

# Looking Back. Shaping the Future

Support for Decentralisation Reforms in Ghana  
2003-2016-2019



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SANKOFA

Symbol of learning from the past to achieve the full potential to move forward.

From the expression:

*Se wo were fi na wosan kofa a yenki.*

It is not taboo to go back and fetch what you forgot.

# Abbreviations

AFD	Agence Française de Développement
APRM	African Peer Review Mechanism
ARIC	Audit Report Implementation Committee
BMZ	German Federal Ministry for Economic Corporation and Development
CA	Cities Alliance
CDD	Center for Democratic Development (Ghana)
CoP	Community of Practice
CSO	Civil Society Organisation
DACF	District Assemblies Common Fund
DDF	District Development Facility
DW Akademie	Deutsche Welle Akademie
EU	European Union
FDU	Fiscal Decentralisation Unit
FOAT	Functional Organisational Assessment Tool
GAC	Global Affairs Canada
GFG	Good Financial Governance
GIFMIS	Ghana Integrated Financial Management Information System
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GPRS	Ghana's Growth and Poverty Reduction Strategy
GTZ	Deutsche Gesellschaft für technische Zusammenarbeit (now GIZ)
IGF	Internally Generated Funds
ILGS	Institute of Local Government Studies
IMCC	Inter-Ministerial Coordination Committee (on Decentralisation)
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
LGPRSP	Local Governance and Poverty Reduction Support Programme
LGSS	Local Government Service Secretariat
LI	Legislative Instrument
LOGNet	Local Government Network of NGOs
LUPMIS	Land Use Planning Management Information System
M&E	Monitoring and Evaluation
MLGRD	Ministry of Local Government, Rural Development and Environment
MMDA	Metropolitan, Municipal and District Assembly
MoF	Ministry of Finance
NALAG	National Association of Local Authorities of Ghana
NDPC	National Development Planning Commission
NGO	Non-governmental organisation
NITA	National Information Technology Agency
NUP	National Urban Policy
PMDS	Project Monitoring Database System
PNDC	Provisional National Defence Council
RCC	Regional Coordinating Council
SECO	State Secretariat for Economic Affairs (Switzerland)
SfDR	Support for Decentralisation Reforms
SNPA	Street Naming and Property Addressing
TCPD	Town and Country Planning Department
UDU	Urban Development Unit
UN	United Nations
UN Habitat	United Nations Human Settlements Programme
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WB	World Bank



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# Preamble

## The Support for Decentralisation Reforms impact on Ghana's decentralisation process



Decentralisation has been recognized as an effective pathway towards national development. For this reason, Ghana has chosen to make democracy and development a reality by decentralising the administrative, political and financial machinery of government to the district assemblies, thereby creating the opportunity for people at the local and grass-root levels to participate

in the decision-making processes that affect and shape their localities. As a result, the district assembly system has been an integral part of Ghana's decentralization and local governance reforms since 1988.

Over the years, legislations such as the Local Government Act (Act 462, 1993), District Assemblies Common Fund Act (Act 455, 1993), National Development Planning Systems Act (Act 480, 1994), Local Government Service Act (Act 656, 2003) and other relevant enactments have been passed to enhance the decentralization provisions stipulated in Chapter 20 of Ghana's 1992 Constitution.

The Local Government Act in particular establishes the district assemblies as the basic tools and enablers of local governance and decentralisation as well as the highest political, administrative, legislative, planning and budgeting authority at the local level.

Ghana has made significant progress in the decentralisation process, notable amongst them being the formulation and implementation of the first four years National Decentralisation Policy Framework and Action Plan (2010-2014) after extensive bi-partisan stakeholder consultations which was launched in 2010. The formation of Inter-Ministerial Coordinating Committee (IMCC), the implementation of the Composite Budgeting System, and the promulgation of the Local Government (Department of the District Assemblies) Commencement Instrument, LI 1961 which triggered the establishment of the 17 Deconcentrated Departments to the Metropolitan, Municipal and District Assemblies and the symbolic transfer of 30,000 civil servants to the local government service and the operation of the Local Government Service is highly commendable.

The German Government has supported Ghana's decentralisation process since 1998 where the support to District Capital Projects 1 and 2 were formulated to provide basic level of infrastructure to some selected District Assemblies in Ghana. This was followed by support for the strengthening of the capacities

of districts in poverty reduction under the "Local Governance Poverty Reduction Support Program". Under this programme, the nationwide support for the elaboration of poverty maps formed the basis for support from other development partners to deprived communities. This project ended in 2007, after which a new phase of support- "Support for Decentralisation Reforms" (SfDR) was initiated.

The Support for Decentralisation Reform Programme (SfDR) has immensely facilitated the process of Decentralisation and Local Governance in many respects. Some of the German Government efforts include the following:

- Decentralization Policy Framework and the National Decentralisation Action Plan for the period 2010 to 2014 in Ghana.
- The stakeholder consultations review of two decades of decentralization implementation from 1988 to 2008.
- Technical assistance to key National Stakeholders institutions such as MLGRD, the IMCC, LGSS, ILGS and the FDU of the Ministry of Finance in Decentralisation Policy implementation.
- To bolster and ensure effective citizens participation in decision making at the local level, SfDR also supported LOGNet, the National African Peer Review Mechanism and CDD.
- The National Street Naming and Property Addressing Policy, the National Operational Guidelines and the accompanying training in LUPMIS of stakeholders at the MMDA level for the development and implementation of spatial databases of all properties and businesses, the National Urban Policy, Habitat III report cannot be over emphasized.
- Support to MoF to set up national and regional technical working groups to coordinate, monitor and provide backstopping to formulate and implement for the first time, their district composite budgets.

The Government of Ghana is grateful to the German Government for its continuous support to Ghana's quest for decentralisation and good governance. The Government of Ghana and the Ministry in particular believe that, decentralisation is a process and therefore welcome all stakeholders on board Ghana's chosen path for development and democratization

It is my hope that key stakeholders including our development partners will be guided and informed by Ghana's principles of decentralisation as stipulated in the New National Decentralisation Policy 2015-2019 and pool resources, energies and technical assistance to promote total devolution of power.

Hon. Alhaji Collins Dauda  
Minister of Local Government and Rural Development  
MLGRD



# Preface

## A modern state serving its people



It is with great satisfaction and pride that we publish today this document that outlines GIZ's contribution to the endeavours of the Government of Ghana in the complex field of Governance, more specifically decentralization. In this particular sector, we have worked on behalf of the German Government, represented by the Federal Ministry of Development and Economic Cooperation (BMZ), and Ghanaian Government, via the Ministry of Local Government and Rural Development (MLGRD), since 2003. In June 2015, both governments agreed in Berlin to continue the cooperation in the Governance sector, which forms part of a comprehensive sector wide approach together with other major development partners, such as USAID, Canada, the EU and others, who are also active in sector.

It is a widespread common understanding that an effective and efficient administration is an indispensable prerequisite of Ghana's vision of a modern sustainable economy. GIZ has been and will be providing advisory services related to institutional capacity building and processes between the Ministry and the decentralized entities, as well as between the Ministries via the Inter-Ministerial Coordination Committee (IMCC) and other state organizations, and between the Ministry and civil society. Moreover, GIZ has contributed significantly to human capacity measures at ministry, district and municipality levels.

We have been working in almost all facets of administration throughout the past 13 years. This document provides the esteemed reader an insight in our joint journey so far. Moreover, it depicts our future cooperation with the Government of Ghana that will focus more on fiscal decentralization and domestically generated revenues. GIZ is looking forward to our further cooperation with the Government of Ghana and all other relevant national and international stakeholders.

I wish you an entertaining and interesting read, and herewith reiterate our wish and objective to cooperate with all stakeholders for the good of the common objective: A modern state Ghana serving its people in a transparent and sustainable manner. GIZ remains committed to this goal.

“Hu mani so ma me”,  
enti na otwe mienu nam.

Siegfried Leffler  
Country Director, Ghana  
Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

# Introduction

## Looking back. Shaping the future



Keep calm and time travel can be seen as the overarching testimonial of this brochure. It describes some landmarks in Ghana's journey through the decentralization process of the country which has been supported by the German Government for more than two decades. Ghana's decentralization process gained momentum in 1988 when 110 districts were created in ten regions.

It was given a special boost when the decentralization program introduced under the Provisional National Defence Council was formally anchored in the constitution in 1993 and relevant laws for implementation were passed in 1994. These events prepared the ground and shaped positive framework conditions for Ghana's decentralized development process.

However, in spite of substantial progress made over the years, results are not at par with expected public services at the local level. In the districts, relevant local authorities, civil society organizations and community groups still lack the required resources and expertise for effective local government in accordance with the national decentralization policies. There is still a widespread perception that the national government is responsible for development alone. Local self-help abilities are not sufficiently mobilized and capacities at district and community level are not used to their full potential.

## Looking back

The Programme for Rural Action (PRA, 1995-2003) marks the beginning of cooperation between the governments of Ghana and Germany in the field of decentralization reforms. It was succeeded by the Local Governance and Poverty Reduction Support Programme (LGPRSP, 2003-2007) focusing on poverty oriented development planning and management, urban infrastructure management, financial management and civil society participation in local governance. In addition, LGPRSP supported the establishment of a regional monitoring and evaluation system in the Brong Ahafo Region as a pilot, as this was seen as critical for the functionality of the Regional Coordinating Councils.

Issues of development management, citizens' participation, planning and budgeting remained important subjects for the bilateral cooperation in the following years. From 2007 on, Germany continued its technical assistance to Ghana's poverty reduction programme through a long-standing Support for Decentralization Reforms Programme (SfDR). Between 2007 and

2014, SfDR concentrated its support on the Ministry of Local Government and Rural Development by assisting in the reform of the national framework conditions for decentralization. During this period important policies, manuals and guidelines were developed or revised and roles and responsibilities were further clarified. In 2014, both partner governments agreed to clearly shift focus from the national to the district level by concentrating their support on local economic revenue generation and capacity building measures for local actors. SfDR's technical expertise was used for another phase of two years to encourage 40 selected districts from all ten regions of the country to adapt and implement government reforms on local level, with a special emphasis on applying Ghana's street naming and property addressing policy to increase locally generated funds.

## Shaping the future

The positive outcomes during the phase from April 2014 to March 2016 encouraged the two Governments of Ghana and Germany to continue their fruitful cooperation for another three years phase until March 2019, under the new focal area heading "Governance". The new naming is also programmatic for an intensified cooperation between SfDR and the Good Financial Governance Programme (GFG) which are both part of Germany's technical cooperation, and with Germany's financial cooperation projects, mainly in the area of Germany's support to the District Development Fund (DDF) implemented by KfW. The new phase of SfDR started in April 2016 and centres its technical support on local revenue generation.

In fact, a growing number of MMDAs have already started to increase their internally generated funds through taxes on lands and premises, fees for public services, rents for assembly properties, fines and licenses. However, it is obvious that the success

of IGF-related activities depends to a large extent on the direct involvement of the district's political leadership.

In order to create a motivating work environment, SfDR continues to provide a variety of technical training measures for local administrations in the areas of planning and budgeting, transparent reporting and auditing, intergovernmental cooperation and building capacity for citizens to actively take part in decision making processes. The new programme phase will take that up by concentrating its efforts on three key issues:

- Increased generation of local revenues
- Improved development and budget planning and
- Enhanced intergovernmental and civil society cooperation.

We are thrilled by the growing interest in the above mentioned topics and the fact that they attract other development partners as well. USAID and Global Affairs Canada have prior experience in the field of local revenue generation and show a keen interest in joining efforts with SfDR to provide a common comprehensive support to more MMDAs to achieve even better results.

SfDR's new phase from 2016 to 2019 is based on a long and rich history of experiences and practical contributions to Ghana's decentralization process. I want to thank all actors involved into this process: Our counterparts and stakeholders at various levels, participating MMDAs, citizens and beneficiaries and last but not least my colleagues in and outside GIZ and the entire SfDR team. I am convinced that the results of our cooperation in the upcoming program phase will be seen as a significant contribution to shaping Ghana's development and its future.

Dr Hartmut Krebs  
Head of SfDR Programme  
June 2016

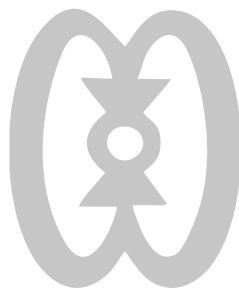




## Part 1

# Looking Back

## Support for Decentralisation Reforms 2003-2016



WO NSA DA MU A

Symbol of participatory government, democracy and pluralism

From the aphorism:

*Wo nsa da mu a, wonni nnya wo.*

If your hands are in the dish, people do not eat everything and leave you nothing.



