

Tax Revenue for Economic Enhancement (TREE) in Ghana

Annual Report 2019



**Vereniging van Nederlandse Gemeenten
VNG International**

Nassaulaan 12
2514 JS Den Haag

June 2020

In November 2017, the Netherlands Embassy in Ghana awarded VNG-International a grant to support Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana on improving revenues from local rate mobilization and the quality of basic services. The Tax Revenue for Economic Enhancement project is implemented together with VNG International's Ghanaian partner MAPLE Consult. Close cooperation is being pursued with the Ministry of Finance and the Ministry of Local Government and Rural Development as well as the Office of the Head of Local Government Service in Ghana. The project is expected to be completed by December 31st, 2022.

The project focusses on improving property rates, business operating permits and general revenue mobilization in 33 MMDAs in the Ashanti Region, Central Region, Western North and Western Regions in Ghana.

Content

- 1. Introduction..... 4
- 2. Key achievements and challenges..... 7
- 3. Detailed report of activities 2019..... 9
- 4. Results related to the objectives 16
- Participating MMDAs 17
- List of abbreviations..... 18

1. Introduction

The main characteristics of 2019 in the implementation are covered in this section. Besides, a short overview is presented of the methodology used as well as the project objectives and steering - and implementing parties.

Characteristics of 2019

2019 was a year of ups and downs for the project Tax Revenue for Economic Enhancement (TREE). The picture became brighter by the end of the year, because decisions were made to turn what was not yet successful to allow for positive results in 2020.

To begin with, the report will firstly focus on the undesirable developments. After the start-up year, 2019 was the first opportunity in which distribution of bills took place by making use of the new processes and procedures and supportive software in 16 Metropolitan, Municipal and District Assemblies (MMDAs) which were classified as Clusters I and II for management purposes. It became clear additional software had to be developed to guarantee a smooth process. All these turned out positive. Nevertheless, the increase in revenues collected was disappointing, and that was the most undesirable development of the year. The processes and software were used for the distribution of bills, but in many MMDAs there was managerial and some political unwillingness to post all revenues collected into the software system. During the November Steering Committee meeting, measures to avert recurrence were discussed and actions were to be taken by the Ministry of Finance. To make the project a success, it was clear a solid monitoring of the use of the developed software systems at MMDA level was necessary to support the Ministry in taking decisions. This specific monitoring system is a main task for 2020.

On the positive side, several developments can be mentioned. One of the solution to prevent the above mentioned problem was approved by the Ministry at the end of 2019: revenue collection by means of e-billing and e-payment. In this way, all figures concerning distribution and collection will be automatically put in the software system. The revenue collection in 2020 will make use of the e-billing and e-payment opportunities.

Another positive development was the commencement of implementation of the second group of 17 MMDAs (Clusters III and IV) in a kick-off meeting in Kumasi in October 2019.

Furthermore, there was also the review of the project TREE processes and procedures by the Auditor General. Valuable recommendations are already and will be further incorporated in the project TREE implementation in 2020.

Finally, a very substantive addition to the budget awarded by the Netherlands Embassy was very much welcomed by the partaking the MMDAs and the project TREE implementing parties.

Before addressing the findings of 2019 and challenges that occurred, it is beneficial to have a comprehensive overview of the project methodology, objectives and parties involved.

Methodology

The project TREE consists of two main characteristics:

- (i) to improve services and economic growth, and therefore,
- (ii) to increase domestic revenues.

Delivering services is the main reason for collecting revenues. In the ideal situation there is a sustainable funding cycle of revenue collection and spending year after year. The cycle only functions when MMDAs prove that revenues are spent on service delivery; in this way trust is gained with the rate payers that is needed to persuade them to pay their taxes again. This means that for the project TREE, *accountability* has to go hand in hand with decision-making on the spending of the collected revenues in MMDAs.

The increase of domestic revenues is characterized by its *revenue collection-led strategy*, which places priority on improving the revenue collection processes in the participating 33 MMDAs.

Methodologically, the project is characterized by five components:

1. Strategy development,
2. Improving the administrative processes and procedures,
3. Developing supportive software,
4. Encouraging community sensitization and transparency and demonstrating that services are improved.
5. Project's sustainability: the continuation of the new practices and use of tools after the project has come to an end.

