetings of the Executive manner, with increased dialogue and exchanges between delegations and the Secretariat. Efforts to promote these guiding principles will continue to be pursued by the Secretariat.

The Secretariat therefore invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff member(s) listed below, preferably well in advance of the Board's meeting. This procedure is designed to facilitate the Board's consideration of the document in the plenary.

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INTRODUCTION

1. Ghana has a total area of 238,533 square kilometres (92,000 square miles), is located in West Africa and shares borders with the Republics of Togo to the east, Côte d'Ivoire to the west, and Burkina Faso to the north. The country has a coastline on its southern border with the Gulf of Guinea. It is made up of 10 administrative regions and 110 districts. The total census population in 1984 was 12.3 million, up 44 percent from the previous one of 8.56 million in 1970. With a projected annual growth rate of three percent, the population of Ghana in 1994 is estimated at 16,525,000. At this rate of growth, the population of the country will be close to 20 million by the turn of the century. With an urban population of 32 percent in 1984, (up three percent from 1970), Ghana's population is still largely rural.

FOOD INSECURITY AND THE HUNGRY POOR

The context of poverty

2. Ghana is a low-income, food-deficit (LIFD) country, with a per capita GDP of about 450 dollars¹ in 1994. Even though the GDP has grown at an average rate of five percent since the beginning of the Economic Recovery Programme (ERP) in 1983, real per capita income has grown by only two percent a year. At this rate, the poor in Ghana would not get to cross the poverty line for another 50 years. The Ghana Living Standards Survey (GLSS) established the poverty line at the equivalent of 163 dollars a year in 1988, and the extreme poverty line at the equivalent of 81.5 dollars. At the national level, the percentage of the population defined as poor in relation to the higher poverty line in 1991-92 was 31 percent (GLSS 3); and 15 for the lower poverty line. With six percent of the poor living in Accra, 22 percent living in other urban areas, and an overwhelming 72 percent living in the rural areas in 1992² (Annex I), poverty in Ghana is principally a rural phenomenon. The rural savannah area (especially the two administrative regions of the Upper East and Upper West, and pockets in the Northern region), and the rural forest area, with about 52 percent of the national population, account for 60 percent of the poor in Ghana. In terms of administrative regions, the Northern, Upper West and Upper East regions are among the poorest, as regards both incidence and depth of poverty (Annex II). The Volta region also has high levels of poverty, while the Greater Accra region is consistently among the least poor. The high rate of annual population growth, due to persistently high fertility rates, currently estimated at 5.5 percent, has adversely affected the provision of social facilities in spite of the gains made in these areas over the last decade. The general level of education is low, with adult literacy estimated at only 53 percent, and the level of male literacy almost twice the female rate. Forty percent of the population still do not have access to safe water. High rates of unemployment, estimated to be as much as 40 percent in the formal sector, and underemployment, mainly in the informal sector, have contributed to poverty.

¹ All monetary values are expressed in United States dollars.

² *Ghana: Poverty Past, Present and Future* - The World Bank, Report No.145040-GH, June 1995.



Food insecurity

3. With a total land area of 23.9 million hectares, the available farmland is estimated to be 13.6 million hectares. The area under cultivation in 1990 was 4.3 million hectares, (31 percent of arable area) while the area under irrigation was only 7,500 hectares (0.17 percent of the cultivated area). Agriculture is vital to the overall economic growth and development of Ghana, accounting for about 50 percent of the GDP. It also accounts for about 60 percent of export earnings and directly or indirectly supports 80 percent of the total population through farming, distribution of farm produce and provision of other services to the agricultural sector. Approximately 1.8 million land holders (independent farm operators), out of a rural population of 10.1 million (1990 estimate) cultivate about 30 percent of the available farmland. Eighty-five percent of these holders are small-scale operators (farming less than two hectares) who use traditional labour-intensive methods of cultivation. Growth in the food production sub-sector has mainly come from area expansion, with little or no growth in crop yields. Ghana's agricultural growth rate of 2.7 percent in the eighties has consistently fallen short of the population growth rate. Since 1990, the sectoral growth rate has fallen to 2.5 percent and by 1993, the contribution of agriculture to the GDP had declined to 45.2 percent. The importance of cocoa in the agricultural sector and in the nation's economy has declined over the past decade, along with a decreasing international price and declining yields. Representing over 30 percent of the agricultural GDP in the seventies, cocoa accounts for only 13 percent today. Still, cocoa remains the second largest sub-sector of the agricultural GDP, after food crops, and is currently the nation's second largest source of revenue after gold, and also the second principal export.
4. Although there has been a general improvement in the food supply situation since the beginning of the ERP, by 1990 Ghana was only 70 percent self-sufficient in cereals, 60 percent in fish, 25 percent in meat, and under 20 percent in raw materials for agro-based industries. The domestic production of rice, a major cereal item, is less than 50 percent of the national requirement, while wheat, another important cereal item, is not grown in Ghana at all. Food imports and food aid supplement the domestic shortfall, with the former averaging about five percent of total imports. World Bank projections for Ghana forecast an increase in the country's food deficit from 128,000 tons (about six percent of demand) in 1987 to 780,000 tons (about 18 percent of demand) by the year 2000.¹ Food aid will therefore continue to be a critical element in bridging the gap.
5. While efforts at increasing food availability over the past decade appear to have met with some measure of success, considerable obstacles remain in the country's efforts to achieve food security. The obstacles span ecological and physical constraints, poor soils, negative effects of shorter land rotation, inadequate inputs, increased pressure on available land and inadequate levels of institutional support - particularly for credit and extension. It is estimated that in 1988 losses due to land degradation - including erosion and loss of soil structure (and fertility), and degradation of vegetation through deforestation and over-use - amounted to about four percent of the GDP. Other obstacles impeding the attainment of food security include the poor transport infrastructure and high post-harvest losses, estimated at about 30 percent of gross production. At the regional level, the drive for food security has also been hampered by the frequent occurrence of such natural disasters as droughts, in the rural savannah area, especially in the Upper East region, producing the yearly phenomenon of hunger at certain periods of

