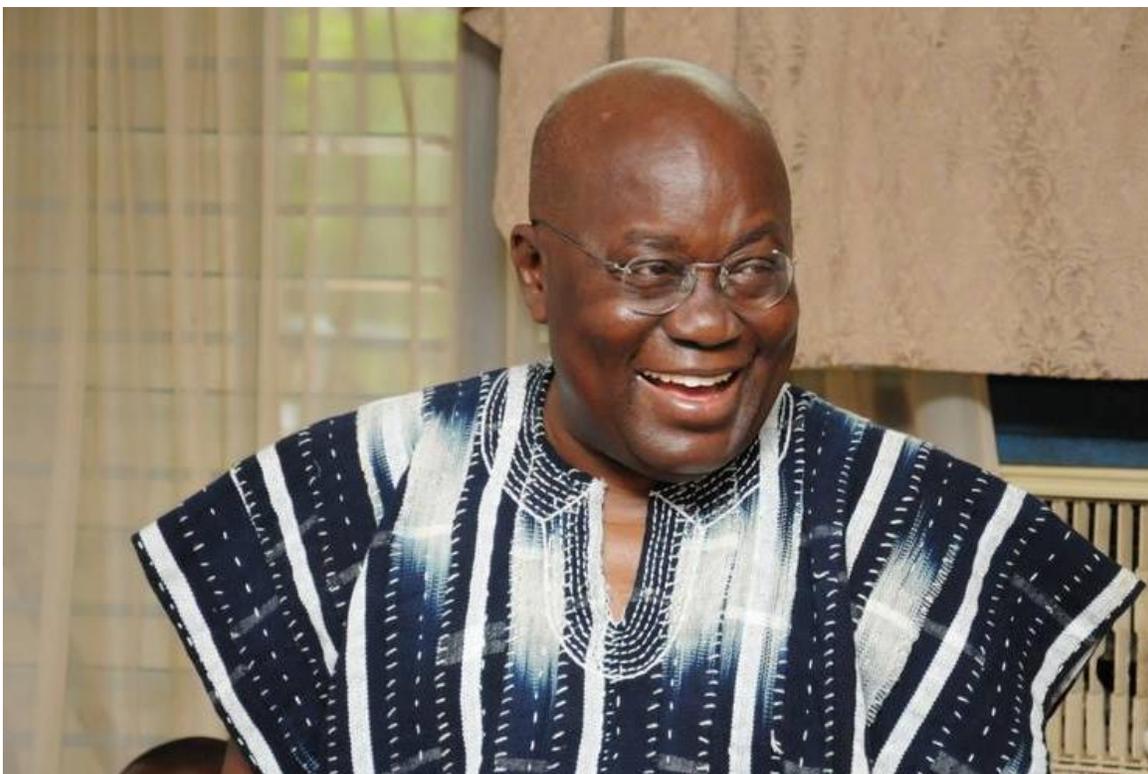


## Akufo-Addo Campaign Claims: Two in Four Claims Mostly False



As the campaign for election 2016 heats up, Nana Akufo-Addo has been making claims about cocoa, health, and tax issues on social media and on the campaign trail in Brong-Ahafo. When four of such claims were fact-checked, two proved to be mostly false. The full report on these claims is presented below:

1. **Claim:** “The revival of the collapsed NHIS to ensure year-round, affordable access to quality healthcare will also be done”

**VERDICT: MOSTLY FALSE**

**Explanation:** The National Health Insurance Scheme (NHIS) was introduced in 2003 under the NPP administration and is generally regarded as a major legacy of that administration. The NHIS is to enable registered Ghanaians enjoy services at health care delivery institutions without having to make out-of-pocket payments. Nana Akufo-Addo, the flagbearer of the NPP recently claimed on his [twitter platform](#) that the NHIS has collapsed. This claim was found to be mostly false.

Latest figures from the [scheme](#) indicate that active membership of the scheme increased substantially since its inception in 2005, from 1.35 million to 10.14 million as at December 2013 and 11.2 million in 2015. Outpatient utilization of health care services in respect of NHIS subscribers has also increased significantly from 597,859 in 2005 to 9,339,296 by December 2008 and 29,350,847 by end of year 2015. Also, in-patient cases also rose from 28,906 in 2005 to 617, 231 in 2008. As at December 2013 inpatient cases had increased to 1,610,622. This was confirmed by the 2012 and 2014 [Progress Report](#) of the Ghana Shared Growth and Development Agenda (GSGDA).

