

CREW Project

National Advocacy Plan – Ghana

1. Introduction

CREW Project is being undertaken in two sectors in Ghana: staple food and bus transport. For staple food the study is being undertaken in the Maize sector in Ghana.

The discussions on the key issues started in Phase I itself, as the stakeholders had started to take interest in the study. CUTS took the opportunity to therefore begin some negotiations for the way forward for the findings that would be taken up fully in Phase II of the project.

The key issues identified in the Maize and Bus Transport sector in Ghana have been explained below.

2. Advocacy agenda for Staple Food

STAPLE FOOD		
Subject for Advocacy	Advocacy Goal	Overview of Advocacy Plan
2.1. Anti-competitive practices in the transport of the fertilisers (focus on port handling and clearance and internal transportation costs)	To initiate an evidence based discussion with the policymakers and regulator to accept the presence of truckers cartel in port handling and clearance and internal transportation cost	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – To help farmers achieve the targeted production, the Government of Ghana had introduced the subsidy scheme. Despite the subsidy, the prices of fertilisers still stay relatively high in Ghana. – Amongst various factors contributing to the high prices, cost towards port handling and clearance and internal transportation costs, contribute the most to the high prices. – Since the government absorbs these costs, it proves to be a considerable burden on the exchequer. – The Ghanaian currency has slid against the US Dollar and the government had to deal with fairly high expenditure bills due to the fertiliser subsidy. – There has been some delay in the announcement of subsidy to be provided by the government on fertilisers in the year 2015. • What would be achieved by addressing the problem? <ul style="list-style-type: none"> Some observers report that the presence of truckers cartel in inland transportation that

		<p>add considerably to the fertiliser costs. If the nodes of ‘extra’ costs addition are identified, then the reasons for such costs can be determined. Measures can be taken to take relevant actions to probe into these nodes in the supply chain.</p> <ul style="list-style-type: none"> • How will the CREW project contribute towards addressing this problem? Through the activities the project intends to undertake a research, including a discussion with the relevant stakeholders, to identify the possible anti-competitive practices prevalent in the port handling and inland transportation. This would help in determining the addition in the costs of fertilisers at the farmgate. • Action agenda The action agenda will include the following steps: <ul style="list-style-type: none"> – Focus group discussions (FGDs) and in-depth interviews with relevant stakeholders – Documenting the findings in a report – Presenting the findings from the report to stakeholders (policymakers, regulators etc.) – Media campaign for the findings
<p>2.2. Role of Market Queens in procurement (Challenges faced by farmers)</p>	<p>To highlight the need for having a monitoring method of price realisation to ensure a fare interaction of farmers with these market queens</p>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – The wholesale market is dominated by a group of women private traders referred to as ‘market queens’ – who procure maize from the rural farmers using their network on the ground and supply to the market. – These ‘market queens’ heavily dominate the maize procurement market and procure about 95% of the produce from the Ghanaian farmers. – From the evidence from the DCR, it appears that maize farmers in Ghana are happy selling their produce to these market queens, on account of the prices they get and the mode of payment. – Such reliance on the market queens (on account of their dominant position in the market) raises some concerns – especially given the possibility for them to abuse their dominant (near monopoly) position in the market. – The market queens also through their networks sometimes control the supply of maize into the market to avoid excess supply thereby creating an artificial shortage. – The activities of the market queens do not only exhibit itself in the maize sector but also other sectors.

		<ul style="list-style-type: none"> • What would be achieved by addressing the problem? The market queens have a formidable network and apart from just procuring directly from the farmers, they are also involved in providing credits to the farmers. It is therefore essential to delve deeper and understand the challenges that the farmers may face while dealing with the market queens. There is therefore a need for close monitoring of price realisation by farmers while selling to these ‘local assembling’ network of these market queens. • How will the CREW project contribute towards addressing this problem? The project activities aim to document the dominance of the market queens and its impact on the farmers. This would be helpful in having an informed discussion with the policy makers on the need for having proper policies for the farmers in terms of marketing and procurement. • Action agenda The action agenda will include the following steps: <ul style="list-style-type: none"> – FGDs with farmers in 1 or 2 regions in Ghana (possibly Brong Ahafo and/or Ashanti region) – FGDs with market queens in the above mentioned regions – Documenting the findings in the form of ‘Case Study’ – Policy memo
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3. Advocacy agenda for Bus Transport

