Social Protection in Ghana

An overview of existing programmes and their prospects and challenges

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Abbreviations

CAADP	Comprehensive Africa Agricultural Development Programme
DSW	Department of Social Welfare
GDP	Gross Domestic Product
GHS	New Ghana Cedi
GSFP	Ghana School Feeding Programme
GoG	Government of Ghana
GPRS	Ghana Poverty Reduction Strategy
HIPC	Highly Indebted Poor Country Initiative
ILO	International Labour Organization
LEAP	Livelihood Empowerment Against Poverty
MESW	Ministry of Employment and Social Welfare
MMYE	Ministry of Manpower, Youth and Employment
NEPAD	New Partnership for Africa's Development
NHIA	National Health Authority
NHIS	National Health Insurance Scheme
NPRA	National Pensions Regulatory Act
NSPS	National Social Protection Strategy
PSIA	Poverty and Social Impact Assessment
SSNIT	Social Security and National Insurance Trust
UN	United Nations

1. Introduction

Social Protection is the base of a secure and acceptable life. Its main objective is to tackle poverty and to protect people from risks and shocks caused by e.g. unexpected economic fluctuations. Social Protection is often financed by public funds and contributions. Most frequently in countries, where the majority is living under poverty, the introduction of Social Protection seems to be a serious problem. Especially during financial crises, food price risings or natural catastrophes, Social Protection Schemes are more needed to protect the citizens from negative impacts.

With a Gross Domestic Product (GDP) of about 47,823,400,000 New Ghana Cedi (GHS) (31,306,000,000 US-Dollar) in 2010[1], Ghana as a developing and already lower middle income country is now on its way becoming a middle income country. As a role model for other African countries with its steady economic growth and considerably good governance it is increasingly important to become a country with social stability by the implementation of appropriate Social Protection Strategies. Due to this, the question arises how to establish a solid and efficient Social Protection Scheme for the population of Ghana.

Social Security is a human right as it is stated in the Declaration of Human Rights from 1949. However, there is still much space for improvements in existing Social Security Schemes, especially in Africa. The already implemented National Social Protection Strategy (NSPS) in Ghana contains different measures which all intend one goal: Building a Social Protection System which is affordable to everyone and further protects them from risks and shocks may occuring.

The Millennium Development Goals, signed by the United Nations (UN), shall be achieved by the year 2015. Addressing many different aspects of extreme poverty, the first goal is to halve proportion of people living in extreme poverty[2] during the years from 1990 to 2015. Hence Ghana started already to introduce different measures in order to achieve those goals.

The persistence is a key dimension in the debate about poverty which should be overcome by implementing Social Protection Strategies, for the short- but also for the long-term. There has been different measures in several developing or emerging countries which actually worked out efficiently like the Bolsa Familia Programme in Brazil. There is a programme on Social Security in Ghana which is geared to this programme as will be shown later in this paper.

The first part of this paper is going to give a short introduction into the topic of Social Protection. Further it is going to give a brief overview of the above mentioned Bolsa Familia Programme in Brazil and after that it is going to display the measures which already have been implemented in Ghana. This paper is going to have a focus on the Social Security and National Insurance Trust (SSNIT), the National Health Insurance Scheme (NHIS), the Ghana School Feeding Programme (GSFP) and the Livelihood Empowerment Against Poverty (LEAP). These programmes are just some examples out of the number of programmes from the Ministry of Manpower, Youth and Employment (MMYE). The brief overview of the strategies and programmes is given in order to assist as a background for the second part of the paper which is going to deal with the prospects and challenges of the Social Protection Scheme and its measures in Ghana. It is going to figure out under what conditions government and political elites have to implement and sustain social protection policies and how the further future of the Social Protection Scheme in Ghana could look like.

1 Worldbank, 2011a

2 There is a definition of extreme poverty given by the World Bank: "Extreme poverty is defined as average daily consumption of $1.25 or less and means living on the edge of subsistence" Worldbank, 2010

2. Social Protection – What does that mean?

In the literature there are many different definitions of Social Protection given. The International Labour Organization (ILO) says Social Protection is about "having security in the face of vulnerabilities and contingencies, it is having access to health care and it is about working in safety".[3] It is an important strategy to protect people from chronic poverty and from risks and shocks. There are definitions which say that the term Social Protection has a broader meaning than the term Social Security. There are two main dimensions of Social Security: income security and availability of medical care.[4] The term Social Protection includes the different measures and programmes which are introduced to achieve the aims of Social Security. This paper is going to focus on the programmes of Social Protection. The measures are supposed to provide a healthy life and a secure retirement through e.g. Health Insurances and Pension Schemes. A Social Protection Scheme has to support the people who can not afford e.g. a hospital stay by themselves. It is based on financial support of the state and on contributions by the members of the schemes. A national social protection floor is supposed to promote "(...) income security through a basic set of guarantees (...)".[5] It should provide:

