



Monitoring the Initial
Implementation of the Infrastructure for
Poverty Eradication Program (IPEP)
dubbed the 1 Million 1 Constituency Program

Maiden Report of the IPEP Tracker Project



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Ghana Center for Democratic Development (CDD-Ghana)

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Section I. Introduction

The New Patriotic Party (NPP) in its 2016 elections manifesto, promised to reallocate \$275 million of the national capital expenditure budget. The aim of the investment is to enhance capital infrastructure by expanding/improving on existing capital structures at the district/constituency level to accelerate growth, create of jobs and reduce poverty particularly in rural and deprived communities. The party promised when voted into power, to allocate the Ghana Cedi equivalent of \$1million every year to each of the 275 electoral constituencies in the country under its flagship program titled: Infrastructure for Poverty Eradication Program (IPEP). Under IPEP, the NPP government promised to establish three development authorities: the Northern Development Authority (involving the restructuring of the Savannah Accelerated Development Authority –SADA, established under the National Democratic Congress-NDC government); the Middle Belt Development Authority and the Coastal Belt Development Authority. These agencies will have prime responsibility for executing the program and report directly to the President.

The establishment of this type of spatially focused development interventions are not new. There are currently two surviving agencies of this type: the Central Regional Development Commission (CEDECOM) and recently the Savannah Accelerated Development Authority (SADA). The establishment of both is yet to lead to the socio-economic transformation desired for the geographical space they were expected to impact.

Granted that the model of development chosen to address rural poverty remains debatable what is clear is that, the management and performance record of such development interventions in Ghana is

extremely poor. Their management record is characterized by mismanagement, misapplication of funds and allegations of corruption, which inevitably contributes to failure to impact positively on the livelihoods of Ghanaians in their areas of operations.

It is in light of these challenges that the Ghana Center for Democratic Development (CDD-Ghana) with funding from the Department for International Development (DfID) under its Strengthening Action Against Corruption (STAAC) project is implementing the **IPEP Tracker project**. The project seeks to monitor the implementation of IPEP to ensure the mistakes of the past are not repeated. The project has the following objectives:

- Strengthen the framework and performance of institutions set up to govern and manage the IPEP program.
- Eliminate corruption and misuse of public resources by ensuring transparency and accountability in allocation, disbursement, expenditure, accounting and auditing of public funds allocated and disbursed to IPEP.
- Ensure efficient and good corporate management of public funds allocated to the IPEP program through sustained monitoring of the implementation of the IPEP by CSOs.

As part of phase one of the IPEP Tracker project implementation, the project team undertook the following key activities:

- Assessment of the policy and institutional context for the implementation of the IPEP
- Regional and district/constituency field monitoring to assess the level of awareness/knowledge on the IPEP policy and its implementation among key stakeholders and assess the work of a ten-member regional-based ad-hoc infrastructure committees set up in all the ten regions

This report provides details of the findings of our assessment and monitoring of the preliminary processes put in place towards the implementation of the IPEP at the national, regional and district/constituency levels. The assessment is based on a review of the NPP 2016 election manifesto, government policy statements and the new Development Authority's Acts; key informant interviews at the national, regional and district/constituency levels involving state and non-state actors. In all about 150 stakeholders were interviewed.

The report is divided into sections. Section I above provides a brief background of the IPEP and the IPEP Tracker project and the activities we undertook. In section II, we assess the policy and institutional context for the implementation of the IPEP. In particular, we focused on how the IPEP policy, program and institutional arrangement fits with current development programming and institutional framework. In Section III, we share the key findings from the monitoring of the initial implementation of the IPEP, specifically the level of stakeholder awareness of the IPEP and the work of the 10-member Regional Ad-hoc Committee's set-up across the 10 regions to undertake Constituency/District infrastructure needs assessment. Finally, in Section IV, we offer some policy recommendations.

