

Narrative Progress Report

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Organisation The Institute of Economic Affairs

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Please do not write in green coloured sections; refer to notes at last page for explanations

1. National pro-poor policies

What do you think were the most important changes in pro-poor government policies in the last six months? What were the main causes? What contribution did your organisation make to any of these changes?

In the 2008 budget statement, the government proposed to design a stabilisation fund to serve as a measure to insulate the economy from external shocks specifically the unpredictability of export earnings from the nation's major exports such as cocoa, gold, timber and oil in the future. This policy came about because of the increasing high price of world crude oil and the falling prices of gold on the international market. **The IEA played an important role in the development of this policy through a recommendation The Institute proposed in its 2006 Annual Economic Review and Outlook. This report was launched before the budget was read in November 2007. The recommendation was to the effect that a stabilisation fund be set up for cocoa farmers in the Ghana as a pro-poor policy to cushion the farmers against any decline in the export prices of cocoa. This suggestion was also advocated and highlighted at various discussion fora.**

Furthermore, a fund of about 20 million dollars will be made available to the small and medium size enterprises in the construction sector in 2008. The main cause of this policy is because the former Venture Capital Trust Fund does not include the construction industry as its priority sectors. There is the need for the provision of more infrastructures (markets, health centres, silos, factories, schools) which will in turn improve the productivity of agriculture an occupation of many small-scale poor farmers. **The IEA continued to stress the importance of the construction industry as an engine of economic growth in Ghana through its research and advocacy work. This recommendation was made in a brief titled: "How the Growth of the Construction Industry Can Help Accelerate Economic Development Part 4", *Ghanaian Times*, November 10 page 20 (half-page spread of the newspaper).**

This policy if implemented will generate employment especially for the rural poor since most of the construction works is being undertaken in the rural parts of the country. It is also believed that when the fund becomes operational, it will reduce the problem of funding especially for small scale enterprises in this sector of the economy. The policy will also help with the building of more affordable housing for average income earners in the country.

During the period, the government formulated a policy which seeks to subsidize the cost of electricity usage for people consuming electricity of less than 150 units per month. This policy targets the poor in the society who may not be using much electricity and may also not be able to pay for their utilities bill. The distribution of power conservation electric bulbs to some rural communities by the government a policy which seeks to reduce the cost of electricity was also beneficial to the poor.

2. Public image

How has the credibility and legitimacy of RAOs changed in the eyes of GoG and the Ghana public? What is your interpretation? Is there a reference to this evidence of change?

The credibility and legitimacy of RAO's continues to be enhanced in the eyes of the GOG and among the Ghanaian public. RAO's conduct groundbreaking research and make useful recommendations on a wide range of issues. Our interpretation of the increased credibility is that research and research products are useful and within reach by the government and the public. RAO's including The IEA is now consulted Government, Parliament etc when new policies and programmes are being developed. **Examples of such RAO/Policy Maker engagement include The IEA being asked by the office of Parliament to review and access progress made with the implementation of the GPRS II. The IEA was also invited to make inputs into the 2008 budget at a workshop organized by the Ministry of Finance and Economic Planning to discuss the 2008 budget proposals.**

3. Collaboration, coalitions and networking

Using the format below, list the most important organisations you collaborated with over the period, under each of the sectors listed below. For each organisation, give an indication of the issues or themes you worked on, its status and the outcomes.

	Organisation or coalition	Policy issue / theme / nature Starting / ongoing / ending	Outcome
Government - executive - judiciary - legislature	Executive	<p>Discussions on the 2008 Budget Proposals at a workshop organized by The Ministry of Finance and Economic Planning. The IEA presented a proposal at this workshop and made useful contributions on the issue of strengthening the regulatory institutions in the country to ensure that the local market is protected to a large extent. (ended)</p> <p>Review/Assessment of the Implications of Privatization of Public Enterprises with Particular Reference to the Agricultural Development Bank (ADB). (ended)</p>	<p>Proposals submitted to the Ministry were discussed and analysed at length.</p> <p>These contributions were taken into account in the 2008 Budget Statement and Economic Policy.</p> <p>The IEA presented a policy paper on its position on the privatisation of the Agricultural Development Bank. The IEA recommended that the ADB should not be sold because the bank was viable. Reasons: The Bank provided loans and various incentives to farmers who may not have the collateral to access loans from the foreign banks in the country.</p> <p>The Workshop was attended by Ministers of State, Members of Parliament, Development Partners, Senior Bank Officials of the ADB and Stanbic Bank and the members of the general public. The IEA continues to engage the government in discussions even after this programme.</p>

