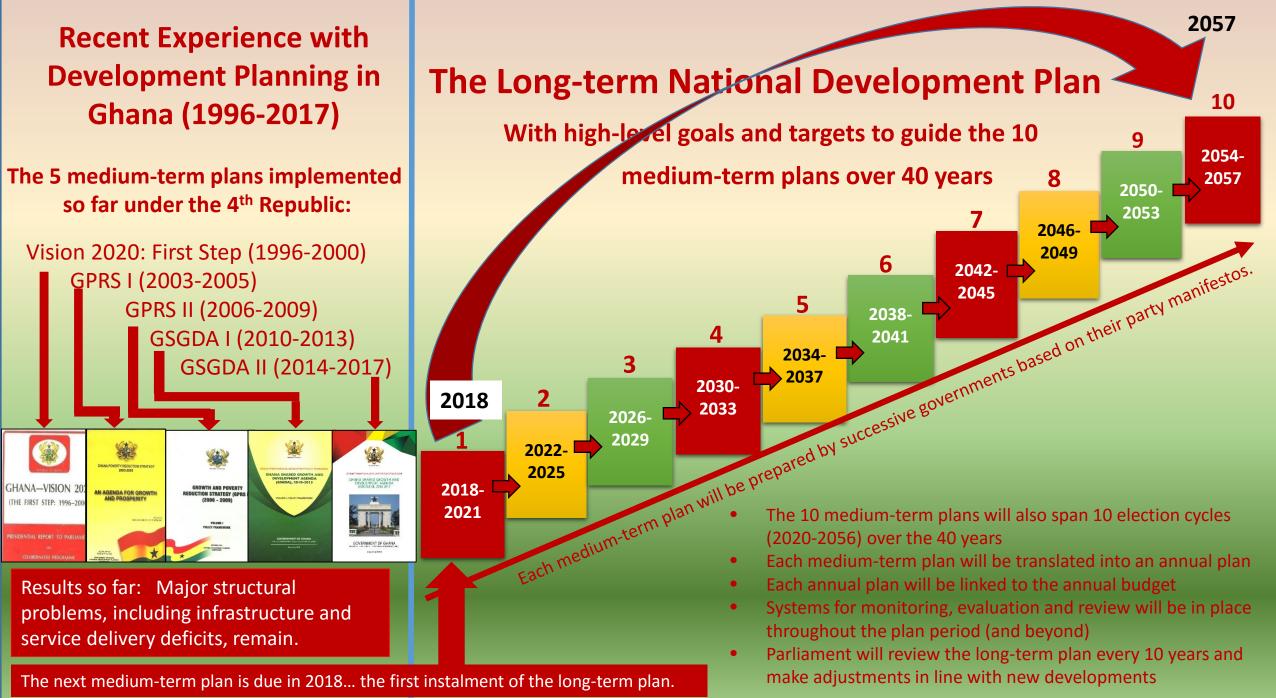
Agriculture under Ghana's Long-term National Development Plan

3rd Annual Ghana Agribusiness Investment Summit 2016 "Expanding the Frontiers of Agricultural Finance in Ghana"

Tuesday, April 26, 2016 Movenpick Ambassador Hotel, Accra

Presented by Dr. Nii Moi Thompson Director-General National Development Planning Commission



National Development Planning Commission - Ghana (April 2016)

2054-

2050-

2046-

Why a long-term plan for Ghana?

- Because most development decisions require a long time to plan and implement. E.g. Infrastructure development, such as dams, irrigation systems, railway networks, ports, and road networks.
- Demographic change: Increase populations, rising urbanisation, expanding demand for social services (housing, education, health etc.) and of course food and water.
- A long-term plan helps frame the enormity of the challenge of meeting these demands and prepare for them accordingly.
- It is no guarantee for success, but like insurance, it prepares you better for an uncertain future.

Other Reasons for a long-term plan....

