PAR PD-AAB-815-D1

6410062

PROJECT APPRAISAL REPORT (PAR)

PAGE 1

1. PROJECT NO.	2. PAR FOR PERIOD	3. COUNTRY	4. PAR SERIAL NO.
641-11-790-062	8/16/72 to 9/30/73	Ghana	74-1

5. PROJECT TITLE

Economic Development Management

6. PROJECT DURATION	7. DATE LATEST PAR	8. DATE PRIOR PAR
Begin FY 72 End Open	9/15/70	8/16/72

9. U.S. FUNDING	10. Cumulative Obligations Thru Last FY	11. Current FY Estimated Obligations	12. Estimated Budget to Completion After Current FY
	663,000	256,000	Open

13. PRIME CONTRACTOR (Company, Institution, Agency or Voluntary Agency)

a. NAME	b. CONTRACT, GRANT OR VOL. AG. NO.
University of Ghana, Department of Economics	641-73-08
University of Ghana, Department of Economics	641-73-04
E. Jason Branch	AID/CM/AFR-C-73-28

14. ACTIONS PROPOSED AND RECEIVED AS A RESULT OF THIS EVALUATION

a. ACTION CODE	b. LIST OF ACTIONS	c. PROPOSED ACTION COMPLETION DATE
2	X Initiation and completion of a dialogue between the GOG and the Mission to clarify the goals and purpose of the project, and to redesign and direct it where necessary to insure its greater alignment with both GOG development strategy and USAID priorities. The USAID position should include the following points: a) The project is not just a participant project; its purpose is improving economic development management and decision making skills. The skills which are to be improved need to be more clearly identified and the areas of training clarified. b) The project is concerned with improving management and analytical skills of certain key institutions of the economy. These institutions need be more clearly identified. Their internal manpower needs should be defined in terms of the institutions' specific goals and set forth as a detailed skill and job development program with a schedule. c) The feasibility of providing certain types of training locally utilizing Ghanaian physical and human resources supplemented by USAID funded consultants/contractors needs to be studied closely and thoughtfully. d) The consultancy and economic research requirements of the GOG to help meet its development strategy needs and USAID priorities need be deliniated.	Between June 1, 1974 and October 31, 1974.

15. REVIEWS AND APPROVALS

APPROVED BY: ☒ MISSION ☐ AID/W ☐ PROAG ☐ PROTA ☐ PROVC ☐ PROPE

16. DATE OF MISSION REVIEW: May 16, 1974

NAME OF USAID DIRECTOR, SIGNATURE AND DATE	NAME OF REVIEW TEAM LEADER, SIGNATURE AND DATE
Robert [illegible] 6/10/74	W. Haven North

AID 1330-1 (10-70) PAGE 1 FOR	PROJECT NO. 641-11-790-062	FOR PERIOD 8/16/72-9/30/73	COUNTRY Ghana	PER REPORT NO. 74-1

II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (2)				
CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	UNSATIS-FACTORY		SATISFACTORY			OUT-STANDING		LOW	MEDIUM			HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. University of Ghana 641-73-08 Department of Economics	X									X		
2. University of Ghana 641-73-04 Department of Economics							X			X		
3. B. Jason Brauch AID/CM/AFR-C-73-28						X					X	

Comments (other than a factor discussion) The contract with the University of Ghana's Department of Economics (641-73-08) clearly failed to produce the results expected. The faculty supervisors and M.Sc. candidates were tardy in beginning their research and failed to make full advantage of the Consultant (Dr. Kamada) provided by USAID. All the research reports received were of less than expected quality. Contract 641-73-04 produced a bibliography on unemployment and income distribution of exceptionally high quality.

All of the other contractors produced reports of exceptionally high quality and relevance to development in Ghana. The Government of Ghana has not (despite its requests for the services of the various contractors) made the maximum possible use of the research reports that have been produced.

	1	2	3	4	5	6	7	1	2	3	4	5
[illegible]					X							X

Comments (other than a factor discussion) The Government of Ghana has carried out its responsibility to employ returned participants in positions of equal or greater responsibility upon the completion of their training. The training that has been and is currently being provided falls within the fields defined in the Pro Ag. There is a possibility however that the training is being diffused over a larger number of institutions than might be desirable if the limited resources of the project are to produce a substantial and definable impact.

	1	2	3	4	5	6	7	1	2	3	4	5
[illegible]												

Comments (other than a factor discussion)

Not applicable.

		1	2	3	4	5	6	7	1	2	3	4	5
1. [illegible]	[illegible]					X							X
	[illegible]					X							X

Comments (other than a factor discussion) The Government of Ghana has taken on full responsibility for the selection of participants. It also handles a substantial amount of the paper-work necessary to the departure of participants for training.

With respect to consultants and local research it did not play the larger and more innovative role which it is clearly capable of playing. While responsive to and supportive of Mission suggestions in this area the GOG does not see the full potential of this portion of the project. The GOG should be encouraged to be innovative in this area and to make greater use of the reports and research papers which have been produced.

	1	2	3	4	5	6	7	1	2	3	4	5
[illegible]												

Comments (other than a factor discussion)

Not applicable.