	Legislature	<p>Growth and Poverty Reduction Strategy (GPRS II) (On-going)</p> <p>Decentralization: Policy Paper and presentation on the theme 'The new Sub-Metropolitan District Council, Establishment Instruments: Lack of Policy Clarity or Failure of Legislative Instrument'. (ended)</p>	<p>The Institute was tasked by the Office of Parliament to review the 2006 Annual Progress Report on the GPRS II.</p> <p>The IEA presented a comprehensive review on the 2006 Annual Progress Report at a workshop organized by Parliamentary Committee on Poverty Reduction Strategy.</p> <p>The IEA recommended that, there was an urgent need for government to exploit other sectors of the economy such as construction and manufacturing to drive economic growth so as to reduce the over reliance on the Agriculture sector.</p> <p>The Institute presented a policy paper on its position on the new Sub-Metropolitan District Council (SMDC) Establishment Instruments. The roundtable was attended by Ministers, Members of Parliament, Development Partners, District Assembly Members and the general public.</p> <p>The IEA recommended that the new SMDC Establishment Instruments are completely untenable and must be repealed. This is due to the inconsistencies in the instruments. The IEA recommended that the Ministry of Local Government, the Local Government Service Council, the Attorney General's Department, the Subsidiary Legislation Committee of Parliament and representatives of the Metropolitan Assemblies as well as other stakeholders in local government must agree on all the policy issues raised in the paper. The include but are not limited to: the number and names of the SMDCs for each of the Metropolitan Assemblies; the structure and composition and functions of the SMDCs; the position of the Deputy Chief Executive, his status, mode of appointment and functions; and the other related issues that have been unnecessarily complicated by the Amendment Legislative Instruments. The paper also proposed that draft Legislative Instruments that will appropriately reflect policy decisions must be developed.</p>

Coalition, network	<p>Ghana Association of Restructuring and Insolvency Advisors (GARIA)</p> <p>Ghana Political Parties Programme</p>	<p>Roundtable discussion on the Insolvency Laws and Institutions: A case study of South Africa. (ending)</p> <p>Draft Public Funding of Political Parties Bill and Draft Political Parties Bill 2007.</p>	<p>The IEA in collaboration with GARIA hosted Justice Ralph Zulman of the Supreme Court of Appeals of South Africa as the lead discussant at a workshop with practitioners and members of the public.</p> <p>The IEA recognising the absence of an insolvency law organised the workshop which aimed at promoting the development of effective and efficient insolvency laws and institutions in Ghana.</p> <p>The four Political Parties with representation in Parliament realising the need for electoral reforms commissioned two consultants to draft up the two bills. The process is being facilitated by The IEA.</p> <p>The Draft Bills have been developed and the next step is to present them to the Attorney General's Office and Parliament for them to be passed into law.</p>
RAO, NGO, I-NGO			
Donor institution	<p>Netherlands Institute for Multiparty Democracy</p> <p>Friedrich Naumann Foundation</p> <p>Development Partners (The Embassies/High Commissions of America, China, Canada, Australia, Italy, Switzerland, Japan and Netherlands. DANIDA, CIDA, DFID, UNDP and European Commission)</p> <p>Centre for International Private</p>	<p>Strengthening of Multiparty Political Systems (Ongoing)</p> <p>West African Economic Freedom Forum (Ongoing)</p> <p>A Review and Analysis of the National Elections in 2008: The Challenges, Prospects and the Way Forward</p> <p>Building Economic Platforms for Political Parties in Parliament</p>	<p>Levelling the playing field for Political Parties, building the institutional capacity of Political Parties and improving the image of Political Parties in the eyes of the public.</p> <p>The development of a West African Economic Freedom Index</p> <p>The IEA brought together leaders of Political Parties, members of the Development Community at The Institute for an in-depth discussion on Election 2008; Prospects and Challenges.</p> <p>Participants included the Ambassadors/High Commissioners of the United States of America, Italy, Australia, China, Canada and Switzerland and the European Commission among others.</p> <p>The goal of the collaboration was to establish Economic Platforms for Political Parties in Ghana for the discussion of broad economic issues. The general consensus among the</p>

	Enterprise		Political Parties was that a free market economy, based on freedom to choose, freedom to produce and freedom to exchange is crucial for growth and development. The Platform called for Government's involvement in the production of certain key commodities as the market was weak and often failed in those sectors.
CBO/DA (please indicate district)			
Other	National Planning Development Commission	Growth and Poverty Reduction Strategy (GPRS) (Ongoing)	The Institute is a member of the Working Group and continues to regularly assess progress made in the implementation of the GPRS II.
	University of Cape Coast (UCC)	Research and Academia (On-going)	The Institute continues to collaborate with the UCC and formed part of the Policy Modelling Unit. This unit was launched in June 2007. The Modelling Unit aims at updating the Government and Policy Makers with research on poverty issues and issues regarding sustainable development.
	University of Development Studies (UDS)	Research and Academia (Starting)	Again Researchers from the UCC continue to contribute to The Institute's research and publications for example the Ghana Policy Journal. The Institute signed a collaborative agreement with the UDS to ensure joint research in the area of decentralization, the North/South divide and issues on pro-poor policies especially for the people in the Northern parts of Ghana.

4. Outputs on research and advocacy products and/or services delivered

List the outputs as you have presented in the Workplan submitted to G-RAP.

