

## SUSTAINING RURAL LIVELIHOOD: AN EVALUATION OF THE MICROPROJECTS PROGRAMME IN GHANA

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### ABSTRACT

*After independence, the sustenance of rural livelihoods through increased agricultural production, industrial and rural infrastructure development received priority attention in Ghana. However, in the mid seventies inappropriate micro and macro economic policies, urban bias development strategies, economic mismanagement and a series of adverse external circumstances resulted in widespread rural poverty and deprivation, which together increased rural-urban migration.*

*In April 1983, the government adopted the Economic Recovery and Structural Adjustment Programmes (ERP/SAP) to reverse the decline in the economy. However, the socio-economic hardships could not be adequately addressed by the ERP and other programmes such as the programme of Action to Mitigate the Social Cost of Adjustment (PAMSCAD).*

*Recent attempts to sustain rural livelihoods have been sought through the decentralisation and community-based small-scale projects. In some districts, the Microprojects Programme (MPP) has become the development strategy. This paper examines past rural development strategies and the Microproject Programme in the context of rural development in Ghana.*

**Keywords:** Decentralisation, Microprojects, Rural, Livelihoods, Sustainable Development.

### DECENTRALISATION AND THE MICROPROJECTS PROGRAMME (MPP)

More than two decades of development experience after independence revealed that if national development is to become a reality, there must be a better balance between rural and urban development. Because past development strategies focused on urban infrastructure development, the availability of basic social amenities and greater employment opportunities in the urban areas have attracted rural people, especially the youth to the urban areas, thus accelerating rural-urban migration.

In order to reduce the rural-urban imbalance and facilitate collaboration and meaningful local participation in development at the district and local levels, the government embarked on a policy of decentralisation as a key feature of government development strategy to promote grassroots development. The philosophy of participation may be better understood within the Declaration of the 1979 UN World Conference on Agrarian Rural Development (WCARD) which noted that: 'participation by the people in the institutions and systems which govern their lives is the basic human right and

also essential for realignment of power in favour of disadvantaged groups and social and economic development'. In 1983, Ghana sought to incorporate this concept of participation in the local government and decentralisation system.

Therefore, the principal objective of the decentralisation programme was to shift the focus of power from the centre to the periphery with a focus on restructuring and changing power relations within government (Carney, 1995)[1]. The delegation of greater authority to the districts and communities was to make development more responsive to local needs for greater participation and for ensuring speedy project implementation (NDPC, 1994)[2].

It must, however, be noted that although decentralisation involves a shift in operational power away from the central ministry to sub-districts outside the capital, it does not imply that all power resides in the periphery. The centre still sets broad policy guidelines and goals and is responsible for co-ordination between decentralised units in addition to supplying certain key services.

The Decentralisation Programme, which was introduced in 1983 and pursued as an integral part of ERP, introduced a new planning system to overcome the drawbacks of past development planning efforts characterised by:

- (a) over-centralisation in the planning decision-making and implementation process, commonly described as 'top-down' planning process;
- (b) marginalisation of the beneficiary communities and individual stakeholders in the planning, implementation and monitoring of development projects;
- (c) lack of co-ordination in plan formulation and implementation leading to duplication of functions, responsibilities and efforts;
- (d) lack of political will and local commitment in the implementation of development projects and programme.
- (e) urban-bias development and rural-urban migration.

These drawbacks, among others, led to poor planning and implementation and project failure in many communities. The result is that widespread poverty has remained a major challenge to development efforts. The new planning system, which represents a complete departure from the past approaches to planning involves a relocation of power, authority and resources for development at the grassroots and the participation of communities in the management of their own affairs and the promotion of their own welfare and development.

Under the decentralisation programme, the District Assembly is the highest legislative, executive and administrative authority in the district. It is the apex of the development planning system and the co-ordinator of the development process at the grassroots (PNDCL 207) [3]. In addition to its administrative role, the District Assembly is the:

- (a) mobiliser of human and physical resources for development;



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- (b) protector and watchdog at the local level of vulnerable groups, particularly women and children;
- (c) provider of information, social and occupational groups within the district;
- (d) change agent for development; and
- (e) promoter of democracy, democratic institutions and participatory development in the district.

