

**AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT**



# **ANNUAL BUDGET SUBMISSION**

## **FY 82**

Washington, D.C. 20523

## **GHANA**

**BEST AVAILABLE**

**JUNE 1980**

**UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY**  
WASHINGTON, D.C. 20523

FY 82 ANNUAL BUDGET SUBMISSION - GHANA

<u>TABLE OF CONTENTS</u>		<u>PAGE</u>
1.	Table I	
	-- Long Range Plan	1
	-- Table I Narrative	2
2.	Table III	
	-- Project Obligations	4
3.	Table IV	
	-- Project Budget Data	5
	-- Project Descriptions	6
	-- PDS Requirements	18
4.	Decision Package	
	-- Decision Package Narrative	19
	-- Table V - Proposed Program Ranking	21
5.	Workforce and Operating Expenses	
	A. Table VI	
	-- Project Summary	23
	B. Table VII	
	-- Personnel Schedule	24
	C. Table VIII	
	-- Operating Expense Summary	26
	D. Operating Expense Narrative	28
	E. Automatic Data Processing Narrative	34
	F. Table IX	
	-- Position Requirements	35
	G. Table X	
	-- Special Concerns	38
6.	P.L. 480 (Titles I, II, and III) Narrative and Budget Data	
	A. P.L. 480 Narrative	41
	B. Table XI	
	-- P.L. 480 Title I/III Requirements	43
	C. Table XII	
	-- P.L. 480 Title I/III Supply and Distribution	44
	D. Table XIII	
	-- P.L. 480 Title II	45
	E. P.L. 480 Annex	
	-- CRS P.L. 480 Title II FY 81 Operational Plan	47

FY 1982

ANNUAL BUDGET SUBMISSION

USAID/GHANA

June, 1980

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$ Thousands)

Development Assistance	FY 1980 EST.	FY 1981 EST.	Decision Unit			GHANA			
			FY 1982 REQUEST			PLANNING PERIOD			
			MIN	CURR	AARL	1983	1984	1985	1986
Agriculture, Rural Development & Nutrition	9650	15900	4400		15000	14000	20000	20500	21500
Grants	2650	5900	4400		5000	5000	5000	5500	6500
Loans	7000	10000	-		10000	9000	15000	15000	15000
Population	-	500	600		900	1000	1000	1000	1000
Grants	-	500	600		900	1000	1000	1000	1000
Loans	-	-	-		-	-	-	-	-
Health	-	600	600		900	1000	2000	3000	3000
Grants	-	600	600		900	1000	2000	3000	3000
Loans	-	-	-		-	-	-	-	-
Educ. & Human Resources	445	660	500		1600	2000	2000	2000	3000
Grants	445	660	500		1600	2000	2000	2000	3000
Loans	-	-	-		-	-	-	-	-
Selected Dev. Activities	-	900	500		1600	2000	2000	2500	2500
Grants	-	900	500		1600	2000	2000	2500	2500
Loans	-	-	-		-	-	-	-	-
Total Functional Accounts	10095	18560	6600		20000	20000	27000	29000	31000
Grants	3095	8560	6600		10000	11000	12000	14000	16000
Loans	7000	10000	-		10000	9000	15000	15000	15000
<hr/>									
PL 480 (non-add)									
Title I	12700	30000	15000		30000	30000	25000	20000	15000
(    of which Title III)	-	10000	-		15000	20000	20000	20000	15000
Title II	5300	5800	6800		6800	6000	7000	7000	8000
Housing Guarantees	-	-	-		5000	-	-	10000	-
<hr/>									
Total Personnel									
USDH	28	28	27		27	27	27	27	27
FNDH	45	45	47		47	45	45	45	45

## TABLE I NARRATIVE

During the past years this Mission has been engaged in a continuous review and restructuring of our project portfolio and staffing requirements. The proposed program and staffing reflect this restructuring which is substantially along the lines outlined (p.2 bracket items 1-8) in the FY 82 ABS guidelines. We have given particular emphasis to:

- (1) Enhanced use of intermediaries such as PVO's and expanded cooperation with Peace Corps (FAAD, DAPIT, PHC, DIPRUD, WOMEN, POPRUD, OICI).
- (2) Reduced project proliferation by developing sector support projects of larger average size (MIDAS, PHC, POPRUD, FAAD, HRD, WOMEN).
- (3) Replicating expansion of successful projects (FAAD, MIDAS, OICI, ERDM).
- (4) Concentrating programs geographically (i.e., in the Brong-Ahafo Region).
- (5) Co-financing with other donors (e.g., EEC and UNICEF in Yaws-Yellow Fever).
- (6) Use of centrally funded projects, particularly in health and population.

As a result of the above and other actions, the total USDH staff ceiling has been reduced from 32 USDH and 52 FNDH as of 9/30/79 to 28 USDH and 45 FNDH as of 9/30/80. The Mission will continue to review its programs to effect further efficiencies in operation and to obtain additional GOG support for projects we are willing to support.

The present organizational structure is working well and we believe it should be carried through the FY 82 AAPL period. We do not plan further changes in the organizational structure at this time.

The Mission finds that numerous proposals already implemented or under study in Washington should decrease workload and improve program management (reduction of reporting requirements, streamlining the authorization process, life of project funding, documentation for second stage projects are examples). We have no further suggestions to make at this time with regard to increasing efficiency which would translate into reduced DH staffing. Our experience indicates that use of intermediaries and sector support projects do not translate into a reduced Mission workload. Rather they tend to be more complicated and labor-intensive.

In summary, we believe that the Mission has already taken steps in reducing direct hire personnel levels. Continuing efforts will be made to obtain additional GOG support for the high priority projects we propose to initiate or continue and to a DH staff at a minimal level consistent with AID oversight responsibilities. We will continue to encourage other donors to assume an expanded role in loan and technical assistance programs and will seek enhanced integration of our respective efforts. However, as indicated on pp.52-53 of the FY 82 CDSS, the Mission believes that prudent management will require a central analytical, programming, monitoring and technical staff in the major areas of program concentration and if we are to be capable of undertaking new initiatives where the planning process begins some 18-24 months prior to project implementation.

In our review of potential areas for continued AID involvement in Ghana, we have identified the direct hire support personnel required for new programs and their implementation through FY 82 (See Tables V and IX). The workforce and operating expense implications of regional/centrally funded activities will be cabled.

The direct hire workforce and operating expense package at the FY 82 AAPL level, which represents a program funding increment of \$33.4 million (\$10 million loan, \$3.4 million grant, \$15 million P.L. 480 Title III and a \$5 million HIG) over the "minimum package" can be executed within the workforce and operating expense parameters of the "minimum package". We submit that the "AAPL package" is the best alternative with respect to cost effectiveness and program impact under an effective stabilization effort.

TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT  
 FY 1980 TO FY 1982  
 (\$ thousands)

Decision Unit: GHANA

APPROPRIATION ACCOUNT	FY 1980	FY 1981	FISCAL YEAR 1982		
			MINIMUM	CURRENT	AAFL
<u>ARDN</u>					
0070 AG. MGT.	100				
0073 DIPRUD	800	1200	600		600
0084 DAPIT	-	1000	500		500
0102 MIDAS II (G)	1750	3000	2500		2500
0102 MIDAS II (L)	7000	-	-		-
0103 FAAD II	-	700	800		1400
0104 AG. SEC. SUPPORT (L)		10000			10000
<u>P</u>					
0098 POPRUD		500	600		900
<u>H</u>					
0082 PHC		600	600		900
<u>EHR</u>					
0077 ERDM	445	360			
0100 HRD			500		1000
0101 OICI		300			600
<u>SD</u>					
0093 WOMEN		400			500
0105 INC. REV. FOR DEV.		500	500		500
0106 ENERGY					600
SUBTOTAL FUNCTIONAL ACCTS	10095	18560	6600		20000

NOTE: See Table IV.A for  
 PD&S requirements.

TABLE IV PROJECT BUDGET DATA

		ESTIMATED U.S. DOLLAR COST (\$000)										DECISION UNIT	
NUMBER	PROJECT TITLE	O/L	OBLIGATION DATE		DATE OF NEXT PLANNED ROUTINE EVAL.	CUM. PIPELINE AS OF 9/30/79	FY 1980		FY 1981		FY 1982 APPL. OBLIG.	FORWARD FUNDED TO (MO/YR)	FUTURE YEAR OBLIGATIONS
			INITIAL	FINAL			OBLIG.	EXPEND.	OBLIG.	EXPEND.			
0070	AG MGT	G	75	80	11/81	382	100	207	175	100	600	12/81	-
0073	DIFRUD	G	77	85	-	308	800	130	650	1528	500	-	1700
0084	DAPIT	G	79	85	10/81	2756	160	1000	1300	2296	500	-	500
0102	MIDAS II	G/L	80	84	1/83	-	8750	3000	1750	1000	2500	-	16750
0103	FAAD II	G	81	85	-	-	700	700	100	600	1400	-	2900
0105	AG SEC SUP	L	81	82	-	-	10000	3000	3000	7000	10000	-	-
0098	POPRUD	G	81	85	6/83	-	-	500	100	400	900	-	3300
0082	PHC	G	81	85	7/83	-	-	600	100	500	900	-	14100
0077	ERDM	G	77	81	5/82	858	445	600	600	463	1000	6/82	-
0100	HRD	G	82	86	-	-	-	-	-	360	600	-	7000
0101	OICI	G	82	86	-	-	-	-	-	300	600	-	4100
0093	WOMEN	G	81	85	6/83	-	-	-	-	400	500	-	1100
0105	INC REV DEV	G	81	86	-	-	-	-	-	500	500	-	1000
0106	ENERGY	G	82	86	-	-	-	-	-	500	600	-	2900
TOTAL							10095			18560	20000		

NOTE: See Table IV.A for PD&S requirements.