# Chronology

## A brief history of local governance in Ghana

- 1878**      **Indirect Rule**  
The system of indirect rule was introduced by the British colonial administration and indirectly governed by constituting chiefs and their elders in given districts as local authorities with powers to set up treasuries, recruit staff and perform local government functions. Local government units in the Gold Coast were called native authorities and manned by the colonial administration. As a result, downward accountability of chiefs to their communities was replaced by upward accountability of native authorities to the colonial administration.
- 1951**      **First local government ordinance**  
A local government ordinance created 252 local and urban councils as well as 26 district councils.
- 1957**      **The 1957 Constitution**  
In the course of Ghana's Independence, the 1957 constitution divided the country into five administrative regions: Eastern, Western, Ashanti, Northern and Trans-Volta Togoland. Every region had an assembly responsible for the entire development of the region. Municipal, district, urban and local councils were maintained, even though in general decentralised local governance was subject to the centralisation of powers in the post-independence era.
- 1960**      **Constitution of the First Republic**  
The constitution of the first republic created the Central and the Upper Regions. A local government act in 1961 divided Ghana into cities, municipal and local area councils and recognised the participation of village, town and area committees in local government.
- 1974**      **Local Administration (Amendment) Decree, NRCD 258**  
Though passed in 1971, the Local Administration Act 359 of 1971 was not implemented until 1974 due to the change of government in 1972. Significant changes were made to the 1971 Act before it was commenced by the Local Administration (Amendment) Decree 1974, NRCD 258. It introduced a four-tier structure of local government with (1) regional councils, (2) district councils, (3) area, municipal, urban and local councils and (4) town or village development committees. 65 district councils were created and district commissioners appointed for each district.

- 1988**      **Provisional National Defence Council (PNDC) Law 207**  
 With Local Government Law 207, the PNDC government introduced a major piece of legislative reform creating 110 districts within Ghana's ten regions. Non-partisan district assembly elections were held initially in 1988/89 and subsequently every four years. In addition to the two-thirds of assembly members elected on individual, non-partisan basis, one third was appointed by central government along with a chief executive for each district.
- 1992**      **Constitution of the Fourth Republic**  
 The 1992 constitution marked the transition to multi-party democracy at the national level and endorsed the 1988 reforms. Chapter 20 of the constitution, Decentralisation and Local Government, stated that local government and administration shall be decentralised and functions, powers, responsibilities and resources should be transferred from central agencies to local government units.
- 1993**      **Local Government Act 462**  
 Local Government Act 462 replaced Law 207 and introduced a four-tier structure of sub-national government comprising of 10 regional coordinating councils, 110 district assemblies, 1,300 urban, zonal, town and area councils plus 16,000 unit committees. It established 16 departments of metropolitan assemblies, 13 departments of municipal assemblies and 11 departments of district assemblies. Act 462 defines the functions of a district assembly as administrative, legislative, executive, planning and rating authority and the composition of the district assembly. Since then, membership of the assemblies is made up of 70 percent elected and 30 percent appointed members.
- The District Assemblies Common Fund Act 455**  
 Since the establishment of the District Assemblies Common Fund (DACF), local authorities have two main sources of revenue: the DACF and Internally Generated Funds (IGF). The DACF provides a constitutionally guaranteed minimum share of central government revenue.
- 1994**      **National Development Planning Commission Act 479**  
 The National Development Planning Commission is responsible for providing guidelines to facilitate the preparation of development plans by the Metropolitan, Municipal and District Assemblies (MMDAs) in accordance with Act 480. MMDAs are required to prepare development plans in accordance with the guidelines provided by the National Development Planning Commission (NDPC).
- 1994**      **National Development Planning System Act 480**  
 Act 480 designates the MMDAs as planning authorities. The DPCU integrates and coordinates sectoral plans into long term, medium term, short term and annual plans and budgets for consideration by the executive committee and debate by the district assembly. The approved plan is to be sent to the Regional Coordinating Council (RCC) for coordination and harmonisation with the plans of the other districts in the region. Planning at the district level starts at community level.
- 2003**      **The Local Government Service Act 656**  
 Act 656 established the new Local Government Service and provided the legal and institutional framework for the recruitment of personnel at the local level, with the intention to decentralise the management of human resources.
- Presidential Executive Instrument**  
 Act 462 empowers the president to make necessary changes to the number of districts. In 2003, 28 new MMDAs were created through this instrument by splitting some of the original 110, bringing their number up to 138.
- 2007**      **Presidential Executive Instrument**  
 Additional 32 MMDAs were created, increasing their number to 170.
- 2010**      **Legislative Instrument (LI) 1967**  
 LI 1967 established the deconcentrated departments of the ministries, departments and agencies operating at district level as decentralised departments of MMDAs. With coming into force, ten of such departments not established by legislation were converted into departments of MMDAs (First Schedule). Seven departments set up by legislation are to be converted into departments of MMDAs as and when their establishment legislations are amended (Second Schedule). Following the enactment of LI 1967, staff of the first schedule departments were transferred from Civil Service to Local Government Service as anticipated in Act 656.
- Legislative Instrument (LI) 1983**  
 LI 1983 created new electoral areas in 164 out of the 170 districts and increased the number of electoral areas by about 1,000. It declared the area of authority of a unit committee to be coterminous with that of an electoral area and thus reduced the number of unit committees from about 16,000 to 6,000.
- National Decentralization Policy and Action Plan**  
 Following a major review process of the decentralisation process, a new National Decentralisation Action Plan has also spelt out clearly the programme of activities to implement the Policy Framework. The activities are time-bound and the responsible agencies for the activities have been identified.
- 2012**      **Composite Budget**  
 Following the enactment of LI 1961, government decided to accelerate fiscal decentralisation reforms and to make funds available for MMDAs to deliver on their mandates. Previously, the budgets of decentralised departments were aligned to their parent ministries' sector plans which undermined the decentralisation process. The composite budget now integrates the assemblies' central administration and departmental budgets to ensure better coordination, ownership, control and accountability of the budgeting process at district level.
- Presidential Executive Instrument**  
 46 new MMDAs were created, adding up to 216 districts.





# Previous programme phases

## Support for Decentralisation Reforms 2003-2016

Ghana's decentralization process started in 1988 and gained momentum after 1993 when the decentralization policy was formally anchored in the constitution and relevant implementing laws were passed in 1994. Germany's support initially emerged from providing technical solutions to promote rural development in the Northern Region under the responsibility of the Ministry of Finance (MoF). As a result of legislation defining the national decentralization policy, the focus shifted from physical measures towards capacity-building at district level.

From 1995 to 2003, the GTZ supported Programme for Rural Action (PRA) under the responsibility of the Ministry of Local Government, Rural Development and Environment (MLGRD) promoted village-based participatory planning, decision-making and implementation processes and therefore trained staff of the district administrations and sector departments for their role in the decentralized planning process. In 2003, Germany continued its assistance in the decentralisation process with the Local Governance and Poverty Reduction Support Programme (LGPRSP). This was intended to run over a time-span of eight years from 2003 to 2011 in two phases. In 2007, with the beginning of its second phase, it was renamed "Support for Decentralisation Reforms"

(SfDR) and fields of engagement were extended. The successful support of decentralisation reforms was seen as important and consequently the program adapted and continued with a third (2011-2014) and fourth phase (2014 - 2016). Presently, SfDR has been tasked to continue its work for another three years from April 2016 to March 2019.

### LGPRSP: 2003-2007

Local Governance and Poverty Reduction Support Programme (LGPRSP)

Duration	September 2003 – March 2007
Budget	EUR 3,850,000 (BMZ)
Political Partner	Ministry of Local Government, Rural Development and Environment

LGPRSP is a merger between two successful projects, namely the Promotion of District Capitals (PRODICAP) and Programme for Rural Action (PRA), and focused on strengthening districts in their role in poverty reduction in line with the decentralisation law and the national poverty reduction strategy in Ghana. It provided support at the local government level in poverty-oriented

development planning and management, technical assistance to the management of local level infrastructure and service delivery, financial management and civil society participation. It also aimed at promoting horizontal learning between local government bodies as well as the scaling-up of successful approaches which had been developed and tested at the local level towards a larger number of districts and at the policy level. Project components included (1) Poverty-oriented development planning and management, (2) Management of technical and social infrastructure and urban service provision, (3) Financial management, (4) Participation of non-governmental stakeholders in decentralised governance and poverty reduction and (5) Knowledge Management.

## SfDR: 2007-2011

### Support for Decentralisation Reforms (SfDR): 2007-2011

Duration	April 2007 – June 2011
Budget	EUR 5.550.000 (BMZ)
Political Partner	Ministry of Local Government, Rural Development and Environment

To achieve a broader development impact, the new Support for Decentralisation Programme was reoriented and its focus shifted towards supporting decentralisation reforms at the national policy level. The overall objective changed to “the public services assigned to local authorities shall be provided efficiently and according to citizens’ needs and priorities”. Project activities were focused on national policy processes related to decentralisation reforms and geared towards making policy processes more transparent and participatory, promoting a transfer of administrative and fiscal responsibilities and resources and better alignment of public spending with district development plans. The indicator system was aligned to the Functional Organisational Assessment Tool (FOAT) while programme activities focused at the national policy level, with the rationale being that national policy reforms would positively impact the performance of districts with regards to public service provision. With the new Decentralisation Policy and Action Plan and Legislative Instrument (LI) 1967, two major reforms were introduced in Ghana’s decentralisation process during this phase and SfDR achieved its programme objective. At district level, the FOAT indicator achievement in regards to “Linkage between planning and budgeting” and “Transparency, Openness, Accountability” improved in the SfDR’s partner districts.

## SfDR: 2011-2014

### Support for Decentralisation Reforms (SfDR): 2011-2014

Duration	July 2011 – March 2014
Budget	EUR 5.234.771 (BMZ) EUR 576.500 (Cities Alliance)
Political Partner	Ministry of Local Government and Rural Development

The programme objective of the third phase from 2011 to 2014 was to further develop the capacities of national and subnational

institutions in the implementation of the National Decentralisation Action Plan, thus integrating the two approaches of its previous phases. SfDR also focused on increased political participation of the people and supporting districts to achieve a sustainable improvement of service delivery at local level.

Focal Areas	Milestones 2011-2014
National Framework Conditions	Advisory services in fiscal decentralisation to IMCC, MLGRD and MoF. Countrywide introduction of the composite budget
Sub-national Structures	Support of the development and enforcement of the SNPA Policy. Round table on issues of IGF
Civil Society	Support of LOGNet in enhancing civic participation with a particular focus on gender
Urban Communal Development	Support to MLGRD in its steering function in urban development. Implementation of National Urban Policy and Action Plan

## SfDR: 2014-2016

### Support for Decentralisation Reforms (SfDR): 2014-2016

Duration	April 2014 – March 2016
Budget	EUR 3,850,000 (BMZ) EUR 336,000 (Cities Alliance)
Political Partner	Ministry of Local Government and Rural Development

Since 2014, SfDR’s focus shifted from national to district and sub-district levels and from policy advice to implementation. In this phase, SfDR’s objective was to increase the awareness of the opportunities and challenges of decentralisation for the districts and to help develop expertise in financial management, service delivery and local development planning. SfDR promoted the participation of civil society and particularly women in local planning and budgeting and supported exchange of experience between districts, e.g. through learning platforms. With sectoral and organisational advice to MLGRD and districts, SfDR supported building institutional capacities for implementing the national urban development strategy.

Focal Areas	Milestones 2014-2016
Internally Generated Funds	SNPA implementation to enhance local revenue through taxes and property rates
Public Participation	Participatory mechanisms to involve civil society in planning and decision-making
Empowerment of Women	Promotion of opportunities for women to participate in public decision-making
Planning and Accountability	Institutional capacity of local authorities to enable efficient, effective and transparent governance
HR Development and Management	Advisory service in political and administrative decentralisation, definition of roles, functions and competencies of public institutions and the demarcation of decision-making and functional competencies, job descriptions and human resource
Urban Development	Sustainable urban development and spatial planning plus preparation of the Ghanaian contribution to the Habitat III process

# Objectives and achievements

## SfDR's objectives, indicators and main achievements 2014-2016



<b>Module Objective</b>	<b>The districts perform the tasks assigned to them under the national decentralisation strategy efficiently and effectively in the interests of the local population</b>
Indicator 1	In 20 out of 40 supported districts internally generated funds increase by 20%
Indicator 2	15 out of 40 supported districts apply formalized public participation procedures for the investment planning
Indicator 3	Within the 40 supported districts the amount of women who participate in hearings for budget planning increases by 15%
Indicator 4	FOAT results of the 40 supported districts has increased in the areas of planning and accountability
Indicator 5	In the context of the national decentralisation policy, LGSS implements the functional and decision making competences, vacancy announcement and HR management in 20 out of the 40 supported district administrations
<b>Output A</b>	<b>In the context of cadastre/land registration a reliable property database is established for increasing local revenues</b>
Indicator A1	In 25 urban districts street naming and property addressing and identification is completed
Indicator A2	In 15 urban districts a software is introduced for the establishment of a high quality property index
<b>Output B</b>	<b>District development planning and financial management are taking place in the supported districts</b>
Indicator B	80% of a control sample of training participants regarding topics of financial management and district development planning can prove by concrete examples that they are using what they have learnt
<b>Output C</b>	<b>Networks supporting the participation of women for the district development planning are strengthened</b>
Indicator C	In 30 out of 40 supported districts traditional „Queen Mothers“ associations and local NGOs support a 15% participation of women in the district development planning
<b>Output D</b>	<b>Mechanisms of horizontal experience exchange and learning supporting good governance in the supported districts</b>
Indicator D	Per annum 4 meetings/workshops among the supported districts are taking place
<b>Output E</b>	<b>Institutional preconditions for the implementation of the national urban development strategy are established</b>
Indicator E1	Concept for HR management and strategy planning for the Urban Development Unit (UDU) exist
Indicator E2	The Local Government Service Secretariat (LGSS) has developed three (3) hand books and five (5) guidelines for the organisation of roles and responsibilities as well as management process in the districts

*In the 2014-16 phase, SfDR was one of two modules of a larger decentralisation programme, the other module being implemented by KfW.*

*The above module objective is thus the overall objective of the SfDR programme, measured by five indicators. The module objective was to be achieved through agreed activities in five outputs (A-E), each represented by a set of one or two defined indicators to measure the achievement at the end of the phase.*



## **Establishment of reliable property data-base using street naming and property addressing for increasing local revenue**

Out of the 40 districts, the street naming and property addressing process is fully completed in 23 districts. In the remaining districts, work is at various stages of progress.