See figure 1 how the five components of the project relate to each other.

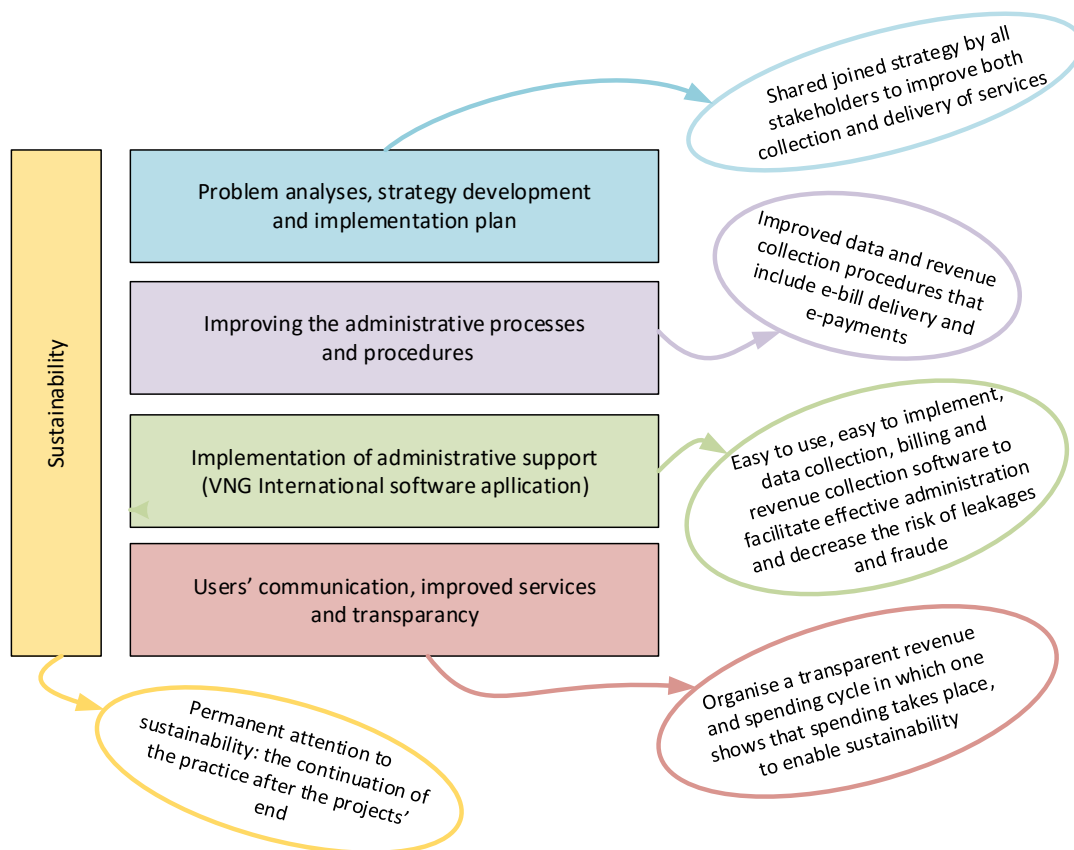


Figure 1: The related building blocks of the project TREE.

It goes without saying that the two characteristics mentioned are reflected in the objectives.

Specific objectives

The specific objectives of project TREE are:

- To improve the institutional capacity and procedures of each MMDA to collect revenues and diminish the revenue gap (component 1 and 2);
- To implement IT programmes in each MMDA to support the main revenue business processes (component 3);
- To improve the capacity of each MMDA to communicate with its citizens through citizen engagement sessions (component 4);
- To implement participatory planning processes including social contracts with citizens (component 4);
- To realize political commitment and leadership support and project management expertise at the Ministerial level and in each MMDA to guarantee sustainability (component 5).

Steering Committee

The Steering Committee under the chairmanship of a Deputy Minister of Finance, has representatives from the following as members:

- Ministry of Finance (MoF);
- Ministry of Local Government and Rural Development (MLGRD);
- Office of the Head of Local Government Service (OHLGS);
- Controller and Accountant General's Department;
- Central Regional Coordinating Council;
- Ashanti Regional Coordinating Council;
- Western Regional Coordinating Council.