RURAL WOMEN OUTREACH  
641-0093

DURATION OF PROJECT: FY 81-86      LIFE OF PROJECT COST: \$2,000,000 (G)  
FY 81 Funding: \$ 400,000 (G)  
FY 82 Funding: \$ 500,000 (G)

PURPOSE:

The purpose of this project is to increase the productivity and incomes of Ghanaian women, particularly those in the rural areas.

BACKGROUND:

Women in Development activities initiated in Ghana, and supported by AID, as a result of the U.N. Declaration of the International Women's Year (IWY) have been generally accepted in the country. However, the impact of these activities has not been felt by rural Ghanaian women to the degree desired. This deficiency is due in part to the inadequate transportation/communication system in Ghana and also to the general poor state of the economy which has seriously affected the rural areas. A number of Ghanaian public and non-governmental institutions are capable of extending WID programs to the rural areas. These include the Government's National Council on Women in Development (NCWD), the Ghana Assembly of Women (GAW), an umbrella organization of women private and voluntary organization (PVO) which make up its membership.

PROBLEMS BEING ADDRESSED:

The NCWD and GAW require expanded staff and research personnel to extend their outreach services effectively to the rural areas through the identification of the needs and aspirations of rural women, conduct of necessary research leading to the development of action plans, and by translating research into implemented programs. Additionally, to accomplish their outreach objectives the participating organizations require transportation facilities and training of field staff. The NCWD, which has been conducting WID research through contracts with other organizations, particularly universities, needs to develop its own research unit if it is to serve the needs of the various Ghanaian WID organizations on a timely and effective basis.

COURSE OF ACTION:

This project will build on earlier AID efforts which provided assistance to or through the NCWD, the GAW and the various PVOs which are supportive of the objectives of women in development. Increased sources of income for rural women and their families will be generated through the addition or improvement of cottage industries. The project will also develop and promote techniques to lighten burdensome tasks of rural homemakers, enabling

them to devote more time to other activities such as cooperatives, small enterprises and increasing skills in agricultural home management and crafts.

GHANAIAN ENTITIES INVOLVED:

The NCWD and GAW will be the two lead entities coordinating this program. A number of PVOs such as the YWCA, Christian Council of Ghana and others will be involved and private organizations, associations and cooperatives of women will provide direct channels to rural women.

BENEFICIARIES:

The beneficiaries of this project are the women's organizations which will act as the intermediaries and the rural women, particularly those in the rural sector, to whom this development effort is directed.

MAJOR ISSUES:

None.

HUMAN RESOURCES DEVELOPMENT

641-0100

DURATION OF PROJECT: FY 82-86      LIFE OF PROJECT COST: \$8,000,000 (G)  
FY 81 Funding: None  
FY 82 Funding: \$1,000,000 (G)

PURPOSE:

To train mid-management and technical level personnel in Ghanaian institutions to deal with broad issues of development and to plan and implement priority development programs.

BACKGROUND:

The Government of Ghana's efforts to develop and implement a development plan have been frustrated by the lack of adequately trained personnel to plan and manage such activities. Improved management expertise is particularly needed in the areas of financing, budgeting, project planning and implementation. The ERDM project, which provides Ghanaian district level officials with training in economic and rural development management, will phase out in FY 81. The experience obtained in the ERDM project will be utilized in the implementation of this follow on project which will provide training to a broader segment of Ghana's development community.

PROBLEMS BEING ADDRESSED:

This project will identify critical planning and management weaknesses, introduce modern management techniques, develop an expanded cadre and middle management planning and administrators and establish an improved capability in gathering and analyzing the information required for setting policy and designing and evaluating development programs.

COURSE OF ACTION:

This project will focus on four basic areas of human resources development. It will provide: (a) broad management training for Ghanaian officials involved in economic development activities at the regional/district levels; (b) training support for technical and professional staff; (c) support efforts to manage non-formal education and training effectively through the utilization of PVOs; and (d) improve the planning and administration capability of the educational system.

GHANAIAN ENTITIES INVOLVED:

Ghanaian public sector institutions to which this project is addressed include: the Ministry of Local Government, Rural Development and Cooperatives; Ministry of Finance and Economic Planning; Ministry of Education, Youth and Culture Affairs; Ministry of Labor and Social Welfare; the 65 district-level administrative mechanisms of the country; the Ghana Institute of Management and Public Administration; and the various private and voluntary organizations involved in development work in the country.

BENEFICIARIES:

Initially beneficiaries of the project will be the Ghanaian institutions involved in development planning and administration. The improvement of government and PVO management and services should lead to an increased capacity of the GOG to develop and implement priority development programs benefitting urban/rural poor.

MAJOR ISSUES:

None.

FARMERS ASSOCIATION AND AGRIBUSINESS DEVELOPMENT (FAAD II)  
641-0103

DURATION OF PROJECT: FY 81-86    LIFE OF PROJECT COST: \$5,000,000 (G)  
FY 81 Funding: \$ 700,000 (G)  
FY 82 Funding: \$1,400,000 (G)

PURPOSE:

To support the efforts of private and voluntary organizations to achieve wide-scale rural development through farmer association and rural enterprises.

BACKGROUND:

Phase I of FAAD demonstrated the ability of private and voluntary organizations (PVOs) to design, implement and evaluate small-scale rural development projects in Ghana. An in-depth evaluation in May 1980 concluded that FAAD I had positive impact on its rural poor target groups to warrant continued assistance to PVOs.

PROBLEMS BEING ADDRESSED:

Increasing population, worsening economic conditions, shortage of all types of farm tools and inputs, and other socio-economic uncertainties have impacted most adversely on the rural poor of Ghana. Lack of outreach facilities of GOG agencies in rural Ghana has made it difficult to provide these rural inhabitants with the goods and services needed to improve their living and working conditions. The FAAD II project will supplement GOG outreach efforts as well as introduce and test approaches to rural development.

COURSE OF ACTION:

FAAD II will provide grants for PVOs to design and implement rural development projects which will result in improved goods and services for the rural poor and, relative to investments made, will achieve significant increases in their quality of life.

GHANAIAN ENTITIES INVOLVED:

Ghanaian and U.S. PVOs.

BENEFICIARIES:

The direct beneficiaries of this project are the inhabitants of rural villages throughout Ghana. Under FAAD I, village-level activities were carried out by PVOs in seven of the country's nine regions. FAAD II will expand this further throughout the country.

MAJOR ISSUES:

AID regulations pertaining to the administration of PVO activities, particularly for indigenous PVOs, are unclear, incomplete, and in some cases in conflict with each other. Particularly with reference to the utilization of indigenous PVOs, AID needs to clarify the nature of its relationship to the PVOs and to issue guidance which will permit maximum flexibility and latitude of operation by the PVOs.

AGRICULTURE SECTOR SUPPORT LOAN

641-0104

DURATION OF PROJECT: FY 81-82      LIFE OF PROJECT FUNDING: \$20,000,000 (L)  
FY 81 Funding: \$10,000,000 (L)  
FY 82 Funding: \$10,000,000 (L)

PURPOSE:

The purposes of this sector loan activity are (a) to make available agricultural production inputs--particularly fertilizer--in amounts which will produce significant increases in Ghanaian small farmer agricultural production, and (b) to improve the rural agricultural marketing and transportation infrastructure so as to assure greater accessibility of the small farmer to production inputs and enhance the evacuation of farm outputs to the consuming population centers throughout the country.

BACKGROUND:

Inadequate supplies of fertilizer is one of the basic constraints on Ghanaian small farmers to increasing their agricultural production. However, an equally serious problem is the inability of the existing marketing system to move even current farm output from farm gate to market because of a lack of transport facilities and extremely poor road conditions. Increasing domestic food production has been cited in the Government of Ghana's 1979-80 budget as the top priority of the government. This objective can be achieved through substantial imports of fertilizer and by improving agricultural marketing and transportation, both quantitatively and qualitatively.

PROBLEM STATEMENT:

This project will directly address the agricultural production constraint of inadequate supplies of fertilizer and the current inability of the transport infrastructure to move agricultural outputs from farm gate to market. The restructuring of the MIDAS project from a national to a regional (Brong-Ahafo) scope is intended to improve the efficiency and effectiveness of that project. However, it has left other problems behind. Access to the Brong-Ahafo Region can only be gained by a national road network that passes through three other regions. Moreover, Ghana's agricultural objectives will not be achieved by providing inputs for just one or two regions. Agricultural production centers need agri-inputs; population centers need agri-outputs and both centers need to be served by an adequate transportation system. This project will complement the recently approved IDA Third Highway (Emergency Maintenance) Project.

COURSE OF ACTION:

Loan funds provided during the first year will be used to procure equipment and spare parts for agricultural equipment and to improve the quality and quantity of the agricultural transportation fleet. During the second year loan funds will be used to import fertilizer to bridge the gap until a fertilizer blending and bagging plant becomes operational under the MIDAS II project.

ENTITIES INVOLVED:

Overall responsibility will be with the Ministry of Agriculture and the Ministry of Finance and Economic Planning. The Ghana Fertilizer Company and the Ghana Highway Authority will be the major recipients of commodities and equipment. Regional and Local Government units will also be involved.

BENEFICIARIES:

The immediate beneficiaries will be small farmers and the rural population who have a more reliable transport system and increased production with the use of fertilizer. Other beneficiaries will include those who may be employed in road construction and maintenance and market towns and urban areas which will increase commerce and trading.