BUS TRANSPORT		
Subject for Advocacy	Advocacy Goal	Overview of Advocacy Plan
<p>3.1. Establishment of National Road Transport Regulatory Authority</p>	<p>To ensure better transport regulation in Ghana</p>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – In Accra alone, the modal share for informal transport is more than 70 percent. Private operators dominate the industry with the Metro Mass Transit Ltd (MMT) contributing less than 5% of the total passenger traffic. – With very little regulation, the bus operators are open to ply on any routes that they deem profitable, thus creating problems in the level of accessibility of bus transport to commuters staying in remote areas. – Also there are no set fares for the bus services (except the MMT), thus leaving a lot to the bargaining power of the consumer. There is hence a need for a regulatory body that ensures the functions of bus availability, standard fares, safety and above all regulates the dominance of transport unions in Ghana. – An interest for the same is already there in Ghana, with European Union drafting the ‘National Transport Authority’ (NTA) for Ghana • What would be achieved by addressing the problem? <p>A well thought out regulator in the transport sector would lead to better reach of bus transport to remote areas. Also it is essential to have standardised fares to ensure that the consumers are not duped by the bus operators. Establishment of NTA would therefore lead to development of well regulated, pro-competitive transport sector in Ghana.</p>
<p>3.1.1. <u>Agenda 1</u>: Fast tracking the establishment of NTA in Ghana</p>	<p>To complement the efforts and thereby speed the establishment of NTA</p>	<ul style="list-style-type: none"> • How will the CREW project contribute towards addressing this problem? <p>To inform the citizens of the benefits of having NTA in Ghana</p> • Action agenda <p>The action agenda will include the following steps:</p> <ul style="list-style-type: none"> – Undertake discussions with policymakers (1 meeting) to understand the priority issues in the NTA. The advocacy approach would then be refined accordingly to be more pointed. – Have a media campaign with periodic articles and radio features.

<p>3.1.2. <u>Agenda 2: Providing inputs on the structure and function of NTA</u></p>	<p>To ensure NTA has effective functions</p>	<ul style="list-style-type: none"> • How will the CREW project contribute towards addressing this problem? Through the experience gathered across the four project countries in Ghana, informed inputs to be provided on the structure and functions of NTA. This would be done to ensure that the structure and functions of NTA are better suited for LDC like Ghana. • Action agenda The action agenda will include the following steps: <ul style="list-style-type: none"> • Engage the team of local experts to provide inputs on the structure and function of NTA • Lobbying with the policymakers to ensure better adaptability of NTA in Ghana
<p>3.2. Politico-economic analysis of low implementation of LI 2180</p>	<p>Enhancing bus availability for consumers in Ghana and equitable distribution of bus service within the cities</p>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – Currently in Ghana, the bus transport is subject to self-regulation by the transport unions. They exercise considerable dominance in deciding the routes to operators should ply on. – The pro-competitive elements LI 2180 of 2012, is that allocation of bus routes will be based on needs on the ground and route franchising through competitive tendering process. – Tendering process would have to be handled by each municipality where bidders would be selected based on certain pre-determined selection criteria; and successful transport companies from tenders will compete to maintain their operation on specific routes by merit and not by lobbying. • What would be achieved by addressing the problem? The expected key benefits of proper implementation of LI 2180 include ensuring proper availability of bus services in Ghana. This has vast scope of including elements of healthy competition as operators would strive to increase market share by offering attractive services to customers, establishing themselves by providing high quality services, especially increasingly higher safety standards. • How will the CREW project contribute towards addressing this problem? The stakeholder interactions during the research phase indicate that if LI 2180 would be implemented properly, the issues related to the absence of route rationalisation can be managed. However, there has been a considerable resistance from the transport union front towards this regulation.

		<p>Through interaction with key stakeholders, the aim is to identify the political economic issues that have hampered the proper uptake of LI 2180.</p> <ul style="list-style-type: none"> • Action agenda <p>The action agenda will include the following steps:</p> <ul style="list-style-type: none"> – FGDs and in-depth interviews with the relevant stakeholders. – Build support and buy-in from the relevant stakeholders like MOT, district assemblies, transport operators etc.
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The below mentioned agenda is intended to be taken up for three project countries, Ghana, the Philippines and Zambia:

BUS TRANSPORT		
Issue		Feature
<p>3.3. Good Practices in transport regulation across developing and advanced countries – with specific reference to fare setting, route allocation and contract management</p>	<p>To develop guidelines for the project countries on fare setting process based on examples of good practices across developing and developed countries</p>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – Diagnostic work in three project countries (Ghana, the Philippines and Zambia) has shown that there is a lack of proper fare setting mechanism. This holds true for many developing and least developed countries. – This is mainly due to the lack of capacity in these countries and the necessary know how of good practices across the other countries. <ul style="list-style-type: none"> • What would be achieved by addressing the problem? <p>Having a proper fare setting mechanism in place ensures both consumer and producer welfare as proper fare determination takes into account several factors that impact both the beneficiaries. Having a well laid out document on best practices of fare regulation can act as reference point for policymakers to know as to what method is more suited to their needs.</p> <ul style="list-style-type: none"> • How will the CREW project contribute towards addressing this problem? <p>Documenting the experience gathered from the project countries as well as some other examples from the developing countries.</p> <ul style="list-style-type: none"> • Action agenda <p>The action agenda will include the following steps:</p> <ul style="list-style-type: none"> – Engage with organisations like Embarq

		<ul style="list-style-type: none">- Interaction with stakeholders through skype etc. (wherever necessary) to understand the country level situations- Prepare case studies informed from the DCRs and secondary literature- Document the same in a 'Discussion Paper'.
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