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MAPS GHANA: Private Sector Survey Results 1989-1991

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TABLE OF CONTENTS

ACRONYMS

INTRODUCTION
- A. BACKGROUND
- B. RECOGNITION

I. STUDY BACKGROUND AND OBJECTIVES
- A. STUDY BACKGROUND 1
- B. STUDY OBJECTIVES 1
- C. ORGANIZATION OF THE REPORT 2

II. STUDY METHODOLOGY
- A. SURVEY QUALITY CONTROL MEASURES 3
- B. SAMPLING METHODOLOGY 4
- C. SURVEY ANALYSIS 7

III. PRIVATE SECTOR SURVEY RESULTS AND ANALYSIS
- A. PROFILE OF FIRMS INTERVIEWED 8
- B. FACTORS ACCOUNTING FOR OVERALL BUSINESS PERFORMANCE 11
- C. FIRM PERCEPTIONS CONCERNING SALES VOLUME 13
- D. INFRASTRUCTURE CONSIDERATIONS 15
- E. CREDIT AND OTHER CAPITAL CONSIDERATIONS 18
- F. HUMAN RESOURCE ISSUES 20
- G. MARKET INFORMATION 21
- H. TECHNOLOGY 21
- I. PERCEPTIONS OF MARKET OPPORTUNITIES AND INVESTMENT PLANS 22
- J. DOMESTIC AND INTERNATIONAL TRADE 23
- K. THE ROLE OF BUSINESS ASSOCIATIONS 26

IV. SUMMARY OF KEY FINDINGS
- A. EMPLOYMENT, INVESTMENT AND GENERAL FIRM CHARACTERISTICS 27
- B. THE BUSINESS ENVIRONMENT AND FACTORS AFFECTING SALES 28
- C. INFRASTRUCTURE AND FACTORS OF PRODUCTION 29
- D. CREDIT AND INVESTMENT 30
- E. LABOR AND HUMAN RESOURCES 30
- F. MARKET INFORMATION 31
- G. TECHNOLOGY 31
- H. PERCEPTIONS OF MARKET OPPORTUNITIES AND FIRM WEAKNESSES 32

I. INTERNATIONAL TRADE FLOWS AND INVESTMENT PROSPECTS 32
J. BUSINESS ASSOCIATIONS 34

V. CONSIDERATIONS FOR PRIVATE SECTOR STRATEGY DEVELOPMENT
A. EMPLOYMENT, INVESTMENT AND GENERAL FIRM CHARACTERISTICS 35
B. THE BUSINESS ENVIRONMENT AND FACTORS AFFECTING SALES 35
C. INFRASTRUCTURE AND FACTORS OF PRODUCTION 36
D. CREDIT AND INVESTMENT 36
E. LABOR AND HUMAN RESOURCES 36
F. MARKET INFORMATION 36
G. TECHNOLOGY 37
H. PERCEPTIONS OF MARKET OPPORTUNITIES, DOMESTIC AND INTERNATIONAL 37
I. BUSINESS ASSOCIATIONS 38

APPENDIX A: MAPS PRIVATE SECTOR SURVEY RESULTS

APPENDIX B: SURVEY FINDINGS AND RESPONSES FROM NORTHERN GHANA

ACRONYMS

ECOWAS	Economic Community of West African States
EEC	European Economic Community
GDP	Gross Domestic Product
GEPC	Ghana Export Promotion Council
GOG	Government of Ghana
MAPS	Manual for Action in the Private Sector
SME	Small- or Medium-Scale Enterprise
SOE	State-Owned Enterprise
SPSS	Statistical Package for the Social Sciences
USAID	United States Agency for International Development

INTRODUCTION

A. BACKGROUND

In 1989, USAID/Ghana requested that J.E. Austin Associates, under contract to Arthur Young, conduct an assessment of private sector strengths and weaknesses, review USAID private sector strategy, organize focus groups, and make recommendations on follow-up activities for USAID/Ghana as it revised its private sector strategy. These activities were all pursued according to a methodology developed by J.E. Austin Associates, otherwise known as MAPS: Manual for Action in the Private Sector. MAPS-Ghana was carried out from February to September, 1989.

Since MAPS ended in 1989, USAID/Ghana has developed a private sector strategy that has focused on improving dialogue with the Government of Ghana (GOG), enhancing the institutional capacity of Ghana's private sector to play a responsible role in policy formulation, and generating broad-based employment growth and increases in per capita incomes. USAID/Ghana requested that J.E. Austin Associates work with a local consulting firm to update findings from the private sector survey conducted in 1991 to further these reforms. As in 1989, the survey measures private sector perceptions of the policy environment, business climate, infrastructure, resources and business associations in Ghana. In June-July, 1991, this survey was carried out by J.E. Austin Associates (under contract to Ernst & Young) in conjunction with the Consortium for Innovations in Human Settlements Development (CIHSD), an Accra-based consulting firm.

B. RECOGNITION

The J.E. Austin Associates team comprised the following individuals: Michael Borish (Team Leader), Michael Grossman (Survey Manager) and Tessie San Martin (Survey Technical Analyst). The key CIHSD individual was Frank Tackie, Director of CIHSD. Both firms would like to thank USAID/Ghana for their exceptional support, most particularly from Joe Goodwin (USAID/Ghana Director), Ed Birgells (Program Officer), Peter Weiser (Training and Private Sector Officer), Bob Wuertz (Program Economist), and Daniel Gyimah (Private Sector Officer).

I. STUDY BACKGROUND AND OBJECTIVES

A. STUDY BACKGROUND

The Government of Ghana (GOG) has been undertaking an ambitious structural adjustment program since 1983. The USAID/Ghana-sponsored MAPS private sector assessment, undertaken in 1989[1], was one of the first attempts by the donor community to examine the private sector's role in the Ghanaian economy, and its perceptions of and responses to the reform program. The research also established baseline data by which to measure entrepreneur responses to the economic liberalization process over time. The 1989 assessment was one of a series of analytical exercises by the Mission to provide information essential to the development of a sound program for achieving private sector development objectives. On the basis of the results of MAPS research and dialogue activities, recommendations regarding the role of USAID in encouraging and further facilitating the transition to a liberalized economy were provided.

In the spring of 1991, the Mission asked J.E. Austin Associates (JAA), the firm charged with the design and implementation of the initial MAPS assessment, to update the baseline information on macroeconomic indicators and firm-specific survey data gathered in 1989. This report focuses on the firm-specific data, comparing statistics on the structure and performance of different types of firms over time.

B. STUDY OBJECTIVES

The data presented and analyzed in this report come from two nationwide surveys of private sector companies. The first is a survey of 300 firms undertaken as part of the private sector assessment in 1989. In 1991, JAA sought to trace the whereabouts and update data on firm structure and performance for these same firms. The purpose of the 1991 update was to trace the effect of the structural adjustment process on the private sector. Both surveys gathered data on: 1) firm structure (including sales volume, labor use, location, market orientation); 2) perceptions of the business community regarding the investment climate; 3) resource constraints to business development in Ghana; 4) the effect of public policies on business growth; 5) the role and effectiveness of business associations; and 6) interest in export and other investment opportunities.

[1]A report on the MAPS findings of the research and dialogue activities was published in a five-volume set. These studies are available from the USAID/Ghana Mission or the Africa Bureau's Office of Market Development and Investment in Washington, D.C.

Both surveys were undertaken in partnership with local consulting firms based in Accra. The 1989 survey was conducted with the assistance of the Accra-based representative of Price Waterhouse. In 1991, the survey was implemented in collaboration with the Consortium for Innovations in Human Settlements Development (CIHSD).

C. ORGANIZATION OF THE REPORT

The report is organized as follows:

- Chapter II presents the methodology used for gathering data on private sector perceptions. This includes a discussion of the scope of the survey, the sampling frames, the stratification techniques, and the key issues addressed by the survey. It also presents a discussion of the analytic tools used to understand and interpret the survey results.

- Chapter III presents the major findings and analysis of the survey. It includes a profile of the survey sample, and a comparative assessment of private sector perceptions on a wide range of key issues between 1989 and 1991.

- Chapter IV summarizes the study's key findings and implications for more effective private sector support activities.

- Chapter V summarizes GOG, donor and private sector strategy considerations for general private sector development.

II. STUDY METHODOLOGY[2]

A. SURVEY QUALITY CONTROL MEASURES

1. Survey Instrument Design

The survey instrument used in 1991 was identical to that used in 1989, with some minor modifications. In particular, CIHSD re-designed the front page of the questionnaire to provide more space for basic information which will facilitate locating the firms interviewed should any subsequent surveys be required.

No pilot survey to test the instrument itself was required since the survey questionnaire used in 1991 was exactly the same as that tested and refined in 1989. On the other hand, a pilot session was held to train the enumerators. Each enumerator was assigned a firm not appearing in the sampling pool. This practice session served to refine interview skills and resolve last minute doubts concerning response coding.

2. Enumerator Training

Interviewers were carefully selected. CIHSD initially identified a pool of 50 interviewers for the study. After a series of short tests to evaluate their interviewing skills, a team of 25 interviewers was selected. All interviewers selected for the team had completed their pre-university education and national service. CIHSD also used three of its full-time staff members as supervisors. All supervisors had previous survey experience.

Interviewers were trained in a classroom situation for a period of nine days by the CIHSD Technical Director and the JAA Survey Monitor. The CIHSD Project Coordinator and JAA Survey Monitor went through each of the questions in the 1989 survey questionnaire with the enumerators and supervisors in order to ensure that all understood the purpose of the questions, and would ask the questions and interpret responses in the same manner. Several sessions were held on interview techniques and the psychology of eliciting responses from interviewees. Special training sessions for enumerators charged with the informal sector interviews focused on conducting the survey in the main Ghanaian languages and on interpreting questions for this type of respondent.

[2]Most of the information in this section refers solely to the methodology used for the 1991 survey. A full report on the 1989 survey methodology can be found in the 1989 MAPS Phase III report.

3. Quality Control Measures During Survey Implementation

CIHSD supervisors and the JAA Survey Monitor reviewed every completed questionnaire at the end of each day. At the end of each interview day, the supervisor met with the enumerators under his/her charge to review each completed questionnaire in detail. The supervisor made sure all questions had responses, that the skipping instructions had been followed, and that the responses were internally consistent. Questionnaires which were not completed accurately were not approved until errors had been corrected through follow-up interviews. Follow-up interviews with the supervisors were arranged to clarify unclear responses when necessary. No data from an unsigned questionnaire were entered.

CIHSD supervisors adopted a random call-back system to verify that interviews had taken place and attest to the authenticity of responses.

The CIHSD supervisors and the JAA Survey Monitor accompanied each enumerator on at least one interview in each city. This gave supervisors an opportunity to check periodically on interview technique and coding practices. Poor techniques were immediately addressed.

The survey was also conducted at roughly the same time of year to avoid any inconsistencies that would result from seasonality.

B. SAMPLING METHODOLOGY

1. Formal Sector

CIHSD used the same list of firms which participated in the 1989 survey. Price Waterhouse, the firm charged with implementing the 1989 survey, provided the list of 219 formal sector firms interviewed in 1989. Three weeks prior to the start of the interviews, CIHSD attempted to contact each of the firms on the list, establish their whereabouts, alert them as to the purpose of the follow-up study, and enlist their support. CIHSD also deployed a team to physically locate those firms which could not be contacted by phone or post. The results of this attempt to locate firms is provided in Table 1.

Table 1

TOWN	TOT. NO. FIRMS INTERVIEWED IN 1989	TOT. NO. OF THESE FIRMS PARTICIPATING IN 1991 SURVEY	# NO LONGER OPERATING IN 1991	# WHO REFUSED IN 1991	TOT. NEW FIRMS CHOSEN IN 1991
ACCRA-TEMA	148	117	18	13	31
KUMASI	35	30	2	3	5
TAKORADI	18	18	6	1	7
SMALL TOWNS	18	0	Unknown	NA	18

As can be seen, a total of 61 new firms had to be chosen, either because the firms interviewed in 1989 could not be located, or because the firms had actually ceased operating. In only a small percentage of cases (eight percent) did firms actually refuse to cooperate with the follow-up study. In order to preserve the same overall sectoral distribution as in 1989, the firms chosen as replacements in 1991 operated in the same sectors as those firms which had to be dropped from the original 1989 sample.

In the case of the firms interviewed in the seven smaller towns[3], locating the 1989 firms was particularly difficult. Not enough detail existed on record regarding their location and address. As a result, JAA and CIHSD, in consultation with USAID/Ghana, decided to replace this group of 1989 registered firms with substitutes of similar firm size, legal status and economic activity in just three towns: Cape Coast, Koforidua and Ho. Six firms were interviewed in each of these towns.

2. Informal Sector

Approximately 33 percent of the total sample was reserved for non-registered or informal sector firms in 1991, as had been the case in 1989. Since it was impossible to locate those same small

[3] These towns were Ho, Keta, Koforidua, Kade, Swedru, Senya Bereku and Ejisu. On average, only one firm was interviewed in each of these locations in 1989.

unregistered establishments interviewed in 1989, the decision was made to replace all 1989 firms with new ones in 1991, but to ensure that the final sector distribution in the 1991 informal sector sample was as close as possible to that in 1989.

The 1991 informal sector firms were chosen using the same methodology as in 1989: geographic cluster sampling. Under this scheme, CIHSD field supervisors first established those geographical areas or clusters in each city where there were informal sector firms operating. A sample of clusters was drawn from that list of clusters. Each cluster was broken down into blocks, and supervisors assigned each enumerator firms to interview within each block. The methodology used by the supervisors to assign firms within each block sought to ensure that the enumerators chose a sample within each cluster that was roughly representative of the sectoral distribution of firms in that cluster. It reduced enumerator discretion in choosing the firms and thus reduced the likelihood of systematic biases introduced in the manner in which the firms were chosen.

Note that the above procedure minimizes biases in the responses. But because the sample of the informal sector firms was a non-probability sample, we cannot generalize the results to the universe of informal sector firms in the country. We have no mathematical theory to estimate the chance of any unit in the universe being selected into the sample and, therefore, no basis for estimating population parameters. On the other hand, by minimizing biases when choosing the respondents, we can be fairly confident that the responses were a "good" (though not "statistically valid") representation of the population of firms found in the clusters chosen.