¹ World Bank: Ghana - Medium-Term Agricultural Development Strategy: An Agenda for Sustained Growth and Development (1991-2000).



the year. The major food-deficit regions are the Upper East and Upper West regions; also included are the East and West Mamprusi districts of the Northern region, and the coastal district of the Volta and Western regions.

Household food security

6. Economic access to adequate food continues to be a problem for the common people. Daily calorie consumption by the general population is estimated to be between 78 and 87 percent of the required intake (between 2,140 and 2,944 calories per capita per day). Household access to basic food items in urban areas is restricted by low income, unemployment and underemployment, and in rural areas by the low level of subsistence production and lack of opportunities for off-farm employment, resulting in chronic food insecurity.
7. The nutritional status of the population varies in the different ecological zones of the country, with the prevalence of malnutrition being higher and severe in the northern savannah zones than in the forest and the coastal belts. The prevalence of stunting, wasting and undernutrition among pre-school children is more common in the Northern, Upper West and Upper East regions than in the other regions (Annex III). Malnutrition is a major health problem for women, especially among expectant and nursing mothers. Close to 70 percent of expectant mothers tested at antenatal clinics in 1987 were anaemic by WHO standards. Micronutrient deficiencies, including lack of iodine, iron and Vitamin A, also pose serious problems, especially in the northern parts of the country.

The incidence of poverty

8. Together with the high incidence, the depth of poverty is also most severe in the rural savannah area. With regard to socioeconomic grouping, poverty is a major problem for food crop farmers (mostly subsistence farmers cultivating below 1.6 hectares a year) and the non-farm self-employed. With a population share of 46 to 50 percent, food crop farmers represented 54.4 percent of the national poor in 1992, while the non-farm self-employed accounted for 22.7 percent (Annex IV). The poor lack access to institutional credit and to the latest technology, since they cannot meet conventional collateral security requirements; they have little or no access to basic services such as health, education, water and sanitation. The incidence of morbidity is higher among the poor, while literacy levels are very low compared to the better-off households. For instance, the GLSS survey found that in 1992 13 percent of rural households lived in communities without a primary school and 36 percent without a secondary school; 84 percent of rural households had no access to pipe-borne water, while 52 percent of villages had no mother and child health or family planning services. Survival and coping strategies have included, for the rural north, out-migration in search of employment; for the rural south, reducing expenditures (e.g., taking children out of school) and changes in household patterns; and, for the urban south, reducing expenditures, and diversifying sources of income.