MAJOR ISSUES:

The Government of Ghana's policy regarding subsidization of fertilizer is a major issue which must be resolved prior to approval of this project.

INCREASED REVENUES FOR DEVELOPMENT

641-0105

DURATION OF PROJECT: FY 81-85      LIFE OF PROJECT COST: \$2,000,000 (G)  
FY 81 Funding : None  
FY 82 Funding : \$ 500,000 (G)

PURPOSE:

To upgrade the tax administration capacity of the Government of Ghana (GOG) in order to facilitate the collection of additional tax revenues for development.

BACKGROUND:

Stated in terms of ratios to GDP, the 1978/79 budget reversed several trends that had characterized the 1975/78 period. The ratio of government revenue to GDP which had fallen sharply from 16 percent to 9 percent during the three year period; rose to 11 percent in 1978/79. Revenue performance in the period was severely affected by the erosion of tax bases in the inflationary environment. In particular, the combination of rapid general price increases and lagging official prices (including rate of exchange distortions) proved highly detrimental to revenue collections. The revenue decline in relation to GDP during the period related to most major segments of the revenue system, including especially income taxes and taxes on international trade.

The Limann administration has determined to reverse the situation and several measures have been taken to improve the collection of revenues. New tax measures included in the 1979/80 budget, which came into effect in January 1980, relate to both tax administration and rate changes. With consultants from AID in fiscal data processing the government will be considering in the near future actions to check malpractices in the foreign trade sector.

PROBLEM BEING ADDRESSED:

Improvement in revenue collection is a key element in a stabilization effort by reducing the budget deficit to manageable proportions and in providing resources for development.

COURSE OF ACTION:

The project will involve the modernization of regulations and procedures, designed for a period when the scale and complexity of public finances was much less, which have proven to be ineffective in the present day environment. The project will assist in establishing modern systems for tax auditing, collections and tax payer registrations specific activities including technical assistance, training and limited commodities.

GHANAIAN ENTITIES INVOLVED:

The Ministry of Finance and Economic Planning is the primary counterpart agency.

BENEFICIARIES:

By upgrading GOG tax administration and thus increasing revenues, resources will be made available for improved public services.

MAJOR ISSUES:

None.

RENEWABLE ENERGY

641-0106

DURATION OF PROJECT: FY 82-86

LIFE OF PROJECT COST: \$3,500,000 (G)

FY 81 Funding : None

FY 82 Funding : \$ 600,000 (G)

PURPOSE:

To assist the Government of Ghana (GOG) to develop economically and ecologically viable energy conservation programs and renewable energy sources.

BACKGROUND:

The Ghanaian economy is highly dependent on imported crude oil for its energy inputs. Since 1973, however, the nation has been severely affected by increasing costs of oil imports. The traditional fuel for household use is becoming increasingly scarce as firewood supplies are depleting or diverted to charcoal production. Recognizing the impact of the energy situation on national development and economic growth, the GOG in 1979 established a National Energy Committee to study energy resources and applications. The GOG in December 1979 requested assistance from both the IBRD and AID in carrying out a national energy assessment. This assessment, to be conducted in 1980, will review possibilities for diversification of energy sources and conservation programs. Following this assessment and on the basis of experience gained from previous projects (DAPIT, DAST and Pyrolysis Demonstration) a renewable energy initiative will be undertaken.

PROBLEMS BEING ADDRESSED:

The project addresses the economic problems brought on by the increasing cost of imported fossil fuels, the need to develop ecologically sound renewable energy sources to replace Ghana's dwindling firewood supply, and the social and economic complications relative to the alteration of a nation's energy consumption patterns.

COURSE OF ACTION:

The project will provide assistance in the conduct of surveys, applied research, field demonstrations and institutional development and support.

GHANAIAN ENTITIES INVOLVED:

The Ministry of Land, Natural Resources, Fuel and Power will have primary responsibility for implementation of this project. Cooperating institutions will include the Ministries of Industry, Science and Technology, Agriculture, Transport and Communication, various national research institutions, universities, and the Environmental Protection Council.

BENEFICIARIES:

All of the people of Ghana will benefit from greater availability of energy resources and reduced energy costs. The immediate beneficiaries will be the above-named Ghanaian institutions which will have an improved capability for developing plans for alternative energy resources, identification of energy conservations and generation projects. Small and medium-sized entrepreneurs will also benefit from this project. The Ghanaian environment will also benefit from improved energy resource utilization.

MAJOR ISSUES:

None.

IV.A: PROJECT BUDGET DATA - PD&S REQUIREMENTS

<u>Title</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>
<u>ARDN</u>			
FAAD II	15	10	-
Ag. Sector Support (L)			
Inland Fisheries		35	20
Small Scale Irrigation			20
Market Towns			20
<u>POP</u>			
POPRUD	10	20	-
<u>HEALTH</u>			
PHC	10	35	-
<u>EHR</u>			
HRD	10	30	-
<u>SDA</u>			
WOMEN	-	25	-
Inc. Rev. for Dev.	-	20	-
Energy	-	20	20
<u>OTHER</u>			
AIP - Low Income Shelter		15	-
HIG	-	-	20
PL 480 Title III	-	20	-
Non-Allocated*	25	25	25

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\*In addition to the above, the Mission will require \$25,000 in each fiscal year for PDS funds not allocated to specific projects. These funds will be utilized primarily for program development; to improve the data base for program planning; to introduce and encourage through training grants new and innovative ideas for economic and social development in priority areas of particular interest to the U.S.

TABLE V - NARRATIVE

DECISION PACKAGE: MINIMUM

DECISION UNIT: USAID/GHANA

DECISION PACKAGE NARRATIVE

USAID/Ghana's FY 82 CDSS outlined a strategy for the 1982-1986 period and identified areas for AID investments and the problems to be addressed. The investment areas, in declining order of priority are:

1. small farmer development
2. primary health care/population
3. human resources development
4. energy and environment.

The minimum decision package supports the strategy defined in the CDSS. Our current project portfolio and proposed new starts in FY 81 address Ghana's efforts to achieve greater self-sufficiency in food, expand rural productivity and employment, protection of the national resource base and in meeting basic human needs of the rural population.

The core of eight bilateral activities - MIDAS, FAAD II, DAPIT, DIPRUD, PHC, POPRUD, WOMEN and HRD - can have a strong albeit limited impact even in the absence of a stabilization program.

TABLE V - NARRATIVE

DECISION PACKAGE: AAPL

DECISION UNIT: USAID/GHANA

DECISION PACKAGE NARRATIVE

The AAPL decision package assumes that a stabilization effort, either self-initiated or under IMF auspices, will be underway by FY 82. In support of such an effort the Mission proposes to participate in a multi-donor effort through P.L. 480 Title III, and fast disbursing non-project assistance (Agricultural Sector Support loan).

The assistance planning levels proposed for FY 82 represent orders of magnitude consistent with:

- (1) preparing the way for subsequent AID investments in the FY 82-86 period and,
- (2) establishing a U.S. determination to contribute in a significant way to economic stabilization cum development.

This implies a continuity of effort and resource inputs through the FY 86 period to sustain such a program. In undertaking a leading role in key areas, we do not envisage the U.S. becoming the major bilateral donor. We will continue to rank third or fourth among bilateral donors.

At the AAPL level we would provide full funding for several projects (FAAD II, POPRUD, PHCS, HRD) which would accelerate the pace of implementation of these activities. In the absence of a stabilization program these activities would be implemented over a longer period and at a reduced level of annual funding. We also undertake four new projects (three technical assistance and one loan) related to current activities. The grant projects involve (a) a renewable energy program which follows on the pyrolytic demonstration activity and energy sector assessment and (b) two third-stage projects in the area of women in development and in the expansion of the Opportunities Industrialization Centers program. The Agricultural Inputs loan and P.L. 480 Title III program would continue resource transfers to our core concentration sector.

Finally, the HIG would follow on the FY 81 proposed AIP in low income shelter and complement a major World Bank program for low cost housing which is expected to receive serious consideration under an effective stabilization effort.

GHANA  
DECISION UNIT

TABLE V - FY 1982 PROPOSED PROGRAM RANKING

RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	PIPELINE/ONGOING/NEW	LOAN/GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)		WORKFORCE (Number of Positions)	
					INCR	CUM	INCR	CUM
	<u>DECISION PACKAGE MINIMUM PIPELINE PROJECTS</u>							
	0067 MIDAS	P	G	FN	( 150)	( 150)		
	0068 MGT. RH	P	G	HE	( 75)	( 225)		
	0070 AG. MGT.	P	G	FN	( 100)	( 325)		
	0072 FAAD	P	G	FN	( 903)	( 1228)		
	0077 ERIM	P	G	EH	( 463)	( 1691)		
	0083 WIGD	P	G	EH	( 50)	( 1741)		
	0087 POP DYN	P	G	PN	( 250)	( 1991)		
	0088 CHETS	P	G	HE	( 400)	( 2391)		
	0102 MIDAS II	P	L	FN	( 7000)	( 9391)		
	0104 AG. SEC. SUP.	P	L	FN	( 7000)	( 16391)		
	9901 SELF HELP	O	G	SD	( 15)	( 16406)		
	Subtotal (Non-Add)					( 16406)		
	<u>NEW &amp; CONTINUING PROJECTS</u>							
1	0102 MIDAS II	O	G	FN	2500	2500		
2	PL 480 I/III	N	-	-	( 15000)	2500		
3	PL 480 II				( 6800)	2500		
4	0073 DIPRUD	O	G	FN	600	3100		
5	0100 HRD	N	G	EH	500	3600		
6	0103 FAAD II	O	G	FN	800	4400		
7	0082 PHC	O	G	HE	600	5000		
8	0084 DAPIT	O	G	FN	500	5500		
9	0098 POPRUD	O	G	FN	600	6100		
10	0105 INC. REV. DEV.	O	G	SD	500	6600		
	Total Minimum Package and Related Workforce				6600		27	47

