

COUNTRY: GHANA Project No. 641-11-110-007
Project Title: Agriculture Extension and Production
U.S. Obligation Span: FY 1958 through FY 1972
Physical Implementation Span: FY 1958 through FY 1972
Gross Life of Project Financial Requirements:

U.S. Dollars	\$3,803,000
U.S. owned local currency	-
Cooperating Country Cash Contribution	<u>1,209,000</u>
Total	\$5,012,000

NON-CAPITAL PROJECT PAPER

Agriculture Extension and Production

641-11-110-007

Summary Description

This project was initiated in FY1958 and has been USAID's primary effort aimed at increasing Ghana's agricultural production. Initially it was geared to work closely with a Crop Production Division of the Ministry of Agriculture in four regions and on the specific activities of seed multiplication and vegetable production. Since 1968 emphasis has been placed on agriculture production (rice and maize). AID advisors continue to assist in planning, programming, and administration of the Crop Production Division.

This project seeks to improve those programs of the Ministry of Agriculture, the collective purpose of which is to enable farmers to increase production. Most of these programs are designed to foster increased use of agricultural inputs and services so as to fully exploit the production potential of the agricultural sector. To accomplish this, the project is divided into two major activities: (1) the production support implementation program, and (2) the focus and concentrate program. To measure the success of these joint efforts, certain indicator crops (rice and maize) have been mutually selected with the Crop Production Division of the Ministry of Agriculture.

This project is coordinated by USAID/Ghana's Agricultural Production Advisor, who works closely with the Chief of the Crop Production Division of the Ministry in coordinating, and backstopping the production support measures to be carried out under the joint implementation effort. At the regional level, the present three U.S. agriculture advisors are attached to the Ghanaian Regional Agricultural Offices. In this capacity they provide agro-administrative advice to the Regional Officers' efforts to give direction to the various production programs while continuing to work on the focus and concentrate program as required. Working

both at the national and regional levels are two U.S. advisors in functional areas. These include an agronomist engaged in the seed multiplication program and an agricultural economics advisor working on farm management and planning aspects of the focus and concentrate program.

This project's two major activities can be described in summary as follows:

(a) Production Support. This activity addresses itself to the primary project goal of substantial and measurable increases in overall agricultural production as measured by specified indicator crops (rice and maize). The means by which this will be accomplished is to increase substantially the timely availability of essential inputs such as: improved seed, fertilizer, and improved techniques. Apart from technical assistance to the Seed Multiplication Unit and Extension Service, this aspect will consist largely of agro-administrative assistance to the Chief of the Crop Production Division and three Regional Agricultural Officers in planning for, and managing increased inputs.

The benchmarks for evaluating the success of this effort will be countrywide statistics for indicator crops production averages as reported by the Agricultural Economics and Statistics Division.

(b) Focus and Concentrate. The focus and concentrate activity is being carried out in six districts in four regions already mutually determined and delineated. This activity demonstrates the optimal use of agricultural inputs, including the Extension Service in an organizational and catalytic capacity, properly integrated for maximum production. The focus and concentrate (F&C) districts receive priority attention regarding inputs and services by the Ministry. The benchmark statistics to be used will be the 1968 total production figures in the F&C districts, and the "check-plot" or control statistics will be average production of the other districts. This evaluation should provide a proven

methodology for widened Extension Service efforts to promote intensive use of inputs by farmers.

Setting:

The salient aspects of the setting of this project and the overall tenor of the USAID strategy for agriculture are set forth in FY1972 and prior year program planning documents. Nevertheless, some of the recent changes in the Ministry of Agriculture which set the stage for the reorientation of this project are summarized below.

Chief among these changes are new leadership, decentralization of administration, and increased emphasis on planning and administration. With the advent of the Ministry's new leadership there has been a noticeable quickening of activity. In 1967, the GOC developed and refined programs for subsidizing fertilizer and for purchasing rice and maize at support prices. The delegation of authority over Ministry programs to Regional Agricultural Officers has favorable prospects for improving the pace and volume of production support programs, in that decision-making will be more responsive to field problems. The Ministry's relatively new Development Coordination Unit is the main instrument for achieving more rational planning and administration. It has a clear mandate for a vigorous role in translating policies into programs, targets and budgets and for monitoring implementation.

Viewing agriculture as a system, this project is geared to improving and stepping up the implementation of those production support programs which fall under the Crop Production Division of the Ministry of Agriculture. This project will be closely coordinated with the new National Agriculture Planning project; which provides two OPEX consultants to the Development Coordination Unit (DCU) of the Ministry. Activities under Project 007 are carried out in close

liaison with the DCU and its AID-financed OPEX Staff. Assistance to the DCU supports the aims of this project by improving overall Ministry of Agriculture planning, programming and budgeting, all of which are presently deficient and limit the effectiveness of Ministry operations. Liaison between the DCU and the GOG and USAID/Ghana staff involved in this project are particularly stressed where the Ministry's price support programs, import pricing policy, and budgeting problems are concerned.

