

Policy brief

ADDRESSING SHORTFALLS IN COCOA PRODUCTION THROUGH ROAD INFRASTRUCTURE DEVELOPMENT

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INTRODUCTION¹

Cocoa production is the lifeblood of Ghana's economy. If the Nile is the gift of Egypt then, cocoa production can, arguably, be said to be Ghana's gift because of the critical role the sector has played and continues to play in the country's development. The sector provides livelihoods for more than 700, 000 farmers in the 6 cocoa producing regions. Not only is it among the main export commodities accruing significant revenues to country's coffers today, it did also serve as a crucial public revenue source for both colonial administration and the post-colonial state, particularly in the formative years under the country's first President Dr Kwame Nkrumah, affording especially the latter the opportunity to embark on certain public expenditures such as road constructions which presently benefit the country.³ Given its renewable nature, crucial investment to provide the enabling environment for the production of cocoa is vital. While Ghana had always been the world's largest producer of cocoa since independence, it was suddenly overtaken by its immediate western neighbour, Cote D'Ivoire in the late 1970s after the latter had made significant investment in the sector including, inter alia, subsidies for cocoa farmers.⁴ In the 2013/2014 crop year, Cote D'Ivoire produced almost double of what Ghana produced.⁵ The questions that are begged here are why Ghana's performance in the sector has been relatively abysmal and what can be done to shore up Ghana's cocoa yields.

These questions drive this policy brief and though the brief acknowledges that the factors that account for the decline in Ghana's cocoa production may be multifaceted, a particular focus is laid on the contribution of a paucity of road infrastructure in cocoa growing areas. Cases would be drawn from cocoa growing districts including the Bia West District, Juaboso District, Ahafo Ano North District, Sekyere East District and Awutu Senya District. An understanding of the politics and policies surrounding cocoa road projects in Ghana would provide some insights into the deplorable nature of the roads in cocoa growing areas. This brief would also bring under limelight the palpable challenges confronting cocoa farmers in these districts in the light of poor and inaccessible road networks which inhibit productivity. The brief then makes some recommendations to abate these challenges.

THE POLITICS AND POLICIES OF COCOA ROAD PROJECTS IN GHANA

Current and previous governments converge on the poor road networks in cocoa growing areas in Ghana and their potential impact on cocoa yields, Ghana's GDP and by extension the health of Ghana's economy. Given that Ghana is an agrarian economy, the subject of cocoa as a subsection of agriculture has often received much attention largely in manifestos of political parties proposing to modernize agriculture. Governments, present and past, have made concerted efforts to address

See also Woods, D. (2004). Predatory elites, rents and cocoa: a comparative analysis of Ghana and Ivory Coast. Commonwealth & Comparative Politics, 42(2), 224-241.

¹ Miss, Eileen Goody Gans Lartey, Assistant Project Officer of the Civic Empowerment of Cocoa Communities Project, provided contextual material on communities in the Ahafo Ano North District.

² Kolavalli, S., & Vigneri, M. (2011). Cocoa in Ghana: Shaping the success of an economy. Yes, Africa can: success stories from a dynamic continent, 201-218.

³ Ibid

⁴ Ibid

⁵ Wessel, M., & Quist-Wessel, P. F. (2015). Cocoa production in West Africa, a review and analysis of recent developments. *NJAS-Wageningen Journal of Life Sciences*, 74, 1-7.

the challenge of deplorable road networks in cocoa growing areas. However, while such efforts are commendable, not much is seen in terms of the actual implementation of policies to address this challenge. An examination of the complexities surrounding cocoa roads projects in this regard is therefore important.

The Debacle of the Cocoa Road Rehabilitation Programme

The previous government, the National Democratic Congress (NDC), committed itself in 2015 to rolling out a five year Cocoa Roads Rehabilitation Programme at a cost of \$750⁶ towards rehabilitating and constructing cocoa roads in cocoa growing areas. This move was positive as it sought to address one of the serious challenges that most cocoa growing communities encounter and would have thus significantly reduced the transportation cost involved in carting cocoa beans to buying centres which are mostly distant away from the producing areas.⁷ The geographical focus of the project included selected roads in the Western, Ashanti, Brong-Ahafo and Eastern Regions.⁸

