

# **Civil Society's Perspective on the Ghana Poverty Reduction Strategy Process**

## ***Experience, Criticism, and Suggestions***

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## Abbreviations

ADP	Africa Development Programme
CBO	Community-Based Organization
CEPA	Centre for Economic Policy Analysis
CERBA	Centre for Research and Budget Advocacy
CIVISOC	Civil Society Coordinating Council
CSO	Civil Society Organization
DACF	District Assembly Common Fund
DEEP	Distributional Effects of Economic Policies
DfID	Department for International Development
epep	Economic Policy Empowerment Programme
EURODAD	European Network on Debt and Development
GAPVOD	Ghanaian Association of Private Voluntary Organizations in Development
GPRS	Ghana Poverty Reduction Strategy
HIPC	Heavily Indebted Poor Countries
IFI	International Finance Institutions
IMF	International Monetary Fund
I-PRSP	Interim Poverty Reduction Strategy Paper
ISODEC	Integrated Social Development Centre
MDBS	Multi-Donor Budget-Support
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MURAG	Muslim Relief Association of Ghana
NDPC	National Development Planning Commission
NED	National Economic Dialogue
NGO	Non-Governmental Organisation
PRSP	Poverty Reduction Strategy Paper
SAPRI	Structural Adjustment Participatory Review Initiative
SDC	Swiss Agency for Development and Cooperation
SECO	State Secretariat for Economic Affairs
SEND	Social Enterprise Development Foundation of West Africa

## **1. Introduction**

The aim of the present study is to inform the Swiss Government about Ghanaian civil society's view on issues of participation and national ownership in the preparation and implementation of the Poverty Reduction Strategy Paper (PRSP). More particularly, the Swiss Government is interested to know the experience, criticism, and suggestions of Civil Society Organizations (CSOs) in Ghana as they relate to fiscal decentralization, participatory budget processes, and participatory Monitoring and Evaluation (M&E). The questions included in the terms of reference are as follows.

### *Experience:*

- What are the experiences of CSOs with respect to participation in and national ownership of the PRSP process, with particular emphasis on the transitional process from the Interim-PRSP (I-PRSP) to the full PRSP<sup>1</sup>?
- What are the experiences of CSOs with respect to fiscal decentralization and participatory budget processes in terms of translating the I-PRSP into the national budget process?
- Based on their experiences, how do CSOs assess developments in collaboration with a) the Government of Ghana, b) bilateral donors, and c) multilateral donors?

### *Criticism, expectations and suggestions:*

- What are the criticism, expectations and suggestions of CSOs with respect to participation in and ownership of the PRSP process?
- Which expectations and suggestions are brought forward by CSOs for drawing up participatory M&E processes of the PRSP implementation?
- What are expectations and suggestions of CSOs with respect to fiscal decentralization and participatory budget processes in terms of translating the PRSP into the national budget process?

Apart from deriving recommendations from answering the above questions, the Swiss Government is interested in an analysis of relevant capacities of CSOs. The Swiss Government's immediate interest in the study emanates from its recent involvement in general budget support to Ghana. The study has been commissioned to the Swiss Coalition of Development Organizations in the framework of a long-standing and successful collaboration of the Coalition with the State Secretariat for Economic Affairs (seco) and the Swiss Agency for Development and Cooperation (SDC).

The methodological approach of the study is based on an analysis of written materials (see annex I for a list of consulted documents) and semi-structured phone interviews with senior-level representatives of Ghanaian CSOs and NGO networks. In addition, interviews were carried out with the Swiss Ambassador to Ghana and one representative each of the private sector and a university-based research institute (see annex II for a list of persons interviewed). For the revision of the study, feedback on the first draft were sought from all interlocutors and additional questions asked. The interviews – 16 in total – lasted roughly one hour on average. The interlocutors were identified based on existing contacts, a request to EURODAD (the European Network on Debt and Development), a review of the listed participants of pertinent workshops, and an invitation at the interviews to name other key persons that should be

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<sup>1</sup> In Ghana the PRSP is named Ghana Poverty Reduction Strategy or GPRS.

contacted. The final sample chosen for the interviews, however, was also determined by the persons' availability, the liability of the phone line, and time constraints of the study. Obviously, therefore, no claim is made as to the statistical representativeness of the sample for the Ghanaian civil society as a whole. Such a claim would also require analysing the legitimacy of the individual organizations represented in the sample. Still, the information derived from the interviews, together with the study of available documents, is considered to provide a good basis to answer the questions listed above. But it should be noted that the judgements arrived at are necessarily provisional since the process of implementation the GPRS has only started recently.

The next section gives an account of Ghana's efforts to reduce poverty in the country. The remaining of the study focuses on the key issues related to participation, ownership, and the capacity of the civil society. Special emphasis is placed on the collaboration with the Government and the involvement of the civil society in fiscal decentralisation, the budget process, and M&E processes. The key findings are summarized in section 11. Section 12 concludes with recommendations to the Swiss Government.

