

# **The changing nature of UK aid in Ghana**

Country portfolio review

**February 2020**

**The Independent Commission for Aid Impact** works to improve the quality of UK development assistance through robust, independent scrutiny. We provide assurance to the UK taxpayer by conducting independent reviews of the effectiveness and value for money of UK aid.

We operate independently of government, reporting to Parliament, and our mandate covers all UK official development assistance.

### Overall review scores and what they mean

**GREEN**

Strong achievement across the board. Stands out as an area of good practice where UK aid is making a significant positive contribution.

**AMBER/  
RED**

Unsatisfactory achievement in most areas, with some positive elements. An area where improvements are required for UK aid to make a positive contribution.

**GREEN/  
AMBER**

Satisfactory achievement in most areas, but partial achievement in others. An area where UK aid is making a positive contribution, but could do more.

**RED**

Poor achievement across most areas, with urgent remedial action required in some. An area where UK aid is failing to make a positive contribution.

**OGL**

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**UK aid in Ghana is aligned with both governments' strategic objectives to transition their development partnership beyond aid. UK aid offers relevant and mostly effective responses to Ghana's development needs, but results may not be sustainable once the UK shifts from direct financing of services to technical assistance and other forms of support.**

After two decades of economic growth, Ghana has gone from relative poverty to become one of West Africa's wealthiest countries, but considerable development challenges remain. As Ghana's economy transforms, its long-standing partnership with the UK is also changing, away from traditional bilateral aid to a broad-based development partnership aimed at mutual benefit.

The priorities guiding UK aid in Ghana in the 2011–2019 review period are aligned with both the UK aid strategy and Ghana's Beyond Aid strategy. These include: 1) strengthening governance, 2) promoting prosperity through economic growth, and 3) improving human development outcomes by strengthening social sectors. Over the review period, DFID's governance portfolio shifted focus to anti-corruption, tax policy and administration, and oil and gas revenue management – all central to Ghana's ability to finance its own development. Towards the end of the period, key UK government departments were working together in a cross-departmental approach to support Ghana's economic development. Social sector programming targeted Ghana's poorest and most vulnerable, and focused on regions lagging behind, in line with UK aid's commitment to gender equality and leaving no one behind. However, as the UK reduced bilateral aid, decisions on where to phase out direct financial support weren't always based on sound analyses of how it would affect service delivery for the poorest.

DFID mostly met or exceeded the output targets set in programme documents and in the results framework for the 2011–2015 Operational Plan. However, this results framework covered less than half the spending during that period, while no results framework was stipulated in the Business Plan for 2016–17 to 2019–20. By conducting our own contribution analysis, we found, positively, that UK aid funding has often made important contributions to Ghana's development results, particularly through its social sector programming. As part of transitioning the partnership beyond aid, UK aid to Ghana is increasingly channelled through multilateral partners such as the World Bank, IMF, African Development Bank and UN agencies. UK-funded multilateral programmes contribute to UK aid objectives, but the UK does not sufficiently maximise its influence over programming choices.

UK aid in Ghana has a mixed record in contributing to strong and sustainable institutions that do not rely on donor support for their continued functioning. Programming in the governance sector – especially on anti-corruption and tax revenue – builds on best practice for achieving sustained outcomes. Meanwhile, health and education service delivery projects run a considerable risk that development gains will be lost as DFID reduces direct financing of services through bilateral channels. In order to reach a larger number of beneficiaries directly with services, DFID developed delivery capacity outside of the state in some of its key social programmes. This delivered effective short-term results but at the cost of developing core state capacity for the sustainable delivery of services to Ghana's citizens.

## Individual question scores

### Question 1

**Relevance:** How well has the UK aid portfolio responded to Ghana's development needs and UK strategic objectives?

GREEN/  
AMBER

### Question 2

**Effectiveness:** How effective has UK aid been in achieving its strategic objectives in Ghana?

GREEN/  
AMBER

### Question 3

**Sustainability:** How likely are the results of UK aid to be sustained in the future?

AMBER/  
RED

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# Executive summary

After more than two decades of continuous economic growth, Ghana has gone from relative poverty to become one of West Africa's wealthiest countries, achieving the status of lower-middle-income country in 2011. As Ghana's economy transforms, the country's development partnership with the UK is also changing, from a traditional donor-recipient relationship to a development partnership of mutual benefit to both countries.

This country portfolio review assesses how UK aid in Ghana has been reoriented since 2011 to reflect and support this transition. The aim of UK aid is to help Ghana overcome its still considerable economic and governance challenges, reduce its reliance on traditional aid, and drive its own development, while protecting past development gains. A key priority is that Ghana's economic growth is inclusive – in other words that it improves jobs and livelihoods, health care and education for all Ghanaians, including the poorest and most vulnerable of the country's citizens and regions. This includes supporting Ghana in strengthening the competence and transparency of its institutions, and helping Ghanaian civil society keep the authorities accountable to its citizens.

## Background

During its period of sustained growth, Ghana has made significant strides in improving conditions for its citizens. Ghana was the first African country to meet the Millennium Development Goal (MDG) target of halving extreme poverty by 2015, and the country also made strong improvements on a range of other MDGs. It is a stable democracy, with a vibrant civil society, an independent press, and regular free and fair elections. Since democracy was restored in 1992, elections have led to a peaceful change in government three times.

In 2007, Ghana discovered oil, with commercial production starting in 2011. With new recent discoveries, oil production is now expected, by 2025, to almost double its 2018 level to about 500,000 barrels a day. How well Ghana spends the considerable windfall from its oil and gas revenues to support inclusive, sustainable growth will be critical to the country's future development progress.

Despite the many improvements, huge challenges remain. Indeed, in recent years economic growth has been modest and progress on poverty reduction has nearly come to a standstill. There are clear risks that some of Ghana's development gains may be reversed in the face of macroeconomic instability, over-reliance on the export of a few commodities (cacao, gold and, recently, oil), high and growing public debt and increased inequality. Citizens report in Afrobarometer polls and in our own consultations that corruption has got worse.

The rural Northern and North East regions of Ghana have been falling behind the rest of the country, with both poverty and extreme poverty on the rise since 2013. There is also considerable and deepening inequality in service delivery, with much worse access to quality education and health care in the Northern region than the rest of the country. Nationwide, access to basic public services is worse for women and girls, and for disabled people.

Ghana's government has made it clear that it wants its development partnerships to move beyond aid. The UK, which committed £2.8 billion in bilateral aid to Ghana between 1998 and 2017, has responded positively to Ghana's ambition and the two countries have been working together to build new forms of cooperation. The UK aid approach in Ghana has also been influenced by the UK's desire to move away from financing service delivery costs as expressed by its political leadership, and more recently the 2018 'Fusion Doctrine', which sees aid as part of a range of economic, political and security levers to build mutually beneficial relationships with emerging markets and middle-income countries.

As part of the transition, and as a result of shifting more resources to poorer and more fragile countries, UK bilateral aid to Ghana has dropped, with bilateral aid programming from the Department for International Development's Ghana office (DFID Ghana) in social sectors such as education and health seeing the greatest reductions in the country budget. The increase in the UK's contributions to multilateral development assistance through, for example, the World Bank and UN agencies has only gone some way to make up for

this reduction. There has also been increasing focus on the use of a combination of trade, investment and aid to support private sector development, job creation and inclusive growth. As a result of this shift, there is now a broader range of UK government actors involved, including the Foreign and Commonwealth Office (FCO), the National Crime Agency (NCA) and HM Revenue and Customs (HMRC), though the UK's development partnership with Ghana is still dominated by DFID.

## **Relevance: How well has the UK aid portfolio responded to Ghana's development needs and the UK's strategic objectives?**

The strategic priorities guiding the UK's Ghana aid portfolio in the 2011–2019 period are aligned both with the 2015 UK aid strategy and with the Beyond Aid strategy of the Ghanaian government. During this period, DFID shifted its governance portfolio in Ghana from budget support and expenditure management to three new areas where it believed it could make a bigger difference: 1) anti-corruption, 2) tax policy and administration, and 3) oil and gas revenue management. All three areas are highly relevant to building Ghana's self-reliance and addressing key barriers to inclusive growth.

In the social sectors, such as health and education, a large proportion of DFID's programming targeted the needs and priorities of Ghana's poorest and most vulnerable people as well as regions of the country lagging behind. As such, the strategy is strongly aligned with UK aid's commitment to gender equality and leaving no one behind. More than 92% of bilateral UK aid expenditure in the social sectors in Ghana was targeted in full or in large part at groups who are (at risk of being) left behind.

We found, however, that as the UK looked to reduce its bilateral aid spending as part of transitioning its partnership with Ghana beyond aid, crucial decisions on reducing aid in the social sectors were made without a sound analysis of how this would affect service delivery for the poorest and most vulnerable. We found no convincing evidence that the decisions on where to stop and where to continue the financing of service delivery were based on analyses of needs, the sustainability of the services delivered, or capacities built. We also found that citizen consultation is not a systematic part of programme design, monitoring or evaluation.

The UK's ability to deliver a transformative impact in Ghana's development improved over the review period. DFID is well positioned and respected as a strategic partner for Ghanaian government agencies, and coordination between different UK government actors has improved. At the end of the period, key UK government departments were working together in a broad, cross-departmental approach to support Ghana's economic development. This was a coherent response to the government of Ghana's beyond aid priorities. At the same time, the closer cooperation between UK trade, investment and aid instruments helped DFID manage the risk to development objectives and ensure the proper use of official development assistance, although we note that this depended heavily on country leadership giving priority to development objectives as well as capacity in the DFID Ghana office.

While we were not convinced by DFID's justifications for reducing aid to finance service delivery in the social sectors, or by the lack of systematic approach to citizen consultation, we have awarded a **green-amber** score for relevance, in recognition that the UK aid portfolio has responded well in most respects to Ghana's development needs over the review period and is well aligned to broader UK aid objectives and commitments.

## **Effectiveness: How effective has UK aid been in achieving its strategic objectives in Ghana?**

DFID mostly met or exceeded the output targets set in programme documents and in the results framework for the 2011–2015 Operational Plan. However, this results framework covered less than half the spending during that period, while no results framework was stipulated in the business plan for 2016–17 to 2019–20. Clear portfolio outcome measurements on longer-term achieved benefits are thus not in place. In DFID's plans, strategic objectives were largely stated in terms of what UK aid was going to do, rather than what outcomes it wanted to achieve through those actions. The DFID plans did not include results frameworks to monitor progress on such target outcomes. This meant there was little guidance to country office staff as programmes were developed, monitored and adjusted, or when there was pressure to add new intervention areas.

However, based on our own contribution analysis of the evidence available, we found – positively – that UK aid programmes often contributed to Ghana’s development progress, although with varying levels of effectiveness. Out of the ten UK aid objectives for Ghana (in the areas of anti-corruption, human development and leaving no one behind, and private sector development and inclusive growth), we found strong contributions from UK bilateral aid for four objectives, and an essential contribution in two areas. Without the DFID programme, little would have been done on mental health care and complementary basic education. As a result of the UK aid intervention, more than 100,000 patients accessed mental health services in 2018 and about 200,000 children from hard-to-reach communities entered or re-entered formal schooling. UK aid’s contributions to Ghana’s development results were particularly strong in social sector programming focused on the poorest and most vulnerable.

Our contribution analysis also highlighted how factors outside DFID’s control negatively affected results, particularly the worsening macroeconomic conditions, which stalled and reversed poverty gains and made the government of Ghana less able to finance complementary actions. In some cases, such as the objective to strengthen access to social safety nets for the most vulnerable, the overall development result for Ghana was that more people were extremely poor in Ghana in 2017 than in 2013, but without the safety nets provided by UK support, many struggling households would have been even worse off than they were.

DFID’s relative programme success compared to other donors has been helped by strong partnerships, its technical capacity and the choices it made on delivery. DFID Ghana has a good relationship with the government of Ghana as well as with other donors, and is a respected and appreciated partner. As the UK has reduced its bilateral aid spending in Ghana, it has been able to rely on multilateral partners, such as the World Bank, IMF, African Development Bank and UN agencies, to contribute to progress against UK aid objectives. While we note many advantages of providing aid through multilateral channels in a transition context such as Ghana’s, we found that DFID has not worked strategically with partners to influence multilateral partner programming. Given the increasing proportion of UK aid funding to Ghana going through multilateral channels, this is an area where it needs to improve.

While UK aid has not been able to harness all its resources, including through multilaterals, to maximise the achievement of its objectives, and while there is a dearth of outcome data for UK bilateral aid programming, we found credible evidence that the UK aid portfolio in Ghana is contributing to important results. We have therefore given a **green-amber** score for effectiveness.

### **Sustainability: How likely are the results of UK aid to be sustained in the future?**

Achieving sustainable results is the greatest challenge for external aid programmes. DFID has a mixed record in contributing to creating strong and sustainable Ghanaian state, civil society and market institutions that do not rely on donor support for their continued functioning. We judged institutional strengthening to be credible for the long term when we found convincing evidence that there is strong domestic policy commitment, the institution is generally functioning well, and financing is sustainable and not donor-driven. Out of ten case studies, we found only one intervention, on teacher training degrees, that contributed to a strong institution with sustained financing at scale beyond UK aid contributions. DFID’s results in the areas of mental health and livelihoods were also promising to become sustainable at this level. In the remaining seven cases DFID had built some elements of institutional capacity, and has made progress towards these elements being sustainable in three of these cases, but we did not find that the institutions were strong enough to continue functioning at improved levels in the long term.

In the social sectors where DFID assisted many of the poorest and most vulnerable Ghanaians over the review period, it is not clear that the key results that DFID delivered will be sustained as the department winds down its direct bilateral financial support, especially considering that the government of Ghana is still emerging from its macro-fiscal crisis and continues to have a highly constrained financial and delivery capacity. We also found that DFID’s approach to output results is not conducive to sustainable outcomes or institution building: in order to reach a larger number of the most vulnerable directly with services, DFID developed delivery capacity outside of the state in some of its key social programmes. This delivered good results but was at the cost of developing core state systems and institutions for the sustainable delivery of services to Ghana’s citizens.

Recent bilateral aid programming in the governance sector – especially on anti-corruption and increasing tax revenue – is built on best practice for achieving sustained outcomes, including on working with political awareness, finding traction with units or individuals with a shared commitment to solving specific problems or better governance, and working adaptively by learning lessons on what works along the way. This approach is more likely to bear fruit than top-down system-wide technocratic reforms, and we already see signs that the institutional strengthening model used in the governance sector shows early promise.

However, this emerging model has not been applied across the portfolio, and we also found many examples of poorly thought-through institutional strengthening interventions that created unsustainable structures, or were overly focused on changing rules, procedures and guidelines and delivering training without also ensuring that practices change.

DFID made important contributions to Ghana’s macroeconomic management capability and stabilisation after the 2014 macroeconomic crisis, through dialogue with the government of Ghana, technical assistance to the Bank of Ghana, and supporting the work by the IMF on macro-fiscal stabilisation and by the IMF and the World Bank on public finance management. As the UK’s bilateral aid spending continues to reduce, this type of support will be crucial to help ensure that Ghana sustains its development gains.

Since we conclude that there is a clear risk that key results delivered by UK aid between 2011 and 2019 will not be sustained, we have given an **amber-red** score for the sustainability of the UK aid portfolio in Ghana.

## Recommendations

We offer the following recommendations:

### Recommendation 1

In transition contexts, DFID should ensure that the pace of ending the bilateral financing of service delivery in areas of continuing social need must be grounded in a realistic assessment of whether the gap left will be filled.

### Recommendation 2

DFID should require portfolio-level development outcome objectives and results frameworks for its country programmes.

### Recommendation 3

DFID Ghana should learn from its own successes and failures when designing and delivering its systems strengthening support and technical assistance.

### Recommendation 4

In transition contexts, DFID country offices, in coordination with the multilateral policy leads, should increasingly work to influence the department’s country multilateral partners on issues of strategic importance.

### Recommendation 5

In order to strengthen the relevance of its aid programming and accountability to the people expected to benefit, DFID should include information on citizen needs and preferences, especially for the most vulnerable, as a systematic requirement for portfolio and programme design and management.

### Recommendation 6

The government should provide clear guidance on how UK aid resources should be used in implementing mutual prosperity objectives to minimise risks and maximise opportunities for development.



# 1. Introduction

- 1.1 After more than two decades of continuous economic growth, Ghana achieved the status of lower-middle-income country in 2011. As Ghana's economy transforms, the country's long-standing development partnership with the UK is also changing. The UK has invested about £2.8 billion in bilateral aid in Ghana over the past two decades. Since 2011, the UK's aid portfolio has been reoriented towards helping Ghana overcome its economic and governance challenges and mobilising the resources to finance its own development. At the same time, the UK has continued to finance education, health and social protection programmes in Ghana, but with less funding.
- 1.2 This review assesses the relevance, effectiveness and sustainability of all UK official development assistance (ODA) flows to Ghana relative to the UK's following objectives:
  - **Transforming Ghana's economy:** contributing to inclusive growth in Ghana so that the benefits from a growing economy are shared widely among the population.
  - **Leaving no one behind:** tackling extreme poverty and vulnerability in Ghana, including through addressing gender disparities.
  - **Strengthening Ghanaian institutions:** supporting Ghana in developing competent and sustainable institutions.
  - **Transitioning the UK/Ghana partnership:** managing transition away from a traditional aid relationship in a manner that safeguards past development gains.
- 1.3 Our review covers almost all UK ODA to Ghana from 2011 to 2019.<sup>1</sup> It includes almost all bilateral aid from all UK government departments as well as the UK's imputed share of multilateral aid to Ghana.

## Box 1: Defining UK aid to Ghana

The Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC) defines ODA as all technical cooperation and concessional official resource flows to aid-recipient countries and multilateral institutions to promote economic development and welfare.

Direct ODA from the UK government to Ghana is **bilateral aid**. This can be either exclusively for Ghana (in-country programmes), or part of UK government regional or international aid programmes with activities in Ghana (centrally managed programmes).

In some cases, the UK asks multilateral agencies<sup>2</sup> to implement its bilateral programmes in Ghana. This is called **multi-bi spending**. Multilateral agencies also implement their own programmes in Ghana, which are in most cases partly financed by the UK through its contribution to the agencies' budgets at the global level. This is the UK's **multilateral aid spending**.

Source: DAC Glossary of Terms, [link](#).

<sup>1</sup> The cut-off point for our review is the end of the 2018–19 fiscal year on 31 March 2019. There are also additional centrally managed programmes, such as the Global Challenges Research Fund, that have activities in Ghana but are not included here because the activity is not separately identified in the records or was deemed not sufficiently significant.

<sup>2</sup> Multilateral agencies are development institutions with multi-government membership, such as the World Bank or UNICEF.

1.4 The review is built around the evaluation criteria of **relevance, effectiveness** and **sustainability**.<sup>3</sup> It addresses the following questions and sub-questions:

Table 1: Our review questions

Review criteria	Review questions
<b>Relevance:</b> How well has the UK aid portfolio responded to Ghana's development needs and UK strategic objectives?	<ul style="list-style-type: none"> <li>• How well do the objectives of UK aid align with Ghana's development needs and priorities?</li> <li>• How well positioned is UK aid to deliver transformative impact and help Ghana mobilise sources of development finance?</li> <li>• How coherent is UK aid spending in Ghana across departments, aid instruments and delivery channels with reference to UK strategic objectives?</li> </ul>
<b>Effectiveness:</b> How effective has UK aid been in achieving its strategic objectives in Ghana?	<ul style="list-style-type: none"> <li>• How well has the UK bilateral aid programme delivered its intended outcomes?</li> <li>• How well has UK multilateral aid supported UK aid objectives in Ghana?</li> <li>• How well has the UK maintained and developed partnerships with government, civil society and other development actors?</li> </ul>
<b>Sustainability:</b> How likely are the results of UK aid to be sustained in the future?	<ul style="list-style-type: none"> <li>• How successfully is the UK supporting the development of sustainable Ghanaian institutions?</li> <li>• How well is the UK helping to protect past development gains against setbacks and reversals?</li> </ul>

### Box 2: How this report relates to the Sustainable Development Goals

The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

**Related to this review:** Since this is a review of an entire country portfolio, rather than a particular development challenge, a broad range of SDGs are relevant to UK aid delivery in Ghana. Most important for the UK's priorities in support of Ghana's development are the following SDGs:



**Goal 1: End poverty in all its forms everywhere** – the UK aid portfolio included programmes aimed at alleviating poverty and ensuring that poor people can access services and markets.



**Goal 3: Ensure healthy lives and promote well-being for all at all ages** – in Ghana, UK aid support in the health sector included programmes targeting malaria, primary, reproductive and mental health care.



**Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all** – in Ghana, UK aid support in the education sector included programmes aimed at eliminating gender disparities in secondary education, improving access for out-of-school children, and improving the quality of schooling through pre-service teacher training.



**Goal 5: Achieving gender equality and empower all women and girls** – several UK aid programmes in Ghana mainstreamed gender equality by targeting women and girls.

<sup>3</sup> Based on OECD DAC evaluation criteria. See *Principles for Evaluation of Development Assistance*, OECD DAC, 1991, [link](#)



**Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** – in Ghana, UK aid programmes provided business environment and industrial policy support.



**Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation** – in Ghana, UK aid supported the integration of small-scale farmers and small enterprises in the Northern region into value chains and markets.



**Goal 10: Reduce inequality within and among countries** – in Ghana, where there is large and growing inequality between the country's regions, UK aid has channelled significant aid to the regions in the north of Ghana, which have higher and deeper poverty than in the central and southern regions.



**Goal 17: Strengthen the means of implementation and revitalise the global partnership for sustainable development** – in Ghana, UK aid has supported significant institutional strengthening and capacity building programmes. Recently, UK aid has supported a cross-UK government effort to support Ghana's development through improved trade.

## 2. Methodology

2.1 Our review assessed the contribution of UK aid-financed interventions to the UK government's aid objectives in Ghana. We organised our work into three themes in alignment with the main UK aid objectives: 1) governance and anti-corruption, 2) human development, and 3) inclusive growth and private sector development. We assessed secondary evidence on the performance of UK aid flows in Ghana and supplemented this with primary evidence for validation and gap-filling. This was done through the following methodological elements:

**Strategy review:** We analysed strategies and policies at the global, regional, country and thematic/sector level from relevant UK government departments, predominantly the Department for International Development (DFID).

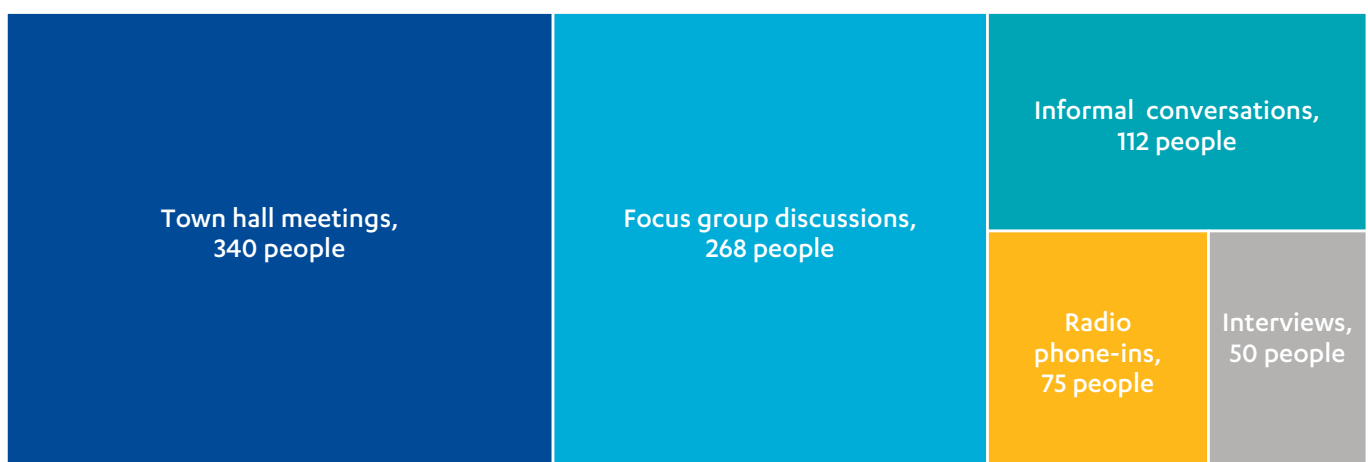
**Literature review:** We reviewed selected literature on key issues in the Ghana and UK aid context. This included literature on Ghana's political economy and socio-economic development, common challenges in oil and gas revenue governance and management in sub-Saharan Africa, and aid partnerships in transition contexts. The literature review is available on the ICAI website .

**Programming review of UK aid:** We mapped bilateral and multilateral UK aid flows and results, did a rapid desk review of all bilateral and key multilateral programmes in the UK aid sectors, and undertook ten in-depth case studies of programme areas supported by UK aid, focusing on the bilateral channels but also taking into account the multilateral channel (see **Table 2** below for a list of the ten case studies).

**Stakeholder consultation:** We consulted Ghana government informants across a range of central government and regional government offices, Ghana civil society organisations, media representatives, academics, professional associations and bodies, businesses and business representatives. We also consulted UK government officials in London and Ghana, members of a civil society organisation representing the African diaspora focusing on Africa's development, and UK development non-governmental organisations (NGOs) with activities in Ghana.

**Citizen consultation:** We consulted citizens of Ghana who should have either directly or generally benefited from UK aid. Consultations reached over 800 citizens through a variety of forums (see **Figure 1**) in eight districts of two regions where UK aid delivered programmes. These forums included town hall meetings, focus group discussions and informal conversations with individual citizens using public services that UK aid supported, interviews with small business owners and market traders, and with young women who had been supported by UK aid to continue their schooling.