Section II. The Infrastructure for Poverty Eradication Program: policy and institutional context

The status of infrastructure in Ghana

According to a March 2010 Africa Infrastructure Country Diagnostic (AICD) report, Ghana needed \$2.3 billion annually over a decade to meet its growing infrastructure needs. Out of the amount 60% was expected to cover capital expenditure with the remaining 40% accounting for operating expenditure. At the time of the report Ghana was already spending \$1.2 billion on infrastructure annually. This expenditure pattern has not changed as much as government estimates about \$1.4 billion for its total capital expenditure for 2018. The infrastructure needs of Ghana cover a number of areas including aviation transport, information and communication technology, irrigation, ports, power, railways, roads, water and sanitation.

Institutional arrangement for identifying and funding Infrastructure

Partly, in response to the infrastructure deficit and the challenges of financing long-term infrastructure projects given budget constraints, Ghana passed the Ghana Infrastructure Investment Fund (GIIF) Act 2014 to set up the GIIF as a sustainable vehicle for financing and managing infrastructure investments. The GIIF receives 2.5% of Valued Added Tax receipts and 25% of the 70% of the Annual Budget Funding Amount (ABFA) under the Petroleum Revenue Management Act 2011 (as amended), allocated to capital expenditure. The GIIF forms part of a broader policy framework to address the infrastructure issues in the country, for example, the National Development Planning Commission (NDPC) developed a National Spatial Planning Framework in 2015 to provide for coordination and integration of planning systems

within diverse spaces. It is also currently working on a 30 year National Infrastructure Plan (2018-2047) which is nested in a 40 year Long Term Development Plan (2018-2057).

The IPEP seeks to focus on rural and deprived communities to promote inclusive development. At the local level, prior to IPEP, infrastructure needs and financing was organized as follows: The NDPC issued guidelines to district assemblies to prepare district medium term development plans to align with national plans. The districts undertake an extensive consultation process with assembly members to organize fora and through participatory processes identify community needs including infrastructure to be captured in the district plans and budgeted as part of the composite budget process. These plans are primarily implemented by the District Planning Coordination Unit (DPCU) led by the chief bureaucrat at the local government level, the District Coordinating Director (DCD) and at the Assembly level, the Executive Committee led by the District Chief Executive (DCE). It is important to note that at the time the preliminary activities of IPEP was being carried out, assemblies were actively engaged in preparing their district plans.

The NDPC's role is also to provide technical assistance to the Regional Coordinating Council (RCC) to harmonize district plans at the level of the region. It is the same district plans that Members of Parliament (MPs) sometimes apply the MPs Common Fund to or Development Partners funding through the District Development Fund (DDF), finance activities of the district. Additionally, these district plans and the progress reports sent to the NDPC provide data to the Administrator of the District Assembly Common Fund (DACF) in preparing the formula for allocating the DACF to assemblies. Lastly, with the passage of the Financial Management Act 2016, it can be said that, at the time of implementing IPEP the framework for identifying development challenges, preparing budgets, expending resources and accounting

for the use of public resources had significantly evolved in a positive way.

How IPEP is expected to work

According to the Coordinated Program of Economic and Social Development Policies 2017-2024 submitted by President Nana Addo Dankwa Akufo-Addo to Parliament on October 20, 2017, quote:

".....under the IPEP everyone of the 275 constituencies will be allocated the equivalent of US\$1million annually to be invested in development initiatives of their own choice" pp115-116.

The projects selected for the utilization of the fund will be under standardized guidelines falling into the following categories:

- One District, one factory
- One Village, One Dam
- Small Business Development
- Agricultural inputs, including equipment
- 'Water for all" project
- Sanitation projects

The document does not list the Zongo Development Fund, however the 2017 Budget Statement indicates that the seed money of some Gh¢219 million was also added to the budget of the IPEP. In essence the Ministry of Special Development Initiatives (MSDI) is expected to coordinate some or most of the infrastructure needs of all the above flagship projects of the NPP government working through three development authorities (Northern, Middle Belt and Coastal Belt). President Akufo-Addo at the beginning of this year assented to the bills setting up the Development Authorities paving way for their operations.