## **2. Background**

The Ghana Poverty Reduction Strategy (GPRS) was preceded by a series of plans, which stressed poverty reduction and human development: Making People Matter: A Human Development Strategy for Ghana (1991); National Development Policy Framework (1994); Vision 2020: the First Step (1995); a 5-year policy statement later developed into the First Medium Term Development Plan 1996-2000. The I-PRSP, prepared between January and June 2000 for the period 2000-2002, was based on the Vision 2020 document. It is claimed, however, that the I-PRSP was basically drawn from the World Bank's Country Assistance Strategy. Still, in August 2000, it was endorsed by the Boards of IMF and World Bank.

Preparation of the GPRS started in July 2000, with preliminary studies to identify the thematic areas of significance to growth and poverty reduction. Subsequently, teams were set up to address the thematic areas, followed by various consultations and workshops to deliberate on the results of the thematic teams, with participants drawn from the government agencies, CSOs, the private sector, and the donor community. After a two-day national dialogue to discuss the draft, further consultations and workshops led to the finalisation of the GPRS. The preparation process officially covered the period from July 2000 to February 2002. But it was not until May 2002 that the final draft was made public. A revised version of the GPRS was released in February 2003.

## **3. Participation in the I-PRSP**

Participation of CSOs and other sections of the society is a key principle of PRSPs. A participatory approach involving civil society is supposed to increase ownership of the development strategy, enhance the accountability and transparency of the government, increases the effectiveness of implementation, and strengthen the civil society. It should be noted, however, that participation needs to be tailored to country circumstances by taking the existing relation between government and civil society as point of departure.

First, we briefly look at efforts to involve parts of civil society in the I-PRSP process before assessing the depth and breadth of civil society participation in the GPRS (section 4). This will allow a more balanced judgment on government's efforts to engage with civil society in the GPRS process. It is important to bear in mind that the preparation of the I-PRSP took

place under the previous government of Jerry Rawlings whereas the current government of John Kofour took over shortly after the preparation of the GPRS started.

**Very few organisations and individuals were involved in the preparation of the I-PRSP, which was done under considerable time pressure.**

There is general agreement that participation in preparing the I-PRSP was highly unsatisfactory. The process was totally led by government. It was not open to the wider public and done in a rush to get much-needed assistance from donors and creditors. And even though the narrative part of the I-PRSP was public, hardly anybody knew about it. It is reported that even key actors including a Deputy Finance Minister, the Minister of Agriculture, and GAPVOD, the Ghanaian Association of Private Voluntary Organizations in Development did not know about the I-PRSP. As of the end of April 2000, shortly before the document was submitted to IMF and World Bank, the civil society seemed largely unaware of the process. In addition, the policy matrix of the I-PRSP, which is basically a list of policy conditions was secret. Donors too were not happy about the process.

#### **4. Civil Society's Involvement in the GPRS**

**Overall, the experience with participation in the preparation of the GPRS has been rather disappointing for many CSOs. But efforts undertaken by the Government are well appreciated.**

There is little doubt that the Government made serious efforts to involve civil society in the preparation of the GPRS. The five thematic Core Teams included representatives of CSOs. The National Development Planning Commission (NDPC) as the responsible government agency for the GPRS worked hard to carry through a consultative process. GAPVOD, for instance, co-ordinated wide consultations with civil society, to enable them to have input on the document. Also, CSOs had ample opportunity to comment on earlier drafts of the GPRS that resulted in many changes as reflected in an extensive appendix of the latest version. The Government was also commended for having recognized the civil society and its representatives as important partners for development. Moreover, the GPRS process is seen to have contributed a great deal to awareness raising, set in motion an important learning process for both the government and civil society, and opened up the public policy process to participation.

At the same time, however, substantial concerns were raised as to the quality of participation, the information parity, and the credibility of the process. Regarding the quality, it appears that participation did not go much beyond consultations. Moreover, they were focused on Accra-based organizations, while those from rural areas, organizations at the grassroots level, but also women were much less involved.<sup>2</sup> It was suggested that time pressure contributed to that, together with the limited capacity of many CSOs, which are mainly engaged in service delivery rather than in lobbying and advocacy work. The lack of adequate skills was also seen to be responsible for the often low quality of discussions in workshops and meetings. On the latter, the National Economic Dialogue (NED) in May 2001 was cited as example.

The NED – a mass forum of multiple stakeholders – was introduced by the current government. The two-day event aimed at discussing short, medium, and long-term targets for economic development. The dialogue focused on six broad areas: economic policy, the

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<sup>2</sup> It was reported that representation of women was less than 30%. However, the current regional platforms with workshops exclusively for women should help to correct this imbalance.

financial sector, resources for growth, the labour market and human resource development, poverty reduction, and the golden age of business. Participants were drawn from the private sector, trade unions, international and donor organisations, and civil society. The participation of over 200 persons did not allow for effective debate, there was little time to ask questions, and decisions derived did not seem to represent a true consensus but rather reflected the views of those few who managed the process. Moreover, it is reported that discussions were highly academic as they were dominated by think-tank organisations. Civil society as a group did not make any collective demands because they never met prior to the NED to plan on such. Due to time constraints and the lack of documents available in electronic form, it has not been possible to include specifics on issues discussed during NED. However, the government's NED Secretariat in Accra should have more details on that.