The situation of women

9. Women tend to exhibit to a larger extent the characteristics associated with poverty. While the literacy rate for men aged nine and above was 42 percent in 1989, the comparable rate for women was only 23 percent. Women face major socio-cultural constraints that continue to hinder efforts to improve their welfare. Even though women constitute over 50 percent of all workers engaged in agriculture and animal husbandry, they have limited access to land because of legal and social conventions, cannot obtain credit from banks in the absence of collateral, and are unable to take full advantage of extension services. The lack of adequate health facilities in the rural areas, coupled with their heavy workloads, also affects the health of rural women, especially during pregnancy and nursing.
10. In the urban areas, access to the formal job market is restricted for women as they do not possess the requirements for entry, such as good educational qualifications and skills. According to the 1984 population census, only 8.3 percent of economically active women could be classified as professional, technical, administrative or managerial personnel. On the other hand, the informal sector constitutes the most important source of employment for the majority of working urban women, in areas like trading, and small-scale and cottage industries.
11. In recognition of the actual and potential contribution of women to national development, some attempts have been made to improve the socio-economic environment within which women perform their various productive and reproductive activities. The National Council on Women and Development (NCWD), set up in 1975 to advise the Government on all issues affecting women, has assisted several women's groups in collaboration with governmental, non-governmental and donor agencies. The 31st December Women's Movement (31DWM) has also been actively promoting and assisting women's groups, especially at the grass-roots level with respect to organizing productive activities and also in raising women's consciousness about their status and place in society.



GOVERNMENT PRIORITIES AND POLICIES ADDRESSING POVERTY AND FOOD INSECURITY

General policies

12. After a decade of economic decline during which Ghana's real gross domestic product (GDP) dropped by 10 percent and the per capita GDP by 27 percent by 1983, the introduction in 1983 of an Economic Recovery Programme (ERP), followed by a Structural Adjustment Programme (SAP) led to the resumption of growth in the economy. The key features of the economic reform measures included exchange rate liberalization; reforms in monetary, income, pricing and fiscal policies; redeployment of excess labour in the civil and public services; privatization of inefficient public undertakings, and a food security policy emphasizing improvements in agricultural technology. Since then, the GDP has grown at an average rate of nearly five percent a year, while the per capita GDP rose from 310 dollars in 1983 to 450 dollars in 1994. As a part of the Government's efforts to alleviate the hardship of marginal, poor and other vulnerable groups disadvantaged by the process of economic reform, in 1988 the Government initiated the Programme of Actions to Mitigate the Social Costs of Adjustment (PAMSCAD), with donor support of about 84 million dollars. Some 24 projects, with a strong focus on poverty, were implemented by the Government under the programme, including four WFP-assisted programme components on school feeding, priority works schemes, supplementary feeding and assistance to redeployees.
13. Besides PAMSCAD, there were additional instruments put in place by both the public and non-public sectors to address the issue of poverty reduction. Some of these instruments included the Government's policy of decentralization, which attempts to place more responsibilities upon District Assemblies, particularly in relation to development; the establishment of the National Development Planning Commission (NDPC) in 1990 to coordinate planning activities at the central regional and district levels; the initiation of special sectoral measures such as the rural electrification programme, community water and sanitation schemes, and the non-formal education programme to raise functional literacy levels among the populace. In addition, the Government has developed a framework¹ for future poverty reduction activities in the country. The key objectives of the framework include the promotion of rapid growth in productivity by focusing on smallholder agriculture; increasing access of the poor to social services; removing constraints that affect the living standards of poor women and vulnerable groups; and minimizing the effects of environmental degradation.
14. The medium-term goal for the period 1996-2000, as indicated in the Coordinated Programme of Economic and Social Development Policies (CPESDP),² and included also in the Country Strategy Note (CSN),³ is to consolidate the gains achieved under the ERP and the SAP to lay strong foundations for accelerated growth and development in

¹ *National Programme for Poverty Eradication* - Government of Ghana: February 1995

² Ghana-Vision 2020 (The First Step: 1996-2000): *Presidential Report to Parliament on Co-ordinated Programme of Economic and Social Development Policies* - January 1995.

³ Ghana: *Country Strategy Note* - April 1995. This document, per se, makes no specific reference to the use of food aid for development.



the next two decades. The objectives of the medium-term programme are to improve the social and economic status of all individuals and to eliminate the extremes of deprivation by encouraging the creativity, enterprise and productivity of all citizens. The identified priority areas include sustainable human development, outward-oriented economic development and good governance.