Figure 1: Citizen consultation methods



2.2 Full details of the methodology and sampling approach are provided in the Approach Paper for the review.<sup>4</sup>

Table 2: List of case studies

Case study (programme focus area)	Examples of UK aid bilateral interventions and multilateral involvement
<b>Governance and anti-corruption</b>	
Addressing corruption	<b>Interventions:</b> Strengthening Transparency, Accountability and Responsiveness in Ghana (STAR I and II) (Phase I: 2010–16, Phase II: 2015–2021), Strengthening Actions Against Corruption in Ghana (STAAC) (2017–2021), International Action on Corruption (I-ACT) (2017–2021) <b>UK departments and funds:</b> DFID, National Crime Agency <b>Multilateral:</b> EU
Improved domestic revenue performance through strengthened domestic revenue mobilisation institutions	<b>Interventions:</b> Revenue Reform Programme (2015–19), Ghana Oil and Gas for Inclusive Growth (2014–19), Supporting Tax Transparency in Developing Countries (2013–18) (centrally managed programme) <b>UK departments and funds:</b> DFID, HM Revenue and Customs <b>Multilaterals:</b> World Bank, IMF
<b>Human development and leaving no one behind</b>	
Improved access to mental health care	<b>Interventions:</b> Health Sector Support Programme (HSSP) (2013–19), Leave No One Behind Programme (LNOB) (pipeline) and STAR, Time for Change, Maternal Mental Health (2015–2021) <b>UK departments and funds:</b> DFID, Department of Health and Social Care, Foreign and Commonwealth Office (FCO)
Improved access to primary health care through better community health services	<b>Interventions:</b> HSSP (2013–19), Sustainable Energy for Women and Children (CMP) (2015–19), DELIVER (closed in 2016), Partnership Beyond Aid Programme (pipeline) <b>UK department and fund:</b> DFID <b>Multilaterals:</b> World Bank, Global Fund, Gavi
Increasing girls' access to schooling	<b>Interventions:</b> Girls – Participatory Approaches to Student Success (GPASS) in Ghana (2011–2021), Girls' Education Challenge Fund (2016–2025, centrally managed programme) <b>UK department and fund:</b> DFID <b>Multilaterals:</b> World Bank/Global Partnership for Education, UNICEF
Transforming teacher education and learning	<b>Interventions:</b> The Transforming Teacher Education and Learning (T-TEL) component of the Girls – Participatory Approaches to Student Success programme (2015–18) <b>UK department and fund:</b> DFID
Reducing the share of children who are out of school	<b>Interventions:</b> Complementary Basic Education (2012–18), Education Beyond Aid (EBA) (2018–2022) <b>UK department and fund:</b> DFID <b>Multilaterals:</b> USAID, UNICEF

<sup>4</sup> The changing nature of UK aid to Ghana, ICAI Approach paper, [link](#).

Case study (programme focus area)	Examples of UK aid bilateral interventions and multilateral involvement
Strengthened access to social safety nets for the most vulnerable	<p><b>Interventions:</b> Livelihood Empowerment Against Poverty (LEAP) (2012–17), Leave No One Behind Programme (LNOB) (pipeline)</p> <p><b>UK department and fund:</b> DFID</p> <p><b>Multilaterals:</b> World Bank, UN family</p>
<b>Private sector development and inclusive growth</b>	
Improving the business environment	<p><b>Interventions:</b> UK-Ghana Partnership for Jobs and Economic Transformation (JET) (2018–2024), Business Enabling Environment Programme – Private Sector-Led Growth (BEEP) (2015–2020), Africa Division funding to the African Agriculture Development Company (AgDevCo) (2013–2023), core support to the Private Infrastructure Development Group (PIDG). The Economic Development Investment and Trade (EDIT) initiative is also relevant here, although it is broader than UK aid</p> <p><b>UK departments and funds:</b> DFID, FCO, CDC</p> <p><b>Multilaterals:</b> World Bank, PIDG</p>
Improving market access for the poor in the Northern region	<p><b>Interventions:</b> Market Development in Northern Ghana (MADE) (2013–2020), Africa Division funding to the African Agriculture Development Company (AgDevCo)</p> <p><b>UK departments and funds:</b> DFID, CDC</p> <p><b>Multilaterals:</b> World Bank, EU</p>

### Box 3: Limitations to the methodology

Our programme assessments were based primarily on monitoring and evaluating information generated by the programmes themselves. We sought to reduce the consequent risk of bias by validating the information through our stakeholder interviews and review of independent documentation for the sampled case studies but did not try to do so for all programmes. This limits our capacity to reach independent conclusions about programme effectiveness if the programme data is inaccurate.

UK aid programmes represent one set of many interventions within complex and changing Ghana and UK contexts. As a qualitative assessment, the review has used contribution analysis to tease out how UK aid has affected its target development outcomes across programmes. The rigour of this analysis is affected by limitations on the evidence collected, including in respect of completeness and reliability.

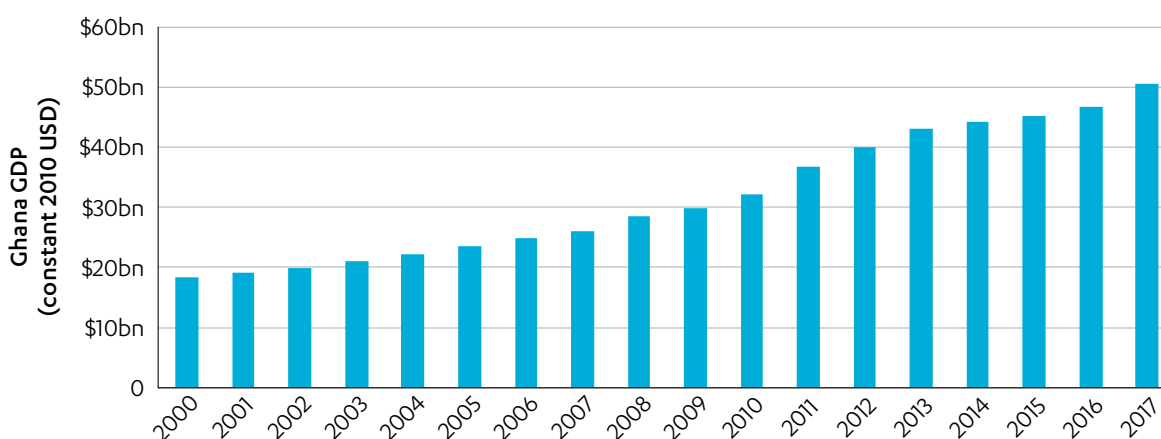
Our sample of case studies and districts for sub-national fieldwork was necessarily limited and designed to cover a substantial range of programme areas, approaches and contexts. While the findings from the case studies rely on multiple sources of evidence and patterns across case studies, they are subject to selection bias, which is a limit on the broader applicability of findings.

## 3. Background

### Country context

- 3.1 **Ghana is a stable democracy.** Since the return to democracy in 1992, its citizens have voted out the incumbent government three times in contested but peaceful and free elections. Ghana has a vibrant civil society and scores above average on international governance assessments of middle-income countries. Ghana is currently ranked sixth out of 54 African states on the Ibrahim Index of African Governance.<sup>5</sup> In 2017, Ghana ranked second of all African countries on the Reporters without Borders media freedom index.<sup>6</sup>
- 3.2 **Ghana is a country in economic and social transition.** After more than two decades of continuous economic growth (**Figure 2**), Ghana has gone from relative poverty to become one of West Africa's wealthiest countries. It was the first sub-Saharan African country to meet the Millennium Development Goal to halve extreme poverty. By 2015, it also halved the number of hungry people and the proportion of people without access to safe drinking water. It achieved universal primary education and gender parity in primary education, reduced HIV prevalence, and increased access to information and communications technology.<sup>7</sup>

Figure 2: Ghana Gross Domestic Product (GDP) 2000 to 2017<sup>8</sup>



Source: World Development Indicators, World Bank, 2019, [link](#).

- 3.3 While the GDP growth rate has fluctuated after 2006, Ghana has experienced continuous growth since 2000 (**Figure 3**). Between 2000 and 2010, the economy almost doubled in size in real terms. In 2010, a technical adjustment to Ghana's economic statistics resulted in an overnight promotion to one of the top ten economies in Africa by size.<sup>9</sup> The World Bank officially classified it as a lower-middle-income country on 1 July 2011. On the adjusted data, Ghana arguably already achieved this status a few years earlier (**Figure 4**).

<sup>5</sup> See the Ibrahim Index of African Governance, 2018, [link](#). See also the Worldwide Governance Indicators, 2019, [link](#), where Ghana's score on voice and accountability, for example, is 0.59, while upper-middle-income countries on average score below -0.5.

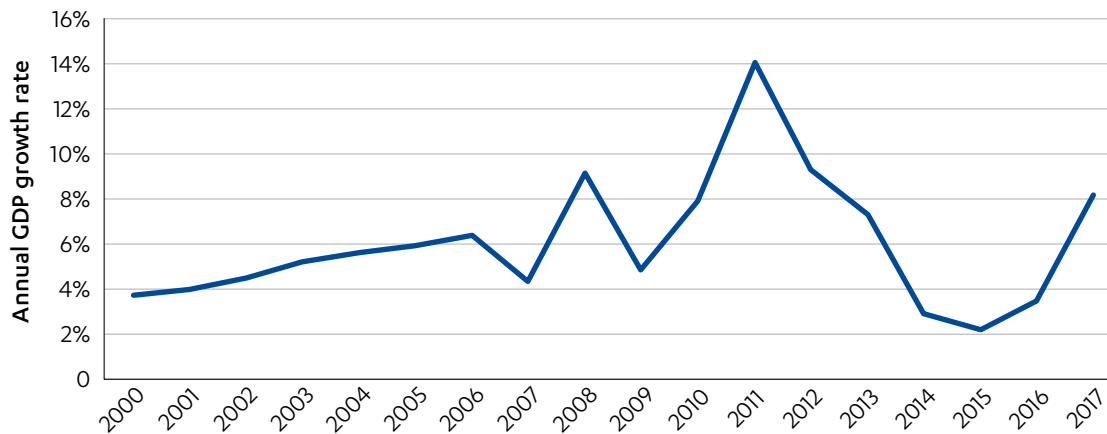
<sup>6</sup> World Press Freedom Index, Reporters Without Borders, 2019, [link](#).

<sup>7</sup> *The Sustainable Development Goals in Ghana: Why they matter and how we can help*, UN Communications Group and the CSO Platform on SDGs, 2017, [link](#); and *Ghana Sustainable Development Goals (SDGs): Indicator Baseline Report*, National Planning Commission, 2018, [link](#). People living in extreme poverty reduced from 36.5% in 1990 to 8.4% in 2013 on the national extreme poverty line.

<sup>8</sup> Gross Domestic Product in constant 2010 USD is calculated by converting GDP as measured in Ghana Cedis to its US dollar value using 2010 exchange rates.

<sup>9</sup> *Revising GDP Estimates in Sub-Saharan Africa: lessons from Ghana*, Jerven, M. and Duncan, M., 2012, [link](#). The African Statistical Journal, Volume 15. The adjustment involved updating the national accounts methodology, setting a new benchmark year (updating to 2006 from 1993), including new data in the estimates and rebasing sector weight.

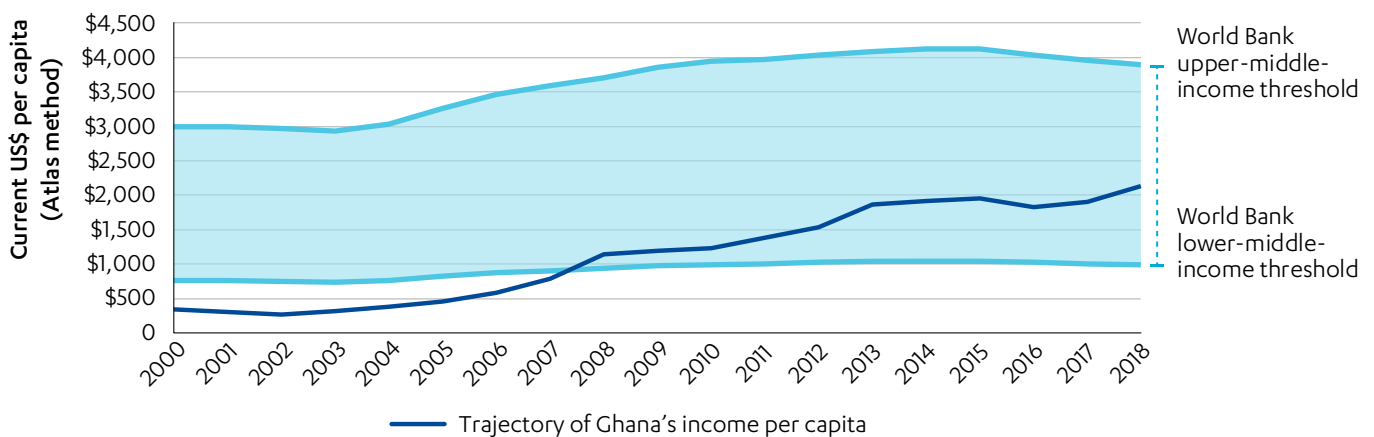
Figure 3: Ghana Gross Domestic Product (GDP) annual growth rate 2000 to 2017<sup>10</sup>



Source: World Development Indicators, World Bank, 2019, [link](#)

3.4 Ghana’s oil discovery in 2007 is credited with fuelling the country’s growth spurt in 2011–12.<sup>11</sup> At peak production, oil from known reserves currently exploited could contribute just over 9% of GDP and about 30% of the government’s revenue.<sup>12</sup> The government of Ghana recently announced the discovery of a further one billion barrels of reserves, expecting production to almost double by 2025.<sup>13</sup> The windfall from the oil and gas sector could therefore make a substantial contribution to Ghana’s socio-economic transformation, if managed well.

Figure 4: Change in Ghana’s gross national income per capita 2000 to 2018<sup>14</sup>



Source: World Development Indicators, World Bank, 2019, [link](#), Historical classification by income, World Bank, 2019, [link](#).

3.5 **Ghana’s economy, however, has not diversified.** Exports are centred on commodities (cacao, gold and, recently, oil). Structural change has occurred, in so far as services replaced agriculture as the largest sector employing the most people.<sup>15</sup> But the structural changes as yet do not equal a transformational shift. This makes the economy vulnerable to domestic and external price and exchange rate shocks.

<sup>10</sup> GDP growth (annual %) is the year on year change in the value of GDP in constant 2010 US dollars expressed as a percentage.

<sup>11</sup> *Request for a three-year arrangement under the credit facility staff report*, International Monetary Fund, Country report No. 15/103, 2015 Extended Credit Facility Staff Report, IMF, 2015, [link](#).

<sup>12</sup> *Delivering on the promise: leveraging natural resources to accelerate human development in Africa*, African Development Bank and the Bill and Melinda Gates Foundation, 2015, [link](#).

<sup>13</sup> *Ghana’s oil production estimated to go up to 500,000 barrels per day by 2024*, Ghana Ministry of Finance Press Release, 14 February 2019, [link](#).

<sup>14</sup> Gross national income (GNI) per capita is the gross national income, converted to US dollars using the World Bank Atlas method, divided by the midyear population. To smooth fluctuations in prices and exchange rates, a special Atlas method of conversion is used by the World Bank to classify countries as low, middle or high-income. See [here](#) for further explanation of the method.

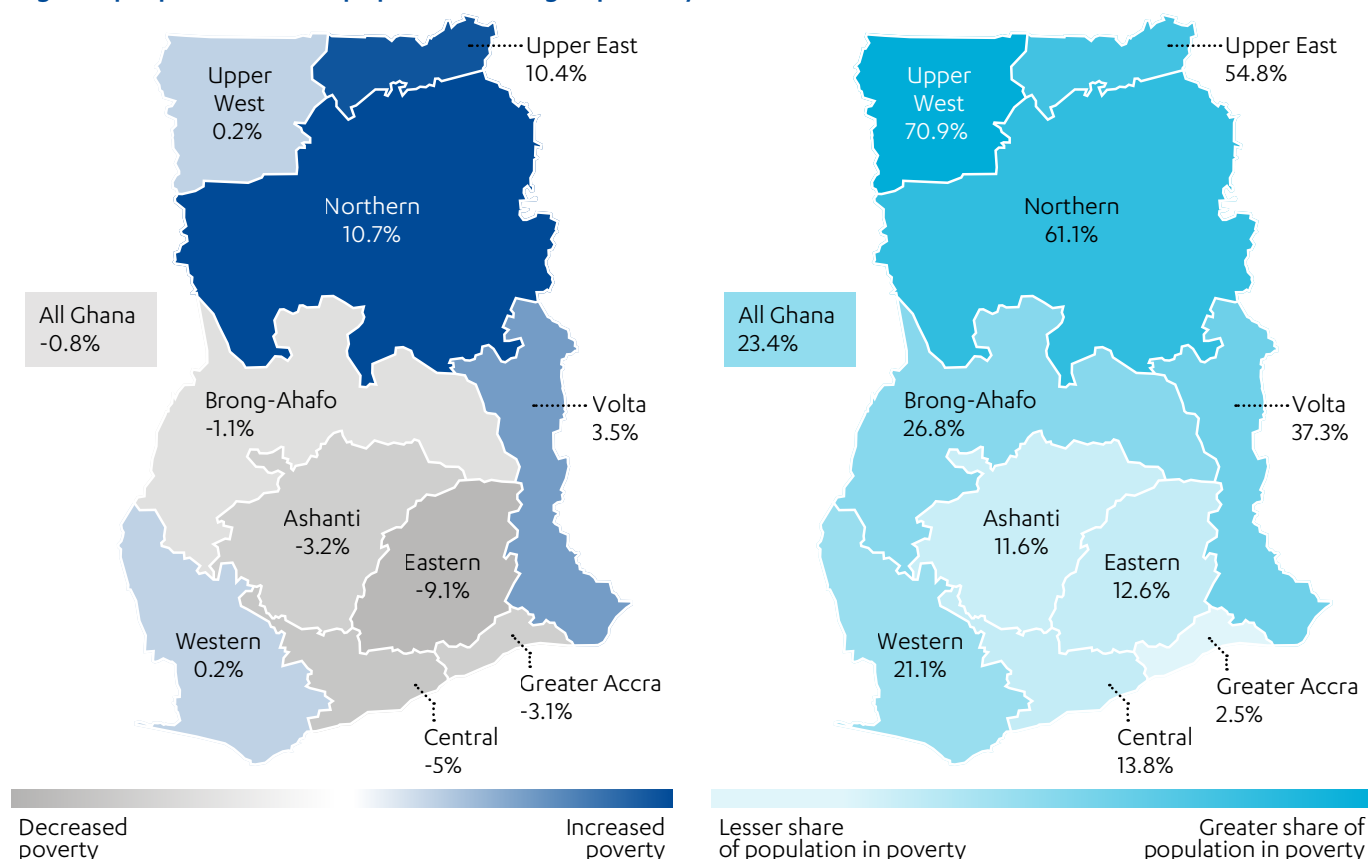
<sup>15</sup> International Labour Office-adjusted estimates of sector labour shares, *World Development Indicators*, World Bank, 2019, [link](#).



- 3.6 **Macroeconomic instability continues to pose a high risk to Ghana’s continued growth and development.** From 2012 Ghana’s macroeconomic conditions started deteriorating, brought about by a large public sector wage bill, costly energy subsidies, severe power shortages and worsening terms of trade. Frequent overspending (more pronounced in election years),<sup>16</sup> low tax effort<sup>17</sup> and public financial management weaknesses have undermined the public finances, ratcheted up public debt and largely consumed the fiscal buffer that had resulted from the 2006 Multilateral Debt Relief Initiative.<sup>18</sup>
- 3.7 By 2014, large fiscal and current account deficits, high and expensive public debt, high inflation and a sharp depreciation of the currency were throttling the economy, and growth slowed rapidly. In April 2015, a three-year IMF Extended Credit Facility of about \$916 million was approved, assisting economic recovery, but economic growth between 2014 and 2017 was considerably slower than before 2013.
- 3.8 **As a result, poverty reduction ground almost to a halt.** About 400,000 more people were poor<sup>19</sup> in 2016–17 than in 2013–14, and 200,000 more were extremely poor.<sup>20</sup> In total, 6.8 million people are poor in Ghana. Among them about 2.4 million people, the extreme poor, are unable to afford the daily energy requirement to sustain themselves. Most of the poor and extremely poor live in the rural north and north-east of Ghana. Here poverty and extreme poverty worsened significantly between 2013–14 and 2016–17, as shown in **Figure 5** below. The depth of poverty – how far people live below the poverty line on average – also increased in these regions.<sup>21</sup>

Figure 5: Regional change in and distribution of poverty in Ghana

In the northern regions of Ghana poverty worsened between 2012–13 and 2016–17. These regions had the highest proportion of the population living in poverty in 2016–17.



<sup>16</sup> Ghana: 2017 article IV consultation, fourth review under the extended credit facility arrangement, IMF, 2017, [link](#). In the 2008, 2012 and 2016 elections the deficit was on average 6.4% of GDP higher than planned.

<sup>17</sup> Understanding countries’ tax effort, Fenochietto, R. and Pessino, C., IMF Working Paper 13/244, 2013, [link](#). Tax effort refers to the difference between actual and possible revenue, reflecting weaknesses in tax policy and revenue administration. Ghana’s tax effort was the lowest of all sub-Saharan countries in this study.

<sup>18</sup> Ghana: 2017 article IV consultation, fourth review under the extended credit facility arrangement, IMF, 2017, [link](#). Public debt increased from about 30% of GDP in 2013 to 73.4% at the end of 2016.

<sup>19</sup> Living on less than GH¢1,314 (Ghanaian cedi) per year (equal to \$1.87 per day), the Ghana national poverty line.

<sup>20</sup> Living on less than GH¢792.05 (Ghanaian cedi) per year (equal to about \$1.13 per day), the Ghana national extreme poverty line.

<sup>21</sup> Poverty Trends in Ghana, 2005 to 2017, Ghana Statistical Services (GSS), 2018 [link](#), and Ghana Poverty Mapping Report, (GSS), 2015 [link](#). These reports use data from the 2005–06, 2013–14 and 2016–17 Living Standards Survey.

- 3.9 **Access to quality services is highly unequal between regions.**<sup>22</sup> In the Northern region, one fifth of children aged 13 to 15 have never had formal education – four times the national average. Fewer than half of the women and children in the region accessed adequate basic maternal and child health services in 2016, and the region has only four community health care centres for every 1,000 square kilometres, compared to a national average of 23.<sup>23</sup>
- 3.10 **Gender disparities persist.** While girls’ enrolment in primary and junior high school education was on a par with or better than boys’ enrolment by 2011, this was due to shifts in the wealthier south and not true for the poorest girls or girls in northern Ghana.<sup>24</sup> Despite gender parity in senior high school enrolment, significantly fewer female students than male students qualified for tertiary or higher education in all regions, and especially in the north.<sup>25</sup> Women have lower labour market participation and higher unemployment levels than men.<sup>26</sup>
- 3.11 **People with disabilities are also disproportionately excluded.** Far fewer children with disabilities are registered in the education system than the reported prevalence rate, and their attendance rate is significantly lower.<sup>27</sup> In 2015, about one in ten people who were not in the labour force said it was because they were disabled, a much higher proportion than people with disabilities in the population overall.<sup>28</sup>
- 3.12 **Ghana’s public sector institutions are weak and ineffective,** despite large donor-funded reform programmes during the past three decades. Major weaknesses in the delivery of public services include limited government capacity to formulate and implement policies, poor support from central agencies and weak coordination between sector institutions.<sup>29</sup> A key factor explaining the weakness of Ghana’s institutions is the highly competitive **partisan political environment.**<sup>30</sup> Each time political power changes hands, a large turnover in the bureaucracy follows.<sup>31</sup> This partisan approach to the hiring and firing of high-level civil servants is made worse by a lack of meritocratic principles in the public service sector and widespread corruption. Furthermore, elections are fought on short-term but expensive promises of infrastructure projects, utility price reductions and abolishing fees.<sup>32</sup> In this environment, policy discontinuity is the norm, undermining reform initiatives with a time horizon longer than the election cycle.<sup>33</sup>
- 3.13 Corruption in Ghana worsened between 2008 and 2017, as measured by the Worldwide Governance Indicators.<sup>34</sup> Citizens also perceive corruption to be worsening, and more reported having to pay bribes now than they did a few years ago. Most fear retaliation if they report corruption.<sup>35</sup>

<sup>22</sup> *Leaving no one behind in the health and education sectors, An SDG stocktake in Ghana*, Blampied, C., Chattopadhyay, S. et al., ODI, 2018, [link](#).

<sup>23</sup> Calculated from *The Health Sector in Ghana, Facts and Figures*, Ghana Health Service, 2017, [link](#).

<sup>24</sup> *Leaving no one behind in the health and education sectors, An SDG stocktake in Ghana*, Blampied, C., Chattopadhyay, S. et al., ODI, 2018, [link](#).

<sup>25</sup> *Education Sector Analysis*, Ministry of Education Ghana, 2018, [link](#). For example, girls comprised 25% of technical and vocational education enrolment in 2016–17 and the genuine progress indicator for all tertiary-level institutions was 0.74 in 2014.

<sup>26</sup> *Labour Force Report*, Ghana Statistical Service, 2015, [link](#).

