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COMMONWEALTH EXECUTIVE MASTERS IN PUBLIC ADMINISTRATION

**ASSESSING THE EFFECTIVENESS OF DISTRICT ASSEMBLIES IN MEETING THE
CHALLENGES OF LOCAL ECONOMIC DEVELOPMENT IN ASHANTI REGION: - A
CASE STUDY OF AFIGYA-KWABRE DISTRICT ASSEMBLY**

BY

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2011

DECLARATION

I hereby declare that this submission is my own work towards the Commonwealth Executive Masters in Public Administration (CEMPA) and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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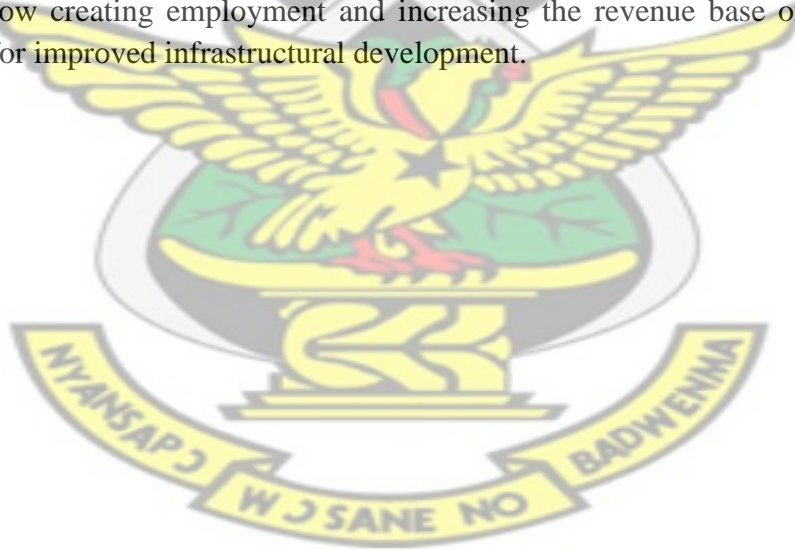
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ABSTRACT

Ghana since independence struggled to establish a workable system of local level administration by going through a number of efforts to decentralize political and administrative authority from the centre to the local level. After 30 years, the 1992 constitution and the local government Act 462 of 1993 were promulgated to provide a suitable basis to end Ghana's struggle for the establishment of an appropriate framework for managing the national development agenda. The formation of the District Assemblies was to provide governance at the local level and help in economic development of the people by formulating and implementing strategic plans to bring about total economic development in their various Districts. This study is therefore being stimulated by this idea of assessing the effectiveness of District Assemblies in meeting the challenges of local economic development, using Afigya-Kwabre District Assembly as representative of the entire MMDA's in Ashanti Region. In all 100 respondents were selected as sample size in the Afigya- Kwabre District Assembly. Primary data was recorded, collated, categorized in tables and processed using Statistical Package for Social Scientist (SPSS) where, the relationship between variables was established. The results showed that most respondents were unaware of LED activities in the projects carried out in the District. It is recommended that, the District Assemblies should be well resourced with the provision of adequate funds to support LED activities. The LED concept can therefore play the role of helping the private sector to expand and grow creating employment and increasing the revenue base of the Assemblies through taxation for improved infrastructural development.



List of Abbreviations

LED	-	Local Economic Development
MMDAS	-	Metropolitan/Municipal/District Assemblies
CBOs	-	Community Based Organisations
NGOs	-	Non-Governmental Organisations
UNDP	-	United Nations Development Programme
GDP	-	Gross Domestic Product
IDP	-	Internal Development Plans
PPTAP	-	Promoting Partnerships with Traditional Authorities Project
ILO	-	International Labour Organisation
DCE	-	District Chief Executive
DCD	-	District Co-ordinating Director
LI	-	Legislative Instrument
SPSS	-	Statistical Package for Social Scientist
HND	-	High National Diploma
JHS	-	Junior High School
SHS	-	Senior High School
ICT	-	Information Computer Technology
GWCL	-	Ghana Water Company
DACF	-	District Assemblies Common Fund

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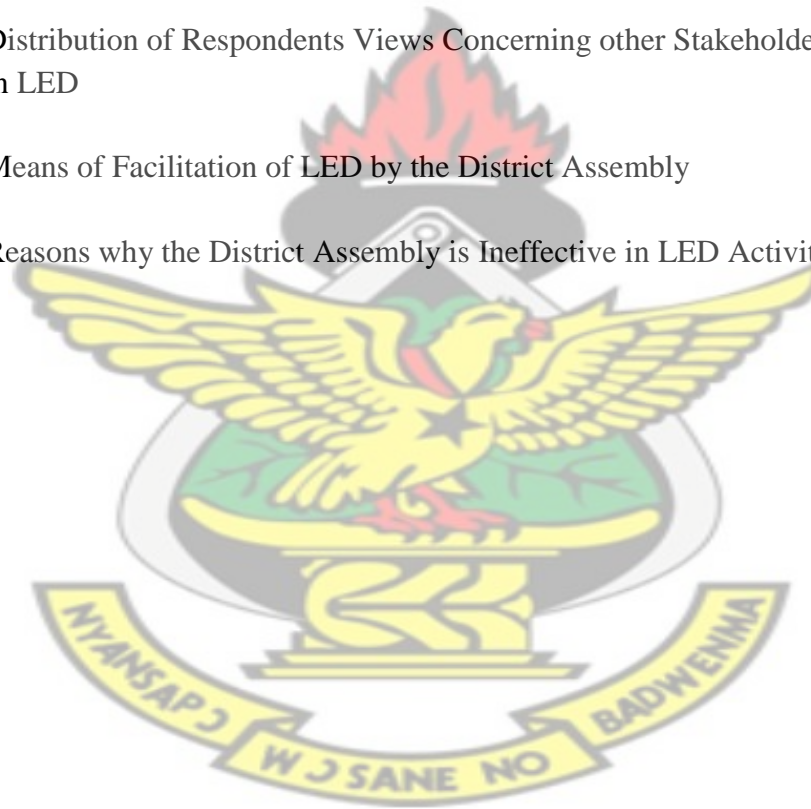
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DEDICATION

“This thesis is dedicated to my husband, Hon. Kwabena Owusu-Aduomi, My children Nana Afua Fofie, Kwabena Owusu Jnr. And Brain Jnr. Who always inspired me in every step to accomplish this study

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter aims at giving the reader a clear view of the background of the study, the problem statement, research question and objectives, scope and justification of the study, research methodology and design, sources of data and data collection and sample techniques. The rest include data analysis and organization of the study and the meaning of special terms that would be used in it.

1.1 Background of the Study

Ghana since independence has struggled to establish a workable system of local level administration by going through a number of efforts to decentralize political and administrative authority from the centre to the local level (Ofei - Aboagye, 2000). After over 30 years, the 1992 Constitution and the Local Government Act 462 of 1993 appears to provide a suitable basis to end Ghana's struggle for the establishment of an appropriate framework for managing the national development agenda (Wool, 2003; Local Government Act, Act 462, 1993). The latest and most comprehensive effort began in 1988, when extensive powers and other competencies were transferred to districts. In all, one hundred and ten (110) district assemblies were created as legislative, executive, planning and rating authorities. The District Assemblies are the highest political and administrative authority in the District.

The present system of local government structure as prescribed by law is as follows; District assemblies are headed by District Chief Executives or mayors nominated by the President of Ghana and endorsed by the assembly (see a model organogram attached as Figure 1). The assembly is composed of representatives of the people in the districts. Two thirds of its members are elected through universal adult suffrage. The other third is appointed by the central government in consultation with traditional authorities and interest groups in the district. The appointed membership is intended to ensure representation of key interest groups and sections of the population and to infuse technical expertise (by appointing some key professionals) into the assembly (Ofei-Aboagye, 2000).

The formation of the District assemblies was to provide governance at the local level and help in economic development of the people. Key factors considered during the early implementation of the programme of decentralization include the following:

- to provide more responsive, equitable and participatory development;
- to bring government and decision-making nearer to the people and quicken the processes;
- and to serve as a training ground in political activity (Ofei-Aboagye, 2000).

Based on these key issues, district assemblies are to formulate and implement strategic plans to bring about total economic development in their various districts. These should be done in conjunction with District Assembly Administrators and other stakeholders to enable the economic development plan of the assemblies to have impact on the local people. The impact or effects shall be measured not only in terms of typical output-oriented quantitative indicators, but also in terms of qualitative impacts of the economic development planning process or activities.

Assessing the impact of economic development planning in this direction will enable management to know whether the resources devoted to strategic planning are worth their value or not. Therefore this study is being stimulated by this idea of measuring the qualitative impacts of economic development planning on performance of District Assemblies.

1.2 Problem Statement

Economic development planning is a set of managerial decisions and actions that determine the long-term direction and survival of an organization. Strategic planning is also the activities that lead to the statement of goals and objectives and the choice of strategies to achieve them (Dubrin, 1998). This can be governmental or non – Governmental Organization. It is typically concerned with fundamental decisions about the developmental future of the organization or the District Assembly in question. The core of strategic planning which involves Economic development is monitoring and evaluating environmental threats and opportunities in the context of the Assembly's strengths and weaknesses. The outcome shall be an action plan of how the organization in question will capitalize on its strengths and weaknesses to achieve its objective or mission. Every organization has a strategic development plan even if that strategy has never been explicitly formulated.

The District Assemblies are by law mandated to have written strategic plans in the form of medium or long terms plans for the district. In this competitive world, however, every organization must be proactive, that is, prepare for and deal with the rapidly changing economic environment. The complexity and dynamics of managing a district dictated by major

technological, social and economic factors shall compel District Assemblies to monitor and evaluate these factors relevant to the district and work out strategic measures to proactively cope with these challenges. The ability of a District Assembly to respond proactively has therefore become an imperative and in some cases, a competitive edge. Thus, every District Assembly regardless of its size, location, resources, and the party in power must have some form of an economic development plan or develop a strategic perspective such a plan / document should be indicative of certain challenges that District Assemblies encounter in implementing their economic strategic plans at the various developmental levels. Before districts are able to perform their statutory functions satisfactorily, we need to look at some of the pertinent points listed below:-

- Overlapping responsibilities between central and local government bodies
- High turnover of personnel, particularly due to transfers
- Inadequate or optimum internal revenue generation and over reliance on common fund transfer
- Need to streamline the mode of channeling donor funding to development programmes at district level
- Inadequate co-ordination between development plans, budgets and financing
- Weak financial management and auditing systems
- Outdated financial regulation and legislation (Wool, 2003).

Because of these constraints district assemblies have an onerous task achieving the desired results by providing the required economic development to its local people.

1.3 Research Objectives

This study was an attempt to investigate the effectiveness of District Assemblies in local economic development in Ghana and a case study in the Afigya-Kwabre District Assembly in the Ashanti Region is the focus of the project work.

Specific Objectives

1. To assess the effect of District Assembly on economic development of the people in the District.
2. To determine how various institutions in the District assembly help to promote sustainable growth in small and medium scale businesses.
3. To identify District assembly programmes that would enhance the economic well-being of the communities, businesses and the generality of the citizens.
4. To identify various job avenues for economic growth of the citizenry from the District assembly.
5. To determine whether the people have access to investment opportunities and ability to participate in decisions that affect their own lives.

1.4 Research Questions

The main research questions for this study are:

1. Does the District assembly have much influence on economic development of the society/ community?
2. Do the various institutions in the District assembly promote sustainable growth and if so how?
3. Does the District assembly through its programmes foster economic well-being of communities?
4. Does access to investment opportunities provided by the District enables local participation in decision making in the District Assembly?

1.5 Scope of Study

The study was generally covered the Ashanti Region but particularly focused on the Afigya Kwabre District Assembly where the writer is very conversant with its developmental prospects, vision, programmes and activities. It involved coverage of activities of the District Chief Executive, the District Co-coordinating Director, members of the district Planning and co-coordinating unit, other core management staff and some Heads of decentralized departments. Other key stakeholders involved were Assembly members, unit committee members, Opinion leaders, traditional rulers, small and medium scale business men and women within the district whose activities very much impinge on local developmental efforts.