Food security policies

15. The principal goal of national agricultural policy is the establishment of a sturdy and diversified agricultural sector that ensures national food security and an adequate supply of raw materials at competitive prices for industrial production. Although Ghana has moved out of the critical period of food crisis experienced in the late seventies and early eighties, the country still faces a formidable task of fully exploiting its local production potential to meet its food requirements. While the country is self-sufficient in the production of roots and tubers, it rarely meets its demand for cereals. The total annual demand for cereals is close to two million tons, while total production averages about 80 percent. To address some of the problems hindering increased agricultural production and productivity in the country, the Government, in collaboration with the World Bank, prepared a Medium-Term Agricultural Development Strategy (MTADS) for 1990-95, which called for a drive to boost food production and increase investments in storage, distribution, processing and internal market development. In 1993, the Government also launched an Agricultural Sector Investment Project (ASIP) with funding from the World Bank. The project aims to increase rural agricultural productivity and improve rural incomes.
16. The Government has undertaken a number of concrete actions to follow up on the strategies of the MTADS, guaranteed minimum pricing has been abandoned and marketing is mainly in the hands of the private sector, dominated by a large number of small traders. The Ghana Food Distribution Corporation (GFDC), which used to control trade in local produce, now holds less than 10 percent of the market. The Government - in collaboration with Sasakawa Global 2000, a non-profit NGO - also sought to demonstrate to farmers that the adoption of simple technological improvements, backed by the effective provision of such services as inputs and credit and the assurance of remunerative producer prices, can lead to a substantial increase in crop yields. From the 40 farmers of 1986, the programme currently attracts over 20,000 farmers whose crop output, especially for maize, has more than doubled.

Food aid policies

17. Ghana received an average of about 100,000 tons of food aid a year between 1991 and 1994, with the major donors being the United States and Canada in the case of programme food aid, and WFP in the case of project food aid. WFP also remains the largest donor of emergency food aid. Project food aid accounted for about 20 percent of annual food assistance to the country.
18. Although there are no explicit government policies on food aid, the latter particularly cereals in the form of wheat and to some extent rice, continues to play an important role in ensuring food security, and is a major source of budgetary support to the Government,



since all programme food aid is monetized. With annual cereal import requirements at around 300,000 tons (mostly wheat and rice), not all of which it can meet through commercial imports, the Government will continue to rely on food aid to bridge the food gap.

19. With the increasing realization by the Government of the grant-assistance nature of WFP food aid, and of its potential uses as food for work for creating employment opportunities and alleviating poverty in food-deficit areas of the country, the future role and importance of project food aid in the country is expected to grow. Even before the CSO seminar with the Government in June 1996, WFP-Ghana received one project proposal on afforestation. A second proposal on an integrated rural development project for the Northern Savannah area is expected to be submitted shortly by the Government.

ASSESSMENT OF WFP PERFORMANCE TO DATE

20. WFP has been assisting Ghana since its establishment in 1963. From the very first project, which involved the resettlement of families displaced by the formation of the Volta Lake, WFP assistance has covered different major sectors of the Ghanaian economy, including transport, forestry, exports, agriculture, health and education. In 1983, WFP participated in a meeting of the Consultative Group on Ghana, which formulated the country's basic development strategy and approved project proposals in support of the country's Structural Adjustment Programme. The value of WFP projects approved between 1984 and 1989 amounted to about 90 million dollars, and multilateral assistance by WFP to the country since the onset of the ERP is exceeded only by assistance received from the World Bank and the IMF.
21. While WFP assistance in the past has focused mainly on development projects, over the last five years and more particularly since 1993, the Programme has committed an increasing portion of its resources to emergency assistance.

VALUE OF WFP DELIVERIES TO GHANA 1990-94 (*thousand dollars*)

Type/year	1990	1991	1992	1993	1994
Development	10 366	13 749	6 166	8 348	3 483
Relief	0	0	0	5 037	4 940
Total	10 366	13 749	6 166	13 385	8 423

Development assistance

Ghana 3273 - "Assistance to mitigate structural adjustment effects in the social sector"

22. This project was phased out in March 1995. It had three components: a school feeding component which provided food assistance to 100,635 boarding students in 190 secondary schools located throughout the country; a priority works component with food provision for 1,700 labourers; and a supplementary feeding component with food provision for some 13,500 children.



23. In general, WFP assistance under this project has been a valuable budgetary support to the Government under the SAP. It is generally acknowledged that the funds generated by parental contributions under the school feeding component (the largest of the three components, utilizing 85 percent of project food resources) have helped the rehabilitation of many a school, thus contributing to the acceptance of the Government's education reform package, and the achievement of the objectives of the SAP.

Ghana 4932 - "Supplementary feeding, nutrition and health education"

24. This four-year, 5.5-million-dollar project, which started in April 1995, is the successor to the supplementary feeding component of project Ghana 3273, providing food assistance to about 24,000 malnourished children located in some of the severely food-distressed areas of the country. The project also provides food assistance to mothers and offers them an opportunity to receive training in basic health, nutrition and family planning education.
25. An important feature of the project is that children are graduated from the programme once their nutritional status improves, or once they have reached the age of five (assistance is for children aged 0 to five years). This not only creates room for other malnourished children to join the programme, but also avoids creating a situation of dependency.