- a nationwide access to health care services
- income security for children by cash transfers or kind to ensure the access to nutrition, education and care
- financial support of disabled and diseased people and people who are not able to work for a limited duration because of maternity or illness
- income security for residents in old age and with disabilities[6]

3. Social Protection in Ghana

Figure 1: **Brief chronology of Social Protection in Ghana (selected data)**

Programme/ Strategy/ Law and Date	**Subject matter**
Social Security Act **1965**	Provident Fund Scheme, lumpsum payment for old age, invalidity and survivor`s benefits
Social Security Law **1991**	Conversion of the Provident Fund Scheme to a Pension Scheme (SSNIT)
Ghana Growth and Poverty Reduction Strategy (GPRS I) **2002-2005**	Established in order to achieve the Millenium Development Goals of the UN
National Health Insurance Scheme (NHIS) **2003**	Introduction of a contribution scheme for the Health Insurance
Ghana School Feeding Programme (GSFP) **2005**	One hot meal a day for every schoolchild
Ghana Growth and Poverty Reduction Strategy II (GPRS II) **2006-2009**	Focus on Ghana becoming a middle income country by 2015
National Social Protection Strategy (NSPS) **2007**	Several Social Protection programmes started under the strategy (e.g. LEAP)

3 Garcia/ Gruat, 2003
4 ILO, 2010b: 19
5 Cichon/ Behrendt/ Wodsak, 2011: 5
6 Cichon/ Behrendt/ Wodsak, 2011: 5

Livelihood Empowerment Against Poverty (LEAP) **2008**	Social Cash Transfers and free health insurance membership for vulnerable people

3.1. Previous forms of Social Protection in Ghana

At Ghana's Independence in 1957 the Government provided free health care services to its population which was solely financed from tax revenues. However, it has not been sustainable because the Government of Ghana (GoG) refocussed on the financial support of other sectors of the economy. From then on different nominal fees were introduced. Later on the cash and carry system was established which provided medical treatment solely by a direct payment.[7]

Besides the governmental system there had always been traditional systems of Social Protection which were based on the help and support of the extended family. They were responsible for taking care of the old and invalid members of the family ("rural extended family care“).[8] The elderly people took care of the children and they expected the younger ones to take care of them when they got retired. Adults were responsible for financing the material needs of the children and the elderly members of the family.[9]

With the rise of modern society and the expanding globalization and urbanization the extended family system got weakened. Because of the migration of the younger family members into the cities there is a lack of support in the traditional Social Protection Scheme. The family is no more capable to support the diseased and old members of the family on their own.

Informal and traditional forms of Social Protection which are based on the above mentioned extended family system or religious networks are normally those which the most vulnerable people have to rely on.

Due to this new forms of Social Protection had to emerge. There had been different implementations of new Social Protection Schemes in Africa. Despite the fact that there had been ambitions to cover all the needy people, there are still many people excluded from the benefits of being social protected. Most of all, the problem appears of how to cover the workers in the informal sector. In addition there is the problem of how to integrate women and youth into the scheme, because if they are excluded there is a high risk for them of sliding into a lifelong poverty with all its negative aspects. Chapter 3 will specially focus on these marginalised groups.

Especially in Ghana unions play an important role in establishing new forms of Social Protection Schemes because of the tripartite body made up of government, organized labour and employers.

3.2. Social Security and National Insurance Trust (SSNIT)

A nationwide Social Security Scheme was established in 1965 due to the implementation of the Social Security Act. A Provident Fund Scheme was created, which provided money for lumpsum payments for old age, invalidity and survivor's benefits.

7 Sulzbach/ Garshong/ Owusu-Banahene, 2005: 14
8 Dei, 2001: 3
9 Human Development Report 2007: 104

In 1991 the Provident Fund Scheme became a Pension Scheme through the implementation of the Social Security Law. The Pension Scheme named Social Security and National Insurance Trust (SSNIT) contained that there should be contributions of 17.5% in total of the monthly workers' salaries. 5% should be paid by the employee and 12.5% by the employer. The self-employed were expected to contribute the total amount of 17.5% by themselves. The three basic benefits were

(1) old age pension, (2) invalidity pension and (3) death-survivors payment.

When the National Social Protection Strategy started in 2007/2008, as will be described in the following chapter, several new measures raised with it. Due to the implementation of the New Pensions Act (National Pension Regulatory Authority (NPRA)) in 2010 the SSNIT contributions rised in total from 17.5% up to 18.5% of the monthly workers' salaries. The structure of the Pension Scheme was enlarged by the introduction of a third tier.