This study focused on determining qualitative impact of economic development on the local people, the communities, and small and medium scale businesses of District Assemblies. The emphasis was on whether local qualities of life are being improved, and if the majority of the populations are enjoying sustainable growth from a simple low-income to a medium-income level of development.

1.6 Justification of the Study

Extensive efforts have been made to encourage district assemblies to promote local economic development. Initiatives taken include encouraging public private partnerships, more efficient revenue generation, institutional and organizational capacity-building, and the building up of planning capacity. However, poverty in Ghana remains high (Ofei-Aboagye, 2000), and particular amongst the self-employed in agriculture, in particular those without access to additional labour (UNDP, 1997; UNDP, 1998).

Nevertheless, the concept of District assembly was to provide governance at the grass root level and promote economic development. Though, district assemblies are largely doing their best by providing certain measures like advice and micro-credit to some small scale businesses, the impacts are not well felt. Therefore, community members within the districts are always complaining about little or no impact of economic growth by the District assembly.

In Afigya- Kwabre District Assembly, there are some appreciable resources in terms of people, Infrastructure, granite rock, time, energy and money for the promotion of economic development agenda. The influence of the effort of the district assembly on economic developmental activities of the people, small and medium scale businesses and communities within the District are

however less felt. Therefore, this study will attempt to assess the effectiveness of the District assembly to promote economic growth and the strategies to be evolved that will enable the assembly to address some of the challenges facing local economic development.

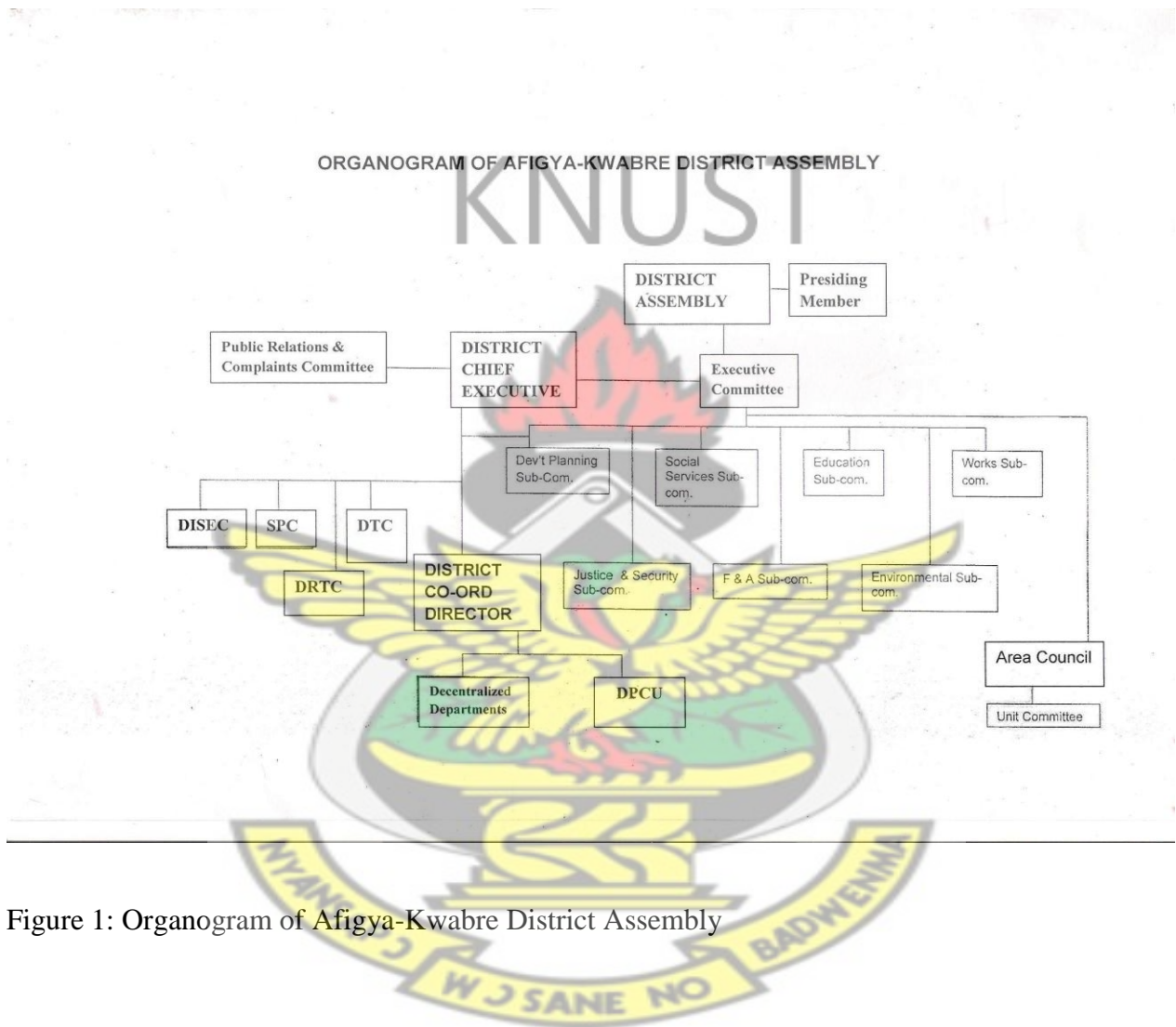


Figure 1: Organogram of Afigya-Kwabre District Assembly

1.7. Research Methodology

1.7.1. Research Design

The study adopted a case study approach. This method was adopted because it had the advantage of allowing for an intensive description and analysis of the phenomenon under consideration of the study. Besides, the case study approach provided an in depth understanding into the issues investigated.

1.7.2 Limitation of the study

Within the scope of the study, a problem of getting some respondents to provide information willingly was encountered. Furthermore, some important official documents relating to LED were not available since it was a new concept within the Local Government system. Therefore referencing some of the information from records was not detailed. Time and resource constraints also limited the study.

1.8 Organization of the Study

The research report was organised into five chapters. Chapter one focused on background of the study and the key issues and problem of the research. Review of relevant literature on the role of District Assembly in the local Economic development was captured in Chapter two of the research report while Chapter Three focused on presentation and detailed discussion of the research methodology and approach of the study.

Results from the data analysed and discussion were presented in Chapter Four while the last Chapter was devoted to the major findings from the research, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The aim of this chapter is to review relevant literature concerning Local Economic Development (LED).

2.1 Economic Development in Ghana

Estimate shows that the population of Ghana is about 23 million and a workforce of 9 million people (www.ghanaweb.com). Ghana's economy is dominated with agriculture, manufacturing and service production. These services contribute different quota to the Gross Domestic Product (GDP) of Ghana. In Ghana's informal economy (i.e. forms of employment without labour or social protection), there are small firms or enterprise (informal sector) which are also contributing to the economic development of Ghana (www.indexmundi.com). Economic development is a sustainable increase in living standards of citizens and countries or regions shown by increased per capita income and provision of social services such as education, health, water, utilities, security and environmental protection, among others (Bokor, 2010).

2.2 Local Economic Development (LED) in District Assembly System:

In Ghana, governance has been decentralized, where powers and authority (political, administrative, legal and fiscal) have been transferred from national government to sub national Metropolitan/Municipal/District Assemblies (i.e. MMDAs) with the aim of empowering people,

encouraging active participation and accelerating delivery of needed services to citizenry (Appeah, 2010).

According to section 10 subsection 3 of the Local Government Act, (1993) Act 462 all assemblies shall be responsible for the overall development of their districts by:

- Formulation and execution of plans, programmes and strategies for effective mobilization of resources necessary for local development
- Promote and support productive activity and social development and remove any obstacle to development
- Monitor the execution of development projects under approved development plans and assess and evaluate their impact on the people's development, the local and district and national economy.

Henceforth, the MMDAs have the constitutional right or requirement to stimulate businesses at the local level leading to LED.

2.3 The Concept of Local Economic Development:-

Local Economic Development (LED) is a process by which local governments, local businesses and other local actors join forces and resources to enter into new partnerships arrangements with each other or other stakeholders to create new jobs and stimulate economic activity in a well defined economic zone (municipalities, towns and villages) (Appeah, 2010). According to a study, explanation of LED is as follows:

LOCAL: refers to a process of valuing the indigenous potential, making optimal use of the already existing local capacities.

ECONOMIC: is directed towards the identification of investment opportunities, supporting entrepreneurial activities and facilitating the access to (new) markets.

DEVELOPMENT: is the process that is aimed at promoting an improvement in the living and working conditions of the community through the creation of new jobs, the retention of existing jobs and the generation of income (www.makingcitieswork.org).

Some of the local economic activity areas identified for the purpose of this research includes:

- Agriculture (grass cutter farming, poultry, vegetable production, oil palm, shea butter, cassava etc)
- Food processing (cassava/gari, alcoholic beverages, fish, oil palm and palm kernel)
- Craft (carving, pottery, weaving, etc)
- Services (hairdressers, beauticians, batik tie and dye etc)
- Tourism

The concept of LED can mean different things to different people. LED can include various initiatives. Some of the initiatives are designed to help poor people directly and the creation of economic support growth in the assembly. Examples are:

- Supporting micro enterprises (run by one or two persons)
- Supporting small business development
- Providing skill training
- Encouraging domestic or foreign investment by providing infrastructure
- Providing municipal services, such as transportation, education or regulation supported by LED (Bokor, 2010).

A report by Bokor (2010) indicated that the following approaches have been adopted in Ghana.

Public-Private Partnership: The aim is to establish relationship between private sector and the assembly. For instance, many district assemblies have engaged the private businesses in waste management, revenue collection etc. There is engagement of private contractors in construction of stalls, public toilets, etc in the district to promote public-private dialogue.

Small Business Approach: The focus is on innovation, private investment and job creation. This involves provision of technical assistance, market support, financial assistance and organizational services to businesses.

Regional Approach: The emphasis is on promoting regional competitive economic advantage leveraging resources of districts in the region. There are regional economic desks to facilitate regional economic activity, information collection and dissemination to business enterprises.

Sector-Cluster Approach: This focuses on supporting promising sectors by bringing together businesses, educational institutions, NGOs and local governments.

2.4 Benefits of Effective LED Implementation

- LED aims at creating favourable locational factors, i.e. qualities which make the district a good place to do business. This includes obvious elements such as improving the infrastructure and training workers, but also less obvious elements such as the business-mindedness and efficiency of local administration.
- LED aims at promoting business. This can be existing businesses, start-ups or external companies coming into the district. Other LED benefits include promotion, support spin-offs and subcontracting, attract investors which fit nicely into the local economic structure, and consider franchises as a source of new local businesses. At the same time, LED must never create unfair competition for existing businesses, in particular by subsidizing some companies to the detriment of others. It may often be justified to support start-ups, even financially, but this must be based on a clear understanding of barriers to entry (e.g. due to economies of scale) and other types of market failure, and it must be clear that this is a fixed-term support.
- LED aims at making local markets work better. It aims at creating places and opportunities to match supply and demand, as well as to discover, propagate and promote new business opportunities.

- LED aims at making better use of locally available resources. Instead of complaining about the difficulties of finding adequate advisors for the Local Business Service Centre, LED would involve experienced business people and managers in coaching new entrepreneurs (Meyer-Stamer, 2009).

Other benefits derived from LED activities.

- Harness opportunities
- Employment and wealth creation
- Increased Revenue base
- Increase Tax base

2.5 Principles Associated With Local Economic Development

A typical LED project is led by a certain number of basic elements. They are examined as follows:

Private/Public Partnership: cooperation between, and the coordination of different development activities deter actors from ineffective go-it-alone approaches while supporting the legitimacy and sustainability of the development process. LED is a means to achieve the effective mobilization of local resources by encouraging investments with the highest rate of socio-economic return. The partnership between private, public and non-profit actors becomes crucial for a sustainable development process allowing the convergence of interest especially in investment programming between the different local actors.