Also, total claim payments to healthcare providers on behalf of NHIS subscribers increased substantially from GH¢ 7.60 million in 2005 to GH¢ 785.64 million at the end of December 2013.

Furthermore, it is estimated that 30 thousand people are enrolled onto the scheme every single day. The NHIS has approximately 4,600 healthcare facilities licensed to provide services to NHIS members across the nation. Overall, about 517 different formulations of medicines are covered under the NHIS. The scheme also covers about 95% of all reported disease conditions in Ghana. This figure represents one of the most generous in the world. All the above indicators show that the NHIS is still actively operating.

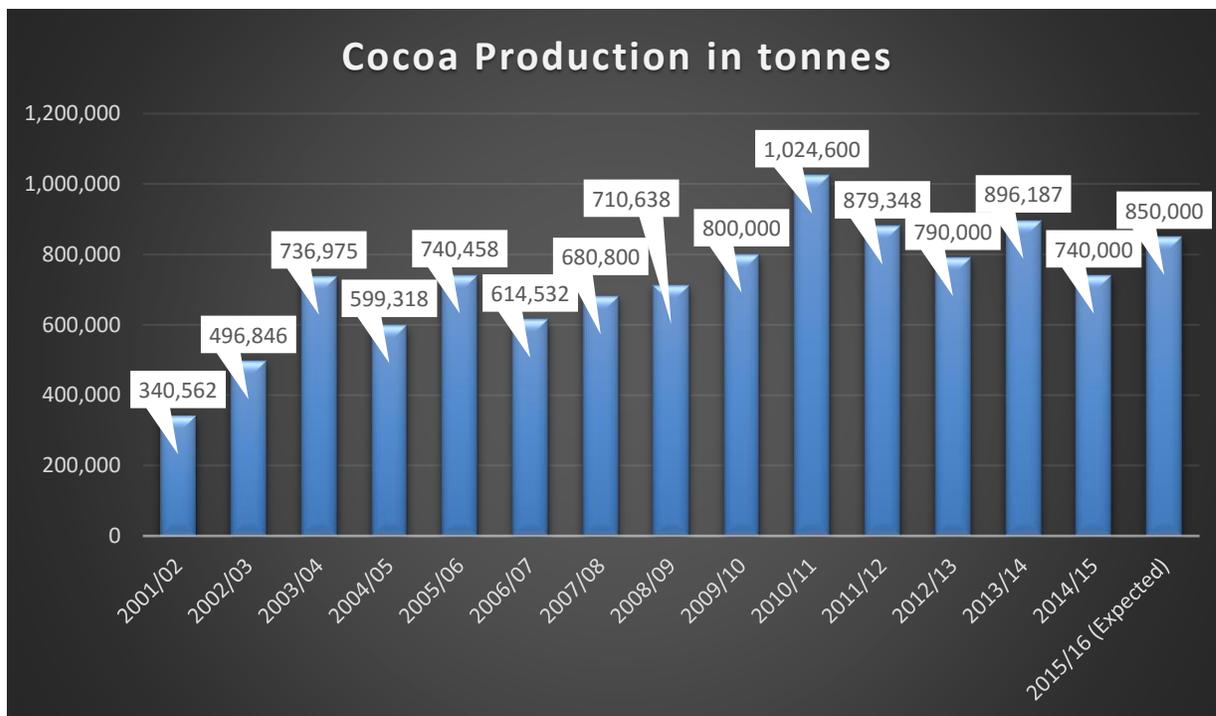
That notwithstanding, the scheme has been suffering from a huge financing gap. This gap stood at 144 million cedis in 2012, 299 million in 2014, and 349 million in 2015 and is expected to increase to 803 million Ghana cedis in 2018. Ironically, the gap in financing has been termed as a consequence of the successful expansion of the scheme over the years. This challenge will have to be addressed to ensure the long term sustainability of the scheme, but generally, the NHIS is still in active operation and far from collapsing as Nana Akufo-Addo claims.

2. After President Kufuor left office, the cocoa sector has been in decline. We are coming to restore it back to where it ought to be.

#### **VERDICT: MOSTLY FALSE**

**Explanation:** Ghana is the second largest producer and exporter of cocoa beans in the world after Cote d'Ivoire. Cocoa plays a major role in Ghana's economy. It supports the livelihood of a lot of people in the cocoa value chain and provides about two-thirds of the total income of cocoa farmers. Nana Akufo-Addo recently claimed that the cocoa sector has been in decline since the NPP, under

Former President Kufour left office in 2009. This assertion was not supported by cocoa-related data gathered from various sources.