As part of preparing this maiden report, CDD-Ghana researchers interacted with a number of key ministries and agencies responsible for ensuring the successful implementation of the IPEP. These included the Ministries of Finance and Economic Planning, Monitoring and Evaluation, Planning, the Secretariat of the One District, One Factory and the MSDI. The expectation was that the MSDI and other ministries implementing flagship projects of the government would operate under the Presidency. At the time most of these ministries were still trying to put their logistics together including elaborating on how the IPEP will work. It was however unclear how the officers will operate under the new Financial Management Act 2016. For example, though the MSDI and other ministries managing flagship projects were set up as ministries, they did not have the compliment of department heads like accountants and therefore were expected to rely on the structures at the Presidency. It was during this interaction that it was announced that the President had instructed the set-up of 10 regional committees to undertake a needs assessment to accelerate the implementation process while the development bills went through the processes in Parliament.

Section III. Findings from field monitoring on the IPEP and the workings of the Regional-based Ad-hoc Committees

As part of effort to implement the IPEP intervention, the NPP government, has undertaken a number of actions. Key among the actions undertaken by the government include:

- The establishment of the Ministry for Special Development Initiatives (MSDI) under the Presidency that will oversee the implementation of the IPEP
- Facilitated the passage of three bills setting-up of three Regional Development Authorities (Northern, Middle Belt, Coastal Belt) as the special purpose vehicle for the implementation of the IPEP
- Budgetary allocation for the Ministry in the 2017 fiscal year
- The setting-up of a 10-member regional-based ad-hoc committee's to undertake infrastructure needs assessment in all the 275 constituencies

Between November 27 and December 11, 2017, CDD-Ghana, undertook a monitoring exercise to assess, in particular, the level of stakeholder awareness/knowledge about the IPEP intervention and the work of the 10-member regional ad-hoc committees set-up to undertake the constituency needs assessment. We were also interested, in understanding the institutional challenges of the two existing development agencies: the Central Regional Development Commission (CEDECOM); and the Savanna Accelerated Development Authority (SADA). Using an informant interview guide, CDD-Ghana researchers interviewed 150 key stakeholders at the Regional and District/

Constituency levels. Among the key informants interviewed, include the following:

Regional Level:

- Regional Ministers/Deputies
- Regional Coordinating Directors
- Regional Economic Planning Officers
- Members of the 10-member Regional Ad-hoc Committee
- Regional political party executives (NPP/NDC)
- CSOs/Media/Traditional Authority Representatives

District/Constituency Level:

- District Chief Executives
- District Coordinating Directors
- District Planning/Budget Officers
- Constituency Party Executives
- Civil Society/Media/Traditional Authority Representatives

The findings of the monitoring exercise is categorized under three (3) broad headings: 1) level of stakeholder awareness/knowledge about the IPEP policy and intervention; 2) Observation of the activities of the 10-member Regional Ad-hoc Committees; and 3) validation and reporting of District/Constituency Infrastructural needs Assessment. The following are the key findings:

1. Level of awareness/knowledge about the IPEP policy and intervention

On the level of stakeholder awareness/knowledge about the IPEP intervention, we were interested in finding out, what our informants knew about the IPEP program; how the project areas fit into the regional/district medium-term development plan; the level of collaboration/integration of the IPEP institutional/implementation

arrangements within the existing bureaucratic and political structures at the Regional and District level.

In general, we observed that, the level of awareness/knowledge about the basic idea of what the IPEP intervention is among stakeholders is high. However, some informants, particularly bureaucrats we interviewed at the regional and district levels had very little or no knowledge about the various projects under the IPEP and the implementation processes.

