

**POVERTY REDUCTION EFFORTS IN GHANA: THE EXPERIENCE  
OF THE EUROPEAN UNION MICRO PROJECTS PROGRAMME IN  
THE NORTHERN REGION**

by

**Abdallah Hakim B.sc. (Planning)**

**A Thesis submitted to the Department of Planning,  
Kwame Nkrumah University of Science and  
Technology  
in partial fulfilment of the requirement for the degree  
of**

**MASTER OF SCIENCE IN DEVELOPMENT POLICY AND PLANNING**

**Faculty of Planning and Land Economy,  
College of Architecture and Planning**

June, 2009

## CERTIFICATION

I hereby declare that this submission is my own work towards the MSc and that, to the best of my knowledge it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

Abdallah Hakim (20064762)

Student Name & ID

.....

Signature

.....

Date

Certified by:

Prof S. K. Afrane

Supervisor's Name

.....

Signature

.....

Date

Certified by:

Dr. Imoro Braimah

Head of Dept. Name

.....

Signature

.....

Date

## **ABSTRACT**

Notwithstanding the poverty related interventions of Micro Projects Programme (MPP) in the Northern Region, there still exist problems of uneven quality of service delivery and availability of funding for new priorities, which have contributed to increasing poverty concentration in the Northern Region. A large contributing factor is inadequate development of rural infrastructure; Households in these regions have remained largely disconnected from economic growth taking place in the rest of the country, with limited opportunities to escape from poverty because of their limited access to education, health services, market and other public services.

This study is on the poverty reduction efforts in Ghana: the experience of the European Union MPP in the Northern Region. Specifically, the study focused on the examination of the MPP and how it fits into the poverty reduction policies/programmes of Ghana as well as analysing the contribution of MPP to poverty reduction in the Northern region. The study further sought to identify some of the key challenges that hinder poverty reduction efforts of the MPP. In order to effectively assess the contribution of the MPP to poverty reduction in the study area, the research employed both the case study and comparative research methods and these provided a basis of establishing whether there has been any change and what part of the change could be attributed to the MPP's interventions.

From the result of the study it was realized that the MPP is compatible with the national and local poverty reduction policies and programmes. Furthermore, it was found out that the MPP contributes to poverty reduction in the region; however its impact on poverty reduction was found to be constrained by the nature of infrastructural investment – that is higher impact was realised on physical access rather than on the quality of service. The MPP was also found not to have a clear-cut monitoring and evaluation system that tracks the impact of projects on poverty reduction. The programme did not contribute significantly towards improving community participation in project initiation, planning and management.

To improve the MPP's interventions and poverty reduction effort in the Northern Region it was recommended that the project design be reviewed to ensure that the programme package is not limited to infrastructure provision but where it is so, there should be complementary projects responding to other development needs. It was also recommended that appropriate approaches be developed to encourage effective community participation. It was further recommended that monitoring and evaluation systems are established to ensure that projects focus on original objectives. It was recognised that one intervention cannot address all problems of poverty as a result there is the need for complementary programmes and projects to cater for other developmental needs.

## ACKNOWLEDGEMENTS

My first and deepest appreciation goes to my thesis supervisor and Dean of the Faculty of Planning and Land Economy Prof. S. K. Afrane for the encouragement, support, patience, guidance and scientific input into this work. I also want to thank the Course Director Mr B. K. Annor Anim for showing great interest and concern in progress every step of the way.

This study would not have been possible without the unflinching support of Mr H. M. Abudu and Miss P. B. Abudu who put their financial and material resource at my disposal to enable me go through this programme - I will always owe them a debt of gratitude.

The successful completion of the research work would have been extremely difficult, if not impossible, but for the great concern of Miss Adriana Kandilige, the Savelugu-Nanton District Director of Education. I have had the privilege to enjoy her unrelenting protection, support and care for all her members of staff at the Directorate. I owe her a lot. I also acknowledge gratefully the encouragement and support given to me in different ways by all members of staff of the Savelugu-Nanton District Directorate of Education.

I am also indebted to the late Mr P. B. Abudu and Mrs E. N. Abudu, for moulding and giving me an opportunity in life. My particular thanks go to Prof. R. C. Abaidoo, Provost of College of Agriculture and Renewable Natural Resource and Dr. (Mrs) C. S. Abaidoo, Head of Department, Department of Anatomy, School of Medical Sciences all of the KNUST, Kumasi for their encouragement and support. My siblings, cousins, nephews, and nieces also deserve special thanks for their support, sacrifice and prayers throughout my stay in KNUST.