Planned Targets and Results:

The overall goal for this project is to achieve a five percent per annum increase in agricultural production during the period from 1968 through production year 1972. Specifically, the target is to achieve higher per annum increases, of perhaps 7.5 percent, for selected high priority food crops such as rice and corn.

a. Production Support. The overall purpose of this activity is to strengthen Ministry programs for supplying production inputs and services to the farmers. The operational targets of this activity do relate to inputs and services provided. These have been formulated in joint USAID-GOG work plans developed in FY1969. An effort was made to program realistically, in view of physical (storage, transport, etc.), timing, and staff constraints, the maximum possible increases in availabilities of inputs and services.

The allocation of inputs and services have been scheduled in view of the requirements of the F&C areas and the rice production program, both of which have priority. The Ministry of Agriculture has named rice as the number one priority crop. To date, this is the only crop on which a comprehensive production paper has been prepared.

b. Focus and Concentrate. The short-run operational targets of this activity are two-fold: (1) to assist cooperators in obtaining and using production inputs and services, and (2) to get other farmers to emulate the original cooperators.

The long-run operational target is to achieve levels of production in the F&C areas which are higher than the average for all of the areas not included in the F&C program.

Course of Action:

a. Production Support. The units of the Crop Production Division will play the major role in this activity by making available inputs and services to farmers.

1. Central Administration and Backstopping. The Crop Production Division plays the key role in production support. It is in this division that plans have been prepared for the overall supply of inputs and services. The USAID Agriculture Production Advisor works closely with the Chief and Deputy Chief of the Division in developing a program for importing agricultural supplies and producing seed.

To make a major contribution to production support, it is essential that the Division develop a competent staff of subject matter specialists. Because rice is the number one priority crop, the Division has appointed a competent subject matter specialist in agronomy as its first staff specialist.

USAID plans to continue the position of Agronomy Advisor/Seed Improvement to work directly with the Seed Multiplication Unit to develop: (1) a competent group of private certified seed producers; (2) a set of seed laws, essential to improved seed production in Ghana, and (3) develop a staff in the Seed

Multiplication Unit qualified to enforce the seed laws, and certify seed for private sale to farmers.

2. Farm Supplies - Seed Multiplication: Fertilizers, other agricultural chemicals, and seeds have been in short supply in Ghana and not readily available to farmers. One of the objectives of this activity is to assist the Ministry of Agriculture in importing increased amounts of agricultural chemicals and distributing them in such a fashion that they are readily accessible to the growers.

Rice has been named the number one priority crop. The Seed Multiplication Unit (SMU) will make a major contribution to production support by increasing seed of improved grain varieties and distributing them to farmers. In 1968, the GOG imported initially approximately two tons of C4-63 rice for multiplication. SMU make the first multiplication and supplied seed for a second multiplication on 1269 acres in 1969. Approximately 58,000 acres of rice are being harvested this year of which 15,000 acres are C4-63. Seed multiplication will be a major factor in attaining the GOG's goal of becoming self-sufficient in rice by 1973, at which time it is planned to produce 90,000 tons of milled rice.

The USAID Agronomy Advisor/Seed Improvement has initiated a program for the Unit to reduce its seed farms from 28 to 4 so that it can adequately staff and equip them. One of these four farms has been selected as the center to be used for training staff. It will also be set up to demonstrate how pure seed of the four cereal crops and peanuts can be multiplied and processed for distribution to farmers.

Twelve participants have been trained in the Special Course in Seed Improvement at Mississippi State University using FY68-71 funds. Upon their return to the country, they have been assigned to work in the Unit to concentrate its efforts and manpower.

3. Planning and Administration of Regional Production Support Programs

The Ministry of Agriculture has delegated the authority to the eight Regional Agricultural Officers to be responsible for the agricultural development of their assigned regions. In three regions the officers and the three USAID Agricultural Advisors are involved in planning and administering improved supplies of inputs and services to farmers. This is the major contribution to production support. The officers have to determine the amounts and kinds of fertilizers and seeds needed. The Chief of the Crop Production Division and the USAID Agricultural Production Advisor, working together backstop and coordinate production support activities at the regional level.

