



# Social protection to tackle child poverty in Ghana

Over the past decade Ghana has made impressive progress in stimulating economic growth, reducing poverty and improving governance. Indeed, international assessments of the country frequently herald it as a 'shining example' of development not only in West and Central Africa, but on the African continent more broadly. The real GDP growth rate has been high for the past decade, exceeding 6% a year in 2006-2008, although there is some caution given the country's vulnerability to fluctuating international commodity prices (especially gold and agricultural and forestry exports, including cocoa), and to the constraints of energy, transport and communication infrastructure. Moreover, there is a broader concern that economic growth has been prioritised at the expense of social service provision and quality and tackling social exclusion<sup>1</sup>.

Nonetheless, since the Millennium, major social protection initiatives have been taken to address poverty and vulnerability, including the National Health Insurance Scheme (NHIS), an education capitation grant paid to schools to ensure fee-free access, a school feeding programme and a pilot cash transfer programme. There are now signs that some of these measures, along with the general improvement in standards of living, are beginning to have a significant impact, including with respect to child mortality.

This briefing paper provides highlights from a recent research report on social protection and children in Ghana, which reviews the extent to which social protection systems and instruments are addressing child-specific experiences of poverty and vulnerability<sup>2</sup>.

## Child poverty and vulnerability

While overall poverty was almost halved in a decade and a half, from 52% in 1991/92 to 28.5% in 2005/06, one-quarter of the population still lives below the poverty line and 18.5% of Ghanaians live in extreme poverty, with inadequate resources even to meet their basic food subsistence needs.

Health and lifecycle vulnerabilities present particular risks to children and mothers despite the broader progress on monetary poverty reduction. The under-five mortality rate (U5MR) declined only marginally during the 1990s, although there has been faster improvement more recently: a decline from 111 per thousand live births in 2000-2003 to 80 in 2004-2008. The country's high maternal mortality (451 per 100,000 live births) was described at the national Health Care Summit in May 2008 as a 'national emergency'. Among the underlying causes of high mortality, malnutrition is a key problem, with 28% of children under five years

<sup>1</sup> See, for example, UNDP (2007), Ghana Human Development Report 2007: Towards a More Inclusive Society. Accra: UNDP 2007.

<sup>2</sup> The study was part of a broader research programme on social protection and children in West and Central Africa, sponsored by the West and Central Africa Regional Office of UNICEF, and carried out by the Overseas Development Institute (ODI) in London, with the participation of researchers from the region. The Ghana study, entitled 'Social Protection for Children: Opportunities and Challenges in Ghana', was carried out by Nicola Jones, William Ahadzie and Daniel Doh, and has been published jointly by UNICEF, the Ministry of Employment and Social Welfare, and ODI.

old stunted in 2008, including 9.8% severely stunted, and particularly high levels in the food-insecure regions in the north of the country. In addition, despite Ghana making good progress towards MDG 2 on universal primary education and the education gender parity targets of MDG 3, still only three-quarters of Ghanaian primary age children (75.3% in 2006) attend school at the correct age.

Child deprivations are correlated with monetary poverty, residence in rural areas or the more deprived regions (particularly in northern Ghana) and a low level of maternal education. For example, the 2003 Demographic and Health Survey (DHS) showed that the U5MR is almost one and a half times higher in the bottom wealth quintile than in the top quintile, and twice as high in the Northern Region as in Greater Accra. Malnutrition is likewise much higher in rural areas and in the lowest wealth quintiles. The net primary school attendance rate varies from 52% in the lowest wealth quintile to 94% in the highest, and between 55% in Northern Region and 87% in Greater Accra, according to the 2006 Multiple Indicator Cluster Survey (MICS).