Implementing parties

The project is implemented together with VNG International's Ghanaian partner MAPLE Consult. Throughout the entire duration of the project a Ghanaian team of six experts provides direct and continuous support at Ministerial and MMDA levels. The Ghanaian team is complemented with specialist support from VNG International and its associated experts. The Ghanaian team together with the MMDAs determine the kind of content and type of support that is needed from the VNG International experts.

2. Key achievements and challenges

In the reporting period, some key findings and challenges can be marked, which are listed in this section.

Leadership engagement

Concerning fund allocation for all regular revenue collection activities, it was noticed the practice does not meet the requirements of revenue mobilization as a regular and sustainable activity by the leadership of most of the Assemblies. Therefore Leadership Masterclasses were set up to encourage leadership engagement. Nevertheless, leadership engagement continued to be a challenge in some MMDAs.

MMDA Supporting activities

Many training programmes and communication materials have been developed and implemented to further improve revenue mobilization, like training sessions in inter-personal and mass communication skills, the production of radio jingles, question guides as well as synopsis for radio discussions, a training programme in the process of data migration, bill generation, payment recording and updating and report generation, a training programme on the use and applicability of both the data collection and bill distribution software applications to enhance the rate payers' use of the software. Besides, continuous technical support has been offered to Assembly staff who are responsible for the property billing processes.

Standardization of the Fee Fixing Resolutions

The standardization of the Fee Fixing Resolutions (FFR) for assessed and unassessed properties in all project TREE MMDAs was finalized in 2019. This allowed for data collection and user friendly processing of the data within the project TREE software. Unfortunately, the MLGRD informed project TREE to stay action on collecting revenues on unassessed properties since it is not in accordance with the rules until the Ministry issued a policy directive on the issue.

Necessary additions to the project TREE software

As was clear by the end of 2018, the collection of data and bill distribution had to be based on GPS coordinates to enable the Revenue Collectors to identify the properties in the field to support bill distribution. The development of these applications was finalized in the beginning of 2019. Due to the complexities a higher budget than expected had to be allocated to the development of the application. In the course of the year, many MMDAs made requests to have alterations in the software to make it more feasible to suit their own practices. Besides, many practical problems occurred in the bill generation that threatened the actual distribution of bills. All in all, this led to necessary changes in the software that required a substantial budget.

Baseline assessment and kick-off for 17 MMDAs

A baseline assessment in 17 MMDAs was executed. The outcome was used in the official kick-off of the involvement of the 17 MMDAs in Kumasi in October 2019. The figures derived from the assessments of all 33 MMDAs are put in a comprehensive assessment report.

Gender training

A special gender training for the project TREE staff was performed by VNG International. The objective was that the project team took should take into consideration issues relating to gender roles with respect to taxation and participation in decision-making in their actions towards MMDAs.

Property Rate Revenue slow pace

By the end of 2019 it became apparent the revenue collected that was recorded in the project TREE software was below expectation. Figures show high numbers of data collected and recorded in the system, but steadily lower figures in each step in the revenue process thereafter: printing of bills, distribution of bills, collection of revenue and revenue collected put in the system. Hence there is need for the monthly monitoring to assist the project officials in ensuring that MMDAs commit to collecting revenues and entering it into the project TREE software.

E-billing and e-payment

The e-billing and e-payment component of the project TREE software which is one of the key functionalities to aid the MMDAs halt or reduce revenue leakages within the system got at last approval from the MoF and MLGRD following resolutions passed by the 16 MMDAs to automate their revenue mobilization process with the assistance from project TREE.

3. Detailed report of activities 2019

The beneficiary group of 33 MMDAs was divided into four clusters. Clusters I and II, consisting of 16 MMDAs, were targeted first. Implementation in clusters III and IV for the remaining 17 MMDAs started in October 2019. The main implementing activities for all four clusters are highlighted in this section. The activities are described in the order they were executed. Project management matters are mentioned thereafter.

PROJECT IMPLEMENTATION MATTERS

Leadership engagement

As part of measures to assist MMDAs to improve upon the regular and sustainable flow of funds for revenue mobilization and also making provision for the delivery of basic services to rate payers, the project TREE developed a Finance Cycle and Electoral Area Small Project (EASP) solution guide. These solution and concept guides were validated by selected MMDA officials such as Finance Officers, Budget Analysts, Planning Officers as well as Assembly members from four MMDAs during a validation workshop held in Cape Coast in January 2019. The objective of the workshop was to solicit practical and workable ideas from participants to enrich the document and also to ensure quality of the content. Present were officials from the Ministries of Finance as well as Local Government and Rural Development.