The development of the Ntobua software for district revenue mobilization is completed. It has been introduced to all 216 MMDAs during the NALAG national delegates' conference and to the IGF Technical Working Group. The FDU supports usage of the Ntobua software for national use. The software was successfully piloted in the five LOGODEP project districts in the Western Region. Ntobua has been successfully deployed in 21 SfDR partner districts which have uploaded their spatial data onto the NITA platform.

## **District development planning and financial management are taking place in the supported districts**

SfDR supported the training of 441 officials from 147 MMDAs (including the 40 target districts) on the use of the "Activate" software and the revised charts of account for the 2015 Composite budget preparation. Since the training, all the 147 MMDAs have successfully prepared their respective 2015 composite budgets. This means: 100 percent application of knowledge by districts!

70 percent of the participants in a training-of-trainers at regional level in participatory approaches for planning and budgeting applied what they have learned in 26 SfDR partner districts. 77 percent of the districts applied what they have learnt in their public hearings.

## **Networks supporting the participation of women for the district development planning are strengthened**

SfDR produced a manual for budget and planning officers on how to improve women participation. In collaboration with CIKOD and support by the Konrad Adenauer Foundation, SfDR trained queen mothers organizations and other women networks in Wa, Jirapa and Lawra as well as other districts in Upper West Region on sustainability and self-organization. In the Central and Brong Ahafo Regions, Gender Desk Officers and Queen Mothers of all partner districts were trained to strengthen their role and capacity in development planning and budgeting. In the Central, Upper West and Brong Ahafo Regions, regional databases with women groups and networks have been established.

*SfDR's main achievements during the 2014-2016 phase in regards to the output indicators of the BMZ assignment*

## **Mechanisms of horizontal experience exchange and learning supporting good governance are being used**

As part of the operationalization of the SNPA, SfDR facilitated ten inter-district exchanges in all regions for experience sharing and learning in the application of the Land Use Planning and Management Information System (LUPMIS).

In view of the high cost of organizing workshops of such nature, the programme opted to invest scarce resources in the establishment of e-learning platforms for virtual engagements among officials from supported districts on selected topics. The concept and associated implementation plan and budget for the e-Learning and COP has since been discussed and finalized with ILGS. This will be implemented in 2016.

## **Institutional preconditions for the implementation of the national urban development strategy are established**

SfDR supported the institutional strengthening of the UDU which has evolved into a capable coordination hub to spearhead the process of an inclusive approach to urbanisation and facilitated the exposure of UDU staff to international best practice through South-South exchange.

SfDR supported the preparation of 2,500 copies of the Human Resource Operation Manual for the LGS and its dissemination to all MMDAs. Various aspects are already applied, especially the introduction of performance contracts and staff appraisals. SfDR supported the training of 20 experienced HR practitioners to provide hands-on assistance to Human Resource Officers of MMDAs to apply the HRM.





*During a townhall meeting in Jomoro*

# Institutional Frameworks

## SfDR's support to decentralisation policies in Ghana

After two decades of implementation since 1988, comprehensive local government and decentralisation reforms have brought about successes. However, experiences have also revealed further reform needs: To clarify the role of the regions in Ghana's decentralisation architecture, to accelerate the pace in integrating decentralised departments into the district assemblies' administration, in implementing fiscal decentralisation and in strengthening citizen's participation. This awareness led to a major review of Ghana's decentralisation policy in 2008 to address incoherence and contradictions in sectoral approaches to decentralisation and to accelerate the reform process.

### Decentralization Policy and Action Plan

Besides its large contributions in the context of financial cooperation through the German Development Bank (KfW), Germany has extensively contributed towards the strengthening of Ghana's institutional conditions for effective decentralisation and local governance through SfDR and its predecessor programmes. SfDR supported the MLGRD to produce Ghana's first Decentralisation Policy Framework and the accompanying National

Decentralisation Action Plan for the period 2010 to 2014. SfDR provided technical advisory services and funds for nationwide, multi-stakeholder consultations to review Ghana's two decades of decentralisation practice between 1988 and 2008. The consultations also provided the needed space for citizens and interest groups to make inputs into the new policy. SfDR was actively part of the technical working group that steered the process from inception to the formulation, through to the launch and dissemination of the Decentralisation Policy and Action Plan.

Subsequent to the formulation of the Decentralisation Policy and Action Plan, SfDR provided technical advisory support to key national and sub-national institutions to facilitate their implementation. Among the national level institutions supported are MLGRD, IMCC, the Local Government Service Secretariat (LGSS), the Institute of Local Government Studies (ILGS) and the Fiscal Decentralisation Unit (FDU). To galvanise civil society involvement in the implementation of the Decentralisation Policy and Action Plan, SfDR also supported the Local Government Network of NGOs (LOGNet), the African Peer Review Mechanism (APRM) and Center for Democratic Development (CDD).

The implementation of the National Decentralisation Policy and Action Plan were replete with several landmarks. SfDR provided

- Assistance to the establishment of the IMCC as the key institutional mechanism for policy coordination and ensuring that the objectives of the decentralisation policy were attained.
- Support to the establishment of 17 deconcentrated departments as departments of MMDAs and migrating over 30,000 civil servants in the districts and regions from the Civil Service to the Local Government Service.
- Cooperation in the introduction and nationwide implementation of the Composite Budget system as part of the national budget.
- Participation in the formation and staffing of human resource directorates at the MMDA levels to direct the strategic planning and implementation for human resource development and manpower requirements.

## Street Naming and Property Addressing Policy

The Street Naming and Property Addressing Policy (SNPA) and its National Operational Guidelines are some of the several institutional frameworks whose formulation were actively supported by the SfDR programme through technical and financial assistance to MLGRD.

The SNPA policy and the associated operational guidelines provide the standard framework for the implementation of street naming and property addressing in Ghana. The policy was formulated in response to the hitherto disjointed and limited efforts at street naming in the milieu of increasing urban population and rising demands for improvement in the delivery of public services. Due to several years of weak spatial planning, almost all MMDAs found it difficult to effectively locate revenue points and service users in space. This capacity deficit invariably undermined efforts by MMDAs to mobilise local revenue and adequately manage delivery of public services.

Prior to the formulation of the SNPA policy, there was no comprehensive framework in place to guide the MMDAs to develop spatial databases. The preparation of the SNPA policy and operational guidelines has filled this institutional gap.

The SNPA policy and operational guidelines provide standard definitions, tools and processes as well as set out stakeholder roles and responsibilities needed to facilitate effective implementation of the system. It is envisaged that through the implementation of the SNPA policy, MMDAs will improve on their institutional capacity to effectively and efficiently mobilise local revenue in order to deliver public services.

Following the preparation, launch and dissemination of the SNPA policy and operational guidelines, SfDR has organised comprehensive training events for about 600 public officials from the 216 MMDAs to further qualify them to implement the policy.

## National Urban Policy and Action Plan

Germany has provided extensive assistance to the Government of Ghana in the area of urban development. Through SfDR, the MLGRD was supported in formulating Ghana's first National Urban Policy Framework and Action Plan, which was launched in 2012. Besides financial support resulting from the programme's cooperation with the WB and UNOPS, SfDR played a pivotal role in the regional consultative processes leading to the policy formulation as well as in the strategic environmental assessment of the policy by the Environmental Protection Agency. The policy provides the standard framework for managing urban development in Ghana.

In partnership with Cities Alliance, SfDR continues to support Ghana's urban agenda and active participation in the Habitat III process until October 2016. The United Nations (UN) Habitat Secretariat has acknowledged the leading role Ghana has taken by launching its urban policy as one of the first on the African continent, which amongst others earned the president of Ghana the role as a champion of the African Urban Agenda.

In consolidating the gains made since the launch of the policy, SfDR has backstopped the Urban Development Unit to institutionalise the National Urban Forum as a major urban governance and participation platform for all stakeholders within the urban sector. Going forward, there are efforts to institutionalise the urban advisory group as a coordination point as well as push for the elevation of the Urban Development Unit (UDU) to a full working unit to facilitate the actualisation of its comprehensive mandate. To further enhance the implementation of the Urban Policy and Action Plan, MLGRD received support from Cities Alliance (CA) and the German Government through SfDR to develop an investment plan as well as a monitoring and evaluation plan to guide the implementation of the policy action areas and the proposed activities.

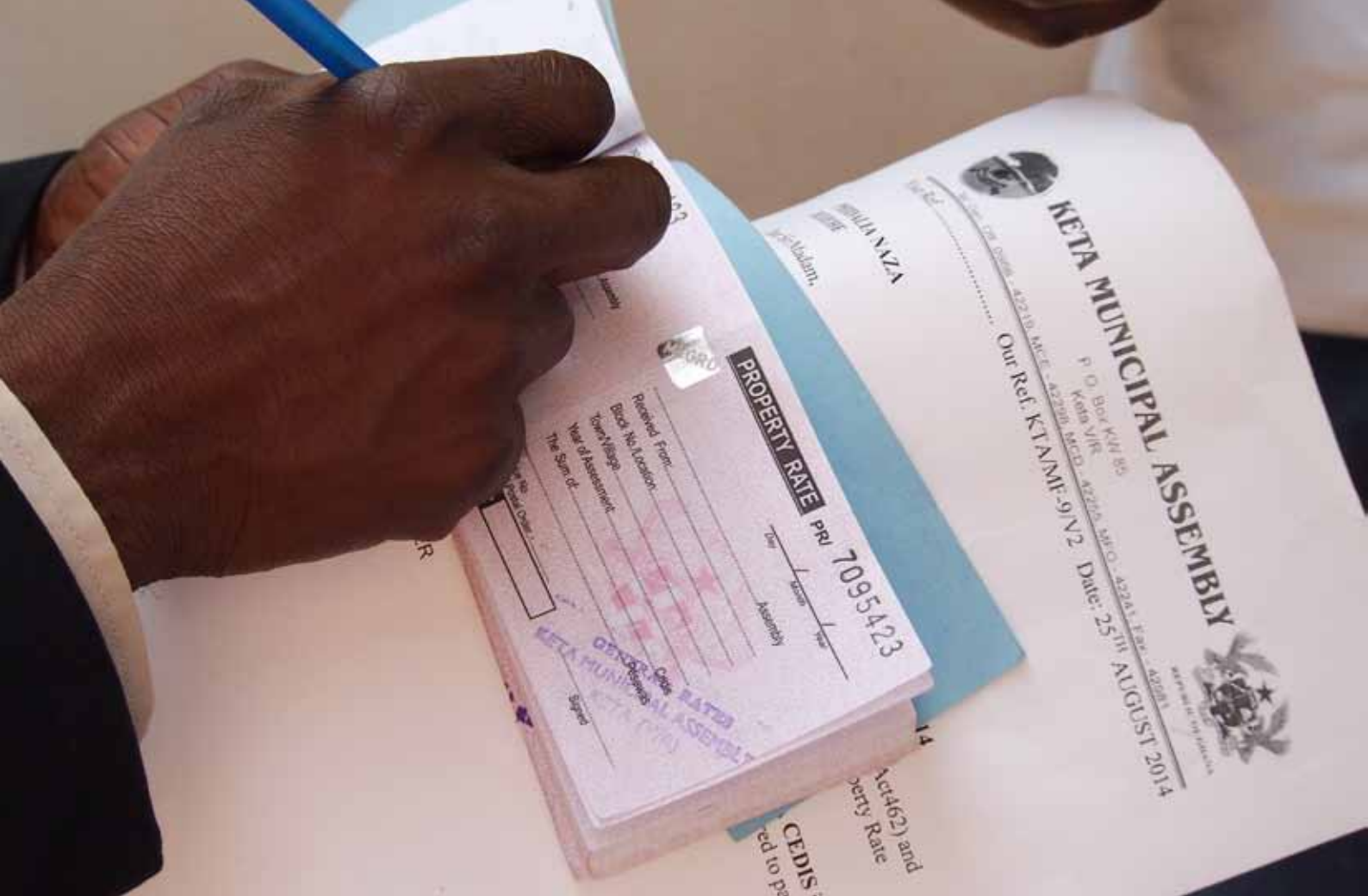
### Habitat III report and PREPCOM II



In April 2015, the Government of Ghana with support of its key urban partner institutions, Cities Alliance and GIZ on behalf of the German BMZ, participated in the Second Preparatory Meeting (PREPCOM II) and the 25th Governing Council Meeting (GC25) of the UN Habitat towards the organization of the Habitat III Conference in 2016. Ghana's participation was grounded on its successful development of the Draft Habitat III Report which was supported by SfDR. The report was facilitated by the National Habitat Committee and went through a participatory approach involving the consultation of a broad spectrum of stakeholders from the local and national governments, academia, civil society groups with particular emphasis on the urban poor and the private sector.