**Source:** Ghana Statistical Service, Budget Statement and Economic Policy of the Government of Ghana, and the International Cocoa Organisation.

From the figure above, average total production after 2009 was 854,305 metric tonnes as against the average of 615,016 metric tonnes under the NPP administration. Indeed, it was in 2010/11 that the country recorded its highest cocoa production figure.

Also, the table below shows that the growth rate of the cocoa sub-sector has generally been positive in the post-Kufuor era with the exception of the year 2012 where growth declined to -6.9%. This singular year of decline hardly warrants Nana Akufo-Addo's claim that the sector has been declining under the NDC government, especially as impressive growth rates of 26.6% and 14% were achieved within this same period.

**Table 1:** Growth Rate of Cocoa Sector from 2006-2015

| Year | Growth Rate in Agric Sub-sector (%) |
|------|-------------------------------------|
| 2006 | 2.0                                 |
| 2007 | -8.2                                |
| 2008 | 3.2                                 |
| 2009 | 5.0                                 |
| 2010 | 26.6                                |
| 2011 | 14.0                                |
| 2012 | -6.9                                |
| 2013 | 2.6                                 |
| 2014 | 4.3*                                |
| 2015 | 3.5**                               |

Source: Ghana Statistical Service, Budget Statement and Economic Policy of the Government of Ghana, and the International Cocoa Organisation.

Nonetheless, the cocoa sector is however bedevilled with several challenges which include:

1. Ageing and over aged cocoa trees – 23% of cocoa tree stock more than 30 years old.
2. Pests and diseases (17% of tree stock infected with cocoa swollen shoot virus)
3. Low productivity levels of cocoa farms – Improved hybrids constitute about 31% of tree stock.
4. Ageing cocoa farmers – Average age about 55 years
5. Declining fertility of cocoa soils
6. Illegal gold mining activities on cocoa farms.

In conclusion, even though the cocoa sector in Ghana is faced with some challenges, it cannot be accurately asserted that the sector has been declining since Pres. Kufuor left office. This is because since that time, the cocoa sector has generally recorded positive production and growth figures.

3. **Claim:** Mass Spraying brigades and gangs have collapsed. **“Due to their collapse, mass spraying brigades will be formed again, to ensure that everyone involved in the cocoa sector is put back into employment...”**

**VERDICT: HALF TRUE**

**Explanation:** The Cocoa Diseases and Pest Control CODAPEC/HI-TECH Mass Spraying Exercise instituted in 2001 by management of COCOBOD, in consultation with the government was to support cocoa farmers to eliminate cocoa diseases. As noted by the Acting Executive Director of Cocoa Health and Extension Division (CHED) of Ghana Cocoa Board (COCOBOD), Dr. Francis Baah, there has been [poor response](#) to the mass cocoa spraying exercise even though the mass spraying gang concept is still in operation.

There were also [reports](#) of conflicts breaking out between the new mass spraying gangs which were formed after 2009 and the old ones they were to replace.

So while it is not exactly true that the mass spraying gangs have collapsed, it is true that they were replaced despite [contrary pleas](#) from the farmers. This situation has inevitably led to poor response from farmers to the new spraying gangs.

- 4. Claim:** When Nana Akufo-Addo addressed mechanics and business owners at the Odawna garages, in the Klottey Korle constituency, on Thursday, August 18, 2016, he said, **“There are too many taxes in our country”, adding that “it is the reason why businesses are collapsing in our country. We are coming into office to reduce these killer taxes, and scrap the ones we deem unnecessary. This will help bring relief to business owners, who can then, in turn, create jobs for our unemployed youth.”**

#### **VERDICT: HALF TRUE**

**Explanation:** The first quarter report of the 2016 Association of Ghana Industries ([AGI Business Barometer Index \(BBI\)](#)) cited multiplicity of taxes as the second biggest challenge facing businesses.

Multiplicity of taxes inched up to second position after being third for the three previous reports in 2015, following the Ghana Cedi depreciation and inadequate power supply.

Also, though the adoption and implementation of the ECOWAS Common External Tariffs (CET), is commendable it has resulted in a net increase in import duties on certain commodities which now stands at 35%. The World Bank’s [2016 Ease of Doing Business Report](#) also corroborates this claim insisting that businesses make 33 tax payments a year, spend 224 hours a year filing, preparing and paying taxes amounting to 32.70% of profits. In all, Ghana fell from a 102 to 106 out of 189 countries on the Ease of doing business ranking for this year. If businesses are indeed collapsing (no verifiable data to ascertain this), it is unclear whether the multiplicity of taxes and high taxes are the main reason.