The EASP approach included leadership commitment in general and for the elected assembly member in particular. Project TREE organized two series of workshops dubbed Masterclass 1 and 2 for 192 Assembly Officials for the MMDAs. Masterclass 1 was organized for decision makers of the 16 MMDAs in clusters I and II that took place in March 2019. Participants were the MMDCs, MMDCDs, F&A Committee Chairpersons and two elected Assembly members each from the pilot Electoral Areas of the participating Assemblies where property data were being collected. The key objective of this workshop was to orient top management to understand that their daily managerial skill should be determined by business oriented performance which should empower other staff to take initiative and add value to organizational business performance.

It was also aimed at introducing top management to the project TREE solution guides (Finance Cycle and EASP) which underline the fact that the success of property data collection and revenue collection depend on the increased accountability and transparency on revenue spending at the local level.

Masterclass 2 was organized for MMDCDs, MMDFOs, MMDBAs, MMDPOs, MMDIAs and one elected Assembly member from each Assembly where the pilot EASP would be executed in the MMDAs partaking in clusters I and II; Masterclass 2 took place in April 2019. The main purpose of the workshop was to bring to focus, the project TREE revenue collection process and how it can be applied to implement the Finance Cycle and EASP concepts. Opening and managing an electoral area account as well as promoting improved communication and social accountability were very much emphasized.

Communication

The MMDAs were encouraged to form Communication Teams as part of the effort to boost revenue mobilization through community sensitization, media engagement and community durbars. The communication team in all the 16 MMDAs in clusters I and II have been trained in basic inter-personal and mass communication skills. To support their communication activities, Project TREE produced jingles, drafted Live Presenter Mentions, question guides as well as synopsis for radio discussions for all 16 MMDAs. The communication training offered to 80 participants from the MMDAs was aimed at improving the engagement between the Assemblies and Community members based on regular interactions by means of FM radio, information van announcement and community radio.

Information Technology

A two day training programme was organized across the MMDAs in clusters I and II for Data Entry Officers, Budget Analysts and Finance Officers in the application of the software. They were taken through the process of data migration, bill generation, payment recording and updating and report generation. In all, 64 MMDA officials were trained. Project TREE has developed tutorial kits like user-friendly Manual and self-tutorial Videos to make the usability of the software very easy and exciting.

Training was organized for MMDAs' Data Collectors and Revenue Collectors on the use and applicability of both the data collection and bill distribution software applications. A total number of 360 MMDA staff in clusters I and II have been trained on how to engage rate payers using the software.

Continuous supporting activities for MMDAs

Following the operationalization of the developed software in all the 16 MMDAs in clusters I and II, project TREE has offered continuous technical support to Assembly staff who are responsible for the property billing processes, that is, Finance Officers, Budget Analysts, IT Officers, Data and Revenue Collectors. A three month airtime package was procured under the project by project TREE from some selected radio stations and community information centres for all 16 MMDAs to be used for mass communication on revenue mobilization.

Fee Fixing Resolution

During the review of MMDAs' FFR, it was observed that the MMDAs use individual developed categories based on the local requirements. The standardization of the different FFR for unassessed properties in all MMDAs was not possible on short notice. The unassessed property rate categories in the 2018 FFR of most MMDAs were not in line with the FFR guideline as they came in several variations based on the understanding of the responsible officers.

During the engagement process with MMDAs, it became obvious that the FFR concept is not fully understood by several MMDA officials. The FFR is the basis of all billing processes and is captured by the project TREE software. The FFR main categories for both assessed and unassessed properties have been standardized and the FFR sub-categories have been adjusted to fit into the software and make it user friendly. Project TREE therefore, cooperated closely with the MMDAs to develop the 2019 FFR (assessed and unassessed property rates) in line with their needs and with the regulations and guidelines. However, the MLGRD informed project TREE at a meeting held on 8th July for the 16 MMDAs in clusters I and II to stay action on the training of MMDA officials collecting revenues on unassessed properties since the practice was not in accordance to the rules. In other

words project TREE should no longer encourage or train MMDAs to collect unassessed revenue even though this will lead to a decrease in revenue to be collected. Because of this directive, the process of training MMDA officials on standardization of the FFR was placed on-hold.

