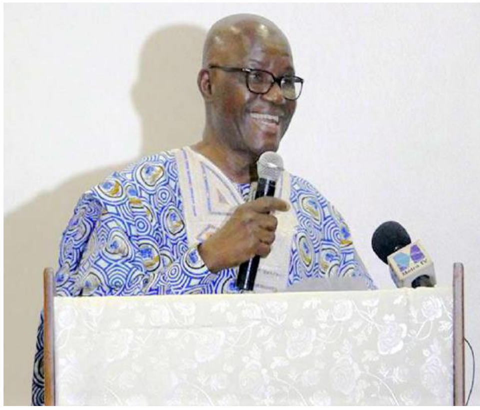
COVID-19 Alleviation Incentives: Ghana's Poor Are Being Shortchanged



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The All Ghana Approach to the fight against COVID-19 of Mr. President elaborated in the 7 speeches to the nation emphasized the need to protect the poor and vulnerable against the economic disruptions engendered by COVID-19. However, due to weak targeting, the package of incentives that are intended to cushion all Ghanaians against COVID 19 has left out a large segment of the poor and vulnerable in rural as well as urban communities. The water and electricity bill relief payment exclude a large segment of the poor who are not connected to the national power grid or Ghana water company. By focusing solely on bill payment records, the government of Ghana has failed a significant proportion of the poor and vulnerable at a time when every citizen and they, in particular, needs its support. In fact, they have been shortchanged!

The poor are 6.9 million (23.4 %) out of Ghana's 30 million population. They live on income of less than GH¢1,314 (US$253) per adult equivalent per annum. Most of the income of the poor is devoted to foodstuff and even that, we are told by the Ghana Living Standard Survey (GLSS) reports, they cannot afford a nutritious and balanced diet each day. To emphasize the dire plight of the poor in Ghana, Oxfam in 2018 warns us that the rich 10% Ghanaians consumed about 32 % of the national income while the poor 10% take home only 2%. On top of the income inequality, majority of the poor do not have access to adequate water and electricity supply which are essential for the battle against COVID-19. This is why many pro-poor activists, gave Mr. President a thumbs' up when he announced the COVID-19 alleviation incentive package. Unfortunately, our interrogation of the three most touted incentive packages: Bill payment for Water and Electricity and Food for the needy revealed the proverbial "devil is in the details."

First let's look at the payment of water bill for all Ghanaians for 3 months (**April, May, and June** 2020). GLSS 7 emphasizes that access to pipe-borne, safe and clean water which is what the relief is intended to cover is low in Ghana. Only 48.5 % of all households in Ghana are served with pipe-borne water. Worst still, in rural Ghana, as low as 23.2% of the households compared to 68% for urban households are connected to the pipe-borne water supply system. On top of the limited availability of pipe borne-water, water infrastructure in most poor urban neighborhoods (e.g. Nima, Jamestown, etc.) and rural Ghana (e.g. Kete Krachi, Hohoe, etc.) are a bare minimum. Rural Ghana is littered with thousands of unrepaired boreholes. Consequently, 36.5 % of all households in Ghana use well water with 50.9% in rural households against 36.4% urban households. Hardly do the poor households have running pipes connected to their toilets, kitchen, bathroom, or water storage facility. Water is fetched and stored in small containers for household members to use. In many poor communities where People for Health (P4H) is working, the Community-Based Health Planning and Services (CHPS) is not functioning because of lack of water supply. Without water, CHPS are unable to perform the basic maternal and child health services, including supervised delivery. Besides, the extreme poor uses only open water sources, and therefore do not pay any water bill. And, there are approximately 2.4 million Ghanaians GLSS7 classified as being extremely poor and this number is even rising.