- Majority of informants said they know about the intervention, and readily associated it with government's promised allocation of \$ 1 million to each constituency for development projects. We noted that, 'awareness/knowledge was high among government officials, and NPP party executives at the regional and district/constituency level compared to other stakeholders
- A few of the bureaucratic informants at the regional level were aware of offices been designated as IPEP secretariat at the Regional Coordinating Council, but did not know how they work or who they report to
- Only a few informants could mention some of the planned project areas for investment under the IPEP
- Majority of the informants, particularly bureaucrats both at the regional and district level could not tell how the IPEP program would fit into the regional/district medium term development plans

Informant quote:

“

There is no relationship between the Regional Coordinating Council and IPEP as it stands now.' (**Regional Minister**)

”

“ IPEP has not been integrated with the RCC. It is being directly administered under the auspices of the Ministry of Special Development Initiatives under the leadership of Hon. Hawa Koomson. The IPEP Program, to my understanding, will be implemented by the Northern Development Authority.
(Regional, Ad-hoc Committee Team Member) ”

2. Activities of the 10-member Regional Ad-hoc Committees

On the activities of the 10-member regional ad-hoc committees, we were interested in finding out whether our informants knew who the members of the 10-member Regional Ad-hoc Committees are, how they were selected and how the activities of the committees were funded. We were also interested in finding out the extent and format of stakeholder engagement undertaken by the committees at the district/constituency level in identifying and assessing the infrastructure needs.

In general, majority of informants said they heard about the inauguration of the regional ad-hoc committee, however, we observed that, many were either unaware, or had very little knowledge and/or involvement in the activities undertaken by the committee.

- A significant majority of informants report they heard about the inauguration of the 10-member regional ad-hoc committee through the media. However, majority including bureaucrats at the regional and district level said they have little information about how the committee works.
- Majority of informants said they do not know the Ad-hoc committee members or how they were selected. We observed that, information about the membership of the committee and how they were selected was limited to only a few people (Regional Minister and Regional and Constituency NPP Party Executives).

- Informants report that, the activities of the committee, were largely funded by the Regional Coordinating Councils and District Assemblies (transportation, accommodation, meals etc)
- Except for NPP party representatives, majority of district/ constituency level stakeholders (particularly district coordinators, planning officers, decentralized department heads and CSOs/Media) reported that, they were not aware or not much involved in the community-level stakeholder consultation undertaken by the committee
- Majority of informants reported that, the Committee's stakeholder consultations and community discussions were not well organized and adequate. For instance, some mentioned that the long questionnaire that was administered was not well structured as well as the stampeding of district assembly meetings to meet with assembly members to solicit for information.

Informant quote:

“ I know the membership composition of the ad-hoc committee. They were selected by the Regional Executive of our party and the Regional Minister was also given an opportunity to nominate two people into the committee. My understanding is that the committee members who currently have temporal appointment letters from the Ministry will be absorbed as full time staff when the IPEP Project Officially takes off. **(Regional Minister)** ”

“ The ad-hoc committee had a very short period to do its work. The committee was inaugurated in July and had to submit its report within a very short period to enable the Ministry budget for some of the projects in the 2018 financial policy statement of the government. The Committee agreed to select five communities in each constituency in consultation with the DCE and the MP where the MP is our party member. Then in each of the selected five communities per constituency, five key stakeholders were interviewed using a questionnaire to see which projects are of priority to the communities. The five stakeholders interviewed included: a chief, an assembly member, an electoral area executive of our party, a women's leader and others. Based on the responses of these five stakeholders, the proposed projects are then prioritized for each community based on their responses. This was the criteria used in the conduct of the needs assessment. Honestly we did not have the time and resources to hold large community meetings or durbars. **(Regional Ad-hoc Committee Team Member)** ”

“ I think there was limited stakeholder engagement. I am told only five people were selected and interviewed using a questionnaire structured along the areas of health, education, water, sanitation, agriculture and roads. Engaging with only five people may not be very representative in prioritizing needs of communities.
(District Coordinating Director) ”

3. Validation and Reporting of District/Constituency Infrastructure Needs Assessment

A key mandate of the 10-member regional ad-hoc committee is to undertake infrastructure needs assessment and the collation of a regional district/constituency infrastructure needs profile report. The reports are to serve as the base documents for the proposed Regional Development Authorities. As part of our monitoring, we were interested in information on the criteria the Committees used to identify and select key infrastructure at the district/constituency level; which project were selected; how the infrastructure needs were prioritized; and whether the Committee shared and validated its report with stakeholders either at the regional or district/constituency level.