The newly established three-tier scheme[10] was constructed as the following shows:

1. A mandatory basic national security system (SSNIT) → *defined benefit scheme*
2. A mandatory fully funded and privately managed occupational pension scheme → *defined contribution scheme*
3. A voluntary fully funded and privately managed provident fund and personal pension scheme → *defined contribution scheme*

Out of the 18.5% of the monthly workers' salaries, 13.5% goes to the first-tier Mandatory, the SSNIT, and 5% goes to the Private Mandatory second-tier. From the SSNIT money 2.5% goes to the National Health Insurance Scheme Levy for Health Care, which is going to be explained in chapter 2.4.1. of this paper, and 11% goes to the pensions. The minimum age to enter the SSNIT is 15 years and the maximum age is 45 years.[11]

The third tier was newly established in 2010. People can join it voluntarily in addition to the mandatory first and second-tier. First of all this is a benefit for the people working in the informal sector because they were not covered by the SSNIT and by the Private Mandatory second-tier. The introduction of the third-tier is highly important for the Ghanaian Social Protection System because over 80% of the workers are working in the informal sector.[12] Those workers who want to be covered from the third-tier have to contribute 16.5% of their monthly salaries.

The informal workers have two different accounts:

1. The retirement account
2. The personal savings account

Due to the second account, informal workers are able to receive benefits before their retirement.

Currently the SSNIT has an active membership of 1 Mio. people, amongst them there are over 100,000 pensioners and 90,000 contributors from the informal sector.[13]

Since January 2011 pensioners which were already on the SSNIT get an financial amount of 52.14 GHS per month whereas new pensioners get 45.06 GHS.[14]

10 SSNIT, 2011

11 National Pension Regulatory Authority, not dated
12 Ghana Statistical Service, 2009
13 Myjoyonline, 2011

The implementation of the NPRA Act 766 in 2010 affected the contributions to SSNIT in a negative way. Contributions to SSNIT dropped by 27 percent. This is because the annuity for lump sums payments has extended from 72 to 75 years and at the same time the minimum monthly contribution needed for retirement has dropped from 240 to 180 GHS per month. This leads to an effect which was not intended: Now there are less benefit payments possible.[15]

3.3. Highly Indebted Poor Country (HIPC) Fund

In 2003 the GoG decided to establish the Highly Indebted Poor Country (HIPC) Fund, an instrument in order to reduce poverty and the debt burden of the country. Ghana spends plenty of its financial assets to service debts. Due to this, there is little money left for investments in the social sector and poverty can become worse. By joining the HIPC Initiative the main creditors agree to erase the debts over time so that the money can be spend for investments in the social sector to reduce poverty. The country has to develop a Poverty Reduction Strategy and it has to use the money from the HIPC fund to finance the programmes out of this strategy.[16]

3.4. National Social Protection Strategy and Ghana Poverty Reduction Strategy

By recognising that growth and mainstream development interventions are not sufficient to reduce the huge number of people living in poverty and to protect the people from natural or economic shocks, the GoG decided on two strategies to ameliorate the situation of the vulnerable groups: The National Social Protection Strategy (NSPS) and the Ghana Growth and Poverty Reduction Strategy (GPRS) (which actually is built up of the Strategies I and II).

In 2007/2008 the NSPS started. The strategy contained several different measures which in the first place should reduce poverty and lead to achieve the first Millennium Development Goal of the UN. It includes three main strategies to tackle extreme poverty:

(1) Establisment of a new social grant scheme to provide a basic and secure income for the most vulnerable households
(2) Better poverty targeting of existing social protection programmes
(3) Package of complementary inputs.[17]

The first GPRS (2002-2005) found its major topic in establishing special programmes for the excluded and vulnerable. By this time the Poverty and Social Impact Assessment (PSIA) pointed out that just the economic growth would not be sufficient to counteract exclusion and extreme poverty. Hence the GPRS II (2006-2009) focus was on growth and Ghana becoming a middle income country by the year 2015.

The aims of the NSPS and the GPRS I and II are to achieve a poverty reduction by implementing measures like the Livelihood Empowerment Against Poverty (LEAP) Social Grants Scheme and the National Health Insurance Scheme (NHIS) which are going to be explained in the following chapters.

Among other things the GPRS I said that gender discrimination is a consequence of poverty and that it has to be removed by Poverty Reduction Strategies.[18]

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14 Adu-Gyamfi, 2011
15 Myjoyonline, 2011
16 Ministry of Finance and Economic Planning Ghana, 2011
17 Sultan/ Schrofer, 2011: 303

3.4.1. National Health Insurance Scheme (NHIS)

The Government of Ghana established the National Health Insurance Scheme (NHIS) under the Act 650 in 2003. The scheme was launched in order to "(...) provide basic healthcare services to persons resident in the country through mutual and private health insurance schemes".[19] It was launched to replace the former cash and carry system which forced the people to pay money in cash when they needed to see a doctor or to go to a hospital.