Make sure that you:

- Indicate estimated levels of completion per output
- Indicate target groups that used / received the output delivered
- Attach copy of concept paper per output
- Attach copy of product output

OUTPUTS	LEVELS OF COMPLETION	TARGET GROUPS
1. Research Paper on Economic Diversification and Economic Growth in Ghana from 1974 to 2006	50% Complete	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, students, Political Parties, the Media and the General Public
2. Monitoring Ghana's Progress Towards the Achievement of the Targets of	90% Complete	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, students, Political Parties,

the United Nations Millennium Development Goals as at the Mid point in July 2007		the Media and the General Public
3. Report on Economic Freedom and Economic Development	Completed	Members of Working Group on the Development of a West African Economic Freedom Index Donors
4. 2006 Annual Economic Review	Completed	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Research and Advocacy Organisations, Media and the General Public
5. Ghana and the Seventh United Nations Millennium Development Goal (A newspaper article)	Completed	The General Public, Academia and Policymakers
6. Commentary on the 2006 Annual Progress Report of the Implementation of the Growth and Poverty Reduction Strategy (2006-2009) by The Institute of Economic Affairs	Completed	Parliamentary Committee on Poverty Reduction Strategy, Policymakers, Researchers and Academia
7. Research Paper on Vulnerability and Social Exclusion: A Review	Completed	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, the Media and the General Public
8. Research Paper on The Manufacturing Sector and the Macro-economy in Ghana: Are there any Causal Links between them?	90% Complete	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Political Parties, the Media and the General Public
9. Newspaper Article on The Importance of Gender Equality in Reducing Poverty in Ghana	Completed	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Political Parties, the Media and the General Public
10. Policy Paper on the Implications of Privatization of Public Enterprises with Particular Reference to the Agricultural Development Bank (ADB).	Completed	Policy makers, Members of Parliament, Government officials, Bankers, Development Partners, Donors, academia, Political Parties, the Media and the General Public
11. Policy Paper on The New Sub-Metropolitan District Council Establishment Instruments: Lack of Policy Clarity or Failure of Legislative Drafting?	Completed	Policy makers, Members of Parliament, Government officials, Metropolitan, Municipal and District Assemblies, Development Partners, Donors, academia, Political Parties, the Media and the General Public
12. Policy Review of the Ghana Investment Promotion Centre Act, 1994. Act 478	50% Complete	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Political Parties, the Media and the General Public
13. Ghana Policy Journal	Completed	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Political Parties, the Media and the General Public
14. Polarisation of Ghana's Politics	Completed	Policy makers, Members of Parliament, Government officials, Development Partners,

		Donors, academia, Political Parties, the Media and the General Public
15. Democracy Consultations Strategy Paper	Completed	Policy makers, Members of Parliament, Government officials, Constitutional Bodies, academia, Political Parties, the Media and the General Public
16. Democracy Consolidation Strategy Paper	80% Complete	Policy makers, Members of Parliament, Government officials, Development Partners, Donors, academia, Political Parties, the Media and the General Public
13. Research Paper on How the Growth of the Construction Industry can help Accelerate Economic Development (A newspaper article)	Completed	The General Public Policymakers, Academia, Students and Government Officials

5. Organisation: evidence of significant progress / change

What are major changes in the organisation's circumstances that are likely to have impacted your outputs over the period?

- Organisational structure / board / management team
- Strategy / planning / decision making / knowledge management
- Human resource issues
- Marketing / communication / public relations

Human Resource Issues

As a result of core funding, The Institute has been able to maintain newly-qualified and seasoned Researchers recruited the previous year. The Institute also continued to engage the services of the Director of Research whose mandate is to ensure that both the Governance and Economic Centres research on hitherto unexplored policy areas.

During the period The Institute continued to maintain a female staff who was recruited to assist in the Communications and Publications Department. This was to enhance our relationship with the media and also ensure an effective way of delivering information on IEA's programmes to the media and general public. The Publications Officer also improved on her strategies to market The IEA's publications efficiently to the various libraries, Members of Parliament, donors and the general public.

The appointment of the Estate manager who was employed earlier in the year was confirmed. This has ensured the effective and smooth functioning of The Institute.

IEA engendering process

The IEA started its mainstream engendering process in October 2007. The process is on-going. This process seeks to create an awareness of gender issues at The Institute and also sensitizes all staff members on gender equality and equity in all programmes, projects and research activities of The Institute. A frame work for the development of an IEA Gender Policy Document is being developed. The first task in the engendering process was Gender Auditing which sought to assess staff members' level of understanding of gender issues. The assessment showed that members had a narrow understanding of gender. In house fora and workshops have so far been organized for staff members with the help of the G-RAP Gender-link Person to improve staff members knowledge and also to discuss issues relating to gender in the office and even at home. Preparation of the IEA gender policy has started.

Marketing/Communication/Public Relations

The IEA continued to improve upon its strategies to help with the internal and external marketing of its publications and programmes. We have thus started taking some pro-active steps. The Institute makes a conscious effort to publicize its research, showcase its activities, and makes its research findings more readily available to the policy-consuming public during programmes organised at The IEA.

6. Grant and report related issues

6.1 What issues you wish to raise relating to the Grant or to G-RAP management?

6.2 What parts of the report are confidential or cannot be shared without prior consent?