Participatory Decision-Making and Social Dialogue: the involvement of local stakeholders in the process of developing their own territory is a prerequisite for sustainable growth. Bringing local stakeholders around one table through a Local Forum helps to build trust, encourages innovation and promotes the creation of social networks and activities. Most importantly perhaps, the involvement of stakeholders fosters social cohesion, thereby decreasing the risk of further conflict (www.makingcitieswork.org). This process also account for mutual trust, confidence, openness and transparency in business dealings and other related socio-economic ventures.

2.6 Conditions for Successful LED

LED activities are district-wide based and specific. Initiatives of one district cannot normally work in other local areas. Each local area has a set of unique opportunities that need to be harnessed and other challenges that must be surmounted. For instance, in some district assemblies, they have physical features that can be developed to promote tourism.

Effective LED depends on certain influencing factors which may include:

- Good relationship between unions and workers
- Good relationship between public and private sectors
- Good housing, roads transport and education facilities as well as utility infrastructure like electricity, water and improved communication network.
- Low crime / peaceful social environment
- Community enthusiasm, commitment and Hospitality.

Potential investors would set up businesses or partner the assembly when the local environment is stable, devoid of negative factors that will impact on businesses. LED is a local initiative driven by local stakeholder and identification of primarily local resources, ideas and skills to stimulate economic growth and development of the locality (Bokor, 2010).

2.7 Stakeholders in LED

There are ranges of actors or stakeholders involved in effective LED. These include MMDAs which are mandated for economic and social development of the locality. The second major stakeholders are the communities and their organizations i.e. Community Based Organizations (CBOs), NGOs and private enterprises. Private sector operators (both local and external) play important role in LED. Public sector providers of business support services, local, regional and central government departments or agencies are very relevant stakeholders. Government continues to play a major role alongside other stakeholders to bring about LED of the area (Appeah, 2010, Bokor, 2010).

2.8 LED Planning Process:

The assemblies are the major stakeholders in leading the LED planning process. This is done through the development plan of the assembly. The assemblies are in a unique position to be able to bring together all stakeholders. This is because they alone perform statutory functions for the whole community, and they alone have the authority to engage the community in the affairs of the assembly. Bringing together stakeholders ensures that all relevant parties can consider the

economic needs of the district, and develop a LED approach that fits with local needs, and also those of national government. The LED planning process can be categorized into seven steps:

Step One – Allocate Responsibility

The MMDAs needs to allocate the responsibility for LED to an official and to a committee. The MMDAs have different roles in LED. They can be facilitator, coordinator, enabler, stimulator or developer.

Facilitator – MMDA's create the environment for LED – e.g. through town planning, land use planning and management, provision of roads and infrastructure, signage, enhancing safety and security, attracting development funding, streamlining the regulatory environment, collating and interpreting economic information, policy and strategy formulation

Coordinator – MMDA's devise the IDP in consultation with their communities. LED will be a critical feature of the IDP through local initiatives and projects, or government programs that support business networks and partnerships, etc.

Enabler – MMDA's facilitate arrangements for local people to get expert assistance and support, information and advice, training (or access or referral to training) and assistance with business planning, for example through a business planning expert seconded from a Bank or a local business

Stimulator – MMDA's stimulate businesses to grow and expand – e.g. giving incentives like small business grants, providing premises at low rent, promoting a tourism theme and giving support for business enterprise centres and/or “business incubators”

Developer – MMDA's provide basic infrastructure to stimulate private sector development. e.g. energy supplies, water, roads, sewers, etc.

Step Two - Engage Stakeholders

Identify stakeholders and set up stakeholder group to work with the municipality/ district to identify what needs to be done to promote LED. Stakeholders are all the key people who know about the region / district or who can add useful information about its needs and opportunities to encourage economic development. These people will include

- 
- i. staff within your MMDA
 - ii. officials from other government offices
 - iii. civil society organisations
 - iv. voluntary groups
 - v. industry and business
 - vi. traditional leaders
 - vii. Other community leaders - including women.

A participatory approach involves the inclusion of different stakeholders so that their views, concerns and issues can be included in the planning process. It is also important because it is here that networks, partnerships and information sharing occur that make better, more practical, strategies possible. Reviewing who should be involved in the planning process is an essential first task in creating a successful strategy. Consider including stakeholders from the public sector

(local, regional, national governments, education institutions); business sector (corporations, small business, informal sector, banks, credit unions); labour (trade unions, labour unions); community and non-governmental organisations; (community leaders; neighbourhood groups; religious organisations; women's groups; poor and disadvantaged groups; environmental groups) and the general public (informal leaders) (UN-Habitat, 2005).

Stakeholders are defined by their stake in the issues (e.g., the client groups such as the urban poor, policy proponents such as environmental NGOs), their formal position (e.g., government authority), their control over relevant resources (e.g., money, expertise) and their power to promote, hinder or block implementation (e.g. activist groups, lobby groups, implementing agencies) (UN-Habitat, 2005).

Step Three - Gather Information and Data

Gather information and data such as employment statistics to understand the current local economy and the state employment, education and skills. It is critical to gather as much data about the local economy as possible from as many relevant groups in the community as you can. This data should be a combination of quantitative statistical data and qualitative data, such as people's opinions. The data needs to include information about what has negative as well as positive impacts on LED.

The information can be collected at different degrees of detail and through several methods. Ideally, all tasks will be completed in full, but often it is necessary to conduct only a few of the most critical analyses to get started. Variables to be considered when conducting this inventory

should reflect the components of a functioning economy, such as human and social capital, financial capital, physical capital and natural capital. Capital is a useful concept because it can be acquired, exchanged, invested and converted into other forms. This dynamic way of thinking about LED keeps the focus on potential change, which is what strategic development is all about. Within each of these categories lies important base-data for understanding a functioning local economy (UN-Habitat, 2005).

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Step Four- Involve the Public

LED needs to become the business of **everybody**. Therefore, it is important to encourage the broader community to get involved in LED planning and become aware of the issues and possibilities and what the assembly is aiming to do. This may take the form of focus groups and fora to give information and ideas about needs, issues and opportunities, and to comment on the action plans. The concept of participation is very paramount.

Step Five - Analyze the Information

Stakeholders analyse the data to pick up the pattern of economic activity in the area and the factors that impact positively and negatively. Having gone through a process of gathering data and people's views from the various stakeholders, public forums and focus groups, the next step is to analyse the information to begin to identify ways to develop the economy. You can use the analysis to come up with options to achieve short-term, medium-term and long-term economic benefits.

The situation analysis explores business and market relationships as well as organizational networks within the local area and between the local area, the region and the rest of the world. It looks at economic events and economic trends. It examines the economic base and how the local economy functions. This requires an understanding of local resources, local businesses, what they produce, where businesses inputs come from, and the marketplace. It looks at the economic past and present of a local area and provides base data to identify and prioritize important issues for consideration in future development plans (UN-Habitat, 2005).

Step Six - Develop the Action Plan

All stakeholders should input into the design of a plan of action and the allocation of responsibility for implementation. There are three essential inputs to successful LED

1. Adequate resourcing (people and finance)
2. Adequate skills of people employed in LED work
3. Adequate support for the action plan

Development of the action plan is also called visioning of the LED activities.

Visions are an important way to harness the power of the mind. By imagining an ideal future while considering the current reality, tension is created. As human beings, we respond to this tension with an impulsive desire to close the gap. A clearly articulated vision statement provides a continuous point of reference to keep closing the gap and keep the process heading in a

desirable direction. As a general expression of values, visioning provides an opportunity for the local area to think in broad terms about the future. Developing the vision also provides the opportunity for dialogue, learning, relationship building and awareness raising. Finally, insight from the visioning process supports development objectives, the decision-making framework (UN-Habitat, 2005).

Step Seven - Monitor Progress

The MMDA's should gather data and information on a regular basis to enable the stakeholder group to monitor and support the delivery of the action plan. Your stakeholder partners in this LED process will quickly lose interest if they see no sign of improvements on the ground, so it is important to put in place a process to regularly check on progress (www.devplan.kzntl.gov.za/asalgp/resources).

2.9 Starting a Local Economic Development Initiative/Program

Good practice tells us that LED should always be guided by a strategy. According to the World Bank, a LED strategic planning process has five stages. This include

Stage 1: Organize the Effort

Stage 2: Conduct a Local Economic Assessment

Stage 3: Develop the LED Strategy (includes vision, goals, objectives, and programs, projects and action plans)

Stage 4: Implement the LED Strategy

Stage 5: Review the LED Strategy

The strategy will define areas of economic opportunity and obstacles to overcome—information that will guide the direction of the LED initiative and potential interventions (www.worldbank.org/urban/led).

2.10 Need to Monitor and Evaluate LED

Monitoring ensures that limited resources for economic development can be put to best use and that negative or unintended impacts can be identified and minimized. Furthermore, effective monitoring and evaluation will sound the alarm when internal and external circumstances in the economic environment have changed, when key opportunities are being missed, or when implementation of a project is no longer effective. Adjustments in action plans, changes in priorities, or a complete refocusing of strategic objectives can then be made to ensure the economic development plan remains useful over time. Ongoing monitoring and evaluation should result in the gradual evolution and upgrading of the strategic plan, taking the local area closer and closer to its envisioned future (UN-Habitat, 2005).

2.11 Some Selected Successful LED Programmes in Ashanti Region

Presentation made by Appeah (2010) indicated that some LED projects were successful carried out in the Ashanti region. The goal of the project was promotion of partnership between traditional authorities and Metropolitan / Municipal/ District Assemblies (MMDAs) and Promoting Partnerships with Traditional Authorities Project (PPTAP) between the World Bank and Asanteman Council (2003 - 2007) to provide Social Services in the communities. The main

components of the project were in the sectors of education, health, capacity building of traditional rulers and preservation of cultural heritage in some localities. At the end of the project, this was considered as one of the highly successful World Bank partnership projects in Sub-Saharan Africa. It became an important LED strategy worthy of emulation. This is largely because health awareness was enhanced; business and development plans were prepared for forty (40) beneficiary communities, preservation of cultural heritage asset and some historical information on thirty-four (34) traditional communities were recorded. In addition, three or six classroom blocks each with libraries, teacher's quarters, boreholes, toilet facilities, furniture and books were provided for forty (40) pilot beneficiary communities. This also resulted in employment of about five thousand (5,000) peoples in construction activities in the pilot communities.

Above all this project helped to prepare the pilot traditional Authorities/Communities for Socio-economic take off with any stakeholders as programme/project implementation partners.

2.12 Some Barriers to LED

Bureaucratic Barriers

Red-tape refers to regulation and rules, administrative processes and procedures which are not or no longer effective in achieving their policy goal, and which therefore produce suboptimal and undesired social outcomes. Government policies and laws directly affect the cost of and risks of doing business. Good policies, laws and regulations encourage open markets, innovation and a more competitive economy. Some policies and laws have unintended consequence of weakening

the environment for business (Agyepong, 2010). These laws contribute to the cost of setting up new businesses and reduce expansion of already established businesses especially the private ones.

Local Environmental Factors

LED is affected by government and environmental factors. It is worth noting that establishment and expansion of private sector businesses depends on government regulations and favourable business climate in the environment. For instance, private sector business evaluation depends on the following:-

- Business registration
- Building permits
- Other permits (e.g. environmental issues, health and safety issues)
- Issues related to availability, use and acquisition of real estate.
- Issues related to environmental impacts (accidents, complaints by neighbours)
- Taxes and fees, traffic related issues
- Infrastructure related issues (availability and quality of water, electricity etc)
- Government as a customer / buyer, information and communication actors.
- Government –sponsored business promotion programmes (Bokor, 2010).

Resource Allocation

Resources to ensure continuous engagement of stakeholders, projects monitoring and sustainability are limited. Most of the LED activities when implemented have a poor monitoring mechanisms resulting in collapse. This is due to inadequate resource allocation to the appropriate authority to carry out this task.