TABLE V - FY 1982 PROPOSED PROGRAM RANKING

GHANA

RANK	DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION	PIPELINE/ ONGOING/ NEW	LOAN/ GRANT	APPROP. ACCT.	PROGRAM FUNDING (\$000)		WORKFORCE (Number of Positions)							
					INCR	CUM	INCR	CUM	INCR	CUM	FNDH	CUM		
													INCR	CUM
<u>DECISION PACKAGE AAPL</u>														
11	PL 480 I/III	N			(15000)	6600								
12	0104 AG. SEC. SUP.	N	L	FN	10000	16600								
13	0101 OICI	N	G	EH	600	17200								
14	0100 HRD	N	G	EH	500	17700								
15	0103 FAAD II	O	G	FN	600	18300								
16	0082 PHC	O	G	HE	300	18600								
17	0098 POPRUD	O	G	PN	300	18900								
18	0093 WOMEN	O	G	SD	500	19400								
19	0106 ENERGY	N	G	SD	600	20000								
	HIG - LOW INCOME SHELTER				( 5000)	20000								
	Total AAPL Package and Related Workforce				13400		27	27	47	47				

**TABLE VI  
PROJECT SUMMARY**

**NUMBER OF PROJECTS**

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
IMPLEMENTATION AT BEGINNING OF YEAR.....	52	34	32	28	--	28
MOVING FROM DESIGN TO IMPLEMENTATION DURING YEAR.....	3	3	8	1	--	4
DESIGN FOR FUTURE YEAR IMPLEMENTATION.....	--	6	3	0	--	4
<b>SUBTOTAL.....</b>	55	43	43	29	--	36
NUMBER OF NON-PROJECT ACTIVITIES.....	3	4	5	3	--	4
<b>TOTAL.....</b>	58	47	48	32	--	40

IMPLEMENTATION AT BEGINNING OF YEAR.....  
 MOVING FROM DESIGN TO IMPLEMENTATION DURING YEAR.....  
 DESIGN FOR FUTURE YEAR IMPLEMENTATION.....  
**SUBTOTAL.....**  
 NUMBER OF NON-PROJECT ACTIVITIES.....  
**TOTAL.....**

**NUMBER OF PROJECTS MOVING FROM DESIGN TO IMPLEMENTATION BY PROJECT SIZE**

	FY 79	FY 80	FY 81	FY 82 MIN	FY 82 CURR	FY 82 AAPL
LESS THAN \$1 MILLION.....	2	1	1		--	
\$1 TO \$5 MILLION.....	1		5		--	2
\$5 TO \$15 MILLION.....		1	1	1	--	2
\$15 TO \$25 MILLION.....		1	1		--	
<b>MORE THAN \$25 MILLION.....</b>					--	

**AID'S CONTRIBUTION TO LIFE OF PROJECT COST**

LESS THAN \$1 MILLION.....  
 \$1 TO \$5 MILLION.....  
 \$5 TO \$15 MILLION.....  
 \$15 TO \$25 MILLION.....  
**MORE THAN \$25 MILLION.....**

**TABLE VII  
OPERATING EXPENSE FUNDED PERSONNEL  
YEAR END POSITIONS**

FUNCTIONS	FY 79				FY 80				FY 81			
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	4	1			3	1			3	1		
Program Planning	3 <sup>1/</sup>	4			3	4			3	4		
Project Design					1				1			
Project Implementation	16 <sup>2/</sup>	11			14 <sup>1/</sup>	12			13 <sup>1/</sup>	12		
Financial Management	2	8			3 <sup>1/</sup>	8			3 <sup>1/</sup>	8		
Mission Support	7	29			4	20			4	20		
Non Mission Specific												
TOTAL.....	32	53			28	45			27	45		
PLUS: PASAs (OE & Program)	7				8				7			
LESS: JAO Details									0			
MODE Required	39	1			36	2			34	2		

1/ Includes IDI.  
 2/ Includes PASA encumbering direct-hire slot in P&A.  
 3/ One additional position required for HPN and OST.

1241

**TABLE VII**

FUNCTIONS	FY 82 MINIMUM			FY 82 CURRENT			FY 82 AAPL					
	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT	USDH	FNDH	US CONT	FN CONT
Executive Direction	3	1			3	1			3	1		
Program Planning	3	4			3	4			3	4		
Project Design	1				1				1			
Project Implementation	14 <sup>1/</sup>	14 <sup>3/</sup>			14 <sup>1/</sup>	14 <sup>3/</sup>			14 <sup>1/</sup>	14 <sup>3/</sup>		
Financial Management	2	8			2	8			2	8		
Mission Support	4	20			4	20			4	20		
Non Mission Specific												
TOTAL.....	27	47 <sup>3/</sup>			27	47 <sup>3/</sup>			27	47 <sup>3/</sup>		
PLUS: PASAs (OE & Program)	4				4				4			
LESS: JAO Details												
MODE Required	31	1			31	1			31	1		

1  
2  
5

**TABLE VIII**

**OPERATING EXPENSE SUMMARY**

	FY 1979			FY 1980			FY 1981		
	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	1195	27.5	43.5	1487	30.6	48.6	1630	29.6	55.1
FN Direct Hire	199	53.0	3.8	269	50.0	5.38	282	45	6.3
US Contract Pers.	53	1.0	53.0	35	0.5	70			
FN Contract Pers.	43	45	0.8						
Housing Expense	322	33	9.8	749	33	22.7	794	30	26.5
Office Operations	880	xx	xx	879	xx	xx	1732	xx	xx
Total Budget	2692	xxx	xxx	3419	xx	xx	4438	xx	xx
Mission Allotment	1818	xxx	xxx	2216	xx	xx	3403	xx	xx
FAAS	16.2	xxx	xxx	51.6	xx	xx	57.1	xx	xx
Trust Fund		xxx	xxx		xx	xx		xx	xx

**COST SUMMARIES**

US Direct Hire

FN Direct Hire

US Contract Pers.

FN Contract Pers.

Housing Expense

Office Operations

Total Budget

Mission Allotment

FAAS

Trust Fund

1 26

**TABLE VIII**

	FY 1982 MINIMUM		FY 1982 CURRENT		FY 1982 AAFL				
	(\$000's)	Related Workyear	Unit Cost	(000's)	Related Workyear	Unit Cost	(\$000's)	Related Workyear	Unit Cost
US Direct Hire	1669	28.6	58.3				1669	28.6	58.3
FN Direct Hire	358	47	7.6				358	47	7.6
US Contract Pers.									
FN Contract Pers.									
Housing Expense	997	30	33.2				997	30	33.2
Office Operations	1724	XX	XX		XX	XX	1724	XX	XX
Total Budget	4748	XX	XX		XX	XX	4748	XX	XX
Mission Allotment	3641	XX	XX		XX	XX	3641	XX	XX
FAAS	67.4	XX	XX		XX	XX	67.4	XX	XX
Trust Fund		XX	XX		XX	XX		XX	XX

**COST SUMMARIES**

US Direct Hire

FN Direct Hire

US Contract Pers.

FN Contract Pers.

Housing Expense

Office Operations

Total Budget

Mission Allotment

FAAS

Trust Fund

1271

## SUPPORTING NARRATIVE ON OPERATING EXPENSE BUDGET

### I. Introduction

The USAID Mission to Ghana is committed to the realization of the goals specified in its Country Development Strategy Statement. This entails focusing our attention on the problems of the rural poor with concentration in the Brong-Ahafo Region. For FY 1981, this will comprise the implementation of eight new projects and the design of three others. (See Table VI). We will continue monitoring the implementation of 32 projects which includes the continued support of a large number of regional projects. However, our program will be more concentrated geographically and sectorally. We will carry out the program within our currently authorized USDH, U.S. part-time and FNME ceilings. To achieve our program objectives, there has been and will be some further shifting of USDH positions as well as a reallocation of several FNME positions. We are fortunate in being able to attract highly qualified and competent Ghanaian professionals. We will also be shifting project procurement responsibilities to the GOG as a consequence of deleting our SMO position. As in the past, the Mission does not plan on using O.E. funded personal services contractors.

### II. Operating Expense Budget

USAID/Ghana's budget and operating constraints are somewhat unique for two specific reasons. Ghanaian law does not provide for the free exchange of foreign currency. With limited foreign exchange, there is an obvious dearth of materials and supplies on the local economy; and that which is available is frequently priced at the unofficial rate. Therefore, local purchases are not as great as would be expected but yet their cost is exorbitant. The situation causes us to import an extraordinary amount of shelf-type items and this too increases our expenses. Concurrently, the U.S. Mission is competing with other international public and private organizations for a limited number of acceptable housing units.

Apart from these problems and despite prior years budgeting constraints, the Mission is presenting an extremely austere operating expense budget of \$3.4 million. With increased Congressional concern over the cost of international development programs, the Mission has made an effort each year to be more cost conscious than the previous year. Yearly, we become more finely turned in our budgeting process, and we believe the accompanying budget is the best we have presented. Our FY 81 ABS identified a FY 81 budget of \$3.0 million and despite our local budget constraints and unchecked U.S. and worldwide inflation; our present request represents only a \$400,000 increase (13%). This must be considered in view of the fact that our original FY 80 budget of \$2.6 million was subsequently approved at a level of only \$2.2 million, a decrease of 15% or \$400,000. Coincidentally, this latter figure basically represents the increase between our FY 81 and 82 ABS requests for the FY 81 operating expenses budget.