Data collection on pilot base

Following the data collection training that the Assemblies undertook in inter-personal communication skills and IT software application for data collection, the 16 MMDAs selected some Electoral Areas within their jurisdictions to collect property data on pilot basis. The essence of the pilot was to assess the effectiveness of the software and the data quality for efficient bill distribution and revenue collection. The MMDAs funded the data collection by themselves and worked within a period of two weeks in between one to three Electoral Area(s). Only CCMA collected data in nine Electoral Areas during the pilot stage in Cape Coast North. Project TREE monitored the entire data collection process in all the MMDAs and ensured the uploading of the data unto the software system.

Data collection and software use

Project TREE has developed software applications purposely for the collection of property data and identification of properties in the distribution of bills and collection of revenue in all the 16 MMDAs in clusters I and II. The software applications contain all the detailed information required of the property owners and their properties such as property ownership, location, type and usage of property, phone number as well as email address among others. The collection of data and distribution of bills especially for unassessed properties using the software applications will help the Assemblies eventually in property valuation after enough revenue has been mobilized internally.

Ninety pieces of hand held devices were procured by project TREE and installed with the software applications for distribution to the 16 MMDAs to ensure effective data collection and bill distribution. It became clear that the collection of data and the bill distribution had to be based on GPS coordinates to enable the Revenue Collectors to identify the properties in the field to support bill distribution. The development of these applications was finalized in the beginning of 2019. Due to the complexity that was encountered, a higher budget than what was estimated had to be allocated to the development of the applications.

In the course of the year, many requests from MMDAs were made to have alterations in the software to make it more feasible to suit their own practices. Besides, many practical problems occurred in the bill generation that threatened the actual distribution of bills. All in all, this led to necessary changes in the software that required a substantial budget.

The Audit Service Review on Project TREE

Officials from the Audit Service undertook a review on the use of the project TREE software with the objective to investigate whether the application of the software complies with the regulations and standards of the Ghana Audit Service. In general the Auditor General was satisfied with the project TREE approach and the work done so far. The final Audit Service Monitoring Report was received in November 2019. A key observation from the report indicated that on the whole, there is lack of team work and limited commitment on the part of top level management of MMDAs for the project TREE. The report also outlined some issues with the IT solutions. Recommendation were made to fully involve all key stakeholders (Finance Officers, Internal Auditors, Heads of IT, et cetera). Besides, it was recommended that the project TREE should ensure that the software being developed has complete office processes, like payment record sheet (that were not clear to all), exemption

procedures, updating of information from the field, and preparation of bill distribution. Furthermore, roles and responsibilities in relation to the office processes that were not clearly stated and the absence of bill distribution progress were to be put in place by project TREE.

Project TREE, as a result of the Audit Service exercise, has realized immediate short-term solutions to address the issues. A detailed working instruction is developed which outlines assignment of responsibilities.

The Audit Service officials made some recommendations for the MMDAs too, concerning commitment from key stakeholders, lack of property owner sensitization, revenue collectors that are under resourced and inadequately remunerated, and using flat rate bills instead of project TREE bills. Through the engagement with the officials from FDU of the MoF and MLGRD, the MMDAs have been informed on these recommendations and requested to take action.

Embassy's visit to project TREE

From 29th July to 2nd August, 2019, two officials from the Dutch Embassy in Ghana, embarked on a project visit to five selected beneficiary MMDAs. During meetings with the Dutch Embassy officials, the MMDAs stressed on the data collection software, the location app and the project TREE software, support in communication to the public, and the various capacity workshops the project organized for revenue staff as having contributed immensely to the improvement of the revenue mobilization processes. The MMDAs also indicated that the delay in the approval of the proposal for the e-payment and e-billing by the MoF was a challenge in the efforts for increasing revenue collection.