3. Overall Assessment of Response Biases

The sampling methodology used to choose both the formal and informal sector firms helps ensure that the 1991 data are as comparable as possible to the 1989 results. The rejection rate for the 1991 surveys was low (less than 10 percent in 1991--see Table 1 for rejection numbers). And in every case of rejection, firms that could not be interviewed were replaced with firms with similar characteristics. Hence, in the end, the composition of the sample on a sector, firm size and location basis remained basically unchanged to that in 1989. Since the basic integrity of the sample was kept intact, one can be fairly confident that observed differences between years in a specific category of firm are due to changes within the structure of the enterprises questioned, or in the perceptions of the respondents themselves (e.g., changes at the firm level), rather than to changes in the pool of respondents. This enables the analyst to use observed differences across time to make inferences regarding the effect of the economic environment at the firm level. Moreover, the sampling in 1989 was itself conducted so as to reduce possible biases and provide as accurate a picture of various private sector strata as possible. This gives the analyst greater ability to extrapolate from the sample to the universe of firms operating in the country.

C. SURVEY ANALYSIS

1. Software Used

Special software reduced the probability of data entry error. All survey variables and responses were coded and entered by CIHSD, which used a data entry program to flag inconsistencies in responses during the data entry process. The program reduced the probability of error by the key operators. The data were analyzed using SPSS, a software package for statistical analysis.

2. Output Produced

The first output produced from the survey data was a complete set of frequency tables -- a count of the number of respondents per answer per question. For those questions where responses were integers rather than categories, the mean and median response was computed.

Contingency tables, or "cross-tabulations," were then prepared in order to examine the effect of firm size (using full-time equivalent employees), economic activity (sector), ownership (women-, foreign- and Ghanaian-owned), orientation (export, domestic), and geographic location on the responses. Excel, a spreadsheet package, was used to consolidate the cross-tabulated information. Tabular presentation of responses in general and by sector, scale, gender, ownership, and export orientation is presented in Appendix A. As a small sample from Tamale and Bolgatanga was included as a separate group in 1991, findings and data from these operators are presented in Appendix B.

Finally, several statistics were computed to test the probability that the differences between groups or types of firms in the cross-tabulations were different from zero. Unless otherwise indicated in the text, those differences between groups presented and discussed in this report are "statistically" significant to the 0.05 level (there is better than 95 percent chance that the differences between groups are different from zero).

III. PRIVATE SECTOR SURVEY RESULTS AND ANALYSIS

A. PROFILE OF FIRMS INTERVIEWED

1. Location

Nearly 70% of all firms interviewed in both surveys have been in Greater Accra (Accra and Tema), and nearly 90% in Greater Accra and Kumasi. The distribution of firms interviewed was almost exact between the two years. In 1991, 61% of all firms were located in Accra, 17% in Kumasi, 9% in Tema, 8% in Takoradi-Sekondi, and 6% in other locations (e.g., Cape Coast and Ho). In 1989, the distribution was 63% in Accra, 18% in Kumasi, 7% in Tema, 6% in Takoradi-Sekondi, and 6% in other locations. The geographic distribution of firms reflects the relative concentration of industrial and service sector enterprises in the south, highlighting the importance of demographics (Accra, Kumasi), access to port facilities and other transport links (Accra-Tema, Takoradi-Sekondi), and resource endowment (Kumasi).

2. Sector Distribution

About 60% of firms interviewed are manufacturing enterprises when including agro-processors. The sectoral distribution of firms interviewed in 1991 is as follows: 43% in manufacturing (net of agro-processing), 24% in a wide range of non-commercial services, 18% in commercial trade, and 14% in agro-processing. This is similar to the distribution in 1989, when 49% of firms were manufacturers, 22% in a range of services, 15% in commerce, and 14% in agro-processing.

3. Distribution of Firms by Number of Employees

Ghana's enterprises are small-scale when measured by employment totals, and neither the manufacturing nor service sector appear to have experienced significant increases in firm-level employment since 1989. However, foreign-owned and export-oriented firms are large scale, and employ significantly greater numbers of people per enterprise. For purposes of survey analysis, scale of enterprise is defined on the basis of employment levels rather than revenue figures, share capital, asset values or other criteria[4]. Based on this definition, nearly 70% of all firms interviewed in 1991 had 20 employees or less, and 55% had 10 employees or less. In 1989, 75% of firms interviewed had 20 employees or less, and 57% had 10 employees or less. These distributions show there has been little change in firm-level employment between 1989 and 1991. The distributions also demonstrate how small Ghana's enterprises generally are. (Average employee size is estimated to be 44 in 1991, compared to 36 in 1989. However, these

[4] Firms are reluctant to share financial data, above all with outsiders. Requests for financial information cause suspicion, lead to substantially higher rates of non-cooperation, and bias the responses of those who do participate in interviews. Thus, size of firm is based on numbers of employees, as this information is not perceived by interviewees as proprietary.

changes are skewed by the presence of four firms in our 1991 sample with more than 500 employees as opposed to two such firms in our 1989 sample. In most cases, firms do not appear to have shown increases in employment levels, and in many cases these levels are down as firms either go out of business, start up new enterprises that are owner-operated and have few employees, or streamline to become more competitive. Thus, it appears safe to conclude that most Ghanaian firms remain small.)

As for sectors, agro-processors and manufacturers appear to employ more people per enterprise than commercial trading and service sector operators. In particular, commercial trading firms rarely employ more than 20 people in Ghana.

Firms that appear to have experienced employment expansion are foreign-owned and export-oriented. In 1991, 60% of foreign-owned firms interviewed employed more than 20 people. This compares favorably with only 30% in 1989. Export-oriented firms employed more than 20 people in 73% of the cases in 1991, an improvement over 47% in 1989. Thus, not only do these firms hire more people than locally owned and domestically focused enterprises, but employment trends have been favorable.

4. Land Tenure

There has been a slight increase in land ownership since 1989, although the majority of enterprises still rent. In 1991, 30% of firms interviewed owned the land on which their business premises were located, compared to 26% in 1989. The largest percentage of land owners were medium-scale (11-20 employees) manufacturers. Significant increases in land ownership appeared with small- (6-10 employees) and medium-scale enterprises, commercial traders and women. Significant decreases appeared with microenterprises (0-5 employees), large-scale enterprises (more than 20 employees), and foreign-owned and export-oriented firms.

5. Ownership

The vast majority of firms interviewed in both surveys were owned by private Ghanaians (91% in 1991; 92% in 1989). Ghanaian public sector entities (e.g., GOG, SOEs) had some equity participation in 5% of firms interviewed in 1991 (6% in 1989). Among firms surveyed, GOG/SOE investment has tended to be on a minority or equal shareholding basis in both years; only 6% of those firms reporting GOG/SOE equity reported that public sector equity was more than 50% of those firms in 1991. This number represents a substantial decline from 1989, when 33% of those firms reporting GOG/SOE investment reported that public sector investment represented majority participation in these firms. Due to the poor financial and operating condition of Ghana's SOEs, it is assumed that the active collective ownership of private sector firms by SOEs has declined since 1989. This, in effect, has a "privatizing" impact on the economy, although it is unclear the extent to which significant increases in private investment would occur if these SOEs were privatized themselves.

Foreign investment has likewise been limited, with only 8% of firms interviewed reporting any foreign investment. The equity composition of these firms has changed considerably, however, as foreign investment has tended toward majority ownership. Among foreign firms investing in Ghanaian enterprises, 57% controlled more than 50% of shares compared to 25% in 1989. Foreign investment appears to have gravitated to the manufacturing and agro-processing sectors. Foreign-owned firms are also large-scale by Ghanaian standards, with 60% employing more than 20 employees compared to the norm of 31%. These trends are significant, and would likely increase if Ghana were able to present a more favorable enabling environment for foreign investors. Direct foreign investment in Ghana continues to be low in all sectors of the economy except mining.

Women owned 19% of all firms interviewed in 1991, unchanged from 1989. However, the sectoral distribution of women-owned firms changed significantly between 1989 and 1991. In 1989, women-owned firms were more likely to operate in the manufacturing sector (43%). In 1991, manufacturing was the activity of 33% of women-owned firms, and far more were active in commercial trade (30%) than in 1989 (14%). Women's participation in other services increased from 21% to 27%, while agro-processing appeared to decline from 21% to 11%. Thus, women appear to be shifting their focus increasingly to commercial trade and other service sector activities, and away from agro-processing and manufacturing. Four out of five women-owned firms are microenterprises or small-scale firms (employing up to 10 workers), a trend that has intensified from 1989 (76%) to 1991 (81%). Thus, as women move increasingly into the services and trade, the average firm size appears to be shrinking. This may reflect difficulties in accumulating capital for entry into more capital-intensive sectors of the economy, inability to compete in those fields, or improved opportunities in trade and service sector activities for smaller, more independent operators.

6. Market Orientation

Ghana's firms continue to be focused almost exclusively on the domestic market, and their limited export trade appears confined almost entirely to the EEC and West Africa. In 1989 and 1991, 94% of firms interviewed sold their goods and services (almost) exclusively in Ghana. Only 6% sold more than a quarter of their output to export markets, mostly to the EEC and neighboring countries in West Africa.

Combined with firm size and land tenure considerations discussed above, these ownership characteristics reflect the prototype of the Ghanaian enterprise as privately and locally owned, renting premises for operations, usually having no more than 10 employees working for a male owner, and with an almost entirely domestic market orientation.

B. FACTORS ACCOUNTING FOR OVERALL BUSINESS PERFORMANCE

7. **Perceptions of the business environment have remained virtually unchanged since 1989.** On average, 40% of firms interviewed in 1991 believe the business environment improved from 1990, while 43% thought it was worse and 17% thought it was the same. In 1989, 38% thought conditions had improved over 1988, while 44% thought conditions had worsened and 18% thought they were unchanged. Firms that appeared to see the greatest improvement were large-scale enterprises in agro-processing, a wide range of services, and export activities. Firms experiencing the greatest deterioration appeared to be medium-scale operators in all sectors. One possible explanation for these trends might be that companies with greater resources have demonstrated superior ability to compete in an increasingly liberalized business environment. Moreover, smaller and medium-size firms often operate in commercial trade, a sector where capacity utilization rates are down. This may reflect reduced barriers to entry and heightened competitiveness under Ghana's more liberalized trade regime, and the relatively recent start-up of many of these enterprises.

8. **Firms appear to be operating at slightly higher capacity utilization rates, with 58% of firms interviewed operating at a minimum 50% in 1991 compared to 52% in 1989.** The survey team did not pursue capacity utilization rate measurement on a technical or scientific basis, but rather as a general measure of overall operating performance. Improvement seems to have occurred in the 75%-100% rate categories. In 1991, 20% of all firms were operating at a minimum 75%, compared to only 14% in 1989. (The 50%-74% category was identical in both years at 38%.) Improvements were particularly evident with medium- and large-scale enterprises in the agro-processing, manufacturing, and non-commerce service firms. Women-owned, foreign-owned and export-oriented firms all showed improvements. Commercial traders showed a slight decline, with fewer enterprises operating at the 90%-100% rate and more firms operating at less than 50%.

9. **The main <u>change in perceptions</u> of factors affecting business performance concerns raw materials, which appears more available but at higher prices.** The most dramatic change in perceptions was the increase in firms viewing <u>raw materials availability</u> as a <u>positive</u> factor affecting business, rising from 32% in 1989 to 55% in 1991. The same percentage of firms (55%) complained about raw materials prices as a <u>negative</u> factor, little different from 1989. Nevertheless, the supply of raw materials appears to have substantially improved, benefitting firms of all sizes and sectors. This demonstrates that Ghana's trade liberalization is beginning to have positive effects on production, as indicated by higher capacity utilization rates (see #8).

The number of firms viewing the <u>availability of credit</u> as a <u>negative</u> factor decreased from 61% in 1989 to 43% in 1991. However, only 25% of firms view credit availability as a <u>positive</u> factor in 1991, compared to 17% in 1989. While credit availability remains a problem, these trends signify an improvement, possibly due to the success of some firms in generating improved profits and therefore reducing some credit needs. However, pricing of credit is still a problem. Firms view interest rates and other costs associated with credit as negative, partially reflecting

limited credit allocations. Interestingly, the greatest declines in negative perceptions were with microenterprises and small-scale firms (both at 24%), while the largest increases in positive perceptions occurred with medium-scale (18%) and microenterprises (12%). All sectors appeared to benefit, although there was little change among manufacturers about credit availability being a positive factor.

As for other factors, there appears to have been little change since 1989. Entrepreneurs continue to be lukewarm in their views of positive factors, with most in the 20%-29% range and showing little change from 1989. More firms viewed raw materials availability, credit availability, GOG policies and actions, and output prices as positive factors in 1991 than in 1989. Firms were unchanged (21%) in their view of taxes as a positive factor, and more negative in 1991 than in 1989 about auction exchange rates, interest rates, raw materials prices and employee performance. Aside from raw materials availability, however, there was relatively little change in most cases. As for tax reform, the significant reduction in tax rates recently introduced by the government had apparently not had enough time to register an impact on private sector responses.

10. **The four most negative factors affecting business continue to be raw materials prices, interest rates, taxes, and credit availability, although their impact on different sectors has varied.** In 1991, the four most negative factors were raw materials prices (55%), interest rates (52%), taxes (50%) and credit availability (43%). In 1989, these factors were the same, although the rankings differed: availability of credit (61%), taxes (56%), interest rates (54%) and raw materials prices (51%). These factors continue to be perceived as more negative than output prices, exchange rates, government policies and practices, raw materials supplies and employee performance.

In all four cases, the negative factors appeared to hurt large-scale enterprises more than smaller firms. This partly reflects larger firms being formal sector firms, registered with the tax, Social Security and other authorities, and likely to be subject to stricter monitoring by the GOG. Sector responses, on the other hand, were varied. Raw materials prices were cited by agro-processors, manufacturers and service sector firms as the leading negative factor, whereas commercial traders ranked it eighth. This likely reflects the higher costs associated with a devalued currency, despite improvements in access to goods and services under Ghana's reformed trade regime. Interest rates were second for all sectors except services, which ranked it fourth. Taxes were first (with raw materials prices) for services, third for commercial traders, and fourth for manufacturers and agro-processors. This may reflect implementation of certain tax reforms geared to providing greater incentives for agro-based industry and other manufacturers using local inputs. The recent reduction in tax rates will likely have a more favorable impact on all sectors in 1992 and beyond. Credit availability was ranked third for services and manufacturers, sixth for commercial traders and seventh for agro-processors. The last ranking is particularly interesting in light of difficulties in recent years that agro-industry has had in accessing credit. That commercial traders would rank credit availability sixth is not

surprising as they have generally been the one sector that has continued to receive credit, albeit almost entirely on a short-term basis. (While official bank statistics would and do show a different composition in credit allocations, these allocations are fungible and often used for trading purposes even when designated for other sub-sectors of the economy.)