<sup>27</sup> *Education Sector Analysis*, Ministry of Education Ghana, 2018, [link](#).

<sup>28</sup> *Labour Force Report*, Ghana Statistical Service, 2015, [link](#).

<sup>29</sup> *Public Sector Reform for Results Project Appraisal Document*, World Bank, 2018, [link](#).

<sup>30</sup> Ghana’s political landscape is dominated by two parties: the National Democratic Congress and the New Patriotic Party.

<sup>31</sup> *The political economy of maternal healthcare in Ghana*, Abdulai, A-G., 2018, [link](#).

<sup>32</sup> *Politics, policy, and implementation: The ‘Ghanaian Paradox’*, Atta Mills, C., 2018, [link](#).

<sup>33</sup> *Competitive clientelism and the politics of core public sector reform in Ghana*, Appiah, D. and Abdulai, A-G., 2017, [link](#).

<sup>34</sup> *Worldwide Governance Indicators*, World Bank, 2019, [link](#), from a score of 0.07 to -0.23.

<sup>35</sup> As measured by the 2014–15 Afrobarometer survey, [link](#), more than 80% of Ghanaians believed that corruption was increasing. Data from surveys since 2002–03 showed that people increasingly thought that many among officials, the office of the president, parliamentarians, the judiciary, police, business leaders, religious leaders and NGOs were corrupt. Increasing shares of respondents reported that they had had to pay a bribe for services. In the 2016–18 round, over 63% of citizens feared retaliation if they reported corruption.

## Ghana's changing relationship with aid

3.14 Since taking office in 2017, Ghana's president, Nana Akufo-Addo, has been vocal about moving the country 'beyond aid'. The government released its Ghana Beyond Aid Charter and Strategy in April 2019.<sup>36</sup> The Charter is not 'anti-aid'. In the words of the Chair of the Ghana Beyond Aid Committee, the aim is to "set our development priorities right so that our creative energies and resources, including aid, can all be deployed to fast track our economic transition from an under-developed country to a confident and self-reliant nation".<sup>37</sup> As yet, the strategy is aspirational, with limited policy and programmatic detail.

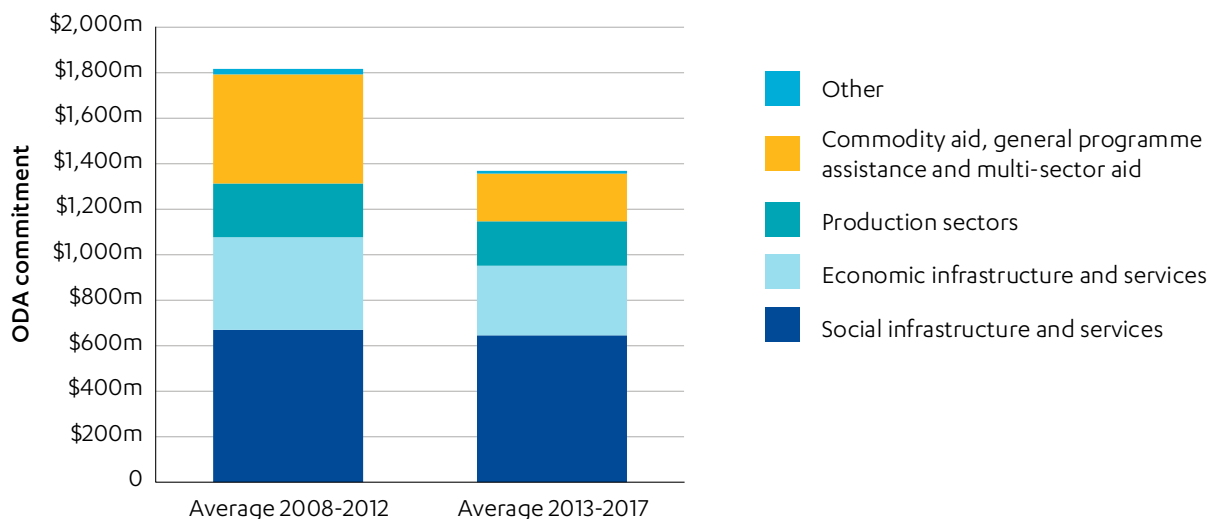
“ We can, and should, build ... a Ghana where everyone has access to education, training, and productive employment; a Ghana where no one goes hungry and everyone has access to the necessities of life including good health care, water, sanitation, and decent housing in line with the Sustainable Development Goals (SDGs). Indeed, we can, and should, build a Ghana that is prosperous enough to stand on its own two feet; a Ghana that is beyond dependence on the charity of others to cater for the needs of its people, but instead engages with other countries competitively through trade and investments and through political cooperation for enhanced regional and global peace and security. ”

President Nana Akufo-Addo

Foreword to the Ghana Beyond Aid Charter and Strategy Document, Government of Ghana, April 2019. p.5, [link](#).

3.15 **Many donors, including DFID, reduced their ODA portfolios after Ghana graduated to lower-middle-income status in 2011.** In the five years between 2013 and 2017, official development partners committed a quarter less ODA than the previous five-year average (see **Figure 6**), making development assistance less prominent in Ghana's economy.

Figure 6: Annual average Overseas Development Assistance (ODA) commitments to Ghana



Source: OECD DAC Creditor Reporting System database, 2019<sup>38</sup>

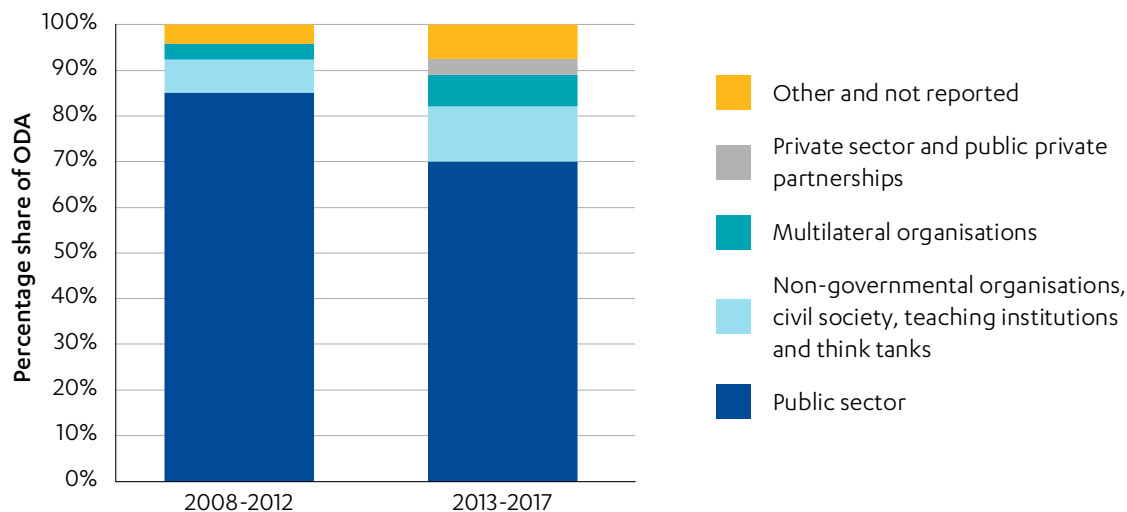
<sup>36</sup> Ghana Beyond Aid Charter and Strategy Document, Government of Ghana, April 2019, [link](#).

<sup>37</sup> Ghana Beyond Aid Charter and Strategy Document, Government of Ghana, April 2019, [link](#), p. 8.

<sup>38</sup> Calculated in constant 2017 USD million. The yearly average of ODA commitments in 2013–2017 compared to 2008–2012 was down by 25%, while it was 56% lower as a share of government expenditure and 26% lower per capita, [link](#).

3.16 **The profile of aid has changed.** Support is now more project-based, while multi-sector and programmatic aid – particularly budget support – has shrunk significantly.<sup>39</sup> More aid flows through non-government channels, such as multilateral organisations, private sector organisations and NGOs, civil society, educational institutions and think tanks (see **Figure 7**).

Figure 7: Share of Overseas Development Assistance (ODA) by channel to Ghana



Source: OECD DAC Creditor Reporting System, 2019 [link](#).

3.17 **The way aid cooperation is managed has changed.** The formal multi-donor partnership structures that characterised aid delivery at the height of commitment to the Paris Declaration on Aid Effectiveness have largely disappeared in Ghana, as in other countries. The shift was triggered by the disbanding of the multi-donor budget support platform in 2014. Sector working groups still exist, but many fell into disuse or became donor coordination groups.

## UK aid in Ghana

3.18 The UK committed £2.8 billion in bilateral aid to Ghana between 1998 and 2017, almost 70% of it spent in the first decade.<sup>40</sup> Of the £2.8 billion, 43% was for debt relief or general budget support. Of the remainder, about three quarters went to the social sectors – mainly education in the first decade, then shifting to health in the second decade.<sup>41</sup> By 2011, UK aid had moved out of the transport and water and sanitation sectors and significantly cut support for agriculture, while increasing spending on civil society and private sector development.<sup>42</sup>

## UK aid objectives and strategies in Ghana since 2011

3.19 In 2011, at the start of the review period, DFID saw Ghana’s growing inequality, gender disparities, poor social and health outcomes, governance challenges and structural economic constraints as the central barriers to the country’s transition.

<sup>39</sup> The shift is driven mostly by bilateral donors moving out of budget support. Between 2013 and 2017, donors committed less than half the average amount per year of the previous five years to multi-sector and general programme aid.

<sup>40</sup> OECD DAC creditor reporting system, OECD. Stat database, [link](#).

<sup>41</sup> Between 1998 and 2007, education comprised about 45% of the remainder of support, and health 18%. Between 2008 and 2017 health comprised 47% and education 14%.

<sup>42</sup> OECD DAC creditor reporting system, OECD. Stat database, [link](#).

“ The next few years will be crucial for Ghana, offering an opportunity to transform the country’s development, firmly establishing its middle-income status and delivering significantly better health, education and wealth creation outcomes. To achieve this Ghana will need to tackle a set of challenges: over six million people live below the national poverty line; progress against a number of the Millennium Development Goals is disappointing; there are major regional inequalities, with the North of the country suffering significantly higher levels of poverty than elsewhere; women and girls perform worse across all the main social indicators; educational attainment is poor; oil is potentially a blessing, but it could also prove to be a curse; businesses are often too small, unproductive and lacking in innovation; domestic revenue collection is low; macroeconomic stability remains at risk; and Ghana needs to continue to build on its strong electoral track record, especially now that oil has raised the stakes. ”

Operational Plan 2011–2015, DFID Ghana, 2012, updated annually, [link](#).

3.20 Two plans frame the DFID response to these challenges in our review period: the 2011–2015 DFID Operational Plan<sup>43</sup> and the DFID Business Plan 2016–17 to 2019–20.<sup>44</sup> DFID’s objectives for Ghana over the period can be summarised as follows:<sup>45</sup>

- **Strengthen democratic governance** and the ability of Ghanaians to make demands of their government and hold it to account, strengthen domestic revenue mobilisation and the management of natural resource revenues, and help Ghana tackle corruption.
- **Promoting prosperity:** improve the national investment climate and business environment, diversify the economy and develop domestic markets, and support entrepreneurship in the Northern region.
- **Improving human development outcomes and helping the most vulnerable so that no one is left behind:** improve selected human development outcomes for Ghanaians in education and health, and improve and expand the safety net for the very poorest, most vulnerable and marginalised groups.

3.21 In 2016, a cross-cutting objective was added to **strengthen the resilience of poor communities** to better withstand the impact of climate change, economic shocks and pandemic disease.

3.22 UK aid’s interventions in Ghana were shaped by global UK aid objectives and policy. The 2011 Bilateral Aid Review, followed by the 2016 Bilateral Development Review and an internal DFID poverty allocation model resulted in Ghana becoming less of a priority for support, as DFID moved its focus to poorer and fragile states.<sup>46</sup> Over the period, successive DFID secretaries of state expressed the desire to move away from aid financing the service delivery costs where countries can “step up and take responsibility for investing in their own people”.<sup>47</sup> The 2015 UK aid strategy<sup>48</sup> made UK national interest a co-determinant of UK aid spending and committed the government to increase the share of the UK aid budget spent by departments other than DFID. These departments have tended to focus on countries that are richer than Ghana.<sup>49</sup> In 2018 the Fusion Doctrine,<sup>50</sup> part of the National Security Capability Review, held that all policy levers, including aid, should be available to secure the UK government’s economic, security and influence goals, while the cross-government Africa Strategy emphasised mutually beneficial partnerships driving a strong focus on inclusive growth, trade and investment in Ghana.<sup>51</sup> The UK’s strategic approach to Africa<sup>52</sup> and the Fusion Doctrine are continuations of the policy directions for UK aid already put forward in the 2016 Bilateral Development Review.

<sup>43</sup> Operational Plan 2011–2015, DFID Ghana, 2014, updated annually, [link](#).

<sup>44</sup> Business Plan 2016–17 to 2019–20, DFID Ghana, 2016, internal document.

<sup>45</sup> We have collated the strategic objectives from both planning periods. Objectives remained similar, but the exact formulations changed.

<sup>46</sup> *Bilateral Aid Review: Technical Report*, DFID, 2011, [link](#). As a share of bilateral ODA flows to countries in Africa, Ghana received 3.92% in 2011 and 2% in 2016. *Rising to the Challenge of Ending Poverty: the Bilateral Development Review 2016*, DFID, 2016, [link](#).

<sup>47</sup> *Rising to the Challenge of Ending Poverty: the Bilateral Development Review 2016*, Foreword by then Secretary of State for International Development, Priti Patel, DFID, 2016, [link](#). See also, *Britain will no longer fund the good works foreign governments can fund themselves*, article published in the Daily Telegraph, 14 January 2018, [link](#).

<sup>48</sup> *UK aid: tackling global challenges in the national interest*, HM Treasury and DFID, 2015, [link](#).

<sup>49</sup> According to the OECD DAC Creditor Reporting System data [link](#), UK aid commitments to upper-middle- and high-income countries grew faster (by 74%) than commitments to lower-middle- and low-income countries between the 2012–2014 period and the 2015–2018 period. Commitments to low-income countries grew by 40% whereas commitments to lower-middle-income countries declined by 10%.

<sup>50</sup> National Security Capability Review, Cabinet Office, 2018, [link](#).

<sup>51</sup> Programming decisions were also affected by sector policies, including the UK Government Anti-Corruption Strategy 2017–2022, the 2017 DFID Economic Development Strategy, the 2015 DFID Leaving No-one Behind policy paper, the 2010–2015 DFID policy: Education in Developing Countries, the 2018 Education Strategy, and the 2013 DFID Health Position Paper, which built on sub-sector result frameworks for family planning and malaria from 2010 and earlier position papers on HIV/AIDS and nutrition.

<sup>52</sup> National Security Strategy and Strategic Defence and Security Review – Third Annual Report, Cabinet Office, 2019, [link](#).

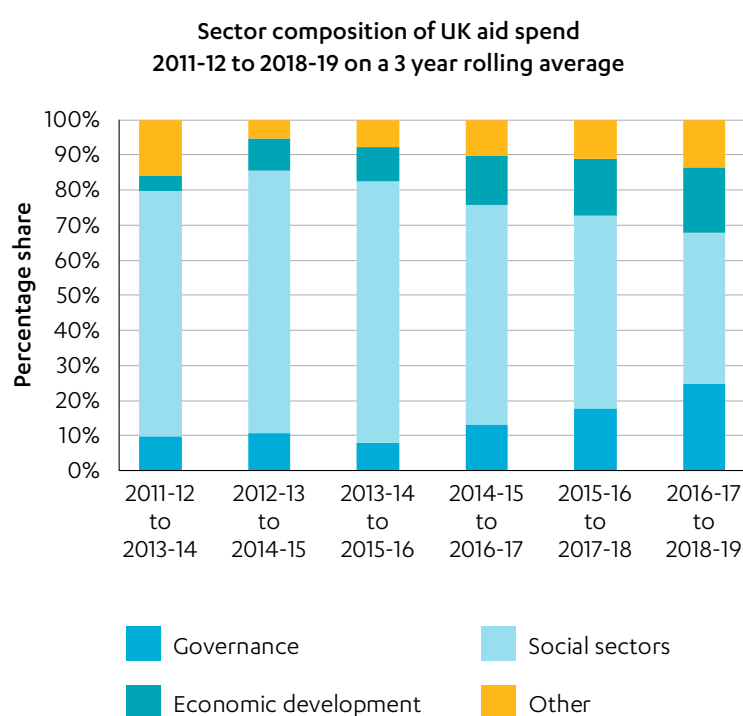
3.23 With this shift, UK government departments other than DFID began to spend ODA in Ghana. Since 2015, the Foreign and Commonwealth Office (FCO), HM Revenue and Customs (HMRC), the National Crime Agency (NCA) and the Department of Health and Social Care (DHSC) have all launched ODA programmes in the country. A formal cross-government strategy for UK aid in Ghana did not, however, exist until 2018, when the UK-Ghana Prosperity Strategy was developed.<sup>53</sup> This set objectives for an integrated UK offer on economic partnership across diplomatic, trade, investment and development engagement and financing instruments, including UK aid. It did not cover all UK aid flows to Ghana.

3.24 DFID has told us that its approach to the partnership with Ghana was shaped by the transition context and these global UK aid funding and policy shifts. As the bilateral country office spend for Ghana reduced, the intent was that the bilateral focus should shift away from directly financing the cost of service delivery to systems strengthening – especially strengthening Ghana’s ability to generate and mobilise its own resources. In this context, the emphasis increased on centrally managed programmes and the multilateral share, as Ghana moved to self-financing its development. At the same time, the desire was to maintain support for the most vulnerable, in keeping with the leave no one behind objective of the country plans.

### Changing profile of UK aid to Ghana 2011–2019

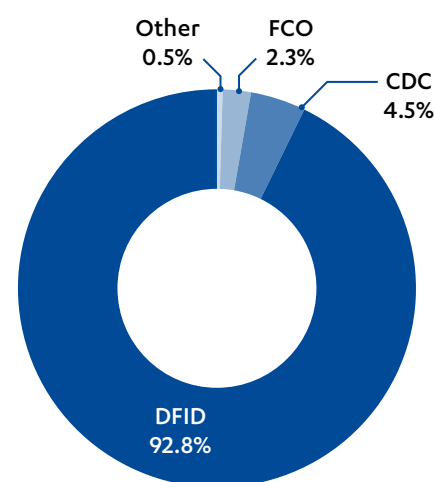
3.25 **UK bilateral aid to Ghana reduced between 2011 and 2019.** Over the five years to 2017, bilateral UK aid was on average half of what had been provided over the previous five-year period.<sup>54</sup> There have also been changes in the composition of aid. Bilateral aid through DFID Ghana shifted from budget support<sup>55</sup> to bilateral projects, with increasing investment in livelihoods and economic development and slowing investment in health and education (see **Figure 8** below).

Figure 8: Composition of UK aid spend in Ghana



Source: DFID internal data

Share of UK aid spend by UK government department/organisation 2011 to 2016



DFID: Department for International Development  
 FCO: Foreign & Commonwealth Office  
 CDC: The UK’s development finance institution  
 Other includes HM Revenue and Customs expenditure of about £112,000.

Source: Statistics on International Development, DFID, [link](#).

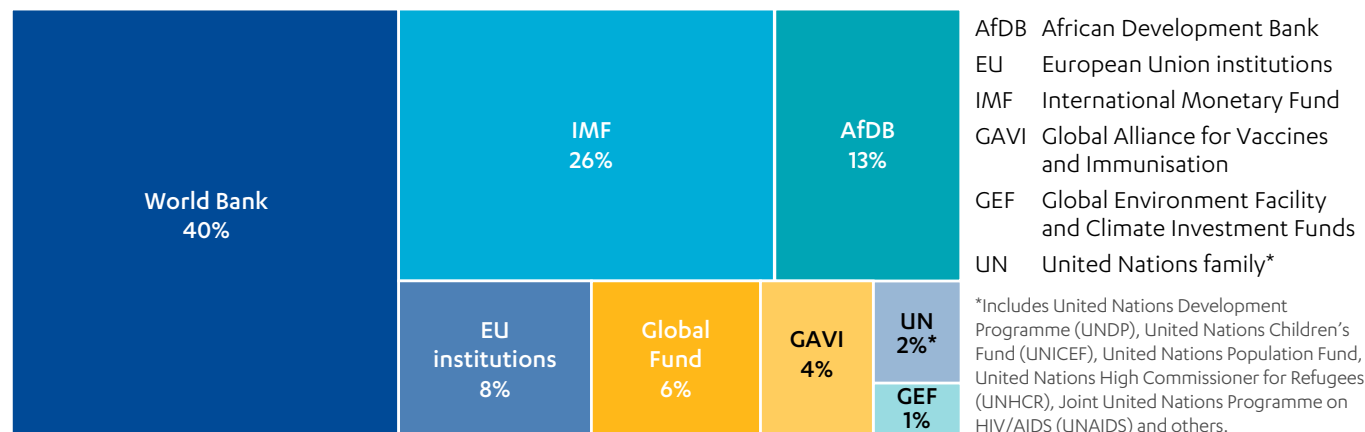
<sup>53</sup> Unpublished.

<sup>54</sup> OECD DAC Creditor Reporting System Database, [link](#).

<sup>55</sup> Budget support is an aid instrument used by the UK government. The OECD DAC defines it as the direct transfer of financial resources from the donor to the treasury of the recipient government.

3.26 The UK's main aid contribution to Ghana towards the end of the period was through **multilateral channels**, estimated at 66% of the total in 2017 compared to 45% in 2011.<sup>56</sup> There was a 47% growth in UK multilateral aid spending between 2011 and 2017 (resulting in overall growth despite a reduction in bilateral aid), mainly due to the large IMF credit facility extended to Ghana in 2015. If the IMF credit facility is not taken into account, UK multilateral aid in Ghana would have been less than half of its total aid spending between 2011 and 2017.

Figure 9: Multilateral share of UK imputed spend 2011–2017



Source: DFID internal data

## UK aid programmes in Ghana

3.27 **Between 2011 and 2019, UK aid funded more than 60 individual programmes and projects in Ghana.** Some were initiated before the 2011 plan. Others had only just begun or were still in the pipeline during our review period. **Figure 10** below sets out the key bilateral programmes of UK aid that were active in the period (by objective and programming area). A timeline juxtaposing programme start dates with key Ghana and DFID events follows.

Figure 10: UK aid to Ghana: programming areas, objectives and timeline

Programme categories		
Strengthened governance	Improving human development outcomes and helping the most vulnerable	Promoting prosperity
<p><b>1 Reduced corruption</b> UK departments: Department for international Development (DFID), HM Revenue and Customs (HMRC), National Crime Agency (NCA)</p> <p><b>2 Good governance of Ghana's oil and gas natural resources</b> UK department: DFID</p> <p><b>3 Improved domestic revenue performance</b> UK departments: DFID, HMRC, NCA</p> <p><b>4 Deepened democracy and civil society participation</b> UK departments: DFID, Foreign &amp; Commonwealth Office (FCO)</p> <p><b>5 General governance and institutional strengthening</b> UK department: DFID</p>	<p><b>6 Improved access to family planning</b> Multilateral: United Nations Population Fund (UNFPA)</p> <p><b>7 Reduce incidence of malaria</b> UK department: DFID Multilateral: Global Fund</p> <p><b>8 Improved access to mental health care</b> UK departments: DFID, Department of Health and Social Care (DHSC), FCO</p> <p><b>9 Improved access to primary health care</b> UK department: DFID Multilaterals: World Bank, Global Fund, GAVI</p> <p><b>10 Other health</b> UK department: DFID</p> <p><b>11 Increased enrolment of girls in primary and secondary education</b> UK department: DFID Multilaterals: World Bank, Global Partnership for Education, United Nations Children's Fund (UNICEF)</p> <p><b>12 Reducing the number of out of school children</b> UK department: DFID Multilaterals: United States Agency for International Development (USAID), UNICEF</p> <p><b>13 Improve the quality of basic education</b> UK department: DFID Multilaterals: World Bank, the Global Partnership for Education</p> <p><b>14 Strengthen support for the most vulnerable</b> UK department: DFID Multilaterals: World Bank and the UN family</p> <p><b>15 Other Education</b> UK department: DFID</p>	<p><b>16 Improving the investment climate and business environment for domestic and foreign investment</b> UK departments: DFID, FCO, and CDC Multilaterals: World Bank, Private Infrastructure Development Group (PIDG)</p> <p><b>17 Strengthening productivity and competitiveness of the private sector</b> Multilateral: World Bank</p> <p><b>18 Strengthened value chains and markets in the north to work better for the poor</b> UK department: DFID</p>
		Other
		<p><b>19 Budget support</b> UK department: DFID Multilateral: World Bank, International Monetary Fund (IMF)</p> <p><b>20 Environmental</b> UK department: DFID</p>

<sup>56</sup> DFID bilateral expenditure calculated from the DFID Statistics on International Development database. The UK imputed share spend was estimated from internal DFID data.