However, the data collection exercise was not without challenges, like some of the pictures the location app displayed were not clear while others did not depict the true representation of the properties on the ground. It was also noticed that there is an unwillingness of some ratepayers to accept the bills. The embassy officials were then taken to Elmina Zongo, one of the communities in KEEA, where bill distribution was ongoing for them to have first-hand experience on bill distribution using the location app. The officials used the opportunity of their presence in the community to interact with ratepayers on property rate payment and to solicit the expectations of ratepayers from the Assembly.

Baseline Assessment

Based on the experiences of the baseline assessment in the first 16 MMDAs in clusters I and II that was conducted in April 2018, the questionnaires for five different themes were adjusted. The assessment of the 17 MMDAs in clusters III and IV took place in August and September 2019. The assessment remained to target the following five issues:

- (i) Revenue Gap,
- (ii) Revenue Administration Process & Organisation,
- (iii) Communication with Citizens,
- (iv) Revenue Administration and Human Resources, and
- (v) Information Technology management.

The results of the baseline research were captured in a full report of all 33 MMDAs. The outcome for the 17 MMDAs was also used as input for the kick-off workshop in October 2019 in Kumasi (see below). A full report of the baseline in all participating 33 MMDAs is compiled; the full report is available on request.

Kick-off workshop for clusters III and IV in Kumasi

As part of rolling out the project TREE revenue improvement process intervention in 17 MMDAs in Clusters III and IV, an information dissemination workshop was held in Kumasi in March, 2019 for 17 MMDAs who are under the clusters. Key officials such as MMDCEs, MMDCDs, PMs, MMDFOs, MMDBAs and MMDPOs from the 17 MMDAs were invited to attend the programme.

The starting point of the implementation for the second group of 17 MMDAs was the kick-off workshop in Kumasi on the 17th of October, 2019. Unfortunately, only four DCEs could be present because others had to attend to another equally important Presidential event which was being held on the same day in Accra.

Some MMDAs already had a lot of property data hence what was remaining was a data clean-up for subsequent use on the project TREE. 12 out of the 17 MMDAs have submitted their data collection proposals and two of them have released funding for the data collection activities to begin. A one day meeting with the MDCEs and MDCDs to inform them about their roles and likely challenges is being anticipated to happen in January 2020.

Property Rate Revenue slow pace

It was noted that during the bill production and distribution stage, the project TREE team members received numerous calls from the 16 MMDAs in clusters I and II for questions and clarifications. However, during the bill distribution and collection phase, they were not pulling their weight in ensuring that the revenues were being collected and entered into the system. In the second half of the year, the project TREE software was in place and could fully be used for bill generation, printing, distribution and collection. Experience showed that, there was a very slow pace at which MMDAs were entering the bills paid into the software hence, real progress could not be seen. This presents a further challenge especially since the year 2020 is an election season and property owners may feel reluctant to pay their bills.

The 2019 figures show high numbers of data collected but steady slowdown in each phase thereafter, meaning printing of bills, distribution of bills, collection of revenue and revenue collected recorded in the system were not regularly and timeously adhered to. Hence there is the need for the monthly monitoring to assist the project officials in ensuring that MMDAs commit to collecting revenues and entering it into the project TREE software. Despite efforts made, there is still a lack of commitment on the part of some of the top level management of the MMDAs. The non-commitment of the MMDAs to the project was also clearly seen during the Audit Service Review. Any change in the project implementation in directing the MMDAs to increase the use of the software will fail unless there is full commitment, especially from the top level management of the MMDAs. Project TREE will continue to pay attention to political commitment of top management in MMDAs, but there is the need for the responsible Ministries to play their role as well. To give assistance to this process, a monitoring system will be developed that allows insightful information to the MMDAs and to the Ministries involved to be able to take necessary actions.

The issue was extensively discussed at the Steering Committee meeting in November 2019, resulting in the decision to rectify the issue in several ways: massive ratepayer sensitization in the coming year, monthly reporting and monitoring of the performance of MMDAs as well as quarterly review meetings in which the Ministries would be involved. Besides, the decision to allow for e-billing and e-payment will contribute to the solution as well (see below).

E-billing and e-payment

The e-billing and e-payment component of the project TREE software which is one of the key functionalities to aid the MMDAs halt or reduce revenue leakages within the system had to be halted until November 2019 for approval from the MoF and the MLGRD following resolutions passed by the 16 MMDAs to automate their revenue mobilization process with the assistance from project TREE. Since the approval came through, the necessary changes in the software were developed to enable e-billing and e-payment to commence in the revenue collection in 2020.

