

**SPEECH BY HON. KWESI AHWOL, MINISTER OF FOOD AND
AGRICULTURE AT THE IFAD
COUNTRY PROGRAMME EVALUATION ROUNDTABLE
2ND NOVEMBER, 2011**

Madame Chairperson,

Mr. Kevin Cleaver, Associate Vice President of IFAD

Mr. Luciono Lavizzari, Director, Independent Office of Evaluation, IFAD

Mr. Ides De Willebois, Director, West and Central Africa Region

Our cherished Development Partners

Captains of Ghana's business community

Representatives of Civil Society Organizations and NGOs,

Directors of MoFA

Distinguished Invited Guests,

Ladies and gentlemen,

Today marks another important milestone in our partnership with the International Fund for Agriculture Development. Since its involvement in Ghana over three decades ago, this is the second time IFAD has conducted a country evaluation of its programmes. As the saying goes, a life unexamined is a life not worth living. The evaluation examined IFAD's contribution to Ghana's development agenda and the response of Ghana to the IFAD stimuli over the last 10 years.

The evaluation process began as far back as December 2010 when IFAD shared with the Government of Ghana, the evaluation methodology and elaborated in detail the steps involved up to the completion point. Today marks the last but one

stage. The final stage is the presentation of the country's perspective on the findings of the Evaluation Committee to IFAD's Executive Board in December, 2011. I am satisfied with the processes and with the meticulousness of the evaluation team for getting us to this point.

Ladies and gentlemen, what did the evaluation set out to do? It set out to assess the performance of IFAD's operations in Ghana and use the results to inform the development of a new country programme. The timing for a new country programme is opportune in view of the fast and new developments taking place at the global and national levels requiring a change in our thinking and way of doing things. Key among these being:

- The agenda for development effectiveness with its principles of country ownership, alignment, harmonization, management for results and joint accountability currently being forcefully pursued,
- The Comprehensive Africa Agriculture Development Programme (CAADP) agenda for agriculture development which Ghana is faithfully responding to with the development of our Food and Agriculture Sector Development Policy (FASDEP) and its Medium Term Agricultural Sector Investment Plan (METASIP).
- Decentralization process to expand participation in decision making in the development efforts.
- The loud cry for better management for results emphasizing on monitoring and evaluation, knowledge management and joint accountability.
- The emerging deliberate efforts to court private sector investment in the agriculture sector in a socially inclusive manner that enables agriculture

smallholders to access agriculture credit and services to enhance their productivity

- Ghana's new economic status as an oil producing country with implication for agriculture if we have to avoid the infamous Dutch disease.

Madam Chairperson, The Government of Ghana is more than determined to transform agriculture from its rudimentary characteristics to a modernized sector anchored in the value chain approach to ensure enhanced productivity, more processing and value addition, aggressive marketing and less drudgery and culminating in food security and increased incomes, reduction in poverty and contribution to overall economic growth.

This transformation cannot happen without deliberate and intensified prioritization of agriculture in resource allocation and investments. We cannot continue to pay lip service to the transformation agenda and we cannot continue to bemoan the challenges of infrastructure, finance, lack of markets and frail private sector but to orchestrate a focused agenda aimed at turning things around. I am counting on you all gathered here, including the development partners, private sector and civil society to help government prosecute this agenda.

Ladies and gentlemen, we have an open door approach to improving the performance of the sector. That is why we have the monthly meetings with our DPs, the annual Joint Sector Review which allows us to discuss policy and implementation issues with the view of improving effectiveness. Indeed through this process our development partners supported us to review four of our key programmes being implemented to address productivity and market challenges. I

am happy the studies were conducted by credible institutions such as the International Food Policy Research Institute (IFPRI) and the Ghana Institute of Public Management and Administration (GIMPA). The preliminary results are positive. For example access to mechanization services has improved; fertilizer use is reported to have increased from 8kg/ha to 13.5kg/ha with maize yields increasing from 1.5 MT/ha to 1.8mt/ha. We have room to hit the achievable rate of 10mt/ha. Maize prices have stabilized over the last two and half years as a result of the National Buffer Stock Company operations. The food basket has contributed immensely to the single digit inflation recorded throughout the year. We admit the challenges faced by these programmes and would address them taking into consideration your good advice.

Mr. Chairman, I now wish to address specific issues raised by the evaluation. Ghana got an overall rating of four, on the scale of one to six, the average student would be happy about it but since we believe we are high performers there is a lot of room for improvement and we will step up our game. I congratulate the project coordinators whose hard work has contributed to this grading and urge them to work harder.

Mr. Chairman, on efficiency of the portfolio, Ghana was rated moderately unsatisfactory. Reasons being design problems, delays in start-up and in implementation. As rightly underscored by the study, this brings about delayed benefits to the country. Both Funding agencies and government should take joint responsibility for this and work together to reduce the occurrence. When I assumed office I threatened not to extend a project beyond its original planned period of implementation, I succumbed to extension of some projects because the

project didn't start as planned, and delays were encountered from both funding agencies and project implementation units. We need to work together to address these challenges. I would propose that effectiveness dates of projects are not dates of signing agreements but dates first disbursements are effected.