The District Chief Executive (DCE) is assisted by the District Co-ordinating Director (DCD) and heads of decentralised ministries and departments in the development of the district, especially the management of agriculture, education, industry, transport, trade, tourism, recreation, culture and sports and all other activities which contribute to the improvement of the material conditions of the people.

In addition to the administrative reforms, other efforts have been made to improve the standard of living of rural people by providing the much needed financial assistance to the private sector and District Assemblies to enable them plan and implement development projects in their localities. For example, in 1988, the government made available, a \$30 million Fund for Small and Medium Enterprise Development (FUMSED) from a World Bank loan to be administered through the Bank of Ghana.

This facility was aimed to promote rural development. However, the stipulated conditionality for recipients to contribute 25 per cent of the cost of the loan made the funding too expensive for its target groups. Thus, the loan facility could not promote rural industrial development (World Bank) [4].

In spite of the disappointing results of FUMSED and other development projects, the achievement of sustainable development and poverty eradication have continued to be supported by macro and micro economic policies. For example, the 1992 Constitution recognized the importance of effective national policies aimed at raising the quality of life for vulnerable groups in the society through the guarantee of human rights and local institutions to promote grassroots development (1992 Constitution) [4]. In fact, the Constitution provided the legal basis for participatory framework which also seeks to achieve a 'bottom-up' decentralised system, shares the participation of local people and emphasises the central role they play in planning and implementing development projects and programmes.

Amongst the institutions created by the 1992 Constitution, the one with the most direct impact on decentralisation and rural development is the District Assembly's Common Fund. The Common Fund was also introduced to strengthen the financial position of the District Assemblies. Through the Common Fund, District Assemblies have been able to provide basic infrastructure and services (e.g., schools, markets, feeder roads, etc.) to communities and to implement development projects which meet the priority needs of local communities.

#### **Microprojects Programme**

As part of an attempt to improve the living conditions of rural communities, the European Union (EU) and the Government of Ghana launched the Microprojects Programme (MPP) under Lome I and II conventions beginning in 1978. The main principle underpinning the programme is 'self-help' or community-based activity for the satisfaction of basic needs (Lome I and II Convention, 1988) [5].

The Bureau of Integrated Rural Development (BIRD), the research unit of the University of Science and Technology (UST) was appointed technical consultants for the implementation of the programme. When the programme was introduced, project activities were concentrated in Ejisu-Bosomtwe District in Ashanti Region, Tano District in the Brong Ahafo Region and Aowin-Amenfi District in the Western Region. In 1980, the programme was extended to Kommenda and Ajumako Districts in the Central Region.

Since 1988, the MPP has been used as a strategy to strengthen the decentralisation process. By definition, microprojects are small-scale, grassroots development schemes based to great extent, on local labour and management. The Microprojects Programme focuses on the rural sector and on small communities. It is interesting to note in the light of the rural concentration of poverty that the largest share (over 70%) of MPP funding has been directed toward the rural area, and within the rural area. Toward the provision of basic social infrastructure in the fields of water, education and health.

Although a few selected 'limited intervention' projects are located in the urban areas (e.g., Opoku Ware Secondary School Rehabilitation in Kumasi, Techiman Market Project, etc.), the target of the MPP is the rural areas because it is the rural people who are most disadvantaged by past urban-bias development strategies and who require more attention to reduce rural-urban migration. For example, available data in Ghana show that poverty is principally a rural phenomenon (IFAD, 1988) [6], and it is particularly prevalent among those who are outside the cash and market economy (GLSS, 1989) [7].

Poverty in the rural areas are manifested quantitatively and qualitatively in low incomes, inadequate housing, poor health and inaccessibility, limited or low education, unemployment, malnutrition, lack of credit and other basic infrastructure and services and exposure to environmental risks.

This situation makes rural living conditions unlikely to improve significantly without major efforts in the area of rural development embracing strategies and programmes to increase production and productivity, employment and the development of economic and social infrastructure and services. The MPP offers the opportunity for local people to participate in planning decision-making and contributes to the implementation of projects, which meet local needs and aspirations.

The principal goal of the MPP is 'sustainable development'. Although there are many definitions of sustainable development, the generally accepted definition is the one based on the Brundtland Report. Sustainable development is defined as 'meeting the needs of the present generation without compromising the needs of future generations' (WCED, 1987) [8].