Provision of Clarity of LED by Central Government

LED initiatives have a competitive or a welfare focus. It is evident that whilst both approaches – the competitive approach vs. welfare approach, pro-growth vs. pro-poor; market-oriented vs. market critical – are required there has been insufficient clarity or leadership given by central government to local governments in order for them to determine which is the preferred approach (Nel and Rogerson, 2005). Further, whilst there is agreement on the desired outcomes of LED such as reduced poverty and more jobs, there are considerable differences in outlook between what the role of local government should be in achieving these outcomes. One debate is essentially between those who believe that local government should provide a direct solution through supporting projects for job creation and others who advocate for an indirect solution through creation of an enabling environment (Rogerson, 2008).

Appropriate Scaling for LED

There is a lack of awareness and understanding of the most appropriate scale for doing LED. LED is about territorial economic development and the international experience points to the fact

that the defined territory for LED should be set at the scale of a functional economic area and one that facilitates the creation of trust, cooperation and innovation between all key actors (ILO, 2006, 2008).

Closing the Gap between the Practice of LED in Large Centres and Small Towns

Large communities or cities are adopting a different practice to LED as compared to that in smaller centres. Importantly, it remains that LED initiatives in smaller centres communities tend to be project-based, while those in large centres are increasingly focused on creating appropriate institutional market enabling framework (Van der Heijden, 2008). In larger cities the use of the terminology LED is sometimes dismissed because of its negative connotations and instead the language of city development strategies is deployed. In large metropolitan areas the focus in LED in practice is on developing a more supportive and competitive business environment, institutional support for competitive sectors or clusters, business retention, removal of red tape, and even consideration of the introduction of local investment incentives. In addition, as larger cities and metropolitan municipalities have established effective LED networks with the private sector these have facilitated a more participatory approach towards strategy development and a focus on the different roles of LED for the private sector and local government (Rogerson, 2009).

Disseminating Good Practice in LED to Local Stakeholders

It is acknowledged that many efforts to support LED have often failed as projects have not successfully involved and included local people as participants and beneficiaries often relegating locals to workers / labourers rather than owners of initiatives and projects (IDC, 2009).

Challenge of Maximising Potential for Partnerships in LED

Local government driven LED has had only limited involvement with non-state actors. A central aspect of LED is partnerships that are forged between local government, business, NGOs and communities.

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Need for a Higher Profile and Profesionalissation of LED

It is argued by several analysts that LED is not taken seriously by many local governments and instead relegated to a backroom function (Murray, 2007) or minor issue on the agenda with no political importance (Nel, 2009). Certainly, the limited success of LED projects with a welfare focus undermined the credibility and significance attached to LED by local authorities (Trah and Wegmann, 2009).

Overall, there is an absence of professionalism in LED due to its poor career prospects such that LED does not attract or retain the sort of officials who might be able to combine business skills as well as public sector skills (Nel, 2009; Trah and Wegmann, 2009). The status accorded to the function of LED varies widely between different MMDA's with implications for access to resources for staffing. Only rarely is LED located in its own department often operating within a wider unit such as planning and community services.

The Capacity Challenge of Training Professional Staff and Careers in LED

In certain parts of the country (especially poorer communities and small towns), capacity gaps remain. Limited capacities in LED staff has had the consequence that many MMDA's or smaller communities focus on compliance with statutory requirements rather than attempting to proactively manage economic opportunities that could have widespread local impact (Rogerson, 2009).

The LED Funding Challenge

Currently, there exist a range of possible funding sources for LED activities which includes donor funding, government departments, the Municipal Infrastructure Grant, and equitable share funds (Patterson, 2008). Nevertheless, whilst arguments that LED is an unfunded mandate no longer have credence, there does remain an issue of limitations in access to development finance, especially outside the more well-resourced environment of the metropolitan Assemblies, some of which can access finance from commercial markets (Rogerson, 2009).

2.13 Strategic Management of Local Economic Development (LED)

Strategic planning for local economic development is important. It is a cornerstone of sustainable development. It involves wise resource use, integrating values and thinking ahead (UN-Habitat, 2005). Because LED activities are profit oriented, strategic management is very imperative. A LED strategy is a process-oriented and non-prescriptive endeavour incorporating:

- Local values (poverty reduction, basic needs, local jobs, integrating social and environmental values);
- Economic drivers (value-added resource use, local skills training, local income retention, regional co-operation);

- Development (the role of structural change, quality of development) (UN-Habitat, 2005).

Good practice in local economic development suggests that use of public resources and government intervention (e.g., public spending, access to services) should focus on improving the basic business environment and reach all levels of society (e.g., rather than supporting individual companies). This means that capable institutions at the local level are essential for effective LED (UN-Habitat, 2005).

Recent LED research suggests that strong and appropriate institutions are necessary, and governments should pursue four (4) concepts in LED:

- First, support for institutions and strategies should combine governance with culture, to gain respect, legitimacy and acceptance of the local citizens.
- Second, there is a need for clear decision rules and procedures in government, such as effective business codes and land use zones that promote long-term plans and a clear and stable economic “playing field.”
- Third, the political environment must be safe. Poor economic policies and weak government systems can seriously impact local economic development efforts by raising risks and increasing production costs. For many investors, consistency, predictability and clarity of government policies and regulations are as important as a business environment with few restraints.
- Fourth, enabling environments should have a high ease of business entry and efficient regulation enforcement. Not surprisingly, researchers have found that countries with

heavy regulation and weak enforcement have higher rates of corruption, a larger informal economy, are less democratic and are more likely to be poor (UN-Habitat, 2005).

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CHAPTER THREE

MEHODOLOGY

3.0 Introduction

This chapter focused on the profile of the Afigya–Kwabre District Assembly and the detailed research methodology and design, sources of data and data collection techniques. Analysis of data is also presented here.

3.1 Profile

The District is headed by a District Chief Executive (DCE) who is the political head and a District Co-coordinating Director (DCD) who is the administrative head.

3.2.0 Location and size

3.2.1 The District is located in the central part of Ashanti Region of Ghana and has an area of about 342.4km being 1.44% of the land area of Ashanti Region. The District is bounded by Kumasi Metropolitan Assembly to the south, Sekyere South to the north, Offinso Municipal to the west and Kwabre District to the east. The central location of the district within the Ashanti Region couple with accessibility to most of the areas makes interaction among the populace very easy. The district is located in the semi- deciduous forest zone. The zone is characterized by relatively high rainfall about 1400mm per annum with a binomial pattern. The major rainy season occur between March and mid- July with a peak in May/June. There is a dry spell from mid- July to mid-August. The minor rainy season starts from mid- August to the end of October

with a peak in September. A long dry period is experienced from November to February with possibilities of occasional rains.

Temperatures are normally high throughout the year with very little variations. The main monthly temperature ranges from 25°C in July /August to 28°C in March/ April.

The District experiences relatively humidity ranging from 90- 980 o/o during the night and early mornings of the season. Day- time humidity falls below 75o/o during the harmattan season.

3. 3 Governance of Afigya-Kwabre District Assembly

Afigya- Kwabre District Assembly is one of the 27 District Assemblies in the Ashanti Region and among the 170 MMDAs of Ghana. It is located in the central part of Ashanti Region and has an area of about 342.4km being 1.44% of the land area of Ashanti Region. It was established by Legislative Instrument (L.I. 1885) of 1st November 2007. It was caved out of the former Kwabre and Afigya-Sekyere District Assemblies, and has Kodie as its capital. The assembly has 8 sub-committees namely:

1. Justice and security
2. Development planning
3. Finance and Administration
4. Environmental
5. Social Services
6. Agricultural
7. Public Relations and Complaints
8. Works

The District is headed by a District Chief Executive (DCE) who is the political head and a District Co-ordinating Director (DCD) who is the administrative head.

There are decentralized departments (36) that work up to the DCE through the DCD and there is the Executive Committee headed by the DCE that all the other committees work up to.

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3.4 The District Economy

The District has an estimated population of 135, 988 people with an annual growth rate of 3.6% (Ghana Statistical Service, 2000). The District has relatively high population density of 397.3 persons per square kilometer (District profile, 2009). The Afigya part the District is ranked as one of the most deprived in the region in terms of socio-economic infrastructure, especially education, health, water and sanitation. Business environment is increasingly and constantly changing.

The economy of the district is mainly agrarian employing about 61% of the total workforce. In the district, the populations of people involved in primary production are 61%, industry and manufacturing are 9% and service or commerce are 30% (District profile, 2009). Major economic activities in the district are agriculture (production of major staple crops and livestock rearing), industry (which involve agro-based, stone quarry- extraction wood- based, metal-based, textiles etc) and service/commerce (comprising of traders, hairdressers, drivers, hoteliers/caterers, restaurants, painter etc).

Local economic development has been identified as a very important tool to achieve development goals and objectives. In Ghana since the inception of the decentralization process, a lot of resources have been sunk into the economies of all the districts yet there has not been any significant impact in terms of private sector development. The activities to be implemented in this plan are meant to create an enabling environment so that the private sector which is the engine of growth, can take advantage of some of the opportunities available. The activities are meant to improve upon poor road network for easy movement of people, farm produce etc., and provide access to quality education, ensure speedy delivery of service by the Assembly to the private sector. Others include support to Company or business in respect of land registration and land registration, issuance of permits. There is also the need to provide access to quality and affordable health service and improve upon stake-holders involvement in fee fixing and budgeting etc.

An established LED desk is available to:

- a. Link prospective businesses to the Registrar General's Department for the registration of their businesses.
- b. Link the prospective businesses also to other agencies
- c. Advice them on relevant issues pertaining to their businesses.

Fig

1.