The former President, John Dramani Mahama, cut the sod for the programme to start from the Eastern Region with five cocoa roads in the region earmarked for rehabilitation. However, following the change in government and the ascension of the New Patriotic Party (NPP) into power in January 2017, the programme has been suspended because of alleged funds misappropriation and mismanagement. A preliminary audit conducted by the new leadership of COCOBOD suggests that out of the more than 230 varying road contracts awarded under the previous administration, 30 are not traceable to any community or district. The audit also further shows that not only does the GH¢ 3.5 billion road project far outweigh the fiscal might of the COCOBOD, but also there have been outrageous cost components in the contracts. The solution of the cocobod starts are the contracts. The contracts of the cocobod starts are the contracts of the cocobod starts are the contracts. The contracts of the cocobod starts are the contracts of the cocobod starts are the cocobod starts are

This action by the NPP administration must not necessarily be misconstrued to mean a government that is against the well-being of cocoa growing areas because of its belief in construction and rehabilitation of cocoa roads as a way of compensating cocoa farmers for the contribution of cocoa to Ghana's economic growth. Thus, as a government known for its rhetoric of wanting to protect

⁶ See Kwame Ntim (2015). 5-year Cocoa Roads Project to cost COCOBOD \$750m. at https://www.ghanaweb.com/GhanaHomePage/business/5-year-Cocoa-Roads-Project-to-cost-COCOBOD-750m-385588 [Accessed 19th October, 2017]

⁷ Ibid

⁸ See <u>graphic.com.gh</u> (n.d). President announces \$450 million package for cocoa roads rehabilitation. Available at http://ghanatrade.gov.gh/Latest-News/president-announces-450-million-package-for-cocoa-roads-rehabilitation.html [Accessed 31st July, 2017]

Also see GNA (n.d). President Mahama Breaks Ground for Cocoa Roads Rehabilitation. Available at http://www.ghana.gov.gh/index.php/en/news/1474-president-mahama-breaks-ground-for-cocoa-roads-rehabilitation [Accessed 31st July, 2017]

 ⁹ See Ghana/Myjoyonline.com (2017). COCOBOD suspends 'cocoa roads' projects. Available at http://citifmonline.com/2017/02/02/part-of-cocoa-fund-to-fix-cocoa-roads-amoako-attah/ [Accessed 31st July, 2017]
¹⁰ Ibid

¹¹ See Jessica Ayorkor Aryee (2017). Part of cocoa fund to fix cocoa roads – Amoako-Attah. Available at http://citifmonline.com/2017/02/02/part-of-cocoa-fund-to-fix-cocoa-roads-amoako-attah/ [Accessed: 31st July, 2017]

the public purse, the temporary suspension of the project may be the wisest thing to do in order to allow for a much detailed audit to determine the merit or otherwise of the programme.¹²

Regardless of the outcome of the audit, it must be emphasized that cocoa roads projects and programmes are so important, to stimulate growth in the sector in particular and the entire economy at large, that they cannot be abandoned or remain in the back burner for a long time. Chapter 6 of the 1992 Constitution of the Republic of Ghana enjoins governments to "as far as practicable…continue and execute projects and programmes commenced by the previous Governments."¹³

Consequently, the current administration may not find it helpful to abandon the cocoa roads rehabilitation programme. Instead the government must find ways of addressing challenges surrounding the project and even strengthening it in order to provide the much touted compensation for cocoa growing areas that are dealing with the ordeals of poor road networks.

ROAD-RELATED CHALLENGES OF COCOA COMMUNTIES IN GHANA

The main rationale behind the Cocoa Road Programme mentioned above was to "facilitate the transportation of cocoa beans to buying centres." Moreover, the programme was to culminate in improving roads within communities in order to create "… a congenial environment to promote the livelihoods of cocoa farmers." Increase in cocoa production in these communities, would, arguably, have become a positive externality of road constructions in the cocoa communities.

This section of the brief therefore seeks to highlight the linkage between poor road networks and cocoa production by drawing on some cases in the Bia West, Juaboso, Awutu Senya, Sekyere East and Ahafo Ano North Districts.

