

# Fiscal Policy to Tackle Inequality

## 1. ABOUT THE PROJECT

CUTS Accra with funding support from **OXFAM Ghana** is implementing a project dubbed “**Fiscal Policy to Tackle Inequality.**”

### Project Goals

To influence policymakers and other relevant stakeholders for (i) improved distribution of human capital (in particular primary and secondary education) (ii) increased and well-targeted social expenditure (primary health, maternal health) and (iii) reduced indirect taxation on basic products, particularly those which are essential for poor households, with special attention to products used by women.

### Project Objectives

The overall objective of the assignment is to present to policymakers the gains that can be achieved through progressive pro-poor spending and motivate them to bring in adequate fiscal reforms in this endeavour. Based on this overall objective, CUTS will create public awareness on the subject and empower like-minded civil society organisations with relevant evidence and skills to create a demand for fiscal reform.

The following specific objectives concerning progressive pro-poor spending will be targeted:

- Reduce over-exposure of the poor to indirect taxes
- Increase the tax bracket through real estate taxes
- Increase public spending in the Healthcare and Education sector

## 2. PROJECT OVERVIEW

### Background and Rationale

Oxfam in Ghana aspires to build partnerships that are inclusive, accountable, empowering, and based on relationships of openness and trust. In this endeavour, Oxfam in Ghana is supporting local civil society organisations who are working for the sustainable and inclusive development of the country. Oxfam in Ghana has agreed to support Cuts to influence the fiscal reform process and promote progressive pro-poor spending. This will contribute to Ghana’s commitment towards Sustainable Development Goal 10 i.e. reducing economic and social inequalities in the country. The role of Cuts in the scope of the project would be to motivate similar-minded civil society organisations to demand reforms that would reduce the tax burden on the poor and increase government expenditure in the Health and Education sector. Various modes of outreach such as policy briefs, advocacy briefs, posters, etc. will be used. These materials will be disseminated through print and other media, social media as well as presentations to the relevant stakeholders. One technical presentation will be made for each of four Parliamentary Select Committees i.e. Finance, Health, Education and Local Government. Additionally, regular meetings and one presentation to the Ministry of Finance will be made advocating progressive spending. This will not only contribute to the increased understanding of the parliamentarians on the benefits of the reforms thus creating a stronger buy-in for the reforms, but will also lead to enhanced awareness amongst policymakers concerning the available policy options for tax reforms leading to inclusive growth. Last but not the least, through these presentations policymakers will become cognisant of international best practices on tax collection as well as public spending to achieve social and economic equity.

### 3. PROJECT ACTIVITIES

Activities	Description
Research	<ul style="list-style-type: none"><li>• Desk Research (Review of all existing direct taxes structure and international best practices for benchmarking)</li><li>• Focus group discussions and Key Person Interviews</li></ul>
Dissemination	<ul style="list-style-type: none"><li>• Press releases/Op-ED</li><li>• TV and radio appearances/campaign</li><li>• Social media campaign</li><li>• Creation of online platform with like-minded NGOs/people to make it more demand driven, create pressure on the government and ensure the sustainability after the project period</li><li>• Technical Presentation to the Parliamentary Select committee on Finance, Health, Education, Local Government (4 separate committees)</li><li>• Presentation and Meeting the Ministry of Finance on the Budget Statement</li><li>• Capacity Building workshop in Accra on how to maximise revenue from real estate (6 MMDAs, 2-3 representatives from Cape Coast, Tamale, Kumasi, Takoradi and Tema; rest from Accra)</li></ul>

### 4. PROJECT OUTPUTS

- Policy and Advocacy Briefs, Newspaper articles
- Media advocacy through Newspaper articles
- Media advocacy through talk show
- Creation of Facebook, Twitter account
- Online Platform hosted by CUTS Accra Website
- Awareness Generation of relevant stakeholders/media
- Capacity building

### 5. PROJECT OUTCOMES

- Preparation of various advocacy materials that will be used during and possibly beyond the project
- Awareness Generation, Creation of demand for the reforms, Creation of National Reference Group on the subject
- Creation of National Reference Group to create demand for the reforms and keep the voice active beyond the project
- Increased understanding of the parliamentarians on the benefits of the reforms and creating a stronger buy-in for the reforms
- Increased understanding of the relevant policymakers from the Ministry on the benefits of the reforms and creating a stronger buy-in for the reforms
- Trained MMDA officials, improved revenue from the real estate tax

## 6. INDICATORS

- Policy/Advocacy Briefs
- Training Module Capacity Building Workshop
- Presentation to be made to the Ministries and Parliamentarians
- Online Feedback form
- In person feedback form for some selected relevant stakeholders
- Users comments and feedback
- Number of participants in the group
- Number of posting in the platform
- Feedback from the participants- pre-and post-workshop
- Feedback from the participants- pre-and post-presentation

Project Partner

OXFAM GHANA



**MEDIA**

PRESS RELEASE

ARTICLE

<https://www.modernghana.com/news/835744/using-fiscal-policies-to-address-inequalities-in-the-healthc.html>

IN MEDIA

<http://www.ghana.gov.gh/index.php/media-center/news/4368-cuts-oxfam-discuss-review-of-fiscal-policies-to-address-over-exposure-of-the-poor-to-indirect-taxes>