

# GHANA

## Strategy Support Program



### Session 6: The Role of the State in Promoting Innovation in Agriculture

#### SESSION SUMMARY

Chair: Emmanuel Owusu-Bennoah

Panel: Catherine Ragasa, Walter Alhassan, Hon. Ahmed Yakubu Alhassan, Matthew Armah

In this session, we focused on two potential roles for the state to play for agricultural innovation. First, the critical public good which the state should be involved in is the management and performance of the agricultural research system. Second, the government of Ghana has taken on a role of price stabilization, especially for maize prices, with the aim of securing farmer's income, thereby promoting investment in innovative technologies.

To take advantage of scientific innovations, medium-sized countries like Ghana need a strong national research and development system that is capable of seeking out technologies and adapting them to local situations and contexts. While public spending on R&D in Ghana more than doubled from 2002 to 2008, Ghana's agricultural research investment has remained low. For every \$100 agricultural GDP, Ghana spends US\$0.57 on agricultural R&D (excluding cocoa), which is well under the NEPAD target and the FAO recommendation of 1 percent [[GSSP Discussion Note #019](#)]. Ghana's agricultural research system is highly fragmented among different agencies and small projects that do not provide a critical mass for solving major problems [[GSSP Discussion Note #017](#)]. We discussed the benefits of focusing on fewer value chains that are of national strategic importance, rather than the 47 commodities on which CSIR is currently working. Suggested starting points included cassava, rice horticulture, aquaculture, and cattle as well as commodities that are important for food and nutrition security for the poor as

these are given limited private sector interest. In addition to narrowing the scope of research, a performance-based monitoring system for agricultural research should be considered.

Producing good research is not sufficient for improving agricultural productivity; there also need to be strong linkages and incentives for farmers to adopt new technologies. More often than not, it seems that the financial benefits of new technologies are not clearly conveyed to farmers. In order to achieve sustained adoption there needs to be a greater effort to either promote new technologies via the extension system or to commercialize them. Price stabilization could also increase the uptake of new technologies, and some success has been seen with NAFCO, the government's price stabilization and buffer stock program [[GSSP Discussion Note #018](#)]. By offering a fixed and assured output price at the beginning of the production stage, when farmers make resource allocation decisions, NAFCO reduces farmers' uncertainty about future prices, thus permitting them to make higher purchases of inputs and mechanization services. Other government programs also seek to facilitate the adoption of new technologies by farmers, e.g. Agricultural Mechanization Service Center program, the fertilizer subsidy program and the block farming program. However, it was clear from our discussion that some work has to be done to improve the linkages between national agricultural research and uptake of those innovations by farmers.

#### INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

2033 K Street, NW • Washington, DC 20006-1002 USA  
T: +1.202.862.5600 • F: +1.202.467.4439  
Skype: ifprihomeoffice • Email: [ifpri@cgiar.org](mailto:ifpri@cgiar.org)

#### GSSP – IFPRI

Contact: Shashi Kolavalli - Senior Research Fellow and Program Coordinator  
c/o IWMI, PMB CT 112 • Cantonments, Accra, Ghana  
Martin Odei Block • CSIR Campus • Airport Residential Area  
T: +233-(0)-21-780716 • F: +233-(0)-21-784752  
[gssp.ifpri.info](mailto:gssp.ifpri.info)