

WHAT IS GPRS II?

GPRS II means Growth and Poverty Reduction Strategy (GPRS II). It represents Ghana's strategic approach to creating wealth and effectively reducing poverty. GPRS II is the successor to Ghana Poverty Reduction Strategy (GPRS I).

GPRS II was prepared in response to the changing circumstances in the well-being and poverty situation of Ghanaians. It provides details on:

- The strategic direction for achieving our development goals and objectives
- Priority areas and policy actions to be undertaken
- Cost of programmes and sources of funding
- Responsibilities for identified actions and programmes and framework for monitoring implementation

WHAT ARE THE GOAL AND OBJECTIVE OF THE GPRS?

The goal of the GPRS is to become a middle-income country with a per capita income of at least \$1000 by the year 2015 within a decentralized, democratic environment.

The main objective of GPRS II is to grow the economy at a rate double what we are currently doing. In the past five years or so, the value of all goods and services that we produce in the country has grown at an average of five percent (5%). The target for GPRS II is 6%-8%.

WHAT IS DIFFERENT ABOUT GPRS II?

GPRS I focused mainly on poverty reduction programmes and projects, while the emphasis of GPRS II is on growth-inducing policies and programmes.

GPRS II is different in the following ways:

- Establishes a clearer link between strategic pillars of the policy document
- Is aligned with international agreements
- Mainstreams gender, social protection and environmental factors into the document
- Increased participation by local groups in the preparation of the document
- Enhances the role of civil society in monitoring and evaluation
- Incorporates lessons learned from GPRS I

STRATEGIC DIRECTION OF GPRS II

The emphasis of GPRS II is on measures to change the structure of the economy, diversifying the export base, increasing productivity across sectors, encouraging processing of raw materials and increasing rural incomes.

GPRS II seeks to make its greatest impact in agricultural and industrial production by:

- Removing obstacles to private sector development
- Expanding employment opportunities for men and women in all sectors of

the economy, including the informal economy

- Ensuring that the benefits of growth are widely shared
- Encouraging social partners to implement social protection services

GPRS II PILLARS

The strategic pillars for GPRS II are:

- (Continued) Macroeconomic Stability
- Development of a vibrant Private Sector
- Vigorous Human Resource Development
- Deepening Good Governance and Civic Responsibility

Macroeconomic Stability...

... continuing to implement policies to enhance and sustain gains made under GPRS I, including:

- Mobilizing domestic and external revenue, avoiding over spending and effectively reducing public debt
- Developing capacity to effectively respond to external shocks
- Promoting growth and ensuring price stability
- Ensuring cost of borrowing is maintained at reasonable levels
- Improving savings mobilisation
- Making credit affordable to the private sector

Private Sector....

...assist profitability of existing firms and encourage establishment of new businesses by:

- Improving investment conditions for agriculture and fishing

- Promoting trade and industry
- Developing new sectors e.g. ICT and Tourism
- Providing essential infrastructure
- Developing science and technology

Human Resource Development...

... aims is to develop people who are well-informed, well trained and disciplined. Such people are healthy, with a drive and interest in developing and changing our situation for the better. Key areas include:

- Education
- Training and Skills Development
- Sports Development
- Improving Access to Healthcare

Good Governance & Civic Responsibility...

...aims to strengthen state and non-state actors to take part in development processes and to work together for peace, stability and improvement in the well-being of Ghanaians, through:

- Strengthening key institutions such as Parliament, Judiciary and District Assemblies
- Improving administrative, political and fiscal decentralization
- Effectively addressing corruption and economic crimes
- Encouraging civil society agencies including the media to play an effective role in governance
- Promoting public safety
- Promoting civic responsibility and participation in decision making at all levels

FINANCING THE GPRS

The priority is to generate more revenues internally reducing the country's reliance on donor support. The tax net will be expanded and leakages reduced significantly.

WHAT DOES THE GPRS COST?

The total cost of the GPRS II covering the period 2006 – 2009 is estimated to be US\$8.063 billion. This includes the cost of new and on-going programmes and projects.

The cost is made up mainly of service and investment expenditures such as construction of schools, hospitals, office buildings, equipment, machines, new road constructions, maintenance of existing roads and equipment at hospitals, schools and offices. It also includes the cost of buying such supplies as vaccines and the cost of carrying out immunizations, training of staff to perform functions among other things. Budgeted funds for investments and services amounts to US\$6.27 billion. The resource gap is therefore US\$1.79 billion

MONITORING & EVALUATION (M&E)

The M&E system focuses on monitoring resource use and procedures as well as achievement of outputs, and impacts. The strategy aims at improving working relations between all the relevant agencies and civil society groups involved in monitoring, encouraging the participation of the citizenry in M&E.

GROWTH AND POVERTY REDUCTION STRATEGY (GPRS II) 2006-2009

EASY READING VERSION

NATIONAL DEVELOPMENT PLANNING COMMISSION (NDPC)

OCTOBER 2006