C. FIRM PERCEPTIONS CONCERNING SALES VOLUME

11. **Firms believe there has been a slight improvement in sales volume since 1989.** While not dramatically different, 1991 survey results show 42% of firms sales improved from the previous year, while 34% of sales were worse and 24% did not change. In 1989, 38% of firms sales had improved from 1988, while 34% reported sales declines and 28% reported no change. These perceptions roughly approximate general perceptions of the business environment (see #7 above).

12. **Areas of particular improvement seem to be land transport, tax policy, and general licensing and regulation.** The factor most likely to account for sales increases appears to be improved transport of goods and people to markets. In 1989, transport was viewed by 70% of all firms as a problem in limiting sales, and 57% complained of distance from markets. In 1991, these factors are viewed as less important, with transport at 55% and distance to markets only 34%. These improvements likely reflect the substantially increased number of vehicles in Ghana, as well as a vibrant informal transport sector that has grown in recent years. This appears to have particularly benefitted microenterprises and small-scale firms in all sectors of the economy. What is puzzling is that the roughly 150% increase in petroleum prices between 1989 and 1990 does not appear to have affected private sector responses. This may signify that increased access to transport is more important to the private sector, that they are willing to pay for enhanced service, and that the increased cost can often be passed on to the consumer.

Tax policy is still considered problematic, but less so than in 1989. In 1989, 85% of firms interviewed believed tax policy (and collection) was the major factor in reducing sales by limiting procurement and production from the supply side and purchasing power from the demand side. In 1991, this percentage was reduced to 69% (although perceptions of weak consumer demand remain unchanged and are now viewed as the most serious problem). Perceptions of tax policy as less problematic than in 1989 are consistent across sector and firm size. It also appears as if the recent tax rate reductions introduced by the GOG have not yet had an effect, and that private sector perceptions are likely to be more favorable in the future.

Viewed as less serious than many other problems, firms surveyed in 1991 believe that GOG regulation, licensing and foreign exchange controls are also much less problematic than in 1989. Foreign exchange is clearly more accessible with the spread of the country's foreign exchange bureaus. Licensing and regulatory issues appear to be less of a problem in absolute terms as well as relative to other factors. Most noteworthy in this area are the improved perceptions of

licensing and regulatory procedures for all sectors and firm sizes, GOG incentive policies for microenterprises and small-scale firms, and foreign exchange access for service sector firms and enterprises with up to 20 employees. These are all significant in contributing to an improved enabling environment and investment climate.

13. **Despite progress in some areas, there has been little change in perception concerning weak consumer demand, insufficient market information, and unsatisfactory access to production technology.** Firms agree that weak consumer demand remains the major problem limiting sales volume, characterized by the constant refrain of "no money in the system." In 1989, 84% of firms viewed this as an important constraint, second only to tax policy. In 1991, 82% of firms not only recognized weak purchasing power as a problem, but as the major problem and well ahead of the second leading problem (market information). Thus, while recent policy and regulatory reforms appear to have improved Ghana's private sector production and operating capabilities, it also appears that incomes are lagging and unable to provide the needed stimulus that would occur with greater consumption. All sectors and scales recognize weak consumer demand as the leading problem with the sole exception of small-scale enterprises, which view limited access to production technology as a more significant problem. Consumer demand appears particularly weak in the agro-processing and service sectors.

Limited market information, particularly concerning international markets (see #24 below), is viewed as the second leading problem (71% in 1991) and virtually unchanged (70%) since 1989. While the agro-processing sector views market information as less of a problem, the commerce and service sectors see lack of market information as a larger constraint on sales volume. This difference is largely based on firm size. Commercial traders and service sector firms are smaller on average, and often times less sophisticated than larger manufacturers and agro-processors. Consequently, they appear to often have less access to market information, particularly as that information is primarily sourced from personal contacts. Smaller operations usually have fewer contacts, limiting their market information.

Access to production technology continues to be problematic, although some improvement was registered between 1989 and 1991. In 1989, 71% viewed this as a problem, particularly among manufacturers and service sector firms. In 1991, 66% view access to production technology as a problem, mostly in the services. Curiously, microenterprises have improved their access, small-scale enterprises have seen access deteriorate, and medium- and large-scale enterprises have seen no change at all. This may mean that some small-scale service sector firms have been unable to procure the equipment they need to be effective in the marketplace, while self-employed manufacturers have gotten some of the tools and machines required to compete.

14. **Ghanaian firms remain increasingly optimistic about sales prospects for the coming year.** Fully 72% of firms interviewed in 1991 anticipate improvements in next year's sales figures, while 16% expect stagnation and 12% deterioration. This compares favorably with 1989 results, when 64% were optimistic, 19% expected no change and 17% forecast declines. All sectors but commerce are more optimistic than in 1989. Firms of all sizes are optimistic,

with the greatest change found with large-scale firms. This probably reflects positive changes in the policy and regulatory environment (e.g., fewer problems with licensing, improved access to raw materials), particularly as most firms interviewed are formal sector firms.

D. INFRASTRUCTURE CONSIDERATIONS

15. **Firms appear to recognize improvements in the pricing of and/or access to electricity, transport and communications, but feel quality of and/or access to water, premises, spare parts and equipment have declined.** (General perceptions of transport have been discussed in #12 above, and are discussed in #16 below in more detail). Firms in 1991 in all sectors and size categories are less likely to perceive electricity costs as a constraint to business operations. However, reliability of electricity services diminished as a positive factor in the agro-processing and manufacturing sectors, primarily with large-scale enterprises. It may be that progress in the provision of electricity services slowed due to higher costs associated with improved service and higher electricity usage. As for large-scale firms absorbing higher electricity costs, this may be due to a combination of factors related to power usage, efforts to promote more efficient use and conservation, and unfair targeting to facilitate administration and payment collection for the electricity company.

Firms in 1991 are also more likely to believe the quality and availability of communications services are a positive factor affecting business performance. All sectors appear to have benefitted from improved communications services, although there appeared to be a slight decline in access for commercial trading firms. The greatest advances seemed to favor smaller firms (up to five employees) in terms of both quality and access. Such improvements may reflect improved telephone and FAX links to foreign countries, and the increased number of business services companies providing telex and FAX services to firms unable to purchase such lines and equipment.

On the negative side, quality of water services declined 15% as a positive factor affecting business performance, the most dramatic change in perceptions of infrastructure aside from transport-related developments and electricity prices. Water quality declined in all sectors, an important consideration for agro-processors, manufacturers and some service sector firms. The same negative trends were evident with all firm sizes except medium-scale enterprises (11-20 employees). This puzzling finding may reflect greater demand than in 1989 that Ghana Water and Sewerage is unable to supply, and consequent problems associated with hook-up which may be causing delays. If demand has increased on the part of enterprises, it may also signify growth and sophistication of these enterprises as they are demanding increased access to improved resource quality.

In addition to declining water services, firms appear to have reduced access to suitable premises, spare parts and equipment. Firms in 1991 are less likely to believe it easy to find suitable premises, with noticeable declines from 1989 to 1991 in all sectors except services and all but medium-scale firms. Thus, it appears that most production and distribution operations have

problems finding suitable business structures, even if access to land is not a serious obstacle. This may reflect both positive and negative economic developments. On the positive side, increased capacity utilization by agro-processors, manufacturers, and traders may necessitate larger premises as their businesses expand. On the negative side, many new microenterprise and small-scale start-ups may be unable to access the premises they need, keeping them in the informal sector and depriving these firms of the benefits of a fixed location and more efficient operations. The extent to which government (e.g., City Council) "beautification" campaigns have influenced these perceptions is uncertain, although creation and stimulation of employment-generating businesses would be better served by increasing the supply of suitable premises, and being less preoccupied with the appearance of those premises.

Reduced access to spare parts and equipment may reflect the general sense that production-related technologies are still not as accessible as private sector operators would like, both for production and maintenance requirements. Nevertheless, these findings are puzzling in light of Ghana's increased trade liberalization, as shown in improved access to raw materials. Feelings of limited access may, in fact, be partly related to limited information about affordable parts and equipment that are appropriate for operations. There may also simply be less equipment available in the market due to stricter customs regulations and the inability of some firms, including larger firms with unrealistic cost structures, to pay market prices for these goods.

16. **Ghana appears to have made significant progress addressing land transport constraints, adequate progress in maritime transport, and limited progress in air transport. While everyone has benefitted from land transport improvements, only manufacturers and service sector firms appear to believe maritime and air transport conditions have improved.** As discussed in #12 above, private sector operators appreciate improvements made in Ghana's land transport infrastructure, access to vehicles, and increased competition. While pricing remains an issue on most goods and services, land transport prices seem to be less important a constraint than in 1991. This is curious in light of the dramatic 150% increase in petroleum prices between 1989 and 1990. The proportion of respondents who view land transport prices as an important constraint to business growth declined from 80% in 1989 to 61% in 1991. More importantly, the proportion of firms perceiving the availability of land transport as a constraint to business growth declined from 72% in 1989 to only 39% in 1991. This has been accompanied by improved perceptions of the reach and quality of Ghana's road network, previously ridiculed as a national disgrace. All sectors and firm sizes believe the availability and pricing of land transport have improved since 1989, although commercial traders and small- and medium-scale firms differ on the generally favorable perceptions of improvements in Ghana's road network. Thus, consistent with raw materials, pricing is higher than preferred (due to use of scarce foreign exchange for imports of vehicles, parts and fuels), but access appears to have increased. This is particularly significant for unprocessed agricultural producers, the largest segment of the Ghanaian economy that was not included in the survey sample.

Maritime transport, while higher priced, has also become less of a constraint on business growth. The proportion of firms perceiving the availability of maritime transport as an important constraint to business growth declined from 38% in 1989 to 26% in 1991. Sector responses in 1991 were mixed, with manufacturers and service sector firms more likely to perceive significant improvements in maritime transport availability while agro-processors and commercial traders believe conditions have worsened. Agro-processors perceptions are particularly important in light of Ghana's efforts to increase horticultural and other non-traditional exports. Interestingly, manufacturers and service sector firms noticed improvements in the pricing of maritime transport, whereas agro-processors and commercial traders perceive pricing as a serious constraint to business growth. Once again, with regard to agricultural producers, this is significant in terms of their ability to produce sufficient export-quality volumes to benefit from maritime quantity discounts, and the ability of maritime lines to render needed services (e.g., refrigeration) for the transport of agricultural products. There seem to be clear sectoral winners and losers with regard to maritime transport changes. These differing sector responses may reflect better margins in manufacturing and services compared to agro-processing and commerce. It may also reflect the cost structure of operations, with agro-processors and commercial traders expending greater sums on transport than manufacturers and service companies. On a firm size basis, all scales believe availability has increased. Only large-scale firms believe pricing of maritime transport has diminished as a significant constraint to business growth. This may reflect large-scale firms ability to obtain better per unit rates as they are more likely to export and import in greater quantities, thereby reducing per unit costs. This consideration is important for Ghana's overall export promotion efforts.

As for air cargo transport, the private sector appears to believe that prices have increased while there has been no improvement in availability. Air transport was not considered a major constraint in 1989, and is not viewed as one in 1991, ranking well after land and maritime transport considerations. Nevertheless, as Ghana is attempting to increase exports and encourage greater use of agricultural and natural resources, air cargo space is indispensable for quick linkage to other markets. According to firms interviewed, the availability of air cargo space was viewed as an important constraint by 31% in 1989 and 30% in 1991. Pricing of air cargo space was viewed as an important constraint by 39% in 1989 and 45% in 1991. In both cases, the sectoral impact was similar to that of maritime transport: favorable or stable in the manufacturing and service sectors, but negative in the agro-processing and commercial trade sectors. On a firm size basis, only large-scale firms appeared to view both availability and pricing as a relatively insignificant constraint to business growth. This may reflect increasing use of air cargo space by large-scale producers, particularly given increased emphasis on exports. Similar to maritime transport, it is possible that larger firms have been able to obtain better results because of the greater volume of goods flown in and out. Expansion of the runway and improved warehousing at Kotoka Airport would likely encourage greater use of facilities and stimulate increased trade.

E. CREDIT AND OTHER CAPITAL CONSIDERATIONS

17. **Despite apparent improvements in credit availability, firm responses show the commercial banks do not meet entrepreneurs credit needs. Firms continue to rely on personal capital for business start-up.** In 1989, 81% of all firms relied on personal capital and 24% from family and friends for at least 20% of start-up capital. In 1991, 76% of firms started their businesses with at least 20% of capital sourced personally, and another 19% augmented their investment with capital sourced from friends and family.

Moreover, commercial banks were cited by only 9% of firms as the source of at least 20% of their start-up capital, compared to 13% in 1989. This appears to contradict earlier findings that credit availability is increasing. Even if credit availability is diminishing as a constraint, the small percentage of credit sourced for start-up shows credit availability remains a constraint that is likely to diminish only over a period of years. Not until the Ghanaian economy is fundamentally more stable, the money supply and inflation rate under control, private savings and investment significantly higher, and the banking system sufficiently reformed and more strictly managed will credit likely play a significantly greater role in the capital structure of Ghanaian firms. Aside from increasing loans to microenterprises and agro-processors, access to credit appeared to decline in all other sectors and firm sizes. (In general, credit to the private sector has stagnated in real terms in recent years while credit to parastatals has declined. The private sector share of net domestic credit averaged 17.7% from 1985 to 1990, and did not exceed 19.4% in 1985. Thus, while there have been nominal increases in credit allocations to the private sector, in real terms they have had little impact and most private firms have not directly benefitted.[5])

Foreign capital appears to have increased moderately since 1989. Among firms surveyed in 1991, 6% obtained at least 20% of their start-up financing needs from foreign partners, compared to 2% in 1989. Foreign partners increased their investments in all sectors, and primarily in large- and medium-scale firms. The impact of foreign capital for business start-up should not be exaggerated as it still represents a very minor portion of private investment in Ghana. Nevertheless, the survey appears to confirm a slight increase in foreign investment.

Other sources of capital, such as Rural Banks, offshore remittances, supply credits and the informal sector, appear to play a very limited role in business start-up. This is significant because of the net private transfers that are funnelled into Ghana, some of which come from Ghanaians living overseas. While funds are transferred, their full impact on employment, investment, trade and tax revenues has yet to be felt because of uncertainty or concerns these investors still have about confidentiality, freedom to operate, transparency in the application of rules and regulations, and the general business climate.