In general, we observed very limited knowledge among key informants about the criteria the Committee used for selecting and prioritizing infrastructure needs; which projects were prioritized and about the Committee's final report.

- Information about the criteria for selecting and prioritizing infrastructure needs were limited only to few key stakeholders (Ad-hoc Committee members, Regional Ministers, and District Chief Executives)
- Only a few informants were able to mention some of the infrastructural needs that were collated (construction of small dams and dugouts; classrooms and furniture; CHIP compounds and clinics; boreholes and small water systems etc)

- We observed that, some of the members of the Ad-hoc Committee had limited training in the use of the instrument for assessing and collation of the district/constituency infrastructure needs. For instance, some of the members reported receiving limited training on how to administer the instrument and how to analyze and compile the report
- All informants reported that, there was limited or no validation with key stakeholders of the Ad-hoc Committee's report neither at the district/constituency nor regional levels
- Except for Regional Ministers, no other informant at the district/constituency or regional level reported having access or citing the final report of the Committee's work.

Informant quote:

“

I have no idea on the findings of the IPEP secretariat. No stakeholder meeting with various communities... but you are there and facilities will come without your knowledge. They are doing their own thing.

(Municipal Chief Executive)

”

“

.... there was no feedback provided to the District Assembly regarding the outcome of the needs assessment conducted. There was no stakeholder engagement organized by the committee to validate their findings and conclusions.

(District Coordinating Director)

”

“

We tried to have more information [about the committee's work] but nobody seems to know what is happening, except that some of the ad-hoc team members tell us they have finished their assessment, they have submitted their report, and it will now be implemented by Northern Development Authority (NDA) and other development authorities.

(CSO Representative)

”

Section IV. Conclusion and policy recommendations

This report set out to provide details of the findings of our assessment and monitoring of the preliminary processes put in place towards the implementation of the IPEP at the national, regional and district/constituency levels. The following are our conclusions based on our analysis of the institutional and policy context for the implementation of the IPEP and findings from our monitoring of the work of the 10-member regional ad-hoc committees.

- The lack of a coordinated policy framework spelling out the IPEP policy intervention and the restriction of information to only a selected few political actors has the potential to create an institutionalized information asymmetry for the principal actors required to successfully implement the IPEP. This has the potential to distort the necessary enabling power relations as well as the prevailing transparency and accountability structures. Already there is evidence that it has created tension between key bureaucrats and politicians at the regional and district levels. It is not clear if these actions are borne out of deliberate policy, expediency or implementation choices. This will not bode well for the success of the IPEP.

Informant quote:

“

The consultations with the District Assemblies was very poor. It appears the IPEP for now is being implemented by the politicians but the public servants appear relegated to the background.

(District Planning Officer)

”

“

I was worried when I saw adverts on boreholes across all districts in the region... where lies the ownership- is it going to be handed back to CWSA, D/A or IPEP is going to take charge of such projects?

(Regional Coordinating Director)

”

“

I had to call the districts and tell them to check the newspapers that they have been awarded toilets.

(Regional Economic Planning Officer)

”

“

We only realized that some procurement advertisements had been placed in the newspapers for 10 water facilities and boreholes. So I called the Minister to ask if we were going to open tender but I was told tender had already been awarded. I don't even know where they are taking the water and toilets. I have no idea.