Afigya-Kwabre

District

Map

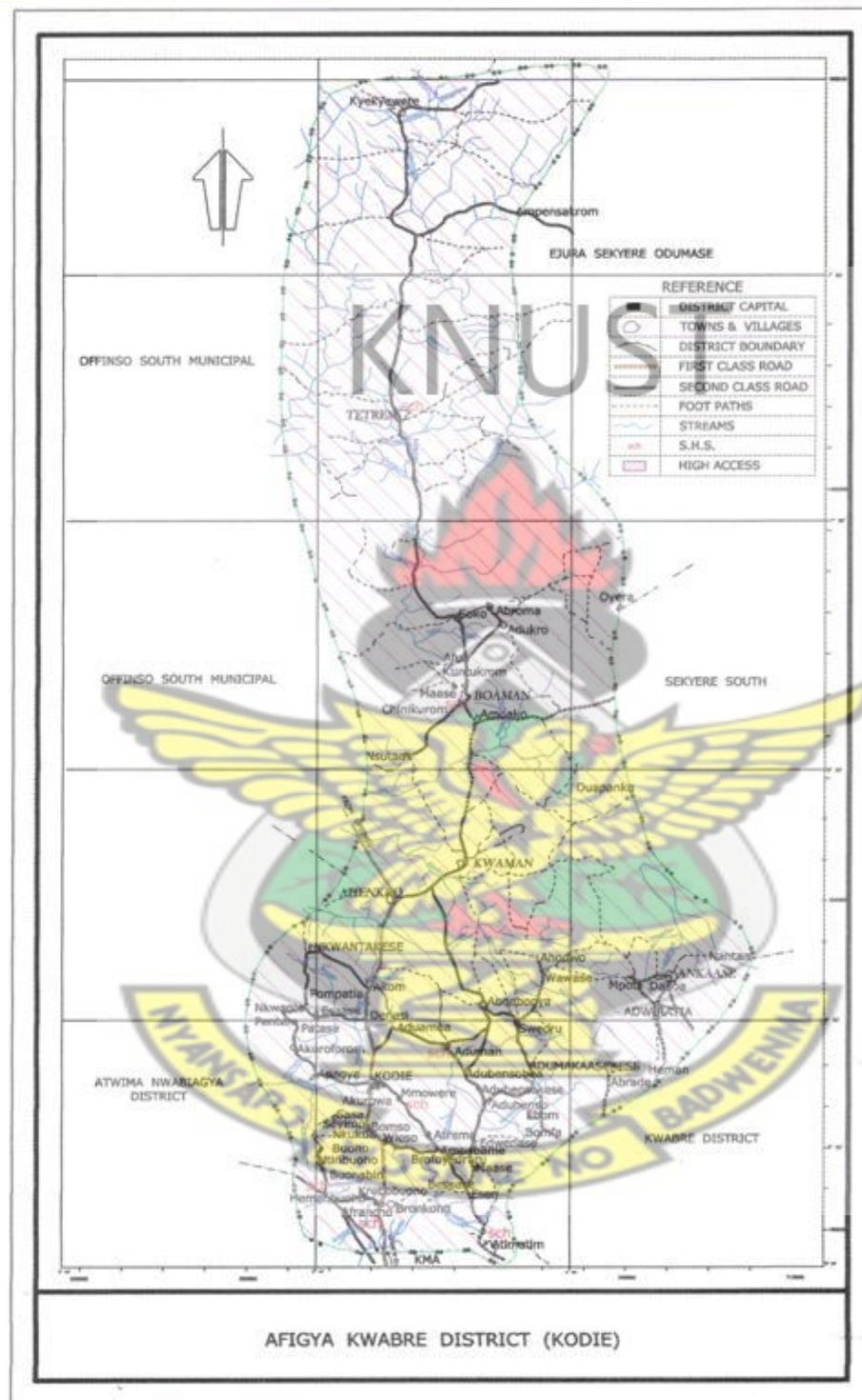


Fig 1

Fig 2

The District in Regional context

THE DISTRICT IN REGIONAL CONTEXT

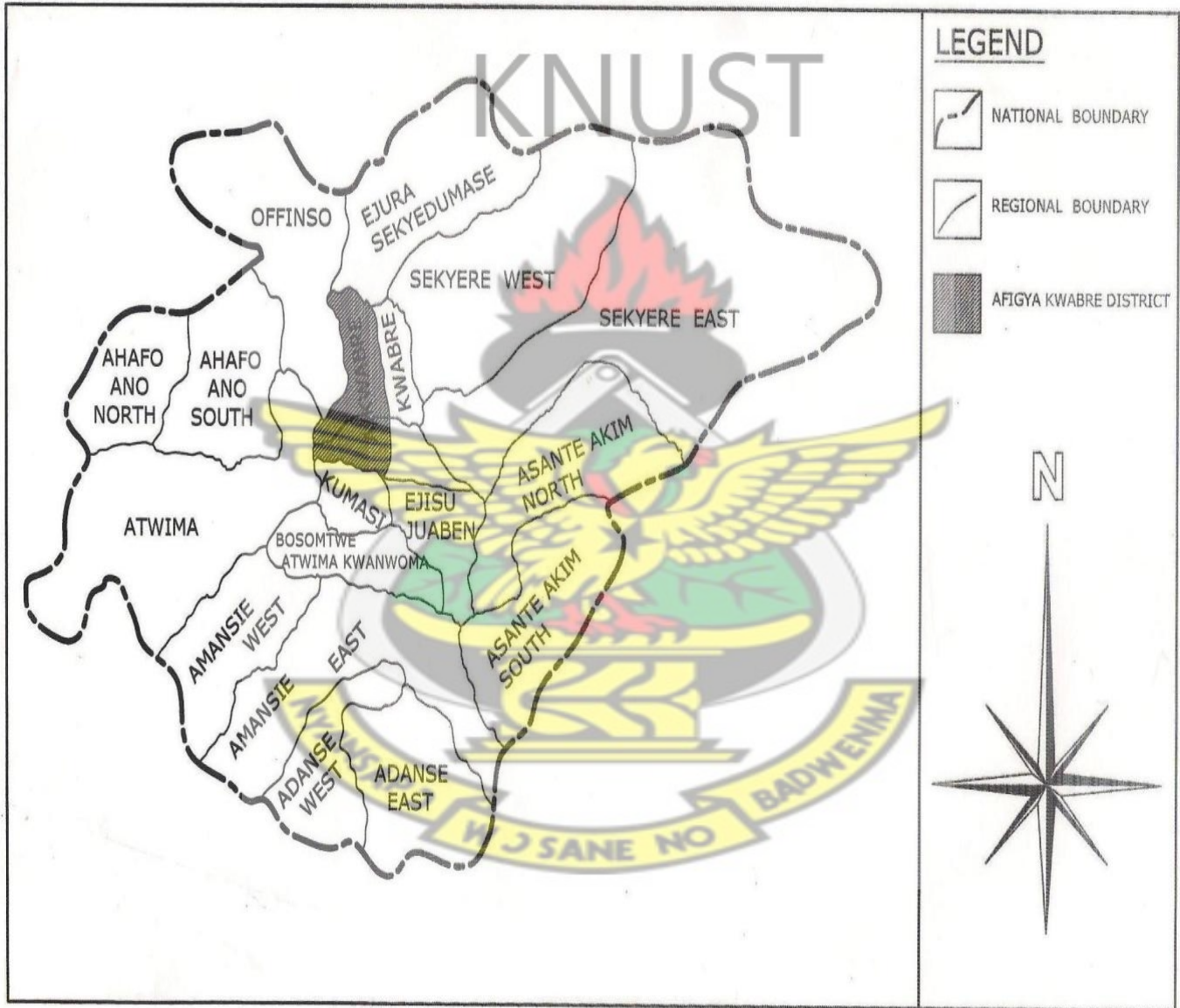
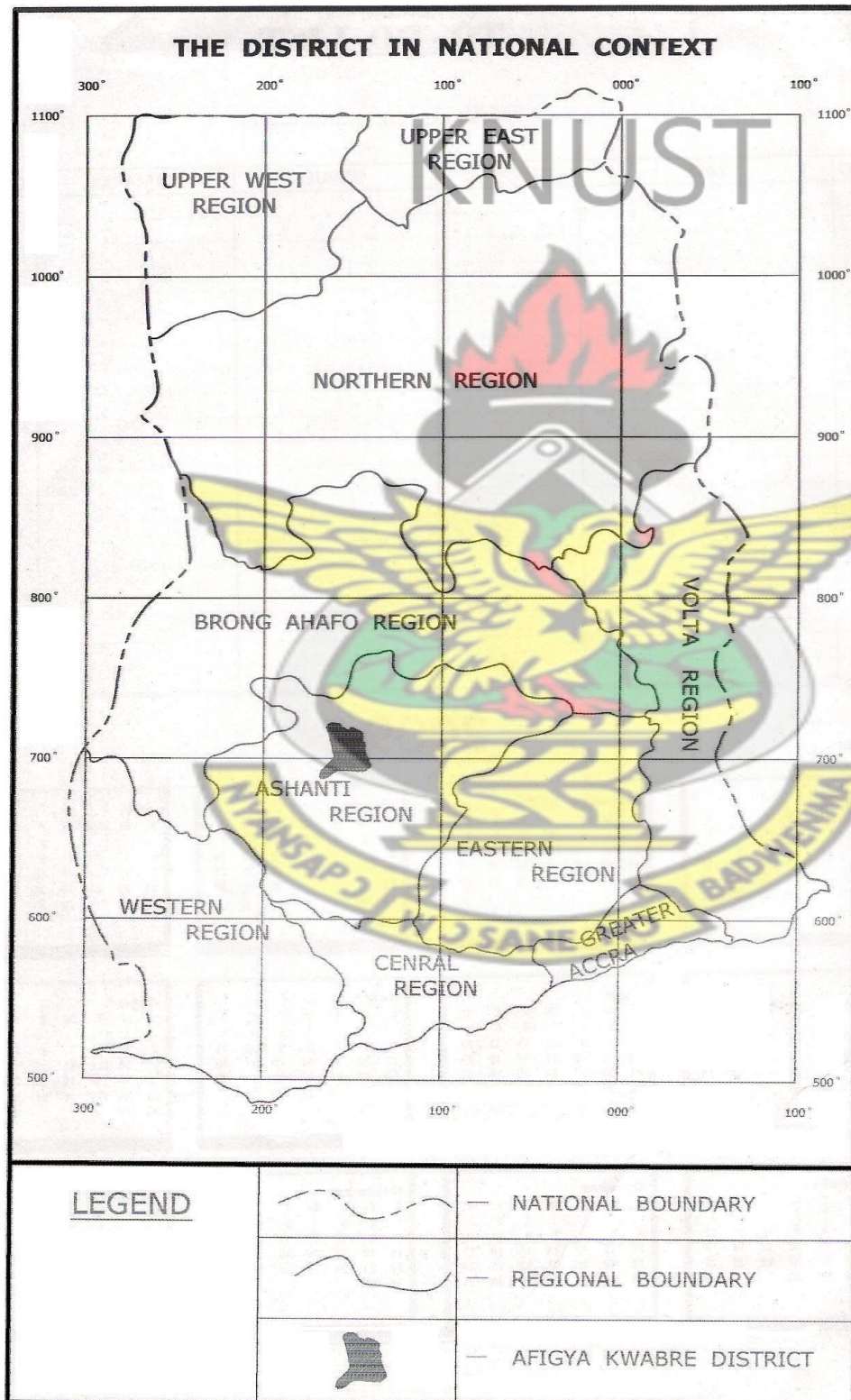


Fig 3

The District in National context



3. 5 MAJOR ECONOMIC ACTIVITIES

3.5.1 Agriculture

Afigya Kwabre district has a total cultivable land of about 53250 hectares excluding pastures and forest reserves. Major food crops grown by farmers are Plantain, Cassava, Cocoyam and maize. Cocoa is the main cash crop cultivate in the district. Vegetables such as tomatoes, garden eggs, pepper and onions are also cultivated. Others like rice and cocoyam are grown on a smaller scale.

3.5.2 Service Sector

The informal sector plays a dominant role in this sub sector. This sector comprises Traders, hairdressers, tailors, barbers, drivers, painters, etc. Their area of operation is scattered in various communities in the district and they operated in kiosks and stores, often rented. They sometimes train apprentices who support them in their daily business activities

Research Methodology

3.6 Study Area

The study was conducted in Afigya- Kwabre District Assembly in the Ashanti Region of Ghana. It is located in the central part of Ashanti Region and has an area of about 342.4km being 1.44% of the land area of Ashanti Region. The District has an estimated population of 135, 988 people with an annual growth rate of 3.6% (Ghana Statistical Service, 2000). The District has relatively high population density of 397.3 persons per square kilometre (District profile, 2007). Although there are 170 Metropolitan, Municipal, Districts Assemblies (MMDA) in Ghana and 27 MMDAs in the Ashanti Region, the choice of Afigya- Kwabre District Assembly is representative as the

entire MMDAs since they have the same administrative structure and the same planning cycle as per the Local Government Law Act 462 of Ghana. The District was created in 2008 from the former Afigya Sekyere and Kwabre District Assemblies by Government Legislative Instrument (LI 1885, 2007). The Afigya part the District is ranked as one of the most deprived in the region in terms of socio-economic infrastructure, especially education, health, water and sanitation. Business environment is increasingly and constantly changing. There is therefore uncertainty about the future as new situations such as technological advancement, new societal trends, new economic forces or newly enacted government regulations emerge.

3.6.1 Research Design

The study adopted a case study approach. This method has been adopted because it has the advantage of allowing for an intensive description and analysis of the phenomenon under consideration of the study. Besides, the case studies approach provided an in depth understanding into the issues being investigated.

3.6.2 Sources of Data Collection

A combination of primary and secondary qualitative and quantitative data was used for the research. The tools used to solicit for the primary source of information were self- administered questionnaire, in-depth interviews and focus group discussions. These tools were used because cross section of the target group can read and write while others cannot read and write. The secondary source of information was solicited from relevant books, Journals, Reports and the internet.