[5] See Ghana: Progress on Adjustment, World Bank, April 16, 1991, pages 4 (inflation rates) and 14 (credit allocations).

18. **Financing needs for ongoing operations are generally met in the same way business start-up occurs: through heavy reliance on personal capital and support from family and friends, and very limited support from banks and other institutional sources. However, there appears to be far less reliance on personal and family capital for ongoing operations, suggesting that other unreported sources exist or businesses are simply stagnating.** In 1991, 38% of firms relied on personal capital for ongoing needs, compared to 84% in 1989. This would be logical if another source, such as commercial bank credit, showed a significant increase. Nevertheless, the other two major sources (family/friends and banks) showed declines as well. The implication is that operating needs are being neglected due to personal and family capital shortages, or in anticipation of cash generation next year (see #14). If Ghanaians are deferring investments or neglecting operations, this may partially explain why the economy is sagging after several years of buoyant GDP growth. Another possible explanation is that company profits are up, and firms are now retaining more of those earnings for operations and capital expenditures. While this is not true of most firms, it is likely true of some.

19. **It is still difficult to obtain bank financing, but the impediments appear to have diminished. Interest rates and lack of equity capital are considered the main difficulties associated with bank credit.** In 1989, respondents cited credit ceilings (83%) and collateral requirements (78%), along with short-term interest rates (86%), as the biggest problems associated with obtaining bank credit. The supply of credit was limited and costly, and most firms lacked the collateral required to provide the banks with the confidence and assurances they needed to extend credit in the first place.

In 1991, credit ceilings (69%) and collateral requirements (63%) are still considered to be significant impediments, but less so than in 1989. Today, the main challenge appears to be affording the interest expense associated with both short- and long-term debt, and demonstrating to banks that the firm has sufficient equity. In 1991, 80% of firms cited short-term interest rates as a constraint, 72% cited long-term interest rates, and 71% cited lack of equity capital. Short- and long-term interest rates appear particularly onerous to commercial traders, while lack of equity capital appears to be hindering the agro-processing and commercial trading sector. There do not appear to be major disparities in perceptions based on firm size, perhaps reflecting a decline in bank reliance on collateral requirements and increased focus on cash flow, liquidity, and firm prospects for debt service and repayment. Interestingly, lack of equity capital and high interest rates were generally viewed as less of a constraint by microenterprises than by larger firms. In some cases, this may reflect a trend towards rationalization of operations and greater cost-competitiveness, with owner-operated firms reducing overhead and relying more on sub-contracting. It may also reflect less resistance by banks to lend to smaller enterprises.

20. **Lack of credit and capital appears to have prevented or reduced investment in a manner similar to 1989.** In 1989, 47% of firms interviewed claimed investment in many projects was stopped due to capital constraints, and 29% said some projects received no investment for the same reasons. In 1991, 42% said many projects had been stopped due to lack of capital, while 37% said some projects had been stopped. Manufacturers, commercial traders and service sector firms appear to be making some investments that were not being made in

1989, while agro-processing firms are having difficulty. In terms of firm size, larger firms seem to be making more investment than smaller firms. However, in general, it appears that there are few sources of capital available for investment, and that personal sources are declining (see #18). Thus, if investments are being made, they are being made from retained earnings. However, earnings are not so strong as to be able to provide for firms total investment and operating needs.

F. HUMAN RESOURCE ISSUES

21. **Private sector firms appear satisfied with the productivity of the Ghanaian labor force, although firms are complaining increasingly of high compensation.** Few firms in 1991 believe labor productivity is low (11%) or worker absenteeism a problem (25%). In fact, these numbers are an improvement compared to 1989. Where there has been a weakening in perceptions is with compensation. In 1989, only 26% of firms interviewed believed high compensation was a constraint to business growth. In 1991, that figure reached 37%. This may reflect most firms limited liquidity and greater efforts to reduce costs for efficiency. All sectors except commercial trade feel high compensation has become a greater constraint, with the greatest increase in agro-processing. All firm sizes except microenterprises also said high compensation had grown as a problem, with the largest firms complaining the most.

22. **One of the single greatest changes since 1989 is the private sector's improved perceptions of Ghana's professional and managerial market.** In 1989, finding suitable Ghanaians for management, technical, professional, and even secretarial functions was perceived as difficult by firms interviewed. In 1991, the situation has clearly improved. According to firm responses, 55% found it difficult to find managers in 1989, compared to only 12% in 1991. Another 50% found it difficult to find suitable professionals in 1989, compared to 11% in 1991. Technicians were difficult to find for 40% of firms in 1989, compared to only 11% in 1991. Secretaries and clerical personnel were difficult to find for 35% of firms in 1989, compared to only 4% in 1991. One of the reasons for this startling change may be that firms could be paying more for higher quality skills, as discussed above in #21. Another reason may be rationalization of operations in the GOG (civil service reform) and parastatals, with skilled laborers and managers leaving the public sector for private employment. Private firms may also be letting skilled people go to reduce employee head count and become more cost effective. These perceptions are uniform in all sectors and firm sizes.

23. **Women-owned firms hire more women (skilled and unskilled) and have more women in top management. Otherwise, women-owned firm perceptions are consistent with Ghanaian firms in general.** Women-owned firms interviewed in 1991 employed 63% women, down from 82% in 1989. Ghanaian firms interviewed in 1991 employed 24% women overall, down from 29% in 1989. Thus, it appears that women are declining as a percentage of the work force, or at least in the formal sector. (That women are less of a percentage of the formal sector work force, working increasingly in the commercial trading and service sector instead of agro-processing and manufacturing, and for smaller and microenterprises instead of larger companies

suggests that many of the policy and regulatory changes in recent years may have marginalized the economic role of women in the formal sector. It may also be that, in some cases, males in the work force who have recently been released from their government, SOE or private sector posts have more skills and are replacing women.) In most cases, top management and skilled labor in women-owned firms is provided by women. Aside from this work force profile, women-owned firms do not differ from Ghanaian firms at large on issues of labor productivity or compensation.

G. MARKET INFORMATION

24. **Ghanaian firms believe reliable information on local markets is usually available, but information concerning international markets is not.** The availability of reliable local market information has improved since 1989. In 1991, 83% of firms believe sufficient reliable information is available, compared to 71% in 1989. Improvements were found in all sectors and firm sizes. While there has been improvement from 1989 to 1991 in the availability of reliable information concerning international markets in all sectors and firm sizes, these numbers have changed from 22% to 39%. Therefore, a majority of respondents believe reliable information on foreign markets is still lacking, a serious weakness in a country attempting to reduce import costs and increase export earnings. (Some of the improvement can be attributed to the role of the Ghana Export Promotion Council, although few of the respondents use the GEPC's services; see #25.) Most entrepreneurs seem to still value information on prices and product standards more than contacts with companies and information on trade regulations.

25. **Personal contacts are still the dominant source of market information, and private sector operators rarely use the GOG or business associations for this function.** In 1989, 89% of firms interviewed used personal contacts for information. This figure was 90% in 1991. Aside from personal contacts, the only other source of information appears to come from trade journals (22% in 1991). Only about 12% of firms use business associations (e.g., Association of Ghana Industries, Chamber of Commerce), and only 8% use the government (e.g., Ministry of Industry Science and Technology, Ministry of Tourism and Trade, Ghana Export Promotion Council, national marketing boards). These responses are virtually unchanged from 1989, suggesting that entrepreneurs personal contacts are the main reason for improved market information.

H. TECHNOLOGY

26. **The main obstacle to accessing improved technology is cost.** While about two-thirds of firms interviewed in 1989 and 1991 have claimed to be able to access appropriate production technology, the same number cited access to production technology as one of the most serious problems limiting sales volume (see #13). There has been little change in perceptions since 1989 concerning local expertise, GOG licensing requirements, maintenance problems and foreign exchange; none of these factors is cited as a significant problem. There also appears to be substantially greater information on production technology, with only 13% citing this as a

problem in 1991 compared to 44% in 1987. The real problem continues to be cost, cited by 42% in 1989 and 45% in 1991. Responses were similar in all sectors except commercial trade, where production technology is a minor consideration. Responses were also reasonably similar in all firm sizes. The cost issue likely reflects limited cash resources for purchases and the weak value of the cedi. It also reflects lack of progress in developing and/or marketing more appropriate, locally sourced technologies that might fulfill production requirements and cost less to purchase, operate and maintain.

I. PERCEPTIONS OF MARKET OPPORTUNITIES AND INVESTMENT PLANS

27. **The few significant shifts in perceptions of market opportunities concern improved perceptions of agriculture and agro-processing and weaker feelings about manufacturing prospects.** In 1989, 20% of firms believed agriculture and agro-processing offered the best return on investment, primarily unprocessed agriculture (16%) for the domestic and export markets. In 1991, this figure is 28%, primarily due to the increase in favorable perceptions toward agro-processing (11% compared to 4% in 1989) for both domestic and export markets. Most interesting is that no firms in the agro-processing sector felt this economic activity offered the best return on investment in 1989. In 1991, the figure increased from 0% to 15%, signifying substantially increased confidence among agro-processors in their own economic prospects.

On the down side, manufacturing prospects appear to have diminished. In 1989, 22% of firms believed manufacturing for export offered the best return, and an additional 16% believed manufacturing for the domestic market was best. In 1991, these figures have declined, respectively, to 14% and 11%. Among manufacturers, 40% believed manufacturing offered the best returns in 1989, declining to 30% in 1991. Thus, the manufacturing class appears to have lost confidence, probably due to a range of production, financial and marketing problems (e.g., technology, quality control, international competition, economies of scale, weak financing prospects, limited consumer demand). Particularly noteworthy is that confidence appears to have diminished more with large- and medium-scale manufacturers than with smaller producers, suggesting that larger producers may have excessively high cost structures to be competitive domestically and internationally. On the other hand, smaller-scale producers with lower cost structures may be more competitive on a cost basis, at least for local market share.

Commercial trade showed no significant change, with 23% of firms believing this sector to offer the best return in 1989 compared to 22% in 1991. What is important is that 43% of commercial traders believe it to be best in 1991, by far the highest ranking and a significant increase over perceptions in 1989 (22%). This is particularly true among microenterprises, which may suggest that petty trade is the only area of opportunity for a significant portion of the labor force.

As for other activities and services, construction, mining and pharmaceuticals showed an increase while banking and finance showed a decline. Real estate and tourism remained virtually unchanged from 1989. These activities accounted for 24% of 1991 responses, compared to 19%

in 1989. Construction is widely viewed as an area of opportunity by all sectors except commercial traders, and by all firm sizes except microenterprises. This may reflect increasing demand for housing and public works, especially with increasing population growth in urban areas.

28. **Most Ghanaian firms have plans to invest in their firms to become more competitive than in 1989, primarily marketing capabilities.** In 1989, firms were primarily planning to invest in plant and marketing. In 1991, firms are most concerned with marketing. Importantly, when asked about specific plans or commitments on a wide range of concerns (e.g., marketing, management skills, personnel training, quality control, plant and equipment, procurement), response rates were far higher in 1991 than in 1989. This suggests firms may be getting more aggressive in addressing their weaknesses to become more competitive. These responses are true for all sectors in virtually every category except commercial trade investment in plant and equipment. As for size of firm, all firms plan to address these weaknesses more than in 1989 with the exception of microenterprise investment in plant. Such aggressiveness appears to signify increasing awareness of non-financial business weaknesses, growing sophistication among Ghanaian entrepreneurs, and a willingness to allocate scarce resources to achieve greater competitiveness and efficiency.

J. DOMESTIC AND INTERNATIONAL TRADE

29. **Among the limited number of Ghanaian firms that export (6% of those interviewed), most focus on the EEC and neighboring West African countries.** These export flows approximate perceptions of export market profitability, where firms continue to rank the EEC and West Africa as the most profitable export markets. There has been little change and, presumably, little penetration of additional export markets since 1989.

30. **Firms believe market information, taxes, credit controls and technology are the main constraints to achieving and expanding exports, although constraints generally appear to have eased since 1989. Export firms appear particularly burdened by bureaucratic delays and taxes.** Lack of reliable information on international markets has been discussed (see #24), and currently is viewed as the leading constraint to export development. There has been little change in this area, with 84% citing market information in 1989 and 79% in 1991. All sectors appear to view this as the major problem, particularly commercial trade. This was the leading constraint for all firm sizes as well, except small-scale enterprises which ranked appropriate technology and credit controls as greater constraints.

Export-oriented firms ranked market information third, behind bureaucratic delays and taxes. In 1989, exporters ranked market information third, behind taxes and credit controls. Thus, it appears that taxes remain problematic, bureaucratic delays have worsened (see #31), and credit constraints have eased since 1989 for the export sector.

As just mentioned, taxes still appear to limit firms abilities to increase exports, although less

than in 1989. In 1989, 88% cited taxes as problematic, making it the leading constraint to exports. In 1991, 77% cited taxes as blocking increased exports. Commercial traders and microenterprises appear to find taxes more cumbersome than other sectors. This may be due to limited cash flow generation from their activities, rather than special taxes that apply to their specific sectors or firm size. The impact on exporters, which is almost identical to the overall view in both 1989 and 1991, is discussed above. It is likely that recent tax reforms will address these problems.

While credit controls appear to have eased, they still rank as one of the leading constraints. In 1989, 84% cited these as disrupting export trade, compared to 73% in 1991. Credit controls have eased for all sectors, particularly services. Most firm sizes, particularly medium- and large-scale enterprises, have benefitted. Exporters have seen an improvement as well, although less dramatic than the private sector at large.

31. **Despite no marked improvement in their exports, firms appear to believe that significant improvements have been made concerning foreign exchange, bureaucratic delays, infrastructure and raw materials. However, export-oriented firms have generally not seen improvement in foreign exchange and bureaucratic intrusion.** Foreign exchange was cited by 80% of firms as an important constraint to export development in 1989, compared to 63% in 1991. With the spread of foreign exchange bureaus, access to foreign exchange services has increased. The main problem for entrepreneurs remains liquidity. While agro-processors and service sector firms did not appear to benefit between 1989 and 1991, manufacturers and commercial traders did substantially. All but microenterprises also appeared to benefit. However, export-oriented firms saw no change in impact.