There are three types of schemes available under the law:

(1) The district-wide mutual health insurance scheme
(they operate across a district where all residents can become members)

(2) The private mutual health insurance scheme
(These private schemes are not restricted to a specific region or district, all Ghanains can become members)

(3) The private commercial health insurance scheme
(These provide health insurance services for particular groups of people like church members who build their own mutual health insurance schemes)

The districts of Ghana are divided into Health Insurance Communities to give all the Ghanaians the opportunity to participate on the scheme.[20] [21] By the implementation of the NHIS the people who are benefiting from the scheme get a card which enables them to go to the hospital without direct payments. The hospital will then send the bills to ones scheme provider which then will pay the money for the delivered services.

The NHIS is financed by

- the premiums of subscribers (one has to register and then to pay a premium depending on ones income)
- 2.5% National Health Insurance Levy
- 2.5% SSNIT, deductions from the formal sector
- Funds from Government of Ghana to be allocated by the Parliament
- Returns from investment[22]

In 2008 there were almost 12.3 Mio. registered members which represents 54% of the Ghanaian population.[23] Because of the fact that there was still a lack in covering the most vulnerable groups, the President decided in May 2008 that all children under 18 would get a free membership to the Health Insurance besides all pregnant women during their pregnancy.[24]

There is a need for the people working in the informal sector to create a committee within communities in order to identify and categorise themselves into social groups concerning their income. The real core poor shall be listed for the Government to pay their contributions from the National Health Insurance Fund.

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18 Gbedemah/ Jones/ Pereznieto, 2010: 2
19 NHIS, 2011
20 Modern Ghana, 2011
21 ILO, 2010a
22 NHIS, 2011
23 Ministry of Finance and Economic Planning Ghana, 2009
24 Sultan/ Schrofer, 2008: 302

Figure 2: **Annually Contributions to NHIS**

Name	**Contributions (annually)**
Core Poor	free
Very Poor/ Poor	72 GHS
Middle Income	180 GHS
Rich/ Very Rich	480 GHS

(To look up the specific definitions of the terms see http://img.modernghana.com/images/content/report_content/NHIS.pdf, 4f)

Members of the NHIS benefit from "(...) general outpatient services, inpatient services, oral health, eye care, emergencies and maternity care, including prenatal care, normal delivery, and some complicated deliveries".[25]

After the registration and the fully payment of contributions the people have to wait for at most three months. Thereafter they will get their Health Insurance identification and Health facility attendance card which enables them to benefit from the scheme.

3.4.2. Ghana School Feeding Programme

The Ghana School Feeding Programme (GSFP) was launched in 2005 in order to achieve the Millennium Development Goal concerning the reduction of hunger. It is an initiative of the Comprehensive Africa Agricultural Development Programme (CAADP) pillar 3 assisted by the New Partnership for Africa's Development (NEPAD)[26]. The costs of the GSFP are shared between the GoG and donors. As one of the most important donors the Government of the Netherlands has committed 25 million US-Dollar for the programme.

Its three main objectives are:

(1) Increase school enrollment, attendance and retention
(2) Reduce hunger and malnutrition
(3) Boost domestic food production

Children in deprived public primary schools and kindergartens shall get one hot, nutritiuos meal a day. The meal should be prepared from locally grown food stuffs.

The programme started with 10 pilot schools out of each Ghanaian region. Currently the GSFP covers about 1698 public schools and by doing this it provides one hot meal a day to 656,624 children in the 170 districts of Ghana.[27]

In the years from 2006 to 2010 the programme should have covered 1,500,000 pupils spread through all districts of Ghana. It was supposed to end in 2010 but the current administration agreed for extending it for one more year.

25 ILO, 2010a
26 ECASARD/ SNV, 2009: 4
27 Ghana School Feeding Programme, 2011 (There were different data found, cf. The Daily Dispatch, 2011)

3.4.3. Livelihood Empowerment Against Poverty (LEAP) Social Grant Scheme

The Livelihood Empowerment Against Poverty (LEAP) Social Grant Scheme is a Programme of Ghana's Ministry of Manpower, Youth and Employment (MMYE) which is supposed to decrease the poverty in Ghana and to provide a better life for the Ghanaian population. It started as a 5-year-pilot programme from 2008 to 2012 and it contains financial support of Orphan/ Vulnerable Children, people over 65 years and people with disabilities.

It had been implemented by mid-2009 and in 2010 it covered 81 of 170 districts with 45,000 households.[28] There has never been a programme like this before that provided the most vulnerable groups in Ghana as mentioned above.