3.6. 3. Sampling Technique

In order to avoid bias, a combination of sample technique was used in selecting the respondents for the study since the selected groups are mainly in the same district. A purposive sampling technique was used at each selected target group. Additionally random sampling technique was used in selecting the respondents among the small and medium scale business and cross section of the people in the communities.

The DCE, the District Co-ordination Director and names of the Heads of the decentralized Departments were written on pieces of paper. The first ten (10) picked, represented the respondents in the office of the District Assembly (secretariat).

3.6.4 Sampling Population

One hundred (100) selected people from the catchment area of the Assembly constituted the target population for this study. This include the District Chief Executive, the District Co-coordinating Director, members of the district Planning and co-coordinating unit and other core management staff and some Heads of decentralized departments. Other people involved were opinion leaders, traditional rulers, Assembly members and the unit committee members, the private sector including small and medium scale businesses. A total of 100 questionnaires were administered but only 64 were retrieved given a percentage recovery of 64%.

3.7 Data Analysis

Primary data were coded, collated, categorized in tables and processed using Statistical Package for Social Scientist (SPSS), in order to make relevant deductions in order to establish relationships among the study variables. Data from questionnaires and interviews were presented

using descriptive statistics mainly percentages and measures of central tendencies where appropriate. Tables and charts were also used for easy presentation and interpretation of analysis

Table 3.1: List of Persons Administered with Questionnaire.

Status of respondents	Number of questionnaire Administered
District Chief Executive	1
District Co-ordinating Directors	2
District Planning committee members	15
Other staff of Assembly	17
Traditional Rulers	10
Assembly Members	25
Unit committee Members	15
Business Persons	15
Total	100

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

This chapter presents the results of the study. It is supported by discussions and other relevant work from literature.

4.1 Demographic Characteristics of Respondents

Out of the 64 questionnaires recovered from the 100 administered, 60.9% respondents were male while 39.1% were female. This shows that males were dominant in the District assembly activities than female. This might also indicate that males are more involved in Local Economic Activities (LEA) than females. The results further show that most of the respondents were university graduates (First degree) holders (Table 4.1). This implies that the illiterates should be made conversant with the activities of the District Assembly.

Table 4.1: Level of Education of Respondents

Educational Level		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Masters Degree	7	10.9	10.9	10.9
	First Degree	36	56.3	56.3	67.2
	Polytechnic / HND	1	1.6	1.6	68.8
	Vocational / Technical	7	10.9	10.9	79.7
	SHS	9	14.1	14.1	93.8
	Middle school / JHS	4	6.3	6.3	100.0
	Total	64	100.0	100.0	

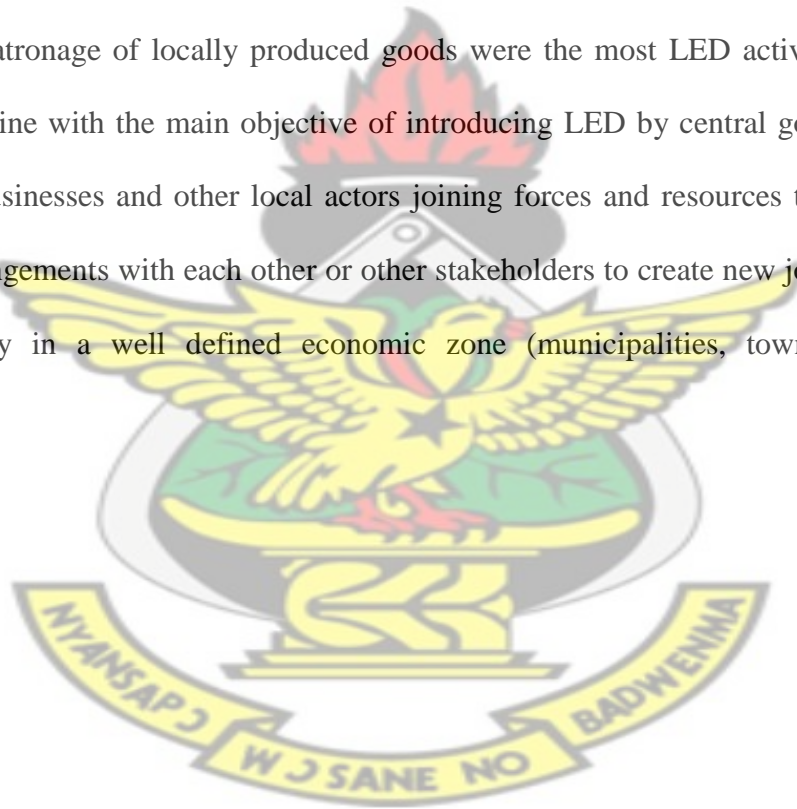
The respondents interviewed were of different status. Table 4.2 shows the distribution of the status of respondents. Most of them are staffs in the district assembly or associates which have worked closely with the assembly. Some of the respondents have benefited from the assembly's projects or their communities have gained from a project initiated by the assembly.

Table 4.2: Status of Respondent

Status of respondents	Frequency	Percent	Valid Percent	Cumulative Percent
Valid District Chief Executive	1	1.6	1.6	1.6
District Co-ordinating Director	2	3.1	3.1	4.7
District Planning committee member	15	23.4	23.4	28.1
Other staff of assembly	15	23.4	23.4	51.6
Traditional Ruler	3	4.7	4.7	56.3
Assembly member	3	4.7	4.7	60.9
Unit committee member	10	15.6	15.6	76.6
Business person	15	23.4	23.4	100.0
Total	64	100.0	100.0	

4.2 Knowledge and Awareness of LED

Majority of the respondents (54.7%) had some knowledge and awareness level of the LED activities in the district. However, 45.3% said they have not heard about any LED activities in the district. In addition, those who were aware of the LED activities in the district mentioned some of the LED activities as shown in the in the chart below. According to the result, promotion of local businesses by facilitating Small and Medium Scale businesses to access loans and promoting patronage of locally produced goods were the most LED activities in the area. This result is in line with the main objective of introducing LED by central government which focus on local businesses and other local actors joining forces and resources to enter into new partnerships arrangements with each other or other stakeholders to create new jobs and stimulate economic activity in a well defined economic zone (municipalities, towns and villages) (Appeah, 2010).



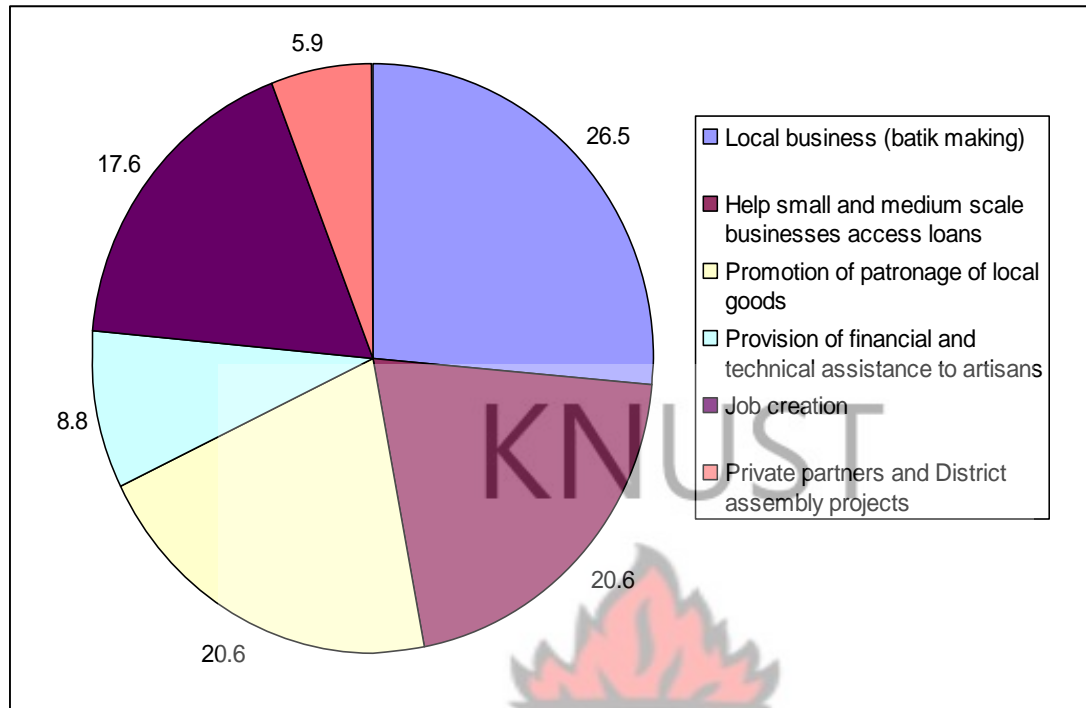


Figure 4.1: Distribution of Responses Concerning LED Activities in the District

The district assembly is expected to expand electricity / energy, markets, agriculture, roads, ICT, support for physically challenged, support for the National Youth Employment program and tourism as part of their LED activities. On social service, the assembly is supposed to utilize their funds on education, sports and culture, water, health, disaster management and bring development to the district (Bokor, 2010).

Whiles most of the respondents were aware of LED activities in the district, majority (70.3%) of respondents said they were not directly involved in LED activities. 29.7% mentioned they were

involved in LED activities. Most of the respondents were involved in LED activities between 1-4 years (Table 4.3).

Table 4.3: Duration Involved in LED Activities

Duration of involvement		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 1 year	3	4.7	12.5	12.5
	1- 4 years	14	21.9	58.3	70.8
	5 - 6 years	5	7.8	20.8	91.7
	Above 6 years	2	3.1	8.3	100.0
	Total	24	37.5	100.0	
Missing	System	40	62.5		
	Total	64	100.0		

Majority of respondents (66.7%) do not know the policy guiding the LED activities. However, 33.3% respondents stated that, they know the LED guiding policy which most of them (81.3%) have mentioned as Act 462. 18.8% of respondents stated that the policy is concerned with supporting private sector to boost their businesses. According to the respondents there are different beneficiaries of LED activities in the district (Figure 4.2). The dominant beneficiary is

the private businesses and projects in the general communities such as provision of markets stores and, stalls and paving way for the creation of lorry stations.

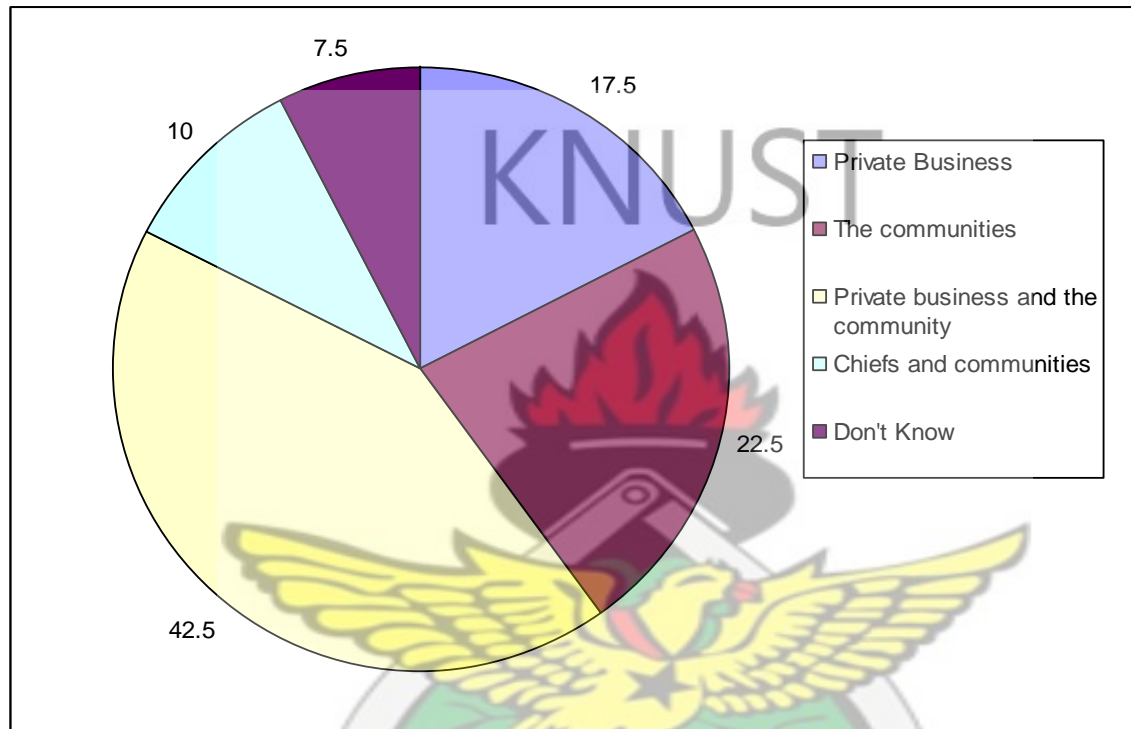


Figure 4.2: Distribution of Benefits of LED Activities by Respondents

The beneficiaries mentioned by the respondents correspond to some of the LED activities carried out in some districts in the Ashanti Region.

