

PD 880689

CLASSIFICATION:

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROGRAM ASSISTANCE

APPROVAL DOCUMENT

(PAAD)

1. PAAD Number 641-T-601B
2. Country Ghana
3. Category Agricultural Productivity Promotion Program Grant (APPP)
4. Date March 20, 1989
6. OYB Change Number
8. OYB Increase To be taken from: Development Fund for Africa
10. Appropriation Budget Plan Code GSSA-89-31641-KG39 (94-61-00-53-91)
13. Estimated Delivery Period 9/88 - 9/90
14. Transaction Eligibility Date of Authorization

5. To
Walter Bollinger
Acting AA/AFR

7. From
F. Gary Towery
A.I.D. Representative

9. Approval Requested for Commitment of
\$6,500 million (additional)

11. Type Funding
 Loan Grant

12. Local Currency Arrangement
 Informal Formal None

15. Commodities Financed

16. Permitted Source

U.S. only
Limited F W
Free World
Cash \$ 6,500,000

17. Estimated Source

U.S.
Industrialized Countries
Local \$6,500,000
Other

18. Summary Description

This is a \$20,000,000 program grant proposed for a three year period, of which a third tranche of \$6,500,000 will be obligated at this time. This PAAD amendment brings the amount authorized to \$12,440,000. The remainder is subject to the availability of funds and the agreement of the parties to proceed.

The APPP seeks to increase productivity in food crop production through policy reform and a local currency program that supports various development activities in the agricultural sector. Policy reforms will be undertaken through conditionality that: (1) Phases reduction/elimination of fertilizer subsidies and privatizes the sale of fertilizer; and (2) revitalizes the seed industry through studies of the Ghana Seed Company (GSC) and seed market, identifies options for privatizing/restructuring the GSC, and initiates a plan for the privatization/restructuring of the GSC. The local currency program will finance budget support for feeder road rehabilitation, agricultural extension services, policy studies, and government monitoring and evaluation expenses. A mission trust fund for operating expenses and certain program-related expenses will also be financed with local currency.

19. Clearances	Date	20. Action
... PDO: A. Sissoh	3/17/89	<input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED Authorized Signature: <i>[Signature]</i> Date: 3/20/89 Title: A.I.D. Representative
PRM: E. Birgells	20 MAR 89	
CON: L. Grizzard	20 MAR 89	
PFM/EM: State 77946	3/14/89	

BEST AVAILABLE DOCUMENT