The Government's information policy appears to have been sub-optimal, with information often arriving late and invitations for workshops sent at short notice. Moreover, the GPRS document was described as bulky and too technical. For people outside Accra it was difficult to get hold of key documents, including the GPRS draft.<sup>3</sup>

Credibility of the process was undermined by parallel but independent negotiations of the Government with the IMF, as if the GPRS process did not exist. The lack of transparency resulting from inaccessibility of key information held by the IMF and the World Bank further contributed to the credibility gap; and so did the reluctance of the Government to enter into serious discussions with civil society on macroeconomic policy, which was considered to be fully in the hands of the Government and the IFI.

**Suggestions for the way forward point in three directions: education at the grassroots level about the GPRS, a more conducive attitude of the Government in its approach to civil society, and strengthening the capacity of CSOs.**

There appears to be an enormous need to educate people at the grassroots level about the GPRS. Knowledge about the poverty reduction strategy and what it holds for the deprived segment of the population will help empower people to claim their rights. Moreover, informed people will be essential for the success of the GPRS implementation.

As to the Government, representatives of CSOs suggested that it increases its efforts to include the grassroots level in the implementation of the strategy. This includes accelerating the decentralization process by transferring resources and real decision-making power to the districts and communities and a strong commitment to strengthen the capacity of ordinary people, preferably through CSOs, to meaningfully participate in the implementation of the GPRS. Finally, Government is expected to review its information policy as a confidence-building measure.

Interlocutors appeared to be most concerned about the lack of adequate capacity for effectively implementing the GPRS. They have identified capacity-building needs at all political levels. Priority, however, is given to CSOs as they are by definition playing a key role in linking civil society to the political authorities.

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<sup>3</sup> It was also striking to learn that several key actors of CSOs were not aware of the latest draft, released in February 2003.

## **5. Collaboration**

This section reviews developments in the collaboration of civil society with the Government and with bilateral and multilateral donors.

**The relationship between Government and NGOs during the nineties were described as "hostile". The joint development of a 'National Policy on Strategic Partnership with NGOs', the experience related to the preparation of the GPRS, and efforts to institutionalise consultation mechanisms such as the National Economic Dialogue created an enabling environment for building a more fruitful collaboration between the Government and NGOs.**

In 1993, the Government drafted a Bill to regulate NGOs. It was not enacted into law, however, as NGOs protested vigorously. The disagreement marred relations between Government and NGOs during the following years. It was only at the end of 1999 that the Government and NGOs embarked on a more constructive dialogue by creating a joint National Consultative Group to reconcile the controversial issues. After one year of extensive consultations, the National Consultative Group had developed a proposal entitled 'National Policy on Strategic Partnership with NGOs'. The revised version of the document, which came out at the beginning of this year is now hoped to be adopted and implemented by the Government. The broad-based consultative approach used in producing the document considerably improved the relations between the Government and NGOs.

Similarly, the launching of the GPRS in July 2000 opened up new space for constructive interactions between the civil society and the Government, including mechanisms to facilitate the process of dialogue and consultation such as the National Economic Dialogue. In this sense, the GPRS process is clearly seen as having strengthened the collaboration between Government and civil society. Also, government funds such as the Village Infrastructure Fund or the Social Investment Fund are implemented through NGOs who disperse the means to grassroots organisations at district level. Still, mentioning was made regarding the unequal power between Government and civil society and some frustrations aired that inputs were not always taken up by the Government.

**Collaboration between civil society and bilateral or multilateral donors appears to be on a case-by-case basis and rather driven by business motives.**

Some CSOs have collaboration with one or the other donor through the implementation of donor-funded development projects and programmes (e.g. the Ghana National Education Programme). In general, however, little collaboration is reported by the interlocutors even though some donors seem to regularly consult CSOs and also invite them to workshops and meetings. Overall, interaction between CSOs and donors appears to be mainly based on the fact that they benefit from each other – CSOs by getting funding and donors by following their own request for a stronger role of civil society in the development process. There was no mentioning of marked difference in the collaboration with bilateral as opposed to multilateral donors.

## **6. Fiscal Decentralisation**

**Apart from a generally slow decentralisation process, three major problems stand out with respect to fiscal decentralisation. First, a lack of reliable and timely flow of funds to the districts; second, structural problems related to the reluctance of central government agencies to decentralise the ministries and their proper integration at the district level;**

**third, the generally poor capacity of district assembly members and officials, local CSOs, and large segments of the population in general in dealing with budget issues.**

The District Assembly Common Fund (DACF) is a constitutional provision, which reserves 5% of national tax revenues to fund development activities of districts. It is the largest single source of development funding for many districts. But problems are reported as to the timely arrival of the DACF (with backlogs of up to one year) as well as to the transfer of the originally agreed amount of funding. Furthermore, it was complained that the DACF comes with instructions on how to spend it and thus undermines the very idea of fiscal decentralisation. The following causes for delays of DACF have been identified:

- a) The lack of funds or too many competing demands on the resources, e.g. paying debt savings into the HIPC account to meet donor conditionalities when DACF is also due.
- b) The formula for disbursement must be approved every year and so a delay in getting the proposed formula for allocation approved by Parliament definitely leads to delay in disbursement. The 2003 formula has just been approved (May).
- c) The government's fiscal and monetary policy concerns sometimes also lead to delays as government deliberately decides to control money supply by withholding disbursements.
- d) Some District Assemblies fail to submit supplementary budgets and reports on the use of previous allocations on time. Since these are required for new disbursements a failure or delay results in delays in subsequent disbursements.