Bureaucratic delays also appeared to ease as a constraint to exports for most firms. In 1989, 76% of firms cited these as a constraint to export growth, compared to 59% in 1991. These improvements benefitted all sectors, and all firm sizes except large-scale firms. Both large-scale and export-oriented firms cited bureaucratic delays as not only problematic, but worse than in 1989. It may be that the GOG bureaucracy has improved in general, but that its efforts to control, block or regulate larger, export-oriented firms has increased. If so, it is likely that bureaucratic harassment is having a negative impact on firms abilities to compete in international markets, and therefore on Ghana's export earnings and balance of payments. This constraint also constitutes a recurring problem Ghana has had in attempting to create a satisfactory business environment for trade and investment. As long as larger firms feel targeted for higher tax rates or bureaucratic delays, other firms will have no incentive to grow or invest. This will negate incentives for firms to become more efficient.

Infrastructure and raw materials improvements have been discussed above (see #9, 11, 16 and 17 above). These improvements have been felt in all sectors and firm sizes, as well as with export-oriented firms. Above all, exporters have benefitted from improvements in raw materials access. In 1989, 86% cited this as a serious constraint to export growth. In 1991, only 50% cited it as a problem, and that generally relates to cost. This constitutes the most dramatic change in perceptions among exporters, particularly as most exporters experienced fewer

problems with infrastructure in 1989 than the private sector in general. This finding may portend greater value-added economic activity, as the trend implies the transformation of raw materials into intermediate goods and/or finished products which, if for export, should command greater value in international markets.

32. **Aside from financing, there appear to be few obstacles to obtaining inputs, domestically sourced or imported. However, exporters consider customs regulations to be onerous.** According to 93% of firms in 1991 (98% in 1989), financing remains a serious obstacle and this applies to all sectors and firm sizes. Interestingly, only 71% of export-oriented firms cited financing as a problem, compared to 100% in 1989. Thus, for exporters, there appears to have been significant improvements in accessing capital for needed purchases. Other problems such as "middleman" margins, product shortages, transport costs, licensing controls and foreign exchange regulations are viewed as far less serious than financing, and all improved since 1989.

If there is a second problem concerning imports, it has to do with customs regulations. Firms have seen little improvement in this area, with 67% citing it as an impediment in 1991 compared to 70% in 1989. Manufacturers and commercial traders appear to have the most difficult time, and 100% of exporters complained of customs regulations in 1991 compared to only 60% in 1989. Thus, it appears that critical imports that are re-exported (commercial trade) or further processed/produced (manufacturing) for export are subject to far more difficult customs regulations than in 1989. For importers, there may well be a direct correlation between financing remaining problematic, and customs being more cumbersome. It appears that customs regulations have increased the cost of many imported items to the detriment of manufacturers, commercial traders and export-oriented firms. It also appears clear that few exporters are aware of the drawback duty scheme, that procedures are too complex, or delays too long for exporters to benefit from the scheme. This, in turn, reinforces the sense that taxes and customs are detrimental to production and trade.

33. **Firms continue to import about one-third of their raw materials, primarily from EEC countries.** There has been little change in the composition of raw materials sources since 1989. About 68% of raw materials appear to be domestically sourced (66% in 1989), and the EEC accounts for about 60% of raw materials imports. Lack of change in these trade flows may be partially due to the lack of reliable information on international markets, as discussed in #24.

34. **Ghanaian firms appear increasingly interested in joint ventures with foreign partners for capital, market access and improved technology.** In 1989, 72% of firms interviewed were interested in joint ventures with foreign partners. In 1991, that figure increased to 81%, particularly manufacturers and service sector firms. Capital continues to be the main reason why firms seek joint ventures, followed by market access and technology. Management expertise continues to rank as the least important of the four factors discussed.

K. THE ROLE OF BUSINESS ASSOCIATIONS

35. **Approximately two-thirds of firms interviewed were members of at least one business association.** In 1989, 73% of firms were members of business associations, usually the Association of Ghana Industries, the Ghana National Chamber of Commerce, or the Ghana Employers Association. In 1991, this number was 66%, with declines in all sectors except agro-processors. This may represent a decline in membership, although it may also simply reflect the change in firms interviewed. While efforts were made to replicate the 1989 survey sample, in some cases firms interviewed in 1989 had moved or foreclosed. To the extent the latter is true, the associations may have seen a slight drop in membership.

36. **Among members, the three largest organizations were viewed as effective, and more effective than in 1989.** The Association of Ghana Industries (87%), Ghana Employers Association (86%) and Ghana National Chamber of Commerce (81%) all received good ratings from member responses. The number of responses was too small to assess the capabilities or effectiveness of other associations (e.g., Federation of Business and Professional Women, Ghana Institute of Bankers, Ghana Hotel Association, Ghana Pharmaceutical Association). However, the Ghana Institute of Bankers has played an important role in banking sector reform, and may be viewed as effective in playing a functional role by its members.

37. **Among non-members, most firms do not belong to associations because they do not believe services provided are useful.** In 1989, only 50% of non-members believed associations did not provide useful services. This figure increased to 64% in 1991. Once again, this may reflect changes in the firms interviewed in 1991. It appears as well that firms do not view fees or membership requirements as restrictive. As such, it is likely that more firms would join and be active if business associations were able to demonstrate their effectiveness to a wider audience.

38. **Firms primarily want three forms of assistance from business associations: financial assistance (e.g., access to credit), market information, and influence on GOG policy.** Financial assistance ranked at the top of the list, as 44% of firms interviewed cited it as the single most important form of assistance business associations could provide. It is highly unlikely that a business association could manage a credit program, although associations can play a role in facilitating access to credit and investment capital. Financial assistance can also come in the form of cost-reducing activities among members coordinated through associations (e.g., bulk purchasing, joint processing, cooperative transport, collective marketing), and by helping members with certain GOG tax rebate procedures (e.g., duty drawback scheme). A distant second and third are market information (24%) and influence on government policy (20%). Thus, when forced to rank priorities, financial assistance is the most important need stressed by firms. This may clarify the private sector's perception of its liquidity crunch relative to other problems.

IV. SUMMARY OF KEY FINDINGS

A. EMPLOYMENT, INVESTMENT AND GENERAL FIRM CHARACTERISTICS

1. **Ghana's enterprises are primarily small-scale, domestically focused and locally owned, although there is some foreign investment.** Four of five enterprises are owned by Ghanaian men, and there is very little foreign investment in Ghanaian firms. When foreigners do invest, it tends to be in large-scale enterprises in the agro-processing and manufacturing sectors, and as majority shareholders.

2. **When measured by employment totals, neither the manufacturing nor service sector appear to have experienced significant increases in firm-level employment since 1989.** This suggests that most sectors are stagnant, largely due to limited capital formation and weak consumer demand. To the extent that average firm size employment increased from 36 in 1989 to 44 in 1991, this was due to the presence of two additional firms in the sample with more than 500 employees, and another three firms that had 100-500 employees.

3. **Foreign-owned and export-oriented firms are large scale, employ significantly greater numbers of people per enterprise, and have increased employment levels since 1989. This differs significantly from the average firm in Ghana.** The number of foreign-owned firms employing more than 20 people doubled from 1989 (30%) to 1991 (60%). Export-oriented firms employing more than 20 people also nearly doubled, from 47% to 73%. These firms generally hire more people than locally owned and domestically focused enterprises, and employment trends appear to be favorable.

4. **GOG/SOE investment has declined since 1989.** GOG/SOE investment has tended to be on a minority or equal shareholding basis, with only 6% of public sector equity accounting for more than 50% of those firms in 1991. This number has declined substantially since 1989, when 33% of firms with GOG/SOE investment had majority participation from these institutions. Due to the poor financial and operating condition of Ghana's SOEs, it is assumed that this reflects declining investment in private sector firms by SOEs.

5. **Women-owned enterprises are small, and range across sectors.** Women owned 19% of all firms interviewed in 1991, unchanged from 1989. These firms were evenly distributed among manufacturers, commercial traders and other service sector firms. Women-owned firms usually are microenterprises or small-scale firms, employing up to 10 workers. Fewer women are engaged in agro-processing and manufacturing than in 1989, and more women work for microenterprises and small-scale operations than in 1989. This suggests that the role of women in the formal sector may have changed and been somewhat marginalized over the last two years.

6. **The market orientation of Ghanaian firms is domestic.** Nearly all (94%) Ghanaian firms sell exclusively to the local market, and only 6% sell more than 25% of output to foreign markets.

B. THE BUSINESS ENVIRONMENT AND FACTORS AFFECTING SALES

7. **Perceptions of the business environment have remained virtually unchanged since 1989, with about 40% each believing conditions have improved and deteriorated and another 20% seeing no change.** Firms that appear to have seen the greatest improvement are large-scale enterprises in agro-processing, a wide range of services, and export activities. Firms experiencing the greatest deterioration appear to be medium-scale operators in all sectors. It appears that larger businesses have a significantly better feeling about the business environment, with nearly half believing conditions have improved compared to less than one-third in 1989.

8. **Firms appear to be operating at slightly higher capacity utilization rates, with 58% of firms interviewed operating at a minimum 50% in 1991 compared to 52% in 1989.** Improvements were particularly evident with medium- and large-scale enterprises in the agro-processing, manufacturing, and non-commerce service firms. This may be a factor in some firms believing access to suitable premises is more limited in 1991 than in 1989. Women-owned, foreign-owned and export-oriented firms all showed improvements. Commercial traders showed a slight decline.

9. **The main <u>change in perception</u> of factors affecting business performance concerns raw materials, which appears more available but at high prices.** The supply of raw materials appears to have substantially improved, benefitting firms of all sizes and sectors, particularly large-scale firms. Credit appears to be less of a constraint in 1991 than in 1989, although the commercial banking system plays only a minor role in business start-ups and support for ongoing operations. This may hint at improved earnings and cash flow, with enterprises covering operating costs and (re)capitalizing from retained earnings rather than the perennial search for credit. Firms were unchanged (21%) in their view of taxes as a positive factor, and more negative in 1991 than in 1989 about auction exchange rates, interest rates, raw materials prices and employee performance. Aside from raw materials availability, however, there was relatively little change in most cases.

10. **The four most <u>negative</u> factors affecting business continue to be raw materials prices, interest rates, taxes, and credit availability, with large-scale firms apparently the most negatively affected.** These factors continue to be perceived as more negative than output prices, exchange rates, government policies and practices, raw materials supplies and employee performance. In all four cases, the negative factors appeared to hurt large-scale enterprises more than smaller firms. This probably reflects the lack of competitiveness of some of the larger enterprises, particularly considering that other large-scale enterprises have the most favorable perceptions of the business environment in 1991 and are the most optimistic about prospects (see #7 and #13). Sector responses, on the other hand, were varied.

11. **Consumer demand, or general lack of liquidity and purchasing power, is considered the biggest problem affecting sales volume.** Policy and regulatory reforms appear to be improving Ghana's production capabilities, but incomes are unable to provide the needed stimulus that would occur with greater consumption. All sectors and scales recognize weak

consumer demand as the leading problem with the sole exception of small-scale enterprises, which view limited access to production technology as a more significant problem. Consumer demand appears particularly weak in the agro-processing and service sectors.

12. **Limited market information, particularly concerning international markets, is viewed as the second leading problem affecting sales volume and is virtually unchanged since 1989.** While the agro-processing sector views market information as less of a problem, the commerce and service sectors see lack of market information as a larger constraint on sales volume. This has been particularly true in smaller operations (up to five employees), as large-scale firms appear to have greater access to market information than in 1989. The Ghana Export Promotion Council has played an important role in disseminating international market information, and is one of the reasons why access to reliable international information has increased. Nevertheless, despite improvements, limited market information remains a problem and continued improvements will be required, particularly as Ghanaians still rely overwhelmingly on personal contacts for their information (see #22-23).

13. **Ghanaian firms remain increasingly optimistic about sales prospects for the coming year.** Nearly three-quarters of firms interviewed in 1991 anticipate improvements in next year's sales figures. All sectors but commerce are more optimistic than in 1989. Firms of all sizes are optimistic, with the greatest change found with large-scale firms. Most optimistic are medium-scale and service sector firms.

C. INFRASTRUCTURE AND FACTORS OF PRODUCTION

14. **Firms appear to recognize improvements in the pricing of and/or access to electricity, transport and communications, but feel quality of and/or access to water, premises, spare parts and equipment have declined.** Land transport improvements have been particularly significant in stimulating the flow of goods, services and people to enhance market activity. Perceptions are favorable in this regard despite the 150% increase in petroleum prices from 1989 to 1990. Improvements appear to have been recognized in terms of communications (greater telephone and FAX capabilities) and electricity (better pricing). Access to suitable premises is particularly important in terms of promoting business formation, although it does not appear to be among the most significant constraints to private sector growth. In some cases, this constraint reflects growth of firms that need larger premises as their operations expand. It is uncertain why perceptions of water quality have declined since 1989, although more firms may be entering agro-processing, manufacturing and service sector activities where quality water is in greater demand and in quantities that exceed Ghana Water and Sewerage's capacity to supply.

15. **Progress in maritime and air transport has been far less than in land transport, and only manufacturers and service sector firms appear to believe maritime and air transport conditions have improved.** As Ghana is attempting to increase exports and encourage greater use of agricultural and natural resources, improvements in maritime transport and air cargo

space are indispensable for quick and sustained linkage to other markets. Corollary services such as weighing stations, enclosed sheds and refrigeration will also likely need improvement to accommodate increased levels of trade.

D. CREDIT AND INVESTMENT

16. **Firms continue to receive very limited support from commercial banks, relying on personal capital and support from family and friends to launch new businesses and sustain operations. Other sources of capital are insignificant.** Commercial banks provide less credit for start-up and ongoing operations than in 1989. Personal capital is the primary source of investment and operating capital, with family and friends being the only other significant source of financing. This suggests firms may be relying on retained earnings for growth and sustained operations. That credit is viewed as less of a constraint may also suggest that earnings are slowly increasing, making debt financing less necessary.

17. **Investment is stagnating due to limited liquidity, and perhaps in anticipation of better sales in 1992.** Manufacturers, commercial traders and service sector firms appear to be making some investments that were not being made in 1989, while agro-processing firms are having difficulty. In terms of firm size, larger firms seem to be making more investment than smaller firms.

18. **Despite limited bank financing, impediments to obtaining credit appear to have diminished. Interest rates and lack of equity capital are considered the main difficulties associated with bank credit.** Credit ceilings and collateral requirements are still considered to be significant impediments, but much less so than in 1989. The main challenge appears to be affording the interest expense associated with both short- and long-term debt, and demonstrating to banks that the firm has sufficient equity. Short- and long-term interest rates appear particularly onerous to commercial traders, while lack of equity capital appears to be hindering the agro-processing and commercial trading sector. There do not appear to be major disparities in perceptions based on firm size, perhaps reflecting a decline in bank reliance on collateral requirements.