PROJECT MANAGEMENT MATTERS

Additional funding for project TREE

In May 2019, the Netherlands Embassy in Ghana and VNG International had discussions regarding a possible expansion of the project activities with additional funding from the embassy. At the project's Steering Committee which was held in that same month, the deputy Minister of Finance stated that he also wanted VNG International to expand the project if possible. The deputy Minister indicated that he was happy with the project's results so far and emphasized the importance of sustainability beyond the project duration.

Based on the analysis of the challenges in the implementation so far, VNG International requested for an additional budget for the implementation of project TREE. Additional budget will allow for addressing the actual hindrances in MMDAs to sustain revenue collection, more specifically to the funding and spending cycle and small project development in the electoral areas, next to the functionality of the existing software. Much attention could be given to the 'handover over' of the project results to a Ghanaian institution or government body.

The Dutch Embassy in Ghana granted an additional budget to the project TREE in August 2019 that allows VNG International to extend the implementation with one year to 2022.

Gender study and training

To allow for a more gender sensitive scope in the project implementation two initiatives were taken: a Gender Desk Study and a Gender Training for the project TREE staff. The aim of the Gender Desk Study was to better understand the gender roles regarding taxation and participation in decision-making. The study was a literature study, based on the publicly available documents. Attention was given to property and business, as the project focuses on property rate, building permits and business operating permits; and to representation and participation of men and women in decision-making, as this project aims at improving citizen participation in this process. The Desk Study led to recommendations in the field of the Finance Cycle and EASP approach and the project's communication towards MMDAs.

In October, a full project TREE staff gender training was organized by VNG International. The training revolved around personal emotions, opinions, views of society and discussions. The discussions between the team members went very respectful of everyone's opinions, very open on themes that are difficult to discuss, especially in a professional setting. The training dedicated time on how to integrate gender and gender perspective into the project implementation. As a matter of fact, it came out of the discussion that the team doesn't have the power to make decision with regard to what the MMDA's do, so their sphere of control lies somewhere else: influencing the decision makers – the same MMDA's.

Project management changes

Distances are large in Ghana. To be able to reach out to all participating 17 MMDAs in clusters III and IV it was necessary to open an office in Kumasi. The Ashanti regional minister played a very supportive role to get an office space. Some staff had to stay for several days in Kumasi far from home; this resulted in renting a property in Kumasi to serve as a guest house and to save costs on daily allowances.

Unfortunately the Business Administration and Tax expert in the Ghanaian team found other business and left the team on 1st of January 2019. It was decided to continue with the current team and involve more often a VNG International on request.

Given the intensive work that had to be done regarding additions to the software and the many request of MMDAs, an extra position was created for IT support in 2020.

For personal reasons, the Communication Expert requested to step down temporarily. This permission was granted; a replacement started in December 2019.

Project TREE Team Review and Planning Meeting

By the end of the year, a two-day meeting took place with the Ghana project TREE Team and VNG International experts, which resulted in a productive output with input from many different team members. A review of the year's activities took place. Since it was planned soon after the Steering Committee meeting; it was possible to consider the Steering Committee's recommendations such as the monthly review meetings and monitoring of the MMDAs, extensive stakeholder consultations and sensitization and the training of collectors. It was also decided that there would be a closer working relationship with the RBAs in clusters III and IV because the project office is in the same building with the office of the Ashanti regional RBA. Also, e-billing and e-payment roll out was planned to be implemented in all 33 MMDAs in 2020. Special attention was given to a clear overall planning which will integrate the different areas.

4. Results related to the objectives

After two years of implementation it is possible to indicate achievements related to the project objectives, which are listed in this section.