- The Constitution says we must have one.
- Act 815 (2011) said we should have one, to be developed by NDPC and approved by Parliament
- Ghanaians demanded it during the public consultations of the Constitution Review Commission in 2010-2011.
- Everybody else did it or is doing it: South Korea, Japan, Norway, OECD, Turkey, etc.
- The future belongs to those who prepare for it.

Overview of the Long-term Plan

Isn't 40 years too long? The future is already here.

It may seem 'long' but it is divided into 10 medium-term plans of 4-years duration each and beginning in 2018 (after the completion of the current medium-term plan (2014-2017). This gives every generation and government the opportunity to contribute to the transformation of our dear Ghana in stages. The 10 medium-term plans will also overlap 10 elections during the plan period, allowing each political party one year to prepare its manifesto in line with the vision and goals of the long-term Plan. Ghana has already implemented about 5 plans (half the number of plans for the long-term national development plan) under the 4th Republic.

2		10 Medium-term Plans	10 National Elections
Plaı		(Years)	(Years)
Development 2057)	1	2018-2021	2020
mde	2	2022-2025	2024
velo (7)	3	2026-2029	2028
Deve 2057)	4	2030-2033	2032
National (2018-	5	2034-2037	2036
latic (20	6	2038-2041	2040
	7	2042-2045	2044
-ter	8	2046-2049	2048
Long-term	9	2050-2053	2052
Ľ	10	2054-2057 ^{Na}	ational Devel 2056 Planning

Parliament's Long-term Role

Parliament will review the long-term plan every 10 years. The medium-term plans will be translated into annual plans and aligned with the annual budget. The medium-term plans, the annual plans, and the annual budgets will be revised periodically to take account of emerging opportunities or threats and deal with them accordingly.

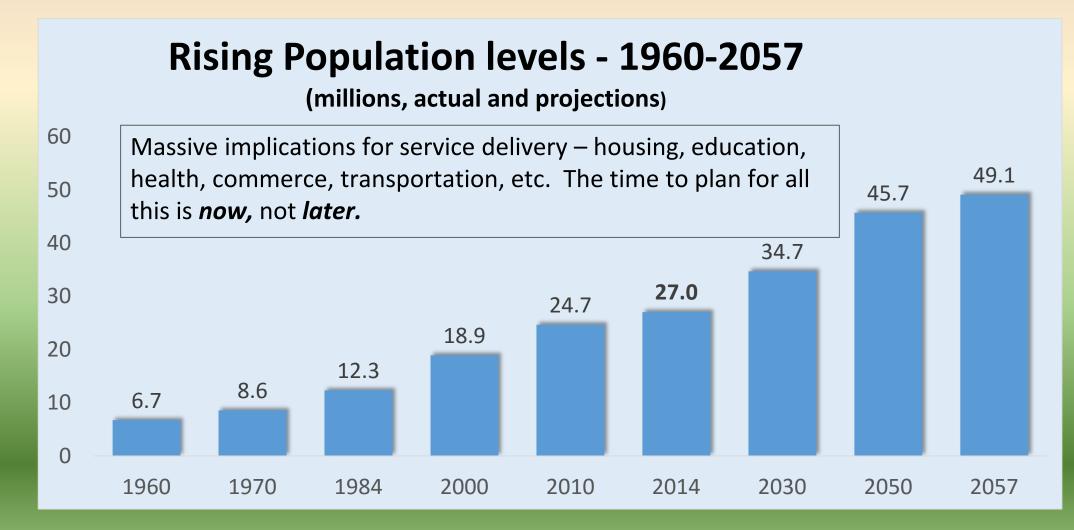
Building **Blocks** of the Long-term National Development Plan (2018 - 2057)



Will the Plan be binding on all governments?

The answer is yes. The Constitution Review Commission recommended that the Plan be approved by Parliament and incorporated into the constitution, making it binding on successive governments. In addition to the goals and targets of the Plan that are derived by Ghanaians, the United Nations' *Sustainable Development Goals (SDGs)* and the African Union's *Agenda 2063* (a 50-year development framework) will be part of the long-term plan and be binding on all successive Ghanaian governments, just as the Millennium Development Goals *(MDGs)* were binding on governments of different political parties.