The needy households are selected on a base which contains the combination of "(...) poverty status and presence of any one of the three categories of vulnerable groups".[29] 28.5% of Ghana's population are poor, whereof 18.2% are "extremely poor" and are targeted by the LEAP at which the criteria and means of targeting have to be advanced[30], which will be more discussed in chapter 4. of this paper.

LEAP supports selected households with monthly cash transfer between GHS 8 and GHS 15 which depends on the number of needy people living in the household. The cash transfers to the people with disabilities or the old people above 65 are unconditional. To get the cash transfer for Orphan/ Vulnerable Children households have to follow conditions as listed below:

(1) „sending children to school
(2) not allowing child labour
(3) enrolment of family members on the National Health Insurance Scheme (NHIS)
(4) birth registration of all children"[31]

The cash transfers are funded from GoG budget. The total cost of LEAP lies between 0.1% and 0.2% of total government expenditure (4.2 million US-Dollar). Because of the increase of the food and fuel prices in 2008 the Worldbank decided to support the GoG in providing cash tranfers to additional 28,000 households to protect them from the negative aspects. There were also other donors which invested in the MMYE like UNICEF, ILO and Government of Brazil.[32]

Besides the cash transfers all the people who are covered by the LEAP have also access to a free health insurance. They have to go to the responsible office in their district to register.

3.4.4. Bolsa Familia in Brazil and its influence on LEAP

For understanding the efforts made in Ghana to provide an efficient Social Protection Scheme one has to see where some suggestions came from. Especially the LEAP, as explained above, shows similarity to the Brazilian Bolsa Familia programme, which was launched in 1995. It provides cash transfers for needy people with a monthly amount of about 35 US-Dollar. The beneficials in return have to assure that they send their children to school and to regular health checks. The scheme has

28 Ghana Ministry of Finance and Economic Planning (There were different data found, cf. Sultan/ Schrofer, 2008: 304)
29 Gbedemah/ Jones/ Pereznieto, 2010: 3
30 Gbedemah/ Jones/ Pereznieto, 2010: 2
31 Sultan/ Schrofer, 2008: 304
32 Sultan/Schrofer, 2008: 304f

two important outcomes: Besides reducing poverty it ensures that the families are taking care of their children.

Compared to other social programmes in Brazil, the Bolsa Familia has an important impact on the lifes of most of the people having a low income. 94% of the fund is received by 40% of the poorest people living in Brasil and studies give evidence that in most of the cases the money is used for buying food, school supplies and clothes for the children.[33]

3.5. Other Programmes on Social Protection in Ghana

In addition to the explained above there are other programmes which are supposed to reduce poverty and to build up an effective and sufficient Social Protection Scheme. This paper will only mention them because they are less fundamental for the conclusion.

- Social Welfare Programmes
- Supplementary Feeding Programme
- Capitation Grant
- National Youth Employment Programme
- Integrated Agricultural Support Programme
- Microfinance Schemes
- Emergency Management Schemes

4. Challenges and Prospects of Social Protection in Ghana

The attempts of the GoG to establish an efficient Social Protection Scheme are really good in contrast to many ambitions of African Governments to reduce poverty. Nevertheless the system in Ghana is still facing several challenges. The following part of the paper is going to show and explain selected challenges and it is going to display solutions how to overcome these challenges. Furthermore it is going to show some possible prospects of the Social Protection Scheme in Ghana.

4.1. Challenges

- **How to target the beneficials?**

The vulnerable people have to be targeted to participate on the programmes for Social Protection. But the question is: How to target them best? How to define whether somebody has to pay the maximum premium or just the accounted premium for the NHIS? How is it possible to assure that solely the needy people receive the LEAP cash transfer? How to measure poverty and neediness?

All these questions have to be dissolved to guarantee a Social Protection Scheme which is based on fair and holistic pillars. Most of all in countries with a high amount of people working in the informal sector (in Ghana this percentage is about 80%) the targeting of the needy people is a crucial problem. People working in the informal sector mostly are not "visible" to the state. Measures have to be found to make them visible to get them into the scheme and to provide the services to them

33 Worldbank, 2011

they actually need. Beside the cash transfer itself there are also indirect costs coming up e.g. for administration and transaction costs.

Furthermore a problem with the payments of the grants is showing up as has been stated by the Deputy Director of LEAP, Mr Lawrence Ofori-Addo. In September 2011 there has been a delay of the grants for the LEAP beneficials for 10 months for 53,000 households in 83 districts. Mr Ofori-Addo explained the delay with the "(...) inability of the Bank of Ghana to process the late submissions of warrants for the grants which had resulted in the whole process of releasing the grants to start all over again".[34]

He also stated that the Ministries of Women and Children's Affairs, Health, Agriculture, Education and the Ministry of Employment and Social Welfare (MESW) had cooperated and developed a common targeting mechanism.