A. Factors affecting FY 81 O.E. budget level

(1) For USAID/Ghana, the mortgage effect of limited O.E. levels goes as far back as FY 79, since limited funds in that year delayed the purchase of several vehicles until FY 80. Consequently, that delay coupled with limited FY 80 funds resulted in omitting procurement of the six vehicles budgeted for in FY 80. They have been rebudgeted in FY 81. A forklift budgeted for in FY 80 has been deferred until FY 81. Also, an AID/W mandated reduction of seven FNMEs in FY 80 will result in an unanticipated expenditure (severance payments) of \$70,000. We have been advised that this must be absorbed in our FY 80 budget and this will result in certain FY 80 procurements being deferred until FY 81.

Due to a U.S. mission-wide local wage survey of the local business firms, salaries and benefits for FNME will increase by approximately 10% more than what was anticipated at the time the FY 81 ABS was prepared. This increase will affect the labor force contract personnel by approximately 15 - 20%.

The number of post assignments has increased from an FY 81 ABS estimate of 8 to 14.

The FY 81 ABS identified no requirements for other equipment (O.C. 319 - line 47). In fact, the equipment was budgeted for but under code 311 and now it has been properly placed under code 319. Also, additional equipment requirements have been identified. Some of the major items included under code 319 are: 10,000 gallon water storage tank and related pumps, generator for the warehouse, and a forklift. When the FY 81 ABS was prepared, line 59 was underbudgeted. Refinements in our budget process have identified additional expenses which are chargeable to this object class.

With the virtual non-availability of adequate local medical services, medical evacuations have increased three-fold over what was previously budgeted; thereby, increasing line 16 - all other code 215 travel in our FY 81 budget. This also has affected our FY 80 budget.

(2) The following table identifies the inflation factors utilized in preparing our FY 81 and FY 82 operating expense budgets.

<u>Line/Category</u>	<u>FY 81</u>	<u>FY 82</u>
Freight	10%	10%
Travel	15%	15%
18/FNME Pay	30% (half-year)	50% (half-year)
20/All other code	10%	10%
43 & 31/Rent	Increases prenegotiated under long term leases	
44 & 32/Utilities	75%	50%
33 & 39, 45 & 50/Labor Force Contracts	75%	40%
57/supplies & materials	10%; 75%(fuel)	10%; 50%(fuel)

(3) As previously discussed, there are significant increases for FNME's salaries and travel for medical evacuations. Primary increases in Office Operations are due to Other Equipment & Vehicle purchases which were not contemplated in the 1981 ABS.

At the same time, supplies and materials directly related to Renovations and Maintenance of houses and office buildings were incorrectly allocated to lines 33, 39 and 45 instead of line 57. For that reason, line 57 in the FY 82 ABS is substantially higher than what was shown in the FY 81 ABS.

ZBB Ranking

(1) The following cuts would occur if the mission were to absorb a five percent reduction in its operating expense level.

<u>Category</u>	<u>Amount</u> <u>(\$000s)</u>
Vehicles - 1 bus & 1 wagon	70.0
Residential furnishings and equipment	5.0
Other Furniture & Equipment	8.0
Other Equipment	48.0
International Operational Travel	10.0
Domestic Travel	5.0
Supplies & Materials	<u>24.0</u>
Total	<u>\$170.0</u>

Most of these cuts are again postponing the minimum required equipment, furniture, and supplies/materials. In addition to affecting the performance level of the Mission, it greatly affects the welfare, morale and general well-being of the personnel stationed in Ghana - a 20% post differential country. The impact would not be as severe were this an one-time cut, but it is a continuation and carry over from previous years. That is the reason why the cut in supplies/materials is not greater. The cuts in travel and vehicles will affect our ability to plan, monitor and evaluate projects and participate in training courses and seminars. The immediate effect of no training courses/workshops is a morale problem, but there is also an adverse long-term effect on program implementation when technicians/professional managers do not remain current in their areas of expertise.

(2) At a ten percent reduction, the above cuts plus the following reductions would occur:

<u>Category</u>	<u>Amount</u>
International Operation Travel	\$ 10.0
Domestic Travel	5.0
Supplies/Materials	19.0
Other Equipment	40.0
Vehicle - 1 truck	65.0
1 USDH position/F&A (IDI)	<u>30.0</u>
Total	<u>\$169,0</u>

The effects of this cut are the same as stated earlier except for having a more severe impact. Moreover, the cuts in international travel will impact our capability to design and develop three new projects scheduled for FY 81 and cuts in domestic travel impact on our ability to monitor and implement on-going activities. Additionally, in order to reach a 10% cut in our operating expense level, it will be necessary to cancel the proposed placement of an IDI for the Food and Agriculture Office. This minimum savings of \$30,000 is a result of reduction in one housing unit, no utility payments, cancellation of a post assignment movement, living allowances, etc. The Mission fully recognizes the importance of the IDI program and fully supports it, but the elimination of this position would have the minimum negative impact on Mission operations.

(3) A 20% cut would involve all of the above, plus the following actions:

<u>Category</u>	<u>Amount</u> <u>(\$000s)</u>
Vehicles - 1 bus	40.0
Supplies & Materials	50.0
General Dev. Off. - OST	35.0
Public Adm, Advisor - ODA	35.0
Asst. Program Officer	35.0
Controller (IDI)	35.0
Asst. Director	35.0
Personnel Officer	35.0
Project Manager Agriculture F&A	35.0

The loss of a second bus would severely hamper the mission's capability to provide transportation services to FNMEs; and consequently impact on their ability to come to work. The Mission plans on obtaining additional, but much cheaper, warehouse space at a distant relatively unaccessible location. Ghana is weak in transportation systems and providing transportation services is in accordance with local policy of comparable type/size organizations.

Additional supplies and materials (\$15,000) would be cut as part of the trimming process and an additional \$35,000 could be cut as a result of the accompanying reduction of seven USDH personnel. The position cuts are listed in the order in which they would occur; and in order for the full effect of the savings to be felt, it is assumed that the cuts generally would occur in the first quarter of the fiscal year and would represent transfers to other Missions. If not, another position would have to be eliminated.

The positions to be eliminated were ranked in order to have minimum effect on mission operations. Just the same, there are obvious and very serious operational implications as a consequence of these reductions. Further discussion of these implications would be redundant and are unnecessary. The savings of \$35,000 per position is calculated on the basis of housing, utilities, living allowance, R&R or home leave/return to post, security guard services, in-country travel, etc. The Mission recognizes that cuts in FNME would not represent any meaningful savings due to their relatively low salary levels. To reduce the operating expense level significantly would require reducing FNME professionals, and this would be self-defeating for two reasons. First, their severance payments would be high; thereby, partially negating the salary savings. Secondly, with a reduced number of USDH personnel, the Mission needs to rely more and more on highly, technical professional Ghanaian employees. No additional cuts were made in our international and domestic travel because of the overwhelming negative impact on Mission capabilities to monitor, evaluate, and plan project activities.

#### Easing Staffing Limitations

Consideration should be given to involving staff personnel (e.g., controller, program officer, project design officer, assistant director, etc.) more directly in the monitoring and implementation of projects. For small projects, e.g. AIP., any of these individuals or FNME could be the project manager; thereby, freeing the USDH technicians for implementing the larger, more complex projects.

#### Staffing Requirements versus Program

See comments under Tables I and V.

#### Additional Comments

(1) Currently, the Mission obtains the local currency (cedis) at the official exchange rate of ₵2.72 to \$1.00 versus the current free market rate of five to six times higher. With local currency expenditures at a minimum of \$1,700,000; a savings of at least \$1,400,000 would be incurred if the Mission were able to obtain cedis at the free market rate. Unfortunately, the Mission is not authorized to do so; and at this time, Ghanaian law does not permit currency conversion at a free market rate.

(2) Under separate memo, we have requested Jack Thrower of SER/MO to advise us on the possibility of purchasing prefabricated warehouses. We have asked him how to proceed and if he thinks it is feasible.

Our calculations indicate that we can secure an adequate number of these buildings for approximately \$300,000. Estimated rental costs are about \$65,000 for existing warehouses and for additional space now being negotiated. Rental rates will escalate by about 20% a year since no one is willing to sign long term leases due to the high inflation rate in Ghana.

Land can be obtained free or at a nominal rate from the GOG. Thereby, if we were to buy prefabricated warehouses, they would be amortized within a maximum of five years. Prefabricated buildings of this type have a life span of 15 - 20 years and with prudent maintenance they can last much beyond that.

The net effect would be a substantial reduction in Mission operating expenses in subsequent years,

AUTOMATIC DATA PROCESSING (ADP)/WORD PROCESSING (WP)  
REPORT

USAID/Ghana does not currently utilize ADP or WP equipment, services or systems nor do we envisage acquiring such resources in FYs 81 and 82.