## Timeline of programme start dates and key Ghana and DFID events

Significant dates	Key UK aid programmes
<p><b>pre-2011</b></p>	<p><b>4</b> Sustainable peace initiative (2006-2013) Women's Participation in Politics (2010-13) Strengthening Transparency Accountability and Responsiveness in Ghana (STAR) (Phase I: 2010-2016)</p> <p><b>5</b> Institutional strengthening of the Ministry of Employment and Social Welfare (2008-2013) Public financial management reform programme (2010-16)</p> <p><b>7</b> Support for malaria programme (2010-13)</p> <p><b>16</b> Financial sector reform (2007-2011) Ghana statistical service reform (2008-2015)</p> <p><b>18</b> Savannah accelerated development authority (2009-2013) Market development in Northern Ghana (2010-2020)</p> <p><b>19</b> Ghana poverty reduction budget support (2007-2011) General budget support (2009-2012)</p> <p><b>20</b> Ghana climate change and environmental governance (2009-2013) Forest governance, markets and climate (2010-2021) (centrally managed programme (CMP))</p>
<p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>Ghana is officially recognised as a lower-middle-income country.</li> <li>First oil flows from Ghana's Jubilee field.</li> </ul> <p><b>UK</b></p> <ul style="list-style-type: none"> <li>UK bilateral aid review published.</li> <li>DFID Ghana publishes the Operational Plan 2011-2015 (updated annually).</li> </ul>	<p><b>2011</b></p> <p><b>6</b> Family planning commodities programme (2011-12) Adolescent reproductive health in Ghana (2011-18)</p> <p><b>7</b> Prevention of malaria through the procurement and distribution of insecticide-treated bed nets (2011-13)</p> <p><b>11</b> Girls – Participatory Approaches to Students Success (GPASS) in Ghana (2011-2021)</p> <p><b>13</b> Transforming Teaching and Learning (T-Tell, component of the GPASS programme) (2011-2021)</p> <p><b>18</b> Savannah accelerated development authority institutional strengthening (2011-16) Millennium villages in northern Ghana implementation and evaluation (2011-17) West Africa food markets (2011-19) (CMP)</p> <p><b>19</b> General budget support (2011-17)</p> <p><b>20</b> Investments in forests and sustainable land use / Partnerships for forests (2011-2020) (CMP)</p>
<p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>Presidential and parliamentary elections. Incumbent President John Dramani Mahama of the National Democratic Congress is re-elected.</li> </ul>	<p><b>2012</b></p> <p><b>4</b> Ghana Electoral Support Programme (2012-13)</p> <p><b>7</b> Support for Malaria Control in Ghana (2012-18)</p> <p><b>8, 9</b> Health Sector Support Programme (HSSP) (2012-19)</p> <p><b>9</b> Harnessing Non-State Actors for Better Health for the Poor (HANSHEP) (2012-14)</p> <p><b>12</b> Complementary Basic Education (2012-18)</p> <p><b>14</b> Livelihood Empowerment Against Poverty (LEAP) (2012-17)</p> <p><b>15</b> Support to the Education Strategic Plan (2012-14)</p> <p><b>18</b> AgDevCo Greenfields Investment Programme (2012-18)</p>
<p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>Start of Ghana's macro-economic crisis with much lower than expected growth, an increase in public debt and inflation and a worsening exchange rate.</li> </ul>	<p><b>2013</b></p> <p><b>1</b> Tackling Corruption by Tackling Drug Trafficking in Ghana (2013-18)</p> <p><b>3</b> Supporting Tax transparency in developing countries (2013-18) (CMP)</p> <p><b>13</b> Ghana Education Quality Improvement Project (EQUIP) (2013-17)</p> <p><b>14</b> Prevention of Violence against Women and Girls: Research and Innovation Fund (2013-19) (CMP)</p> <p><b>17</b> Enhancing Growth in New Enterprises (ENGINE) (2013-19)</p> <p><b>18</b> Africa Division funding to AgDevCo (2013-2023) (CMP)</p>



## Ghana

- Global oil prices plummet by 40%, worsening Ghana's macro-fiscal woes.
- All donors suspend disbursement of budget support and attempts to renegotiate a joint performance assessment framework fail.

2014

- 2 Ghana Oil and Gas for Inclusive Growth (2014-19)  
Western Region Coastal Foundation Programme (2014-19)  
Releasing the Transformational Potential of Extractives for Economic Development (2014-2022) (CMP)
- 5 Support to Office of the President Policy Delivery Unit and Cabinet Secretariat (2014-17)
- 10 Support the Government of Ghana's response to the ongoing cholera outbreak (2014-16)

## Ghana

- IMF Board approves Ghana extended credit facility programme.

## UK

- UK aid strategy published making UK national interest a co-determinant of UK aid spending.

2015

- 3 Domestic Revenue Mobilisation (2015-19)
- 4 Strengthening Transparency Accountability and Responsiveness in Ghana (STAR) (Phase II: 2015-2021)
- 14 Accelerating Action Against Child Marriage (2015-2020)
- 16 Business Enabling Environment Programme – Private Sector Led Growth (BEEP) (2015-2020)

## Ghana

- Presidential and parliamentary elections. Opposition candidate Nana Akufo-Addo from the New Patriotic Party wins the Presidential election.
- Public debt peaks at over 73%.

## UK

- DFID Ghana adopts the DFID Ghana business plan 2016-17 to 2019-20

2016

- 4 Deepening Democratic Governance in Ghana (2016-17)
- 7 Private Sector Malaria Project (2016-19)
- 11 Girls Education Challenge Fund (2016-2025) (CMP)
- 16 Macro-economic technical assistance programme (2016-2021)

## Ghana

- IMF Board approves an extension of the IMF programme.

2017

- 1 Strengthening Actions Against Corruption in Ghana (STAAC) (2017-2021)  
International Action on Corruption (I-ACT) (2017-2021) (CMP)
- 14 Preventing violence against adolescent girls in Ghana (2017)  
(programme stopped after scoping phase)

## UK

- The UK Fusion Doctrine establishes that all policy levers, including aid, should be available to secure the UK government's economic, security and influence goals.
- UK-Ghana Prosperity Strategy is developed.

2018

- 4 Inclusive & Accountable Politics (2018-2021) (CMP)  
Supporting Human Rights, Democracy and Rules Based International Systems in Ghana (2018)
- 8 Maternal Mental Health (2018-2023)  
United for Global Mental Health (2018- end date not defined)
- 12 Education Beyond Aid (EBA) (2018-2022)
- 16 UK – Ghana Partnership for Jobs and Economic Transformation (JET) (2018-2024)  
Prosperity Fund Global Finance Programme (2018-2021)

## Ghana

- The IMF programme ends.

2019

- 8 Leave No One Behind (pipeline)
- 9 Partnership Beyond Aid Programme (pipeline)

## 4. Findings

4.1 This section presents the findings of our review, covering the relevance, effectiveness and sustainability of UK aid to Ghana. Under **relevance** we explore how the UK aid portfolio relates to Ghana’s development challenges and the priorities of the UK government. In the **effectiveness** section we assess how well programmes in the UK aid portfolio have contributed to the achievement of UK aid objectives in Ghana, and the effectiveness of UK aid partnerships. Finally, under **sustainability**, we look at whether UK aid has been successful in strengthening sustainable Ghanaian institutions and protecting past development gains against setbacks and reversals.

### Relevance: How well has the UK aid portfolio responded to Ghana’s development needs and the UK’s strategic objectives?

#### Addressing Ghana’s governance challenges

##### The UK aid portfolio included strategic choices that responded well to Ghana’s governance challenges and its need to self-finance its development

4.2 After conducting diagnostic work on governance in 2014, DFID shifted its governance portfolio in Ghana from supporting budget and expenditure management to three new issues where it believed it could make a bigger difference: 1) anti-corruption, 2) tax policy and administration, and 3) oil and gas revenue management.

#### Tackling corruption

4.3 Our literature review, programme review, and interviews with representatives of the Ghanaian government, other donors and Ghanaian civil society organisations (CSOs) and think tanks, suggest that the strategic shift towards anti-corruption was a justified decision. Corruption is a key impediment to Ghana’s development and is embedded in its political economy. “Fighting corruption and economic crimes” is a major priority in the government of Ghana’s Coordinated Programmes for 2010–2016 and 2017–2024. Our consultations with citizens also highlighted the scourge of corruption, echoing Afrobarometer surveys<sup>57</sup> showing more respondents reporting personal experiences of corruption over time, and fewer believing that public service providers of different kinds were not corrupt.

4.4 DFID’s anti-corruption programme is an agile, thoughtful response to Ghana’s corruption challenge. By 2014, when the anti-corruption programme started, Ghana had established a legal framework and institutions to address corruption and financial crimes.<sup>58</sup> However, no major cases had been successfully prosecuted. One reason was that the technical capacities of Ghana’s anti-corruption institutions were too weak to take on what DFID’s diagnostic work described as “an operating environment with minimal accountability” where “political and social barriers” blocked effective action.

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“As a result of corruption people are suffering. Roads are not well constructed because of corruption.”

Karaga transect walk

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“The police and other civil and public servants also engage in petty corruption when they take advantage of the system by insisting on some payments that end up in their pockets.”

Youth Focus Group Discussion, Mion

<sup>57</sup> Afrobarometer Surveys, [link](#). See paragraph 3.13 above.

<sup>58</sup> The Commission for Human Rights and Administrative Justice, the Economic and Organised Crime Office and the Financial Intelligence Centre.

4.5 In response, DFID’s Strengthening Actions Against Corruption (STAAC) programme embedded interventions in continuous political economy analysis, so that it could respond nimbly and seize opportunities for progress when and where these opened up. The programme targeted the entire anti-corruption chain (detection, investigation, prosecution and remedial action). This had the potential to address not only the weak capacity in individual institutions, but also weak links between them, creating pressure between institutions for cases to progress. The programme was designed to work simultaneously with government on technical state capacities and with civil society and the media to create pressure on the state to address corruption. It also supported Ghana’s participation in global anti-corruption networks and initiatives.

“ A businessman pays a lot of bribes or unapproved fees. ”

Mion town hall meeting

### Mobilising domestic resources

- 4.6 DFID’s support to boost domestic tax collection and manage oil and gas revenues is relevant to Ghana’s Beyond Aid strategy, which lists higher public resource mobilisation as one of ten priority reforms. DFID’s diagnostic work identified that the oil and gas sector can address two of the binding constraints on growth (cost of energy, access to finance and macroeconomic stability) through its impact on government finances, foreign exchange earnings and energy generation. Based on this diagnostic, DFID designed its Ghana Oil and Gas for Inclusive Growth programme to provide technical support to the government of Ghana, while also working with civil society to strengthen its ability to hold the government to account on how the oil and gas windfall is spent.
- 4.7 The importance of channelling some of this windfall into interventions – such as accelerated investment in economic infrastructure – that can put Ghana on a new growth path is widely appreciated and has been highlighted by Ghana’s government, both in strategy documents and by its leadership.

### Strengthening civil society

- 4.8 Our literature review, roundtable discussions and key informant interviews with Ghanaian stakeholders in the state, business and civil society sectors all confirmed that the continued activism of civil society in Ghana is necessary to break political economy constraints on the country’s growth and development. Roundtable discussions confirmed that Ghanaian CSOs see the UK as a long-standing, trusted partner.
- 4.9 The design of DFID CSO programming responds well to issues raised in the 2013 ICAI review of DFID’s empowerment and accountability programming in Ghana and Malawi.<sup>59</sup> These were:
- **Coherence in CSO engagement with the state:** DFID’s CSO support programme (STAR Ghana II), its oil and gas programme and its anti-corruption programme (STAAC) all seek to avoid fragmentation by convening CSOs on common platforms to engage the state on key issues (see **Box 4**).
  - **Funding:** STAR Ghana II set up the STAR Ghana Foundation, which is an effort to address CSO funding challenges in the context of declining donor funding to Ghana. While it remains to be seen whether the Foundation will be able to raise and channel significant funding to civil society in Ghana, the effort to establish a sustainable model is relevant to the country’s transformation.
  - **Capacity shortfalls:** STAR Ghana I and II both recognised that funding civil society action should be combined with building the capacity of organisations to manage themselves better.

<sup>59</sup> DFID’s empowerment and accountability programming in Ghana and Malawi, ICAI, 2013, [link](#).

#### Box 4: Supporting civil society to engage the state

DFID's oil and gas programme supports the African Centre for Energy Policy, an Accra-based CSO. Through its engagement with the parliamentary committees and advocacy in the public domain, the Centre ensured that oil contract transparency was written into the legal framework to manage oil exploration and production. In 2017, reports by the Centre and the Public Interest and Accountability Committee showed that many projects funded by oil revenue through the annual budget did not exist. These reports prompted new measures to monitor the projects.

STAR Ghana provided grants to CSOs to increase the influence of civil society and parliament in the governance of public goods and service delivery. In its second phase it took on more of a convening role, helping to facilitate collective civil society action on topical issues at national and local levels. At national level, the programme contributed to more collaboration between parliamentary committees and civil society, and to government being more open to civil society engagement. These shifts were hailed as significant, even if their impact on service delivery was still limited.

### Responding to the needs of the most vulnerable in Ghana

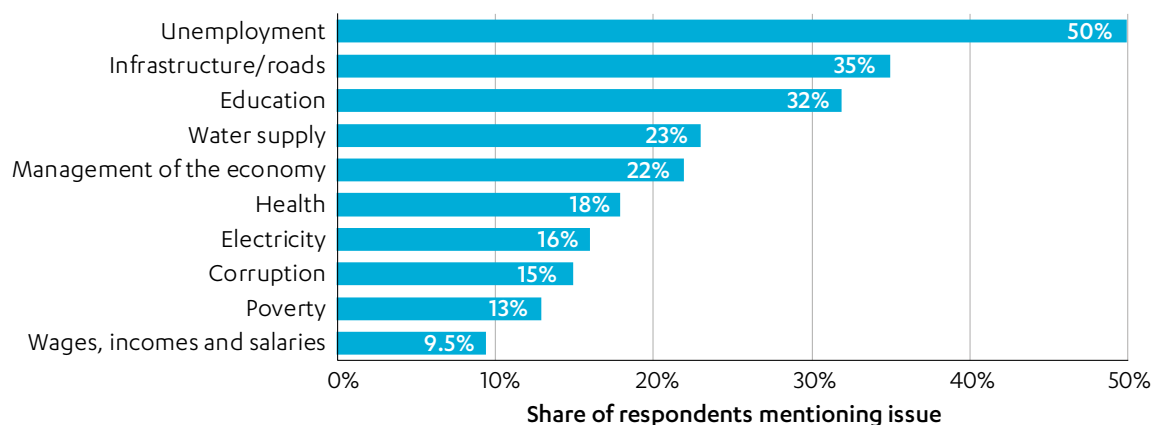
**DFID's social sector programming reflects the concerns of the poor and targets population groups at risk of being left behind**

Health and education are important concerns for the poor in Ghana

4.10 In two surveys conducted in our review period, Ghanaian respondents placed health and education, together with employment and jobs, among the top ten most important problems facing Ghana (see **Figure 11** below). In the 2015 My World Survey, respondents from rural areas (where over 90% of Ghana's poor live) selected health care most often out of 18 possible development priorities, and education third most often. In the 2017 Afrobarometer survey, over 30% of respondents (from across the country) mentioned education when asked what the most important problems facing the country were, while 18% raised health.

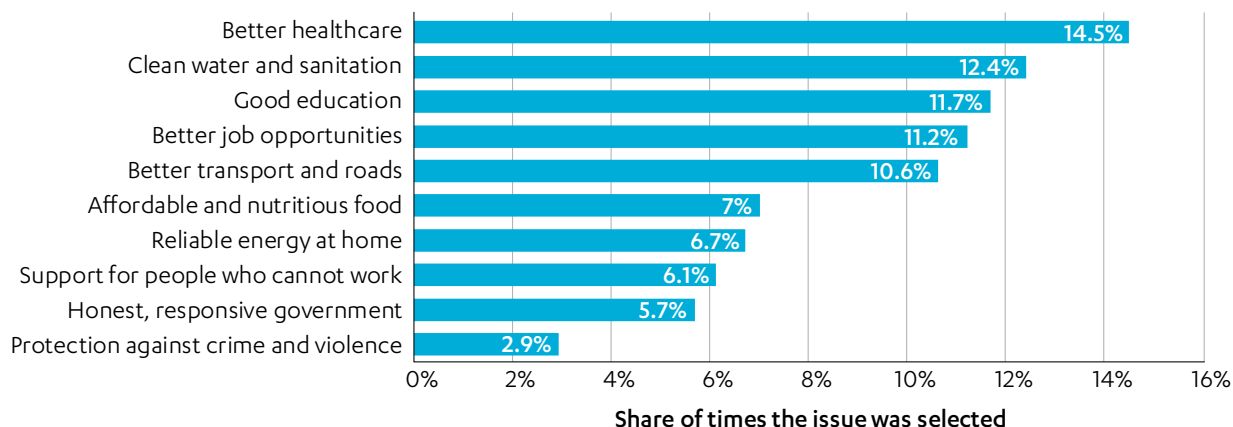
Figure 11: Citizens' concerns and priorities

**Most important problems in country identified by citizens\***



\*Afrobarometer Survey, 2017 (2,400 respondents) [link](#).

## Citizens' development priorities\*\*



\*\* My World Survey, 2015 (4,667 rural respondents) [link](#).

4.11 In our own consultations, citizens – especially the poor and those from remote districts – also identified education and health services as important concerns. **Figure 12** lists the main development themes raised by the participants in our own citizen consultations.

Figure 12: Top issues raised by citizens in our review consultation



4.12 Citizens especially raised the quality of health and education services, drawing our attention to issues such as the lack of drugs at health facilities and furniture in schools, and the poor quality of teaching.

““ The teachers in most of the public schools are not good. They can't even speak English with the children because when the children come home and you speak English with them, they respond in the local dialect. Therefore, the children tend to be poor academically and despite spending years in school they come home with very poor results that can't be of any help. ””

Nzema East town hall meeting

““ Members of this community are registered on health insurance... however, now when they go to the clinic there are no drugs. ””

West Mamprusi focus group discussion

““ There are no school buildings for the community. ””

““ A new school is being constructed. There are no teacher quarters. ””

““ There used to be a community health compound in my community but now it has been closed down due to low patronage. There were no drugs there and the little drugs they had had all expired. ””

Participants in radio phone-in

4.13 UK aid's support to community health care services, health commodities, health financing, education access for girls and out-of-school children, and teacher pre-service training reflects a focus on addressing some of the priorities identified by citizens, such as access to health and education services, markets and jobs, and better dialogue between citizens and authorities.

UK aid choices in Ghana show commitment to the principle of leaving no one behind

4.14 In recent years, poverty reduction in Ghana has stagnated, inequality has grown and regional disparities have widened (see **Figure 5**), showing a growing risk that some communities will be left behind as the country transforms, which in turn will threaten the transformation itself. Our analysis of programming in the health, education and social protection sectors shows a consistent commitment to the principle of leaving no one behind. DFID's support to service delivery between 2011 and 2019 was targeted at vulnerable groups, the poorest households and lagging regions. Altogether 92% of bilateral UK aid expenditure in the social sectors in Ghana was targeted in full or through substantial components at groups who are (at risk of being) left behind (see **Table 3**).

4.15 DFID's 2011-2015 Operational Plan made an explicit commitment to "two cross-cutting priorities: girls and women, and poverty reduction and growth in the North". The social sector programmes were strongly aligned with these commitments. In addition, some programmes in the economic sector – the DFID market development programme and AgDevCo's programmes in the north – were also implemented in a lagging region and aimed at the poor and vulnerable.

Table 3: Targeting of social programmes at the poor and vulnerable

Social sector programmes	Targeting			
	Other vulnerable groups <sup>60</sup>	Poorest households	Lagging regions and districts	Gender
<b>Education</b>				
Complementary Basic Education	✓	✓	✓	✓
Girls – Participatory Approaches to Student Success	✓	✓	✓	✓
Girls’ Education Challenge Fund			✓	✓
Support to Education Strategic Plan	✓		✓	✓
Education Beyond Aid	✓	✓	✓	✓
<b>Health</b>				
Adolescent Reproductive Health	✓		✓	✓
Family Planning Commodities Programme	✓			✓
Health Sector Support Programme	✓	✓	✓	
Various malaria programmes		✓	✓	
<b>Social Protection</b>				
Leave No One Behind Programme	✓	✓	✓	
Livelihood Empowerment Against Poverty	✓	✓	✓	
Preventing Violence Against Adolescent Girls	✓			✓

**However, crucial decisions on reducing aid in the social sectors were made without a sound analysis of the implications for service delivery**

- 4.16 The average annual value of DFID Ghana’s aid to the social sector declined by 42% from the period 2011–12 to 2013–14 to the period 2016–17 to 2018–19 (see **Figure 8** above). The decline in DFID Ghana’s aid was driven by a series of top-down portfolio and bottom-up programming decisions aligned to the DFID Business Plan 2016–17 to 2019–20. Reducing aid for service delivery – the financing of the direct cost of services themselves – represents a significant proportion of the reduction.
- 4.17 DFID Ghana noted that lower social sector spending from its country budget had been offset by increases in spending through centrally managed programmes. We were unable to ascertain the degree to which this occurred, as comparable time-series data for centrally managed programmes over the same period is not available. However, while increased spending through centrally managed programmes contributes to the overall volume of UK bilateral aid to Ghana, and may be complementary to DFID Ghana programmes, these programmes do not in and of themselves counter the implications of phasing out DFID Ghana programmes which financed service delivery.
- 4.18 The Business Plan was explicit that DFID Ghana’s financing of service delivery in the social sectors would be significantly reduced. This was on the basis that Ghana should be in a position to finance service delivery out of its own resources in the context of DFID’s approach to transition in Ghana. Through our interviews we heard that DFID Ghana’s country budget was reduced in response to the following factors: 1) pressing UK aid priorities elsewhere including a shift in UK aid policy towards poorer and fragile states, 2) Ghana’s lower-middle-income country status, and 3) the government of Ghana’s beyond aid vision. Ghana’s macroeconomic crisis was viewed as a temporary setback and the expectation was

<sup>60</sup> Such as disabled people or people suffering from mental illness.

that the country would return quickly to rapid growth. Overall, the view was that Ghana was a country in transition, and therefore the UK-Ghana partnership was transitioning too. Downgrading the DFID Ghana office and reducing its staff in the 2016–17 period are also illustrative of this dynamic.

- 4.19 DFID’s Business Plan 2016–17 to 2019–20 stated that the reduced support for direct service delivery would be accompanied by “a corresponding increase in our strategic support to the systems and policies that underpin human development outcomes”. The plan noted that reducing direct service delivery would free up DFID Ghana’s human resources for policy advocacy and better coordination of centrally managed programmes.
- 4.20 We conducted six case studies of social sector programmes in Ghana. Of the six, five provided aid for service delivery. These programmes were affected differently by the decision to reduce this form of aid. However, we found no convincing evidence that the decisions on where aid for service delivery should be stopped and where it should continue were based on analysis of needs, sustainability of the services delivered, or capacities built. Initial programme planning documents made no reference to Ghana’s macro-fiscal crisis at the time when aid to service delivery was stopped, and did not provide an analysis of the Ghanaian government’s financial capacity to sustain services over the short-to-medium term.
- 4.21 Instead, we found that the programme documents were inconsistent in their focus on leaving no one behind when justifying whether to stop or continue financing services in specific projects:
- In two cases – support for mental health services and support for the livelihoods social safety net programme – aid was expected to continue in a next programming phase, through a new Leave No One Behind programme. The business case argues for continuing this support due to the importance of leaving no one behind in the Ghana Beyond Aid context, which, it was felt, places an overly strong emphasis on economic growth.
  - Yet, in another programme document, DFID justifies phasing out financial support for complementary basic education (supporting out-of-school children to access schooling), by arguing that ending this funding would ‘support’ Ghana’s self-reliance in leaving no one behind and taking responsibility for investing in its own people in the Beyond Aid context.
  - In the decisions to end bilateral financing of community health services and girls’ scholarships in northern Ghana, no mention is made of DFID’s leave no one behind objectives one way or another. Instead, the concept note for the follow-up technical assistance programme for the social sectors uses the changing UK development offer and Ghana Beyond Aid as the rationale for opting for technical assistance rather than the financing of services.

#### **Citizen consultation is not a systematic part of programme design, monitoring or evaluation**

- 4.22 Participation by, inclusion of and accountability to citizens in development processes are widely recognised principles of good development practice.<sup>61</sup> Implementing these principles requires that the priorities, needs and experiences of the citizens should be part of programme design, monitoring and evaluation, especially when UK programmes deliver direct services to citizens. This is not just about broad programming choices and their alignment with what citizens prioritise, but about a careful approach to gain knowledge on what people need and want, and how they react to interventions.
- 4.23 Only some UK aid programmes in Ghana used extensive and structured citizen consultation as part of programme design or implementation. For example, as **Table 4** below shows, only four out of seven programmes among our ten case studies that had direct engagement components conducted citizen consultations. In the two cases where the government of Ghana was solely responsible for delivering the programme, consultation was built into programme design.

<sup>61</sup> *Action-oriented Policy on Human Rights and Development*, OECD DAC, 2007, [link](#), and *Integrating Human Rights into Development*, 2nd Edition, OECD DAC, 2013, [link](#).



Table 4: Consultation with citizens

Case studies	Characteristics of intervention			
	Was service delivery to citizens funded?	Who delivered the services?		Were citizens consulted?
		DFID	Ghana government	
Complementary basic education	✓	✓	✓	✓
Girls' education	✓	✓	✓	✗
Mental health	✓	✓	✓	✗
Community health services	✓		✓	✓
Market development	✓	✓		✓
Domestic revenue mobilisation	✓	✓		✓
Livelihoods empowerment	✓		✓	✓
Anti-corruption	✗	✓		✓
Business environment	✗	✓		✗
Transforming teacher education and learning (TTEL)	✗	✓		✗

4.24 Consultation components can also be useful when programmes only affect citizens indirectly, for example when they have an impact on policies that affect citizens or when citizen experiences are relevant to programming choice. This was the case in the anti-corruption programme in **Table 4**, which surveyed citizen experiences on petty corruption despite the programme interventions not including direct citizen services.