Mr M. K. Badu, the Northern Zonal Co-ordinator of European Union MPP, Mr Abukari Baba, Savelugu-Nanton District Planning Officer and Co-ordinator of the MPP, Mr Issifu Salifu, West Manprusi District Planning Officer and Co-ordinator of the MPP, and Mr Tahiru Abukari, Tolon-Kumbungu Co-ordinator of the MPP – all deserve my deep gratitude for their role in the collection of the field data.

I reserve a special thought for the staff of the Department of Planning, KNUST for their support throughout this study. Special thanks go to my friend and colleague Jabik Benjamin Bilalam who has supported me in diverse ways.

Jenet, my wife, deserve special thanks because of her committed involvement in the data collection and collation stage as well as those words of encouragement she always offered when things seem not to be going as planned. Lastly, I thank all the households and community gatekeepers who were interviewed as well as all the women who participated in the focus group discussions. I highly appreciate their patience.

Kumasi, June 2009.

<b>TABLE OF CONTENT</b>	<b>PAGE</b>
<b>Certification</b>	<b>ii</b>
<b>Abstract</b>	<b>iii</b>
<b>Acknowledgements</b>	<b>iv</b>
<b>List of Tables</b>	<b>ix</b>
<b>Appendices</b>	<b>x</b>
<b>Acronyms</b>	<b>xi</b>
<b>CHAPTER ONE: INTRODUCTION AND BACKGROUND TO THE STUDY</b>	<b>1</b>
1.1 BACKGROUND TO THE PROBLEM STATEMENT	1
1.2 THE PROBLEM STATEMENT	3
1.3 JUSTIFICATION FOR THE RESEARCH	5
1.4 RESEARCH OBJECTIVE	6
1.5 THE SCOPE OF THE RESEARCH	6
1.6 METHODOLOGY	7
1.7 ORGANISATION OF THE REPORT	7
<b>CHAPTER TWO: CONCEPTUALISATION AND THEORETICAL BASES OF POVERTY REDUCTION</b>	<b>9</b>
2.1 CONCEPTUAL FRAMEWORK	9
2.1.1 Evolution and Conceptualisation of Poverty	9
2.1.2 Poverty: Definition and Measurement	11
2.1.3 Perspectives and Dimensions of poverty	13
2.2 THE NATURE AND SCOPE OF POVERTY IN GHANA	14
2.3 THEORETICAL BASES OF POVERTY REDUCTION	15
2.4 POLICY FOCUS AND STRATEGIES FOR POVERTY REDUCTION	18
2.4.1 Global Policy Focus and Strategy for Poverty Reduction	18
2.4.2 Ghana's Policy Focus and Strategy for Poverty Reduction	19
2.5 MICRO PROJECTS CONCEPT	21
2.5.1 Definition of a Micro Project	21
2.5.2 Principle of Partnership	22
2.5.3 Scope of Micro Projects	22
2.5.4 The Institutional Framework for Implementation and Management of MPP	22
2.5.5 The Focus of the MPP's Interventions	24



<b>CHAPTER FIVE: AN EXPERIENCE OF THE POVERTY REDUCTION EFFORTS OF EUROPEAN UNION MACRO-PROJECT PROGRAMME IN THE NORTHERN REGION</b>	<b>46</b>
5.1 INTRODUCTION	46
5.2 THE MPP AND HOW IT FITS INTO THE NATIONAL POVERTY REDUCTION FRAMEWORK	47
5.2.1 National Level	47
5.2.2 Regional/Zonal and District Level	48
5.3 CONTRIBUTION OF THE MPP TO POVERTY REDUCTION IN THE NORTHERN REGION	49
5.3.1 An Assessment of MPP Interventions in Sampled Communities	49
5.3.2 An Analysis of Perspectives on the contribution of the MPP to poverty Reduction	52
5.4 CHALLENGES OF THE MPP	63
5.5 SUMMARY AND CONCLUSION	65
<b>CHAPTER SIX: SUMMARY OF KEY FINDINGS, RECOMMENDATIONS AND CONCLUSION</b>	<b>66</b>
6.1 INTRODUCTION	66
6.2 KEY FINDINGS	66
6.2.1 The MPP and how it fits into the National Poverty Reduction Framework	66
6.2.2 Contribution of the MPP to Poverty Reduction in the Northern Region	66
6.2.3 Challenges of the MPP	68
6.3 RECOMMENDATION	68
6.4 CONCLUSION	71
<b>BIBLIOGRAPHY</b>	<b>73</b>
<b>APPENDICES</b>	<b>78</b>