Not only the beneficials of the LEAP are hard to target but also the schools which should benefit from the School Feeding Programme as Ghanas Daily Guide stated in September 2011. The programme was supposed to cover 1,500,000 pupils during its first phase from 2006 to 2010 but until now only 713,631 pupils benefit from it. The reason is the suspension of the financial support for one year of the Dutch Government which is an important donor on the programme.

The former inefficient target method caused that there has to be a retargeting which is more based upon geographical targeting at the district level using poverty or food security maps than road access, availability of electricity, access to portable water and so on as used as targeting criteria before. There was a violation of the selection criteria and a concentration on beneficiary school pupils in the urban cities instead of the poor rural communities. It is estimated that only 21% of benefits are received from the poor.[35] Due to this there was a target on schools which had no special need for the School Feeding. Those schools have to be excluded on a retarget to ensure that the right beneficials are taking part on the programme.[36]

According to the Sissala East District Chief Executive Madam Sulemana Alijata there is a special need on an officer for effective supervision and monitoring of the programme. Furthermore she said that "(...) delays in funding, lack of knowledge about the new policy on the programme and the inability of the District and School Implementation Committees to carry out its work regularly, especially monitoring (...)" are the most important challenges which have to be overcome to ensure an efficient implementation of and benefit from the School Feeding Programme.

- **Justification of the LEAP cash transfers**

In cases of cash transfers most of the time the question arises whether the beneficials will use the money equitable. As we have seen LEAP is setting divers conditions to the beneficials, like enrolling the children in school, but there is no control about the actual use of the money itself and due to this the LEAP has come under criticism. The public debates contained the issue that the poor people would waste the LEAP grants which were seen as „free-hand-outs“ by many public voices.

There were suggestions from some newspapers and radio call-in programmes saying that instead the GoG using the money for the cash transfers on LEAP they should better use it to support new employment and the further development of the industries.[37] By doing this it will create more jobs

34 Myjoyonline, 2011
35 The Daily Dispatch, 2011
36 Myjoyonline, 2011
37 Schrofer/ Sultan, 2008: 304f

and poor people could get employed and earn money by themselves. The GoG had to justify the programme to win the public support. For the future it will be better if there would be a good communication strategy which explains the meanings of the programmes before they get launched so that the public will mainly support the measure.

To prevent public mistrust in cash transfers the solution of using the money for scholarships is showing up. This solution would provide support for the vulnerable children and at the same time it would assure that the money is used in a proper way.

Coming back to the LEAP there are more challenges to deal with like the question whether the programme should be expanded across the nation or just focus on the poorest districts in Ghana?

Ana Fonseca highlights six different challenges[38] which cash transfers in general have to negotiate:

(1) Designing effective exit strategies
(2) Supporting households upon exiting the programme
(3) Making programmes work both as safety nets and springboards
(4) Expanding programme eligibility
(5) Avoiding the dichotomy "Targeting vs. Universalism"
(6) Evaluations

- **Empowerment of the Ministry of Manpower, Youth and Employment and the Department of Social Welfare**

The responsible Ministry of Manpower, Youth and Employment (MMYE) and the Department of Social Welfare (DSW) have to be more empowered by giving them a higher amount of financial possibilities which they can use for providing more Social Protection measures. In the past there have been donations by e.g. UNICEF, ILO and Government of Brazil to empower the MMYE and the DSW.

There are some district offices which will need to be strengthened to deliver LEAP. In other districts there is a need for new systems because there are no offices for Social Protection existing.

MMYE has not yet the "(...) lead role in co-ordinating social protection programmes across various sectors."[39]

But there is a new Institutional Strengthening Plan in progress which should ensure that there is more responsibility in the hands of the Ministry. It will be financed by the GoG and by several donors. This progress is going to take a long time and there are many more challenges to overcome. The Ministry has to ally to other partners outside of Government like civil society organisations.

- **Lack of an alignment of the different measures**

Programmes like LEAP and the School Feeding Programme lack of an alignment. The programmes exist but there is no connection between them. There should be a better cooperation between the measures because then it will become easier to target the beneficials. The cooperation is weak

38 For further information see UNDP, 2006
39 Schrofer/ Sultan, 2008: 306

because of the financial restrictions of the MMYE. This is another reason why the budget for the Ministry should get enhanced.

- **Integration of the marginalised groups**

Despite the fact that the SSNIT was enlarged by a third tier to include the informal workers into the Social Security Scheme there is still a lack of integration of marginalised groups. Also women and especially children count to this groups. The protection of unattended people is and it will be still a challenge.