Objectives	Indication of achievements
To improve the institutional capacity and procedures of each MMDA to collect revenues and diminish the revenue gap	Solution Designs have been developed to enhance the processes and procedures in the MMDAs. 16 MMDAs have collected data for revenue collection. Training session focussing on all steps in the revenue collection process have been implemented.
To implement IT programmes in each MMDA to support the main revenue business processes	Project TREE software for data collection, printing of bills and registering revenues collected are in place but far from being used by the 16 MMDAs.
To improve the capacity of each MMDA to communicate with its citizens through citizen engagement sessions	Mass communication outlines have been delivered to all MMDAs. Inter-personal communication training and support is given to all 16 MMDAs. Training regarding data collection by using the project TREE application and sensitization of ratepayers has been provided. Materials have been developed, for example, radio jingles, question guides as well as synopsis for radio discussions for all MMDAs.
To implement participatory planning processes including social contracts with citizens	A Finance cycle and Electoral Area Small Project solution guides have been developed. High Level Masterclasses have been implemented regarding the spending of revenues collected.
To realize political commitment and leadership support and project management expertise at the ministerial level and in each MMDA to guarantee sustainability	Sustainability of the project intervention is addressed continually. Political commitment is high, as appears from the high-level presence in the Steering Committee, but is showed the most by the lively discussions with Ministries. Commitment to sustainability of the project TREE approach is high, given the consensus request of the Deputy Minister of Finance to allow for the extension of the project period. Commitment of top management in MMDAs has not been achieved in all areas, despite all efforts put in to increase commitment. A comprehensive tool has been developed to support the monitoring of the use of project TREE software in MMDAs.

Participating MMDAs

Clusters I and II

1. Cape Coast Metropolitan Assembly (CCMA)
2. Komenda Edina Eguafo Abrem Municipal Assembly (KEEA)
3. Mfantseman Municipal Assembly (MMA)
4. Effutu Municipal Assembly (EMU)
5. Assin Fosu Municipal Assembly (AFMA)
6. Ekumfi District Assembly (EDA)
7. Gomoa West District Assembly (GWDA)
8. Gomoa Central District Assembly (GCDA)
9. Agona East District Assembly (AEDA)
10. Ajumako Enyan Essiam District Assembly (AEEDA)
11. Asikuma Odoben Brakwa District Assembly (AOBDA)
12. Assin South District Assembly (ASDA)
13. Abura Asebu Kwamankese District Assembly (AAKDA)
14. Nzema East Municipal Assembly (NEMA)
15. Ahanta West Municipal Assembly (AWMA)
16. Shama District Assembly (SDA)

Clusters III and IV

17. Offinso Municipal Assembly (OMA)
18. Adansi South District Assembly (ASDA)
19. Ahafo Ano South West District Assembly (AASWDA)
20. Amenfi Central District Assembly (ACDA)
21. Amenfi East District Assembly (AEDA)
22. Juabeso District Assembly (JDA)
23. Asokore Mampong Municipal Assembly (AMMA)
24. Atwima Kwanwoma District Assembly (AKDA)
25. Kwambre East District Assembly (KEDA)
26. Afigya Kwambre District Assembly (AKDA)
27. Sekyere East District Assembly (SEDA)
28. Atwina Nwabiagya District Assembly (ANDA)
29. Atwima Mponua District Assembly (AMDA)
30. Adansi North District Assembly (ANDA)
31. Bekwai Municipal Assembly (BMA)
32. Upper Denkyira West District Assembly (UDWDA)
33. Upper Denkyira East Municipal Assembly (UDEMA)

List of abbreviations

CCMA	Cape Coast Metropolitan Assembly
EASP	Electoral Area Small Project
FDU	Fiscal Decentralization Unit of the Ministry of Finance
FFR	Fee Fixing Resolution
GPS	Global Position System
KEEA	Komenda Edina Eguafo Abrem Municipal Assembly
MLGRD	Ministry of Local Government and Rural Development
MMDA	Metropolitan, Municipal and District Assemblies
MMDBA	Metropolitan, Municipal and District Budget Analyst
MMDCE	Metropolitan, Municipal and District Chief Executive
MMDCD	Metropolitan, Municipal and District Coordinating Director
MMDFO	Metropolitan, Municipal and District Finance Officer
MMDIA	Metropolitan, Municipal and District Internal Auditor
MMDPO	Metropolitan, Municipal and District Planning Officer
MoF	Ministry of Finance
LGS	Local Government Service
OHLGS	Office of Head of Local Government Service
RBA	Regional Budget Analyst
TREE	Tax Revenue for Economic Enhancement
VNG	Vereniging van Nederlandse Gemeenten (Association of Netherlands Municipalities)
VNG International	International Co-operation Agency of the VNG