Sustainable development in the context of the MPP involves administrative and financial sustainability. Administrative sustainability implies development, which allows the implementation of suitable or appropriate projects through the mobilisation of available local material and human resources. The participation of local people to ensuring the continuity and long term sustainability of community projects is an important component in achieving sustainable development objectives.

Financial sustainability implies the ability of local people to contribute financially to the implementation of suitable projects that are maintained by them with minimum support from outside. To arrive at sustainability of such development projects and programmes, local involvement has become imperative under the MPP. Sufficient responsibility and accountability have been created at both the district and community levels to facilitate the implementation of development projects and programmes.

Thus, in terms of sustainability, MPP is an important rural development strategy which provides adequate framework for local participation, implements projects which meet the felt needs of beneficiary community and seeks people's participation as essential to successful project implementation. The main principle underpinning the programme is self-help or community-based, small scale development activities for the satisfaction of basic and priority needs of rural communities.

The MPP also offers the potential to increase the responsibility of local institutions and build a cadre of experienced local project managers. The change from external to local management of aid-funded projects means that all involved in implementing projects must learn new roles and in particular, the donor agency must recognise limits on its authority in the day-to-day management.

The MPP has been organised and implemented in phases. The first phase of MPP (1990-92) under Lome III provided support and implemented community based projects on a pilot basis in three districts including Sefwi Wiawso in the Western Region and Asunafo and Nkoranza in the Brong Ahafo Region. These districts in B provided the nucleus for the expansion of the programme into other districts in Ashanti Region in subsequent years. A total of an 1.5 million ECU with European Development Fund (EDF) commitment of 1.1 million ECU (MPMU, 1993) [9].

During the initial stages of the MPP, emphasis was placed on social and economic infrastructure development. Basic health, water supply and education facilities were provided for communities. Few important interventions were also made in the agricultural sector, aimed mainly at

improving storage and marketing facilities. Although the provision of good drinking water, health and education had positive social impacts on the beneficiary communities, they were not sustainable because many communities were not trained to undertake necessary maintenance works or they had no money to repair broken down equipment.

The second phase (1992-93), which paid greater attention to both basic infrastructure and human resource development, covered 15 'Core Districts' in the Western and Brong Ahafo Regions and 'Limited Intervention' areas with an European Development Fund (EDF) commitment of 8 million ECU. Figure 1 shows the 15 Core Districts where the MPP was implemented. Out of the 15 core or main districts, 9 were in the Brong Ahafo Region and 6 in the Western Region.

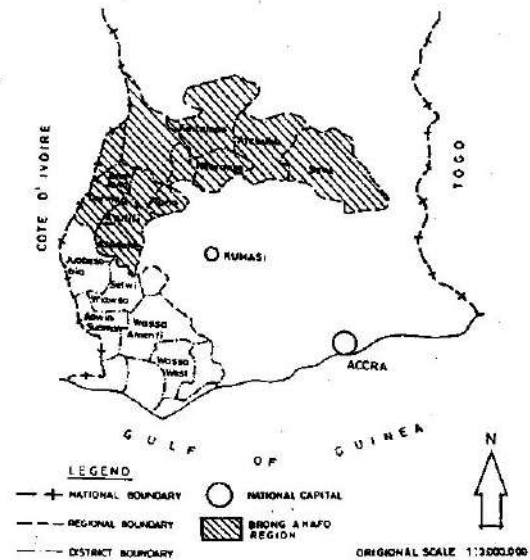


Fig. 1 Micro Projects Operational Districts in Ghana

Table 1: Distribution of Projects by Type

REGIONS & DISTRICTS	ADMINISTRATION (STAFF QUARTERS MOBILEY HOUSE)	MARKET INFRA- STRUCTURE PROCESSING	EDUCATION (DAY CARE)	CLINIC	KVP	WATER	LAKE TRANS- PORT	STREET LIGHT
<b>BRONG AHAFO</b>								
NKORANZA	1	2	14	7	3	0	0	0
ATEBUBU	1	2	9	0	3	5	0	1
BEREKUM	1	0	6	4	2	0	0	0
DORMAA	1	0	6	3	2	14	0	0
TANO	1	1	12	2	0	0	0	0
SENE	0	2	9	1	4	0	1	0
KINTAMPO	0	1	11	4	3	0	0	0
<b>WESTERN REGION</b>								
ASUNAFU	1	0	8	2	0	0	0	11
ASUTIFI	1	2	3	5	10	3	0	24
WASA AMENFI	2	3	7	2	4	3	0	15
WASA WEST	0	4	5	2	3	-	0	0
BEPAN	0	1	5	2	3	9	0	0
JUANSO-BA	0	0	7	7	0	0	0	0
SEFWI WIAWSO	0	1	7	8	0	0	0	0

Source: Compiled From Microproject Reports (1994)

Notes: Market infrastructure includes agricultural processing projects.

