



REPUBLIC OF GHANA

**GHANA POVERTY REDUCTION
STRATEGY**

PROGRESS REPORT 2002

1.0 PROGRESS REPORT ON GHANA POVERTY REDUCTION STRATEGY

1.1 Process of preparing the Ghana Poverty Reduction Strategy

A participatory process to formulate the GPRS has been used, comprising:

- a) Establishment of core teams to constitute the focus of analysis and recommendations for poverty reduction. Five core teams were established along findings of a preliminary situation analysis by the task force. Core team areas were as follows:
 - Macro-Economic Issues
 - Production and Gainful Employment
 - Human Resource Development and Basic Services
 - Vulnerability & Exclusion and
 - Governance
- b) Local level consultations on dimensions of poverty and recommended solutions involving a sample of 36 communities, 12 districts and six administrative regions.
- c) Consultation among core teams and key agencies on analysis of data from local consultations and quantitative data, leading to identification of priority issues and required actions for poverty reduction.
- d) Forum of civil society, private sector, government agencies and development partners to review and harmonise priority issues and actions
- e) Special forum for civil society to validate priority issues and actions
- f) Review and prioritisation at the National Economic Dialogue, comprising representatives of development stakeholders in Ghana.

1.2 GPRS process from May 15, 2001 (National Economic Dialogue to date)

Outputs of GPRS Core Teams were discussed and validated at the National Economic Dialogue (NED) held in May 2001 to build consensus on the way forward for the Ghanaian economy. Six thematic areas were addressed including one on poverty reduction. Comments and inputs were solicited from participants during the workshop breakout sessions. The general consensus was that the document addressed the challenges facing the country with respect to poverty reduction and growth.

1.2.1 First draft GPRS

By mid May, a drafting team for further work on the GPRS was set up to undertake further analytical work and validated targets set by Core Teams to produce a zero draft document, which was circulated among key government decision-makers. Comments and detailed technical input from the drafting team culminated in the first draft document, the Ghana Poverty Reduction Policy Framework.

1.2.2 Comments from stakeholders

Comments were solicited from other stakeholders in development including planning and budget staff of Government Ministries, Departments and Agencies. A full week of training was held for these staff members on the process and content of the Poverty Reduction Policy Framework. Their comments were sought and used to update the document. The GPRS was discussed with development partners at a meeting organized for that purpose. In July 2001, the development partners formed five working groups to comment on the first draft document.

1.2.3 Consultation workshops

Workshops were held with the following groups:

- Ghana Association of Private Voluntary Organisation in Development (GAPVOD), which is the coalition of NGOs (draft implementation guidelines were discussed with this group to ensure clarity of roles during implementation).
- The Trades Union Congress and the Civil Society Coalition
- Women's Groups and the Media
- Policy activists and think tanks

1.2.4 Comments from Organised Groups

The draft Poverty Reduction Policy Framework was circulated for comments from the following groups:

- The Ghana Employers Association
- Private Enterprises Foundation
- Association of Ghana Industries
- Ghana National Chamber of Mines
- National Union of Ghana Students
- National Association of Local Governments
- The GPRS Core Teams
- Divisions/departments of Government Ministries, Departments & Agencies
- Identified individuals in the development arena.

The draft GPRS has since been reviewed by Cabinet.

1.2.5 Budget Process and the GPRS

Consultations have also been held with the Budget Division of the Ministry of Finance and the Medium Term Expenditure Framework Secretariat on preparation of a common set of guidelines for the preparation of the MTEF for the 2002-2004 period. Locational priorities for sectoral allocations have been prepared by the GPRS team and agreed with

the Ministry of Finance, to guide the allocations made by MDAs for budgeting. This process of linking up the GPRS with the budgeting process has been on going since June 2001.

A one-day training workshop was held with the budget officers of the Ministry of Finance on the content of the GPRS, the locational priorities for sectoral and sub-sectoral allocations for poverty reduction within the GPRS.

From the beginning of September 2001, the following activities have been undertaken:

- Policy Review Workshops for MDAs on using the GPRS to guide budgeting
- Harmonization of actions among sectors
- Policy Hearing and Preparation of Strategic Plans by MDAs
- Review of Strategic Plans of MDAs incorporating GPRS policies
- Budget Hearings for MDAs

1.2.6 Involvement of Parliament

In the case of Parliament, its Finance and Public Accounts Committees have had one-day workshops each on the draft GPRS. The Final GPRS will be laid formally before the entire body of Parliament.

1.2.7 Monitoring and Evaluation of the GPRS

The elements of monitoring and evaluation for the GPRS are currently under discussion. The need to link up with current Monitoring and Evaluation (M&E) processes and systems is recognized as well as the need to include more participatory forms in M&E. Recognition has been given the need to track expenditures especially those to be received from the HIPC initiative and working groups have been set to work out the modalities and system for tracking HIPC expenditures including the formats for monitoring, software requirements.

1.2.8 Regional Consultations

Regional consultations have been completed. The regional consultations included discussions with civil society groups as well as the political leadership and technical personnel operating at regional and district levels. These consultations have been used as dissemination and orientation for the GPRS framework. The regional consultations will be followed by district and sub district meetings organized by each region to validate the targets and interventions in the GPRS. Districts Assemblies are being required to prepare implementation plans based on the priority interventions of the GPRS.

1.2.9 Political opinion on the GPRS

On the political front, a forum for all political parties has been held to ascertain the views and comments of the various shades of political opinion of the GPRS. In addition a two-

day meeting has been held with all Ministers, chaired by the President, to review the content and scope of the Strategy and deliberate on the expenditure shares by administrative categories. Another meeting has been held in January 2002 with all Ministers, chaired by the President to finalize the review of the GPRS documents.

1.2.10 Costing the GPRS

Currently costing the entire GPRS is being undertaken with Sector MDAs having to cost the Government component of the process.

1.2.11 Finalisation and Submission of GPRS

The process of preparing the GPRS and budgeting will culminate in submission of the final GPRS, the three-year MTEF and the 2002 budget to Cabinet and Parliament. The GPRS Framework will be finalized by January 31, 2002. Costing of GPRS actions and programmes will be completed by February 22, 2002 to ensure inclusion in the 2002 budget.