4.25 Our interviews and programme documentation review indicate that an assessment of whether consultation is needed in programme design and implementation, and the design of such consultation methods, was not a systematic part of the operating requirements for UK aid in Ghana. Rather, it depended on the interests and beliefs of the senior responsible officer or service provider whether it was done.

## Positioning the UK to support Ghana's economic development

### UK aid support for private sector development reflects the importance of economic diversification, inclusive growth and job creation for Ghana

4.26 Our literature and strategy reviews show that the transformation of Ghana's economy from relying on the export of raw materials to being based on manufacturing and high-value services that deliver quality jobs is a central priority for the country's government. Creating jobs is also a priority for Ghana's citizens. In 2017, well over 40% of respondents to the Afrobarometer survey mentioned jobs when asked about the three most important problems facing the economy. The lack of jobs and livelihoods, especially for young people, were also raised in our own consultations with citizens. In the Northern region, West Mamprusi community members expressed concern that many young people were not working. Although agriculture was the main occupation in the community, young people did not want to work in that sector.

4.27 Secondary and interview evidence identifies several barriers to inclusive growth: the business environment and the cost of doing business (especially the cost of energy and finance), firm capability and capacity, human capital, macroeconomic instability and vulnerability to shocks. In response, DFID's private sector development portfolio includes interventions to improve the business environment,

working with Ghana's Ministry of Trade and Industry, metropolitan areas and the commercial courts. It has also supported the Ministry of Trade and Industry on industrial policy, and built capacity in small and medium enterprises.

- 4.28 In the last few years, DFID has significantly increased its market development activities in neglected parts of the country, through Market Development in Northern Ghana (MADE) and AgDevCo's<sup>62</sup> investments in emerging agriculture firms in northern Ghana to create value chains for poor producers. This reflects our literature review findings and interview evidence, as well as DFID's diagnostic that a growing urban-rural and regional economic divide is a barrier to inclusive development.
- 4.29 Central programming to support regional food markets, and a forthcoming programme evolved from MADE to develop the agriculture sector in the north, are aligned to DFID's diagnostic finding and our literature review findings that the agricultural sector presents a key entry point for economic transformation and provides opportunities for regional trade.

### **The UK's broad cross-departmental approach to Ghana's economic development was a coherent and coordinated response to the government of Ghana's beyond aid priorities**

- 4.30 The government of Ghana has clearly expressed that it wants its partnerships to transition over time from aid to trade and strategic economic cooperation. It has asked that development partners help raise additional funds for development through market-based transactions and leveraging private capital.
- 4.31 Since 2018 the UK government, through the Economic Development Investment and Trade (EDIT) working group and the UK-Ghana Prosperity Strategy, has coordinated a broad range of instruments from different UK departments and bilateral and multilateral funds to support Ghana. The ambition is for shared learning, leveraging interventions and presenting a coherent narrative about the UK offering to Ghana. Key participating departments and funds are DFID, the FCO, the Department for International Trade, CDC (the UK's development finance institution), the Private Infrastructure Development Group and UK Export Finance (UKEF).
- 4.32 The ambition of the EDIT working group is to coordinate all UK official flows better in the interests of the mutual prosperity of Ghana and the UK. This carries risks for UK development assistance (see the next finding) but may also allow the UK to use its assets more effectively in leveraging private capital for development. The initiative supports the UK-Ghana Business Council, which brings the two governments together to reduce barriers to trade and investment and create jobs. In 2018, UK aid funded a UK-Ghana investment summit, attached to the first meeting of the business council. The council and summit were frequently mentioned to us by Ghanaian government ministers as a prime example of how the UK is a leading development partner in forging a new relationship with Ghana.

<sup>62</sup> AgDevCo Limited is incorporated in the UK as a private limited company. Its shares are owned by AgDevCo Holdings Limited, a company limited by guarantee that exists to preserve AgDevCo's mission to invest in African agriculture for impact. AgDevCo Holdings Limited has five members: Keith Palmer (AgDevCo's founder), the (UK) Secretary of State for International Development, Professor Sir Paul Collier, Baroness Lindsay Northover and James Harvey.

### Box 5: UK aid-supported efforts to leverage private capital

The Private Infrastructure Development Group (a multi-donor initiative) has three operational projects in Ghana and commitments to support a further ten. Its development model is to make it more viable for private investors to participate in infrastructure deals, by using ODA as seed funding to crowd in private capital.

CDC made 52 direct or intermediated investments in Ghana over the review period.<sup>63</sup> CDC is the UK's development finance institution and primary vehicle through which DFID invests development capital, by supporting businesses in Africa and South Asia that have potential for creating jobs and driving development impacts. In Ghana, CDC's investments were largely in energy and agriculture, not necessarily based on the objectives of the UK's aid strategy in Ghana. More recently, there has been more of an effort to coordinate between CDC and other UK interventions. CDC attends the UK-Ghana Business Council, but does not yet have a presence in Ghana.

AgDevCo's greenfield project in the poorer Northern region has transformative potential if it can secure longer-term investments from the private sector. AgDevCo management told us it is filling a niche by providing patient capital, investing in greenfields and higher-risk projects with lower returns, which other development finance institutions avoid. Its investments in agriculture in northern Ghana also have potential for facilitating economic inclusion.

### Closer cooperation between UK trade, investment and aid instruments provides an opportunity to improve the development impact of other flows, as long as there is attention to the risks for development objectives

4.33 DFID Ghana emphasised that tensions can easily arise between development and commercial interests in a coordinated UK offer to Ghana. For example, getting a good deal for UK companies from one side of the UK government and promoting reducing tax exemptions on the other, or looking for single-source contracting of UK businesses and promoting open procurement processes. **Box 6** below provides examples of live tensions that were highlighted in our discussions in Ghana.

### Box 6: Examples of live tensions between UK aid for development and UK national interest in Ghana

Before EDIT was established, UKEF had negotiated loans and bank guarantees to the Ghana finance ministry to fund contracts with UK companies for developing the Kumasi Central Market, modernising Tamale Airport in the Northern region of Ghana, and completing the Bekwai District Hospital. In total, UKEF provided over £130 million in support of UK firms' contracts in loans and guarantees to the government of Ghana. This is roughly equal to 0.3% of Ghana's GDP, and equivalent to all UK bilateral aid spending between 2016–17 and 2018–19. There is a tension between this UK support – even if it is not aid – and DFID advocating for reducing government debt.

There are also examples of UK aid making spending choices primarily in the interest of Ghana: it used ODA to help the government of Ghana enable investment in the car industry, a sector in which the UK does not have a competitive advantage. UK aid also invited non-UK firms to the UK-Ghana Investment Summit which it funded.

<sup>63</sup> The number is based on a search of CDC's database for investments made in Ghana between 1 April 2011 and 31 March 2019 ([link](#)). CDC makes direct investments in companies through direct equity and direct debt funding, and indirect investments through intermediary funds (see ICAI's 2019 review of *CDC's investments in low-income and fragile states* for further information about CDC's investment instruments, [link](#)).

- 4.34 We concur with DFID Ghana that engagement with other UK government agencies and funds working in Ghana through the EDIT working group gave it the opportunity to manage such risks in the interest of development outcomes. Through EDIT, it was able to engage institutions such as UKEF better on the development impact of their activities. DFID Ghana told us that all ODA was spent fully in line with OECD DAC guidelines and with the UK's development objectives in Ghana, and that it fed all UKEF decisions through HM Treasury to check if they met sustainable lending principles.
- 4.35 We observed, however, that managing ODA risks appropriately depends heavily on leadership in the country office, and the technical capacities and views of individuals. In the absence of clear guidance on what the limits are for coordinating aid with non-aid official flows and actions, these risks will remain live – a possibility we have already raised in our information note on the use of UK aid to enhance mutual prosperity.<sup>64</sup>

## Coherence across the UK aid portfolio

### The UK aid portfolio often works in a coherent way within sectors and across programmes

- 4.36 UK aid programming in Ghana is often complementary within and across areas, supporting interventions at multiple levels. For instance, we found that DFID Ghana and centrally managed programmes jointly supported private sector development programmes at the macro level (programmes working on investment climate and financing), meso level (programmes on market functions) and micro level (enterprise-level and economic inclusion programmes). The Ministry of Trade and Industry, private sector associations and champions of industry stressed the need for addressing challenges at all three levels.
- 4.37 We found good examples where DFID has harnessed central and country bilateral programmes in a strategically coherent way towards UK aid objectives (see **Box 7** below), in line with DFID Ghana's ambition to improve programming coherence in the 2016–17 to 2019–20 plan period. There are, however, also examples of global-level programmes that operate in Ghana without such coherence. An example is the UK Department of Health and Social Care's Fleming Fund anti-microbial resistance work in Ghana, one of the first countries in which the Fund rolled out activities. While the issue is undoubtedly globally important, it was not clear to us that it was an appropriate strategic choice for Ghana, given that the DFID Ghana health programme is relatively small and shrinking, and that Ghana still has major basic challenges in its health system. We were not able to find evidence through our interviews to support DFID's confidence that it is or should be a priority for Ghana.

#### Box 7: Complementarity between DFID Ghana and centrally managed programmes

In the governance sector, DFID Ghana programmes work closely with centrally managed programmes to build Ghana's technical capacity on anti-corruption and domestic and natural resource revenue management. Importantly, the centrally managed programmes have linked Ghana into global emerging networks and supported its compliance with global standards, which is seen as a priority for its reputation as an emerging global economy.

The STAAC programme has been reinforced by the UK's emphasis on, and support for, compliance with international anti-money laundering and terrorism financing standards, and standards for beneficial ownership, both on the global stage and in its cooperation with Ghana. The International Action on Corruption (I-ACT) programme is in the process of providing support on beneficial ownership transparency. The support for technical reforms in this area has been welcomed by the Ghanaian government.

The centrally managed DFID programme Supporting Tax Transparency in Developing Countries supports Ghana on automatic exchange of information and the common reporting standard to address base erosion and profit shifting. According to the Ghana Revenue Authority, this support was important in helping Ghana regain its compliance status last year with the reporting standard. DFID's Ghana oil and gas programme is supporting Ghana's compliance with the Extractives International Transparency Initiative.

<sup>64</sup> *The use of UK aid to enhance mutual prosperity*, ICAI, October 2018, [link](#).

## Conclusion on relevance

- 4.38 The UK aid portfolio included strategic choices that responded well to Ghana's governance challenges and its need to diversify and grow its economy and self-finance its development. A high proportion of DFID's programming, especially in the social sector, targeted the needs and priorities of poor people and aligned with the UK's gender and leave no one behind agendas. A key concern, however, is that crucial decisions on the pace of reducing the financing of service delivery in the social sector were not supported by a comprehensive analysis of the consequences to service delivery. DFID's planning, programming and monitoring approaches gave it insufficient insight on the needs, priorities and experiences of the poor in Ghana.
- 4.39 The UK's ability to deliver a transformative impact in Ghana has improved over the period. DFID is well positioned as a strategic partner for Ghanaian government agencies. UK aid contributes to a coherent offer to widen the UK partnership with Ghana from development to trade and strategic economic cooperation. DFID Ghana has taken concrete steps to tackle risks that may arise from this coordination, although risk management relies too heavily on the interest and expertise of individuals rather than formal processes.
- 4.40 Overall, we were not convinced by how DFID justified reductions in the financing of social service delivery, and we found that more should be done to ensure that the views of beneficiaries are integrated in the design, implementation and monitoring of interventions. That said, the UK aid portfolio has responded well in many respects to Ghana's development needs over the period and has been well aligned to UK aid objectives. We therefore award a **green-amber** score.

## Effectiveness: How effective has UK aid been in achieving its strategic objectives in Ghana?

### Effectiveness of the bilateral aid portfolio

DFID Ghana exceeded six of the seven headline results targeted in its 2011–2015 plan, but this results framework covered less than half of the spending during the plan period

4.41 DFID Ghana exceeded six of the seven targets for its 2011–2015 Operational Plan (the Business Plan for 2016–17 to 2019–20 did not set targets). However, the plan’s results framework covers less than 50% of the spending during the plan period, making it a relatively weak instrument to track development results from the use of UK aid resources.

Table 5: DFID Ghana target and actual headline results

Result	Contributing programmes	Total	
		Target for 2015	Achieved by 2015–16
Number of people receiving DFID-supported livelihood support	• Livelihoods Empowerment Against Poverty (LEAP)	100,000	219,533
Number of people voting in Ghana’s national election	• Ghana Electoral Support Programme	9,000,000	11,246,982
Number of family planning users accessing family planning through DFID support	• Family Planning Commodities Programme • Adolescent Reproductive Health in Ghana	525,000	646,974
Number of girls receiving targeted incentives to attend secondary school	• Girls Unite and Participatory Approaches to Students’ Success (PASS) in Ghana	70,000	86,000
Number of bed-nets distributed with DFID support to help prevent malaria	• Support for Malaria programme • Procurement and Distribution of Insecticide Treated Bed Nets • Malaria Prevention in Ghana • Millennium Villages in Northern Ghana	4,750,000	5,466,737
Number of girls and boys supported by DFID in basic education	• Support to Education Strategic Plan (SBS) • General Budget Support 2011–15	140,000	142,098
Number of producers accessing business services through DFID support	• Market Development in Northern Ghana • Millennium Villages in Northern Ghana • AgDevCo Catalytic Fund	30,000	18,756

■ Exceeded target by more than 100%

■ Exceeded target by less than 20%

■ Exceeded target by more than 20%

■ Failed to achieved target

Source: DFID Ghana

4.42 Furthermore, with the exception of one result – on the number of people voting in Ghana’s election – the indicators counted UK aid outputs and direct beneficiaries reached, rather than measuring outcomes in terms of progress in development results for Ghana.

4.43 Nevertheless, existing consultation data from people expected to benefit, as well as our research, shows that UK aid made a difference in the lives of the people it reached. An earlier evaluation of the livelihood support programme, for example, found positive effects on household consumption and savings, health care, debt reduction, productivity of adults and social networks.

“ Before the grants, I had just half a hectare of land cultivated through household labour, and we harvested two to three bags of maize. However, when I started receiving the grants, I am now able to pay for tractor services of five hectares of land, buy seeds, weedicides and pay for farm labour. With this, I expanded the land size and was able to harvest 25 bags of maize last year. I sold ten bags, fed my family with six bags and will sell the rest to further expand my farm this year. ”

LEAP grantee, Tamaligu<sup>65</sup>

4.44 Recipients of the DFID bursaries in the girls' education programme similarly noted that the support had a wide impact on their lives.

“ My father had so many wives and many children, so he could not look after all of us. It is Camfed [the NGO that implemented the girls' education bursary programme] that helped me throughout my education to senior secondary. I went to Tolon senior secondary school. I was so excited, I cannot describe it. They gave us all the things we needed for the full four years. They gave provisions and paid my school fees. Most of the girls who did not get Camfed's support dropped out.

Later, Camfed trained us to be peer educators. We learnt about financial literacy and entrepreneurship. I used to be timid, but they boosted my confidence. Then we came back to the community to also educate those coming up and our mates. In our local community, people don't believe in girls' education. They believe the girls' place is in the kitchen. They don't appreciate girls being literate. I disagree with them because girls have got so much. I am now a registered nurse. I just finished my national service and I am waiting to be posted. ”

Ramatu Mohammed, graduate of the DFID programme providing school bursaries to girls, Tolon

### UK aid lacks portfolio-level objectives to ensure the effectiveness of the Ghana portfolio

4.45 While DFID had an overall Ghana strategy in place, it did not identify portfolio-level outcome objectives in the governance, prosperity and human development areas. DFID's plans<sup>66</sup> did not include clear statements on what development outcomes UK aid was targeting in Ghana across programmes, or a results framework to monitor progress on such target outcomes. The plans' strategic objectives were largely stated in terms of what UK aid was going to do. This provided little guidance to country office staff as programmes were developed, monitored and adjusted, or when there was pressure to add new intervention areas.

4.46 The situation is not unique to Ghana. Over most of the review period, DFID's performance management approach was largely focused on results across countries and programmes that could be quantified, aggregated at the corporate level, and attributed directly to DFID, such as the headline results reflected in **Table 5** above. This created incentives to pursue programmes that would contribute to these results, including through delivery outside of government systems, as discussed under the sustainability findings.

<sup>65</sup> *Assessment of the Livelihood Empowerment against Poverty programme in Karaga district, Ghana*, Sulemana, M., Bukhari, F., Abdulai, M., 2018, [link](#).

<sup>66</sup> The 2011–2015 DFID Ghana Operational Plan, [link](#) and DFID Business Plan 2016–17 to 2019–20.

4.47 Our findings on DFID's portfolio results management in Ghana reflect findings in the 2018 ICAI review of DFID's approach to value for money in programme and portfolio management.<sup>67</sup> This review also found that DFID lacks systems for maximising, monitoring and reporting on the achievement of objectives across portfolios of linked programmes. In focusing on output results, DFID's reporting "provides a sense of the scale of the programming, but no picture of how the results fit into each country's wider development, such as its efforts to achieve the Sustainable Development Goals".<sup>68</sup>

### At the portfolio level, our contribution analysis shows that UK aid programmes nonetheless often contributed to Ghana's development results, but with varying levels of impact

4.48 A key question to assess portfolio-level effectiveness is to what degree the reported programme results contributed to strengthened governance, increased prosperity, and improved human development outcomes for the most vulnerable in Ghana.

4.49 One standard way of determining this would be to assess progress on the outcome targets set by UK aid in Ghana in the governance, prosperity and human development arena over the review period, and then analyse UK aid contributions to the changes observed. Unfortunately we were not able to use this method, as the DFID plans did not include clear statements on what outcomes UK aid was targeting in Ghana across programmes, or a results framework to monitor progress on such target outcomes, as explained above.

4.50 In order to assess portfolio-level effectiveness, we therefore identified the main outcome-oriented objective statements in DFID's Operational Plan 2011–2015 and the Business Plan 2016–17 to 2019–20. We then mapped the UK aid portfolio against the selected statements and checked the contributing programmes' results frameworks for appropriate measures to act as portfolio-level objectives. These were often programmes' actual outcome measures. In some cases, these statements were not suitable for assessing the contribution to society-wide development results (see paragraph 4.57). In such cases we used the impact measures. This enabled us to approximate a portfolio-level contribution assessment, without imposing results and indicators on UK aid in Ghana after the fact.

4.51 In this process, we focused on our case studies, as they looked at the contribution of all the associated programmes to a UK aid objective (strengthening domestic resource mobilisation, for example). We also had good information on these case studies, since we were able to validate their reported results through field visits and interviews and learn more about the context in which results were achieved from our follow-up work. In total, the spending on the case studies (and therefore covered by our analysis) comprises just under 40% of UK aid spending in Ghana.<sup>69</sup> The results of this contribution analysis are presented in summary in **Table 6** below. More detail on the assessments is provided in Annex 1. The contribution of programmes to various levels of results was assessed relative to other factors as:

- **Negative or no contribution:** UK aid programmes did more harm than good, or there were no results.
- **Limited contribution:** A contribution for UK aid can be argued, but the contribution was not necessary to the results observed or relatively small given other factors.
- **Medium contribution:** The contribution made by UK aid cannot be categorised as small, even if contributions from other actors and external factors were more significant.
- **Strong contribution:** UK aid made a significant contribution relative to the other factors.
- **Essential contribution:** Without the contribution of UK aid, the results observed would not have occurred, or the outcomes would have been much worse.

<sup>67</sup> DFID's approach to value for money in programme and portfolio management, ICAI, 2018, [link](#).

<sup>68</sup> DFID's approach to value for money in programme and portfolio management, ICAI, 2018, [link](#), p. 26.

<sup>69</sup> As calculated from information provided by DFID Ghana and extracted from the UK Government Development Tracker.



Table 6: UK aid’s contribution to Ghana’s development results<sup>70</sup>

Case study outcome objective	Contribution argument summary and finding
<b>Governance and anti-corruption</b>	
Addressing corruption	<p>By early 2019, UK aid’s anti-corruption work had not progressed far enough to make a strong contribution to the successful prosecution of cases or to lowering perceptions of corruption in Ghana. But a medium contribution to a strengthened institutional framework can be argued. UK aid’s capacity building and institutional strengthening work could help reduce corruption in future but will depend on sustained political will. Its support to civil society, which was effective in forming coalitions and advocating for change, was a key contribution to strengthening these incentives over the review period.</p> <p><b>We therefore find that UK aid made a medium contribution to the limited results in addressing corruption that were observed for Ghana overall.</b></p>
Improved domestic revenue performance through strengthened domestic revenue mobilisation (DRM) institutions	<p>UK aid significantly helped strengthen the regulatory framework and build technical capacity in critical institutions for DRM. Its support has been pivotal in raising additional revenue. However, to improve tax performance significantly – tax collection in 2018 as a share of GDP was less than in 2014 – Ghana’s revenue authority must first be reformed. UK aid is credited with key aspects of progress towards this necessary reform, but whether it will succeed will ultimately depend on political will.</p> <p><b>We therefore find that UK aid made a medium-to-strong contribution to the limited results observed for Ghana overall.</b></p>
Good governance of Ghana’s oil and gas natural resources	<p>Ghana has made good progress in strengthening the governance of its oil and gas revenue, although challenges remain on managing the funds that enter the national budget. The technical support financed by UK aid has been significant in strengthening the technical capacity of the Ministry of Energy, Petroleum Commission and Bank of Ghana in their roles. The research findings and advocacy of the key CSOs and platforms have been critical incentives for better management of the oil revenues. UK aid was a strong contributor to these processes.</p> <p><b>We therefore find that UK aid made a strong contribution to the good results observed for Ghana overall.</b></p>
<b>Human development and leaving no one behind</b>	
Improved access to mental health care	<p>Ghana has seen a significant improvement in access to mental health care services, with all public hospitals as well as many community-based facilities offering services, and over 100,000 patients accessing services in 2018. UK aid’s technical support and financing of services to develop an improved system of mental health care in Ghana has been an essential contribution to significant results. Without the support of UK aid, it is not clear that the significant improvements in the availability of facilities and trained staff, as well as medicines, would have been possible.</p> <p><b>We therefore find that UK aid made an essential contribution to good results overall for Ghana.</b></p>

<sup>70</sup> This table presents analyses drawn from nine of our ten case studies. The tenth case – support to teacher training – is not analysed because it could not yet have contributed to development outcomes (education quality) as the first cohort of teachers supported through UK aid will only graduate in 2020. The revenue reform programme and oil and gas programme contributions to domestic revenue realisation are analysed separately, for the sake of clarity.

Improved access to primary health care through better community health services	<p>The availability and quality of community health facilities and staff capacity in the four regions supported by UK aid have improved, with positive results on some key indicators of primary and reproductive health care, such as the family planning acceptor rate (that is, first-time users). Other outcome indicators did not show improvement, such as the share of five-year-olds treated for diarrhoea. UK aid's contribution to improved community health services has been significant in the regions where it is active. Without its support the expansion of facilities and the delivery of the maternal and child health programme at facilities would not have occurred to the same degree. While outcome results are mixed, the general trend is that more services were made available closer to communities in the four DFID regions as a result of UK aid support.</p> <p><b>We therefore find that UK aid made a strong contribution to medium results overall for Ghana.</b></p>
Increasing girls' access to schooling	<p>Girls' education outcomes improved in the districts where the girls' bursary programme was active, both for bursary holders and for the districts as a whole. Girls who held bursaries performed much better than the national average on several measures. DFID's contribution is seen as strong, because of the number of girls supported, which impacted education access and completion outcomes in the target deprived districts. Inputs of the Ghana government and the complementary World Bank-managed Global Partnership for Education programme also contributed. The secondary effects of strengthening district-level support for girls' education, and of strengthening community involvement in schools, contributed to district-wide results.</p> <p><b>We therefore find that UK aid made a strong contribution to good results for Ghana.</b></p>
Reducing the share of children who are out of school	<p>The share of children who are out of school reduced from over 20% in 2010 to 4.4% in 2018 in four of Ghana's poorest regions, where most of the country's out-of-school children were living. During this period in these regions, UK aid piloted and scaled up a programme that worked in hard-to-reach communities to help about 200,000 children who had missed out on schooling to catch up with their peers and enter or re-enter formal school. Up to 2018, the programme financed community facilitators delivering year-long learning cycles to children in these communities. A DFID-contracted service provider managed CSOs to deliver the programme (except in some sites that were managed by UNICEF). In 2018 the Ghanaian government adopted a complementary basic education policy (developed with UK aid support) and financed some learners through a pilot complementary basic education programme with DFID support.</p> <p><b>We therefore find that UK aid made an essential contribution to the good results observed.</b></p>
Strengthened access to social safety nets for the most vulnerable	<p>In 2017 more people were extremely poor in Ghana than in 2013, as growth slowed down and macroeconomic conditions worsened, especially in rural areas. At the same time UK aid contributed strongly to the expansion of the Ghanaian government's social safety net programme, including strengthening targeting and payment capacities. Its financing of the transfers reaches approximately one fifth of extremely poor people in Ghana. While more people were poor by 2017, many households would have suffered more deprivation without UK aid support.</p> <p><b>We therefore find that UK aid made a strong contribution to limited results for Ghana.</b></p>

## Private sector development and inclusive growth

Improving the business environment	<p>Improvements in the business environment in the areas where UK aid delivered support have been limited, despite good performance on construction permits. Contract enforcement improvement stagnated and the burden of tax administration worsened on global ease-of-doing-business measures. UK aid's contribution to improved performance on the construction permits measure – where results were recorded by 2019 – is likely, as the software it supported was implemented in the two metropolitan areas assessed for the measure. Nationwide rollout, however, still has to happen. UK aid's contribution to strengthening the judiciary has been limited while its support for easing tax administration burdens had not yet yielded significant results by the end of the review period. Its contribution to developing the motor industry is acknowledged.</p> <p><b>We therefore find that UK aid made a limited contribution to limited results in terms of strengthening the business environment in Ghana.</b></p>
Improving market access for the poor in the Northern region	<p>UK aid's market development programme aimed to contribute to improved daily consumption expenditure in the Northern, Upper West and Upper East regions of Ghana, through improved incomes and yields of participating farmers. In the absence of data on daily consumption expenditure, incomes and yields for the regions, we looked at the share of people living under the national poverty line in these regions as a proxy, which had worsened. UK aid's programmes did, however, help just under 100,000 farmers, many of whom reported improved incomes. It has built links between market actors and small farmers and facilitated access to credit for farmers. After programme interventions were completed, the links and services were sustained. UK aid has not, however, made full use of opportunities to leverage its results with other donors and actors.</p> <p><b>Because of this and the limited scale of the programme, we therefore find that the programme made a medium-to-limited contribution to limited results for Ghana.</b></p>

- 4.52 Our analysis shows that for the nine case study programmes where we were able to do in-depth research to assess their effectiveness, we found that out of the ten associated UK aid objectives for Ghana, the bilateral aid programme made an essential contribution to good results for two of them and strong contributions to four. In other cases, the contribution analysis found that programmes were started too recently, were at too small a scale and not leveraged as pilots, and were sub-optimally focused or too fragmented to have been effective given other contributions. At the same time, factors that were outside of DFID's control negatively affected results, including worsening macroeconomic conditions (which stalled and reversed poverty gains before the period) and the government of Ghana's ability to finance complementary actions.
- 4.53 In context, UK aid was able to achieve more than many other donors in key aspects of its performance against these ten objectives, as set out in summary below:
- UK aid programmes benefited from DFID's in-country sector advisers and, in the case of the revenue programme, from HMRC's technical capacity. In governance and in some key performing social sector programmes, it also chose to work with service providers that were technically highly able. DFID's country knowledge and its flexibility to respond to changing circumstances were seen by many stakeholders as central to why it was often able to achieve more than donors that were more remote and whose institutional set-up meant that they were less responsive.
  - In the mental health and complementary basic education programmes, DFID opted to support areas that had not received much support before, enabling rapid progress. It helped that it was able to make

sizeable investments and it made good choices (from an effectiveness perspective) on how to assist in context. In this, having in-country advisers was also key.