It was commented that the decentralisation structure was in place but progress in implementing fiscal decentralisation has been slow. Most central government agencies seem to resist decentralisation, which is hindering the harmonization of the local government structure and in particular the development of a composite budget. Also, the fact that the District Chief Executive and 30% of the District Assembly members are appointed by the President, rather than elected by the local population, raised some fear that the GPRS might be implemented by what was called the "party machinery". In addition, this situation does hardly contribute to increased accountability, even less so as it is contended that District Chief Executives have considerable control over the budget at district level.

There is also the issue of composite budgeting. The District Assemblies are supposed to prepare composite budgets that incorporate expenditure and revenue estimates of the programmes for all the departments of the District Assemblies. However, sectoral budgeting characterizes the district budgeting process – despite the passage of the Local Government Act, which envisages the preparation of composite budgets.

CSOs as well as bilateral and multilateral donors are involved in various training activities at the district level, including expenditure tracking, preparing medium-term development plans and alternative budgeting, however, much more is needed. It appears that in some districts, Assembly Members do not even have the simplest bookkeeping skills, local CSOs who are supposed to train their constituencies often have neither the financial nor the intellectual capacity, and training needs at the grassroots level are massive.

The Directive of the Government to the assemblies suggesting to operate separate accounts for HIPC funds were commended. At the same time, concerns were raised as to the distribution of the HIPC funds among District Assemblies that did not seem to conform with the recommended criteria contained in the GPRS document.

**Suggestions relate to expediting the disbursement of DACF and to the huge challenge of enhancing the capacity at the District level. In addition, more local autonomy in the**

**allocation of the DACF is seen to be crucial to achieve the main goal of fiscal decentralisation.**

Based on the causes for delays in DACF, it is suggested to (i) have the Ministry of Finance (MoF) release an advance every quarter based on the previous year's allocation, pending approval by Parliament; (ii) to channel donor support directly into this Fund (however, with the MDBS this may not be feasible); and (iii) to sanction officials who fail to submit supplementary budgets and reports on time.

Some ideas for improvement are based on the consideration that the across-the-board 5% does not help poor and deprived districts. One way is to have a graduated system under which those districts who have lower internally generated revenues will have a higher fund, and those with higher revenue get a lower percentage of the DACF.

On fiscal decentralisation as a process it is also suggested to look at the set-up of the DACF secretariat and the relationship with the Ministry of Local Government and Rural Development vis-à-vis the MOF. Further suggestions relate to the need to form strong coalitions between political administrations and CSOs at district levels in order to come up with composite development plans and budgets. These linkages are reported to be very limited to date. Also, decentralised political units should be given free hand to use DACF and, a legal framework is needed to ensure easy access to up-to-date information, which seems to be still hampered by unfounded classification and bureaucracy.

Systematic and tailored training programs are needed at all levels. For District Assembly Members and Staff, capacity building should focus on policy analysis, budget management, implementation and monitoring but should also include political skills so they are equipped to lobby at the central government level. Local CSOs' capacities have to be strengthened to enable them to inform, educate, and train their constituencies. At the grassroots level, it is suggested to focus training activities on awareness raising related to the central role of the budget process and, subsequently, on budget planning and expenditure tracking.

For instance, IBIS-Ghana has considerable experience using participatory approaches (with scorecards, among others) in setting priorities and consolidating results into the planning process. Through its programme on "Public Participation in Local Governance" IBIS has been involved in organising in March a HIPC Watch workshop for civil society groups in the Northern Regions, where it was decided to set up District HIPC and GPRS monitoring committees.

The Northern Ghana Network for Development is planning to establish a pool of 10 professional planners to be based in Tamale and made available to all the 23 District, Metro and Municipal Assemblies in this part of the country. The scheme will be a 3-year pilot and aims at supporting deprived District Assemblies by improving their planning capacity and thus advancing the process of fiscal decentralisation.

The Mid-Ghana Network is involved in an exercise to track expenditure from central government to district assemblies. The work has started on a pilot basis with six districts. Once the pilot cases have been successfully completed, the exercise is to be spread to the whole country.

Together with local partners, the economic policy empowerment programme of EURODAD (epep) has recently embarked on a mapping study in Ghana to look at participation of civil society in economic policy planning. The aim of the study is to collate information that will be useful background information for economic policy capacity-building facilitators, local actors, and other researchers.