To the Government of Ghana, the preparations towards the Habitat III Conference are of utmost importance. Ghana is one of the first African countries having an Urban Policy in place.





Billing property rate, Keta

# Public Finances

## SfDR's activities to support fiscal decentralisation

District assemblies in Ghana have largely relied on inter-governmental transfers to fund local level development interventions since the inception of Ghana's decentralisation process. While citizens increasingly demand for improved services at local level, intergovernmental transfers have continuously remained unpredictable and inadequate. Enhancing local revenue generation is thus considered to be a key policy measure for deepening fiscal decentralisation.

### SNPA and Internally Generated Funds

Through SfDR, Germany supported the MLGRD by focusing on 40 partner districts with an automated revenue collection and management system as well as a software to enable districts to bill, collect, account for and report on local revenues. This system merges the spatial databases generated through the implementation of the SNPA policy with the district's fee-fixing resolution data to create a fiscal geographic information system.

SfDR provided technical personnel with expertise in the incorporation of geographic information systems. This included training

in land use planning management of the MMDA's technical teams for the development and implementation of spatial databases of all properties and businesses. District officers were trained in the use of the automated local revenue management system. Technical assistance was provided to MMDAs in the formulation and revision of revenue generation strategies in collaboration with stakeholder organisations in the area of fiscal decentralisation.

#### Quick facts about SNPA training 2014-16

733 public officials trained in SNPA	648 public officials from 216 MMDAs
	30 regional level public officials from 10 regions
	55 regional & national officials trained as facilitators

SfDR developed a web-based IGF-software called Ntobua which uses the spatial database developed from the SNPA implementation as a key ingredient to establish a fiscal cadastre and automate the process of billing, collection and monitoring of property taxes and business licences. To ensure national ownership and sustainability, Ntobua has been installed on a central server on the National Information Technology Agency (NITA) infrastruc-

ture. The development of the software is fully completed and has since been introduced to several national and district level stakeholders with the intention to adopt the Ntobua software for national use. Using a generic software hosted on a central server by all district assemblies requires standardised definitions and processes. Under the leadership of the MLGRD and the FDU, SfDR therefore supported the preparation and stakeholder validation of an IGF Reference Guide in line with on-going fiscal reforms. Moreover, SfDR supported the MLGRD to harmonise the fee-fixing system.

Till date, the process of establishing and applying a spatial database for IGF collection and management using an IGF software solution is completed in 16 districts out of the 40 partner districts. The remaining districts are at various stages of completion in setting up their systems. The lagging behind of some districts is due to issues related to inadequate technical personnel capacities, out-dated satellite images, ineffective cooperation among the physical planning departments, land valuation and the delayed implementation by some assemblies. To help address these challenges, SfDR provided intensive coaching to technical personnel of its partner districts to enable the process of aligning their spatial with the respective fiscal databases.

In addition, SfDR facilitated an IGF technical working group meeting to explore ways of enhancing effective cooperation

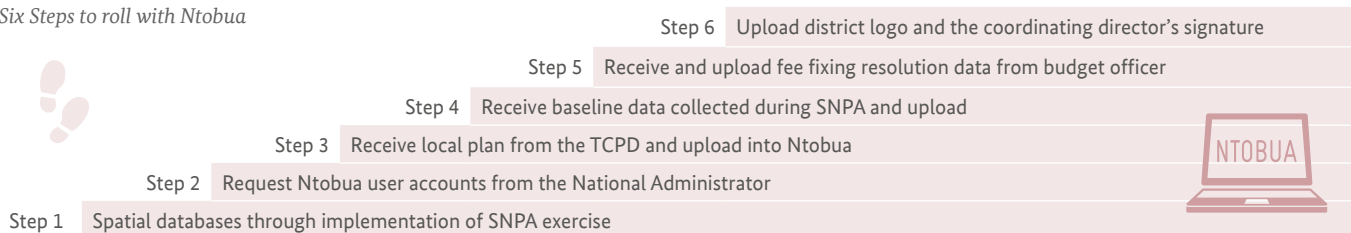
#### Internally Generated Funds (IGF)

IGF is the traditional revenue source of the assemblies as specified in the Sixth Schedule of the Local Governance Act. Categories of revenue sources include property rates, fees, fines and penalties, licenses, trading services, stool land and timber royalties, mineral and development funds, buildings and houses, rent of land and other revenues peculiar to the respective district. IGF does neither include central government transfers nor debt or borrowing functions.

IGF in Ghana is a component of the broader concept of “Local Revenue Generation” or the internationally much discussed term „Domestic Resource Mobilization” (DRM).

between the physical planning department and land valuation division to promote the process of aligning the spatial and fiscal databases. Furthermore, SfDR supported NALAG to urge political commitment and resources of local authorities to speed up the establishment of the fiscal cadastre. When the establishment of the fiscal cadastre is fully completed, districts will be able to generate more local revenue to finance local level development. The SfDR approach to supporting its partner districts to implement the SNPA policy leading to operationalisation of the IGF software has attracted attention and commendation from other development partners.

#### Six Steps to roll with Ntobua



### “A good piece of legislation for local governance”

Francis Sogbe, DFO in Keta

“One of the problems of the assemblies is that we’re not able to mobilize a lot of revenue. It is disturbing that we are always relying on Common Fund. Collection of taxes is difficult because many people don’t understand why they should pay. I went to the local FM station to talk on a particular topic every week. People call in and ask questions. I explain why they should pay, how much came in and what we did with it. You need to do some physical projects from the IGF for people to see and continue paying. This year we had a town-hall meeting in one of the communities to inform about the projects we have executed. We even had a small brochure.



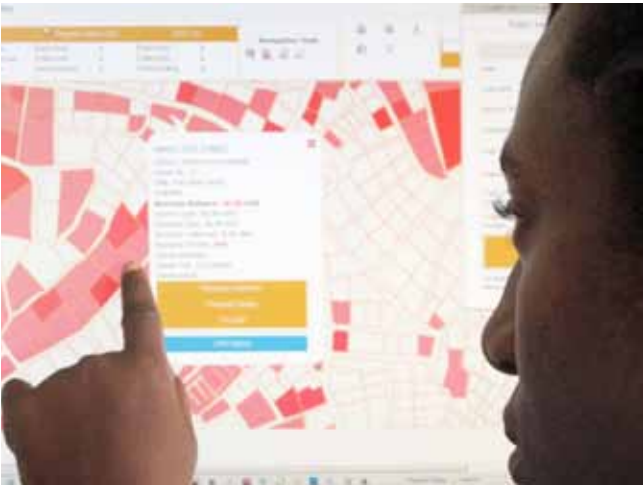
The property rate is bringing in the money. But first, we spent money to pay people to collect the data on the properties and to value the properties. If you don’t see this as an investment, you will never generate funds. You need a software for billing. Manual production of bills doesn’t help, we have too many properties. The software is for the production of bills and will track the collection: When someone pays, we record what property has been paid and the software updates that person’s record. You always know how many bills have been distributed, how much has been paid, what is the outstanding balance. You can track the performance of each revenue collector in specific areas. This helps a lot. Within two years we have increased our revenue with 62 percent. Act 462 is a very good piece of legislation for our local governance system. It gives a lot of avenues where we can generate revenues. If we all do this, we can stop asking for the Common Fund.”



Property addressing exercise in Wa, 2015



Three men, one mission: Painting a house number on the wall of a property.



After SNPA and fee-fixing has been done, Ntobua can be installed.



Ntobua allows real-time-tracking of paid and outstanding local revenues.

### National Association of Local Authorities of Ghana (NALAG)

NALAG was founded 1977, initially as National Association of Local Councils (NALCO) but renamed 1988 when the decentralisation process started. NALAG continued to receive government subventions until 1998 and opted out to gain the needed independence and autonomy to play its roles more effectively. All MMDAs in Ghana are full members.

NALAG aims to promote the development of local government administration and decentralisation in Ghana through advocacy and lobbying. NALAG assists in maintaining high standards of local government service delivery and provides a forum for discussion and exchange of ideas amongst its members. NALAG cooperates with other national and international bodies with the objective of promoting effective and efficient government service delivery. Since 2015, NALAG receives German support in organisational development through a German Integrated Expert.

[www.nalag-ghana.org](http://www.nalag-ghana.org)

### Ntobua - District Local Revenue Software

Ntobua is an Akan expression, meaning: Contributing funds for self-help.

The web-based Ntobua software is designed to enhance local revenue by addressing the operational challenges inhibiting the mobilisation of IGF in Ghana. These challenges include the absence of a comprehensive database and the inability of district assemblies to track revenue collections and payments. In developing the software, SfDR ensured that the design is consistent with existing government policies and work flows to avoid the creation of parallel systems. Ntobua is built to complement the Land Use Planning Management Information System (LUPMIS), the national GIS-based software for the implementation of the SNPA policy. It is easy to use for non-GIS users and designed especially for staff of the district budget and finance departments. Ntobua has a user interface with Ghana Integrated Financial Management Information System (GIFMIS) to ensure easy exchange of local revenue financial information.



## Composite Budgeting

The composite budget integrates devolved and deconcentrated departmental budgets to enable district assemblies to improve the efficiency and accountability of their budgeting process. In 2011, with German support through SfDR, the MoF set up national and regional technical working groups to coordinate, monitor and provide backstopping to the respective district committees to formulate and implement their district composite budgets. This addressed the problem that prior to this intervention, MMDAs had employed various processes in disbursing funds and utilised internally generated funds without recourse neither to budget estimates or ceilings, nor to effective monitoring on the flow of funds, which bears the risk of overspending.

### The Composite Budget

Chapter 20 of the constitution, Local Government Act 462 and other laws and regulations mandate assemblies to formulate and execute plans, programmes and strategies for the overall development of their districts. Act 462 requires that MMDAs prepare and approve their own budgets but also provides them with the authority to levy and collect rates, fines and fees. Before 2012, only the assembly's central administration budget conformed to the district's annual action plan, derived from the MTDP. The budgets of decentralised departments were still aligned to their parent ministries' sector plans with very weak links to the assemblies' medium term and annual action plans. The effect of this uncoordinated planning and budgeting process at the district level undermined the decentralisation process. The composite budget process allows for the integration of the assemblies' central administration budgets and the departmental budgets to ensure better coordination, ownership, control and accountability of the MMDA budgeting process.

Since 2014, SfDR facilitated the deployment of highly experienced national and regional level public officials for district level training and mentoring. In respect of composite budgeting, SfDR supported the training of 441 officials from 147 MMDAs (including the 40 partner districts) on the use of "Activate", a software by the MoF for the Medium Term Expenditure Framework, and the revised charts of account for the 2015 composite budget preparation. The training was delivered by experienced public officials from the FDU of the MoF. Using the same approach, Global Affairs Canada (GAC) and DANIDA collectively supported the training of district officials from the remaining 69 MMDAs to achieve a nationwide coverage.

### Quick facts about composite budgeting training 2014-16

448 officials trained	441 public officials from 147 MMDAs
	7 regional budget officers from 7 regions

To inspire responsiveness of district officials, SfDR supported CDD to organise a civil society-led observation mission to track the extent to which district assemblies complied with the provisions for public participation in the planning guidelines. The report pointed to several limitations in the plan preparation process in

respect of citizens' participation. In response, SfDR in partnership with all ten RPCUs trained district officials in participatory planning and budgeting and encouraged districts assemblies to conduct public hearings to enhance citizens' participation in the planning process. More than 600 district officials including planning, budget and gender desk officers of 28 out of the 40 partner districts were trained in participatory planning and budgeting approaches.