Demographic Imperative (1): Population Growth



Demographic Imperative (2): Growing majority will live in cities and towns

Urbanisation Rates of Ghana (1960-2057) (%, actual and projections) 95.0 100 Efficient land use and proper spatial planning will help 90.0 90 reap the benefits of urbanisation: increased productivity, rising incomes (in urban and rural areas), 80 falling poverty levels and improved quality of life. 65.0 70 55.0 60 50.9 50 44.0 40 32.0 29.0 30 23.0 20 10 0

2010

2014

Chana (April 2016)

2050

2030

2057

1960

1970

1984

2000

National Development Planning, Commission

As the world changes, so must Ghana

We must adapt to a rapidly changing world – culturally, economically, diplomatically, etc. or be overcome by global events.



Source: The Economist Intelligence Unit.

Voices of the People



Vision & Goals of the Long-term Plan

VISION: Build a just, free, and prosperous nation with high levels of national income and broad-based social development

Goal 1: Build an industrialised, inclusive and resilient economy
Goal 2: Create an equitable, healthy and disciplined society
Goal 3: Build safe, well-planned and sustainable communities
Goal 4: Build effective, efficient and dynamic institutions
Goal 5: Strengthen Ghana's Role in international affairs

Operationalising the Vision of the LTNDP

By 2057, Ghana should be:

- Ranked among high-income countries of the world, with an industrialised, diversified, and export-oriented economy that is resilient;
- An economy driven by Ghanaian entrepreneurship and characterised by high-value services;
- A dynamic and globally competitive manufacturing sector; as well as
- An efficient and inclusive <u>agricultural sector</u> capable of feeding the nation and its local industries, and exporting to global markets.

Priority Growth Areas of the Long-term National Development Plan

- <u>Short-to-medium term</u> priority growth areas (based on existing policies and structural change in domestic and international markets):
 - 1. Agro-processing (primary, secondary and tertiary)
 - 2. Apparel and accessories industries
 - 3. Pharmaceuticals industry
 - 4. Oil and gas sector technical services
 - 5. Tourism
 - 6. ICT development
 - 7. Educational services exports

Preconditions include: Infrastructure development – energy, transport, relevant policy reforms, etc.

Current state of agriculture: Parlous

Key Challenges:

- 1. Low average yield of staple crops and high post-harvest losses;
- 2. Poor management along the agriculture value chain;
- 3. Low level of agriculture mechanisation and adoption of appropriate technology;
- 4. Low use of improved planting materials;
- 5. Low productivity of smallholder farms;
- 6. Degraded landscapes;
- 7. Inadequate investments in agriculture business ventures;
- 8. Inadequate access to appropriate finance by smallholder farmers;
- 9. Over-reliance on rain-fed agriculture; and
- 10. Low productivity in the livestock and poultry industry.

Sector-specific Strategies for Turning Around the Sector

Policies and strategies under consideration for the long-term national development plan are meant to attain the following, among others:

- 1. Expand and deepen value chains in agriculture. Compressed value chains breed inefficiencies, raise cost, impede job creation, low quality products, etc.
- 2. Skills and knowledge development: Upgrade support services, such as extension service and inputs markets. Intensify farmer education on new and better techniques, seeds, etc.
- 3. Raise irrigation rates (only 0.2% of farm lands under irrigation, vs. 13% in Turkey, for example.
- 4. Land reforms: Urbanisation's threat to farm lands. (Policy on land use under way)
- 5. Integrated development of the logistics sector, including transportation and storage for agricultural produce)
- 6. Agro-processing as an integral part of agricultural development jobs and exports. (Will require <u>free</u> and <u>fair</u> trade).
- 7. More use of science and technology; increased funding for R&D (CSIR)
- 8. Institutional reforms to enhance efficiency and raise productivity (including more use of local inputs)
- **9. Economy-wide reforms:** low and stable rates of inflation, exchange rates; affordable and accessible credit.

Thank you for your attention.

Send feedback to:

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