The officers must plan for the marketing and storage of the agricultural commodities produced in their regions. They will examine and keep close surveillance on the price support scheme initiated by the GOG in 1968. If the price support scheme needs to be altered, they will advise the Ministry so that the necessary adjustments can be made to insure that the farmers have the proper incentives for increased production.

b. Focus and Concentrate. To insure the success of these comprehensive farm management demonstrations it is necessary to give priority to the F&C program in the allocation of inputs and staff time in the event of conflict between it and the wider production support effort. With good planning and follow-through, conflicts should not arise. The Extension Service is the line organization responsible for the management and operation of this activity. The three USAID Agricultural Advisors, in addition to working with the Regional Agricultural Officers, will assist the extension staff in the support of the F&C program. The USAID Agriculture Economics Advisor assists in the training of the extension staff in farm management planning. Farm management plans are

developed for each cooperator in the F&C districts. The Extension Service will train and develop a corps of local volunteers, using the F&C demonstrators as a nucleus. The USAID Agriculture Production Advisor will advise and assist with this training.

As part of a fertilizer use project, the FAO provides 2,250 tons of fertilizer during its three-year life and the Ministry of Agriculture provides an equal amount. This is sold to the farmers at a subsidized price and the funds put into a revolving fund. The Seed Multiplication Unit increases seed and makes it available to farmers of the F&C districts to purchase.

The ultimate success of the F&C areas will be reflected in the changes which occur in the districts as a whole as inputs are applied by increasing numbers of farmers. The FAO project and the extension staff will encourage formation of marketing cooperatives so that farmers can obtain loans from the Agricultural Development Bank and other credit sources that are available. To an even greater extent than the production support program, the F&C program will aim at saturating the F&C districts with inputs and services to facilitate rapid spread of intensified farming.

Four participants in FY 71 will attend the special course, Extension Education in Agriculture, Rural Youth and Home Economics. Upon their return, they will train other extension workers in the technique of using result demonstrations and how they should be applied to assist agricultural development. They will understand better the role of rural extension workers and subject matter specialists and how they assist rural families to improve rural life.

One participant is presently working in the U.S. for a Master's Degree in Farm Management with a minor in Extension Administration (FY70-71 funds). He will return to be supervisor of the F&C program.

During FY72, an evaluation will be made of the P&C program. The production data of the P&C districts will be compared with those of the other districts to measure the success of this program. The USAID Agricultural Economics Advisor will maintain close liaison with the Agricultural Economics and Statistics Division of the Ministry to guide their preparation of the statistics required for comparison of production trends in the P&C areas with those in other districts.

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PROJECT AUTHORIZATION

1. PROJECT NUMBER 641-11-110-007	3. COUNTRY Ghana	4. AUTHORIZATION NUMBER 0159
2. PROJECT TITLE Agriculture Extension and Production		5. AUTHORIZATION DATE January 26, 1971
		6. PROP DATED August 1968

7. LIFE OF PROJECT

a. Number of Years of Funding: 15
Starting FY 19 58, Terminal FY 19 72

b. Estimated Duration of Physical Work
After Last Year of Funding (in Months): None

9. FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 = ₵ 1.02			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY 70	3,256				180 *		949
Operational FY 71	313						133
Budget FY 72	234						128
B + 1 FY							
B + 2 FY							
B + 3 FY							
All Subsequent FY's							
TOTAL	3,803				180*		1,209

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

* Represents 104(f) local currency loans

10. CONDITIONS OF APPROVAL OF PROJECT

This project is approved with the understanding that an in-depth evaluation will be performed during FY 1971. Although this project is scheduled to terminate in FY 1972, it is understood that U.S. assistance in the agricultural sector will continue.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL	CLEARANCES	DATE
 SIGNATURE AA AFR TITLE 1/26/71 DATE	AFR/CWA:HJohnson	1/26/71
	AFR/CWA:WSherman	1/26/71
	AFR/DP:DShear	1/26/71
	DAA/AFR:PBirnbaum	1/26/71

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DEPARTMENT OF STATE

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(641-11-110-007).

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ATT:

As has been stated elsewhere an approved PROP is needed for project 007 before FY 71 funds can be allocated to the project. This could be accomplished in AID/W but it seems more appropriate that the mission update the PROP submitted in August 1968. AID/W believes that the rewrite does not necessarily have to take into account changes in broad conceptual matters involving Ghanaian agricultural policy and USAID strategy since a new PROP will be submitted in FY72. Rather we suggest that the rewrite consist of editing out activities to be underwritten by USAID which were not and then writing the PROP in the present tense where appropriate. If USAID approves of the changes indicated in the attached marked-up draft PROP, cable concurrence and/or revisions by December 4. AID/W will then process PROP so FY71 allotment can be made.

Attachment: As stated.

ROGERS

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DRAFTED BY: WSherman+lb	OFFICE AFR/CWA	PHONE NO.	DATE 11/20/70	APPROVED BY: Stephen G. Christman Deputy Director
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AID AND OTHER CLEARANCES
AFR/CWA HJohnson
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