ISODEC's Centre for Research and Budget Advocacy (CERBA, former CBA) is working on developing an economic model, called the Distributive Effects of Economic Policies (DEEP) for use in assessing the impacts of macroeconomic and other policies on the people, particularly the poor and marginalized in the rural areas. This could be very handy in the decentralized agencies' efforts to measure performance and achievements in reducing poverty as well as monitoring poverty related programmes. DEEP integrates participatory research and computer modelling and will rely on data gathered through widely distributed databases. ISODEC hopes to achieve the following with the deployment of the model:

- a) Integrating different stories about specific parts of the Ghanaian economy, such as the informal agricultural sector and to more accurately measure their contributions, potentials, and investment needs;
- b) Creating dialogue between civil society groups, local research institutions, and government agencies about the distributional impacts of government policies and external shocks;
- c) Creating a coherent, dynamic picture of the Ghanaian economy incorporating the perspectives of diverse groups and institutions to more effectively promote convergence and national ownership of policies.

The model will display the following features: user-friendly and freely available, locally based, promotes inter-agency collaboration and information exchange, suitable for training activities, can be used to project government revenues and for monitoring impacts, and is extensible to include gender and environmental analysis. Various research institutions and CSOs are involved in assessing the model as it progresses so that it can be adjusted to suit the demands and needs of Ghana and Ghanaians. Local experts from CEPA and the Bank of Ghana act as advisors to the modelling team. The model has reached an advanced stage. It is hoped that the work will be finished by the end of this year.

## **7. Participatory Budget Process**

**Disappointment was expressed that the 2002 annual budget did not appear to have much linkage with the GPRS. There was general agreement that the possibility of civil society to influence the budget at the national level is marginal, pointing to a lack of participation in the budget-making process.**

Although the year 2002 was supposed to serve as the first year of the implementation of the GPRS, expenditure allocations do not appear to sufficiently address the discrimination against people with disability and other vulnerable groups, in spite of the GPRS analysis of vulnerability. Instead, it was claimed, IMF's condition as well as HIPC decision point conditions influenced the 2002 budget.

The public budget hearings were acknowledged but considered as very limited consultation process. Also, the budget-making process seems to be still shrouded in secrecy, budget document too technical, and real influence limited to the Government and parastatal units.

In theory, it was suggested, the budget process is well-suited to have civil society participation as it goes from local expenditure allocations to their aggregation at the national level. Therefore the district planning system put in place by the government would appear to be the obvious strategic entry point to a participatory budget process. In practice, however, this system appears to be seriously flawed as has been discussed in the previous section.

**It is suggested to reform the budget process in order to introduce more transparency, greater participation, and increased collaboration between key actors involved in the process.**

CSOs suggest the budget process be reformed and based on a partnership between budget-making agencies such as the MoF, budget approval and oversight agencies such as Parliament and budget advocacy groups such as CSOs. This approach would lead to greater openness and promote public engagement in the budget process.

Also, the need was stressed to encourage more capable CSOs to engage in advocacy related to the budget process. This would require substantial capacity building of CSOs in economic policy, resource allocation, and budget management and monitoring.

## **8. Participatory M&E Process**

**Several CSOs are heavily involved in participatory M&E initiatives, either directly in M&E activities or in related training activities. It is suggested that the complexity of the task calls for coalitions among actors already involved or prepared to get involved, including government agencies. Government is challenged to take on a more active role. The capacity-building needs are described to be "huge".**

CSOs got involved in a variety of participatory M&E activities, including World Bank sponsored "training-for-trainers" workshops attended by representatives from CSOs and local governments; training of focal NGOs, which would then offer training courses at the grassroots level; the preparation of a draft manual on participatory M&E; or community-based M&E using scorecards. The latter in particular seems to provide an excellent entry point to get people in the communities interested in the GPRS.

ADP is using the community participatory approach (focus groups and questionnaires) to train on the scorecards and report cards. The communities are reported to be very cooperative and open to learn to hold government accountable and transparent. ADP would wish to receive further training to improve on its efficiency and effectiveness.

CERBA concentrates on training CSOs on budgets to enable them to engage in monitoring the flow of public resources as well as the implementation of programmes and projects. The training covers budget processes, trial balance interpretation, development planning and advocacy techniques to prepare the beneficiaries to get involved in the budget process as well as participate in M&E of poverty related programmes and projects. For example, CERBA recently assisted the Bongo District Assembly to finalize their Medium-Term Development Plan. One problem with participatory M&E seems to be the reluctance of public officials to make information easily accessible. Transparency in public transactions, which this government has promised Ghanaians, would greatly help.

IBIS-Ghana has used participatory processes including scorecards. Other techniques employed are the 'open space technology' and the 'world café method'. IBIS-Ghana has worked mainly with community groups focussing on qualitative change. Presently, it is working with the Eurodad programme officer in West Africa on developing new methodologies for M&E. IBIS-Ghana has also capacities in preparing community development outlines and in management training for community leaders, which includes planning, budgeting, basics of book keeping, leadership, lobby and advocacy. Lessons learned on participatory M&E are summarized as follows: it is an empowering activity; people get committed to the process, if they are involved in the design process; it is a tool for strategising; it can provoke questions against the status quo, which may generate new ideas and lead to novel approaches.

The Northern Ghana Network for Development is currently engaged in the design of a citizens report card on pro-poor services in northern Ghana. The design of the project is based on experiences from the Philippines, Bangladesh, Uganda, and Kenya and supported by DfID. Capacities in methods for participatory M&E include Participatory Rural Appraisal (PRA), Self esteem Associative Strengths, Resourcefulness, Action Planning, Responsibility (SARAR), Beneficiary Assessment, and stakeholder workshops. According to the Network, these methods are time-consuming and require a lot of practices to gain experience. They are however very useful tools for working with largely illiterate people.