Over 154 microprojects were completed during this phase alone covering schools, community halls, market construction and rehabilitation, guest houses, etc. Out of the 154 projects, 42% (64) were in the area of sanitation, nine (5.8%) were health facilities, nine (5.8%) were agriculture and processing and 11 were in other sectors of the rural economy [10].

Although it has been argued that agricultural development represents the main component of any successful rural development programme simply because over 70% of the rural population is engaged directly and indirectly in agricultural activities, rural development was viewed in a much broader perspective to encompass development in other sectors of the rural economy. Greater emphasis was placed on health, environment and sanitation during the second phase of the programme.

During the Second and Third MPP, the need to integrate environmental and sanitation projects was recognised because it was clear that past development process, which had failed to recognise the limitations of the biosphere, has resulted in resource deterioration and environmental degradation. Since most of the degradation is the result of excessive exploitation of forest resources to meet fuelwood and energy needs, tree planting and village woodlots received some attention with the establishment of tree planting projects in Sene District where land degradation appear to be a serious and growing environmental problem.

#### Institutional Arrangement for Microprojects Planning and Implementation.

The management structure of the MPP is illustrated in figure 2 as follows:

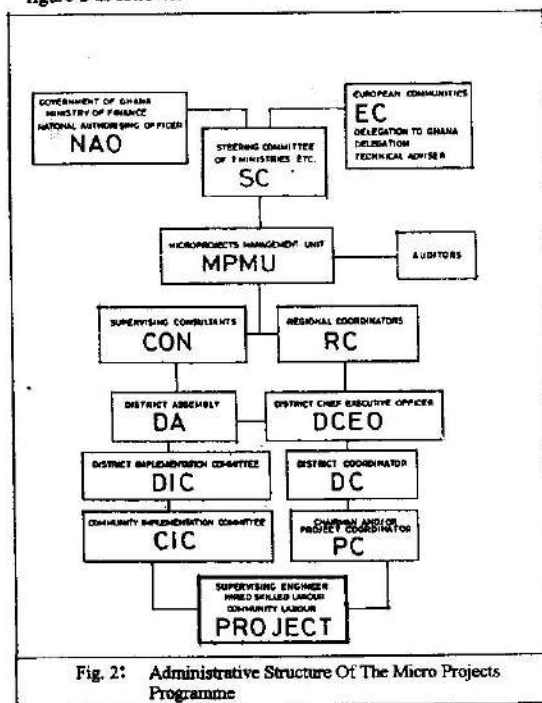


Fig. 2: Administrative Structure Of The Micro Projects Programme

At the apex of the administrative structure is the National Authorising Officer (NAO) and the Delegation of the European Union (EU). The overall management of the MPP is exercised by the NAO (representing the Ministry of Finance and Economic Planning) in close collaboration with the Delegation of the EU. The NAO and the Delegation of EU are responsible for policy formulation through a Steering Committee. The members of the Steering Committee are selected from relevant Ministries and Departments.

The Microproject Management Unit (MPMU) acts as the central monitoring and co-ordinating unit. It is assisted by Regional Co-ordinators (RCS). The other actors include the District Administration represented by the District Implementation Committee (DIC), the Supervising Consultants (CON); District Co-ordinators (DSC) and Community Implementation Committees (CICs) at the community project level.

The Regional Co-ordinators work in close collaboration with the District Assemblies whilst the supervising engineers in the districts play an important role in ensuring quality of output at community project sites. Under this arrangement, EDF and CPF funds are channelled through the District Assemblies vested with the responsibility for receiving, banking, spending and accounting for all moneys released by the MPMU for approved microprojects in the districts. The District Chief Executive (DCE) is responsible for the MPP accounts. The accounts kept at the district level are subject to periodic checks by external auditors.