## DDF and FOAT

The District Development Facility (DDF) was introduced in 2008 as an initiative of the Government of Ghana and key development partners to improve the performance of districts through a performance-based funding mechanism. SfDR provided advisory support to the policy development of the inter-governmental fiscal framework including the establishment of DDF and the FOAT assessment in cooperation with KfW. The DDF aims at mobilising additional discretionary funds to address the insufficient and fragmented provision of funds from central government and reduce the lack of incentives at local level. Its countrywide implementation harmonizes development funding and provides evidence for capacity building and development needs. The FOAT is applied annually to determine the performance of MMDAs in order to benefit from DDF by assessing their performance on their mandate through agreed indicators. Capacity gaps identified during the assessment can be addressed and capacity enhancement funds disbursed. To augment the planning and monitoring capacities on the district and regional level, SfDR posted European development workers at five RPCUs and selected districts. These seconded experts worked within SfDR's partner organisations and directly contributed to strengthening the planning and monitoring capacities of their partner institutions. Through the contributions of SfDR's development workers, respective MMDAs further enhanced the quality of compliance with the FOAT criteria.

## Project Monitoring Database System

To enhance financial management, a M&E system was developed to be used during monitoring activities of the RCCs to obtain accurate data on the achievements of the Ghana's Growth and Poverty Reduction Strategy (GPRS) II objectives. Developed by SfDR in 2009, the Project Monitoring Database System (PMDS) has since its inception been widely employed in RCCs and MMDAs. By facilitating reporting on analysis and evaluation of local and regional projects, the database strengthens the planning capacity of RPCUs and DPCUs. The PMDS can easily be linked to LUPMIS and geographically provide valuable information on locations and costs of district facilities. Through its development workers in five out of ten RPCUs, SfDR directly contributed to building the capacities of planning officers in 81 MMDAs to use the PMDS for tracking of infrastructural projects. The PMDS is currently used by 69 districts. The application of the PMDS resulted in the timely preparation and submission of quarterly progress reports by these districts which finally contributed to improve their FOAT performance.



Public hearing in Jirapa, Upper West Region, 2015

# Public Accountability

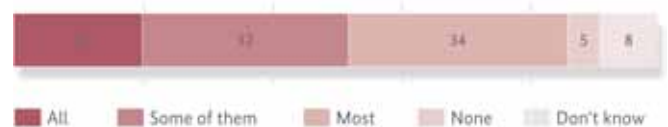
## SfDR's activities to strengthen local accountability

In spite of the existence of fairly strong anti-corruption legislations and policies in Ghana, public perception of corruption in the public sector remains high. Indices such as Afrobarometer and Transparency International's Corruption Perception Index point to high public sector corruption in Ghana. The non-achievement of Ghana's anti-corruption outcomes is widely acknowledged to be partly due to ineffective implementation or compliance with existing legislations that are expected to promote accountability and transparency.

Strengthening local level accountability is one of the policy measures prioritised in the National Decentralisation Action Plan. To this end, SfDR has facilitated a number of measures to strengthen the capacities of some sub-national institutions and civil society organisations to deepen the attainment of the preconditions for accountability.

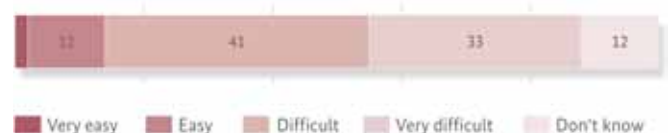
In collaboration with the BMZ-funded and GIZ-implemented Good Financial Governance programme (GFG), SfDR trained members of the Audit Report Implementation Committees (ARIC) in its 40 partner districts to promote the implementation of recommendations from audit reports at the local level. The

*How many government officials do you think are involved in corruption?*



Answers in percent. Source: Afrobarometer (Ghana 2014/2015, Base = 2,400)

*Based on your experience, how easy or difficult is it to find out how government uses the revenues from people's taxes and fees?*



Answers in percent. Source: Afrobarometer (Ghana 2014/2015, Base = 2,400)

training was aimed at building the capacities of all five members of the ARICs. A first training covered all coordinating directors in the 40 partner districts to increase their knowledge on the role of ARICs and to improve their skills and appreciation of how to report back on auditors' queries and recommendations. A subsequent training for other ARIC members aims at enhancing the functionality of the ARICs to enable them become more responsive at the district level.

#### Audit Report Implementation Committee (ARIC)

Since 2000, the Audit Service Act has required all government agencies and MMDAs to set up ARICs to ensure the implementation of the recommendations of audit reports. At MMDA level, an ARIC is made up of five members: The Presiding Member (or representative) acting as chair, a member of the Finance and Administration Sub-Committee, the MMDA Chief Executive, the Coordinating Director and one external representative nominated by the Internal Audit Agency.

To raise awareness, SfDR collaborated with SAU, the Social Accountability Unit of the MLGRD, to produce information and education campaign materials to inform citizens on their role in the district budgeting process and to stimulate their demand for public accountability. This awareness campaign was undertaken in the run-up to the enactment of the 2015 and 2016 budget statement at the national and local levels using trained media actors as multipliers.

#### Practice example: Internal Audit Manual



The decentralisation process required the transfer of fiscal autonomy to the MMDAs. In 2003, the Internal Audit Act established the Internal Audit Agency to ensure efficient and effective internal auditing in public sector institutions. Inadequate training and the absence of a guiding manual resulted in poor performance of the internal auditors in the MMDAs. To boost effectiveness, SfDR developed an Internal Audit Manual. The manual defines a standardised approach to internal audit procedures in order to meet internationally established standards and principles.

#### African Peer Review Mechanism (APRM)

The APRM is an innovative attempt to improve governance and the well-being of all citizens. It is a voluntary self-assessment tool adopted by the African Union to improve governance in member states and on the continent as a whole. Through technical advice and financial contribution, SfDR supported the APRM in Ghana to extend the coverage of district governance assessment and exchange between local authorities and citizens from 20 in 2010 to 35 districts in 2013.

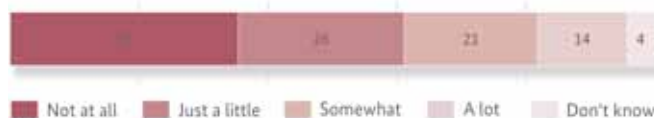
*“When you educate people well, they will pay.  
If you are accountable to them, they will pay.  
If you provide them with the services they want, they will pay.”*

Francis Sogbe, DFO in Keta



Infoboard on the district's revenue performance: Lawra, 2015

How much do you trust your Metropolitan, Municipal or District Assembly?



Answers in percent. Source: Afrobarometer (Ghana 2014/2015, Base = 2,400)

How well or badly is your MMDA providing citizens with information about the assembly's budget?



Answers in percent. Source: Afrobarometer (Ghana 2014/2015, Base = 2,400)

How well or badly is your MMDA making the assembly's program of work known to ordinary people?



Answers in percent. Source: Afrobarometer (Ghana 2014/2015, Base = 2,400)





*Citizen making a statement during the budget hearing in Lawra, Upper West*

# Peoples' Participation

## SfDR's activities to strengthen civil society and women empowerment

The ultimate objective of supporting decentralisation is the improvement of public service delivery. In a democratic society this implies that citizens' views are taken into account in political decision-making, in particular planning and budgeting processes. The German support for decentralisation reforms in Ghana aims to overcome capacity gaps on both sides, local government authorities as well as civil society organisation representatives, regarding the promotion of effective local level participation with commendable contributions from women.

### Participatory Planning and Budgeting

One of the primary essentials of Ghana's decentralised local government system is the opportunity it provides for people in various local government areas to effectively participate in the decision-making process. Notwithstanding the various efforts by government to promote citizens participation in the planning and budgeting process at the local level through formal institutional mechanisms, it is generally acknowledged that citizens' participation in planning and budgeting over the years has not been efficient in terms of quality of the state-citizen exchange.

#### Public hearings in the planning and budgeting process

According to law, districts assemblies are expected to organise at least two major public hearings during the medium term plan preparation process.

- The first major hearing is expected to discuss the district priorities for the MTDP.
- The second major hearing provides the opportunity to deliberate and validate the final draft of the MTDP.

Priorities in the MTDP and Annual Action Plans are expected to form the basis for budget preparation. During preparation of the district composite budget, two additional public hearings are expected:

- A ratepayer's consultative meeting to discuss the current year revenue performance and review fees in consultations with ratepayers.
- Budget hearings to present the proposed budget detailing revenue projections and expenditure estimates to key stakeholders.

From 2014 till date, SfDR has supported MMDAs to organise district public hearings to promote citizens' participation in planning and budgeting process. To attain this, SfDR facilitated a training-of-trainers of REPOs for district level training of DPCU and Budget Committee members in participatory planning and budgeting. Following this workshop, district level training events have been organised by the RPCUs in all regions except Upper East, Volta and Western. Consequently, there have been training events in 26 partner districts, including 22 public hearings organised in 19 partner districts.

#### Quick facts on PPB training supported by SfDR 2014-2016

705 public officials trained in PPB	20 regional level public officials from all 10 regions trained as district facilitators
	685 district level officials from 26 partner MMDAs

## Strengthening Networks

In spite of the vibrant civil society organisation (CSO) landscape and the favourable environment that can be found, CSOs in Ghana do not live up to their potential. Hampered by a lack of self-regulation and of cooperation, CSOs tend to see each other and their networks as competitors for funding. In addition, CSOs particularly close to grassroots, are limited by poor advocacy skills.

To strengthen CSOs in the field of local governance, SfDR has supported LOGNet in its coordination and communication capacities since 2007. LOGNet bundles diverse civil society initiatives on national and local level to contribute in partnership with national government and districts to a service-oriented and client-focused decentralised policy. Through SfDR's organisational development support, LOGNet became the largest umbrella organisation of CSOs in Ghana with 220 groups in all ten regions. With support from Germany and United Nations Development Programme (UNDP), LOGNet realised two events in 2012 on the implementation of the National Decentralisation Policy Framework and Action Plan. A third event focused on the representation of women in local government, addressed questions of gender equality in politics.

#### Local Governance Network (LOGNet)

LOGNet was founded in 2003 as an umbrella organisation of CSOs and NGOs working on local governance. LOGNet promotes effective decentralisation through citizen's participation in decision making and development. The 220 member organisations including: local and international NGOs, think tanks, research and training institutions, CSOs and CBOs advocate for gender and inclusive participation of Ghanaian citizens in local governance and work in various fields like democratic governance, gender, education, health, HIV/AIDS and human rights.



A young mother in Ghana's Upper West Region

SfDR cooperated with a wide range of partner organisations aimed at strengthening civic participation. One example is CDD, an independent non-profit organisation dedicated to the promotion of society and government based on the rule of law, appropriate checks on the power of the state and integrity in public administration, received German support through a development worker to support their public relations campaigns. Youth Bridge Foundation, a non-governmental organisation (NGO) campaigning for active participation of the Ghanaian youth in the development processes, particularly in political decision-making on local and national level, received German support through the posting of a development worker to assist in strategic planning, networking, capacity building and project management.

#### Empowering CSOs to monitor the MTDP process



SfDR strengthened the capacities of CSOs at the district level to monitor MMDA's compliance with the guidelines for decentralised development planning and use the findings for evidence-based advocacy. For this purpose, SfDR supported CDD to undertake a project termed "Enhancing CSO monitoring of the preparation of the 2014-2017 Medium Term Development Plans of MMDAs in Ghana". As part of the project, the capacities of 40 district-based CSOs drawn from the membership of LOGNet and operating in at least one of the SfDR partner districts were strengthened to act as observers. The CSOs were trained and deployed to observe and report on the district planning process, especially with respect to the stakeholder consultations and citizens' participation and reported to CDD. The findings have since been analysed and shared with selected district and regional officials for validation and action. The final report will be used by CDD and other CSOs for evidence-based advocacy to improve on the practice of participatory district development planning. In response to the observation findings of the CSOs, SfDR supported National Development Planning Commission (NDPC) to organise a two-day plan preparation workshop in all ten regions to provide technical advisory support to MMDAs.



## Women Empowerment

Throughout all programme phases of decentralisation support, Germany addressed societal inequalities and in particular the marginalisation of women in the society. One early example is the institutionalisation of gender networks in six districts in the Brong Ahafo Region between 2003 and 2007. These networks successfully encouraged women to make use of their active and passive right to vote during the 2006 district elections: In supported districts, the number of women who stood as candidates in the local elections increased significantly. Another highlight was a SfDR-supported film about active women in local politics by the Gender Department of the ILGS which was celebrated as an innovative demonstration of practiced gender equality and finally won the National Award for Female Role Models in 2013.