E. LABOR AND HUMAN RESOURCES

19. **Private sector firms appear satisfied with the productivity of the Ghanaian labor force, although firms are complaining increasingly of high compensation.** Complaints about higher compensation may reflect most firms improved perceptions of finding suitable employees (see #20). All sectors except commercial trade feel high compensation has become a greater constraint, with the greatest increase in agro-processing. All firm sizes except microenterprises also said high compensation had grown as a problem, with the largest firms complaining the most.

20. **One of the single greatest changes since 1989 is the private sector's improved perceptions of Ghana's professional and managerial market.** In 1989, finding suitable Ghanaians for management, technical, professional, and even secretarial functions was difficult. In 1991, the situation has clearly improved for the better. This may suggest that greater numbers of skilled people are available for work as other firms, the GOG and parastatals reduce their employee ranks to rationalize operations and become more cost effective.

21. **Women-owned firms employ more women, but their perceptions of the business environment are consistent with Ghanaian firms at large.** There are more women working for women-owned firms, including in management and skilled labor positions, than in the average Ghanaian firm. However, the actual percentage of women in these categories has declined since 1989 in all firms, including women-owned firms. Overall, women-owned perceptions of strengths and weakness in the economy are consistent with the norm. The declining role of women in the work force, manufacturing and agro-processing, and medium- and large-scale enterprises suggest possible marginalization of the economic role of women in recent years, particularly if more skilled men are entering the job market as a result of layoffs from the GOG, SOEs and private companies.

F. MARKET INFORMATION

22. **Ghanaian firms believe reliable information on local markets is usually available, but information concerning international markets is not.** The availability of reliable local market information has improved since 1989 for all sectors and firm sizes. However, a majority of respondents believe reliable information on foreign markets is still lacking, a serious weakness in a country attempting to promote exports. The GEPC has improved international market information flows, but this is still not satisfactory if Ghana is to achieve greater GDP and export growth (see #12). Most entrepreneurs rely on personal contacts for their information (see #23), and still seem to value information on prices and product standards more than contacts with companies and information on trade regulations.

23. **Personal contacts are still the dominant source of market information, and private sector operators rarely use the GOG or business associations for this function.** Nine of 10 firms routinely rely on personal contacts for information. The only other source of information appears to come from trade journals (22% in 1991), and only one in 10 use business associations or the government for market information.

G. TECHNOLOGY

24. **The main obstacle to accessing improved technology is cost.** Areas such as local expertise, GOG licensing requirements, maintenance problems and foreign exchange are not cited as a significant problem. There also appears to be substantially greater information on production technology. The cost issue likely reflects limited cash resources for purchases and

the weak value of the cedi. It also reflects lack of progress in developing and/or marketing more appropriate, locally sourced technologies that might fulfill production requirements and cost less to purchase, operate and maintain. One possibility is that microenterprises are now entering more complex activities, and therefore demand increasingly sophisticated technologies. That greater numbers of microenterprises are concerned with access to water and air freight costs suggests a growing sophistication of some Ghanaian microenterprises. Thus, it follows that technology needs are likely increasing with growing sophistication. The cost issue may also reflect the perceived need of larger firms for technologies that, in fact, inflate their cost structures, are unaffordable or uneconomical, are now more expensive due to stricter application of customs duties, and are not readily found in the market because of firms inability to pay.

H. PERCEPTIONS OF MARKET OPPORTUNITIES AND FIRM WEAKNESSES

25. **There have been few significant shifts in perceptions of market opportunities, and these concern improved perceptions of agriculture and agro-processing and weaker feelings about manufacturing prospects.** There has been a noticeable increase in favorable perceptions toward agro-processing since 1989, particularly among agro-processing firms. On the down side, manufacturing prospects appear to have diminished, including among manufacturers. Particularly noteworthy is that confidence appears to have diminished more with large- and medium-scale manufacturers than with smaller producers, suggesting that larger producers may have excessively high cost structures to be competitive domestically and internationally. Construction is also widely viewed as an area of opportunity by all sectors except commercial traders, and by all firm sizes except microenterprises. This may reflect increasing demand for housing and public works, especially with increasing population pressure on urban areas.

26. **Ghanaian firms appear to be addressing internal weaknesses more aggressively than in 1989.** Firms currently appear to be far more aggressive in addressing marketing, training, quality control, plant and equipment, and procurement weaknesses. These responses are true for all sectors in virtually every category except commercial trade investment in plant and equipment. As for size of firm, all firms plan to address these weaknesses more than in 1989 with the exception of microenterprise investment in plant.

I. INTERNATIONAL TRADE FLOWS AND INVESTMENT PROSPECTS

27. **Ghana's limited export trade appears confined almost entirely to the EEC and West Africa.** In 1989 and 1991, only 6% sold more than 25% of their output to export markets, mostly to the EEC and neighboring countries in West Africa. These export flows approximate perceptions of export market profitability, where firms continue to rank the EEC and West Africa as the most profitable export markets. There has been little change and, presumably, little penetration of additional export markets since 1989.

28. **Firms believe market information, taxes, credit controls and technology are the main constraints to achieving and expanding exports, although constraints generally appear to have eased since 1989.** Lack of reliable information on international markets has been discussed (see #22), and currently is viewed as the leading constraint to export development. Export-oriented firms ranked market information third, behind bureaucratic delays and taxes. In 1989, exporters ranked market information third, behind taxes and credit controls. Thus, it appears that taxes remain problematic, bureaucratic delays have worsened (see #29), and credit constraints have eased since 1989 for the export sector.

29. **Large-scale and export-oriented firms have generally not seen improvement in bureaucratic intrusion, contrary to general private sector perceptions.** Bureaucratic delays appeared to ease as a constraint to exports for most firms, benefitting all sectors and firm sizes except large-scale firms. However, both large-scale and export-oriented firms cited bureaucratic delays as not only problematic, but worse than in 1989. This is significant as it is the larger firms that are more likely to be able to export, unlike the smaller firms that may be less pressured by GOG bureaucrats. Thus, while the GOG bureaucracy may have improved in general, its efforts to control, block or regulate larger, export-oriented firms may also have increased as these are easier targets. If so, it is likely that bureaucratic harassment is having a negative impact on firms abilities to compete in international markets, and therefore on Ghana's export earnings and balance of payments. Such intrusion also sends a signal to potential investors, reduces private investment, and slows the economy.

30. **Aside from financing, there appear to be few obstacles to obtaining inputs, domestically sourced or imported.** According to 93% of firms in 1991 (98% in 1989), financing remains a serious obstacle and this applies to all sectors and firm sizes. Interestingly, only 71% of export-oriented firms cited financing as a problem, compared to 100% in 1989. Thus, for exporters, there appears to have been significant improvements in accessing capital for needed purchases. Other problems such as "middleman" margins, product shortages, transport costs, licensing controls and foreign exchange regulations are viewed as far less serious than financing, and all improved since 1989.

31. **Exporters view financing for needed imports as less of a problem than most firms, but customs regulations are considered onerous.** Firms have seen little improvement in customs since 1989. Manufacturers and commercial traders appear to have the most difficult time, and 100% of exporters complained of customs regulations in 1991 compared to only 60% in 1989. Thus, it appears that critical imports that are re-exported (commercial trade) or further processed/produced (manufacturing) for export are subject to far more difficult customs regulations than in 1989. It is also likely that these firms are not taking advantage of the duty drawback scheme as a result of limited advertising, cumbersome procedures or time-consuming delays.

32. **Firms continue to import about one-third of their raw materials, primarily from EEC countries.** There has been little change in the composition of raw materials sources since 1989. About two-thirds of raw materials appear to be domestically sourced, and the EEC

accounts for about 60% of raw materials imports. Lack of change in these trade flows may be partially due to the lack of reliable information on international markets.

33. **Ghanaian firms appear increasingly interested in joint ventures with foreign partners for capital, market access and improved technology.** In 1989, 72% of firms interviewed were interested in joint ventures with foreign partners. In 1991, that figure increased to 81%, particularly manufacturers and service sector firms. Capital continues to be the main reason, followed by market access and technology. Management expertise continues to rank as the least important of the four factors discussed.

J. BUSINESS ASSOCIATIONS

34. **Approximately two-thirds of firms interviewed were members of at least one business association, and members think the larger organizations are effective.** Four of five members view the Association of Ghana Industries, Ghana National Chamber of Commerce, and Ghana Employers Association as effective. This includes high ratings from small- and medium-scale enterprises, not just larger firms. Nevertheless, many firms do not belong because they do not view services provided as useful. It is likely that more firms would join and be active if business associations were able to demonstrate their effectiveness to a wider audience. Focusing on areas which will make firms more competitive (e.g., cost reduction, facilitating trade and investment linkages; see #35) would likely increase membership.

35. **Firms primarily want three forms of assistance from business associations: financial assistance, market information, and influence on GOG policy.** Financial assistance ranked at the top of the list, as 44% of firms interviewed cited it as the single most important form of assistance business associations could provide. This could be conducted by promoting joint procurement, processing and marketing arrangements, assisting with the processing of tax rebates (e.g., duty drawback scheme), and encouraging group transport. Market information and influence on GOG policy are also considered important, although less critical than financing.

V. CONSIDERATIONS FOR PRIVATE SECTOR STRATEGY DEVELOPMENT

A. EMPLOYMENT, INVESTMENT AND GENERAL FIRM CHARACTERISTICS

While most Ghanaian firms employ fewer than 10 people, the greatest employment per enterprise comes from larger, foreign-owned and export-oriented firms. Thus, it follows that efforts to alleviate Ghana's unemployment problem should focus on attracting additional investment in large-scale and export-oriented firms. When investing, foreign firms have invested in the agro-processing and manufacturing sectors, consistent with the GOG's goal of increasing investment in these areas. However, there has been little incremental foreign investment, and local private investment has been sluggish due to problems of capital formation and weak consumer demand. Any effort to improve Ghana's economic performance will have to address the country's inability to attract sufficient private and foreign capital for employment-generating investment. While Ghana is making progress in a number of sectors, these efforts might also include accelerating investment reviews at the Ghana Investments Center, intensifying privatization of SOEs, easing bureaucratic delays, encouraging greater ownership of land and premises, eliminating any discrimination in the application of customs procedures, continuing with civil service reform, stimulating growth and development of venture capital schemes, and further scaling down tax rates if recent reforms fail to provide needed economic stimulus. Efforts should continue to focus on policy, regulatory and institutional reforms that facilitate private investment from domestic and foreign sources.

B. THE BUSINESS ENVIRONMENT AND FACTORS AFFECTING SALES

Perceptions of the business environment appear similar to those of 1989, with significant improvements in raw materials availability and marginal increases in capacity utilization. Changes in policy and regulation appear to have also encouraged greater entry into the marketplace, reflecting a more accommodating enabling environment. Nevertheless, the private sector is still lacking the capital resources it needs for significant economic growth, and weak consumer demand combined with limited commercial bank financing suggests the liquidity crisis will continue. Aside from net private transfers and continued donor assistance, the only viable external source of capital is direct foreign investment. Special effort should be made by the government to make Ghana as attractive an investment site as possible. Given similar activities in other African countries, and more attractive investment opportunities elsewhere, the GOG will have to be particularly aggressive in continuing with its efforts to improve the overall business environment for the private sector. Recent tax reforms are a significant move in this direction, and similar initiatives to attract and speedily approve new investment projects and privatize privatizeable SOEs would contribute to this momentum.

In addition to capital constraints, firms generally believe that reliable information on foreign markets is not available. This limits firm access to cheaper imports and technologies, and potentially lucrative export markets. This is a proper role for business associations to pursue on behalf of their members.

C. INFRASTRUCTURE AND FACTORS OF PRODUCTION

The biggest improvement in infrastructure is land transport, critical to facilitating the free flow of goods, services and people to enhance market activity. Firms also appear to have seen improvements in electricity and communications, but feel water, premises, spare parts and equipment have worsened. Efforts should continue to support infrastructure development (e.g., feeder roads) as there is consensus that progress is being made in rehabilitating Ghana's infrastructure. Specific efforts might be focused on improvements in maritime and air transport to increase exports. Privatization of Ghana Airways, and investment in air cargo service companies and cold storage facilities are examples of how private and foreign investment might encourage reduced costs, increased access, and improved market links.

D. CREDIT AND INVESTMENT

The commercial banking sector, currently undergoing major structural change, is rarely a source of investment or operating financing. Moreover, the GOG has been attempting to tame the inflation rate by maintaining far stricter control over the money supply than in the 1960s and 1970s. While there is evidence the inflation rate is finally declining and that bankers may be willing to increase lending, there is little likelihood that firms will be able to access sufficient commercial credits to "jump start" the economy. Given weak consumer demand and purchasing power, equity incentives to local private investors plus the attraction of outside sources of capital will be required for increased economic activity. Efforts should focus on increasing Ghana's attractiveness as an investment site to address these capital weaknesses. This includes a promotional and supportive role by the GOG to encourage private sector development and growth.

E. LABOR AND HUMAN RESOURCES

Most sentiments appear to be favorable concerning labor and human resources, as needed employees are much easier to find at the managerial, professional, technical and clerical levels. Firms had few complaints about productivity, absenteeism, sickness or motivation. The only complaint concerned compensation, which appears to have risen (at least nominally) in recent years. Efforts should continue to support business management training and to improve the general efficiency of the labor force, as this is another area (with raw materials availability and land transport) where Ghana appears to be making progress.

F. MARKET INFORMATION

Reliable information on local markets is not a problem for Ghanaian firms, but information on international markets is. Firms continue to rely almost exclusively on personal contacts

for their market information, and rarely use business associations or public sector institutions. Efforts should be made to support the role of business associations to provide more links to and information on foreign markets for imports and exports. Increased market information is also a reason for the GOG to support greater foreign investment as a means of accelerating its export goals. As Ghanaians rely on personal contacts for their market information, and as only a small percentage of locally owned firms export in the first place, it is difficult for these firms to obtain the information they need without legitimate partners. Survey results show four of five firms would welcome joint venture partners, primarily for capital and market contacts. Increased joint ventures would help address insufficient information flows on international markets, thereby helping to identify both new export markets and better import sources.