Ghana 2714 - "Transport sector rehabilitation project"

26. Under the project, which ended in December 1995, WFP food assistance was combined with financial and technical assistance from multilateral and bilateral donors to undertake major capital works in the transport sector including the rehabilitation of ports, roads and railways.
27. WFP food rations contributed to maintaining industrial peace and worker morale, which in the case of the ports sub-sector led to an increase in labour productivity and ship turnaround time; this is reflected in the rise of cargo throughput at the country's two ports from 2.5 million tons in 1984 to 5.7 million in 1992. Indeed, these achievements have been noted in the report of the WFP project management-cum-appraisal mission of 1990. The feeder roads component of the project - through the use of food aid for the locally-recruited people, who are primarily women - has also succeeded in providing work opportunities in an otherwise harsh environment. Furthermore, it has helped in transferring simple technology of labour-intensive feeder road construction.

Ghana 3919 - "Development of forestry resources"

28. The project - which aimed to improve the management of the country's forest resources and game and wildlife reserves and to support community forestry and agro-forestry schemes - provided food assistance to some 9,000 workers and villagers. In September 1992, a food-for-work component, in collaboration with IFAD for the rehabilitation of dams in the Upper East region, was included under the project. Food assistance to the main beneficiaries was phased out in December 1995, while assistance to the IFAD component will be phased out in October 1996.
29. Project No. 3919, evolving from the era of economic reform and structural adjustment in the country (much like projects No. 3273 and 2714) has increased the incomes of poorly paid workers and has also made an important contribution to meeting the food



requirements of workers. The project was responsible for the establishment of 76,000 hectares of forest plantations and led to the restoration of tree cover in some environmentally fragile areas. It also provided work for over 3,000 villagers, including a majority of women engaged in the nursery and dam rehabilitation components of the project.

Emergency operations

Ghana 5245 - "Assistance to Togolese refugees"

30. Under this emergency operation, which started in February 1993, WFP food assistance, worth nine million dollars, has been provided to some 100,000 Togolese refugees who crossed into Ghana and settled in the Volta Region. Following the results of a second joint WFP/UNHCR food assessment mission in September 1995, food assistance to areas outside the Kilkor Refugees Camp (KRC) was stopped from January 1996, except for refugees willing to be repatriated. Food assistance to refugees at the KRC was discontinued at the end of June 1996.

Ghana 5452 - "Assistance to internally displaced persons in northern Ghana"

31. Following ethnic conflict in some parts of the Northern Region in January/February 1994 which led to the destruction of some 350 villages, at the request of the Government of Ghana, WFP provided food assistance at a total cost of seven million dollars, to some 180,000 internally displaced victims of the conflict. The emergency operation was phased out in December 1995, following the return of normalcy to the affected areas.

Liberia 4604 - "Assistance to Liberian refugees in Ghana"

32. WFP has been providing food assistance to Liberian refugees living at the Buduburam Camp in Ghana since 1990, as part of a regional operation covering Liberian refugees also living in Côte d'Ivoire, Sierra Leone and Guinea. Initially, 6,000 refugees were assisted. However, with the deterioration of the political and military situation in Liberia, the number has gradually increased to 14,000, with the total value of assistance provided to date worth some two million dollars. Since May 1996, the Programme has also extended food assistance to an additional 2,000 refugees who arrived through the port city of Takoradi.

Strengths and weaknesses in implementation

33. One of the key features of WFP development projects initiated in the post-1983 period was that they were selected from a menu of SAP proposals, and WFP's commitment to the SAP reduced the need for special justification for each project. In the conditions prevailing in the country when these projects were initiated, WFP food assistance was vital to the success of the major projects of which WFP assistance was a part. The two food-for-work projects (Ghana 2714 and 3919) made an important contribution to meeting the food requirements of low-paid public-sector employees and of other categories of beneficiaries, including poorer households and poor women in particular. Because of the prevailing social and economic conditions under which food-for-work projects were launched, with the role of food aid being to improve worker productivity and to check rampant absenteeism by workers, these projects were not well targeted, since the bulk of the beneficiaries were public sector employees.