Through the Ghana HIPC Watch project, the Social Enterprise Development Foundation of West Africa (SEND), together with other CSOs in Northern Ghana have, since September 2001, been developing a process to educate CSOs to be proactive in the monitoring of HIPC. The objectives of the HIPC Watch are to sensitise, educate, and train civil society and to promote participatory M&E. Apart from the regular publication of the 'HIPC Watch Update', the project held a series of regional workshops aimed at educating and training CSOs to get involved in the GPRS debate, programmes and projects. The second phase of the project consists of training of interested CSOs in participatory M&E of HIPC programmes as well as technical assistance to help them develop district-based participatory M&E systems. It was also SEND who drafted a manual on participatory M&E. The manual is currently discussed with key government units and bilateral donors. To cope with the formidable challenge of monitoring and evaluating progress in poverty reduction, CSOs suggest to establish a platform, which would improve coordination, allow exploiting the relevant comparative advantages of involved partners, and avoid duplication. Establishing a broad platform for civil society in participatory M&E means the building of coalitions and networks around issues, and creating the opportunity for joint action. There should be a forum for discussion of outcomes and processes. This could serve as a sort of peer review and group management for processes. It would also help to effectively strengthen the capacity of weaker CSOs. For instance, such platforms existed for discussions on local government elections.

It is further suggested that the Government gets involved in facilitating the formation of such a platform, which would have to include CSOs as well as government agencies. Monitoring could then go beyond mere policing and include broad-based dialogue among different stakeholders. However, Government's stance on participatory M&E appears to be somewhat inconsistent. On the one hand, it clearly acknowledges the important role of civil society in the M&E process. At the same time, however, it does not seem to be prepared to assist CSOs with much-needed resources.

Currently, CSOs appear to be far from being able to meet the huge demand for participatory M&E or related training activities due to inadequate capacity; all the more as effective M&E requires additional knowledge and capacity to understand the poverty reduction policy and how it is translated into budget allocations.

## **9. Ownership**

**Civil society's view on the level of country ownership appears to vary widely, reflecting the different perceptions of what ownership means.**

If the concept is narrowly understood as Government ownership of the GPRS process, a rather positive assessment emerges. The fact that a whole Ministry has been in charge of the process, that the country has produced a comprehensive strategy on reducing poverty, and that the Government encouraged District Assemblies to participate is given as evidence for this assessment. The Government is seen as having taken a leadership role in the process. Even

though bilateral donors were considerably involved in developing the GPRS, this was not seen as compromising country ownership. A certain consensus seems also to exist that, ownership improved as the preparation process of the GPRS unfolded, together with increased efforts to involve broad section of civil society. Overall, however, a sceptical view prevails. It is suggested that the macroeconomic framework of the GPRS is owned by the IFIs rather than by the country. Also, the requirement to get the strategy approved by IMF and World Bank is seen as undermining ownership, and so are the time pressure and the high technicality of the document. If "ownership" is understood as owned by civil society, many CSOs do not think that they own the document. It has been prepared from the top, with marginal involvement of the grassroots level. Since the ownership concept is closely linked to participation, i.e. a key condition being broad-based stakeholder participation, the GPRS process appears to have only produced limited ownership. For real ownership by the people of Ghana, it is suggested, all stakeholders should have been involved from the very beginning and should have given ample opportunity to make comments, with corresponding impact on subsequent drafts. Finally, the technical language of the document will not contribute to strengthen ownership.

**The way Government handles the implementation of the GPRS is considered vital to strengthen ownership.**

It was suggested that real ownership comes through owning the budget by people and giving them the power to define their preferences and make their own choices. Swift and energetic progress in decentralization will be critical for that. Specific suggestions included the preparation of an alternative report on public expenditure for the Western region and District Assemblies using NGOs rather than government bodies to implement poverty reduction policies and activities. Another suggestion was to extensively use report cards for which people would have to get equipped with the necessary skills. More generally, a sincere bottom-up approach is called for if ownership of the GPRS is to be strengthened. One important ingredient to make this happen includes an improved information policy of the Government.

### **10. Capacity of Civil Society Organisations**

Ghana has a vivid but still immature civil society, represented by churches, local and national NGOs, worker unions, organized student bodies, and CBOs. Their number as well as range of activities has exponentially grown in recent years. The boom is not unrelated to the funding opportunities the donor community has made available. There are more than 1'200 NGOs registered with the Ministry of Manpower Development and Employment and there are still a countless number of them registered within the districts. Some are said to be related to the government and thus receive contracts from the Government. At the same time these CSOs are politically more modest and prepared to compromise. It is even suggested that some NGOs are set up by politicians to channel funding and thus benefit from upcoming opportunities in development activities. GAPVOD, which was set up in 1980 is the national umbrella organization with a membership of over 250 NGOs located across Ghana. Several regional networks are affiliated with GAPVOD, including the Northern Ghana Network of NGOs, the Mid-Ghana Network, the Regional Network of NGOs in the Western Region, the Ashanti Regional NGOs network, and the Brong Ahafo Network of NGOs.

