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SUSTAINING GOVERNMENTS'S PLANTING FOR FOOD AND JOBS (PFJ) INITIATIVE: KEY ISSUES FOR CONSIDERATION AFTER A YEAR OF IMPLEMNTATION.



This brief is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The opinions expressed herein are those of the author (s) and do not necessarily reflect the views of the USAID.

ACKNOWLEDGEMENT

This policy brief has been developed by **The Hunger Alliance of Ghana (HAG)** with support from USAID Ghana Agriculture Policy Support Project, as part of efforts to promote Public Private Dialogues (PPD) aimed at boosting private-sector participation and investment in agriculture.

1.0 Background Context.

Agriculture has long provided a firm foothold for Ghana's economy contributing 23 percent of Gross Domestic Product (GDP) and accounting for over 43 percent of national employment, with small holder farmers responsible for 80 percent of all agriculture production (MOFA 2016). According to the Ghana Agriculture Production Survey Report 2015, trends in major food crops such as maize, rice and sorghum indicate that on-farm productivity stagnated and the exploitable difference between the actual and potential output of most of the crops (yield gap) widened. Low inadequate levels of usage of productivity enhancing technologies such as quality seeds of improved varieties and fertilizer, thin extension services and weak market linkages constrain the growth in on-farm productivity.

To address the challenges in the agriculture sector, the Government launched a flagship programme, the Planting for Food and Jobs (PFJ) initiative to enhance agriculture productivity and catalyse a structural transformation in the economy through increased farm incomes and job creation. The campaign, as stipulated in the Government's 2017 Budget Statement is hinged on five (5) key pillars; provision of improved seeds; supply of fertilizers; provision of dedicated extension services; marketing, e-agriculture and monitoring.

Recognizing that agriculture is the bedrock of Ghana's economy and could have medium to long term repercussions for the country if not taken seriously, it is incumbent on food security and nutrition organizations to examine the PFJ initiative critically to provide informed opinion



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Plan developed for the Agriculture Sector pending finalization by

and recommendations for policymakers. Hunger Alliance of Ghana organized a stakeholders' forum on government's Planting for Food and Jobs Campaign on 25th October 2017 with support from the USAID Agriculture Policy Support Project (APSP) and has come out with key policy recommendations that represent the views of stakeholders at the forum to guide the PFJ campaign.

2.0 Funding for the PFJ Campaign

The Minister of Food and Agriculture, Dr. Akoto Owusu Afriyie disclosed in Parliament on Thursday 27th July 2017 that government has so far expended GH¢157million on the 'Planting for Food and Jobs' campaign for the major season in the Southern sector and the three Northern regions.

It must be recalled that the Canadian government offered to support the PFJ campaign with 135 million Canadian dollars when it started. Other donors then proposed to support specific districts and specified inputs to support the program. For the past year of implementation, research conducted by the Alliance's team has not revealed further substantial resources from the donor community to support the campaign.

Interactions with some stakeholders revealed that the absence of a strategic implementation plan on the PFJ have stalled some donors from contributing to the initiative. A follow up meeting with Dr. Dorothy Effa at the Policy, Planning and Budget Directorate of the Ministry of Food and Agriculture on Wednesday 17th January 2018, revealed that there is a Marshal

the Office of the Vice President. This delay has caused the Ministry to also develop a third Medium-term Agriculture Investment Plan (METASIP 3). Why this duplication? And which of these documents would be the focus to attract the needed funding for agriculture in Ghana.



The Executive Director of Hunger Alliance of Ghana with Dr. Effa of the Policy Planning and Budget Directorate of MOFA

According to Christian D. B. Mensah 2016, for the past 60 years, Ghana has received foreign aid with the conviction that real economic development would begin from providing aid to poor rural and urban communities. Many studies have shown that there is no correlation between aid and economic development, rather, most aid recipient countries have become and remained more dependent of foreign aid.



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In this regard, Government of Ghana should slowly shift away from aid dependency especially with such an important flagship agriculture intervention. The private sector has also been

investing substantial resources into agricultural projects. The most common institutional arrangement has been the use of public-private partnership (PPP) models. The Alliance believes that government should consider leveraging this model and properly engage the private sector to define roles and responsibilities for a successful PFJ campaign. It is also strongly recommended to consider the involvement of farmers in the design, formulation and implementation of any partnership arrangement for the campaign. Though the citizenry expects the government to increase its role and care for the farmers, the business community, including the farmers, should enjoy considerable freedom provided by enabling environment in the country. The Government should set economic policies and market regulations that positively influence the competitiveness and profitability of private agribusinesses to be able to drive the campaign.

3.0 Supply of inputs to PFJ beneficiaries

There were challenges in the provision of improved seedling and the supply of fertilizer to farmers under the PFJ. The implementation of the project birthed several inefficiencies ranging from shortage of seedlings and subsequent importation from neighbouring countries to meet demand. Under the PFJ campaign, government is distributing subsidized fertilizers based on an instalment plan where farmers under the program are required to pay 50% of the subsidized price and then reimburse the rest after harvesting their produce. This approach is likely not to be sustainable in the long term.

