Situation

In recent years, Ghana’s economy has grown in a climate of political stability and set a positive example in West Africa. Nevertheless, poverty remains one of its greatest problems, with much of the population unable to benefit from economic growth. Socio-economic disparities, discrimination and exclusion, particularly of women, youth and other marginalised groups, jeopardize national progress. Chapter 20 of the constitution of Ghana obliges the government to decentralize political power. The government of Ghana enacted a decentralization strategy for Ghana’s 216 districts. Through its decentralisation reforms, the Ghanaian government aims to promote democratic development as well as the improvement of public services for the population.

For almost two decades, Germany and other donors have supported the implementation of Ghana’s decentralisation reforms. As an outcome of the Ghanaian-German governmental consultations in 2015, Germany will support the Ghanaian government in the field of governance for an additional phase of three years.

Challenges

Notwithstanding the successful advancement of the decentralization process in Ghana over the past 20 years, there are still challenges to be faced. The potentially negative effects of rapid urbanisation need to be addressed through systematic planning and improved management at the local level. In particular, this requires a significant increase in the financial means available in Ghana, known as IGF, to be invested in poverty reduction and sustainable development, especially at the local level.

Furthermore, the Ghanaian government has identified that improvement is needed in the areas of the legal and political framework, public accountability, the largely centralized management and development of human resources, the institutional environment and the demand for accountability and influence of civil society.

Objectives

The Support for Decentralization Reforms programme focuses on increasing the awareness of the opportunities and risks of decentralization for the districts and developing expertise in financial management, service delivery and local development planning. SfDR supports the implementation of the Ghanaian decentralisation reforms at local level and develops the necessary capacities of the partner institutions in 40 districts. At the same time, the

Support for Decentralization Reforms (SfDR)

Supporting districts to perform efficiently and effectively in the interests of the local population
project continues to follow a multi-level approach and supports
the partners in establishing coordination mechanisms between
local, regional and national levels.

SfDR promotes the participation of civil society and particularly
women in political decision making, local planning and budget-
ing. Furthermore, the programme supports networking and the
exchange of experience between the districts, e.g. through learn-
ing platforms, aiming to improve administrative and local govern-
ance. SfDR supports the implementation of the national urban
development strategy through capacity building and strategical
and operational advice to the Ministry of Local Government and
 Rural Development and the districts.

Focal Areas

The Support for Decentralization Reforms programme’s objec-
tives are pursued through three areas of intervention:

- Internally Generated Funds (IGF): Enhancing local revenue
  mobilization, supporting strategic action and investment
  planning, and implementing IT-based tax and fees registries;
- District Planning and Budgeting: Building individual capaci-
ties to enhance composite and gender-sensitive budgeting,
promoting participatory planning mechanisms and involving
civil society including marginalised groups in planning and
decision making;
- Inter-governmental and civil society cooperation: Building
  institutional capacity of local authorities and clarifying roles
  and mandates of key actors in the decentralization process.

Achievements and expected results

The programme is based on its expertise of supporting the
decentralization reforms for more than a decade at the national,
regional and most importantly: at district level. It helped to
develop the national decentralization policy as well as an urban
development strategy and supported the implementation to
enhance public services.

Sustainable urban development has found its way onto the
government agenda, while spatial planning is now considered
indispensable. Connected to this, a system has been devised for
the designation of streets and for registering plots of land and is
to be implemented nationwide.

The current phase will further enhance the institutional and
personal capacities at the regional and district level of the
local governance system. This will enable a better mobilization
and management of local revenues and enhance planning and
decision-making procedures.

The local economy will benefit from more transparent and effi-
cient fiscal management.

Civil society organisations as well as marginalised groups will
have more influence and participation in the decision making
process of local government.