34. A second weakness of the food-for-work projects has been that as public-sector projects, they require substantial funding from budgetary sources. While WFP food aid has been made available regularly for distribution to workers on these two projects, it has not been matched by a commensurate increase in output, often because of the unavailability of counterpart funding from the Government to carry out planned activities. Therefore, in both cases output lagged behind food distribution. Thus, the full potential of *food* aid could not be realized, and WFP assistance was subsumed into the SAP programmes.
35. The recourse to the use of generated funds (through small deductions from the cash wage of workers), to finance project logistics operations also inadvertently resulted in a situation in which, the Government was able to make only minimal regular contributions to project costs, and in some cases even scaled down its budgetary allocations. Poor technical supervision of the food-for-work projects also reduced their effectiveness and rate of implementation, while in a number of instances the insufficiency of government funds earmarked for transport and communications connected to monitoring and reporting resulted in a lack of reliable information about the progress or effectiveness of these projects.
36. With regard to the emergency operations, through these operations WFP has come to develop close working relations with a number of NGOs, including the Ghana Red Cross (GRC), Assemblies of God Development and Relief Services (AGDRS), the National Catholic Secretariat (NCS) and the Adventist Relief and Development Services (ADRA). WFP's association with NGOs for food distribution to refugees and internally displaced persons has helped targeting and accountability.

Impact on markets and domestic production

37. Total annual WFP supplies for development and relief operations have not been significant in relation both to national production and imports over the last five years. WFP annual supplies of commodities such as rice, maize, cowpeas, sugar and vegetable oil have in each case represented less than one percent of production and imports, and as such carry no risks of acting as a disincentive to local production or as a displacement of commercial imports. On the other hand, local purchases of commodities such as maize and cowpeas, amounting to over 15,000 tons over the last five years, and to a lesser extent local purchases of vegetable oil, have served to create a ready market for local produce. Moreover, reliance on competitive tender processes for these purchases has begun to act as a form of basic business skills transfer to market operators, most of whom are not familiar with formal trade arrangements. Commodity exchanges, especially the exchange of rice for maize, have also helped to conserve scarce foreign resources for commercial companies who otherwise would have relied on their own foreign exchange resources to import rice for sale on the local market.



FUTURE ORIENTATION OF WFP ASSISTANCE

Identification of key areas for assistance

38. In harmony with national aspirations, three key areas have been identified for WFP assistance. These key areas, which focus on the national programme of poverty reduction and were selected in concert with the Government, include rural development activities, such as feeder road construction, irrigation and land improvement (for an estimated amount of 13 million dollars), and afforestation (for an estimated amount of 10 million dollars). In addition, WFP food assistance will also be provided for meeting the food needs of the most vulnerable groups and for capacity-building activities, such as skills training for both rural and urban unemployed youth, for an estimated amount of five million dollars.

Rural development

Feeder roads programme

39. Post-harvest losses in Ghana have been estimated at 30 percent of total production; the main reason for these losses has been identified in the poor state of rural roads. The principal focus of WFP attention will be to assist rural communities in increasing their production and productivity through improved access to markets. WFP food aid will be used to support the rehabilitation and construction of feeder roads. WFP will be working closely with the Department of Feeder Roads (DFR), which, in a pilot phase under project Ghana 2714, had successfully used food aid for its direct labour works programme. The DFR has already submitted a new project request to WFP.



Rural forestry/agroforestry

40. Depletion of tree cover in Ghana continues to have a negative impact on the nation's agriculture, especially in the northern savannah areas where the rate of depletion is the highest. Meanwhile, through a revision of its national forest policy in June 1994, the Government identified the involvement of rural populations in the development and conservation of forestry resources as the only practical and viable solution for redressing the problem. In accordance with this new policy, the Government has drawn up a proposal to expand the forested area and stabilize environmental degradation in the more densely populated and denuded areas of the country's savannah lands, while at the same time increasing the income-earning capacity of rural farmers and their families and increasing their environmental awareness. WFP food assistance will serve both as an incentive and as a source of income transfer to rural populations characterized by food insecurity. Community forestry and agroforestry have been pilot features of project 3919, and as indicated in the WFP interim evaluation report of December 1993, both components have performed very well under the main project. The Government's revised national forestry policy (June 1994), calls for an afforestation of about 10,000 hectares a year for the next 20 years. The Government's project proposal submitted to WFP calls for the equivalent of 5,000 hectares a year for the next five years. With the renewed interest of the Government in rural forestry and agroforestry practices to check environmental degradation and protect soils within the ecologically fragile zones, a well designed WFP intervention through the Forestry Department of the Ministry of Agriculture could make a significant impact in this area.

Rural irrigation activities

41. To raise agricultural productivity and enhance the value of crops, the national poverty reduction programme envisages the development of water sources or the strengthening of existing ones, such as small-scale irrigation projects, small dams, hand pumps and dug-outs. WFP will use food assistance to support these activities. In this regard, WFP will continue to support the IFAD-sponsored dam rehabilitation project in the Upper East region and will be willing to extend such assistance towards the replication of the activities in other areas of the rural savannah. The Irrigation Development Authority, an organ of the Ministry of Agriculture, will be the implementing authority.