Weak monitoring and evaluation is a challenge identified by the evaluation. Management for results is a principle we should all take seriously. If we are not assessing the effects and impacts of our investments we might just be heading in the wrong direction. We should take advantage of the renewed efforts in development of agriculture to ensure that the funding coming into agriculture is yielding the desired results and making the right impact. Again I will urge our development partners to help the sector improve this area in specific projects as well as in the sector.

Ladies and gentlemen, knowledge management is another area we need to work together to improve. In the global village that we now live in with better access to information and technology, there is no reason to reinvent the wheel. We should improve sharing and learning of success stories as well as unsuccessful ones. We in MoFA are doing a lot that is not being marketed or shared within the nation or with the larger world. That is why we are upgrading our website and looking for resources to improve dissemination of our work on television and radio. As we invest more, let us share the results; that will make us win more public support and greater investment.

Mr. Chairman, the emerging themes from the workshop are pertinent. I intend commissioning a sector wide study to really get to the bottom of why the northern

sector poverty is endemic in spite of the many development interventions by Government, our development partners and NGOs that have spanned over three decades intended to address that peculiar subject. Getting initial ideas on this study at this workshop will be useful.

Developing better private sector partnerships for value chain development is absolutely necessary. We need to find ways of empowering the private sector to take the opportunities that present themselves. Linked to private sector participation in agriculture is finance and we need to identify lasting and effecting ways of financing agriculture. The Outgrower and Value Chain Fund, the Export Development and Agriculture Investment Fund (EDAIF) and Rural and Agriculture Finance Project and the various credit lines are initiatives being pursued. We need to get these schemes seriously working. Government is worried that years of capacity building in bank financing still does not address the issue of agricultural financing. Something definitely is not right.

Mr. Chairman, in moving forward with IFAD in the next programming phase, I wish to reiterate a few issues.

Firstly, development efforts are continuing to proliferate making supervision and coordination problematic. The database on donor project activities in the sector has 53 projects ranging from as small as \$200,000 to as big as \$104 million. We should work more at co-financing interventions to ensure that significant quantum of money is mobilized to make extensive impact in the area of intervention. I give credit to IFAD and AfDB in this direction. I am also happy to see initial attempts

of that under the Ghana Commercial Agriculture Project which is still at its design stage. I urge the rest of you to consider that.

Our sector investment plan, the METASIP shows an investment gap of \$1 billion. We signed the Compact committing our support to the implementation of METASIP in September, 2009. The budgetary support from some of our development partners have enabled us implement some of our flagship programs such as the fertilizer subsidy, the buffer stock operations, the mechanization centers and the youth in agriculture programme. We will use the findings and recommendations of the review to improve their implementation. In addition to the fertilizer subsidy we have embarked on for the last four years, we are going to subsidize seed cost as well to ensure farmers can access the two complementary inputs of seed and fertilizer to increase productivity. We are encouraging our partners to join in funding these operations and work together to determine an exit strategy.

Mr. Chairman, the Youth in Agriculture Programme has proved to be an instrument for engaging young enterprising youth into Agriculture. Numbers of youth engaged increased from 47,000 in 2009 to 80,000 in 2010 and 85,000 in 2011. With the high graduate unemployment threatening social and political stability, we wish to urge IFAD to consider partnering with Government to get more youth to go into productive agricultural engagement. For this, MoFA has a proposal for a specific *Youth in Agric Settlement Programme* as well as *Youth in Agric Incubator Programme* for IFAD's consideration.

Mr. Chairman, just as there is consensus to adopt the value chain approach to promote commodities with demonstrable potential for development, research is one other area we need to focus if agriculture productivity is to be enhanced. Our theme for this year's Farmers' Day Celebration highlights the importance of research if we have to increase productivity. Inadequate research funding is the Achilles' heel in the sector. We are committed to more closely with the Council for Scientific and Industrial Research to address the yield gaps and productivity challenges in the entire value chain of mandated commodities. But we need seriousness and commitment in the funding needs for research.

I conclude with a clarion call to all gathered here to do more for the development of agriculture, rural development and poverty reduction. We will engage more with the private sector, our development partners and civil society at all the platforms that already exist to help government better meet the needs of our clients and the development needs in the shortest possible time. The financial institutions should operate in sync with the Government's developmental priorities and give a lot more of themselves in partnering government and other private initiatives in the agriculture sector. The private sector should show more commitment and be more interested in growing businesses before enjoying the fruits.

It is only through joint efforts in a coordinated way and with effective monitoring and evaluation systems that we can achieve sustainable development.

On this note, I wish you successful discussions!

Thank you.