G. TECHNOLOGY

Ghanaian firms rank access to appropriate technology as a problem, although less severe than in 1989. As with other goods (e.g., raw materials), production technology is available but often not affordable. However, Ghanaians still import roughly the same percentage of goods and services that they imported in 1989, despite higher costs. This may imply a dependency on imports, or unsuccessful marketing of some locally produced goods that may be most cost-effective investments. Efforts might be made to reinforce support for local institutions that have successfully developed appropriate technologies that meet local production requirements and cost less to purchase, operate and maintain.

H. PERCEPTIONS OF MARKET OPPORTUNITIES, DOMESTIC AND INTERNATIONAL

Firms appear to have become more optimistic about agro-processing and construction, but more pessimistic about manufacturing. In addition, firms continue to be focussed almost exclusively on the domestic market, and their limited export trade appears confined almost entirely to the EEC and West Africa. Exporters appear to have the most problem with bureaucratic delays, taxes and market information. Both large-scale and export-oriented firms cited bureaucratic delays as not only problematic, but worse than in 1989. Customs regulations appear to be a problem for many importers, including those who re-export. Imports are still one-third of total (despite a weaker currency), and primarily from the EEC. Efforts to increase access to international market information will help Ghana increase export earnings, improve its trade balance, diversify its products and markets, and reduce its traditional dependence on the EEC. As more entrepreneurs recognize agriculture as a key sector of opportunity (e.g., unprocessed and processed for domestic and international markets), efforts should continue to improve the transport sector (including maritime and air transport for exports) and other infrastructure as has been pursued by the GOG in recent years. Efforts to further improve the investment and business climate for private sector development are essential to maximize Ghana's comparative advantages. This includes addressing bureaucratic delays, which were cited by large-scale and export-oriented firms as worse in 1991 than in 1989.

I. BUSINESS ASSOCIATIONS

Business associations appear to have lost membership from 1989 to 1991, although members of the three largest organizations continue to believe these associations are effective. Firms that are not members have not joined because they view associations as failing to provide useful services. To be effective, business associations need to address member financing requirements, provide market information (especially international), and demonstrate it can constructively influence GOG policy. Financing requirements, by far the greatest need expressed by firms, can be addressed by bulk purchasing, joint processing, collective marketing, and a range of other economic activities that help lower costs for members. Associations may be appropriate, along with other public institutions (e.g., GEPC), in assisting with the processing of the duty drawback scheme or other customs- and tax-related areas that are either not utilized or are perceived as problematic. Efforts should continue to support business associations to more effectively serve their members. Focussing on these three areas, particularly tangible cost-saving services to members, may help make Ghana's business associations stronger agents in private sector development. Tangible results, such as the Ghana National Chamber of Commerce's library, are bound to help members and strengthen these organizations to play a constructive role in that development.

APPENDIX A: MAPS PRIVATE SECTOR SURVEY RESULTS

COMPREHENSIVE MAPS PRIVATE SECTOR SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
1	**I. Profile of Firms**						
2				1989			1991
3							
4	**A. Location**						
5	Accra			63%			61%
6	Kumasi			18%			17%
7	Tema			7%			9%
8	Takoradi-Sekondi			6%			8%
9	Other			6%			6%
10							
11	**B. Sector Distribution**						
12	Agric./Agro-processing			14%			14%
13	Manufacturing			49%			43%
14	Commerce			15%			18%
15	Other Services			22%			24%
16							
17	**C. Scale of Enterprise**						
18	0 Employees (Owner-Op'd)			3%			5%
19	1 to 5 Employees			28%			33%
20	6 to 10 Employees			26%			17%
21	11 to 20 Employees			18%			14%
22	21 to 100 Employees			20%			24%
23	101 to 500 Employees			4%			5%
24	More than 500 Employees			1%			2%
25							
26	**D. Ownership**						
27	% owned by Ghanaians			92%			91%
28	% owned by Women			19%			19%
29	% owned by GOG or Parastatals			6%			5%
30	% owned by Foreigners			8%			8%
31							
32	**E. Land Tenure**						
33	% Title Deed			26%			30%
34	% Lease			74%			70%
35							

COMPREHENSIVE MAPS PRIVATE SECTOR SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
36							
37	**II. Factors Accounting for Business Performance**						
38				1989			1991
39							
40	**A. Negative Factors Affecting Business Performance**						
41	Taxes			56%			50%
42	Availability of Credit			61%			43%
43	Raw Materials Prices			51%			55%
44	Interest Rates			54%			52%
45	Output Prices			41%			40%
46	GOG Actions/Policies			32%			31%
47	FOREX Rate			40%			38%
48	Raw Materials Availability			22%			20%
49	Auction Exchange Rate			33%			39%
50	Employee Performance			18%			17%
51							
52	**B. Positive Factors Affecting Business Performance**						
53	Taxes			21%			21%
54	Availability of Credit			17%			25%
55	Raw Materials Prices			26%			24%
56	Interest Rates			16%			12%
57	Output Prices			26%			29%
58	GOG Actions/Policies			15%			22%
59	FOREX Rate			11%			14%
60	Raw Materials Availability			32%			55%
61	Auction Exchange Rate			17%			10%
62	Employee Performance			24%			23%

COMPREHENSIVE MAPS PRIVATE SECTOR SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
63							
64	**C. Factors Having Important Impact on Sales Volume**						
65	Tax Policies			85%			69%
66	Consumer Demand			84%			82%
67	Market Information			70%			71%
68	Competition from Private Ghanaian Firms			68%			61%
69	Access to Production Technology			71%			66%
70	Transportation			70%			55%
71	Credit Regulations			68%			59%
72	Distance from Markets			57%			34%
73	Middleman Margins			58%			51%
74	GOG Incentive Policies			56%			44%
75	Licensing/Other Regulations			56%			46%
76	Foreign Exchange Regulations			64%			53%
77	Market Infrastructure			49%			45%
78	Marketing Controls			50%			46%
79	Competition from Parastatals			38%			26%
80	Competition from Foreign Firms			39%			35%
81	Export Promotion Incentives			39%			31%
82	Shipping Regulations			42%			43%
83							
84	**D. Perceptions of the Business Environment**						
85	Better Than One Year Ago			38%			40%
86	Same as One Year Ago			18%			17%
87	Worse Than One Year Ago			44%			43%
88							
89	**E. Perceptions of Sales Volume**						
90	Improved in the Last Year			38%			42%
91	Same as the Last Year			28%			24%
92	Worse than Last Year			34%			34%
93							
94	Expected to Improve Next Year			64%			72%
95	Expected to Stay the Same Next Year			19%			16%
96	Expected to Deteriorate Next Year			17%			12%

	A	B	C	D	E	F	G
97							
98	% Firms Operating at the Following Capacity Utilization Rates:						
99	90% to 100%			3%			5%
100	75% to 89%			11%			15%
101	50% to 74%			38%			38%
102	25% to 49%			31%			32%
103	less than 25%			18%			10%
104							
105							
106	**III. Resource Constraints and Government Policies**						
107				**1989**			**1991**
108							
109	**A. Negative Factors Affecting Business Performance in the Last Year:**						
110	Access to Credit			61%			55%
111	Price of Electricity			59%			42%
112	Price of Transport			48%			38%
113	Access to Suitable Equipment			30%			27%
114	Quality of Communications			32%			31%
115	Reliability of Electricity			28%			27%
116	Access to Transport			25%			14%
117	Access to Raw Materials			25%			18%
118	Access to Land			26%			27%
119	Availability of Communications			27%			27%
120	Availability of Suitable Premises			21%			23%
121	Access to Public Services			13%			15%
122	Access to Skilled/Supervisory Labor			10%			9%
123	Quality of Water Services			7%			13%
124	Access to Water			7%			13%
125	Access to Spare Parts			21%			31%

43

	A	B	C	D	E	F	G
126							
127	**B. Positive Factors Affecting Business Performance in the Last Year:**						
128	Access to Credit			22%			27%
129	Price of Electricity			20%			21%
130	Price of Transport			22%			20%
131	Access to Suitable Equipment			49%			43%
132	Quality of Communications			26%			36%
133	Reliability of Electricity			48%			37%
134	Access to Transport			38%			40%
135	Access to Raw Materials			42%			57%
136	Access to Land			24%			23%
137	Availability of Communications			31%			40%
138	Availability of Suitable Premises			54%			42%
139	Access to Public Services			44%			39%
140	Access to Skilled/Supervisory Labor			47%			48%
141	Quality of Water Services			48%			33%
142	Access to Water			41%			38%
143	Access to Spare Parts			34%			31%
144							
145	**C. Infrastructure**						
146	Factors Constituting Important Constraints to Business Growth:						
147	Availability of Air Cargo Space			31%			30%
148	Price of Air Cargo Space			39%			45%
149	Availability of Land Transport			72%			39%
150	Price of Land Transport			80%			61%
151	Availability of Maritime Transport			38%			26%
152	Price of Maritime Transport			44%			49%
153	Existence of Adequate Road Network			64%			46%
154	Quality of Road Network			65%			56%
155	Transport Regulations			47%			38%
156	Access to Water			7%			13%
157	Reliability of Water Supply			7%			13%
158	Cost of Electricity			59%			42%
159	Reliability of Electricity			28%			27%
160	Access to Communications			27%			27%
161	Reliability of Telecommunications			32%			31%

44

	A	B	C	D	E	F	G
162							
163	The Following Land Tenure Issues Have Had an Important Effect on Operations:						
164	Cost of Land			57%			44%
165	Access to Land			67%			50%
166	Ability to Stay on Land			65%			NA
167	Clear Titling			72%			NA
168							
169	**D. Labor Issues**						
170	% Labor Force Women			29%			24%
171	% Labor Force Ghanaian			97%			99%
172	% Skilled Labor Women			20%			23%
173	% Skilled Labor Ghanaian			31%			54%
174	% Top Management Women			23%			26%
175	% Top Management Ghanaian			93%			94%
176							
177	% Believing Labor Productivity is Low			22%			11%
178	% Believing Worker Absenteeism a Problem			25%			22%
179							
180	% Believing Labor Productivity Reduced By:						
181	Sickness			37%			33%
182	Absence for Funerals/Other Personal			27%			31%
183	Lack of Motivation			26%			30%
184							
185	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:						
186	Managers			55%			12%
187	Secretaries/Clerical Personnel			35%			4%
188	Technicians			40%			11%
189	Professional Personnel			50%			11%
190							
191	% See High Compensation as a Constraint			26%			37%

-45

	A	B	C	D	E	F	G
192							
193	**E. Credit Issues**						
194	% Obtaining At Least 20% of Start-up Financing Needs from the Following:						
195	Commercial Banks			13%			9%
196	Rural Banks			0%			0%
197	Other Local Formal Financial Institutions			2%			0%
198	Foreign Partners			2%			6%
199	Susu/Other Informal			1%			2%
200	Remittances from Offshore Ghanaians			1%			0%
201	Suppliers' Credits			2%			3%
202	Family/Friends			24%			19%
203	Personal Capital			81%			76%
204							
205	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:						
206	Commercial Banks			22%			16%
207	Rural Banks			1%			0%
208	Other Local Formal Financial Institutions			7%			1%
209	Foreign Partners			2%			3%
210	Susu/Other Informal			1%			1%
211	Remittances from Offshore Ghanaians			0%			2%
212	Suppliers' Credits			8%			8%
213	Family/Friends			20%			9%
214	Personal Capital			84%			38%
215							
216	Lack of Credit/Capital Has Arrested the Following:						
217	Many Projects			47%			42%
218	Some Projects			29%			37%
219	No Projects			24%			21%
220							
221	Ability to Obtain Financing Impeded by:						
222	Collateral Requirements			78%			63%
223	Short-term Interest Rates			86%			80%
224	Long-Term Interest Rates			70%			72%
225	Bank Fees			56%			54%
226	Credit Ceilings			83%			69%
227	Paperwork			40%			44%
228	Lack of Equity Capital			68%			71%
229	Distance to Banks			14%			13%

46

	A	B	C	D	E	F	G
230							
231	**F. Market Information**						
232	Reliable Information on Local Markets is Available:						
233	Yes			71%			83%
234	No			29%			17%
235							
236	Reliable Information on International Markets is Available:						
237	Yes			22%			39%
238	No			78%			61%
239							
240	Sources of Market Information:						
241	Ministry of Trade and Tourism			7%			8%
242	Ministry of Industry Science and Tech.			11%			10%
243	Export Promotion Council			7%			9%
244	Personal Contacts			89%			90%
245	Foreign Partners			6%			9%
246	Association of Ghana Industries			13%			12%
247	National Chamber of Commerce			11%			11%
248	National Marketing Boards			2%			4%
249	Trade Journals			27%			22%
250							
251	Most Interested in Information On:						
252	Prices			90%			87%
253	Product Standards			82%			83%
254	Contacts with other Companies			75%			68%
255	Trade Regulations			61%			48%
256							
257	**G. Technology**						
258	% Having Access to Appropriate Technology:						
259	Yes			66%			65%
260	No			34%			35%

47

	A	B	C	D	E	F	G
261							
262	Factors Hindering Access to Technology:						
263	Lack of Information on Technology			44%			13%
264	Lack of Local Expertise			11%			10%
265	Cost of Technology			42%			45%
266	Imported Technology Inadequate for Market			6%			8%
267	GOG Licensing Requirements			3%			8%
268	Difficulty Obtaining Spare Parts			11%			6%
269	Maintenance Problems			11%			10%
270	Lack of Foreign Exchange			13%			13%
271							
272							
273	**IV. Market Perceptions, Trade and Investment Opportunities**						
274				**1989**			**1991**
275							
276	**A. % Believing the Following Offer the Best Return on investment**						
277	Agriculture for Domestic Market			10%			9%
278	Agriculture for Export Market			6%			8%
279	Agro-processing for Domestic Market			2%			4%
280	Agro-processing for Export Market			2%			7%
281	Manufacturing for Domestic Market			16%			11%
282	Manufacturing for Export Market			22%			14%
283	Commerce			23%			22%
284	Banking/Finance			7%			3%
285	Tourism/Real Estate			3%			4%
286	Construction			7%			10%
287	Other (Mining, Pharmaceuticals)			2%			7%
288							
289	**B. Investment Plans**						
290	% Interested in Investing in:						
291	Personnel Training			77%			78%
292	Improved Production Technology			85%			79%
293	Plant			87%			85%
294	Marketing			90%			89%
295	Procurement			83%			80%
296	Quality Control			83%			81%
297	Management Skills			76%			79%