Human development activities

Food supplementation

42. WFP assistance through the Ministry of Health will be extended to programmes aimed at improving human resources and the quality of life, especially those reserving a high priority to women and children. Specific interventions will include assistance to programmes aimed at the establishment of effective measures for improved basic health, nutrition and education, especially in rural areas. In this regard, project 4932, which started in April 1995 and will continue for another four years, is expected to be WFP's main contribution towards the goals of improving the nutritional status of children aged 0 to five in poor households, and of providing health and nutrition education to mothers.

Support to skills training

43. WFP will provide food assistance towards the skills training programme for rural



unemployed youth run by the Department of Rural Housing and Community Development. Trainees are imparted skills such as masonry, carpentry, painting, etc., in order to improve their chances of securing skilled jobs. While tuition is free, the trainees are expected to feed themselves while in training. However, a majority of them are unable to remain in the training courses because they are unable to feed themselves. WFP food assistance will enable the trainees to stay throughout the training period. WFP will also examine the possibility of extending assistance to skills training programmes designed for street children and child labourers in urban areas.

Role of civil society

44. WFP foresees an increased role for civil society through more NGO involvement in the implementation of its programmes. In addition, the Government's policy on decentralization, which has given increased powers to Regional Administrations and District Assemblies, would grant local communities a larger role in the implementation of WFP programmes.

Target groups and geographical targeting

45. It is estimated that around 4.7 million people suffer from poverty and 2.3 million from extreme poverty in Ghana (1992 estimates). The main target group for food aid will be the poorest families, including women and children in the areas most at risk of food insecurity. Among these people, the poorest and most food-insecure groups that the WFP programme can realistically expect to reach are:
- a) small and marginal farming households;
 - b) farm labourers and non-farm self-employed labourers;
 - c) private informal sector employees.
46. WFP will focus attention on the areas identified by the GLSS surveys and also recognized by the Government as having the highest incidence of poverty. Based on the extent of the incidence of poverty, the areas of greatest need are:
- a) rural savannah area comprising the administrative regions of the Upper East, Upper West and Northern regions (particularly the districts adjacent to the Upper East region);
 - b) rural forest area, especially the pockets in the Volta, Central and Western regions, where living conditions are also very extreme.



Disaster prevention and emergency: - development continuum

47. Food aid targeted to the rural savannah area, especially the Upper East region, will aim at eliminating the perennial failure of the region's crops as a result of droughts, which even in normal years leads to a hungry season from around February to May, but which in 1991 resulted in the declaration of a state of emergency in the region requiring WFP intervention. In this connection, WFP's assistance towards the IFAD-financed dam rehabilitation and construction project, which aims to make water available all year round for farming, would help to reduce the occurrence of crop failures resulting from lack of water and help mitigate future disasters. Since this component is due to terminate in October 1996, the feasibility of instituting a second phase will be examined. The proposal for food-for-work activities to take place mainly in the "hungry season" as well as when agricultural operations do not require all the available labour will be taken into account.
48. Collaborative arrangements and other linkages with the National Mobilization Programme (the government agency responsible for coordinating disaster-related activities), and with NGOs will be strengthened to assist both disaster mitigation and recovery.

Scope for joint programming with other agencies

49. WFP will harmonize its development programming for the 1996 to 2000 period to take into account government priorities for social and economic development within the medium term, as espoused in the CPESDP (Ghana - Vision 2020 that covers the period 1996-2000) and in the CSN. WFP will also harmonize its development programming for the period with the cycles of the other United Nations agencies working in Ghana, notably UNDP, UNFPA, UNICEF and FAO. The current Country Programmes (CP) of UNICEF and UNFPA cover the period 1996-2000. UNDP's current country programme (Fifth CP) runs out in December 1996, and their Sixth CP is expected to run from January 1997 to 2000. WFP will explore the possibility of integrating UNFPA population education activities into its development projects.
50. Ghana's development programme is being assisted by numerous agencies, both bilateral and multilateral. Since the multilateral agencies are expected to play a key role towards the realization of the goals of the Medium-Term Plan within the framework of the CSN, there is scope for harmonizing programmes among agencies. With UNDP's Country Programme also focusing on poverty alleviation activities, both organizations could coordinate their programmes in this area. UNICEF has also expressed its support for such infrastructure projects as community water-supplies as well as for programmes that address the concerns of women. A common register of projects - produced under an inter-agency working group - is expected to be ready by October 1996. Agencies are expected to cooperate in the implementation of those projects of common interest.