**The main strength of civil society organizations appears to be in service delivery, with very limited capacity to engage in economic policy and budget work. A few organizations, however, have substantial training and research skills.**

Most CSOs are specialized in service delivery with qualified expertise in particular areas such as education, health, or water. They are very active in implementing development projects, mainly funded by donors and to a lesser extent by the Government. In general, however, CSOs play a rather limited role in advocacy and lobbying. The same applies to networks and coalitions, which only have limited impact due to resource constraints. Most CSOs have very weak analytical and research capacity due partly to lack of financial resources to pay professionals. This also means high dependence on external funding with negative implications on their democratic legitimacy. Moreover, many CSOs do not seem to have even the capacity to gather baseline data for need assessment.

The scant resource base also limits CSOs in building up their own organizational and institutional capacity, leading to a lack of professionalism. In combination with deficient training capacities, the lack of resources also leads to the failure to strengthen the capacity of their constituencies, which is desperately needed to transfer decision-making power to the grassroots level (and which may have contributed to the poor participation of this segment in the GPRS process).

The lack of capacities and skills also leads to CSOs not being able to effectively enter into advocacy work, an important area when it comes to the implementation of the GPRS. The lack of a CSO-based coordinating body for the GPRS, similar to CIVISOC in SAPRI or the Education Campaign Coalition, is a missed opportunity to make up for that. It is, therefore, to be welcomed that GAPVOD plans to establish a CSO-platform at the national and probably regional level.

Still, there are some CSOs (NGOs and think tanks) with respectable capacities and skills to perform training activities and/or analytical work. The following organisations have been mentioned in particular:

- *Northern Ghana Network of NGOs*: This network of NGOs operates in the three northern regions of Ghana that are particularly affected by poverty. Together with GAPVOD, it seeks to establish a national accountability forum to track HIPC and DACF resources. The network has capacity in community-based, participatory M&E.
- *CERBA of ISODEC*: ISODEC has several regional offices in Ghana, is involved in advocacy work, and runs CERBA, the Centre for Research and Budget Advocacy. CERBA is dedicated to research and analysis on the national budget and the economy as a whole, and provides budget information services. It conducts training in public expenditure management, budget analysis and pro-poor and equity-enhancing budgeting to both government and CSOs throughout Ghana. It also organises public forums and other opportunities for public debate.
- *MURAG*: This is another credible NGO that is working in collaboration with national and international development partners in the areas of community development, expenditure tracking and research. MURAG also has regional offices in Ghana.
- *CEPA*: CEPA is an independent non-governmental research centre which provides a rigorous analysis and perspective on economic policy issues of Ghana and the Developing World. It is also involved in training activities and provides consultancy services to the on-going research on tracking the HIPC and DACF funds.

Other organizations which could play a role in PRSP monitoring and might have the potential to develop the required capacity include GAPVOD, Friends of the Nation, ADP, and the Brong Ahafo Network of NGOs.

## **11. Concluding Remarks**

The objective of the present study has been to capture the view of civil society in Ghana on its involvement in the preparation and implementation of the GPRS and to document suggestions from CSOs on improvements of the implementation process. It should be kept in mind, therefore, that the analysis is inherently one-sided. Moreover, the analysis is based on a review of available documents and a limited number of interviews with representatives from civil society, with an uncontrollable factor included in the choice of the sample.

The **participation** of civil society in the preparation of the I-PRSP was marginal and mainly limited to consultations with few representatives of CSOs. The Government, which had changed in the meantime made considerable more efforts to involve civil society when it started to develop the GPRS. Still, the participatory process was considered to be deficient in breadth and depth, with a sub-optimal information policy of the Government and limited credibility due to parallel but independent negotiations with the IMF and lack of transparency. Potential for improved participation in the implementation of the GPRS, and thus more effective implementation, is seen in educating the people at grassroots level, accelerated decentralisation, and investments in enhancing relevant capacity of CSOs.

**Collaboration** of the civil society (and NGOs in particular) with the Government was far from good after the Government drafted a controversial Bill to regulate NGOs. Relations only improved when they started to jointly develop a national policy to foster durable partnerships between NGOs and Government. Despite flaws in the participatory approach related to the GPRS, the process contributed a lot to strengthen collaboration between civil society and Government. At the same time, civil society's collaboration with bilateral and multilateral donors in the GPRS process is reported to be largely limited to cooperation in specific development activities.

Progress in **fiscal decentralisation** seems to be an area of major concern. While the decentralised structure is basically in place, lack of commitment at the central Government to effectively transfer decision power to the regions and to give up control over decentralised funds are blamed to seriously hamper the process of fiscal decentralisation. This is aggravated by a lack of relevant capacity at the level of District Assemblies, of CSOs operating in the area, and of broad segments of the population. Accordingly, suggestions are made to heavily invest in training activities to strengthen the capacity of key actors involved in implementing fiscal decentralisation.

**Participatory budget processes** have not gone very far yet, according to civil society. Input by civil society was rated low and disappointment expressed about the failure of last year's budget to reflect the GPRS. It was suggested to introduce more transparency in the budget process, open it up to effective participation, and strengthen collaboration between advocacy groups and government units involved in the budget process.