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING  
 POSITION REQUIREMENTS - FY 19 80- 1982  
 (By Function, Organizational Unit, Position Title and Professional Speciality)

DECISION UNIT  
 GHANA

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS												
	FY 1980		FY 1981		FY 1982				AAFL				
	USDH	FNDH	USDH	FNDH	Minimum USDH	FNDH	Current USDH	FNDH	USDH	FNDH	USDH	FNDH	
<u>Executive Direction</u>													
Mission Director	1		1		1							1	
Asst. Director	1		1		1							1	
Secretary	1		1		1							1	
Chauffer		1		1									1
Subtotal Executive Direction	3	1	3	1	3	1						3	1
<u>Program Planning</u>													
Program Office	1		1		1							1	
Deputy Program Officer	1		1		1							1	
Asst. Program Officer	1		1		1							1	
Program Specialist		2		2							2		2
Secretary		2		2							2		2
Subtotal Program Planning	3	4	3	4	3	4						3	4
<u>Project Design</u>													
Capital Project Development Officer	1		1		1							1	
Subtotal Project Design	1		1		1							1	
<u>Project Implementation Food and Agriculture</u>													
Agriculture Development Officer	1		1		1							1	
Asst. Agriculture Development Officer	1		1		1							1	
Project Manager Agriculture	3		3		4							4	
Project Manager Agriculture (IDI)*	1		1		1							1	
Agriculture Economist		1		1							1		1
Administrative Specialist		1		1							1		1
Secretary		1		1							1		1
Project Manager		1		1							1		1

AID 1530-18 (4-80)

\*In FY 82, this is a new IDI and not the same one as shown in FY 80 & 81.

1351

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING  
 POSITION REQUIREMENTS - FY 1980- 1982  
 (By Function, Organizational Unit, Position Title and Professional Speciality)

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS												DECISION UNIT				
	FY 1980				FY 1981				FY 1982				GHANA				
	Minimum		Current		Minimum		Current		Minimum		Current		USDH	FNDH			
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH			
<u>Office of Development Administration</u> General Development Officer Project Manager Public Adm. Adv. Training Human Resources Dev. Off. (Edu.) Admin. Specialist Secretary	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
<u>Office of Science and Technology</u> Gen. Development Officer Director, Women in Development Admin. Specialist Technologist Specialist	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
<u>Health, Population, Nutrition</u> Health Officer Project Manager Population Specialist Nutritionist Admin./Program Health Specialist Secretary	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
<u>Food for Peace</u> Food for Peace Officer Program Specialist	1		1		1		1		1		1		1		1		1
	1		1		1		1		1		1		1		1		1
Subtotal Project Implementation	14	12	13	12	14	14	14	14	14	14	14	14	14	14	14	14	14

DECISION UNIT  
GHANA

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING  
POSITION REQUIREMENTS - FY 19 80- 1982  
(By Function, Organizational Unit, Position Title and Professional Speciality)

FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY	NUMBER OF POSITIONS												
	FY 1980		FY 1981		FY 1982 - Current		Minimum		Current		AAPL		
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	
<u>Financial Management</u>													
Controller (IDI Controller)	1		1				1					1	
Deputy Controller	1		1				1					1	
Chief Accountant/Financial Analyst	1		1		1		1					1	
Senior Accountant		5		5			5					5	
Accountant IV		1		1			1					1	
Secretary		1		1			1					1	
Subtotal Financial Management	3	8	3	8	2	8	2	8			2	8	
<u>Mission Support</u>													
Executive Officer	1		1				1					1	
GSO	1		1				1					1	
Asst. GSO	1		1				1					1	
Personnel Officer	1		1				1					1	
Personnel Asst.	1		1				1					1	
Admin. Specialist	1		1				1					1	
Switchboard Operator/Typist	2		2				2					2	
Office Manager (C&R)	3		3				3					3	
Reproduction Clerk	1		1				1					1	
Procurement Specialist	1		1				1					1	
Local Procurement Asst.	1		1				1					1	
GSO Specialist	1		1				1					1	
GSO Clerk	1		1				1					1	
GSO Asst.	4		4				4					4	
Admin Asst.	1		1				1					1	
Dispatcher	1		1				1					1	
Vehicle Maintenance Supervisor	1		1				1					1	
Subtotal Mission Support	4	20	4	20	4	20	4	20			4	20	
TOTALS	28	45	27	45	27	47**	27	47**			27	47**	

AID 1980-18 (4-80)

\*\*Need two additional FN positions for OST and HPN.

1321

FY 1982 ANNUAL BUDGET SUBMISSION PROJECT BUDGETS  
AND OBLIGATIONS TO MEET SPECIAL CONCERNS  
 (THOUSANDS OF DOLLARS)

DECISION UNIT: 641- GHANA

TABLE X

1/

PROJECT NUMBER AND TITLE: 641-0103 FARMERS ASSOC/AGR-BUSINESS - VARIOUS(PVO) APPROPRIATION: AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION.

A. BUDGET IN CP: FY 1980 - \$ 350 BUDGET IN ABS: FY 1980 - \$ 0  
 FY 1981 - \$ 600 FY 1981 - \$ 700  
 FY 1982 - MINIMUM: \$800 CURRENT: \$ AAPL: \$1,400

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP	SUB-	-----1980	BUDGET-----	-----1981	BUDGET-----	-----1982	BUDGET IN ABS-----
ITEM	CONCERN	IN CP	IN ABS	IN CP	IN ABS	MINIMUM:	CURRENT: APPL:
1465	PVOU	\$ 350	\$ 0	\$ 600	\$ 700	\$ 800	\$----- \$1,400

2/

PROJECT NUMBER AND TITLE: 641-0093 RURAL WOMEN OUTREACH APPROPRIATION: SELECTED DEV. ACTIVITIES

A. BUDGET IN CP: FY 1980 - \$ 0 BUDGET IN ABS: FY 1980 - \$ 0  
 FY 1981 - \$ 485 FY 1981 - \$ 400  
 FY 1982 - MINIMUM: \$ 0 CURRENT: \$ 0 AAPL: \$ 500

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP	SUB-	-----1980	BUDGET-----	-----1981	BUDGET-----	-----1982	BUDGET IN ABS-----
ITEM	CONCERN	IN CP	IN ABS	IN CP	IN ABS	MINIMUM:	CURRENT: APPL:
1365	WID	\$ 0	\$ 0	\$ 485	\$ 400	\$ 0	\$ 0 \$ 500

PROJECT NUMBER AND TITLE: 641-0101 OPPORTUNITIES INDUST CTR INTL-GHANA(PVO) APPROPRIATION: EDUCATION AND HUMAN RESOURCES.

A. BUDGET IN CP: FY 1980 - \$ 0 BUDGET IN ABS: FY 1980 - \$ 0  
 FY 1981 - \$ 600 FY 1981 - \$ 300  
 FY 1982 - MINIMUM: \$ 0 CURRENT: \$ 0 AAPL: \$ 600

B. OBLIGATIONS TO MEET SPECIAL CONCERNS:

ADP	SUB-	---1980	BUDGET	---	1981	BUDGET	---	1982	BUDGET	IN ABS	---	AAPL:
ITEM	CONCERN	CODE	IN CP	IN ABS	IN CP	IN ABS	MINIMUM:	CURRENT:	AAPL:			
84	PVOU		\$ 0	\$ 0	\$ 600	\$ 300	\$ 0	\$ 0	\$ 600			

1/ Second Phase of Project has been renumbered from 641-0072 to 641-0103.

2/ Project scope has been broadened and project renamed Rural Women Outreach.

Decision Unit: GHANA

TABLE X SPECIAL CONCERNS  
ADDITIONAL PROJECTS

PROJECT NUMBER AND TITLE	APPROP	CONCERN CODE		FUNDING FOR SPECIAL CONCERN (\$000)			AAPL
		PRIME	SUB 1/ <u>1</u>	FY 1980	FY 1981	FY 1982	
0100 Human Resources Development	EH	PVO		NONE	NONE	NONE	300
0106 Renewable Energy	SD	ENER		NONE	NONE	NONE	600

1/ Use only for Environment Activities

P.L. 480 NARRATIVE

The narrative which follows is intended only as a supplement to the FY 82 CDSS (pages 22-25) which contain basic rationale for P.L. 480 /the assistance.

A. P.L. 480 Title I

The FY 79 P.L. 480 Title I program has had measurable impact in making up for production shortfalls and in helping the GOG's stabilization plan, prompted and endorsed in 1979 by the IMF, to achieve a modicum of success. It helped to check the rate of inflation, provide supply-side support and to generate confidence in the Ghanaian economy. The FY 80 agreement, signed on April 14, 1980, was intended to demonstrate support for Ghana's new democratically elected civilian government.

In recent years, the vagaries of weather have caused grain production to drop dramatically (see Table I below). In consequence, Ghana's grain imports have continued to increase sharply over the years (see Table II). The 1979 grain imports were estimated at 350 metric tons.

Table I: Cereal Production 1973-78 (000s of M/T)

Grain	1973	1974	1975	1976	1977	1978	1979 (est.)
Maize	427	486	343	346	300	364	270
Rice (Paddy)	62	73	71	50	50	31	21
Millet	109	154	122	70	70	93	100
Sorghum	167	177	135	80	80	80	120
Total	765	890	671	546	500	558	511

Table II: Cereal Imports 1973-78 (000s of M/T)

<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
157	177	84	162	370	330(est)	350(est)

The GOG has consistently indicated its commitment to self-reliance in agriculture as evidenced inter alia in its budget statement on Title I self-help provisions, the MIDAS loan agreement and the two-year National Agricultural Development Plan launched by President Limann on May 14, 1980. The variability of weather patterns makes it difficult to predict when this self-reliance can be attained.

The Mission views P.L. 480 Title I inputs as a temporary means of lessening grain shortfalls and nutritional gaps. As meaningful agricultural policies and programs take hold and productivity/production increases, Titles I and III will be phased out.

The self-help provisions of the FY 80 agreement are aimed at basic human needs problems and address agricultural production, primary health care services, population planning and rural infrastructure. All of these focus on eliminating constraints that hinder development, and directly support AID's institutional mandate of growth with equity.