Modalities of WFP assistance

51. Monetization is not expected to feature to any significant level within this programme cycle. Nevertheless, small quantities of food may be sold to procure complementary resources as needed. Opportunities exist, however, for the local purchase of commodities such as maize, cowpeas, sorghum, millet and vegetable oil. Further opportunities for commodity exchanges also exist within the country, with the preferred choices from previous experience being the exchange of WFP rice for local maize and, to a lesser extent, that of yellow maize for local white maize.

Resource levels

52. The resources to be allocated to Ghana will depend on WFP's overall resource level. However, given the extent of the proposed development programme, the value of WFP assistance should average between seven and eight million dollars a year for the programme period.

Operational implications

53. Discussions and exchange of information have taken place. The present CSO has been agreed upon with the Government concerning the new orientations for WFP food aid in Ghana. With the current development projects almost phasing out, the timing is ideal for moving to a programme approach to WFP assistance to Ghana. The proposed emphasis on an integrated approach to rural development activities is therefore well placed. The adoption of the programme approach in Ghana will also require that greater efforts be dedicated to reinforcing links not only among the ongoing WFP-assisted projects, but also with governmental institutions, United Nations agencies, bilateral donors and NGOs.

KEY ISSUES AND RISKS

54. Continuing insecurity in the West African sub-region, leading to a larger refugee influx, could disrupt WFP's work programme as well as that of the Government and divert resources and attention from development activities. Similarly, the recurrence of ethnic unrest in the northern parts of the country could affect the implementation of development programmes in that area which falls within the rural savannah zone.
55. An effective system of coordination between various government agencies is a *sine qua non* for the success of the proposed programme. This point is all the more important given instances in the past where different government agencies, responsible for different aspects of the same WFP project, were unable to coordinate their activities and reporting. Hence the need for one overall coordinating entity. The Government has agreed that one such entity will be established for each project.



ANNEX I

GHANA: CONTRIBUTION TO NATIONAL POVERTY BY AREA, 1988-92

Area	1988	1989	1992
	<i>Percent</i>		
Accra	1.9	4.7	6.0
Other urban	23.6	19.5	22.0
Rural coastal	14.5	16.5	12.9
Rural forest	31.0	30.3	31.0
Rural savannah	30.0	29.0	28.1
Overall	100.0	100.0	100.0

Source: Ghana, Poverty Past, Present and Future, World Bank, June 1995.

ANNEX II

POVERTY INDEX BY ADMINISTRATIVE REGION

Region	1987/88	1988/89	1991/92
Western	17.4	29.1	39.1
Central	50.4	41.7	27.4
Greater Accra	11.1	23.6	22.8
Eastern	34.9	46.9	25.6
Volta	51.8	56.0	31.1
Ashanti	42.5	41.3	22.1
Brong Ahafo	31.3	27.5	40.5
Northern	47.3	68.7	42.4
Upper West	58.5	55.2	55.8
Upper East	60.5	50.1	32.5
All regions	36.9	41.8	31.4

Source: The Pattern of Poverty in Ghana 1988-1992: Ghana Statistical Service, November 1995.



ANNEX III

NUTRITIONAL STATUS OF CHILDREN 1-35 MONTHS BY REGION

Region	Height for Age (% below -2 SD) ¹	Weight for Height (% below -2 SD)	Weight for Age (% below -2 SD)
Central	23.0	11.5	21.5
Eastern	25.0	5.9	20.6
Greater Accra	15.7	7.9	16.9
Volta	19.8	10.4	24.0
Ashanti	27.9	8.4	22.6
Brong Ahafo	24.5	13.0	33.2
Northern	35.9	19.0	41.3
Upper East	26.0	14.5	47.6
Upper West	33.3	20.6	32.8
TOTAL	26.0	11.4	27.4

¹ SD: standard deviations.

Source: Ghana Demographic and Health Survey, 1993.

ANNEX IV

GHANA: CONTRIBUTION TO NATIONAL POVERTY
BY SOCIO-ECONOMIC GROUPING, 1988-92

Socio-economic group	1988	1989	1992
	<i>Percent</i>		
Public employees	8.9	9.0	9.3
Private formal employees	3.1	4.5	2.1
Private informal employees	2.4	2.1	2.7
Export crop farmers	8.5	7.4	7.5
Food crop farmers	54.9	49.4	54.4
Self-employed	21.3	26.7	22.7
Inactive	0.9	0.9	1.3
Overall	100.0	100.0	100.0

Source: Ghana, Poverty Past, Present and Future, World Bank, June 1995.