(Municipal Chief Executive)

”

- The prospect for partisan political capture of the IPEP, particularly at the regional and district/constituency level by political party actors and their bureaucratic supporters is high. The instinct for political capture appears to originate from two sources. First, there is a strong belief that these flagship projects like IPEP are a manifesto promise which must be guarded by the party to ensure its success. It flows from this orientation, a belief that bureaucrats are not directly invested in the party's objectives and therefore cannot be trusted to deliver success. The second source is that party faithful see the IPEP as a reward for their hard work and therefore controlling the process will

be to ensure material dividends. It is therefore not surprising to hear an informant say:

Informant quote:

“

In fact, this project, I must say we have been unapologetically political. Because we want to get the thing done and done well. It is our baby.

(Regional Ad-hoc Committee Team Member)

”

- There was poor coordination and consultation with key institutional stakeholders and citizens' groups in undertaking the constituency infrastructure needs assessment. This is particularly troubling considering there were existing consultation process for identifying development needs ongoing through the MTDF at the time of the needs assessment. Lack of ownership of development projects has consistently been the bane of many development initiatives.

Informant quote:

“

All the MMDAs in the region are almost done with their 2017-2021 MTDPs which would be submitted in December, 2017 no initiative under IPEP had been incorporated into any of the plan.

(Regional Coordinating Director)

”

In the light of the above conclusions, the following recommendations are offered to help improve the politics, governance and institutional management of the IPEP policy intervention.

Politics, governance and institutional fit

- There is an urgent need to ensure that, the Development Authorities are not used as a political party vehicle to dispense patronage to individual party financiers, communities and organizations in a manner that distracts them from their mandate and set them up to fail. There is a role for the party to take ownership of manifesto promises but it should not be done in a manner to weaken systems or be directed towards seeking election spoils
- There is the need to define clearly the mandate/role of the Development Authorities: implementation, coordination, or both? Clarifying the role of the DAs is useful for inter-institutional settlement (i.e. who does what?) at the regional and district level with actors/institutions who have similar responsibilities in the provision and management of public infrastructure at the local level
- Create institutional relationship formally by strengthening linkages and partnership between the Development Authorities and the National Development Planning Commission (NDPC), Regional Coordinating Councils (RCCs) and the Metropolitan, Municipal and District Assemblies (MMDAs). This relationship has to be properly defined and institutionalized within appropriate legal instruments or policy

Integration within sector planning and national development vision

- Government should endeavor to align the IPEP policy focus, as well as interventions that are new or that are undergoing re-

evaluation with key national, regional, district and sector policies, programs and priorities. It is clear that the rush to collect the information on constituency infrastructure needs to inform the 2018 budget affected the quality of the assessment exercise. There is still an opportunity to align the findings of constituency infrastructure needs assessment with the needs listed in the Medium Term Development Framework.

Resource allocation, transparency and accountability

- As part of efforts to increase transparency and accountability, there should be strict adherence to the Public Financial Management Act 2016. This will ensure that the allocation, disbursement and usage of the funds will be done effectively and efficiently
- Effective information dissemination about IPEP and the work package of the Development Authorities to the public would aid in demanding greater scrutiny of its budget and accountability through a systematic monitoring and evaluation of the IPEP policy outcomes. The restriction of relevant information on IPEP to only a selected few is a key enabler/promoter of corruption and self-dealing

Project management and implementation

- Focus on implementation at pace and scale to aggregate value: the project interventions under IPEP when implemented in the pace and scale needed can have greater impact on the local economy in a meaningful time frame
- Ensure proper value for money through transparent procurement processes and in the award of contracts for projects listed under the IPEP intervention
- Establish stronger accountability mechanisms that ensure citizens oversight in the implementation of all the development

interventions under the IPEP policy at the regional and district/constituency level

- Institute regular performance reviews of the Development Authorities: developing a framework to assess the outcomes of the investments under each development authority will be essential to the successful outcome of the policy focus of poverty reduction through improved social and human development under the IPEP
- Improve the communication of IPEP's success stories, impact and spending to stakeholders and the wider public in order to be more accountable