- Innovation (and country knowledge) was also important in anti-corruption, where DFID opted for a systemic approach, built around how key actors would be incentivised in context to act. Our interview evidence suggests that this made it more effective than donors who took narrow technocratic approaches. In this area, as well as its key revenue reform programmes, it was also patient, understanding the importance of relationships in support for institutional reforms.
- DFID's choice to work in formal partnerships with other donors meant that programmes could operate at a scale that made them effective and draw on its strengths and those of its partners as needed (for example livelihood support, community health services and support for out-of-school children), making these programmes more effective than single-donor programmes.
- In some key social sector programmes, after the end of budget support, DFID opted for direct delivery of support to beneficiaries through non-state actors, supported by its capacities for managing service providers. From an effectiveness perspective, this allowed it to reach more beneficiaries faster in more remote communities than donors working more through state capacities.

### **At programme level, UK aid programmes almost always achieved or exceeded their output targets, as measured in DFID reviews. Progress on outcomes was less common, and not reported for about a quarter of programmes**

4.54 DFID's own review scores show positive output performance for most programmes. At programme level, the DFID Ghana median 2012 to 2019 portfolio quality index score (a DFID measure which shows how well the aggregate portfolio of programmes weighted by spending deliver their outputs) was 100.2. The score can range from 50 (outputs substantially did not meet expectation) to 150 (outputs substantially exceeded expectation). DFID Ghana's performance on this measure was about equal to DFID's global performance.<sup>71</sup>

4.55 As the portfolio index score does not assess outcome performance, we tracked available DFID reviews to assess the most recent performance at this level as a complement to our contribution analysis, and were able to track outcome performance for 39 programmes (26 closed and 13 ongoing programmes).<sup>72</sup>

4.56 At the outcome level, progress was less common and often not reported. Our assessment results are set out in **Figure 13**.

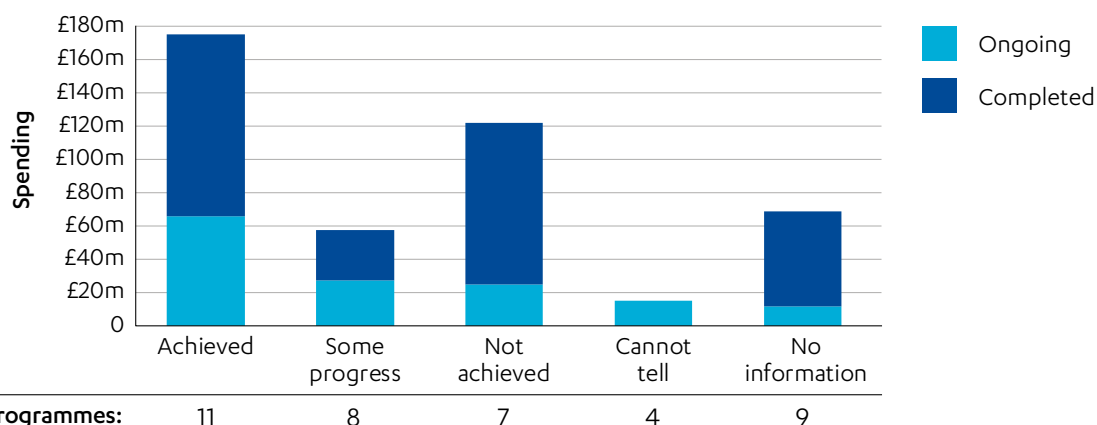
In summary:

- For nine programmes, representing 16% of spending in our review period, the reviews did not have findings on outcome performance.
- For 19 of the 30 programmes with outcome assessments, representing 53% of spending, programme outcome targets were achieved, or reviewers thought progress had been made.
- For seven programmes, representing 28% of spending, outcome targets were assessed as largely not achieved.
- In the remaining four programmes, all ongoing and representing spending of 3%, the reviewers found it was too early to assess, or information was not available.

<sup>71</sup> Between 2014 and 2018 the median of DFID Ghana's portfolio quality index was within two index points of the median global score. We use the median score because the 2015 score for Ghana was an outlier, which meant that the average was not a representative measure of its performance. The average of the 2012 to 2019 portfolio quality index scores for Ghana is 98.4.

<sup>72</sup> We did not track the data for very small programmes, or programmes for which we did not have Ghana-specific data. We also did not assess support projects for larger programmes, such as the evaluation project for the Millennium Villages programme, though we took note of the recent evaluation of this programme in our literature review (p5, ICAI website). The spending share reflected in this section is of total spending of the programmes we tracked.

Figure 13: DFID Ghana outcome performance on annual review and project completion reviews



Source: DevTracker and DFID Ghana. Data is from the programme completion reviews or last annual review for completed programmes, and from the latest annual review available for ongoing programmes. The outcome scores are based on the scores provided in the reports. Where no score was provided, it was derived from the text.

4.57 Outcomes were, however, set unevenly across programmes. Some programmes counted outcomes for the citizens directly affected by the programme (for example in complementary basic education they measured school transition and learning outcomes of the beneficiaries). Others counted increases in the number of people using a service as an outcome (for example the social safety net livelihood support programme counted the number of households benefiting as an outcome). While these are results of the programmes, they measure results for the beneficiaries and the programme scale or coverage, not the development outcomes for Ghana. Outcomes for other programmes were set more ambitiously as a change in a society-wide indicator (for example in the malaria support programme, the outcome measure was the percentage of children under five who had slept under a bed net the previous night).

### The quality of DFID’s partnerships with the Ghanaian government and other actors has been a key factor in programme success

- 4.58 UK aid officials noted the critical role played by trust and partnership in achieving programme objectives. There is clear evidence that DFID Ghana has invested in partnerships to support its programmes and amplify its reach. It maintains partnerships with national government counterparts, actors outside of the state, and with fellow donors.
- 4.59 DFID Ghana has been able to uphold bilateral partnerships with government in the face of the collapse of multi-partner dialogue platforms in Ghana early in the review period, which reset Ghana’s formal and informal partnership system (see **Box 8**).

#### Box 8: A changing partnership context

The development partnership context in Ghana changed significantly when budget support came to a halt in 2013–14. Before, policy dialogue was coordinated through the sector working group structures, linked to the multi-donor budget support working group. These groups functioned as multi-partner sector-level policy dialogue forums. In 2013 the multi-donor budget support programme went off track as the macro-fiscal situation worsened. Relationships between government and traditional development partners soured, as a new performance framework could not be agreed. Eventually, in 2014, the multi-donor budget support group disbanded, effectively bringing to an end the era of multi-partner policy dialogue. Sector working groups are still in place, but the Ghanaian government is often absent or does not attend at all. The groups, when they are still active, function largely as donor coordination mechanisms.

Representatives from the Ghanaian government, DFID and other development partners we spoke to said that in this context policy dialogue is much more difficult. There is no policy framework on development cooperation: a draft policy has been produced and revised, but not adopted by the government of Ghana. The Ghana Beyond Aid strategy has revitalised questions about the role of donors and how relationships should be managed. DFID, as the current chair of the heads of cooperation donor group, has recently taken a lead in coordinating a new multi-donor discussion with the government of Ghana on a model for development cooperation.

- 4.60 DFID's relative partnership success with government appears to be because its main technical staff and decision-makers are based in country (which is not the case for all donors), and because it is responsive to the priorities and needs of the government of Ghana. Our interview evidence highlighted this across sectors. We were told by DFID that the role of the sector advisers is critical and will become even more so as technical assistance moves to the centre of the UK aid offer.
- 4.61 UK aid has also developed partnerships with CSOs, private sector organisations and media organisations that have supported the achievement of UK aid objectives in governance and private sector development. We have discussed the partnership with CSOs in the governance sector from paragraph 4.8 above. In private sector development, DFID implemented an innovative partnership with research institutions, think tanks and the media to strengthen its business enabling environment reform work. DFID is working with the UK-Ghana Business Council and Chamber of Commerce on constraints on UK-Ghana business and feeding this into the reform discussions. Partnership with CSOs in the social sector was centred on CSOs as implementing partners. With some exceptions – such as work on petty corruption in health in the Northern region – the potential for links between the work of STAR Ghana and the social sector programmes to build social accountability that supports UK aid objectives more specifically was not exploited enough.
- 4.62 DFID Ghana's partnerships with its fellow donors are solid, for the most part. The development partners we spoke to were complimentary about the role played by DFID overall, including its complementary role in their sectors.

## The role of the imputed multilateral share

### UK aid's multilateral partners have made key contributions to progress against UK aid objectives

- 4.63 Key contributions towards UK aid objectives were made by the IMF, the World Bank, the African Development Bank (AfDB), various global funds and the UN family. **Figure 14** below presents the significant multilateral programmes that benefit from UK funding, and their results, where reported by the multilaterals. We collected data on these contributions from our review of multilateral documentation, including programme reports and evaluations, but did not try to assess their effectiveness independently.

Figure 14: Contribution from the multilateral share of UK aid funding



AfDB: African Development Bank  
 ECOWAS: Economic Community of West African States  
 IMF: International Monetary Fund  
 LEAP: Livelihood Empowerment Against Poverty

LNOB: Leave No One Behind  
 STAR: Strengthening Transparency Accountability and Responsiveness  
 UNFPA: United Nations Population Fund  
 UNICEF: United Nations Children's Fund

## Multilateral partners bring leadership, technical depth, scale of financing and long-term partnerships that enhance the effectiveness of UK aid

- 4.64 **Leadership:** Multilateral agencies have taken the lead on partnership and policy dialogue with the government of Ghana. In the early years, the World Bank was the permanent co-chair for the multi-donor budget support platform and engaged with the government on behalf of development partners, including the UK. Donors relied on the Bank's assessment of the government of Ghana's adherence to the Partnership Principles for budget support. In later years, the IMF played a similar role on behalf of development partners under the Extended Credit Facility from 2015 to 2019.
- 4.65 **Continuing support as bilateral partners reduce their aid:** In the transition context, where UK (and other) bilateral aid budgets are shrinking, multilaterals are an important means of continuing long-term support for Ghana. Over the review period, there are key examples of where this has already happened. For instance, UNFPA (reproductive health and family planning) and Gavi (malaria) continued their activities where DFID Ghana bilateral support had ended. A central DFID programme continues to fund UNFPA and DFID contributes 26% of Gavi funding. And in public expenditure management, while DFID wound down its funding, the World Bank and the IMF continued a full programme of support.
- 4.66 **Technical capacity:** Multilateral agencies, especially the international finance institutions but also some global pooled funds, often have better access to tailored technical capacity and technical approaches tried elsewhere. For example, support for the business regulatory reform unit at the trade and industry ministry is better done by the World Bank, as the Bank is the architect of the Doing Business work and has breadth of knowledge and experience from a wide range of countries on policy options. In governance, DFID supported the adoption of anti-money laundering software (GoAML) in the Financial Intelligence Centre. The software was developed by the United Nations Office on Drugs and Crime. In social protection, the World Bank's support to delivering cash benefits to the poor incorporates global lessons learned on reducing fiduciary risks and cross-ministerial coordination.
- 4.67 The multilaterals often produce good analytical and diagnostic work, especially when extensive depth and breadth of technical capacity is required. DFID draws on this work for its own purposes, but also to support its work with counterparts.<sup>73</sup> In the domestic revenue reform programme the World Bank undertook an influential tax gap analysis, financed from the DFID Ghana budget. The tax gap analysis highlighted that 80% of the tax gap was due to under-collecting from large taxpayers, where only 20% of the tax collection effort was directed.
- 4.68 **Larger financial reach:** The international financial institutions have more financial resources to direct at problems, meaning higher potential for significant impact on systemic issues. World Bank funding for programmes in areas of DFID support is well above the amount of UK bilateral funding. This means they have the resources to undertake large data projects that are important for delivery on UK aid objectives, such as the development of a centralised data storage system for the Ghana Revenue Authority and the public financial management information system.
- 4.69 **Wider variety of instruments to support Ghana's transition:** The international financial institutions and funds (the International Finance Corporation and the African Development Bank) are able to draw on significant resources to deploy a wide variety of instruments appropriate for Ghana's changing context, especially to leverage additional private capital and to fill market gaps where commercial financing is not available – debt, equity, guarantee instruments to overcome barriers to investment, project development facilities and technical assistance funds.

<sup>73</sup> Key studies in the review period are *Priorities for ending poverty and boosting shared prosperity: Systematic country diagnostic*, World Bank, 2018, [link](#); *Shifting Ghana's Competitiveness into High Gear*, World Bank, 2017, [link](#); *Ghana Enterprise Survey*, World Bank, 2013, [link](#). The Bank also shares its country strategy performance and learning reviews (e.g. 2016, [link](#)). Other useful diagnostics are *Ghana Poverty and Inequality Report*, UNICEF, 2016, [link](#); and Northern Ghana Human Development Report, UNDP, 2018, [link](#). The IMF's Article IV country reports also provide trusted information on public finances, [link](#).



## DFID's mechanisms to engage multilaterals on their work in Ghana at the global or country level in the context of transition are underdeveloped

- 4.70 There are many instances of partnership between UK aid programmes and multilateral programmes in joint work areas when objectives align. In these cases, DFID invests time and resources in its relationships with the multilaterals in order to align and leverage the comparative advantage of each.
- 4.71 There is little evidence, however, that DFID is strategically working with its multilateral partners, linking country and headquarter levels, to leverage its imputed share, besides long-standing processes of commenting on World Bank and African Development Bank programmes before board submission. In view of DFID's objectives to leave no one behind and protect past development gains, such engagement is important given that DFID has reduced or exited support in areas where Ghana still faces significant development challenges (such as maternal and child health care or girls' education outcomes in northern Ghana). DFID Ghana is just starting to work out strategies for doing this.
- 4.72 DFID's systems to enable country teams to work through the Directorate for Economic Development and International in London are also underdeveloped. DFID Ghana drew our attention to its participation in the two DFID multilateral development reviews. But this is not the same as systematic links between country offices, including Ghana, and the Directorate on country priorities and opportunities to influence multilateral country strategies through global channels. We understood from the Multilateral Effectiveness Team that DFID London is currently assessing options to enable these kinds of systematic links.

## Conclusion on effectiveness

- 4.73 DFID did not make clear what portfolio-level outcome results it was pursuing in Ghana. The only published results framework for the period was output-oriented and covered less than half of bilateral spending. Even at programme level its setting of outcome objectives sometimes targeted results that were about the scale of programmes and results for beneficiaries, rather than progress for Ghana overall.
- 4.74 We found that UK aid made an essential contribution to Ghana's development progress in two, and a significant contribution in six, of ten programming areas we selected for in-depth review. We found that in these cases it was often able to deliver well in context relative to many other donors because of technical capacity, country knowledge and because it chose to support new areas, work in innovative ways, or opted for direct delivery to beneficiaries. Its success has also been aided by the quality of its partnerships with counterparts.
- 4.75 The fact that UK aid programmes in Ghana were often effective is supported by existing programme review documentation. DFID's own reviews show that most programmes achieved target outputs and, in many cases, the outcome targets set. DFID also exceeded the headline results set in the (output-oriented) headline results framework.
- 4.76 UK aid's multilateral partners have made key contributions to progress against UK aid objectives. In a transition context, multilateral institutions offer a means to continue UK aid support to Ghana. As yet, DFID's ability to influence multilateral partner programming towards UK aid objectives in Ghana is poorly developed.
- 4.77 In conclusion we find that there are credible signals that the UK aid portfolio in Ghana is effective, but that UK aid as yet does not have the mechanisms to harness all its resources, including through multilaterals, to achieve the UK's aid objectives. This amounts to a **green-amber** score for effectiveness.

## Sustainability: How likely are the results of UK aid to be sustained in the future?

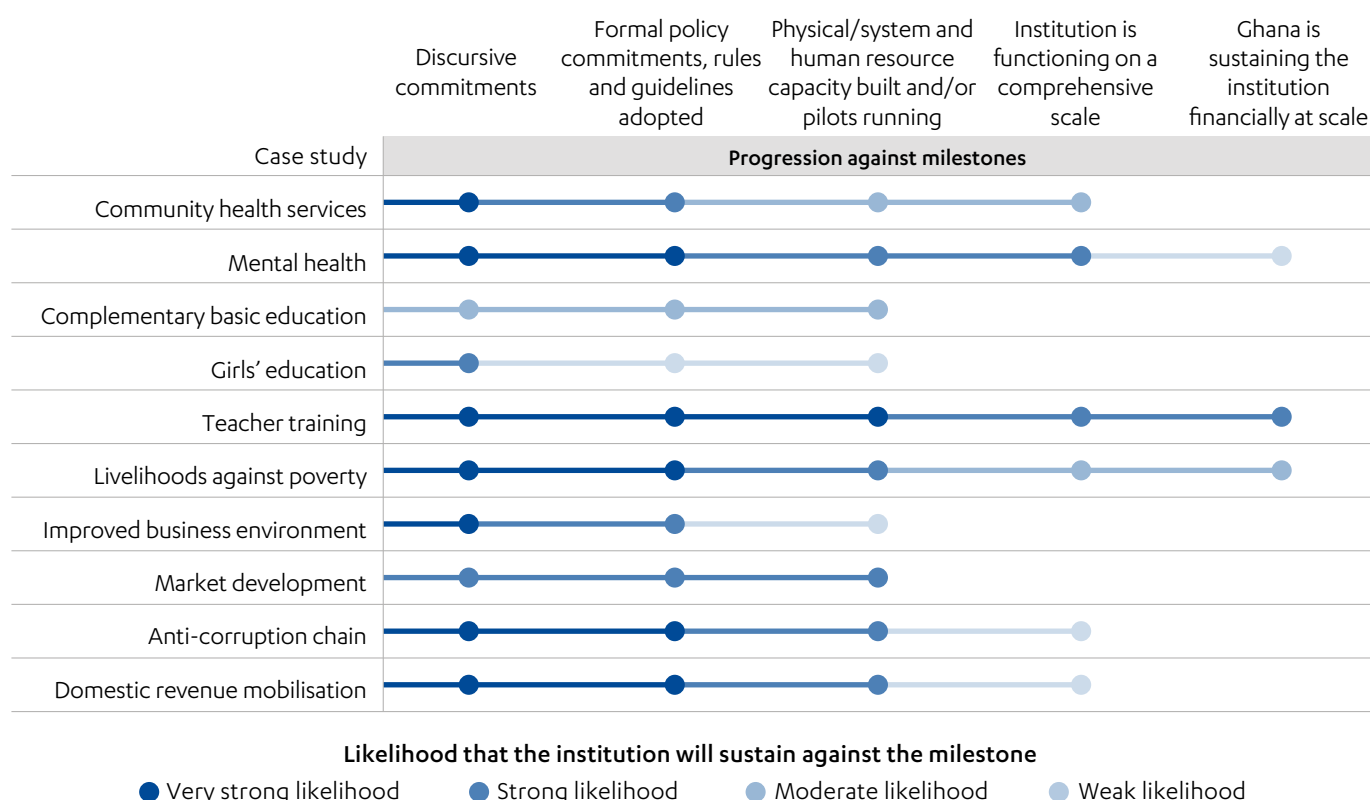
### Strengthening sustainable Ghanaian institutions

#### DFID has a mixed record in contributing to stronger Ghanaian institutions for the longer term

4.78 Achieving sustainable results is the greatest challenge for external aid programmes.<sup>74</sup> In a transition context, strengthened and sustainable Ghanaian institutions are critical to Ghana's ability to finance and deliver its own development interventions and social services. We analysed whether the institutional strengthening that occurred in our ten case studies was sustainable. We interpreted institutions to refer to the full set of rules, systems and capacities needed for a service to be delivered or a system to be functional.

4.79 To assess progress, we used a model of 'cumulative institutional strengthening'. Using a series of milestones, we assessed the degree to which each milestone was achieved in establishing functional, sustainable institutions. The milestones are deemed to be cumulative, with achievement of lower-level milestones (a verbal commitment, a policy document) supporting sustainability of later milestones (such as sustainable capacity building, pilots, institutions functioning at scale supported without donor financing). **Figure 15** below shows the results of our analysis in each of the ten case studies. The further a bar progresses along the scale to the right, the more sustainability milestones have been achieved. The robustness (for sustainability) of achievement against the milestones is indicated by shading the lines. Darker blue lines show a higher likelihood that achievement of the milestone will be sustained than lighter blue lines.

Figure 15: Institutional strengthening assessment results



4.80 In none of the ten in-depth case studies could we find that the job was done. The closest was the teacher training programme, where there were strong signals that practice in Ghana's colleges of education has changed, and that by 2019 teacher degrees were up and running with the first class graduating in 2020.

<sup>74</sup> *Aid, Incentives and Sustainability*, Swedish International Development Cooperation Agency, 18 June 2002, [link](#).

- 4.81 There is also evidence of UK bilateral aid contributing to elements of ‘very high’ institutional functionality in mental health and livelihood support. In the livelihood support programme, more than half of the target households were supported, government capacity was improved and the government already carried significant cost, and had committed to full government financing at some point in the future. In mental health, all hospitals provided mental health services by early 2019 and integration with community health services was being piloted. However, the full cost was not yet financed by the government of Ghana.
- 4.82 In community health services, the anti-corruption programme and domestic revenue mobilisation, some elements of ‘high’ institutional functionality were achieved, but we found that the change was as yet not robust or clearly sustainable. For example, in domestic revenue mobilisation, functionality was improved in some sub-areas of reform and Ghana was sustaining the progress made (for example the capacity built in the Bank of Ghana for oil revenue management and in the Ghana Revenue Authority for collecting tax from large taxpayers). But in other sub-areas in which DFID, HMRC and the NCA are working, much less progress was made.
- 4.83 In the rest of the case studies, we found institutional strengthening to be at best at the medium level of physical and human resource capacities, and that progress made at this level was not yet necessarily sustainable.
- 4.84 In summary, the case studies indicate that whereas UK aid has contributed to institutional strengthening in all ten case studies, we can only make a credible argument in three cases that the results are sustainable. In an additional three areas, there are early signals that sustainability can be achieved if the programmes continue. For the remainder, we could not say with confidence that the institutional strengthening that occurred is sustainable.

#### DFID chose delivery methods for social services that allowed initiatives to reach high numbers of beneficiaries, but at the expense of strengthening weak Ghanaian government systems

- 4.85 Six of our ten case studies were programmes in the social sector. Of these six, DFID supported and financed new or nascent types of services in five programmes, which did well in reaching beneficiaries (see the ‘effectiveness’ section of this review), but their novelty implies that strong and long-term institution building is required to build systemic implementation capacity to sustain them. In the case of the sixth, although the community health services policy was in place for 20 years, capacity building programmes were in operation from 2013, supported by the World Bank and DFID.
- 4.86 **Table 7** shows the six social sector case studies. It shows that in three of the six cases, service delivery and management was not by government, or not exclusively by government. In all three cases both functions were largely fulfilled by non-state actors, which meant that DFID achieved good success, but with the risk of less sustainability unless the non-state actor in question had other sources of funding.