Mainly children are the most vulnerable group due to their age and the risk to their survive. Children of poor households often suffer from malnutrition and neglection from e.g. education. There is a high risk for these children to be exploited, e.g. by child labour.[40]

By talking about the marginalised groups one must not forget the Gender aspect. Family structures in Ghana support the men as the family leaders and solely them are allowed to choose what should happen with the money. Despite the LEAP contains aspects which adress on gender issues there are still challenges to tackle. The conditions of women did not really improve by receiving money from the LEAP because the transfer amount is not very high and the women do not get empowered through financial independence. There is no provision on receiving financial support out of the LEAP trust which says that this has to accompany with balancing household gender roles or empowerment.[41] Having this in mind one can see how women are eliminated from the important decisions in the household. Discrimination still exists in Ghanaian families.

The programme has to focus less on the head of the households but more on the actual caregivers of Orphan/ Vulnerable children and it has to include more gender issues so that the women in the families can get more empowered and independent.

- **Special Case: Northern Ghana**

Mostly in the three Northern regions (Northern, Upper East and Upper West) of Ghana the problem of deprivation appears. People living in Northern Ghana are the poorest amongst all of the Ghanaian population. School enrolment is a crucial problem in those regions. According to the Ghana Living Standards Survey (2008) less than 70% are currently attending school.

A huge regional disparity concerning the income is observable. In 2008 the per capita income in the Greater Accra region was 554 GHS whereas the Northern regions had less than 130 GHS income per capita. The income in urban localities is higher than in rural localities.

The traditional Social Protection System, as mentioned at the beginning of this paper, is prevailing in this area. The people have to rely on their families because they are barely touched from the Social Protection Scheme. For instance they have in fact the opportunity to join the NHIS but in practice it is complicated for them to access the services because of the badly developed infrastructure. And even when they have managed to arrive at the hospital they often have to wait for many hours before being treated.

40 Hodges, 2008: 2
41 Gbedemah/ Jones/ Pereznieto, 2010: 2

The infrastructure in the North is less advanced than especially in the Southern part of the country so it is necessary that the GoG has to have a special focus on the Northern population to reduce poverty and hunger and to establish an efficient Social Protection Scheme which addresses the whole country and not only parts of it.

- **Combination of the traditional and the modern Social Protection System**

As mentioned at the beginning of this paper there has been a traditional Social Protection System which was based on the support of the family members by themselves. It weakened because of urbanization and migration but it is still existing. Thus there is a coexistence of the traditional and the new Social Protection System.

The current question is how much support is actually needed from the families. If one has a strong family Social Protection System, he/she does probably not need so much money than somebody who has to care for himself/herself.

The Government had missed to connect the modern Social Protection System to the traditional. If the GoG had done so, the prevailing system could have benefited from it. The former existing social security networks could have assisted in the construction of the modern Social Protection System. It could have become the basis of all the established measures and programmes.

One can say that the NHIS is not fully successful yet, however, it is a role model for other countries like health experts from The Republic of Cameroon stated. They appreciate the fact that the GoG started the NHIS on its own, without the financial support of any donors.[42]

- **Are the programmes sustainable?**

The LEAP for instance is just a pilot programme which is going to end in 2012. But what happens after? Several donors give financial support but what happens if they reduce or even stop it? Is the GoG able to finance all the programmes by itself to sustain Social Protection? As we have seen in the School Feeding case: The suspension of the Dutch donors lead to a crucial problem in financing the programme and the Government was not able to mortise the financial burden on itself.

Especially in the case of SSNIT contributions the question arises whether the system is sustainable because the amount of money the pensioners get from the trust is relativ low in comparison with the contributions they pay. As stated earlier the contributors only get about 50 GHS monthly.

The question of sustainability also arises by monitoring the case of the LEAP. The programme started as a 5-year-pilot and the challenge now will be to move to a sustainable and long-term programme on Social Protection.

42 NHIS, 2011

4.1.1. The Case of NHIS – A Failure of Implementation?

As we have seen in the NHIS description the concept in general is progressive and it is a good base for an efficient scheme. However, it must be stated that there is a crucial difference between the scheme in theory and in code of practice.

- **NHIS: Code of Practice**

Several District Mutual Health Schemes complained about the delay of payment from the National Health Insurance Authority (NHIA) for the medical services. The NHIA is responsible for the payments of NHIS. Furthermore in some cases there is uncertainty of which services are included from the scheme and which have to be paid from the patients themselves. The fact that the NHIA owes the hospitals a lot of money is also affecting the quality of healthcare. Hospitals and other health care facilities are dependent on the financial support of the fund to buy drugs, medical technologies or to hire health personnel. Moreover the delay of payment leads to several refuses from the hospitals of medical treatment for patients insured by the NHIS.[43]

What could be done? First of all the NHIA has to ensure that they are able to pay the services of the hospitals provided to the insured patients on time because otherwise the people are going to lose their trust in the Scheme and they are probably not going to pay their distributions anymore because they actually do not benefit from it. Furthermore this situation leads apparently to a crucial risk for the health of the people. If their medical treatment is refused they will longer suffer from diseases and in the last resort they can even die.