Experience with the implementation of the first and second MPP showed that rural development projects imposed on local people often fail to address the types of issues perceived as priorities by rural communities and hence fail to engender a perception of local ownership. This leads to a lack of public support and sometimes even conflict and total failure.

This factor explains the channelling of microproject assistance through the District Assembly, which is understood to strengthen local decision-making processes and provide support to the decentralisation policy. However, it became clear that some of the District Assemblies lacked qualified personnel to deal with the administrative and financial management of microprojects.

To prepare the District Assemblies and communities to overcome this constraint and prepare them adequately to plan and implement the microprojects programme, technical consultants were employed to organise training programmes, workshops and seminars to educate communities and project managers and other Microproject actors on the philosophy of the MPP, roles and responsibilities of participating communities and the project staff.

#### Microproject Implementation Strategy

Community participation is the principle behind the MPP. Community participation is operationalised through the provision of communal labour, local materials such as sand, stones and cash. The MPP recognises training and community education as key elements to effective project planning and implementation. An intensive and extensive education campaign is therefore taken to conscientise and equip beneficiary communities and local institutions involved in the implementation of the programme.

Essentially, MPP goes through a cycle. The major activities involved in the implementation of the programme include an initial educational campaign, problem identification, initial appraisal, discussion in the communities and in the District Assembly, technical study and review, approval, release of funds, project design and construction, supervision and reporting, auditing, completion, commissioning, operation and maintenance. These stages may be illustrated as shown in Figure 3.

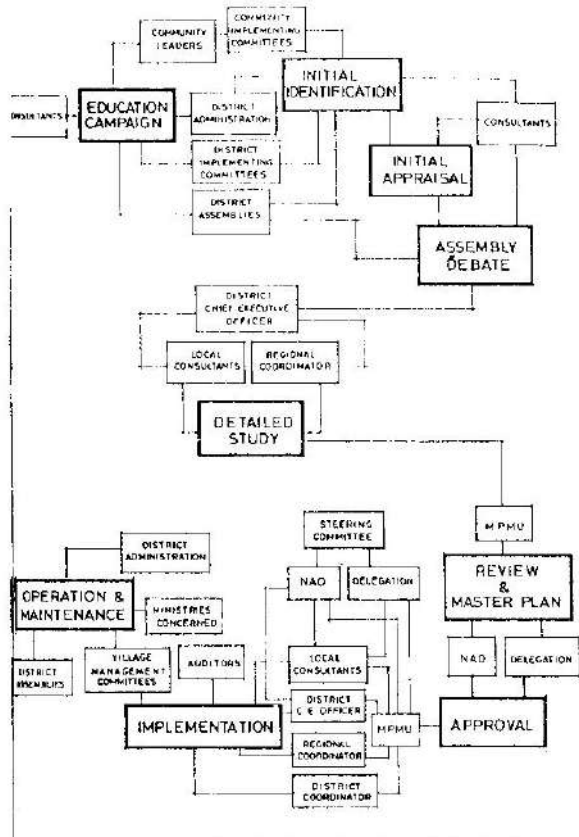


Fig. 3: The Micro Projects Cycle

During the initial stages of the MPP, emphasis was placed on social and economic infrastructure development and external assistance was directed to meeting people's needs more effectively. The programme focused on training and follow-up activities to develop grassroots level participatory approach for the development of individual communities.

The Second MPP started in May 1990 and ended in June 1992. The programme was successfully implemented in the three districts of Western and Brong Ahafo Regions with a total of 9 million ECU which was made up of 6 million ECU from EDF, 1.2 Million ECU from Ghana Government's use of Counterpart Funds (CPF) and the remaining from contributions by beneficiary communities and the District Assemblies.

During the subsequent phases of the programme, greater emphasis was placed on people who are the centre of development and external assistance was directed to meeting people's needs more effectively. The programme focused on training and follow-up activities to develop grassroots level participatory approach for the development of individual communities.

When the MPP was introduced in Ghana in 1979, the geographical coverage was limited. The projects were concentrated in the Ejisu-Bosomtwe District in Ashanti Region, Tano District in the Brong Ahafo Region and Aowin-Amenfi District in the Western Region. Kommenda and Ajumako Districts also benefited from the programme. During the early years of the programme, lack of technical expertise, ineffective monitoring and lack of commitment by beneficiary communities were some of the major problems that faced the programme [11].