## LIST OF TABLES

Table 2.1 Primary Allocation of the MPP (%)	24
Table 3.1 List of Districts, Communities and Sample Households Surveyed	33
Table 3.2 Determination of the K <sup>th</sup> term for each Sample Community	34
Table 3.2 Operational Definitions of the Levels of Measurement	35
Table 4.1 Levels of Poverty within Regions in Ghana (%)	41
Table 4.2 Poverty Incidence by District in the Northern Region (%)	42
Table 5.1: Level of improvement in Economic Related Indicators (%)	53
Table 5.2: Level of improvement in Education Related Indicators (%)	54
Table 5.3: Level of improvement in Health Related Indicators (%)	55
Table 5.4: Level of Improvement Food Security Indicators (%)	57
Table 5.5: Level of Improvement in Empowerment Related Indicators (%)	58
Table 5.6 Level of Community Participation and Involvement related Indicators (%)	59
Table 5.7 Average Level of Improvement in the Main Indicators (%)	60
Table A4.2 Age Distribution of Respondents	84
Table A4.3 Educational Attainment of Respondents	84
Table A4.4 Number of Wives per Respondent	84
Table A4.5 Number of Children/Dependent per Respondent	85
Table A4.6 Respondents Occupational Status	85
Table A4.7 Occupation of Respondent's Wife	85
Table A5.1: Distribution of MPP's Interventions in the Northern Region under the 5 <sup>th</sup> MPP Package	86
Table A5.2 Number of Micro-Projects per Sampled District	86
Table A5.3 List of Micro-Project in Sampled Communities	87
Table A6.1 Primary Allocation Structure of the MPP	88

## APPENDICES

Appendix 1: Schematic Presentation of the Research Process	78
Appendix 2: Northern Regional Map with an Insert of the Northern Region in the National Context	79
Appendix 3: Operational Definitions of the Key Indicators of the Study	80
Appendix 4: Background Data on Surveyed Households	84
Appendix 5: Interventions under the 5 <sup>th</sup> MPP in Sampled Districts and Communities	86
Appendix 6: Primary Allocation Structure of the MPP	88
Appendix 7a: An Interview Schedule for the Micro-Projects Management Unit, the Northern Zonal Office	89
Appendix 7b: An Interview Schedule for District Assembly	91
Appendix 7c: Household Interview Guide for Project Communities	95
Appendix 7d: A Focus Group Discussion Guide for Women in Project Communities	98
Appendix 7e: An Interview Guide for Community Gate Keepers in Communities with project	100
Appendix 7f: Household Interview Guide for Non-Project Communities	102
Appendix 7g: A Focus Group Discussion Guide for Women in Non-Project Community	104
Appendix 7h: An Interview Guide for Community Gate Keepers in Non-Project Communities	106

## ACRONYMS

ACPC	African Caribbean and Pacific Countries
BWIs	Bretton Woods Institutions
CEDEP	Centre for the Development of People
CIC	Community Implementing Committee
CRS	Catholic Relief Service
CWP	Communities with Project
CWOP	Communities without Project
DMTDP	District Medium Term Development Plan
DIC	District Implementing Committee
EC	European Commission
EDF	European Development Fund
EU	European Union
FAO	Food and Agriculture Organisation
GOG	Government of Ghana
GLSS	Ghana Living Standards Survey
GPRS I	Ghana Poverty Reduction Strategy
GPRS II	Growth and Poverty Reduction Strategy
GSS	Ghana Statistical Service
HPIC	Heavily Indebted Poor Country
IAE	Institute of Adult Education
I-PRSP	Interim Poverty Reduction Strategy Paper
MDGs	Millennium Development Goals
MPMU	Micro-Project Management Unit
MPP	Micro-Project Programme
MTDP	Medium Term Development Plan
PRS	Poverty Reduction Strategy
UNDP	United Nations Development Programme
UNICEF	United Nations Children Fund
WFP	World Food Programme