Children are also vulnerable to violence, exploitation, abuse and neglect. This is associated with a mix of economic, social and cultural risk factors. Poverty is a key driver of child labour, which affects 47.9% of children in the lowest quintile, according to the 2006 MICS. Another important problem is that many children are receiving inadequate nurture and care within the home. Only 59.8% of children live with both their parents and 14.3% of children live with neither of their parents, owing either to the death of parents or migration, associated with various forms of fostering, or, in the worst cases, to trafficking. In the case of girls, vulnerabilities are often exacerbated by culturally rooted gender inequalities. Early marriage compromises the development of girls, with rates of 4.4% and 26% for girls below 15 and 18 years, respectively. This also aggravates the literacy gap between men and women, as well as gender power imbalances within the household.

### Ghana's national social protection infrastructure

Informal social protection mechanisms ranging from kin-based support and remittances to credit societies

and faith-based networks have long existed in Ghana, although the more traditional kin-based mechanisms are declining in importance under the influence of urbanisation and demographic changes. More formal social protection began after World War II with the introduction of pensions for public employees and formal private sector workers. However, these social security mechanisms still cover only about 10% of the population, leaving unprotected the vast majority of the poor, who earn their livelihoods in the informal sector. Only in the past few years has attention been given to developing a broader social protection system that would address the vulnerabilities and risks facing the mass of the population.

Social protection has been prominent in Ghana's poverty reduction strategy papers (GPRSI and II), and a draft National Social Protection Strategy was completed in April 2007, although it has not yet been formally adopted. Several major programmes have been launched, some with a strong focus on children.

- The *National Health Insurance Scheme* (NHIS) was established in 2003 to provide equitable health insurance for all.
- The *Education Capitation Grant* was introduced in 2005 and expanded nationwide to all schools in 2006, in order to improve enrolment and retention by providing schools with grants to cover tuition and other levies that were previously paid by households.
- A *School Feeding Programme* was introduced in 2004, with the aim of increasing school enrolment and retention by providing children with a daily meal at school.
- Community-based *public works programmes* provide jobs for unemployed and underemployed youth, including through the National Youth Employment Programme.
- The *Livelihood Empowerment Against Poverty* (LEAP) programme was initiated in March 2008 to provide cash transfers to extremely vulnerable households, including those with orphans and vulnerable children (OVC) (see Box 1).

# social exclusion

## reduction of poverty

Constraints to effective implementation of social protection typically exist at three levels: systemic (e.g. political institutions); societal (e.g. public attitudes); and institutional (e.g. historically embedded 'rules of the game')<sup>3</sup>. In terms of systemic constraints, key challenges in Ghana include fiscal space constraints, limited coordination among government agencies and the relative weakness of the legislature as an effective institution to monitor and hold the executive to account for policy implementation. Societal constraints

such as mixed public support and notions of an 'undeserving poor' are also widespread, while institutional constraints relate largely to neo-patrimonial political practices.

### The NHIS and access to health care

The slow progress in reducing child and maternal mortality has focused attention on overcoming the financial barriers of access to health services, as well

### Box 1. The LEAP programme

Internationally, there has been growing interest in the role of cash transfers to poor households as a means of reducing vulnerability, ensuring adequate nutrition and access to basic social services and helping poor families to rise out of poverty. Many cash transfer programmes in developing countries have focused in particular on promoting human capital investments in children.

Ghana's Livelihood Empowerment Against Poverty (LEAP) programme, launched in March 2008, is an example of this type of programme. As of May 2009, LEAP was benefiting about 26,200 households in 74 districts (out of 178 districts nationally). The Department of Social Welfare (DSW) in the Ministry of Employment and Social Welfare (MESW), which manages the programme, aims to reach 165,000 households within five years.

The programme employs complex targeting methods, involving the selection of deprived districts and then a mix of community-based selection and proxy means testing. At present, the programme focuses on caregivers of OVC, impoverished elderly and persons with severe disabilities. The transfer ranges from GHS 8 (US\$ 6.90) per month for one dependent up to a maximum of GHS 15 (US\$ 12.90) for four dependents. The programme is also meant to be time-bound in the sense that beneficiaries are expected to 'graduate' from the programme within three years, although the criteria and procedures have not yet been worked out.