CSOs are involved in a variety of donor-funded **participatory M&E** activities related to the implementation of the GPRS, while the Government appears to be reluctant to invest in participatory M&E processes although it has acknowledged (and depends on) CSOs playing a key role in M&E. Suggestions are made as to the need to build coalitions among CSOs as well as between CSOs and Government agencies active in the M&E process. Also, more financial assistance is expected from the Government to fund much needed training activities.

The level of **ownership** was perceived quite differently by the individual representatives of CSOs, depending on whether the narrow definition of 'owned by the Government' or the broader definition of 'owned by civil society' is applied. Interestingly, interlocutors did not

seem to pay as much attention to the issue as is observed in international discussions. This might be a result of two decades of strong IFI presence and influence in the country.

Most CSOs are reported to be involved in service delivery. Relevant **capacity** and skills to engage in advocacy and lobbying work appears to be broadly absent. The same goes for capacities that would be needed to increase their professionalism and train their constituencies. The importance to invest more in capacity building, if CSOs are to play a key role in the implementation of the GPRS is well recognised. Regarding the latter, the intention to establish a CSO-platform is seen as a critical step in this direction.

## **12. Recommendations**

First and foremost, the GPRS process – with all its shortcomings as described in the study – is considered to go in the right direction. It initiated a process to raise awareness of the prevalence of poverty in the country. There is no doubt, however, that only the implementation phase will decide over success and failure of the GPRS, but overall, the process is considered to be on track. It is strongly recommended that the Swiss Government continues to support the GPRS process in Ghana. In order to minimise risk, two areas appear to require particular attention: progress in fiscal decentralisation and efforts to strengthen the capacity of the civil society. Both will be utterly critical for the successful implementation of the poverty reduction strategy.

- It is recommended that the Swiss Government, through its involvement in the Multi-Donor Budget-Support (MDBS) Group and its representatives in the Boards of the IMF and the World Bank, insists on swift and comprehensive fiscal decentralisation in Ghana. It is important to persistently urge the Government of Ghana to reinforce its commitment to fiscal decentralisation and to do its utmost to accelerate this process. Triggers could be used, based on the causes identified for the delay of DACF (section 6), in the framework of MDBS or the bilateral agreement with the Government of Ghana. The CSOs' suggestions to improve fiscal decentralisation should be brought to the attention of the Executive Director's Office of the IMF and World Bank as well as to the Swiss Ambassador to Ghana.
- It is further recommended that the Swiss Government starts to explore means and ways on how best to assist in much needed efforts to strengthen the capacity of key actors involved in the implementation of the GPRS, particularly the civil society. First, existing initiatives by like-minded donors and beyond should be reviewed in terms of opportunities to provide support to such initiatives. The recently launched idea by development partners for a joint funding mechanism for long-term programmatic support to research and advocacy groups might be an excellent opportunity for the Swiss Government to achieve leverage for potential assistance to CSOs. It is therefore recommended to closely follow this initiative and seriously consider to join in. Second, the Swiss Government should continue its efforts to identify suitable partners among Ghanaian CSOs. The study recommends to focus on the four CSOs listed in section 6 in the first place, i.e., Northern Ghana Network of NGOs, CERBA, MURAG, and CEPA. But the organisations identified to have the potential to develop the required capacities should also be seriously considered (GAPVOD, Friends of the Nation, ADP, and the Brong Ahafo Network of NGOs). Before entering the selection process, however, the Swiss Government should clearly define the nature of the intended support.

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## Annex II: Persons Interviewed

NAME	DESIGNATION	ORGANIZATION
Alhaji S.A. Wahab	Executive Director	Muslim Relief Association of Ghana (MURAG)
Andani Imoro	Director (and former Northern Regional Minister)	Management Aid (MAID)
Charles Abbey	Chairman and Executive Manager	Ghanaian Association of Private Voluntary Organizations in Development (GAPVOD) African Development Programme
Delasi Amable	Programme Officer	IBIS-Ghana
Donkris Mevuta	Chairman and Executive Director	Regional Network of NGOs in the Western Region Friends of the Nation
Ebenezer Mireku	Business man	
Emmanuel Akwetey	Director	Institute for Democratic Governance (IDEG)
Ernest Y. Kunfaa	Univ. Lecturer	Kwame Nkrumah University of Science and Technology (KNUST)
Georg Zubler	Ambassador	Swiss Embassy in Accra
Gloria Ofori-Boadu	Executive Director	International Federation of Women Lawyers (FIDA-Ghana)
Isaac K. Yanney	Dep. Head Policy & Research	Trade Unions Congress (TUC)
Ismail Lansah	Executive Secretary	Northern Ghana Network for Development
John Kwadwo Owusu	Chairman	Mid-Ghana Network
Robert K. Aboagye-Mensah	General Secretary	Christian Council of Ghana (CCG)
Samuel Zan	Director	Social Enterprise Development Foundation (SEND)
Vitus Azeem	Programme Co-ordinator	Centre for Budget Advocacy/Integrated Social Development Centre (CBA/ISODEC)