The Bia West district, located in the northern part of Western region, is a border district to Cote d'Ivoire, Ghana's competitor in the cocoa industry. Anecdotal evidence suggests that the district is the largest cocoa producing district in the country and yet among the most deprived districts in Ghana. The twin-district capital, Sefwi-Essam, is without tarred roads and majority of the roads in the district are not only untarred but also difficult to ply, 16 thereby increasing the transportation cost of cocoa communities in hinterland communities that have to transport their cocoa beans along the roughest of terrains to the district capital for sale. This factor, combined with the sometimes unfavourable prices of cocoa produce, partially accounts for the frequent smuggling of

¹³ See the 1992 Constitution of the Republic of Ghana

¹² Ibid

¹⁴ Statement contained in the press release of the Ghana Cocoa Board (COCOBOD) reported by GhanaWeb on 4th October, 2015. See Kwame Ntim (2015). 5-year Cocoa Roads Project to cost COCOBOD \$750m. at https://www.ghanaweb.com/GhanaHomePage/business/5-year-Cocoa-Roads-Project-to-cost-COCOBOD-750m-385588 [Accessed 19/10/2017]

¹⁵ ibid

¹⁶ During field work conducted in 30 communities in the district from 2015 to 2017, it was observed that only Asuopri and Debiso (a twin-capital town) had poorly tarred roads

cocoa into Cote d'Ivoire adding to its yields and contributing to making it the number one cocoa producer in the world.

In communities such as Nyaama and Pokuakora in the Ahafo Ano North District, the deplorable state of the roads is a roadblock to economic activities, a situation that is further worsened during the rainy season because of the complete inaccessibility of the roads in rainy season.

Apart from the poor road conditions across the five districts, one of the common features across communities in this district has to do with the connectivity of communities via footbridges. Footbridges serve as the means of connecting communities to their farm lands in cocoa growing areas. Community members rely on the bridges to gain access to their farmlands and engage in their daily activities whose proceeds are used to fend for themselves and their families.¹⁷

One may expect that given the importance of footbridges in farming communities, they would be in the best of shape to ensure that the daily economic activities of the communities are not truncated. Unfortunately, the opposite is the case. A footbridge linking Bosikese community in the Ahafo Ano North District is in appalling state and yet notwithstanding its dangerous state, residents of this community have no other option than to ply this bridge to their farms on daily basis.¹⁸

The situation in Ankamase, a community in the Awutu Senya District, is equally bad. Residents in this community are sometimes trapped for days and weeks during rainy seasons because of frequent flooding of the river Ankama which separates this community from its neighbouring ones. A simple culvert or footbridge across the river with very appropriate drainage system may not cost the district or even government a lot of money; however, the absence of any such government policy intervention may rather exacerbate the challenges that are meted out to this cocoa growing community.

Finally, at Nsonyameye, another community in the Juaboso District, the main bridge connecting residents of the community to their farms is close to a death trap. Consequently, residents of the community have resorted to plying very alternatively long distances to their farms which has serious implication on their overall cost of production and thus their incomes in the long run with a trickling down effect on their quality of life and those of their dependants.

RECOMMENDATIONS

Given the relevance of cocoa to Ghana's economy, the following recommendations would be useful in addressing the gaps with regard to road infrastructure in cocoa growing areas, which have been identified in this policy brief:

a. Notwithstanding, the saga surrounding it, the Cocoa Road Rehabilitation Programme provides a framework for cocoa roads in cocoa growing regions and districts to be rehabilitated in order to increase cocoa production. This is one programme that can neither

¹⁷ Interviews with community members during fieldwork conducted in April, 2017.

¹⁸ Interviews with community members during fieldwork conducted in April, 2017

¹⁹ Interviews with community members and district planning and community development officers during field work conducted in April, 2017

be politicized nor abandoned for political reasons. The government must follow through with its investigations and apply the necessary sanctions where necessary while taking pragmatic steps to revitalize the programme in order to ensure that roads in cocoa districts are well rehabilitated.

- b. The NPP government should as a matter of urgency revise the Cocoa Road Rehabilitation Programme so that the focus is not only laid on road rehabilitation but also on construction of new roads.
- c. The government must ensure that the over 230 road contracts awarded are roads found in cocoa growing areas so that cocoa districts and communities have the maximum benefit from their businesses at least in the area of road construction.
- d. Even though the Bia West district contributes significantly to cocoa production in the country, it has one of the most deplorable. It is crucial that government prioritizes rehabilitation and construction of new roads in this district. More specifically, stretches of roads connecting Essam, the district capital to major towns such as Yawmatwa and Osei KwadwoKrom (border town to Cote d'Ivoire) must be prioritized. This combined with good pricing for cocoa produce could reduce cocoa smuggling to Cote d'Ivoire through Osei Kwadwo Krom.
- e. Finally, the footbridges connecting cocoa communities in the Juaboso, Ahafo Ano North and Awutu Senya districts need to be rehabilitated and/or new ones constructed in order to reduce the costs associated with cocoa production and thereby lessen the financial burden on cocoa farmers.