

PRESS RELEASE- NDC MINORITY GROUP - 30th August 2023

RE: PLANTING FOR FOOD & JOBS (PFJ) PHASE II

Good morning, friends of the media, Ladies and Gentlemen, we are grateful for the opportunity to share with you some critical issues of the Ghanaian Agricultural sector that must be addressed immediately to avert a crisis.

The president launched Planting for Food and Jobs Phase 2 in Tamale two days ago. This was after the minister responsible for finance informed us through his midyear budget to parliament in July 2023 that planting for food and jobs (PFJ) program had ended since December 2022. This is a clear admission of our position that the PFJ program had failed and that it was a mere state resource looting platform disguised as a flagship program.

In the Government's own PFJ 2.0 document, they admit to the following limitations:

- PFJ had a high budgetary strain on government.
- Non adoption of the value chain approach
- Limited access to agricultural credit

- Low prioritization of national strategic stock; and
- Limited focus on the needs of commercial small, medium and large scale farmers.

Ladies and Gentlemen, we have maintained an argument that a closer assessment of the administration of the agriculture sector in the last 6 years show a lack of in-depth policy formulation and implementation. What is this government Agriculture policy objective?

For instance, what is the exact policy in place to stimulate crop production particularly by the small holder farmers – what is the exact quantum and flow of the investment by government in specific prioritized commodities along a value chain? What is the expected contribution to food sufficiency, industrialization and import substitution?

We have been arguing that there is no elaborate value chain arrangement in place to ensure efficient utilization of Soya, maize and rice that were supposed to be produced under the subsidy program. That is why we witnessed recent shortages in maize to feed the poultry farms (many of which are closed now) as well as the shortages and high increases of food prices witnessed recently (850,000 more families driven into abject poverty due to food price increases).

We also argued that Ghana's priority crop production efforts are not linked to local industry or even a dedicated export market."

This situation we held that, it reflects a deliberate misrepresentation of the Agricultural policy architecture, poor and/or misdirected investments in the sector and an over-hyping of the so-called successes of the government's flagship Planting for Food and Jobs program. The recent expenditure on PfJ alone is mind boggling: 2021- Ghc 439million; 2022- Ghc 614million; 2023- Ghc 660 million.

After six (6) years of implementation of the PFJ programme, we still cannot account for the so-called increased production figures that is being reported by the minister for Agriculture. Where is the maize? Where is the rice? Where are the Soyabeans? All other things being equal, we expect to have a glut in the system and that should drive down prices. On the contrary, food produce are scarce and prices are skyrocketing.

Ladies and Gentlemen, we have been tricked!!!

After reading through the PFJ Phase 2 program document, we are sad to report that, there is nothing substantially new in it and will not deliver any significant march to food security for this country. Its aimed at erasing the mess of PfJ 1 and creating an image saving platform to continue the dissipation of this country's resources through establishments by their friends and family.

We are told the PFJ 2.0 programme will shift from **direct input subsidy** to a **smart agricultural Input Credit System**, linked to structured market arrangements. This intervention would *eliminate access to credit barriers*, increase *productivity and production*, stabilize *food prices*, promote *commercial agriculture* and ultimately improve *food security and resilience*.

We are further told the program would adopt an integrated and comprehensive approach to increase the availability and access to improved inputs, mechanization and extension services as well as output markets. That its principles are (a) Value chains; (b) Private sector focused; (c) Market driven, and (d) Inclusivity for eleven commodities: grains (maize, rice, soybean, sorghum); vegetables (tomato, pepper, onion); roots and tubers (cassava, yam, plantain); and poultry.

So clearly, there is nothing special about PFJ Phase 2.0. It's just a way of telling us government can no longer support input subsidy and that farmers will be left in the hands of private commercial entities to negotiate and transact their own production input regimes based on market determinants.

We demand answers to the following questions:

1. What exactly are you going to spend the 660 million Ghana cedis approved for PFJ in the 2023 budget on since PFJ was ended way back in December 2022?
2. Why has government failed to support food crop farmers in Ghana since January 2023?
3. Private Agro- dealers and aggregators have been implementing various forms of input credit support schemes to farmers for many years now, what exactly would this new PFJ input credit do differently?
4. In what exact ways are you going to get financial products to agribusinesses at so called reduced interest rates?
5. How are you going to protect the small holder farmer from profit motives and market risks under which the input dealers operate?

6. How will you achieve import substitution for critical commodities like rice, maize and poultry since you have no measure in place to reduce input/production cost?
7. How are you going to protect the agri-businesses against risk of no or under recovery of produce from beneficiary small holder farmers?
8. What is the exact start date the farmers will begin to benefit from governments integrated smart input credit program?
9. Who would hold the produce stock at the end of each production season-government or private businesses?
10. What are the top 3 priority commodities for the short term out of the eleven crops selected for promotion in PFJ Phase 2 that drive down current high food prices will deliver food security in the short term?
11. What is the cost of PFJ 2.0 and where will its funding come from since it wasn't provided for in the 2023 budget?

Ladies and Gentlemen, the PFJ phase is substantially not different from the PFJ this government has implemented since 2017, infact, this new program will impoverish the small holder farmer in a worse form as his faith will be determined by market forces. Government has no priority crops its prepared to commit finances on to

reduce our import bill and achieve food sufficiency in the short to medium term. The whole production season for 2023 has been wasted and farmers have planted crops at full market price for their inputs. Expect higher food prices by close of year 2023 as farmers recover their full input cost. The language of the launched PFJ 2 document is flowery and highly theoretical. No clear realist implementation pathways and milestones are communicated. We conclude that PFJ has failed to deliver food and nutritional security for the people of Ghana and the new minister must be seen to be doing something new. Under IMF program, the economy cannot support an input subsidy program. As we speak, MoFA is now inviting stakeholders to a workshop to mine ideas on how to go about implementation of PFJ phase 2. I call on Ghanaians to vote out this incompetent and dishonest government to save the already collapsed Mother Ghana.

Thank you

Signed:

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