Since 2014, SfDR's women empowerment strategy has focused on increasing the level of women participation in district development planning and budgeting. As a result, the number of women who participated in the public hearings for development planning increased significantly. Similarly, the number of women who participated in the 2015 district budget hearings increased compared to the number present in the 2014 budget hearings. SfDR contributed to this positive change by researching the factors inhibiting women's participation and consequently developing a guide for district budget and planning officers to increase women's participation in budget hearings. Through an information and media campaign, SfDR supported the enhancement of existing formalised mechanisms to ensure greater involvement of women in development planning and budgeting procedures at district level. Additionally, SfDR encouraged Gender Desk Officers in Upper West and Central Region to build databases of women NGOs to facilitate better participation in local decision-making processes.



*“Usually women do not have the funds and connections to campaign, men do. Secondly, in rural communities, an assembly member is supposed to be mainly active at the end of the day, when the farmers return. By that time, society expects women to be home and cook for their husbands and children, so they do not have the time to be active assembly members.”*

Alfreda Opoku-Gyamfi, NGO Development Fortress



The task of child care prevents women often from attending public hearings

### Checklist on women participation for planning officers



To support participation of women in the planning and budgeting process, SfDR developed a practical guide with concrete activities for district budget and planning officers. In the Volta and Central Regions, the guide has been shared and validated within the RCC. In Upper West, the guide has already been shared and discussed with the district budget, finance and planning officers in the SfDR partner districts.

Phase	Activity	Progress
ORGANISATIONAL PHASE (2 months before budget hearing)	1 Public awareness creation	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	2 Improve cooperation between women groups, community workers, CSOs, gender desk officers	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	3 Database for women groups for all districts	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
PREPARATION PHASE (2-3 weeks before budget hearing)	4 Preparation of presentation	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	5 Training for hearings facilitators	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	6 Preparation of invitation	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
IMPLEMENTATION PHASE (during budget hearing)	7 Bi-lingual hearing & documentation	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	8 Separate hearings	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	9 Encourage contributions	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
POST-HEARING PHASE (after budget hearing)	10 Minutes of hearing	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	11 Sensitisation of women	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done
	12 Peer group learning	<input checked="" type="checkbox"/> done <input type="checkbox"/> not done



## Gender Responsive Budgeting Workshop, Cape Coast



In 2016, SfDR supported a workshop on gender responsive budgeting, organised by the Gender Department at the Central RCC. 20 Queen Mothers and 20 Gender Desk Officers from 20 districts in the Central Region received training and exchanged experiences in fulfilling their respective roles. At the end of the workshop, participants drafted district action plans for 2016.

## Media Support

Independent media allow citizens access to information, help establish a variety of opinions and facilitate a culture of political pluralism and social dialogue. Thus, they are an integral part of democracy and civil participation of all social groups in the political process. Independent media serve as an important democratic control mechanism and thereby promote transparency and accountability of government. Therefore, Germany, through SfDR and its predecessor programs, supported a wide range of projects and initiatives in cooperation with various partner institutions.

Coastal TV, a community station at Cape Coast in the Central Region of Ghana, is an example of a media house that received direct capacity building support. This was first provided through the Civil Society Support programme and later through SfDR, whereby a development worker was posted to CTV for a total of four years in her capacity as a movie maker and technical trainer to enhance the station's professional capacity in leadership and production and to strengthen its role as a platform for development, education and discussion in the region. Together with GIBA, the Ghana Independent Broadcasters Association, Germany from 2012 to 2014 supported the project "Our Radio" through SfDR and

## Access to information



"Access to information" is a cooperation with DW Akademie and started 2015 as a pilot in Twifo/Atti-Morkwa District in the Central Region.

An initial kick-off conference with 35 participants from district assembly, CSOs like the "Youth Development Association" and the market seller's association, local NGOs and traditional chiefs and "queen mothers" was followed by a session with civil society actors and NGOs and two five-day training sessions with each the local radio station and district assembly staff. In a concluding session, all actors agreed on a "Roadmap to Information". The agenda includes a wide range of measures like networking NGOs and CSOs, reactivating the front-desk at the district assembly, creating a district website, usage of notice boards in district's area councils, developing a concept for building trust between media, NGOs and the district assembly and defining rules for cooperation between the district assembly and the local radio station.

## District newsletter and website



To keep their citizenry informed, the Twifo/Atti-Morkwa District Assembly initiated a newsletter and a district website. The website is based on a Content Management System making it very easy to maintain. It's linked with social media and responsive meaning it will adjust to various applications such as tablets, mobile phones and of course laptops. [www.tamda.info](http://www.tamda.info)

Deutsche Welle Akademie. The project involved ten FM stations in the Western, Central, Northern, Upper East and Upper West Regions and aimed at increasing the quality of local journalism and programming.

With "Access to information", SfDR continued its fruitful cooperation with Deutsche Welle Akademie, the training section of Germany's international broadcaster, in order to improve access to information for journalists, civil society groups and citizens on local level. The cooperation has been on-going since 2015 and aims to strengthen both, the demand and the supply side of information: Access to information needs citizens, civil society actors and media who request and, as for the media, distribute information from public sources, because only well-informed citizens are able to participate in political decision-making. This requires public services that are strong and well-organised enough to give competent answers. The pilot project targets four SfDR partner districts, two urban districts, Tema and Wa, and two rural districts, Ellebelle and Twifo/Atti-Morkwa. Among others, activities include media training for staff of a community radio as well as training for the district administration in proactive communication, the publication of a district newsletter and the display of budgetary data on the internet platform [opengov.org.gh](http://opengov.org.gh).



**"Did the quality of broadcasting finally change during the four years of technical support? Yes, of course! Especially the way of looking at certain aspects of broadcasting by management and staff has changed a lot. The organization has a better workflow and produces good stories!"**

*Barbara van Rijn, worked as Development Worker for four years with CTV*



Workshop with assembly staff and CSO representatives, Twifo Praso

# Developing Capacities

## SfDR's activities in human resource development and management

When the assembly system of local governance was introduced in 1988, it was recognised that an essential element in the success of the decentralisation process was ensuring adequacy of capacity for local level actors. Legal provisions were made to ensure that there are measures to enhance the capacity of local government authorities to plan, initiate, coordinate, manage and execute policies.

### The Human Resource Operational Manual

Ghana's constitution envisions that "as far as practicable, persons in the service of local government shall be subject to the effective control of local authorities". Since its inception in 2003, LGSS has been providing technical assistance to all districts to enable them effectively perform their mandated functions. Nevertheless, many local services in Ghana are still delivered by central government agencies. This is set to change with the passage of the LI 1961 establishing the departments of MMDAs in Ghana. The position of a HR officer was not existent until the establishment of the respective district departments, and LGS has started filling this position since 2013. Education and Health are two major

services to be devolved to MMDAs as departments and bring a large number of staff under their management. As necessary capacities and structures for a smooth absorption and management are not yet developed, SfDR supported LGSS in developing frameworks and training for the district HR officers. Through SfDR, LGSS developed a Human Resource Operational Manual of which 2,500 copies are in use in all 216 MMDAs.

#### Local Government Service (LGS)

The Local Government Service was established in 2003 and includes the Local Government Service Secretariat (LGSS), 216 MMDAs and ten RCCs.

The functions of the LGS are to technically assist MMDAs and RCCs to effectively perform their functions, to conduct organisational and job analysis as well as management audits for RCCs and MMDAs and to design and coordinate management systems and processes for RCCs and MMDAs.

[www.lgs.gov.gh](http://www.lgs.gov.gh)

## Institute of Local Government Studies (ILGS)

ILGS is a public management development institution established under an act of parliament in 2003. It was commissioned in 1999 as a project of the MLGRD as part of efforts by the Government of Ghana to equip the local government system to play a pivotal role in development and poverty reduction. ILGS' main functions are to provide education and training for persons engaged in local governance, develop training materials for members of RCCs, MMDAs and other local government units, to undertake and promote research, publish literature relevant to local government, develop specialised libraries and to provide consultancy and advisory services to central and local government units.

[www.ilgs-edu.org](http://www.ilgs-edu.org)

The manual communicates basic personnel policies, practices and procedures in the efficient and effective management of local government service, and covers subjects such as recruitment, selection and retention of employees, training and capacity building, promotion, posting and transfers, diversity and gender mainstreaming. The manual communicates basic personnel policies, practices and procedures in the efficient and effective management of local government service, and covers subjects such as recruitment, selection and retention of employees, training and capacity building, promotion, posting and transfers, diversity and gender mainstreaming.

## Staff Performance Appraisal

Currently, LGSS is leading efforts to effectively integrate personnel from the newly decentralised departments into the district assemblies and also improve efficiency in the performance of their functions. LGSS has since introduced a new instrument that will be used to measure the performance of its staff. The instrument consists of a Performance Contract for directors and Staff Appraisal for other staff. In line with the instrument, all District Coordinating Directors are expected to sign a Performance Contract with their Chief Executives witnessed by their Regional Coordinating Directors and the Regional Ministers. District Coordinating Directors are required to appraise their departmental heads who in turn will appraise their staff. To facilitate the effective implementation of the newly introduced, SfDR supported LGSS to orient 20 experienced HR practitioners who have been subsequently deployed to all 40 partner districts as coaches to provide technical backstopping.

## National Information Technology Agency (NITA)

NITA is a public service institution established in 2008 and responsible for implementing Ghana's IT policies. Its mandate includes promoting and developing innovative technologies, standards, guidelines and practices among national and local government agencies. NITA is an essential component for e-government to take off in Ghana which aims at improved efficiency, transparency and accountability.

## Community of Practice

Capacity strengthening efforts in the sector have largely comprised training seminars and workshops. In spite of the advantages of these training formats, trainees hardly get the chance to regularly share experiences with one another in a structured way after training events, especially if trainees are from different departments or district assemblies. This discourages the learning-oriented interplay among trainees that is expected to foster creativity or innovation in deepening practice based on the knowledge gained from the training events. The previous modes of capacity building did not facilitate adequate post-training experience sharing among trainees and more importantly had weak linkages with the use of interactive platforms such as information technology, which affects the intended coverage, reach and frequency of such interventions.

The programme supported ILGS to develop a concept for an electronic Community of Practice (CoP) and e-learning platform to promote a practical form of horizontal and vertical learning and exchange of knowledge and experience among relevant staff of MMDAs, RPCUs and MDAs, as well as civil society. In 2015, ILGS and SfDR agreed to introduce four courses as the basis for building the CoP and equip learners with problem solving tools through guided and experiential learning. The four tutored and self-paced modules to be developed centre on physical planning, development planning, budgeting and financial management, and strategic leadership. After exploring selected e-learning platforms in Ghana, SfDR and ILGS recommend the customisation of the learning management system developed by NITA. This system has key areas that reflect the salient components expected to be in the envisaged e-learning and CoP system.

After exploring selected e-learning platforms in Ghana, SfDR and ILGS recommend to customisation of the learning management system developed by NITA providing the salient components expected to be in the envisaged e-learning and CoP system.

## Regional workshops on the SNPA



In 2014, SfDR as part of measures for the operationalisation of the SNPA for local revenue enhancement, supported the MLGRD and the Town and Country Planning Department (TCPD) to organise ten regional workshops for officials of the physical planning departments of the respective districts to share experience in the application of LUPMIS for SNPA.

SfDR also supported the NDPC to conduct a two-day plan preparation workshop in all ten regions in partnership with the RPCUs. All MMDAs in the respective regions took turns to present their working draft MTDP indicating the technical challenges in plan preparation for advice and support. In all, 192 MMDAs including the 40 SfDR partner districts participated in the exercise. The forum provided the much needed avenue for district planning officers to learn and openly share experience with each other and also with their colleagues at the regional and national levels.





*The old inner city of Cape Coast*

# Urban Management

## Addressing the challenges of urbanising Ghana

Ghana's decentralisation agenda promoted the development of localities under the management of MMDAs since the late 1980's. Similarly, development planning for all districts was conducted in the same manner until 2009. Two aspects led to a change: The acknowledgement that urban and rural districts face different challenges, and secondly, the 2010 Housing and Population Census revealed that urbanisation in Ghana had crossed the urban divide: Today, more Ghanaians reside in urban than in rural areas, with a growing percentage. It is expected that in 2030 two thirds of the Ghanaian population will live in cities.

With SfDR's support, the MLGRD has taken steps to address anticipated challenges through adequate coordination of urban development interventions. One of such measures was the establishment of an Urban Development Unit (UDU) within MLGRD to team up with relevant stakeholders in the urban sector to steer interventions. With sectoral and organisational advice in the MLGRD and the districts, SfDR supports building of institutional capacities for implementing the National Urban Development Strategy. Co-financed by the Cities Alliance under the Land, Services and Citizenship Programme, SfDR provides support for UDU with extensive organisational advice and legis-

tical requirements. The increased technical capacities will enable the personnel of UDU to strategically advance the implementation of the Urban Agenda and provide suitable guidance to those responsible in urban districts.