A study conducted into the PFJ implementation in the first year of implementation by Imani Centre for Policy Education also referred to some African countries including Zimbabwe, Zambia, Tanzania, Nigeria, and Malawi that implemented state-led fertilizer programs in the 1980s but

were forced to scale back or halt the program altogether due to budgetary pressure and this is what is likely to be experienced in Ghana under the PFJ. At a stakeholder dialogue organized by the Hunger Alliance of Ghana on PFJ, Stakeholders lamented the challenges that have been encountered in the fertilizer and inputs distribution under PFJ and urged government to improve the situation.

Further interactions with members of the National Seed Traders Association of Ghana (NASTAG) also revealed that government had secured seedlings for farmers from NASTAG but had not been able to meet its total financial obligations to cover the full cost of supply. This greatly strains seed producers to constantly produce and supply seedlings to government for PFJ beneficiaries.

Government needs to address these inputs supply lapses and empower NASTAG to produce seeds locally for farmers under the PFJ. Government should also partner with the private sector to produce fertilizer locally and make it easily accessible at the open market.

4.0 Private Sector Participation in the PFJ

A careful study of PFJ implementation so far shows that there has not been enough private sector involvement, participation and investment in the implementation process. PFJ like other previous agriculture initiatives is currently a government led initiative with a



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very slim space for private sector participation.

This current arrangement threatens the sustainability and efficient implementation of the initiative. The basis of our assertion is that government’s resources alone can never be sufficient if not practically impossible to

areas immensely. It is a sustainable and cost-effective initiative that can be replicated in all districts through the PFJ instead of government constructing warehouses all alone in all districts with its limited resources.

transform the agriculture sector and initiatives such as PFJ can be used as a catalytic intervention to mobilize private sector capacity, innovation and resources to bring about structural change in Ghana’s agriculture sector. A paper published by the International Finance Corporation in 2012 indicates that cases where the private sector have been given the enabling

environment to partner effectively with government in agriculture, capital, technology, and management expertise that are needed to improve the performance of high-priority intervention of government becomes sustainable. The private sector supports a wide range of projects to reduce losses and increase efficiency in the food supply chain.

Based on this analysis, we believe Government’s resources for PFJ should be confined to infrastructure development while service delivery, infrastructure management, promotion and branding of PFJ and marketing of produce in the initiative should be private sector business. Even in infrastructure development, Government should partner with the Private sector in the construction of the proposed One District One Warehouse scheme to support PFJ. Reference to such best practice can be pointed to the Ghana Commercial Agriculture Project (GCAP) warehouse development initiative. This scheme is a partnership initiative between GCAP and proven resourceful private sector operators in the agriculture sector which has also benefited out growers in selected catchment

5.0 A review of the selected list of crops for PFJ

A careful review of the list of the selected PFJ crops pointed out that the PFJ is limited in scope and there is the need to increase the selected list of commodities by including those that can create more jobs and help Ghana reduce its food import bill such as poultry, livestock and vegetables. According to the Ghana 2017 Poultry Report, Ghana's 2017 broiler meat production will reach 35,000 tons, supplying less than 25 percent of demand. Imports are expected to increase by 14,000 tons to 158,000 tons due to insufficient domestic supply and rising demand. Data from the report indicates that there has been a steady increase in the importation of poultry into the country since 2015 with no sign of reduction. In 2013 alone, imports of poultry products amounted to US\$169.2 million. It has also been established that about 321,000 mt (2012) of tomatoes are cultivated annually valued at US\$ 118m, whilst 75,000 mt is imported annually to augment the shortfall (MOFA 2015). Additionally, 92,120 tonnes of tomato paste valued at US\$ 78m is imported annually. In 2013, tomato products import amounted to US\$112.1 million, which puts a strain on government’s purse. Hunger Alliance of Ghana Research Team suggests that government can supply thick flesh tomato hybrid seeds to the farming districts under the



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PFJ. There is also the need to establish private seed breeding and seed multiplication centres in different ecological zones of the country and develop suitable seeds for thick flesh tomato for the different ecological zone. This can only be achieved through effective public -private partnership.

initiative) should be made very clear and Planting for Food and Jobs initiative should be demand-driven and not supply led

6.0 Key policy recommendations for government’s attention

At a stakeholder dialogue on PFJ which was organized by Hunger Alliance of Ghana and supported by the Agriculture Policy Support Project, some notable recommendations were made by participants to guide PFJ implementation. Some of these recommendations are included in this brief below:

- Government must as a matter of urgency finalize the draft strategic plan for the implementation of the PFJ and clearly outline its role and that of the private sector.
- Government must broaden the scope of the PFJ by including other critical sub sectors like livestock, aquaculture and poultry in the campaign.
- The linkage between the PFJ and rural industrialization (one district, one factory

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POLICY BRIEF: 2



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