4.3 Role of District Assembly in LED

MMDAs are the local authority responsible for the overall development of their districts.

According to most respondents (31.1%), the role of district assembly in LED is the provision of infrastructure (Table 4.4).

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Table 4.4: Role of the District Assembly in LED

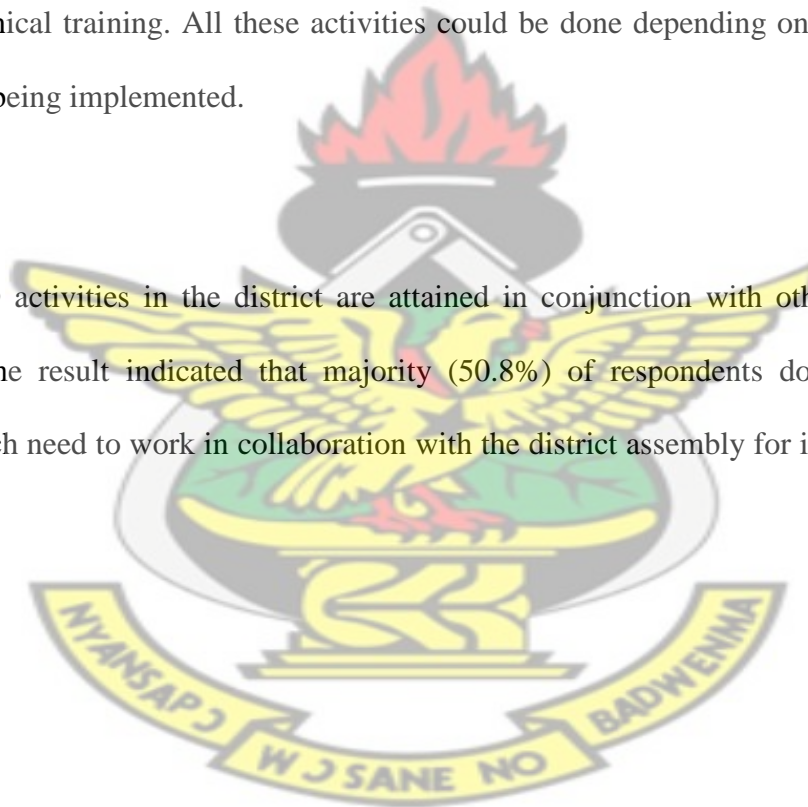
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Promotion of LED	12	18.8	26.7	26.7
	Provision of infrastructure	14	21.9	31.1	57.8
	Policy promotion and guidance	1	1.6	2.2	60.0
	Provision of legal backing and support services	9	14.1	20.0	80.0
	Don't Know	9	14.1	20.0	100.0
	Total	45	70.3	100.0	
Missing	System	19	29.7		
Total		64	100.0		

This is not surprising since most of the LED activities carried out are the provision of market stalls and basic social services such as toilet facilities which most citizenry believe are some of the duties of the district assemblies. However, those who have small scale private businesses

think it is the responsibility of the district assembly to promote LED by creating enabling environment. Similarly, some respondents were of the view that the district assembly are to improve upon the poor road network for easy access of movement of people, goods, farm products and ensuring speedy delivery of assembly services.

However, according to a report by Bokor (2010), the district assembly could play a coordinating role by bringing stakeholders together, monitoring and evaluation role, marketing role for tourist attractions in the district and contribution to skill development of local people through leadership training or technical training. All these activities could be done depending on the type of LED program that is being implemented.

Successful LED activities in the district are attained in conjunction with other institutions or stakeholders. The result indicated that majority (50.8%) of respondents do not know other institutions which need to work in collaboration with the district assembly for implementation of LED activities.



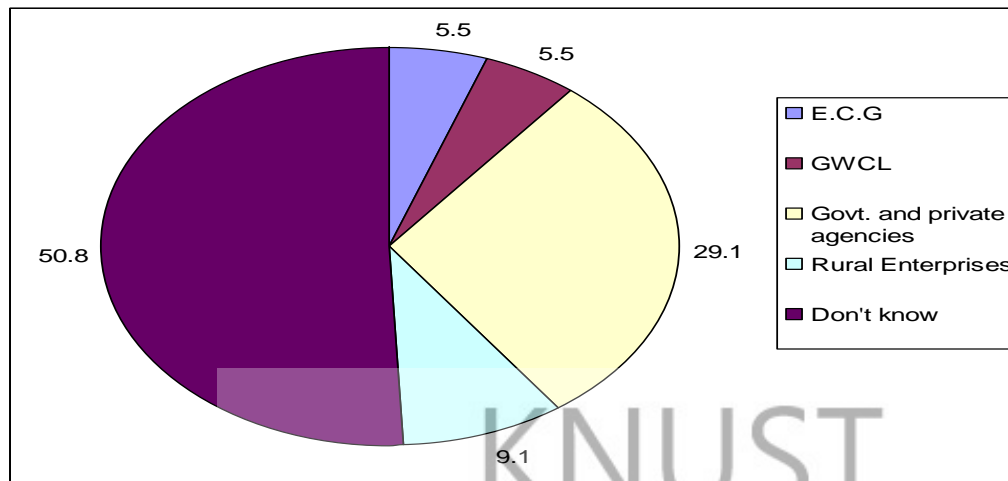


Figure 4.3: Distribution of Respondents Views Concerning other Stakeholders in LED

Quite a number (29.8%) of respondents believed that both government and private agencies are the main institutions or stakeholders involved in LED activities implemented by the district assembly. This is really true since provision of facilities in a community is multi-task and involves other relevant institutions. For instance during the construction of a communal water closet (WC) facility, you need the service of Ghana Water Company Ltd (GWCL). Most respondents (90%) stated that stakeholders in the district are contributing to LED activities in the district, while 10% were of the view that they are not seeing any contribution from these stakeholders.

Those who believed that other stakeholders are contributing to LED activities in the district mentioned these ways illustrated in Table 4.5 below.

Table 4.5: Ways Stakeholders are contributing to LED in the District

	Ways	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Facilitate growth of small businesses	5	7.8	17.2	17.2
	Land acquisition	3	4.7	10.3	27.6
	Provision of infrastructure	11	17.2	37.9	65.5
	Training of small business owners	3	4.7	10.3	75.9
	Provision of technical support	6	9.4	20.7	96.6
	Promotion of policy	1	1.6	3.4	100.0
	Total	29	45.3	100.0	
Missing	System	35	54.7		
Total		64	100.0		

Most respondents (37.9%) believed stakeholder's contribution to LED activities in the district is in the sector of provision of infrastructure. For instance in construction of a classroom block, the department of lands and town and country planning provides the services required of them.

According to 57.7% respondents, LED activities in the district have positive impact on the lives of the people while 42.3% said they are not feeling any impact from LED activities. Majority of respondents (83.0%) mentioned that the district assembly is not playing its role effectively in the implementation of the LED policy (Table 4.6). Moreover, LED gives more responsibility to the district assembly to come up with more innovative job creating avenues in the district. The assembly is supposed to create enabling environment for the private businesses to grow in the district and also open up the district for collaborative projects with other partners. These roles are what some of the respondents mentioned that the assembly is not performing effectively.

Table 4.6: Effective Role of the District Assembly in LED

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	9	14.1	17.0	17.0
	No	44	68.8	83.0	100.0
	Total	53	82.8	100.0	
Missing	System	11	17.2		
Total		64	100.0		

Those who think the assembly is performing its role effectively in the implementation of the LED activities in the district mentioned grassroot promotion of the policy as the main way of how the assembly is facilitating LED in the district (Figure 4.4).

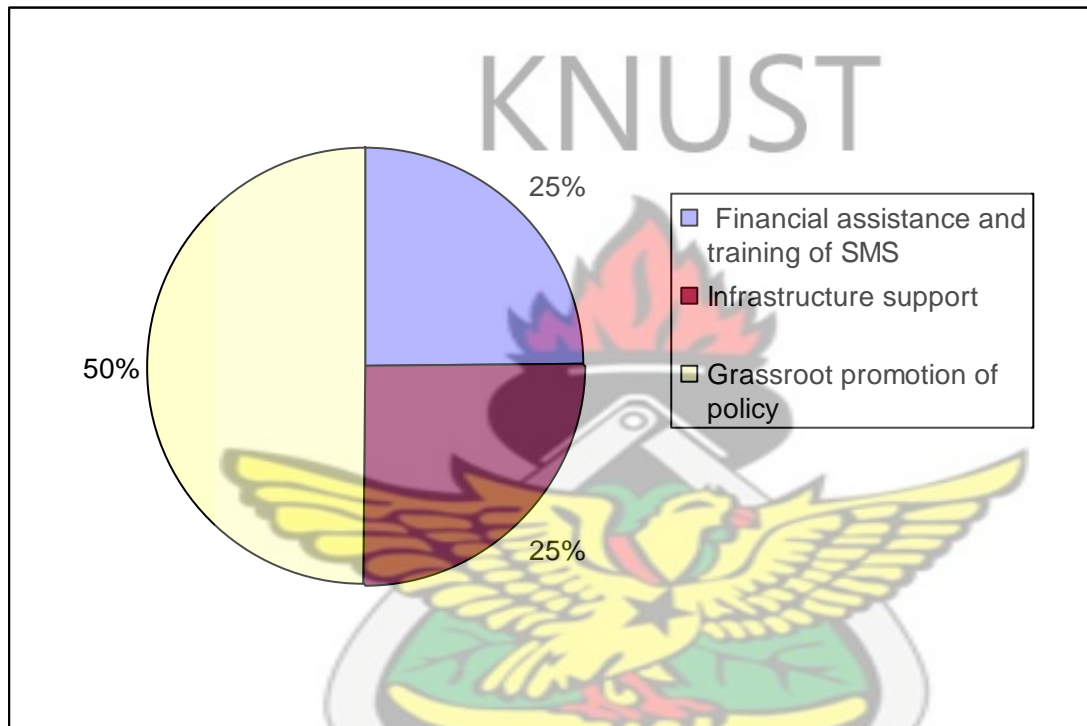


Figure 4.4: Means of Facilitation of LED by the District Assembly.

The result also shows that most respondents were unaware of LED activities in the District projects carried out under LED of the assembly. However, lack of funds and logistics were the main reasons for the inefficiency of the assembly to carry out LED activities. For instance adequate funds would enable the assembly implement all the LED activities they have planned in the district. The District Assemblies' Common Fund (DACF) is the main fund from government

to support MMDAs in Ghana to carry out their developmental projects. However, the assemblies are mandated to generate funds internally to complement funds from DACF to implement all their LED programs. Funding for local economic development programs without the DACF would make most MMDAs incapacitated to fulfil their potential mandate (Bokor, 2010).