SfDR cooperates with Cities Alliance in supporting the organisational development of the UDU, the institutionalisation of the National Urban Forum and the promotion of political dialogue on urban development.

### Support to the Urban Development Unit

The UDU has been established as a supervising governmental body to guide the country's urban development. Urbanisation, as a multi-sectoral working area, requires a comprehensive and harmonised consideration of all various stakeholders' concerns.

Therefore, the UDU has been assigned to coordinate and steer cross-sectoral cooperation. To integrate all political spheres in dealing with urban issues in planning and implementing processes for a sound and sustainable outcome, an urban advisory group has

been established in which representatives from all relevant sectors discuss and steer prevailing urban issues, as well as develop strategies for a sustainable urban future.

In the name of capacity development, the staff of the UDU as well as urban stakeholders from different sectors and levels of governance have been exposed to international best practices by two south-south-exchanges to Brazil (2013) and South Africa (2015). Learning from innovative approaches of urban governance and successfully implemented urban development activities will help responsible Ghanaian officers to adapt and further develop those good examples in order to successfully guide national urban development. Another effort to support the UDU has been through the assistance of an organisation development process. Outcomes of the activities have been clearly defined by an agreed needs assessment and an elaborated human resource concept and an organisational structure.

## National Urban Policy

The National Urban Policy (NUP) consists of an Institutional Framework, describing the vision and goal, guiding principles and objectives, and an Action Plan, which defines policy initiatives and key activities for the agreed twelve action areas and states the responsibility of the implementing bodies.

As the implementation of the NUP Action Plan exposed various challenges in conducting the agreed activities, SfDR in cooperation with Cities Alliance assisted the UDU to carry out an investment plan as well as an M&E system, which will help the responsible stakeholders to properly cost, manage and monitor their designated activities. The M&E system will define clear indicators and enable stakeholders to observe and evaluate their intervention and the outcome, which in turn will enhance the management and steering of sustainable urban development.

## Urban Backup Initiative

The Urban Backup Initiative was initiated in 2011 by Cities Alliance and the German BMZ to develop capacities of local authorities to adequately manage pro-poor urban development processes, to improve living conditions of the urban poor in Ghana.

Complementing the “Land, Services and Citizenship for the Urban Poor Programme” which focused mainly on the Greater Accra Metropolitan Area, the Urban Backup Initiative provided support through ILGS to ten secondary cities in Ghana: Aflao, Bolgatanga, Cape Coast, Elmina, Kumasi, Suhum, Swedru, Tamale, Techiman and Wa.

Capacity development for local authorities was delivered and coordinated by ILGS, including the development of training manuals on topics such as leadership, coaching and mentoring, gender and municipal finance. GIZ through SfDR provided capacity development to ILGS.



*South-south exchange: Deputy Minister MLGRD, Hon. Emmanuel Agyekum, and the MCE of Tema, Hon. Issaac Odamtten, and the Ghanaian delegation visiting a low cost housing project in South Africa, 2015*

## Ghana Urban Forum

Besides launching the National Urban Policy Framework and Action Plan, the MLGRD institutionalised the Ghana Urban Forum as a platform for national and city level managers, academia, civil society and the informal sector to dialogue and participate in decision-making for development.

Supported through SfDR, five urban forums have been held since 2013. The aim of these forums were to inform all relevant stakeholders from national to local level about the new national policy and to discuss its implementation on the ground. The first national urban forum held 2013 in Accra, Sekondi-Takoradi and Kumasi focused on the new Urban Policy. In recent years, themes have focused on prevailing urban issues to counteract negative effects and challenges of rapid urbanisation, as well as to align with international developments. Future urban forums will be held in varying secondary cities all to engage decision-makers and urban planners on local level and to encourage dialogue and cooperation among municipalities. Also with support of SfDR a Ghanaian delegation attended the World Urban Forum in 2014 to showcase their experiences.

## HABITAT III

In 2014, the MLGRD requested and received support from SfDR to prepare for the 2016 Habitat III Conference in Quito, Ecuador. SfDR serves on the Ghana National Habitat Committee and has since assisted to offer their support in putting together the National Habitat III Report.

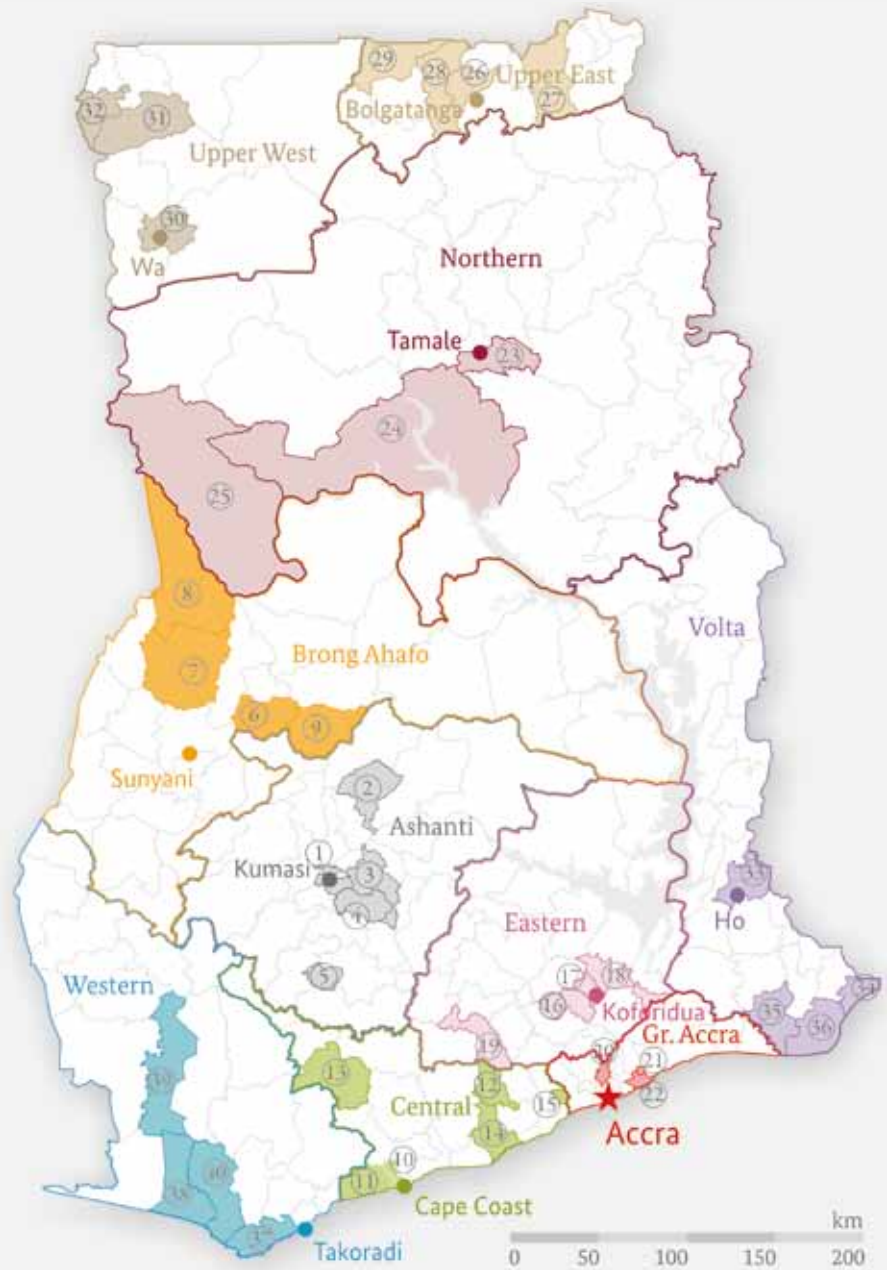
In addition, SfDR supported Ghana to participate in the second UN-Habitat Preparation Committee and 25th Governing Council Meetings in Kenya in April 2015. The support to the MLGRD in this regard will be continued in the follow-up programme phase to successfully accompany the process till the signing of the New Urban Agenda at the Habitat III Conference in Quito.



# Beneficiaries

## SfDR's partner districts 2014-2016

- 1 Kumasi Metropolitan Assembly
- 2 Mampong Municipal Assembly
- 3 Bosomtwe District Assembly
- 4 Ejisu-Juabeng Municipal Assembly
- 5 Obuasi Municipal Assembly
- 6 Techiman Municipal Assembly
- 7 Tain District Assembly
- 8 Banda District Assembly
- 9 Nkoranza South Municipal Assembly
- 10 Cape Coast Metropolitan Assembly
- 11 KEEA Municipal Assembly
- 12 Agona West Municipal Assembly
- 13 Twifo/Atti-Morkwa District Assembly
- 14 Gomoa West District Assembly
- 15 Awutu-Senya East Municipal Assembly
- 16 Suhum Municipal Assembly
- 17 New Juaben Municipal Assembly
- 18 Yilo Krobo Municipal Assembly
- 19 Birim Central Municipal Assembly
- 20 Ga East Municipal Assembly
- 21 Ashaiman Municipal Assembly
- 22 Tema Metropolitan Assembly
- 23 Tamale Metropolitan Assembly
- 24 Central Gonja District Assembly
- 25 Bole District Assembly
- 26 Bolgatanga Municipal Assembly
- 27 Bawku West District Assembly
- 28 Kassena Nankana Municipal Assembly
- 29 Kassena Nankana West District Assembly
- 30 Wa Municipal Assembly
- 31 Jirapa District Assembly
- 32 Lawra District Assembly
- 33 Ho Municipal Assembly
- 34 Ketu South Municipal Assembly
- 35 South Tongu District Assembly
- 36 Keta Municipal Assembly
- 37 Ahanta West District Assembly
- 38 Elembale District Assembly
- 39 Wassa Amenfi West District Assembly
- 40 Nzema East Municipal Assembly







## Part 2

# Shaping the Future

## Support for Decentralisation Reforms 2016-2019



**FAWOHODIE**

Symbol of independence, freedom and emancipation

From the expression:

**Fawohodie ene obre na enam.**

Independence comes with its responsibilities.

# Objectives and indicators

## SfDR module and output objectives and indicators 2016-2019



<b>Module Objective</b>	<b>Selected districts have improved the collection, administration and planning of their finances.</b>
Indicator 1	In 15 of the 40 partner districts the number of tax bills and fee notices that were paid in due time increases by y%.
Indicator 2	10 of 40 partner districts have each addressed 3 citizen concerns per district that were raised during statutory public hearings into the medium-term district development planning. One of these three concerns particularly promotes gender equality.
Indicator 3	In x districts 1 new national guideline to increase the quality of local planning processes or the communal revenue management is being implemented.
<b>Output A</b>	<b>The institutional revenue management capacities of the districts are improved.</b>
Indicator A1	The number of tax/fee payers registered in a spatial database of the 40 partner districts increases by y.
Indicator A2	Technical and management personnel in 15 of the 40 partner districts confirm that they utilise the software dLRev for the revenue management.
Indicator A3	In 15 of the 40 partner districts a strategy for the stepwise increase of communal revenues that has been elaborated during two consultations with citizens is available.
<b>Output B</b>	<b>The planning and budgeting capacities of the district administrations are improved.</b>
Indicator B1	In the statutory public hearings of the district planning 30 of the 40 partner districts have fulfilled x% of y criteria, that have been jointly agreed upon, for improving the quality of public hearings.
Indicator B2	Half a year after the completion of a training course regarding “Inter-sectoral planning” 70% of management staff from 15 of the 40 partner districts who participated in the training prove on the basis of concrete examples that they apply the acquired knowledge.
Indicator B3	In 3 of the 10 partner regions 70% of x civil society representatives who have participated in the statutory public hearings confirm that the budget planning was presented in a transparent format.
<b>Output C</b>	<b>The cooperation between the key decentralisation process actors is improved.</b>
Indicator C1	Through a standardized procedure 3 out of 10 Regional Coordinating Councils (RCC) ask once a year for the planning and monitoring training needs of the districts in their region.
Indicator C2	A training concept regarding the topic “communal revenue generation and management” developed by the relevant national actors in the field of communal staff training is implemented in 10 regions within the framework of the standard training programme for communal staff.
Indicator C3	2 measures for the further development of communal revenues and/or communal development planning have been discussed by representatives of the national, regional and district administrations and the National Association of Local Authorities Ghana (NALAG).
Indicator C4	2 practical examples of new participatory district planning methods from 2 urban partner districts – including 1 regarding gender-sensitive planning – were presented by the Urban Development Unit (UDU) of the Ministry for Local Government and Rural Development (MLGRD) in the 40 partner districts.





*Pupils in the Upper West Region*

# The next phase

## Support for Decentralisation Reforms 2016-2019

### Support for Decentralisation Reforms (SfDR)

Duration	April 2016 – March 2019
Budget	EUR 5,800,000 (BMZ) Additional cofinancing agreements in preparation (USAID and GAC)
Political Partner	Ministry of Local Government, Rural Development and Environment

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. In comparison to the previous phase, the follow-up measure will mainly focus on local revenue management comprising efficient collection of local revenue as well as planning and budgeting the use of the revenues and public accountability.