### Institutional and Organisational Constraints

The MPP, like other rural poverty alleviation programmes has faced a number of problems. Institutional and organisational deficiencies have often resulted in delays in project implementation. One of the main limiting factors in the MPP is the low absorptive capacity of the District Assemblies to administer, monitor and report on project activities. There are numerous examples of inefficiencies and delays resulting from inadequate management by the District Assemblies.

Lack of specific technical skills in the communities to implement community projects and rehabilitate broken-down equipment such as hand-pumps reduce supply and availability of vital services to communities. Chiefdom disputes and religious riots such as the clashes between Al-Suna and Tijaniya Muslim sects of Wenchi and Atebubu in the Brong Ahafo Region result in project implementation delays and in extreme cases abandonment.

Attitudinal problems in the use, protection and maintenance of infrastructure facilities also pose some problems in ensuring the sustainability of community facilities, especially water. In addition, widespread rural poverty and lack of local resources (e.g., water, sand and stone aggregates, timber, etc.) are some other important barriers resulting in high project costs, implementation delays and project failure. However, these problems are being addressed through community education, training and other programmes to strengthen the planning and management capabilities of the District Assemblies.

One major overlooked feature of the MPP is the crucial role of women in project planning and implementation at the grassroots. Although the Financing Proposal and the Financing Agreement made specific mention of the role of women in development, in the implementation of the programme, gender issues appear to have been ignored. Female participation at the management level is low. A survey of 66 communities in the Brong Ahafo and Western Regions during the second phase of the programme showed that there were only 74 women (17.1%) in implementation committees compared to 360 men (82.9%). Considering the primacy of women in the socio-economic development, especially in agriculture and processing in the rural areas, the

understood by the fact that the dearth of baseline information has facilitated the preparation of development plans in the participating districts.

If the main vehicle for carrying the decentralisation programme is the District Assembly Concept, it can be argued that in some districts the MPP has become the vehicle for carrying the District Assembly Concept. In many districts in Brong Ahafo, Ashanti and Western Regions, the MPP has become the biggest source of external funding which seeks to facilitate local participation in and mobilisation of material and human and resources for development at the grassroots. For these and other reasons, the MPP is a useful rural development strategy, which must be supported at all levels.

#### Recommendations

Although the strengthening of basic rural infrastructure and services to support both farm and non-farm development is seen as a crucial component of efforts to raise the socio-economic condition of the rural population, there can be more precise and direct interventions to assist rural development. These include projects, which provide income to rural people, especially women. In this context, current MPP efforts should aim at promoting key development initiatives to raise household incomes through income generation projects and the provision of credit, particularly for vulnerable and disadvantaged groups in the rural areas.

Efforts should also be directed to strengthen agricultural services and stimulate environmentally friendly and sustainable agriculture and industrial development in rural communities. Since the overall beneficiaries of socio-economic and environmental development are the people living in the community, their participation in project planning and implementation is essential.

In view of growing poverty, especially in the rural areas and the inability of government to provide for the basic needs of the rapidly growing population, national rural development policy must encourage community initiative projects and the government must create an enabling environment for local people to contribute to the development of their communities.

#### Conclusion

The MPP has gone through many phases and many problems have been encountered in the planning and implementation of community projects. However, beneficiary communities and donors consider the overall performance of the MPP satisfactory. The successful completion of projects on schedule (i.e. within 12 months) and the large requests from communities for additional projects and from District Assemblies for inclusion in the next programme are indicators of success.

The key to the success of the MPP is community involvement in the diagnosis of local problems, formulation of appropriate development projects that meet the felt needs of communities and the implementation of agreed projects using locally available materials.

Despite the success story of the MPP and expression of satisfaction by beneficiary communities, the MPP has been

limited in coverage. The rural communities in the Northern, Upper West and Upper East Regions where the Ghana Living Standard Survey found rural poverty to be more serious have not benefited from the programme. Therefore, more needs to be done in the area of rural poverty alleviation in the northern sector of the country. Greater efforts are required in the provision of projects, which are capable of accelerating the growth and sustainable development of poorer communities who need help to be able to help themselves.

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