- **NHIS: High Costs of Premium**

Some people who did not register yet to the NHIS complained about the high costs of the premium to get registered.[44] Thus, the people who do not have enough money are excluded from the scheme. Due to this the question arises whether there should be more financial support from the Government or whether there were any other options to deal with the people who cannot afford to pay the distributions. If the scheme should provide an efficient healthcare there will always be the problem of too high costs. The scheme as it is today is only based on the contributions of the working people over 18. The children under 18 (of parents or guardians who pay their own contributions) and pregnant women (during their pregnancy) do not pay any contributions. On a long-term view this scheme has to be reconsidered. Alternative solutions have to be found to make the scheme available for all the Ghanaian citizens and to make it sustainable.

- **NHIS: Registration and waiting time**

As mentioned in chapter 3.4.1. the contributors of NHIS have to wait for three months after their registration to receive their Insurance card and to benefit from the scheme. This period of time should make sure that not only sick people join the insurance because otherwise it will collapse. But

43 Baidoo, 2009

44 UNDP Human Development Report 2007: 59

what shall the people do if they get sick during the waiting time? They had already paid their contributions but they have to wait to benefit from it.

In addition to the problem with the waiting time there is another problem coming up with the registration itself. One has to register in the responsible District Mutual Health Scheme and one cannot easily switch from one district to another. Thus if one has to see a doctor and he is not in his responsible district one cannot benefit from the scheme what leads us to the fact that the system is not well-thought-out.

4.2. Prospects

Since 2008 the GoG shifted its focus in health policy from preventive to curative health. The government realised that prevention is the key to a healthier life and it is a futher step for the establishment of an efficient Social Protection Scheme. In addtion to that there was a broader focus on "(…) regenerative health through adjustments and changes in the lifestyles of the Ghanaians".[45] These are just statements from the GoG but the real outcome of the programmes have to be proven over the next years. Therefore more attention must be paid to a credible evaluation of the programmes because otherwise their effectiveness will not be assured.

Being insured and the existence of enough hospitals as well as good medical treatments are two different matters. The quality of the healthcare did not improve with the upcoming of the National Health Insurance Scheme. For example The Chronicle stated in July 2011 that there is not one single Psychiatric Hospital in the North of Ghana where over 60% of the population is classified under the poorest and although there is a large number of patients suffering from mental diseases. In addition to this most of the existing hospitals are so far apart from the needy people, which means that they have to shoulder a long distance for a medical treatment.[46] Especially the integration of the Northern regions of Ghana into Social Protection programmes is a crucial challenge as we have also seen by monitoring the problem of targeting beneficiaries for the School Feeding Programme.

In the past there has been incidents which put up uncertainty and mistrust amongst the public: The CEO of the NHIS, Sylvester Mensah, made negative headlines due to his behaviour. The CEO was accused of wasting plenty of money for the rent of a house in times of the country is suffering from lack of financial possibilities. Certain measures have to be developed to ensure the public that they can trust in the NHIS and its responsible staff.

The NHIS got enlarged in September 2011. From now on the alternative health practitioners are accredited by the NHIS. Thus the people are allowed to see an alternative health practitioner and the NHIS pays the costs. By implementing this, the people get more opportunities for a healthier life, they now have the choice where to go to in case of illness.

To combat poverty one must not neglect the social dimensions of the risks and vulnerability. The sources are often found in social interaction and they are often characterized by underlying power relations.[47] As mentioned earlier especially children and women are affected by social marginalisation but also people with disabilities. The GoG made a first step in integrating persons with disabilities by launching the Persons with Disability Act in 2006 (Act 715) which shall abolish discrimination.

45 Ghana Ministry of Finance and Economic Planning
46 Ziem (n.d.)
47 Holmes/ Jones, 2009: 5

5. Conclusion

As we have seen, there are currently several programmes on Social Protection in progress and some of them are working out well but there are still many challenges for them to address.

At this time it is hard to give reliable prospects for the future because most of the programmes started just a few years ago and they still have to give proof of their value for the advancement of the Social Protection in Ghana.

As stated in the paper there are already efforts which are supposed to include the informal workers like the launch of the third tier of the SSNIT. However, it is still a challenge to get those workers into a proper Social Protection Scheme.

All in all it is observable that Ghana is about to learn from other countries and their experiences with Social Protection Programmes, like the Bolsa Familia Programme in Brasil but it still has to figure out which measures are the best for Ghana and how to finance them without the financial support of donors or creditors.

To sum up, one can state that the efforts made by the GoG to establish a Social Protection Scheme are notable but there is still a lot of work to do to sustain an efficient scheme which offers benefits to all Ghanaians.

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