Table 7: New social sector initiatives started in the 2011–2015 Operational Plan period

Initiatives	Service delivery and/or management by Ghana government	Management by Ghana government but delivery by non-state actors	Service delivery and management by non-state actors
Community health services	✓		
Mental health services	✓		✓
Complementary basic education*	✓		✓
Girls’ education	✓	✓	✓
Teacher training <sup>75</sup>	✓		
Livelihood support through cash transfers	✓		

\* This initiative was taken over by the Ghana government from 2017

<sup>75</sup> Teacher training is different from the other services in that it is about delivering the service of training teachers, rather than delivering services to end beneficiaries, as in the other five cases.

- 4.87 In line with its commitment to shift from supporting government-wide public finance management systems to building capacity in specific sectors, DFID included capacity building and system strengthening elements in all the bilateral programmes assessed in our ten case studies (not just the six social sector ones), but none had resulted in system/technical or financial self-reliance at the end of the review period.
- 4.88 Serious system weaknesses continue to exist and hamper results in the social sectors. DFID's own diagnostics, independent sector research and stakeholders we interviewed identified weak public service systems and serious weaknesses in public sector governance and accountability mechanisms as key constraints on improving social sector outcomes. The new Education Beyond Aid programme and forthcoming Partnerships Beyond Aid programme prioritise technical assistance to strengthen government of Ghana systems (although the scope of the new programme was unclear at the time of writing this report), but the technical assistance and system strengthening that has taken place in the review period was too superficial, unsuccessful, or (still) too early in its implementation.

### The institutional strengthening model used in the governance sector shows early promise of being effective

- 4.89 Within our two governance case studies, three DFID Ghana programmes were initiated in the later part of the review period with designs that reflect global lessons on effective governance and institutional development work, including on working with political awareness, finding traction with units or individuals with a shared commitment to solving specific problems or better governance, and working adaptively by learning lessons on what works along the way. This approach is increasingly seen as more likely to bear fruit than top-down system-wide technocratic reforms.
- 4.90 Our governance case studies and interviews found evidence that early programme results in three of the four programmes can be attributed to this approach. For example, the anti-corruption programme selected the Financial Intelligence Centre as an entry point into the anti-corruption chain. Its new anti-money laundering software allowed the centre to draw data from other Ghanaian institutions, and enabled better links with these and other institutions in the anti-corruption chain. There is early evidence that the software has resulted in significantly more transactions being identified and processed, and better information sharing between the agencies.
- 4.91 Our literature review shows that political economy factors can easily derail efforts to strengthen technical capability. Common across the governance programmes is that they include support for both civil society (demand side) and government institution (supply side) interventions, and seek to build collaborative relationships between state and civil society actors with shared interests (see **Box 4**, in the 'relevance' section of this review).
- 4.92 Good examples of effective technical assistance are also common across the governance programme, resulting in an emerging model of good technical assistance, as set out in **Box 9** below. We also found evidence that the teacher training and learning programme used similar elements in its institutional strengthening interventions.

#### Box 9: An emerging model for technical assistance in Ghana

**Combining embedded technical assistance and short-term expertise:** An HMRC adviser is embedded in the Ghana Revenue Authority, together with a project management unit. Short-term highly specific technical assistance addressed specific needs. The embedded technical assistance is important for continuous relationship management and technical support and for orienting short-term specialists.

**Using Ghanaian expertise:** DFID, the service provider and government counterparts agreed that the department's use of Ghanaian expertise in the revenue reform programme and the oil and gas programme was conducive to open and constructive relationships. In education, the teacher training technical assistance is provided by a large team consisting almost exclusively of Ghanaians.

**Using peer-to-peer technical assistance:** DFID, the Ghana Revenue Authority and HMRC respondents concurred that working with peer-to-peer technical assistance results in a different dynamic than with contracted consultants. DFID and HMRC respondents noted that Ghana Revenue Authority counterparts have greater interest and trust in advice from peers.

**Improving technical assistance selection:** The Ghana Revenue Authority noted that HMRC actively ensures that specialists have both the technical and relationship skills to enable skill transfer. HMRC respondents said that a criterion when vetting colleagues for participation in its capacity development programmes is candidates' 'soft' skills.

Real (rather than token) participation by implementing partners in the selection of technical personnel is also good practice. DFID was not consistent in this respect: only in some sectors were government counterparts complimentary about the department's inclusive approach to the selection of expertise.

### In other areas institutional strengthening was not thoughtful and therefore less effective

4.93 We found multiple instances of institutional strengthening that was less effective, for example supporting new, unsustainable parallel structures, focusing on changes in laws, rules and procedures and not on change in practice, or being mostly about training. Our interview evidence supports findings in DFID's own reviews that these interventions delivered limited results.

#### Box 10: Examples of less effective institutional strengthening

**Unsustainable and/or parallel structures:** The business environment programme supported the set-up of user committees to enable consultation between each of its counterpart government institutions and those affected by their services and regulations (before the change of government in Ghana). After the change of government, the Ministry of Trade and Industry initiated its own working groups (also supported by DFID) which overlapped with some user committees. The overlapping user committees were subsumed into the relevant working groups, but we heard from government that the working groups were not fully functional in the absence of DFID funding. Respondents thought the user committees were not likely to be sustained.

DFID is supporting the establishment of a delivery unit in the education ministry, staffed by consultants, from late 2018. It was not clear to development partners that the unit would be sustainable or effective, even though it was still very new at the time of our fieldwork. The fear was that it would not have the buy-in of the rest of the ministry and the Ghana Education Service.

**Focusing on rules and procedures without looking at implementation:** The Health Sector Support Programme included a technical assistance fund to support research and policy analysis. The DFID project completion review noted that the fund did not achieve its objectives for most years and lacked coherence and strategic direction in the later years, with a number of policies developed in isolation from the implementing agency or not finalised. Many of the fund's contributions were to suggest changes in laws, rules, procedures and guidelines, rather than to support changes in implementation.

**Training without monitoring how effective it was:** The mental health programme trained almost 2,000 community health workers to roll out mental health services on the community health services platform, without monitoring whether and how well the training was used.

## Protecting past development gains

### UK aid's bilateral and multilateral contribution to revenue mobilisation and macro-fiscal stabilisation is critical for Ghana's return to significant growth and self-reliance to sustain its development gains

- 4.94 During Ghana's 2014 macro-fiscal crisis, DFID's contribution to the dialogue with the government of Ghana and its technical assistance to the Bank of Ghana helped resolve the crisis. DFID's continued dialogue with the government of Ghana to redesign its remaining budget support was seen by stakeholders to be a key factor in the government of Ghana's acceptance of an IMF programme. Furthermore, the work by the IMF and the World Bank on macro-fiscal stabilisation (IMF) and public financial management (IMF and World Bank) are important contributions via the UK aid imputed multilateral share to Ghana's return to growth and protecting past development gains.
- 4.95 DFID and HRMC's support to the Ghana Revenue Authority and to oil revenue management has contributed to real increases in revenue. As donor resources to Ghana diminish, the country is relying more on its own revenue to finance investments in human and infrastructure development for growth, and to ensure that no one is left behind.

### Key human development results delivered by DFID through the financing of services during the review period remain at risk of not being sustained

- 4.96 From 2013–14, Ghana's ability to take up the financing of social services that had been funded by donors was severely constrained by lower growth and ballooning debt interest payments. Almost all domestic revenue was tied up in personnel costs and interest payments. While the economy was in recovery from 2016 and tax collection was improving by 2018–19, the social sector continued to face difficulties in scaling up service delivery spending. Social sector budgets were increasing in nominal terms, but not as a share of the budget and of GDP. Furthermore, the government's own resources were still largely tied up in personnel expenditure in the social sectors, with heavy reliance on donors to finance goods and services and capital expenditure. Tax collections were still some way from closing the tax gap.<sup>76</sup>
- 4.97 DFID's response to this set of circumstances, given its commitment to reduce the financing of service delivery, was inconsistent, both across and within sectors. We assessed whether, in practice, the gains made by DFID are likely to be sustained, as DFID's Business Plan 2016–17 to 2019–20 asserted they would (see paragraph 4.19 above). **Table 8** below assesses each of the case studies, providing basic programme details, DFID's follow-up programming (if any) or exit strategy, and our assessment of the arguments. We find that out of five programmes, only one is likely to be sustainable without continuing the financing of service delivery until government can take over. This means that while DFID's decision to shift aid from financing the costs of service delivery in Ghana may be justifiable in the longer term for a transition context, the decision about how quickly this shift should occur in the short term in Ghana's context between 2015–16 and 2018–19 did not support the commitment to protect past development gains.

<sup>76</sup> See, for example: *Ghana Public Expenditure Review*, World Bank, 2017, [link](#); *Ghana Education Sector Analysis*, Ministry of Education Ghana, 2018, [link](#); and *Holistic Assessment of the 2017 Health Sector Programme of work*, Ministry of Health Ghana, 2018, [link](#).

Table 8: Sustainability of results achieved through the financing of service delivery

Programmes, duration, beneficiaries reached and budget	Follow-up programming and strategy	Will development gains be sustained?
<p><b>Community health services</b> component of the Health Sector Strengthening Programme 2013–2018</p> <p><b>Citizens reached:</b> Direct beneficiaries of community health services facilities in targeted regions: 1.31 million (2018)</p> <p><b>Budget:</b> £12.4 million<sup>77</sup></p>	<p>The Partnership Beyond Aid programme will continue to provide support, but technical assistance only.</p> <p>Our consultations with DFID revealed that the expectation is that the World Bank will step into the gap left by UK aid.</p>	<p><b>Risk of reversing development gains</b></p> <p>Although the World Bank is continuing funding, it is not a long-term solution. The government of Ghana has not yet taken on the operational cost of the established community health zones. Its health budgets are under pressure, and have declined as a share of GDP and government budget over the review period. Several non-UK stakeholders said that DFID wound down its service delivery financing too quickly, having financed community health services for only a short period of time. DFID staff seem satisfied that continued support from the World Bank will be sufficient.</p>
<p><b>Mental health</b> component of the Health Sector Strengthening Programme 2013–2018</p> <p><b>Citizens reached:</b> People receiving outpatient and community health care: 110,216 (2018)</p> <p><b>Budget:</b> £10 million</p>	<p>Service delivery financing is continuing.</p> <p>Pipeline Leave No One Behind programme (£39.2 million) is expected to provide continued service delivery financing, but no data is available yet on extent or duration.</p>	<p><b>Risk of reversing development gains</b></p> <p>The financing of service delivery will continue in the next funding cycle. DFID recognises that mental health needs relatively long-term support. Beyond the pipeline Leave No One Behind programme, there is no clarity on further support. The business case for the pipeline programme does not provide a convincing answer on whether a sustainable exit strategy for financing is in place.</p>
<p><b>Livelihood support</b> Livelihood Empowerment Against Poverty Programme 2012–2017</p> <p><b>Citizens reached:</b> 193,675 households (832,802 individuals) across Ghana from 2012–13 to 2017</p> <p><b>Budget:</b> £30.1 million</p>	<p>Financial aid for services is continuing.</p> <p>Pipeline Leave No One Behind Programme (£39.2 million) would continue to finance service delivery and provide technical assistance.</p>	<p><b>Sustainability is likely</b></p> <p>Financial aid to finance the Ghanaian government’s livelihood support programme is continuing in the next funding cycle. Sustainability seems likely given the government of Ghana’s track record, ongoing (financing) commitment and ongoing DFID/World Bank support. UK aid invested in strengthening government institutions to deliver the direct transfers and grants programme.</p>

<sup>77</sup> 21% of the Health Sector Support Programme budget of £59 million.

<p><b>Out-of-school children:</b> Complementary basic education programme (CBE) 2012–2018</p> <p><b>Citizens reached:</b> Around 223,625 CBE beneficiaries were DFID-funded</p> <p><b>Budget:</b> £27.9 million<sup>78</sup></p>	<p>Education Beyond Aid is co-funding two CBE cycles (2018–19 and 2019–20) with £1.1 million. Any programme underspend may be allocated to the next cycle.</p>	<p><b>Risk of reversing development gains</b></p> <p>DFID has opted for a more gradual winding down of its financing of service delivery in complementary basic education. Its ambition in 2018 was that in the two remaining years of funding, government will build the financial and delivery capacity for complementary basic education. Government has committed to spend 1% of its budget on this and was co-financing services with DFID in 2019, although to fewer beneficiaries. DFID had an agreement for government to co-finance until 2019/20.</p> <p>Sustainability is therefore possible, but far from certain. The following factors contribute to our risk assessment: 1) It is not clear that the Ghanaian government was committed to or, in light of budget pressures,<sup>79</sup> will be able to deliver on the model of complementary basic education that delivered DFID’s results. 2) There is a risk that complementary basic education could be moved to the non-formal education authority without implementation capacities put in place in time. On balance we believe there is a risk that development gains will be reversed.</p>
<p><b>Girls’ education:</b> Girls – Participatory Approaches to Student Success programme 2012–2016</p> <p><b>Citizens reached:</b> 100,000 scholarships</p> <p><b>Budget:</b> £51 million</p>	<p>No direct continuation.</p> <p>The centrally managed Girls Education Challenge Fund is still implemented but is not considered a continuation of GPASS due to its different target beneficiaries, interventions and implementation arrangements.</p> <p>DFID also drew our attention to the fact that children now have access to fee-free senior high school education, that a World Bank programme includes scholarships, and that the CAMA alumnae network supports girls in education.</p>	<p><b>Risk of reversing development gains</b></p> <p>DFID mentions the impact on programme beneficiaries as the main sustainable impact of the Girls – Participatory Approaches to Student Success programme. The question, however, is whether the contribution of the programme to improving girls’ enrolment and performance in northern Ghana, which was acknowledged by the Ghanaian government in the 2016–17 education system review, will be sustained through continuing to reach new beneficiaries. Our assessment is that the risk of reversal of development gains is very high.</p> <p>The Girls’ Education Challenge Fund has awarded a grant to support out-of-school girls in six regions of Ghana, including the Northern region, but the reach is smaller and the aim is different. While primary, junior secondary and senior secondary education in Ghana is now fee-free, the scholarship programme provided more support than just paying school fees. Most scholarships were also in junior secondary, which was fee-free when the programme started. The CAMA network – a network set up by the CSO that implemented the programme – aims to continue support to girls’ education at a smaller, cost-efficient scale.</p>

<sup>78</sup> DFID financial aid funded delivery until 2016, then an additional £10 million from USAID allowed the continuation of delivery until 2018.

<sup>79</sup> *Ghana Public Expenditure Review*, World Bank, 2017, [link](#). The World Bank found that budget credibility is low. In 2015, for example, only 19.2% of budgeted expenditure on goods and services and 0% on capital expenditure was executed, while personnel budgets were overspent by 120%. *Public Expenditure Performance Assessment (PEFA) 2018 Report*, Government of Ghana, 2018, [link](#). The 2018 PEFA report awarded the second-lowest possible score for budget credibility, citing deviations between budgeted and actual expenditure in aggregate and composition. It also awarded the lowest score for the consistency of medium-term budgets with previous estimates, a reflection on the quality of forward planning.



## Conclusion on sustainability

- 4.98 UK aid has strengthened Ghanaian state, civil society and market institutions, especially those that enable Ghana to self-finance investment and public services. It has contributed to Ghana's macroeconomic management capability and stabilisation after the macroeconomic crisis. This will help sustain Ghana's development gains.
- 4.99 DFID is gaining experience in how to deliver institutional strengthening and technical assistance initiatives well. The emerging model was, however, not applied across the portfolio and there are many instances where UK aid's institutional strengthening interventions created unsustainable structures, or were overly about changing rules, procedures and guidelines and delivering training without also ensuring that practices change.
- 4.100 Furthermore, in the social sectors where DFID assisted many of the most vulnerable Ghanaians over the review period, it is not clear that the key results which DFID delivered will be sustained. This is critical in a context where the government of Ghana's financial and delivery capacity will take time to develop.
- 4.101 We therefore conclude that there is a material likelihood that key results delivered by UK aid between 2011 and 2019 will not be sustained, meriting an **amber-red** score.

# 5. Conclusion and recommendations

## Conclusion

- 5.1 Between 2011 and 2019, UK aid to Ghana was relevant for the most part to Ghana's development needs and priorities, and placed the UK in a good position to contribute to Ghana's transformation. The citizens we spoke to, especially the poor and those from remote districts, spoke about education and health services, employment opportunities and livelihoods among their top priorities. This is broadly aligned with UK aid's investments in those sectors. The UK aid programme in Ghana was also consistent with global UK aid objectives and included good examples of consistency across time and complementarity between programme elements.
- 5.2 UK bilateral aid programmes delivered their intended outputs and outcomes (when measured), but the effectiveness of UK aid at portfolio level is more varied. UK aid was not well placed to manage its portfolio at this level, as it did not clearly target the development outcomes in Ghana that it wanted to achieve.
- 5.3 Partnership and well-delivered technical assistance contributed to programme effectiveness in some cases, but not all institutional strengthening and technical assistance programmes were well conceived. Some established parallel structures, developed guidelines and frameworks without ensuring they were implemented, or were mostly about training.
- 5.4 UK multilateral aid made key contributions to the achievement of UK development objectives, especially in the context of transition, where multilateral programmes will remain even as bilateral aid reduces. As yet DFID is not doing enough to engage multilaterals at country level to coordinate programmes and facilitate continued support for UK aid objectives through UK multilateral aid.
- 5.5 It is not clear that significant results from UK bilateral aid programmes will be sustained. Our review period covers two significant sets of change in the UK's approach in Ghana. In the first plan period (2011 to 2015), UK aid ended budget support and reduced the share of its portfolio that was delivered through government. In order to reach more of the most vulnerable directly with services – at least partly in response to the corporate emphasis on attributable, aggregable results – it developed delivery capacity outside of the state in some of its key social programmes. This delivered good results but was at the cost of developing the core systems of the state for sustainable services.
- 5.6 In the second plan period (2016 to 2019), UK aid's new strategy was to reduce financial aid, exit most of its direct service delivery programmes, and position itself as a strategic partner for government through technical assistance. While this may appear justifiable in view of the government of Ghana's Beyond Aid vision, DFID's approach to the transition context and the UK's wish to shift to a new economic partnership built around mutual prosperity, the switch-around and the pace at which it reduced aid mean that the key results UK aid delivered when it was financing services directly are at high risk of not being sustainable.

## Recommendations

**Recommendation 1:** In transition contexts, DFID should ensure that the pace of ending the bilateral financing of service delivery in areas of continuing social need must be grounded in a realistic assessment of whether the gap left will be filled.

### Problem statements:

- Programming in the social services sectors absorbed 84% of DFID Ghana's reduction in bilateral spending during the review period. The annual average bilateral DFID Ghana resource flows to services for the most vulnerable reduced by 42% from the period 2011–12/2013–14 to the period 2016–17/2018–19. This left some gains achieved in the social sectors at risk of being reversed.

- The decisions on reducing funding were not underpinned by robust analysis of the financing, service delivery and development result implications. Rather, decisions were driven by shifts in UK aid policy and the Ghanaian government's beyond aid agenda.
- The reductions in UK aid funding of social service delivery are taking place during a period when poverty in Ghana is increasing again and regional inequality worsening, while the financial capacity of the Ghanaian government to finance new or expanded social service programmes remains limited.

**Recommendation 2:** DFID should require portfolio-level development outcome objectives and results frameworks for its country programmes.

**Problem statements:**

- The two plans directing DFID's spending of UK aid in Ghana did not specify measures to target and track which development outcomes DFID wanted to help Ghana achieve.
- DFID's programme-level results targeting also often lacked proper development outcome objectives.
- In the absence of such medium-to-long-term objectives, the emphasis in DFID on attributable, aggregable results encouraged programming that delivered such results in the short term without enough attention to sustainable, scaled-up impact in Ghana.
- In the absence of clear statements on the development outcomes the UK wants to achieve in Ghana, UK aid runs the risk of sub-optimal programming choices. When strategic objectives are formulated in terms of what existing programmes do, choices about continuing programmes or starting new programmes are not well guided.

**Recommendation 3:** DFID Ghana should learn from its own successes and failures when designing and delivering its systems strengthening support and technical assistance.

**Problem statements:**

- In the review period, DFID did not consistently apply the lessons from its programmes that have successfully strengthened systems and delivered technical assistance.
- DFID's partnerships with government are the result of having sector advisers resident in country. As its bilateral aid reduces, it may not have the staff to sustain this engagement, which will put more pressure on its technical assistance programmes delivering.

**Recommendation 4:** In transition contexts, DFID country offices, in coordination with the multilateral policy leads, should increasingly work to influence the department's country multilateral partners on issues of strategic importance.

**Problem statements:**

- In Ghana, UK aid has not changed how it engages multilateral country partners to reflect that the UK also has a strategic interest in how the multilateral share is spent when it is not an active partner in programmes. This will become more important as its bilateral aid reduces, especially to ensure that no one is left behind and past development gains are not reversed.
- Mechanisms to enable country offices to feed into the Directorate of Economic Development and International's engagement with multilateral institutions at the global level are also underdeveloped.

**Recommendation 5:** In order to strengthen the relevance of its aid programming and accountability to the people expected to benefit, DFID should include information on citizen needs and preferences, especially for the most vulnerable, as a systematic requirement for portfolio and programme design and management.

**Problem statements:**

- DFID does not require information on citizens' perspectives for country or programme diagnostics. In Ghana, the degree to which citizens have consistently seen health, education and livelihoods as pressing priorities was not part of the country diagnostics on whether and how fast to reduce aid for service delivery.
- In programmes where services are delivered directly to citizens, initial engagement during programme design and regular consultation during implementation is not a standard component of programme management.
- When UK aid finances Ghanaian government-led programmes, it does not have a standard requirement to ensure that the government has good information on the needs and wants of citizens for such programmes.

**Recommendation 6:** The government should provide clear guidance on how UK aid resources should be used in implementing mutual prosperity objectives to minimise risks and maximise opportunities for development.

**Problem statements:**

- Although there is currently caution in pursuing mutual prosperity, and even some benefits for ensuring non-ODA spending contributes more to development, the increased focus on secondary benefits to the UK from aid and development programmes carries risks.
- In the absence of clear rules and guidelines on aid use when it is managed through a joint strategy and platform with other UK government instruments and policy levers, the ability of country offices to manage these risks is too reliant on leadership continuing to give priority to development objectives, and the capacity of DFID country teams to engage with their UK government counterparts on risks.

# Annex 1: Analysis of UK aid’s contribution to relevant development outcomes in Ghana

The table below provides our analysis of development outcomes in ten results areas that are central to UK aid’s programming in Ghana. The analysis draws on nine of our ten case studies.<sup>80</sup> The tenth case – support to teacher training – is not analysed as it has not yet contributed to development outcomes (education quality) given the first cohort of UK aid-supported teachers will only graduate in 2020. For the nine objectives analysed, the information is based on mixed evidence sources, including: 1) external reviews and evaluations of UK aid programmes, 2) DFID’s programme documentation, especially annual and end of project reviews, 3) government of Ghana reports, 4) independent literature and databases, and 5) our fieldwork interviews. We used the table in our contribution analysis to help construct a credible argument as to what results have been achieved, if any, and UK aid’s contribution to those results.

In order to rate UK aid’s contributions, we used a qualitative scale:

- **Negative or no contribution:** the UK aid programmes did more harm than good, or there were no results.
- **Limited contribution:** A contribution for UK aid can be argued, but the contribution was not necessary to the results observed or relatively small given other factors.
- **Medium contribution:** The contribution made by UK aid cannot be categorised as small, even if contributions from other actors and external factors were more significant.
- **Strong contribution:** UK aid made a significant contribution relative to the other factors in the results observed.
- **Essential contribution:** Without the contribution of UK aid, the results observed would not have occurred, or the outcomes would have been much worse.

## Governance and anti-corruption

### Reduced corruption through strengthened institutions

Results in reducing corruption and strengthening institutions were still limited by early 2019, but UK aid made a medium contribution to the changes that were observed.

<b>Observed results</b>	<p>There was limited progress on anti-corruption action in Ghana between 2014 and 2018, even if perceptions of corruption slightly improved from 2017 to 2018.<sup>81</sup> Key milestones have been some improvements in the institutional framework, with the establishment of the Office of the Special Prosecutor, passing of the Right to Information legislation and strengthening the power of the Auditor General on unlawful expenditure.</p> <p>The coordinated action against corruption by the civil society sector is seen as a key change in the environment.</p>
<b>UK aid inputs and results</b>	<p>UK aid’s programming comprised the DFID Ghana Strengthening Action Against Corruption Programme. It was supported through the STAR Ghana programme and the centrally managed International Action on Anti-Corruption Programme (pulling together support for beneficial ownership transparency towards the end of the review period).</p> <p>These programmes contributed to a strengthened legal and institutional framework. Support for lead CSOs and platforms on anti-corruption contributed to more coordinated action, specifically with regards civil society interventions to get the Special Prosecutor bill passed.</p> <p>UK aid directly supported limited intermediate results in strengthened anti-corruption institutions, such as modernised capability at the Financial Intelligence Centre, dedicated financial crime teams and training at the Economic and Organised Crime Office, better links between detection and investigation agencies and progress on setting up a beneficial ownership register at the Office of the Registrar.</p>

<sup>80</sup> See Table 2 in Methodology for full list of case studies. For the sake of clarity, the revenue reform programme and oil and gas programme contributions to domestic revenue realisation are analysed separately.