B. P.L. 480 Title III

The GOG and USAID have initiated plans for a Title III proposal for FY 81 to cover the strategic grain reserve scheme outlined on Page 24 of the FY 82 CDSS.

C. P.L. 480 Title II

The P.L. 480 Title III program in Ghana is administered by the Catholic Relief Services. There have been very significant improvements in program management by CRS during the past two years. These efforts will continue in FY 81.

CRS in collaboration with the USAID will also continue to concentrate on GOG port security and transport/distribution shortcomings of the program. No significant program increases can occur until these security and logistical deficiencies have been corrected. Also, the proposed program expansion for FYs 82 and 83 cannot be contemplated until infrastructure is sufficiently strengthened to support the increase. (See the ABS Annex for the CRS proposal).

The FY 81 AER has a recipient level of 260,000. These recipients belong to the nutritionally most vulnerable group among the rural poor, namely pregnant women, nursing mothers and children under five years of age.

Data under the AID funded Growth Surveillance System (GSS) indicates a significant number of children under five years of age participating in the MCH program are below 80 percent of the acceptable body weight-for-age standard. To rectify the acute nutritional deficiency we recommended last year that double ration levels be programmed for the Northern and Upper Regions. We recommend continuation of double rations during FY 81, with the addition of the Ashanti Region. The evaluation of the Title II program, later this year, should include an analysis of the improved nutritional status of those under double rations.

The P.L. 480 Title II program will not have any substantial disincentive effect on local agricultural production.

FY 81 AER

We anticipate that CRS/Ghana will call forward all the commodities proposed in the FY 81 AER, with the possible exception of food for work.

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE XI  
Country: GHANA  
P.L. 480 TITLE I/III REQUIREMENTS  
(Dollars in Millions, Tonnage in Thousands)

COMMODITIES	FY 1980			Estimated FY 1981			Projected FY 1982		
	Agreement \$ MT	Shipments \$ MT	Carry into FY 1981 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1982 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1983 \$ MT
<u>Title I</u>									
Cotton				7.0	3.9		7.0	3.8	
Vegoil				3.0	4.3		3.0	4.2	
Wheat	5.7	33.5		10.0	74.6		10.0	74.6	
Corn	3.4	30.0		15.0	50.0		5.0	50.0	
Rice	3.6	10.0		5.0	17.6		5.0	17.6	
<b>Total</b>	<b>12.7</b>	<b>73.5</b>		<b>30.0</b>	<b>150.4</b>		<b>30.0</b>	<b>150.2</b>	
<u>Of which</u>									
<u>Title III</u>									
Cotton				3.1	1.7		3.5	1.9	
Vegoil				1.4	2.0		1.5	2.1	
Wheat				3.1	23.5		6.2	46.3	
Corn				1.0	10.0		1.0	10.0	
Rice				1.4	5.0		2.8	9.9	
<b>Total</b>				<b>10.0</b>	<b>42.2</b>		<b>15.0</b>	<b>70.2</b>	

COMMENT: GOG has requested additional Title I Cotton and Vegetable Oil for FY 80. This is still pending.

FY 1982 ANNUAL BUDGET SUBMISSION

TABLE XII

COUNTRY: GHANA

PL 480 TITLE I/III

Supply and Distribution  
(000 Metric Ton)

<u>STOCK SITUATION</u>	<u>FY 1980</u>	<u>Estimated FY 1981</u>
<u>Commodity - Wheat</u>		
Beginning Stocks	N/A	N/A
Production	N/A	N/A
Imports		
Concessional	33.5	74.6
Non-Concessional	146.3	150.0
Consumption	179.8	224.6
Ending Stocks	N11	N11
<hr/>		
<u>Commodity - Rice</u>		
Beginning Stocks	1.6	N/A
Production	21.2	42.5
Imports		
Concessional	12.0	14.0
Non-Concessional	20.0	20.0
Consumption	54.8	76.5
Ending Stocks	N11	N11
<hr/>		
<u>Commodity - Maize</u>		
Beginning Stocks	N/A	N/A
Production	270.4	297.8
Imports		
Concessional	32.5	40.0
Non-Concessional	36.9	30.0
Consumption	339.6	367.8
Ending Stocks	N11	N11

Comments:

FY 1981

TABLE XIII

PL 480 TITLE II

I. Country GHANA

Sponsor's Name CATHOLIC RELIEF SERVICES-USCC (CRS)

A. Maternal and Child Health.....Total Recipients 176,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>176,000</u>	<u>SFSG</u>	<u>5,263.2</u>	<u>1,363.2</u>
<u>176,000</u>	<u>WSB</u>	<u>5,263.2</u>	<u>1,942.1</u>
<u>176,000</u>	<u>OIL</u>	<u>1,740.0</u>	<u>1,726.0</u>
<b>Total MCH</b>		<b>12,266.4</b>	<b>5,031.3</b>

B. School Feeding.....Total Recipients 68,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>68,000</u>	<u>SFSG</u>	<u>1,407.6</u>	<u>364.6</u>
<u>68,000</u>	<u>OIL</u>	<u>140.8</u>	<u>139.7</u>
<b>Total School Feeding</b>		<b>1,548.4</b>	<b>504.3</b>

C. Other Child Feeding.....Total Recipients 11,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>11,000</u>	<u>SFSG</u>	<u>227.7</u>	<u>59.0</u>
<u>11,000</u>	<u>OIL</u>	<u>22.8</u>	<u>22.6</u>
<b>Total Other Child Feeding</b>		<b>250.5</b>	<b>81.6</b>

D. Food for Work.....Total Recipients 5,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>5,000</u>	<u>SFSG</u>	<u>546.0</u>	<u>146.1</u>
<b>Total Food for Work</b>		<b>546.0</b>	<b>146.1</b>

E. Other (Specify).....Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
<b>Total Other</b>		_____	_____

II. Sponsor's Name \_\_\_\_\_

TABLE XIII  
PL 480 TITLE II

I. Country GHANA

Sponsor's Name CATHOLIC RELIEF SERVICES-USCC (CRS)

A. Maternal and Child Health.....Total Recipients 210,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>210,000</u>	<u>SFSG</u>	<u>5,040</u>	<u>1,345.7</u>
<u>210,000</u>	<u>WSB</u>	<u>5,040</u>	<u>1,764.7</u>
<u>210,000</u>	<u>OIL</u>	<u>2,520</u>	<u>2,507.4</u>
<b>Total MCH</b>		<b><u>12,600</u></b>	<b><u>5,617.8</u></b>

B. School Feeding.....Total Recipients 110,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>110,000</u>	<u>SFSG</u>	<u>2,277</u>	<u>607.9</u>
<u>110,000</u>	<u>OIL</u>	<u>227.7</u>	<u>226.6</u>
<b>Total School Feeding</b>		<b><u>2,504.7</u></b>	<b><u>834.5</u></b>

C. Other Child Feeding.....Total Recipients 17,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>17,000</u>	<u>SFSG</u>	<u>469.2</u>	<u>125.3</u>
<u>17,000</u>	<u>OIL</u>	<u>46.9</u>	<u>46.7</u>
<b>Total Other Child Feeding</b>		<b><u>516.1</u></b>	<b><u>172.0</u></b>

D. Food for Work.....Total Recipients 5,000

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>5,000</u>	<u>SFSG</u>	<u>436.8</u>	<u>116.6</u>
<b>Total Food for Work</b>		<b><u>436.8</u></b>	<b><u>116.6</u></b>

E. Other (Specify).....Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
<b>Total Other</b>		_____	_____

II. Sponsor's Name \_\_\_\_\_

Operational Plan FY'81

Catholic Relief Services-USCC  
Ghana Program

I. Elements of Operation:

A. Identification -

1. Name of Cooperating Sponsor: Catholic Relief Services-USCC

Country: Ghana

Date Submitted:

Name and Address of Counterpart: N/A

2. Name and Address of American Representative:

Rev. W.M. Campbell  
Program Director  
Catholic Relief Services-USCC  
P.O. Box 6333, Accra-North, Ghana

(The Program Director devotes full time to Title II activities.)

Supervisory Staff:

Mrs. Hannah Evans-Lutterodt	- National Food/Nutrition Supervisor
Mrs. Annie Bani	- Field Supervisor
Miss Joana Addo	- Field Supervisor
Mrs. Mauricia Tanadaga	- Field Supervisor
Mrs. Odette Minyilah	- Field Supervisor
Mrs. Julia Mwinkaar	- Field Supervisor
Miss Charity Ocloo	- Field Supervisor
Mr. George Apoh	- Shipping Manager
Mr. Sylvester Y. Coch	- Port Representative
Mr. John Zuh	- Accountant
Mr. Raphael Barbar	- Office Manager
Miss Suzanne Tripp	- Program Assistant
Mr. Michael McDonald	- Program Assistant
Mr. Donatus Akyireh	- Secretary

.../2..

B. Area - Scope - Conditions of Operation -

1. MCH

The program addresses the problems of poor nutrition and malnutrition in children under six years of age. The program proposes to provide a monthly "take home" ration of supplementary foods to be distributed at health centers in conjunction with a growth surveillance system, nutrition education, and preventive health activities.

School Feeding

The program addresses the problems of poor nutrition and malnutrition in children of primary school age. The program proposes to provide a mid-day meal to these children in the context of a growth surveillance system.

Other Child Feeding

The program addresses the problems of poor nutrition and malnutrition in children under six years of age who are enrolled in day care centers. The program proposes to provide a mid-day meal to these children in the context of a growth surveillance system.