Take the case of the government paying **half** electricity bill for the rich and middle classes and **all** for the poor. On the face of it, this looks fair, but scrutiny of the data reveals the contrary! The GLSS 7 emphasized the unequal access of Ghanaians to the national power-grid being run by the Electricity Corporation of Ghana. Approximately 81.7 % of Ghana's households are connected to the national power grid. i.e. as high 19.3 % of households are not on it. The Upper East 47.7% and Greater Accra 93.7 % of households connected to the national power grid are the lowest and highest respectively in the country. Furthermore, the GLSS 7 is unequivocal that, a large proportion of the bottom poor households: 53.9 % rural and 34.1 % urban households do not use electricity at all; they are dependent on wood or charcoal for energy to cook or run their small-scale businesses including roasted yam. The extreme poor cannot even afford to purchase charcoal. This group hardly cook a meal but live by scavenging. They too are Ghanaians but have been left uncared for by their government subsidy to only electricity power consumers.

Targeting the poor with hot meals was discontinued immediately after the lockdown was lifted, without follow up measures put in place to empower them to adapt to the disruption in their livelihood caused by COVID-19. Meanwhile, most salaried workers have some sort of savings which they are definitely utilizing to manage the insecurity and unpredictability caused by COVID-19. Also, those in the formal economy have skills and experiences that they will use to find work elsewhere or even become self -employed. The poor have no bank savings or employable skills and yet their informal economic activities are the hardest hit by the lockdown and social distancing required to prevent the spread of COVID-19. Cutting off the feeding support abruptly after the lockdown assumes wrongly, that the informal economy is up and running, but that is incorrect. In fact, the informal economy is fast shrinking!

Market places, the heartbeat of the informal economy throughout urbanized Ghana are experiencing unprecedented disruptions including, spraying, closures, doing business in shifts, and policing to ensure that social distancing is enforced. For example, in the Kumasi market, one of the largest and most influential in the country, traders are taking the term to come to the market to sell their goods. No seller is allowed to come to the market every day of the week. The Nima market has been closed down indefinitely without prior notice to traders. Certainly, these measures will improve the markets environment for social distancing, an essential tool for preventing the spread of COVID-1 in Ghana. However, reduction in the days of working in the markets is definitely impacting adversely on the livelihood activities of the poor. Their income has surely dropped and this, in turn, is exacerbating the existing food and nutrition insecurity within their households. If the poor in urbanized Ghana ever needed direct feeding, that need is even greater now with the unpredictable economic environment engendered by COVID-19.

Furthermore, law enforcement in one instance was unkind to the poor and vulnerable. In Old Fadama, a poor neighborhood along the Korle Lagoon, an estimated 1,000 poor people were evicted and their makeshift shacks moulded down by armed officers supervised by the authorities of Accra Metropolitan Authority (AMA). It is difficult to comprehend why the AMA, the seat of government, which should be mobilizing all the people of Accra including the poor to comply with social distancing protocol, brazenly threw about 1000 helpless citizens into the streets. We are told the evictees even petitioned the presidency to no avail.

We in SEND believe Ghana has sufficient demographic profile and poverty-related data (i.e. GLSS Reports 1 to 7) prepared by Ghanaian institutions that would have been used to design a better targeted incentive package to reduce COVID-19 economic hardships on the poor. After all, on 6th March 2020, Mr. President warned the citizenry to start practicing social distancing in response to COVID-19 and he announced the incentive packages on the 5th and 9th -April 2020. Surely, one month was more than adequate for government to use the GLSS data and other available data sources to develop a genuinely pro-poor COVID-19 alleviation package of incentives. Furthermore, even though the Presidency advocate an all Ghana approach, but the administration of food relief was dominated by politicians and bureaucrats supported by faith-based organizations and community-based groups in the distribution. There is yet no evidence of government using Ghanaian civil society experience, expertise, and infrastructures for promoting accountability and transparency in pro-poor programmes such as the COVID-19 relief package.

We in SEND believe a strong government- civil society partnership in planning and delivering of COVID-19 relief and economic rehabilitation programmes will generate enhanced pro-poor targets and increased accountability for the resources. This, in turn, will help to prevent the shortchanging of the poor and vulnerable Ghanaians in the allocation of post-COVID-19 relief and development initiatives.