<sup>81</sup> As measured by the global Corruption Perceptions Index, [link](#).

<b>Other key contributing factors</b>	<p>Other donors support civil society action on corruption, and interventions in key institutions such as the Auditor General.</p> <p>Stronger commitment by government to address corruption was critical for some key results, such as the appointment of the Special Prosecutor and an active Auditor General.</p> <p>At the same time, vested interests and entrenched competitive patronage politics stall effective action on corruption.</p>
<b>Contribution conclusion</b>	<p>UK aid's anti-corruption work has not progressed far enough to have made a strong contribution to anti-corruption results by 2019. However, a medium contribution to a strengthened institutional framework can be argued. UK aid's capacity building and institutional strengthening work can contribute in future but will need to be delivered in the context of sustained political will on anti-corruption. For this, UK aid's support to civil society was a key contribution.</p> <p><b>We therefore find that UK aid has made a medium contribution to limited results.</b></p>
<p><b>Improved domestic revenue performance through strengthened domestic revenue mobilisation (DRM) institutions</b></p> <p>Results in improving DRM were still limited by early 2019: a lot remained to be done to transform Ghanaian revenue institutions. UK aid, however, made a medium-to-strong contribution to the results that were observed.</p>	
<b>Observed results</b>	<p>By 2018 Ghana was estimated to be collecting slightly more in domestic revenue in real terms than in 2015.<sup>82</sup> However, this is likely because of GDP growth, not improved tax revenue, which in fact declined as a share of GDP (excluding oil taxes).</p> <p>There has been limited progress on strengthening tax policy and administration institutions, and key challenges remain. However, stronger progress can be observed in specific areas such as oil revenue collection, which has increased slightly as a share of GDP.</p>
<b>UK aid inputs and results</b>	<p>Bilaterally, the UK started contributing in 2015 through two DFID Ghana programmes: the Revenue Reform Programme with HMRC support, and Ghana Oil and Gas for Inclusive Growth. Support also came from the centrally managed Tax Transparency in Developing Countries programme (which supports Ghana's participation in international tax transparency information exchange).</p> <p>UK aid's contribution has been significant in bringing open bidding and contracting into the legal framework for oil and gas revenue (through supporting civil society to engage state institutions). It has also built technical capacity in critical institutions for domestic revenue mobilisation, such as the oil unit of the Revenue Authority, on prosecutions and on debt management. It has been pivotal in establishing a high net worth unit, key to closing the tax gap. Additional revenue has been raised for which this support has been pivotal. UK aid can also claim early results regarding the adoption of an organisational review, as a key step to transforming the revenue authority.</p>
<b>Other key contributing factors</b>	<p>Significant progress on expanding the tax base, reducing Ghana's tax gap and improving its revenue-to-GDP ratio will require the transformation of the Ghana Revenue Authority (GRA). This includes reducing staff while building skills, improving integrity and modernising processes and systems. Organisational inertia and factors rooted in Ghana's political economy make progress difficult.</p> <p>The UK is not the only donor supporting the GRA. The IMF technical assistance centres were the most prominent multilateral donor to the GRA, stepping up programmes in recent years. The World Bank works across government on management information systems. Other significant donors were the US, Denmark, Germany, Switzerland and the Netherlands. The GRA credited the DFID/HMRC team with improving donor coordination. Germany is also providing support to the tax policy unit.</p>
<b>Contribution conclusion</b>	<p>UK aid's contribution has been significant in strengthening the regulatory framework and building technical capacity in critical institutions for domestic revenue mobilisation. Sums of additional revenue have been raised in which its support has been pivotal. However, the major reform of the GRA needed to achieve the tax performance that UK aid targeted has not yet been achieved. UK aid is credited with key aspects of progress towards this reform, but its achievement is ultimately dependent on political will.</p> <p><b>We therefore find that UK aid has made a medium-to-strong contribution.</b></p>

<sup>82</sup> Ghana collected 6% more domestic revenue in 2018 than in 2015 – this was calculated using the Ghana Ministry of Finance and Planning Budget Statement for 2016 ([link](#)) and Mid-Year Statement for 2019 ([link](#)) estimates of outturns for 2015 and 2018. The World Bank Development Indicator GDP deflator series for Ghana was used ([link](#)) to adjust nominal to real revenue.

### Good governance of Ghana's oil and gas natural resources

Ghana has made good progress in strengthening the governance of its oil and gas revenue. We find that UK aid has made a strong contribution to these improvements.

<b>Observed results</b>	By the end of the period, Ghana was rated the best performer in Africa on the governance of its oil and gas sector. Institutional capacity was stronger, especially in the Bank of Ghana. Institutional strengthening of finance ministry institutions to track the use of oil revenue was under way, but a lot remains to be done.
<b>UK aid inputs and results</b>	The main bilateral programme was DFID's Ghana Oil and Gas for Inclusive Growth programme. Support for beneficial ownership transparency was delivered through DFID Ghana's anti-corruption programme. The centrally managed programme, Releasing the Transformational Potential of Extractives for Economic Development supported implementation of the extractives industry transparency initiative (EITI). Despite initial delays in the programmes, UK aid has significantly contributed to the management and oversight of oil and gas revenues. Besides the support for improving the legal framework, it has been instrumental in building capacity in the Bank of Ghana for managing oil revenue in the heritage and stabilisation funds. The Ghana oil and gas programme supported civil society partners, who highlighted weaknesses in the allocation and management of oil budget funds (including through investigative reporting which revealed that some funded projects were non-existent). This led the finance ministry to strengthen its monitoring capacities. The state's regulatory capacity for the sector has also been built through technical support for the Petroleum Commission, where UK aid is the main donor.
<b>Other key contributing factors</b>	The UK is the main donor in this sector. There is limited support to state offices from other donors. Norway is another key player, and the World Bank provides support through its EITI funding. UK aid has contributed to civil society work on oil and gas revenue management (through the oil and gas, civil society and anti-corruption programmes) but it is not the only donor supporting the lead organisations and platforms. It has, however, pushed for more coordination between donor and civil society organisations to engage state institutions through all its programmes. The political will of the Ghana government to manage its oil and gas revenues well is the critical factor in the progress made.
<b>Contribution conclusion</b>	The technical support financed by UK aid has been significant in strengthening the technical capacity of the Ministry of Energy, the Petroleum Commission and the Bank of Ghana in their roles. The research findings and advocacy of the key civil society organisations and platforms have been critical in establishing and maintaining good incentives for better management of oil revenues. UK aid was a strong contributor to these processes. <b>We therefore find that UK aid has made a strong contribution.</b>

### Improved access to mental health care

Ghana has seen a significant improvement in access to mental health care services, with all public hospitals offering services as well as many community-based facilities, and over 100,000 patients accessing services in 2018. As the only donor, UK aid made an essential contribution to these improvements.

<b>Observed results</b>	In 2011 an estimated 5% of mentally unwell patients received health care, increasing to 70% by 2018. The Mental Health Authority has been established and strategic plans, policies, protocols and guidelines are in place. Regional mental health coordinators have been appointed as well as 2,000 psychiatric nurses. Mental health indicators are now tracked. By 2018 all public hospitals offered mental health services (from 2%) as well as the Christian Health Association of Ghana, a key service provider to the most vulnerable. More than 100,000 people accessed services in 2018. Problems remain in governance, financing and medicine availability. There is still a significant number of people who do not receive care, and there is no data on the impact on health outcomes.
<b>UK aid inputs and results</b>	UK aid's contribution has been through a component of the Health Sector Support Programme, which closed in 2019. DFID can claim a significant contribution to the operationalisation of the Mental Health Authority and development of policies, plans, protocols and guidelines through technical assistance. It helped finance the training of health workers, including doctors and nurses, at community level and in health facilities. It supported improved access to services in health facilities, including access to medicines, and the development of community-level services. It also supported efforts by the Christian Health Association of Ghana, Basic Needs Ghana and the Mental Health Authority to address stigma related to mental illness and promote demand for mental health services by supporting radio and television shows and advertisements, as well as print media articles. These efforts have created demand for, and use of, mental health services.

<b>Other key contributing factors</b>	<p>The government of Ghana passed the Mental Health Act in 2012, with the aim of creating an improved system of mental health care in Ghana. It also established the Mental Health Authority, with the necessary mandates to develop a new system. It has provided financing for establishing the authority and appointing new psychiatric nurses. Similarly, the Christian Health Association of Ghana has provided financing for the development and operational costs of the improved system.</p> <p>There has not been other significant donor support for mental health services.</p>
<b>Contribution conclusion</b>	<p>The UK aid technical support and financial aid for developing an improved system of mental health care in Ghana has been an essential contribution to significant results. Without the support of UK aid, it is not clear that the significant improvements in the availability of facilities and trained staff, as well as medicines, would have been possible.</p> <p><b>We therefore find that UK aid has made an essential contribution.</b></p>

### Improved access to primary health care through better community health services

The availability and quality of community health facilities and staff capacities in the regions supported by UK aid have improved, with positive results on some key indicators of primary and reproductive health care. Other outcome indicators did not show improvement. However, we found that UK aid made a strong contribution, and that health outcomes in these regions would have been worse without this contribution.

<b>Observed results</b>	<p>Results in the four regions supported by UK aid for community health services have been mixed. The number of functional community health zones and the share of accredited facilities doubled between 2014 and 2018.</p> <p>Some outcomes improved: the proportion of women attending more than four antenatal visits increased in all four regions, as did the family planning acceptor rate and the use of contraceptives. But other outcomes stagnated or got worse: the share of five-year-olds treated for diarrhoea did not increase. The share of births attended by skilled staff improved in two regions but worsened in the other two.</p>
<b>UK aid inputs and results</b>	<p>DFID provided support through the Health Systems Support Programme from 2013 to 2019. Funding which was programmed as sector budget support was redirected to community health services, adding regions to the ones already supported by the World Bank.</p> <p>The programme supported the Ghanaian government to provide services at scale to four of Ghana's ten regions, nearly doubling Community Health Planning and Services zones from 1,248 in these regions in 2014 to 2,320 in 2018. The zones involve the establishment or improvement of community health facilities and services, and have acted as platforms for maternal and child health services. DFID has financed some operational costs of the community health services, and training on financial management, public health nursing and midwifery. DFID's investment in motorbikes and laptops has also been critical to enable community health workers to deliver services to the community and support monitoring.</p>
<b>Other key contributing factors</b>	<p>Political impetus for the maternal and child health programme by the government of Ghana revitalised the community health services strategy, creating a conducive context for UK aid support.</p> <p>On the other hand, from 2014 Ghana's macroeconomic deterioration and increasing debt costs meant that health financing declined as a budget share, putting pressure on non-salary spending. The financing of preventative care at community level was still being debated. Weaknesses in national health insurance financing also meant that facilities were not being reimbursed by the scheme, raising difficulties for patients who want to access services on their scheme membership. Drug stock-outs, due to financing constraints, contributed to lower use of some services than expected.</p> <p>The World Bank's programme that was implemented alongside DFID's support contributed to the results through its contributions to policy dialogue and implementation design.</p>
<b>Contribution conclusion</b>	<p>In the four regions supported by DFID, UK aid's contribution to improved community health services has been significant. Without its support the expansion of facilities and delivery of the maternal and child health programme at facilities would not have occurred to the same degree, if at all. While outcome results are mixed, the general trend is that more services were made available closer to communities in these four regions as a result of UK aid's support.</p> <p><b>We therefore find that UK aid has made a strong contribution.</b></p>



## Increasing girls' access to schooling

Girls' education outcomes in the districts where the girls' bursary programme was active improved, both for bursary holders and for the districts as a whole. Girls who held bursaries performed much better than the national average on several measures. We find that the bursary programme made a strong contribution to the district-wide results.

<b>Observed results</b>	The girls' scholarship programme was targeted at 75 deprived districts in eight regions. In these districts an external evaluation found that enrolment rates of girls had increased and retention and completion rates had improved. Gender parity improved in these districts from 0.91 to 0.93.
<b>UK aid inputs and results</b>	<p>UK aid supported girls' access to schooling through the Girls – Participatory Approaches to Student Success programme (G-Pass), which ran from 2012 to 2017. The Girls' Education Challenge Fund, a centrally managed programme, also funded projects in Ghana.</p> <p>UK aid supported over 90,000 girls to progress through junior or senior high school with a package of support. Support was provided via civil society and the Ghanaian government girls' education unit. The government package was less comprehensive, but covered more districts (75). Support was delivered through district-level girls' education officers and school-based facilitators who supported district-level activities, community engagement and awareness raising as well as school-based girls' clubs. The programme also supported capacity development of district girls' education units.</p> <p>The programme established girls' education networks and programme alumni networks that continued to provide support for girls after the programme ended. Senior school completion rates for girls receiving packages were about double that of girls nationally. The external evaluation noted that other students and schools benefited from the programme, as it contributed to an overall improved school environment.</p>
<b>Other key contributing factors</b>	<p>The government of Ghana financed the national girls' education unit and district girls' education officers, who implemented the package for a larger number of girls in more districts (75 districts) and schools than the civil society component (31 districts). Support to the civil society component was also provided by these officers. The financing of the bursaries was by DFID, for both civil society and government-supported districts.</p> <p>The World Bank supervised the Global Partnership for Education Programme, which also provided grants to improve girls' education and the quality of education in the same districts. This programme ended in 2016, but a World Bank-financed secondary education programme was active by the end of the scholarship programme, providing cash bursaries.</p>
<b>Contribution conclusion</b>	<p>UK aid's contribution is seen as strong because of the number of girls supported, which impacted education access and completion outcomes in the target deprived districts. The community-level work to provide a more enabling environment for girls also aided results. The inputs of the Ghanaian government – institutional support – and the complementary World Bank programme contributed. The secondary effects through strengthening district-level support for girls' education, community involvement and on schools also contributed to the results.</p> <p><b>We therefore find that UK aid has made a strong contribution.</b></p>

## Reducing the share of children who are out of school

In the target regions, the share of out-of-school children of school age reduced significantly between 2010 and 2018. UK aid piloted and scaled up a programme in these regions that worked in hard-to-reach communities to help almost 230,000 children who had missed out of schooling catch up with their peers and enter or re-enter formal school. By 2019 it had built capacity and commitment in government to co-finance complementary basic education (CBE). We find that the complementary basic education programme made an essential contribution to the results observed in the regions targeted.

<b>Observed results</b>	A 2013 study estimated that 10–15% of children are out of school in Ghana. Most of these were concentrated in the poor northern regions, where DFID's programme was targeted. In the target regions for DFID's out-of-school children programme, the percentage of out-of-school children reduced from just over 20% in 2010 to just over 4.4% in 2018.
<b>UK aid inputs and results</b>	From 2012, UK aid supported out-of-school children aged eight to 14 by providing access to a standardised complementary basic education programme, which aimed to enable the children to develop numeracy and literacy skills over a nine-month cycle. Using Crown Agents as the contract holder to manage 14 CSOs, the programme aimed to demonstrate the importance of targeting these vulnerable children, and the need for a complementary basic education policy. In 2015, USAID joined under a Partnership Agreement to scale up the programme. The CSOs and UNICEF delivered the programme through community-based facilitators in mother tongue to 228,556 children between eight and 14 years old (about 50% girls). In government, the programme helped to establish a CBE Steering Committee to develop the policy and to incorporate CBE into education plans and budgets. The Ministry has agreed that 1% of the basic education budget would be allocated to the CBE programme. Since 2018 the government of Ghana has co-financed implementation of the CBE programme in 14 districts. Altogether 247,888 children have completed CBE cycles, of which 88% entered or re-entered formal schooling.

<b>Other key contributing factors</b>	In 2008, the Ministry of Education in Ghana started drafting a CBE policy to bring out-of-school children into the formal system, but by 2012 had not yet completed a policy or committed financing. By 2018 a completed policy was adopted and the government was co-financing cycles of CBE. USAID contributed financing from 2015. UNICEF contributed to programme studies and managed its districts.
<b>Contribution conclusion</b>	The DFID programme made a very significant contribution to establishing formal provision of CBE for out-of-school children. It piloted and scaled up an approach using CSO-managed community facilitators to reach out-of-school children in districts that are hard to get to. It worked to develop the capacity in government to support children with its own financing. <b>We therefore find that UK aid has made an essential contribution to the results seen in the target regions.</b>

### Strengthened access to social safety nets for the most vulnerable

In 2017, as economic conditions worsened, more Ghanaians lived in extreme poverty than in 2013. At the same time UK aid contributed strongly to the expansion of the Ghanaian government's social safety net programme, including providing cash transfers and strengthening targeting and payment capacities. This was a strong contribution to reducing poverty.

<b>Observed results</b>	Between 2013 and 2017, the number of extremely poor people increased by 200,000 to about 2.4 million Ghanaians. In 2017, the Ghanaian government's Livelihood Empowerment Against Poverty Programme reached about 40% <sup>83</sup> of the extremely poor. An external impact evaluation showed positive effects on household consumption and savings, health care, debt reduction, productivity of adults and social networks. It found that the programme reduced poverty.
<b>UK aid inputs and results</b>	UK aid supported the Ghanaian government's Livelihood Empowerment Against Poverty programme through its own programme by the same name.  UK aid support expanded the reach of the programme. In 2017, 50% of direct transfers and grants were UK aid financed. By 2017 almost a million people were receiving grants in over 200,000 households. Just over half of the beneficiaries were in Ghana's poorest northern regions. The programme also invested in strengthening the capacity of the Ghanaian government to deliver the programme, which contributed to more regular payments to households. At the start of the government programme, this was not the case, affecting the poverty impacts of the programme. An electronic payment system has been developed and household targeting improved through digitised identification methods. DFID has contributed to the drafting of a social protection policy and legislation.
<b>Other key contributing factors</b>	The government of Ghana co-financed the cash transfers, increasing its commitments over the period.  The World Bank partnered UK aid through financing direct transfers and strengthening government capacity for managing the programme. UNICEF supported the programme through technical inputs, including financing research and evaluation.  Between 2013 and 2017, worsening macroeconomic conditions greatly slowed down Ghana's poverty reduction rates, effectively halting the reduction of extreme poverty.
<b>Contribution conclusion</b>	UK aid direct support for cash transfers reaches approximately one fifth of extremely poor people in Ghana through the programme. While the number of extremely poor people increased, this is on account of the economic environment. Without the government of Ghana's programme and UK aid support for it, the impact on the extremely poor would have been worse. <b>We therefore find that UK aid has made a strong contribution to expanding the social safety net for the poor.</b>

### Private sector development and inclusive growth

#### Improving the business environment

Improvements in the business environment in the areas where UK aid delivered support have been limited, despite good performance on construction permits. While the support for automobile sector policy was significant, it was not supported by similar results from other interventions. The positive UK aid contribution to easing access to construction permits was constrained by the fact that its software was implemented in only two metropolitan areas. Contributions to strengthening the judiciary had limited impact, while support for easing tax administration burdens has not yielded significant results. We therefore find a limited UK aid contribution to improving the business environment.

<b>Observed results</b>	Ghana's scores on the Doing Business assessments improved between 2015 and 2019 in terms of the ease of getting construction permits but were worse for the ease of paying taxes and stagnant for enforcing contracts. Overall, Ghana's ranking against other countries was stagnant. Its score by 2019 was better than the average for sub-Saharan Africa.  Business confidence as measured by the Association of Ghana Industries barometer fluctuated over the programme period.
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<sup>83</sup> UK aid Annual Review Report for LEAP 2017, [link](#), and Ghana Statistical Services 2017, own calculations.

<b>UK aid inputs and results</b>	<p>UK aid supported investment and business environment development in Ghana through the DFID Ghana Business Enabling Environment (from 2013) and Ghana Partnership for Jobs and Economic Transformation (from 2018) programmes. In 2018, the UK started a cross-UK government team working group on mutual prosperity, economic development, trade and industry (the EDIT working group) to coordinate support for private sector development.</p> <p>The aid-supported Business Enabling Environment programme was implemented in fits and starts according to the flexible programming model adopted, as DFID reconsidered how best to approach support in this area. By 2019, the programme had nonetheless designed and piloted software for online business and construction permit application in two metropolitan areas (with plans to roll out in eight more). These areas coincided with the areas in which the Ease of Doing Business construction permit indicator was measured. It worked with commercial courts on case management, pre-trial assessments and performance management for judges and a strategic plan. It helped with the development of new software systems, management systems and training, but there is little evidence that this has led to a change in practices. On leadership for regulatory reform, it is supporting a business regulatory reform plan with the trade and industry ministry for 2017 to 2020. Forums for government-private sector dialogue ceased when funding stopped. The main institutional gains were in the judiciary.</p> <p>By 2019, a new DFID business partnership programme was credited with making a significant contribution to the environment for industrial development through support to the National Industrialisation Plan. UK aid is also credited with significantly supporting the development of the automobile policy, which helped to establish of the motor industry in Ghana.</p> <p>The business environment programme did work with the Ghana revenue authority to develop business tax filing software, but the system was not operational by end of our review period (March 2019). We understand, however, that the first taxpayers did start using the system later in 2019. It also helped the tax authority produce business customer service manuals and standards, but evidence that they are used is limited.</p> <p>At the end of the period there were signs that the cross-UK government initiatives would improve demand for business environment reforms.</p>
<b>Other key contributing factors</b>	<p>Business environment reforms stalled between 2012 and 2016, and it is only after the new government came in that new momentum developed.</p> <p>Danida worked with the judiciary and there is evidence that this work was implemented under this broader programme that worked across the judiciary. Danida also had a programme that supported the private sector to engage government on business environment reforms.</p>
<b>Contribution conclusion</b>	<p>UK aid is credited with remaining a partner for the trade and industry ministry even when private sector development was not a high priority for the Ghanaian government. It designed a programme to support specific areas in the business environment, where it believed progress could be made. It has helped significantly in policy development for the motor industry.</p> <p>This has enabled it to provide support to the business regulatory reform plan, which could lead to more significant progress on the doing business indicators.</p> <p>Its support to the judiciary has made a limited contribution by 2019 to strengthening the functioning of the commercial courts. Its support to easing the burden of tax compliance has had limited results. Its support to construction permits would have contributed to the improvement in the ease of getting construction permits score, but it was only implemented in two metropolitan areas by 2019. <b>We therefore find that UK aid has made a limited contribution to limited results.</b></p>
<b>Improving market access for the poor in the Northern region</b>	
<p>UK aid's market development programme targeted improved daily consumption expenditure in the Northern, Upper West and Upper East regions of Ghana. As a proxy we looked at the share of people living below the national poverty line, which had worsened. UK aid's programmes did, however, help just under 100,000 farmers, many of whom reported improved incomes. It has built links between market actors and small farmers, and facilitated access to credit for farmers. After programme interventions were completed, the links and services were sustained. UK aid has not, however, made full use of opportunities to leverage its results with other donors and actors. We therefore find that the programme made a limited contribution.</p>	
<b>Observed results</b>	<p>There were no updated agriculture statistics available for northern Ghana. Poverty increased significantly for the region as a whole between 2013 and 2017. However, the market development programme's latest annual report states that 72,000 poor farmers had higher sales and turnover because they introduced models from the programme. About four out of ten were women and nine out of ten had higher incomes as a result.</p>

<b>UK aid inputs and results</b>	<p>UK aid invested in market development in northern Ghana through the DFID Ghana Market Development in Northern Ghana programme, active since 2013. It also invested via AgDevCo, now a private limited company with DFID as a member.</p> <p>The market programme supported farm and business enterprise advisers to provide advice to rural businesses and to smallholder farmers to facilitate their access to inputs and services. The programme also promoted commercial partnerships between processors, big farmers, wholesalers and smallholder farmers to secure market access. Lead farmers served as aggregators to support small farmers. Input and equipment supply companies from the south have entered the market in the north following increased yields to lower the cost of inputs. By 2019 the project had resulted in over 82,000 farmers changing practices and 77 businesses that had changed their practices and formed new partnerships. Over 50,000 farmers had accessed financial credit and business services. Businesses sustained their services to small farmers after the withdrawal of programme intervention, suggesting that the market was working. In the review period AgDevCo invested in eight agribusiness enterprises, of which three are currently live. Its investment into the greenfields Babator project aims to improve infrastructure for agriculture in the region and now has a large portion of irrigable land available. By 2019 it had not yet attracted investors into the project, but informants generally agreed that if successful, the project could have a transformational impact on agriculture in the region.</p>
<b>Other key contributing factors</b>	<p>Increases in poverty in northern Ghana can largely be attributed to worsening economic conditions for the country as a whole between 2013 and 2017.</p> <p>There are several donors working on agricultural projectivity and markets in the Northern Savannah Ecological Zone. The International Fund for Agricultural Development (IFAD) and the African Development Bank worked on agriculture value chains. The World Bank and USAID worked on strengthening rural commercial agriculture in the region. Canada and Germany also were implementing programmes.</p>
<b>Contribution conclusion</b>	<p>The market programme was relatively small. Assuming that the market programme was working only with farmers in the Northern region who were poor, the programme in 2017 would have been assisting 1% of the poor in the region. It has contributed to improving livelihoods through access to markets for a large number of small farmers directly and indirectly affected, and has contributed to less dependency on free services and inputs.</p> <p>Our analysis shows, however, that the programme faced two challenges to leverage its inputs to strengthen markets in the region beyond direct programme effects, namely limited engagement with the Ghanaian government to leverage results into improved policies, and limited connection with the other programmes working in the region, as well as with southern businesses.</p> <p>As yet the AgDevCo investments have not made a contribution to change at the outcome level, except for providing access to improved agriculture infrastructure. <b>We therefore find that UK aid’s contribution has been limited.</b></p>



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