Through its decentralisation reforms, the Ghanaian government aims to promote democratic development as well as the improvement of public services for the population. Despite the impressive development progress that has been made to date, Ghana still faces the challenge of counteracting regional disparities. Furthermore, the potentially negative effects of a 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, in particular at the local level.

SfDR primarily supports the implementation of the Ghanaian decentralisation reforms at the local level and develops the necessary capacities of the partner institutions in 40 districts. At the same time, the project continues to follow a multi-level approach and supports the partners in establishing coordination mechanisms between local, regional and national levels.

Therefore, the programme implements measures in three areas of intervention:

- Strengthening of the districts' institutional revenue management capacities
- Improving planning and budgeting capacities of district administrations
- Enhancing cooperation between key actors of the decentralisation process.



## Future cooperation

The German commitment to continue its support to the partner districts in further developing their institutional capacities for IGF mobilisation and management is already assured with the signing of a new three year program between the two governments. In the next three years beginning from April 2016 the program will deepen ongoing processes of the MMDAs and consolidate the incremental achievements over the years.

This new program is building on the rich experiences of the previous programs as well the experiences from past collaboration with the USAID supported LOGODEP project and the Canadian supported GIFTS project. Combining the experiences of these three projects and the benefits realised in the past collaboration among the three, USAID and the Canadian GAC among other development partners supporting the IGF management for MMDAs including the Swiss SECO and the Dutch Embassy have expressed interest in working with GIZ in the area. Negotiations with USAID and GAC towards a joint program agreement to increase the number of partner districts up to a total of 60 and to deepen the quality of SfDR's support are currently ongoing.

## Revenue generation and management

To improve the institutional capacities of the districts regarding revenue generation and management, SfDR supports its partner districts to initiate and steer own change processes for enhanced revenue management. This includes the development of strategies as well as action and investment plans and the establishment of working groups. The working groups will discuss the technical introduction of an IT-based spatial tax and fee register, measures to improve the revenue management and the dialogue with the population. Therefore, SfDR provides continuous advice to its partner districts and supports peer-to-peer learning methods to share and disseminate experiences among the districts.

At partner district level, technical competencies of urban planners, tax inspectors and financial managers are being further developed and technical staff is being trained in geographic information systems, IT and data management. Through on-the-job training and specific courses, technical and management staff of districts receive training in management and planning as well as communication and cooperation with citizens. Based on the lessons-learned from the trainings in the partner districts, the curricula, hand-outs and media shall be increasingly embedded in the standard trainings of the relevant public training institutions.

A strengthened revenue collection and enhanced local economic development would significantly increase local governments' revenues, the same way as increased strategic and more efficient local spending and investments into infrastructure would considerably boost the local economy further. A healthier local economy which also empowers women and that is taxed

efficiently will sustainably increase local governments IGF. This forms the base for increased and efficient spending to deliver improved public services to the local population, in particular marginalised groups such as women, and contribute significantly to poverty reduction and achievements of the SDGs in Ghana.

## Improving planning and budgeting capacities

To improve the planning and budgeting capacities of the district administrations, SfDR will support district management staff in the development of the composite budget. SfDR will also train technical and management staff of the districts in inter-sectoral and inter-institutional planning as well as in team-building and conflict management. SfDR will closely cooperate with the "Good Financial Governance" programme that supports the partner districts in regular budgeting.

Technical development planning competencies are being developed in order to increase the quality of the planning documents, particularly regarding the coherence between budget and development planning. Within the field of planning, new approaches for participatory administrative action are being piloted and introduced at district level.

Together with the partner districts, SfDR will define and introduce quality standards for public hearings. The individual and organisational capacities of selected CSOs are being strengthened through trainings in participatory and gender-sensitive planning methodologies so that the people's voices can be incorporated into development activities and CSOs will be further enabled to act as citizen interest groups. Successful approaches to involve women in political decision-making processes that SfDR had already tested in the Northern Region of Ghana are being disseminated through network learning approaches. In two medium-sized cities, innovative participatory planning methods are being piloted in cooperation with CSOs.



These will provide the citizens with a range of participation opportunities beyond information provision and mandatory hearings. To motivate young people to participate in planning and political decision-making, social networks and media like video and radio will be used.

## Improving cooperation

To improve cooperation, SfDR supports key actors of the decentralisation reform in defining and outlining their roles amongst each other as well as developing and establishing coordination mechanisms. Therefore, SfDR strengthens NALAG in its role as interest representative of the districts. In regards to improved framework conditions, this will include to communicate support and legal adaption needs to enhance revenue generation and management and as well as budgeting capacities of district administrations.

Within the scope of UN Habitat III, SfDR continues to support the UDU to formulate development challenges and priorities of communities in Ghana as well as to document pilot experiences regarding participatory development planning.

SfDR also supports the training actors for local staff in Ghana, for example sectoral ministries, LGSS and ILGS, in systematically and practice-oriented addressing the issue of “increasing and managing local revenues”. SfDR accelerates the process of defining roles and responsibilities and promotes the introduction of new curricula and e-learning elements.

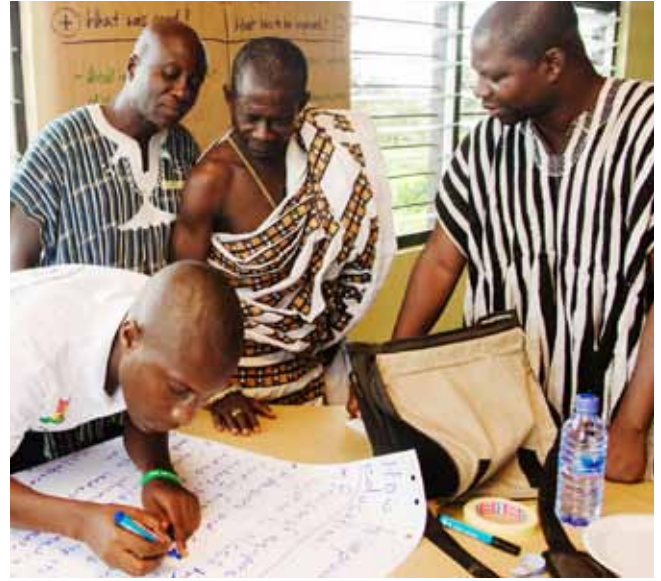
Last but not least, SfDR promotes the regional cooperation and coordination capacities of the RCCs. Through developing individual moderation, training, M&E and planning capacities, the staff of the RPCUs is being capacitated to steer regional planning processes, to determine the districts’ support needs and to develop and implement own training portfolios.

## Project Partners

The lead executing agency of the programme is the MLGRD which also acts as the political partner to the programme. A further important implementing partner at national level is the MoF with its FDU. The latter is responsible for implementing the fiscal decentralisation but lacks sufficient personnel capacities.

The NDPC is the partner at national level regarding district development planning. In order to implement the national development strategy at district level, NDPC will offer support in the further development of its coordination capacities with the RCCs.

Furthermore, SfDR cooperates with the LGSS that is responsible for the entire public administration staff. Following the establishment of national standards for local staff through the institute, LGSS will be supported to develop capacities to dis-



seminate these at the district level. ILGS has been commissioned by LGSS to assist in the implementation of trainings for local staff and to assure necessary quality with regards to the training portfolios of other institutions.

SfDR’s support addresses capacity shortcomings to coordinate with other training providers and sectoral ministries and to integrate innovative elements such as e-learning into the training course portfolio. The cooperation with the UDU of the MLGRD in the implementation of the urban agenda and Ghana’s participation in the UN Habitat III process will be continued until completion in October 2016.

The implementing partners at sub-national level are 40 partner districts that have already begun to improve their budget and development planning capacities during the recent phase of SfDR from 2014 to 2016. Apart from technical and institutional capacity development needs, there is a selective shortage of technical staff in particular regarding the development of the spatial tax register. The districts need to develop enhanced cooperation structures with other sectoral ministries at local level in order to overcome such bottlenecks.

Furthermore, SfDR will closely cooperate with RCCs to enhance their capacities to be able to fulfil their linking function between national and local level.

Another important partner is NALAG, holding a key position as the representative of the local governments and being a guide in disseminating approaches, methodologies and good practices. Further public and civil society cooperation partners such as universities and interest groups are occasionally identified and involved.

To improve the reporting on locally and regionally important political events, SfDR cooperates with the “Deutsche Welle Akademie” in the training of local media representatives, such as local radio reporters.



## Selected publications

### Publications supported by SfDR

Using database systems to enhance revenue generation of District Assemblies in Ghana	2007	MLGRD
Audit Manual for Metropolitan, Municipal and District Assemblies	2009	Internal Audit Agency / MLGRD
National Decentralization Policy Framework and Action Plan	2010	MLGRD
Operation and Maintenance Manual for Markets	2010	MLGRD
National Street Naming and Property Addressing Policy	2011	MLGRD
National Operational Guidelines On Street Naming and Property Addressing System	2011	MLGRD
Strategic Framework for Engendering Support of Decentralization in Ghana	2011	ILGS
National Urban Policy Framework	2012	MLGRD
National Urban Policy Action Plan	2012	MLGRD
Following Up Investment and Financing of Prioritized Projects	2012	ILGS
Composite Budget Manual for MMDAs	2012	MOF
Urban Backup Manual: Peer-To-Peer Action Learning Guide	2012	ILGS
Mentoring as a Tool for Capacity Building	2012	ILGS
Gender Mainstreaming and Capacity-Building for Effective Participation on Urban Development	2012	ILGS
Urban Development Leadership: A Practitioner's Manual	2012	ILGS
Project Description for Implementation of Street Naming and Property Addressing System	2013	MLGRD
Human Resource Operational Manual for Metropolitan, Municipal and District Assemblies	2013	LGSS
Guide for Implementation of Street Naming and Property Addressing	2014	MLGRD



Human Resource Operational Manual for Metropolitan, Municipal and District Assemblies	2015	LGSS
Local Revenue Enhancement Project: Guide for Data Collection	2015	MLGRD
National Urban Policy Framework and Action Plan (Reissue)	2015	MLGRD
DLRev Brochure	2015	MLGRD
The Decentralisation Handbook	2016	LGSS, GIMPA, ILGS

## Studies

The role of the Traditional Authority in the Decentralised System	2008	
Development of a Strategy for the Up-scaling of the District Database Systems in Ghana	2009	
Review of MMDA Development, Planning, Budgeting, MTEF and Capital Budgeting Processes	2010	MoF
Capacity Building Workshops for Elected Assembly Women	2011	
Winning Willing Investors: Practitioner's Toolkit on PPP At The Local Level	2011	ILGS
Assessment of the Operations of the Regional Planning Coordinating Units in Ghana	2011	MLGRD
Report on the Assessment of the Local Revenue Landscape	2012	MLGRD
Strategy Paper to Kick-Start Nationwide Implementation of SNPA	2013	MLGRD
The Participation of Women in District Budget Hearings	2015	
Efficient Cooperation with Civil Society in Ghana	2015	

## Factsheets

SfDR Factsheet: About the SfDR programme	2015
SfDR Factsheet Focal Area 1: IGF	2015
SfDR Factsheet Focal Area 2: Participatory Planning and Budgeting	2015
SfDR Factsheet Focal Area 3: Women Empowerment	2015
SfDR Factsheet Focal Area 4: Planning and Accountability	2015
SfDR Factsheet Focal Area 5: HRM and HRD	2015
SfDR Factsheet Focal Area 6: Urban Agenda	2015
SfDR Factsheet: Habitat III	2015
SfDR Best Practice Example 1: IGF	2015
SfDR Best Practice Example 2: Women Empowerment	2015
SfDR Best Practice Example 3: Women Empowerment in Upper West	2015
SfDR Best Practice Example 4: Ghana Urban Forum 2015	2015
SfDR Factsheet: About the SfDR programme	2016
SfDR Factsheet Focal Area 1: IGF	2016
SfDR Factsheet Focal Area 2: Participatory Planning and Budgeting	2016
SfDR Factsheet Focal Area 3: Women Empowerment	2016

## Videos

UDU film for sector day 2015	2015
Research documentary 0%	
RISE, an NGO supported by CSSP in the North of Ghana	
CDD: About the Civil Society Support Program in Tamale	2015
CDD: Animation to encourage people to vote at the local elections (English, Twi)	2015
CDD: Accountability - MP visiting his constituency Jomoro	2015
CDD: Accountability - MP visiting his constituency Saboba	2015
CDD: I Am Aware partners explaining the benefit of the project	2015
CDD: I Am Aware awareness video, are you aware of your rights?	2015
CDD: Enhancing CSO monitoring plans Elmina	2015
CDD: Implications of postponed district elections	2015
CDD: Live tour through control center during election observations	2015



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