AID IDENTIFICATION	PROJECT NO.	PAR FOR PERIOD	COUNTRY	PAR SERIAL NO.
PAGE 1 P.M.	641-11-790-082	8/16/72-9/30/73	Ghana	74-1

II. F. Contracts: Contract on by-laws concerning ... of Other Cases

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE MEASURES FOR OUTPUT INDICATORS		GRAND-LAYING PROJECT	CUMULATIVE TO DATE	CUMULATIVE THIS QTR	FY 75	FY 76	END OF PROJECT
1. Trained staff (not including carryovers from Project 035).	PLANNED	24	5	22	22	22	Open
	ACTUAL PERFORMANCE	20	5				
	REPLANNED			-	-	-	-
2. Consultancies and contracts completed.	PLANNED	11	5	2	-	-	Open
	ACTUAL PERFORMANCE	11	5				
	REPLANNED						
3. Local research completed	PLANNED	1	1	1	1	1	Open
	ACTUAL PERFORMANCE	1	-				
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						

B. QUALITATIVE MEASURES FOR OUTPUT INDICATORS	COMMENTS
1. Optimum utilization of returned participants and other personnel.	The project has not been in existence a sufficient length of time to permit a meaningful judgment as to whether returned participants are being used in optimal fashion. The GOG has agreed to employ returned participants in positions of responsibility equal to or greater than that held prior to training. They have complied with this agreement.
2. GOG willingness to opt for a liberal market-directed development strategy, to implement plans and policies, and to deploy resources in accordance with social and economic efficiency criteria.	Project has not been in existence a sufficient period of time to permit a meaningful judgment in this regard. The absence of basic plans and broad development strategies has inhibited effective action in this area. This may well be remedied by the completion of a five year plan currently being prepared.
3. GOG willing to utilize local research and contractor/consultancy reports and improved macroeconomic data.	The GOG has been outwardly highly supportive of local research efforts and the work of USAID consultants and contractors. They have not however made maximum possible use of the research reports that have been produced.

AID 1010-18 (11-70) PAGE 4 PAR	PROJECT NO. 641-11-790-062	PAR FOR PERIOD: 8/16/72-9/30/73	COUNTRY Ghana	PAR SERIAL NO. 74-1

IV. PROJECT PURPOSE

A. 1. Statement of purpose or conditions expected. 2. Has purpose changed? ☐ yes ☒ no

To strengthen the capacity of the GOG to plan, manage and organize development programs and projects effectively and rapidly enough to insure achievement of a five per cent growth rate by 1978 (in so far as growth is dependent upon such inputs).

B. 1. Conditions which will exist when purpose is achieved.	2. Extent to date of progress toward these conditions.
1. Sufficient personnel trained and becoming available with skills necessary for planning, management and resource deployment decision-making.	The project has not been in existence a sufficient period of time to permit a complete assessment of progress toward all conditions expected to exist upon completion of the project.
2. Local training capabilities established in various fields related to economic and financial management. These programs are accepted by and integrated with institutions who both assist in the provision of training and employ the personnel trained.	The project has however contributed to the alleviation of the shortage of personnel with the skills required for development planning and management at various levels. As of 9/30/73 some 25 participants have returned from training.
	Local training has yet to be supported by resources provided by the project. This possibility is now actively being explored through discussions with the GOG.
3. Research capability in areas related to economic and financial management sufficiently strengthened such that needs for consultants are minimal.	Indications remain that the need for specialized short-term consultancy services is likely to continue to prevail into the immediate future. GOG clearly realizes the importance of in-house and university research in providing solutions to some development policy problems.
4. Effective policies appropriate to the efficient allocation of public sector resources. Appropriate incentives being offered to insure efficient allocation of resources in the private sector.	

V. PROGRAM GOAL

A. Statement of Programming Goal

To achieve an equitable pattern of economic development in Ghana with growing efficiency and opportunities for employment with overall growth rising to an annual rate of five per cent by 1978.

B. What is achievement of the project purpose made a significant condition to be met for goal, given the magnitude of the national problem and this evidence.

A strengthened capacity on the part of the GOG to plan, manage and organize development programs and projects forms a critical portion of Ghana's effort to move towards equitable, self-sustaining economic growth and development. Such a capacity is a necessary (though not sufficient) condition that must be present if the land, labor and capital of Ghana are to be combined in such a way as to promote equitable economic growth and development. It is only within a framework of sound planning and management which leads to the efficient allocation of public resources and the provision of appropriate incentives to the private sector that the economy can be expected to function at its optimum level (and A.I.D.'s program or sector assistance can have a significant impact).

This being the case, Economic Development Management, acting in complement with

11A AND BLOCK 11 ACTION AGENT - CONTRACTORS

Name	Contract Number	Performance Against Plan: Unsatisfactory 1	2	Satisfactory 3	4	5	Outstanding 6	7	Importance for Achieving Project Purpose: Low 1	2	Medium 3	4	High 5
Charles S. Shaughnessy	AID/cm/afr-c-73-27						x					x	
John M. Page	641-73-10						x					x	
Scott L. Pearson	641-73-12						x					x	
Hirouitsu Kaneda	641-73-07						x					x	
John M. Page	AID/cm/afr-c-73-12						x					x	
John M. Page	AID/afr-846						x					x	

(continuation IVB 2)

Observation of government policies and incentives provided to the private sector provides a mixed picture. Price policies in agriculture have been announced but actual implementation is not yet adequate because facilities and institutions need strengthening. The cedi remains over-valued which distorts investment and discourages exports. Interest rates for agricultural credit remain too cheap and thus distort the choice of productive techniques.

(continuation VB)

program or sectoral assistance, forms an important part of U.S. assistance to Ghana in support of equitable, self-sustaining economic growth and development.

The quantitative outputs covered in this PAR are as of 9/30/73. Conditions delayed the completion of the PAR but we have sought to base the qualitative discussion on experience up to May 31, 1974.