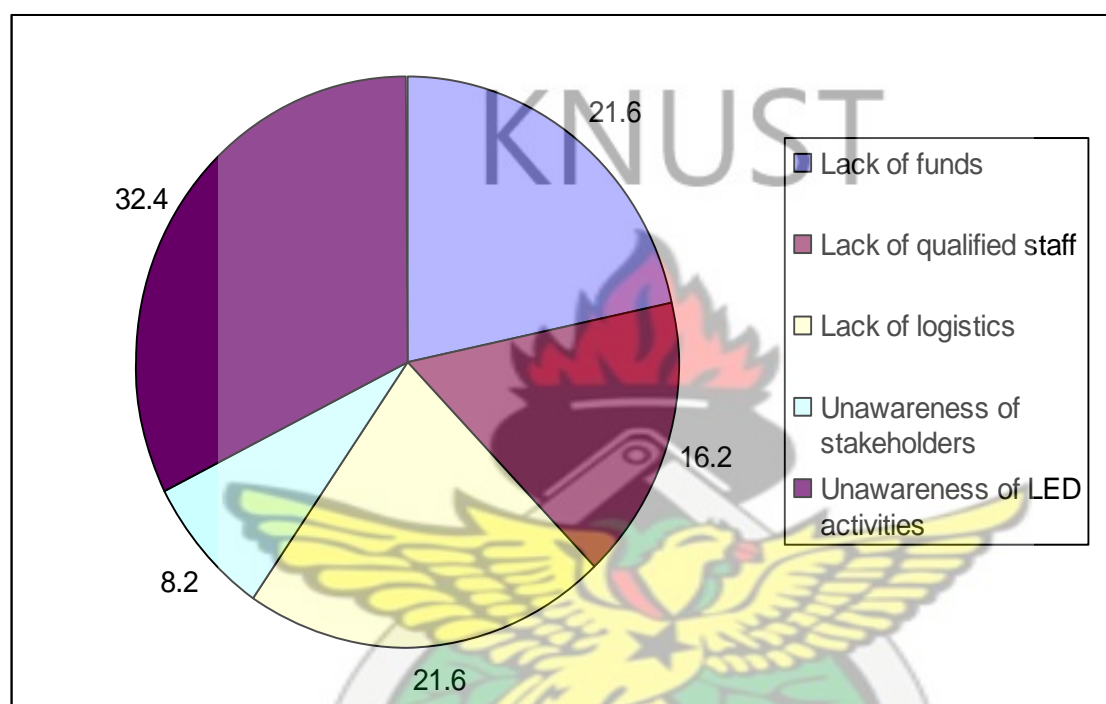


Figure 4.5: Reasons why the District Assembly is Ineffective in LED Activities

4.4 Sustainability of LED Programmes

Majority of respondents (66.7%) do not believe LED activities are sustainable, while 33.3% believed activities implemented under LED by the district are not sustainable. According to respondents, the LED activities can be sustained when adequate funds are provided to maintain the projects carried out (Table 4.7). Awareness level is also low in the communities concerning LED activities. Only few people who had knowledge about LED activities mostly benefited from

their programs especially provision of loans and grants to support small scale businesses. Furthermore, some training programs are also restricted to only group leaders and private business owners who only benefit and would not disseminate knowledge gained from the training to their colleagues.

The district intends to implement LED activities in other areas such as agriculture and agribusiness (Table 4.8). However, other respondents also mentioned that they should rather strengthen the private small and medium scale businesses to increase the economic activities in the district.

Table 4.7: Ways LED can be Sustained

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Provision of funds	15	23.4	53.6	53.6
	Provision of adequate logistics	3	4.7	10.7	64.3
	Awareness creation and education	10	15.6	35.7	100.0
	Total	28	43.8	100.0	
Missing	System	36	56.3		
Total		64	100.0		

Table 4.8: Potential Developments LED can be involved In

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Small Scale Businesses	3	4.7	12.0	12.0
	Small and medium scale businesses	7	10.9	28.0	40.0
	Agriculture and agro-business	9	14.1	36.0	76.0
	Social Services	6	9.4	24.0	100.0
	Total	25	39.1	100.0	
Missing	System	39	60.9		
Total		64	100.0		

CHAPTER FIVE

MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter focuses on main findings, conclusions and recommendations of the study.

5.1 Major Findings

1. The study shows that an average proportion of respondents interviewed have some level of knowledge concerning LED activities in the district. Facilitation of loan access by private businesses and promotion of patronage of locally made products are the main LED activities embarked by the district. Majority of respondents who were involved in LED activities between 1-4 years know the policy guiding the LED. They mentioned ACT 462 as the central government policy concerning LED of the MMDAs in Ghana. However, they believe LED activities would benefit the private sector businesses and the communities at large.

2. The main role of the district assembly in LED is the provision of resources, infrastructure and other logistics and need to get other stakeholders or institutions to be involved.

3. Both the government and private agencies are the main stakeholders which need to partner the district assembly to successfully implement all LED activities in the district. In the district, other stakeholders are supporting the assembly to deliver some of the LED activities.

4. Provision of key infrastructure is the major contribution that partner stakeholders are involved in LED activities.

5. The District Assembly is not however playing its role effectively in implementing LED activities according to respondents.

6. In addition, most of the people within the communities in the district are not aware of LED activities carried out by the district assembly.

7. LED activities in the district are not sustainable because the assembly lacks adequate funds and logistics to continue supporting the projects carried out. However, the assembly is planning to enter into agriculture and agro-businesses as part of new developmental areas in the district.

5.2 Conclusions

From the findings, the study concluded that the Afigya-Kwabre District Assembly has carried out some LED activities in the district.

Promotion of patronage of locally manufactured products such as batik and assisting private businesses to secure loans and grants dominated LED activities in the district. Training of private business owners aided them to secure loans to promote their businesses. Furthermore, provision

of infrastructure such as market centres are some of the LED programs carried out in the assembly.

The assembly has some stakeholders which partner them to successfully carry out some of their LED projects. Though, the assembly has implemented some LED activities, its role is largely ineffective.

LED activities in the district are not seen as sustainable because of inadequate funds and logistics to continue supporting the activities after their completion. Agriculture and agri-businesses promotion is the new developmental areas the district is looking forward to in order to enhance its role in the LED programme.

5.3 Recommendations

Within the scope and limitation of the study, some major findings as enumerated above, (5.1) were made from the study. Consequently, the study recommends that:

1. The District Assembly should be well resourced and with the provision of adequate funds to support LED activities.
2. There should be a properly constituted desk or a team of qualified personnel which will monitor and evaluate all LED projects embarked on and propose other well meaning measures to enhance LED activities.
3. The District Assembly should engage itself in income-generating LED activities in partnership with other stakeholders which would bring some benefits to the assembly after completion of the projects.

4. The people in the district should be properly sensitised on LED activities which would benefit them and they should be encouraged to be involved to promote the concept of participation at the grassroots /community level.
5. The assembly should be innovative to provide opportunities for job creation in the district by involving other LED partners to carry out collaborative projects/ Programmes.
6. The Private Sector should be supported and assisted by Government Institutions/Agencies/ District Assemblies to improve on their businesses to enable the Assembly raise its revenue through taxes.
7. The District Assembly should be more proactive in its vision of implementing an effective LED programme by possibly engaging consultants/Team of experts to provide expertise or fine tune its LED action plan for actualisation
8. The Afigya Kwabre District Assembly can serve as a model in this respect in the Ashanti Region by establishing a road map towards establishing a sustainable LED programme.
9. LED should be an important strategy/development concept of District Assemblies to help propel the process of development and change the standard of living of their people. The LED concept can play the role of helping the private sector to expand and grow creating employment and increasing the revenue base of the Assemblies through taxation for improved infrastructural development.

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KNUST



Questionnaire on Assessing the Effectiveness of District Assemblies in Meeting the Challenges of
Local Economic Development in Ashanti Region: - A Case Study of Afigya Kwabre District
Assembly

Important Note: Information supplied by you will be treated as strictly confidential.

Identity of position will not be revealed. Information will be used for only academic work.

Questionnaire No.....

Demographic Characteristics

1. Gender of respondent: Male Female ☐ ☐

2. Level of Education of respondent:

a. Doctoral

b. Masters Degree ☐ ☐

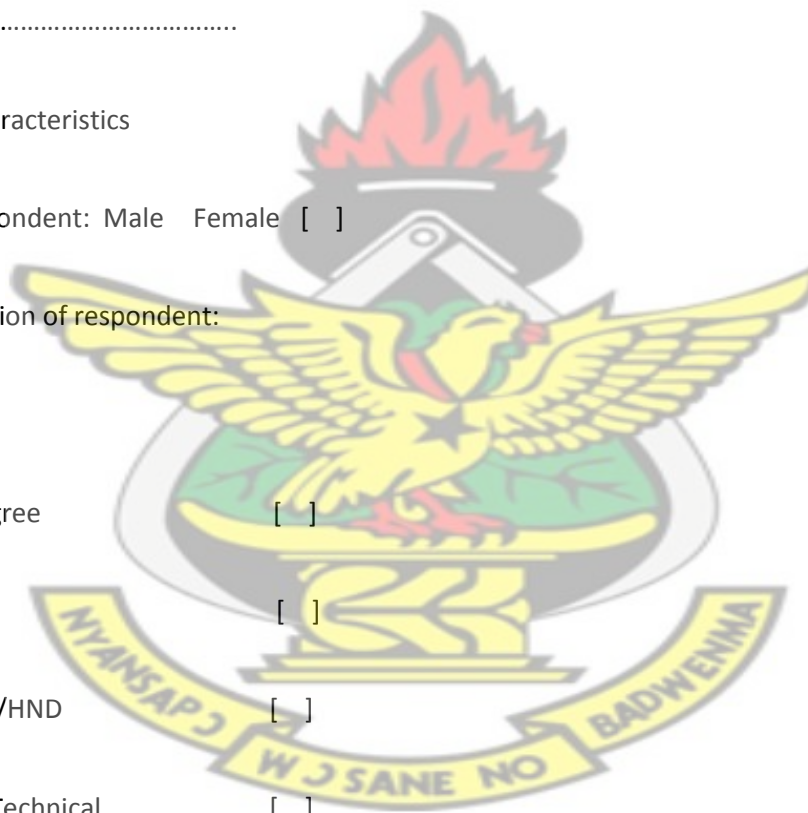
c. Degree ☐ ☐

d. Polytechnic /HND ☐ ☐

e. Vocational / Technical ☐ ☐

f. SHS ☐ ☐

g. Middle school / JHS ☐ ☐



3. Status of respondent

District Chief Executive []

District Co-coordinating Director []

District planning committee member []

Other Staff assembly []

Traditional ruler []

Assembly member []

Unit committee member []

Business person []

Knowledge and awareness of Local Economic Development activities in the District

4. Are you aware of LED activities in the district?

a) Yes []

b No []

5. If yes, mention the LED activities you know about.....

.....

.....

6. Have you been involved in any LED Activities?

a) Yes [] b) No []

7. How long have you been involved in the District assembly LED activities?

a) 1 year [] b) 1-4 years [] c) 5-6 years [] d) Above 6 years []

8. Do you know about any policy guiding the LED activities?

a) Yes [] b) No []

9. If yes, which policies do you know?.....

.....

.....

10. Who are the beneficiaries of the LED activities in the Districts?.....

.....

.....

Role of District Assembly in LED

11. What is the role of the District assembly in LED?.....

.....

12. Which other institutions along side the district assemblies are involved in LED?

.....

.....

13. Do you think these institutions are also contributing to LED in the district?

a) Yes []

b) No []

14. If yes, how.....

.....

.....

15. Do you think these LED activities are having positive impact on the citizenry?

a) Yes []

b) No []

16. Do you think the district assembly is playing their role effectively in LED?

a) Yes []

b) No []

17. If yes, how.....

.....

.....

18. If no, why.....

.....

.....

SUSTAINABILITY OF LED PROGRAMMES

19. Do you think LED activities are sustainable?

a) Yes []

b) No []

20. If no, what are some of the ways you think LED can be sustained?.....

.....

.....

21. What other developmental areas in the District can LED be involved in?

.....

.....

.....

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