



Ministry of Foreign Affairs of the  
Netherlands

## Seminar: Coherence of donor policies

*Are trade, tax, and migration policies of donors in line with development objectives for Ghana?*

*Is it possible to measure the impact of these policies and what are the results?  
What are the policy implications?*

**Seminar on the coherence of donor policies,  
December 5, 2013**

**ISSER Conference Room.  
University of Ghana, Legon, Accra**

*Organised by the Policy and Operations Evaluation Department of the Netherlands  
Ministry of Foreign Affairs (IOB)*

Presentation of an innovative analysis of Policy Coherence in Ghana by the Centre for World Food studies of the VU University Amsterdam (SOW-VU) and a team of Ghanaian researchers.

### **Programme:**

Chair: Prof. Ernest Aryeetey

9.00 – 9.30:	Coffee
9.30 – 9.35:	Introduction of the chair by Prof. Baah-Nuakoh
9.35 – 9.45:	Opening remarks by the Chair
9.45 – 9.55:	Remarks by Prof. Ruben, Director IOB
9.55 – 11.30:	Presentation of the study and main findings
11.30 – 12.00:	Coffee break
12.00 – 13.00:	Discussants: <ul style="list-style-type: none"><li>o Prof. Asenso-Okyere</li><li>o Prof Augustin Fosu</li><li>o Prof. Michiel Keyzer</li></ul>
13:00 – 13.45:	General discussion
13:45 – 14.00:	Closing remarks by the Chair
14.00 – 15.00:	Lunch

### **Venue:**

University of Ghana, Legon, ISSER Conference Room.

Information and registration (before November 30):

Prof. Amoah Baah-Nuakoh: [bnuakoh@yahoo.co.uk](mailto:bnuakoh@yahoo.co.uk)



## Background:

For several decades, bilateral donors have been supporting the economic and social development of low income and emerging countries with various activities and interventions in different sectors and using a large number of instruments. At the same time, policies of the same donors in areas such as trade, finance, agriculture, migration and energy may have an important impact on recipient countries. This raises questions of policy coherence. Private sector development programs will have better results if trade policies of donors are in line with the objectives of these programs. Coherent policies involve, for instance, the opening up of markets to developing country exports of goods and services, while at the same time helping these countries to boost their export supply capacity.

Incoherent policies on the other hand may create negative impacts and therefore interfere with development objectives of donor and recipient countries. Potential impacts of agriculture projects may be undermined by agriculture and trade policies of developed countries (like peak tariffs, trade-distorting subsidies and dumping practices). Bilateral tax treaties may result in reverse financial flows from developing to developed countries and erosion of the domestic tax basis.

Recognising the costs of incoherent policies, as well as the benefits of more coherent policies, EU and OECD countries started in the 1990s to include Policy Coherence for Development (PCD) as a theme within international development within their organisations. Both organisations have developed guidelines for Policy Coherence for Development and have started to examine the substantive coherence of its members' policies such as agriculture, trade, investment and migration in terms of their development impact in developing countries.

However, while attention to policy coherence is not a new topic of development cooperation, it still appears to be problematic to assess the coherency of policies in practice. Existing studies mainly focus on the supply side, e.g. the procedures for dovetailing foreign aid and other policies within a consistent framework. Far less attention has been given to the likely effects of different donor policies on the realisation of development goals in the recipient country.

Recognising the risks of incoherent policies, the Policy and Operations Evaluation Department of the Netherlands Ministry of Foreign Affairs (IOB), the Centre for World Food studies of the VU University Amsterdam (SOW-VU) and a team of Ghanaian researchers (Prof. A. Baah-Nuakoh, dr. K. Tutu and Prof. D. Sarpong) have developed an approach for analysing policy coherence at county level (Ghana). The team has developed several counterfactual scenarios, combining quantitative data with qualitative insights within a modelling approach. This enabled the team to analyse the coherence of different donor policies (such as on trade, tax policies and migration) and reactions by the Government of Ghana in one single framework.

The seminar presents and discusses the preliminary findings.



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## Chair and discussants:

**Prof. Ernest Aryeetey** is vice chancellor of the University of Ghana and senior fellow with the Africa Growth Initiative in the Global Economy and Development program of The Brookings Institution in Washington, D.C. He was the director of the Brookings Africa Growth Initiative from 2009 – 2010. He has also been temporary lecturer at the School of Oriental and African Studies, University of London (1993); visiting professor at Yale University Department of Economics (1999); and the Cornell visiting professor, Department of Economics at Swarthmore College (2001-2002).

**Prof. Kwadwo Asenso-Okyere** is the director of the Eastern and Southern Africa Regional Office of the International Food Policy Research Institute (IFPRI). Before joining IFPRI in 2006 he has had a long career with University of Ghana, Legon where he rose to become full professor in 1997 and vice-chancellor (chief executive) in 2002. Before then he was the director of the Institute of Statistical, Social and Economic Research (ISSER) of University of Ghana from 1997 to 2002. He has also worked with the World Bank, Ghana Ministry of Food and Agriculture and Ghana Cocoa Board.

**Prof. Augustin Fosu** is Economist at the Institute of Statistics, Social and Economic Research (ISSER), University of Ghana. Previous positions include Deputy Director at UN University-WIDER, Helsinki, Finland, Director (Economic and Social Policy Division) and Senior Policy Advisor /Chief Economist, UN Economic Commission for Africa, and Director of Research, African Economic Research Consortium. Prof. Fosu is co-editor of the Journal of African Economies (Oxford) and serves on the editorial boards of several other journals, including: African Development Review, Feminist Economics, Journal of Development Studies, Oxford Development Studies, World Bank Economic Review, and World Development.

**Professor Michiel Keyzer** is professor of Economics at the VU University, Amsterdam and director of the Centre for World Food studies. Since 2003 he is also Extraordinary Professor at the Centre for Chinese Agricultural Policy of the Chinese Academy of Sciences (CCAP). He and his team have built economic models that are used by local governments for policy making with respect to food, agriculture and economic development. He has published widely in economics and agriculture related fields and is a regular advisor of Dutch ministries and international organizations in the field of agricultural and development policies.