The transfers for OVC are supposed to be conditional, whereas those to the elderly and disabled are unconditional. Officially, the transfers for OVC require the enrolment and retention of school-age children in school, birth registration, attendance at post-natal clinics, full vaccination of children up to the age of five, no trafficking of children and no involvement in the 'worst forms of child labour'. In practice, the LEAP conditions have not been enforced, although beneficiaries are made aware of them. In addition, beneficiary forums are held on payment days as a way of raising awareness of beneficiaries' duties and responsibilities.

A number of challenges remain. First, a more transparent and rigorous targeting methodology is required. Second, a robust monitoring and evaluation system is needed. This is crucial for generating the evidence to convince politicians of the cost-effectiveness of the programme and secure the budgetary commitments for scale-up. Third, only limited progress has been made to date in implementing the declared intention of linking beneficiaries to complementary services, although MESW has been negotiating with the Ministry of Health for free enrolment of LEAP beneficiaries in the NHIS. The existing 'single register' of LEAP beneficiaries provides the potential to develop an integrated database for a range of social protection programmes, which could facilitate referral to complementary programmes. Fourth, LEAP's scale-up will require substantial investments in capacity building, as well as improved interagency coordination.

as improving the quality of services. According to the 2003 DHS, 54% of women cite costs as a reason for not accessing health care services.

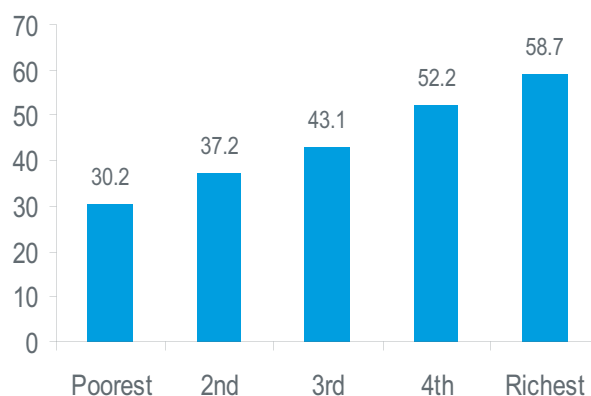
The NHIS has been a key part of the policy response. At least 145 District Mutual Health Schemes have been established to enrol Ghanaians outside the formal sector. In addition, NHIS includes those contributing through the Social Security and National Insurance Trust (SSNIT), essentially formal sector workers, as well as several categories of people exempted from premium payments: i) children under 18 years if both parents are card holders; ii) the aged above 70; iii) SSNIT pensioners; and iv) the 'indigent'. By the end of 2008, 54% of the population was registered and 45% were card-holding members who had completed their payments and received cards, thereby becoming eligible to access services under the NHIS.

Despite this progress, equity problems remain. An analysis of coverage rates demonstrates that fewer people from lower wealth quintiles are enrolling (see Figure 1) owing to the cost of registration and premium payments.

In May 2008, the government announced that it would enrol all children under 18 in the NHIS, regardless of their parents' registration status, as well as all pregnant and post-partum women. This was a welcome development, given the very high mortality rates in Ghana and the need for serious action if the country is to achieve MDGs 4 and 5 on the reduction of child and maternal mortality. The exemption for pregnant and post-partum women was implemented from July 2008, but the exemption for children under 18 is not yet in effect.

Since healthcare access is also significantly affected by non-cost barriers, such as distance, 'time poverty' and the low responsiveness of medical personnel to patient needs, it will be critical for social protection initiatives aimed at tackling health vulnerabilities to simultaneously address these hurdles. Here the LEAP programme is one possible entry point, although LEAP so far reaches only a very small proportion of the extreme poor. MESW has been negotiating with the Ministry of Health for the free registration of all LEAP beneficiaries and their families.