2. MCH, School Feeding, Other Child Feeding

- a) The overall objective of these programs is to maintain the adequate growth of the children enrolled.
- b) Progress towards the achievement of this objective will be measured by the individual and master charts on which every enrolled child's weight is recorded monthly against the standard weight-for-age (MCH and OCF) or twice each school term against the standard weight-for-height (School Feeding).
- c) It is assumed that supplementary foods will be available in sufficient quantity and regularity at the distribution centers.

3. The program will be country wide with special consideration given to areas shown to have higher incidence of malnutrition. Double rations will be given to children enrolled in the MCH program in the Ashanti, ~~Brong-Ahafo~~, Northern, and Upper Regions. Justification for this is found in the data collected from the Growth Surveillance System master charts which have been in use since July 1978. Below the latest quarter's data is summarized:

(Percent of children attending MCH centers whose body weights are below 80% of the weight-for-age standard. October through December 1979 average. Age 7 to 59 months).

<u>Region</u>	<u>% below 80%</u>	<u>Average attendance/mo.</u>
Upper	49	5,332
Ashanti	40	12,853
Northern	38	9,234
Brong-Ahafo	36	10,794
Central	35	10,460
Western	34	3,641
Accra Rural	32	2,632
Eastern	31	15,288
Volta	29	9,090

.../4..

4. MCH

Normally mothers bring their children enrolled in the program to the health centers once a month. There, nutrition education activities aimed at the mothers are conducted, the children are weighed and their weights are recorded on individual and master charts, and food rations are distributed.

School Feeding and Other Child Feeding

Normally a mid-day meal is prepared daily at the schools or day care centers for the children using the donated foods along with local foods.

5. The Government of Ghana allows duty-free entry for Title II foods, provides storage facilities at the port, and pays for the clearing and forwarding of these commodities to the distribution centers in all regions of the country. Seventy percent of the health centers where the MCH program is conducted are government - operated.
6. School - age children are obviously not eligible to receive food under the MCH program. Recipients in the Other Child Feeding category are enrolled in day care centers because their mothers are working, and therefore it is highly unlikely they could be brought to MCH distribution centers. Care is taken not to open programs at centers nearby centers with on-going programs. Thus, possible duplication of distribution among the several programs is avoided.

C. Control and Receipting - Records, Procedures, and Audits -

Title II food arrives at Takoradi port.

Ghana Supply Commission clears the food through Customs and delivers it to the State Transport Corporation warehouse.

State Transport Corporation delivers the food up-country by lorry to the main CRS distribution centers.

The main distribution centers receive two copies of the STC waybill on which they note any losses or damage. The distribution center's copy is then returned to CRS/Accra along with a CRS receipt form. This receipt form had been sent to the center earlier when it received an advance notice of the consignment.

Each main distribution center maintains tally cards showing:

First of month balance  
Receipts  
Issues  
Running balance  
End of month balance

Each center sends a monthly inventory report to CRS.

The centers are visited periodically by field representatives who audit records, check food stocks, and evaluate the program.

Port claims against Ghana Cargo Handling Company, Ghana Supply Commission, and State Transport Corporation have in the past been uncollectible, as none accepts responsibility for loss.

Ghana Cargo Handling Company, Ghana Supply Commission, and State Transport Corporation are all government owned.

D. Port Facilities - Practices

1. Off-loading facilities at ports are adequate to handle the foods.
2. The cooperating government will permit cargo surveys by an independent organization.
3. All port charges are paid for by the cooperating government.

E. In Country Storage and Transportation

Storage and transport difficulties are a part of any program in Ghana which has to clear and forward large amounts of aid commodities. The harbour transit sheds have been used for long term storage of title II foods recently where rodent and insect infestation have occurred as well as pilferage. These problems have been brought to the notice of AID and Ghana Government officials. The root of the problem lies in the fact that State Transport Corporation (STC) had been charged by the government with responsibility for food movement but had been unable to supply the necessary vehicles. Priority was shifted away from food movement to other business and there were not enough vehicles for STC to handle all the work assigned.

.../6..

The matter is now being dealt with and a portion of the food needed to service Ashanti, Brong-Ahafo, Northern and Upper region centers is being railed to a transit shed in Kumasi. Other areas will be serviced from Takoradi by truck.

If CRS can secure the necessary transport, transit sheds away from the harbour area in Takoradi will be used in the future.

CRS retains control of foods during transport and in storage.

F. Processing - Reprocessing - Repackaging

N/A

G. Financing

1. The Ghana Ministry of Health passes all port handling and inland transportation bills to Ministry of Finance for payment.
2. Administrative costs of the program are paid by CRS funds and by empty container sales and pre-school unassociated funds.
3. Costs at the food consumption centers such as cooks' salaries, fuel, food additives are paid by the individual center.
4. Some of the expenses of the maternal child health program are paid by private funding agencies in the USA and Europe.
5. Empty containers are sold by the individual center and the proceeds are remitted to CRS/Ghana.

Expenditures from this fund are made only for AID approved expenditures such as field representatives' salaries and travel expenses and other related activities.

The status of the empty container fund for calendar year 1979 follows:

.../7..

Opening Balance 1979	...	...	\$ 6,252.13
Receipts for 1979	...	...	33,877.99
Expenditures for 1979	...	...	14,594.91
Closing Balance for 1979	...	...	25,535.21

Expenditures

Wages for two field representatives			3,632.70
Travel & auto expenses for two rep.			7,811.67
Other expenses	...	...	3,150.54

H. Acceptability of Available Foods

1. N/A

2. MCH

Wheat soyblend, soy-fortified sorghum grits, and vegetable oil have been used by this category of recipients for many years and have been found acceptable.

School Feeding and Other Child Feeding

Soy-fortified sorghum grits and vegetable oil have been used in these programs for many years and have been found acceptable.

I. Program Publicity

1. Recipients are informed at the distribution centers that the source of some food commodities is the United States and that their participation in the program requires regular attendance and a commitment to upgrade the food intake of their children. Cooking demonstrations using Title II foods and local foods are conducted for mothers at the MCH centers. Schools and day care centers are instructed to hire cooks to prepare the mid-day meals for the children.

2. N/A.

.../8..

J. Analysis of Disincentive Effects

The person responsible in each center for CRS food distribution must accept full responsibility for the proper use of all food commodities. Distribution must be made according to rations or feeding rates established by CRS. These food commodities generally are high protein. In order to obtain a long term nutritional effect, the exact individual ration prescribed must be given on a regular basis, for a period of time. These food commodities are only supplementary to the diet.

Commodities are not to be sold, exchanged, bartered or transferred.

The test for an eligible recipient is need. In a pre-school clinic program recipients are to include only pregnant or nursing mothers, their infants and pre-school age children. In a school feeding program recipients are to include only primary pupils. The food must be prepared and served daily on the premises. In other child feeding programs recipients include children in orphanages and day care centers.

In centers where nutrition education is given along with food distribution, recipients are encouraged through demonstrations, lectures and communal gardening efforts to use, produce and store local foods to the best possible advantage.

Revised Appendix "A"

Subject: FY'81 AER

<u>Category</u>	<u>Recipients</u>	<u>SFSG</u>	<u>WSB</u>	<u>OIL</u>
MCH Mothers	31,000	774.0	774.0	
Children	145,000*	4,519.2	4,519.2	1,740.00
OCF	11,000	227.7		22.77
School Feeding	68,000	1,407.6		140.76
FFW Workers	1,000	109.2		
Dependents	4,000	436.8		
	<u>260,000</u>	<u>7,444.5</u>	<u>5,263.2</u>	<u>1,903.53</u>
5% Reserve:		<u>372.2</u>	<u>263.0</u>	<u>95.00</u>
TOTAL:		7,816.7	5,526.2	1,998.53
GRAND TOTAL:		15,341.43 MT.		

\* Includes 43,300 children who will receive double rations of SFSG and WSB.

The number of recipients in each category (except FFW) remains the same as FY'80 levels, in accordance with USAID recommendations. The commodities for each recipient category also remain the same as last years. The ration for MCH recipients is changed as follows:

	<u>FY'80</u>	<u>FY'81</u>
WSB	2.27 kg. (5 lbs.)	2 kg.
SFSG	1.36 kg. (3 lbs.)	2 kg.
OIL	0.45 kg. (1 lb.)	1 kg.
	<u>4.08 kg. (9 lbs.)</u>	<u>5 kg.</u>

.../2..

While last year children in the Northern and Upper Regions received double rations, this year children in a third region, the Ashanti Region, will also receive double rations. Justification for this is found in the Growth Surveillance data which shows children in the Ashanti Region to have as high an incidence of under-nutrition as those in the Northern and Upper Regions. (\*)

The ration for OCF and School Feeding recipients remains the same as last year's, being 2.3 kg. SFSG and 0.23 kg. Oil.

We include 5,000 Food For Work recipients (workers and dependents) at the USAID Ghana Mission's urging in order to allow us to respond to a possible initiative by the Government of Ghana in this area. CRS does not presently have the intention of undertaking a FFW program in FY'81 for the reasons stated in last year's AER submission: our accountability for the distribution of Title II commodities to the intended recipients and for the intended purpose would require extensive supervision of a FFW program and would necessarily direct the efforts of our staff, the use of our vehicles, and the already tenuous transporting of commodities away from the CRS priority of MCH activities. Moreover, the shortage of almost every sort of building material and implement in the country make it difficult to identify types of projects that could be expected to be accomplished by unskilled laborers in a FFW program. Therefore, the initiative for proposing, planning, and implementing a FFW program in FY'81 must come from outside CRS, and CRS would expect to receive funds to defray the substantial costs of administering a FFW program.

CRS has determined that a 25% is not necessary and has reduced the reserve for FY'81 to 5% which we feel is adequate to cover our losses.