**Figure 1. Percent of population holding NHIS cards, by wealth quintiles**



Source: Asante and Aikins (2007), Does the NHIS Cover the Poor? Legon: Institute of Statistical, Social and Economic Research and School of Public Health, University of Ghana.

### Strengthening child protection services

The multidimensional nature of the vulnerability and risks affecting children implies the need for different types of social protection programmes, including preventative and responsive social welfare services, as well as a strong legal and regulatory framework.

Ghana has a comprehensive legislative framework addressing child protection issues, including the 1998 Children's Act and the 2002 Child Rights Regulations. Implementation, however, suffers from a number of serious weaknesses, including lax law enforcement, lack of clarity about mandates for social welfare services, low staff capacity, weak coordination and limited funding.

Besides anti-discrimination provisions, there is also considerable potential to tackle children's protection-related vulnerabilities through synergies with social assistance programmes. The DSW, which has been selected as the lead agency to coordinate LEAP, is already involved in child protection activities, especially those pertaining to child maintenance payments, juvenile justice and the care and protection of OVC. It is also the lead agency for coordinating the

<sup>3</sup> S. Hickey (2007), 'Conceptualising the Politics of Social Protection in Africa', Brooks World Poverty Institute Working Paper No. 4.

National Social Protection Strategy. There are therefore important opportunities for complementarities, which are already reflected to an extent in the fact that caregivers of OVC are a key target group of LEAP and participation is at least theoretically conditional upon non-involvement of children in child labour and trafficking. There is also scope for staff implementing the LEAP programme to use the regular interactions they have with communities when enrolling beneficiaries and through the beneficiary forums to facilitate community discussions and sensitise participants to children's rights to protection and care.

### Fiscal space for social protection

Affordability is often a key concern regarding the development of social protection programmes, especially in low-income countries. Ghana's high growth rate has increased public revenue and the country has also benefited from debt relief. But there are concerns about the large overall fiscal deficit (13.5% of GDP in 2008) and its implications for inflation and future debt. There are also significant concerns about the effective use of resources within social sector budgets and the need for capacity building support for social sector ministries to improve their budget planning and allocation processes.

Since 2008, the global food, fuel and economic crises have worsened the fiscal constraints. But the poor are the least able to cope with these shocks, which underscores the importance of strengthening social protection. The government has been conscious of this and so increased its budget commitments for social protection in 2009, despite its broader efforts to reduce the budget deficit. It announced a 50% increase in the Education Capitation Grant, a threefold increase in funding for LEAP, an extension of the School Feeding Programme and the launching of a new programme to provide free textbooks and uniforms to 1.6 million school children.

Special fiscal measures have been taken to provide financing for the NHIS. These include a National Health Insurance Levy, which consists of a 2.5% addition to VAT and import duties, as well as payments from SSNIT, the premiums paid by members of the NHIS 'mutual health' schemes and resources provided by the Ministry of Health and donors.

The LEAP cash transfer programme is very small and therefore costs little. Even after its planned scale-up to 165,000 households at the end of its five-year pilot phase, it will cost only 0.1% of GDP. An expansion to all households under the extreme poverty line (six times more than planned at present) would still cost less than 1% of GDP.

### Policy recommendations

Ghana has made substantial progress in developing a policy commitment to social protection, and designing and implementing a number of flagship programmes with a strong child focus. However, there is still much to be done to reach the poorest and most vulnerable, especially in terms of effectively operationalising policy commitments at scale, addressing the multi-dimensionality of childhood poverty and vulnerability and strengthening programme synergies. The report on social protection and children in Ghana therefore concludes with the following policy recommendations.

**1. Formally adopt the National Social Protection Strategy**, to provide an overall framework for the expanding portfolio of social protection programmes and encourage cross-sectoral coordination. The government should also consider backing the strategy with legislation, in order to establish clear legal entitlements and ensure the long-term commitment of resources.

**2. Strengthen the pro-poor character of the NHIS**, in particular by implementing the exemption of children from NHIS registration and premium payments, announced in 2008, as well as the planned free enrolment of LEAP beneficiaries. These measures would contribute significantly to the achievement of MDGs 4 and 5.

**3. Plan for the long-term scale-up of LEAP, pending monitoring and evaluation findings.** At present, LEAP plans to reach just 3% of the total population at a cost of less than 0.1% of GDP by the end of its initial five years. Scale-up beyond this, to reach all extremely poor households, would require the organisational strengthening of DSW, better targeting of the extreme poor and the mobilisation of additional funds but, at less than 1% of GDP, this would be fiscally affordable.

#### **4. Promote synergies between social protection and child protection services.**

To address the wide range of social and economic risks to which children are vulnerable, the current fragmented small-scale child protection programmes need to be scaled up and better funded. MESW's dual role as the ministry responsible for both LEAP and many of these services provides an opportunity to develop strong synergies, including mechanisms for referral and integrated case management.

#### **5. 'Ring-fence' and expand social protection provision in response to the shocks from the global crisis.**

Historical evidence suggests that typically women and children are disproportionately affected by economic crises. The adverse impacts of the global economic crisis on poor households justify 'ring-fencing' social protection provision, despite the current macroeconomic and fiscal constraints, and indeed justify expanding programmes to protect populations to the greatest degree possible.

#### **6. Consider using oil revenues to build a stronger social protection system.**

A significant boost to public finances could come from the expected revenue from oil. This could be used in part to strengthen social protection and thereby contribute to redistribution and inclusive growth, as well as poverty reduction and human development, thereby avoiding the social problems that have plagued many oil producers in Africa.

#### **7. Improve programme design and M&E.**

As programmes are scaled up, it will be essential to ensure maximum efficiency and equity. This will require further equity measures to ensure NHIS coverage of the poorest,

and, in the case of LEAP, attention should be given to ensuring the rigour of the targeting methodology. A robust impact evaluation framework for LEAP and the National Social Protection Strategy framework is also needed, so that lessons are learned, adjustments can be made and evidence of impacts used to garner political support and secure the increased resources needed for scale-up. In order to facilitate such learning, knowledge management systems among government, multilateral, donor and non-government actors alike need to be strengthened.

#### **8. Strengthen capacity for social protection design and delivery.**

The agenda set out above will require investments to strengthen the capacity of the agencies responsible for social protection programmes, including awareness-raising across the range of agencies involved in implementation and provision of complementary services. Particular attention needs to be given to strengthening the capacity of MESW as the ministry responsible for coordinating the overall social protection strategy, as well as managing both LEAP and several social welfare services.

#### **9. Promote awareness of social protection programmes and entitlements among civil society actors.**

Creating awareness among NGOs, traditional authorities and the media is critical in order to increase demand for social protection programmes as well as to hold the government accountable for its social protection policy commitments. In this regard, expanding the membership of the government-donor social protection working group could be an important mechanism to promote greater cross-fertilisation of ideas and minimise fragmentation and duplication of programmes and resources.

---

**UNICEF West and Central Africa Regional Office**

P.O. Box 29720 Yoff, Dakar, Senegal  
wcaro@unicef.org • www.unicef.org/wcaro

with **UNICEF Ghana**

P.O. Box 5051, Accra-North, Ghana • accra@unicef.org

**Overseas Development Institute**

111 Westminster Bridge Road  
London SE1 7JD, UK • www.odi.org.uk

© UNICEF, 2009. Produced with funds contributed by Swedish International Development Cooperation Agency (Sida).

The findings, interpretations and conclusions expressed in this paper are entirely those of the author(s) and do not necessarily reflect the policies or the views of UNICEF and ODI.

**Layout & design:** Julie Pudlowski Consulting/ Rita Branco • **Photography:** © UNICEF/WCARO/2009/Pudlowski