48

	A	B	C	D	E	F	G
298							
299	% With Specific Plans to Invest in:						
300	Personnel Training			36%			63%
301	Improved Production Technology			41%			61%
302	Plant			57%			63%
303	Marketing			52%			73%
304	Procurement			40%			55%
305	Quality Control			40%			63%
306	Management Skills			38%			64%
307							
308	**C. Sales Profile**						
309	% Sales in Ghana			94%			94%
310							
311	% Sales Abroad			6%			5%
312	o/w % of Sales to EEC			2%			3%
313	o/w % of Sales to West Africa			3%			1%
314	o/w % of Sales to Other Africa			0%			0%
315	o/w % of Sales to North America			1%			1%
316	o/w % of Sales to Asia			0%			0%
317							
318	**D. Inputs and Imports**						
319	Factors Considered Important in Impeding Ability to Obtain Inputs:						
320	Lack of Financing			98%			93%
321	Lack of Cooperative Buying			49%			54%
322	Availability of Transport			74%			42%
323	Cost of Transport			85%			59%
324	Import License Controls			62%			41%
325	Foreign Exchange Regulations			73%			57%
326	Customs Regulations			70%			67%
327	Middlemen Margins			64%			61%
328	Product Shortages			78%			59%
329							
330	% Having Difficulty Obtaining Needed Raw Materials:						
331	Yes			42%			27%
332	No			58%			73%

49

	A	B	C	D	E	F	G
333							
334	% Raw Materials Come From:						
335	Domestic Sources			66%			68%
336	Foreign Sources			34%			32%
337	o/w from EEC			22%			
338	o/w from Middle East			1%			
339	o/w from Japan			4%			
340	o/w from Other Asia			1%			
341	o/w from USA			4%			
342	o/w from West Africa			4%			
343	o/w from Other Africa			0%			
344							
345	**E. Exports**						
346	What is the Most Profitable Export Market?						
347	West Africa			38%			30%
348	Other Africa			3%			3%
349	EEC			42%			49%
350	Middle East			0%			4%
351	Asia			2%			1%
352	USA			11%			12%
353	Other			2%			0%
354							
355	% Considered Important Constraints to Achieving/Expanding Exports:						
356	Foreign Exchange Control			80%			63%
357	Credit Controls			34%			73%
358	Bureaucratic Delays			76%			59%
359	Taxes			88%			77%
360	Lack of Appropriate Technology			81%			72%
361	Inadequate Transport Infrastructure			73%			56%
362	Other Infrastructure Problems			73%			55%
363	Packaging			67%			60%
364	Raw Materials			77%			58%
365	Low Labor Productivity			69%			56%
366	Lack of Market Information			84%			79%
367							

	A	B	C	D	E	F	G
368	**F. Joint Ventures**						
369	% Interested in Joint Ventures with Foreigners			72%			81%
370							
371	Interested in Joint Ventures for:						
372	Capital			99%			95%
373	Technology			92%			83%
374	Managerial Expertise			79%			65%
375	Access to Markets			91%			89%
376							
377							
378	**V. Business Associations**						
379				**1989**			**1991**
380							
381	% Member of any Association			73%			66%
382							
383	% Not Member of Associations Because:						
384	Services are Not Useful			50%			64%
385	Fees Discourage My Joining			9%			6%
386	Membership Restrictions			4%			4%
387	Other			37%			26%
388							
389	% of Firms Belonging to Associations Who Are Members of:						
390	National Chamber of Commerce			40%			27%
391	Association of Ghana Industries			43%			28%
392	Ghana Employers Association			20%			23%
393	Federation of Business & Professional Women			1%			2%
394	Agricultural Commodity Associations			1%			1%
395	Ghana Pharmaceutical Association			3%			5%
396	Ghana Institute of Bankers			4%			1%
397	Ghana Hotel Association			4%			2%
398							
399	% of Actual Members Believing Their Associations Are Effective:						
400	National Chamber of Commerce			71%			81%
401	Association of Ghana Industries			82%			87%
402	Ghana Employers Association			76%			86%
403							

61

	A	B	C	D	E	F	G
404	% Distribution of Single Most Helpful Assistance Desired from Business Associations:						
405	Financial Assistance			NA			44%
406	Market Statistics			NA			24%
407	Influence on Government Policy			NA			20%
408	Training & Development			NA			5%
409	Nothing			NA			3%
410	Other			NA			5%
411							
412	% Interested in the Following Services from Associations:						
413	Access to Credit			91%			88%
414	Technical Assistance			80%			70%
415	Personnel Training			74%			72%
416	Feasibility Studies			74%			67%
417	Increasing Contacts with Government			73%			65%
418	Provide Marketing Information			88%			89%
419							
420							

52

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
1	**I. Profile of Firms**		**1989**	**1989**	**1989**	**1989**		**1991**	**1991**	**1991**	**1991**
2			**AGR**	**MAN**	**COM**	**SER**		**AGR**	**MAN**	**COM**	**SER**
3	**A. Location**										
4	Accra		67%	63%	56%	69%		63%	62%	58%	58%
5	Kumasi		21%	16%	20%	20%		17%	17%	18%	15%
6	Tema		7%	7%	4%	8%		10%	8%	8%	12%
7	Takoradi-Sekondi		0%	8%	7%	3%		4%	8%	10%	7%
8	Other		5%	6%	13%	0%		6%	3%	3%	6%
9											
10	**B. Scale of Enterprise**										
11	0 Employees (Owner-Op'd)		10%	2%	0%	3%		10%	1%	13%	0%
12	1 to 5 Employees		50%	25%	29%	20%		31%	23%	47%	41%
13	6 to 10 Employees		14%	25%	36%	30%		10%	24%	15%	9%
14	11 to 20 Employees		5%	15%	22%	31%		8%	12%	13%	23%
15	21 to 100 Employees		12%	26%	13%	14%		27%	30%	8%	24%
16	101 to 500 Employees		5%	6%	0%	2%		10%	7%	2%	1%
17	More than 500 Employees		5%	1%	0%	0%		2%	3%	2%	3%
18											
19	**C. Ownership**										
20	Distribution of Ghanaian Firms		14%	22%	48%	16%		14%	44%	18%	25%
21	Distribution of Womens' Firms		21%	43%	14%	21%		11%	33%	30%	27%
22											
23	% owned by Ghanaians		91%	90%	100%	94%		87%	94%	90%	94%
24	% owned by Women		29%	17%	19%	18%					
25											
26	% owned by GOG or Parastatals		5%	7%	7%	5%		12%	5%	2%	6%
27	% owned by Foreigners		9%	10%	0%	6%		13%	6%	10%	6%
28											
29	**D. Land Tenure**										
30	% Title Deed		36%	30%	15%	41%		33%	33%	25%	22%
31	% Lease		64%	70%	85%	59%		67%	67%	75%	78%
32											

53

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
33											
34	**II. Factors Accounting for Business Performance**										
35			1989	1989	1989	1989		1991	1991	1991	1991
36			AGR	MAN	COM	SER		AGR	MAN	COM	SER
37	**A. Factors Negatively Affecting Business Performance**										
38	Taxes		53%	55%	65%	54%		43%	47%	48%	58%
39	Availability of Credit		57%	59%	56%	73%		34%	48%	36%	45%
40	Raw Materials Prices		46%	54%	44%	51%		63%	59%	30%	58%
41	Interest Rates		44%	63%	56%	49%		61%	53%	53%	43%
42	Output Prices		40%	45%	33%	49%		39%	41%	44%	37%
43	GOG Actions/Policies		30%	38%	38%	35%		18%	34%	31%	34%
44	FOREX Rate		14%	38%	58%	45%		39%	37%	43%	36%
45	Raw Materials Availability		18%	25%	24%	17%		20%	22%	7%	28%
46	Auction Exchange Rate		25%	33%	53%	24%		46%	38%	51%	28%
47	Employee Performance		22%	15%	20%	20%		14%	21%	8%	17%
48											
49	**B. Factors Positively Affecting Business Performance**										
50	Taxes		20%	9%		12%		19%	22%	24%	19%
51	Availability of Credit		9%	24%	15%	6%		37%	22%	34%	19%
52	Raw Materials Prices		24%	26%	26%	23%		15%	24%	36%	21%
53	Interest Rates		9%	18%	14%	16%		15%	13%	14%	9%
54	Output Prices		33%	28%	21%	20%		32%	25%	33%	32%
55	GOG Actions/Policies		6%	16%	18%	15%		29%	22%	19%	20%
56	FOREX Rate		9%	9%	19%	10%		25%	11%	10%	18%
57	Raw Materials Availability		33%	35%	29%	30%		62%	54%	53%	54%
58	Auction Exchange Rate		5%	17%	23%	10%		12%	10%	10%	13%
59	Employee Performance		31%	22%	28%	19%		33%	20%	16%	27%

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
60											
61	**C. Factors Having Important Impact on Sales Volume**										
62	Tax Policies		84%	87%	88%	89%		69%	67%	76%	66%
63	Consumer Demand		90%	82%	86%	82%		85%	77%	79%	93%
64	Market Information		74%	70%	74%	63%		63%	68%	79%	74%
65	Competition: Priv. Ghanaian Firms		68%	66%	68%	72%		56%	58%	73%	62%
66	Access to Production Technology		67%	76%	50%	70%		57%	67%	38%	77%
67	Transportation		90%	69%	63%	49%		55%	54%	57%	56%
68	Credit Regulations		67%	74%	62%	68%		66%	55%	72%	53%
69	Distance from Markets		79%	50%	43%	68%		23%	33%	34%	32%
70	Middleman Margins		78%	55%	59%	52%		55%	48%	58%	42%
71	GOG Incentive Policies		58%	61%	70%	54%		56%	43%	42%	44%
72	Licensing/Other Regulations		58%	52%	51%	69%		29%	24%	41%	45%
73	Foreign Exchange Regulations		57%	59%	79%	66%		58%	52%	65%	42%
74	Market Infrastructure		74%	41%	48%	49%		51%	41%	42%	54%
75	Marketing Controls		61%	51%	43%	48%		53%	36%	53%	44%
76	Competition from Parastatals		39%	43%	41%	25%		16%	29%	36%	17%
77	Competition from Foreign Firms		35%	46%	38%	29%		21%	41%	23%	49%
78	Export Promotion Incentives		52%	41%	32%	28%		57%	35%	25%	6%
79	Shipping Regulations		59%	38%	43%	37%		57%	47%	40%	36%
80											
81	**D. Perceptions of the Business Environment**										
82	Better Than One Year Ago		33%	37%	41%	40%		52%	32%	32%	49%
83	Same as One Year Ago		52%	47%	36%	38%		15%	22%	17%	12%
84	Worse Than One Year Ago		14%	16%	23%	22%		33%	46%	52%	38%
85											
86	**E. Perceptions of Sales Volume**										
87	Improved in the Last Year		43%	36%	44%	34%		58%	35%	33%	51%
88	Same as the Last Year		24%	27%	26%	36%		17%	30%	23%	21%
89	Worse than Last Year		33%	37%	30%	31%		25%	36%	43%	28%
90											
91	Expected to Improve Next Year		68%	60%	73%	63%		74%	72%	64%	75%
92	Should Stay the Same Next Year		19%	20%	10%	24%		11%	18%	15%	18%
93	Expected to Deteriorate Next Year		13%	20%	17%	14%		15%	10%	20%	6%

55

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
94											
95	% Firms Operating at the Following Capacity Utilization Rates:										
96	90% to 100%		3%	2%	8%	3%		6%	3%	0%	10%
97	75% to 89%		3%	9%	18%	10%		15%	13%	21%	15%
98	50% to 74%		33%	35%	46%	43%		35%	35%	45%	41%
99	25% to 49%		42%	30%	18%	35%		29%	38%	21%	28%
100	less than 25%		18%	24%	10%	10%		15%	11%	13%	6%
101											
102											
103	**III. Resource Constraints and Government Policies**										
104			1989	1989	1989	1989		1991	1991	1991	1991
105			AGR	MAN	COM	SER		AGR	MAN	COM	SER
106											
107	**A. Factors Negatively Affecting Business Performance in the Last Year:**										
108	Access to Credit		71%	61%	48%	66%		51%	58%	56%	52%
109	Price of Electricity		45%	57%	58%	69%		38%	40%	38%	51%
110	Price of Transport		50%	43%	49%	58%		36%	36%	46%	37%
111	Access to Suitable Equipment		27%	31%	17%	39%		27%	31%	7%	30%
112	Quality of Communications		39%	31%	24%	36%		39%	28%	26%	35%
113	Reliability of Electricity		18%	27%	24%	38%		27%	26%	22%	31%
114	Access to Transport		18%	24%	28%	19%		9%	19%	2%	15%
115	Access to Raw Materials		33%	29%	13%	17%		21%	18%	7%	25%
116	Access to Land		29%	28%	14%	27%		30%	26%	19%	32%
117	Availability of Communications		38%	24%	26%	29%		38%	25%	28%	22%
118	Availability of Suitable Premises		15%	21%	7%	31%		31%	26%	17%	22%
119	Access to Public Services		16%	9%	10%	20%		7%	15%	18%	17%
120	Access Skilled/Supervisory Labor		13%	10%	16%	7%		7%	12%	5%	7%
121	Quality of Water Services		13%	6%	9%	5%		11%	15%	9%	13%
122	Access to Water		10%	5%	0%	11%		15%	14%	5%	16%
123	Access to Spare Parts		29%	25%	24%	29%		25%	28%	0%	45%

	A	B	C	D	E	F	G	H	I	J	K
124											
125	**B. Factors Positively Affecting Business Performance in the Last Year:**										
126	Access to Credit		9%	28%	26%	14%		35%	29%	27%	21%
127	Price of Electricity		15%	20%	25%	21%		35%	19%	17%	20%
128	Price of Transport		19%	25%	28%	10%		26%	20%	16%	20%
129	Access to Suitable Equipment		57%	51%	39%	46%		43%	39%	37%	57%
130	Quality of Communications		14%	26%	30%	20%		33%	38%	40%	32%
131	Reliability of Electricity		45%	44%	41%	39%		32%	36%	43%	40%
132	Access to Transport		38%	39%	37%	31%		55%	35%	47%	36%
133	Access to Raw Materials		38%	46%	40%	43%		62%	60%	53%	49%
134	Access to Land		29%	28%	31%	27%		43%	26%	17%	14%
135	Availability of Communications		14%	34%	39%	27%		35%	38%	37%	48%
136	Availability of Suitable Premises		58%	55%	62%	45%		38%	34%	48%	53%
137	Access to Public Services		45%	48%	26%	48%		42%	32%	41%	50%
138	Access Skilled/Supervisory Labor		45%	46%	39%	57%		54%	45%	45%	51%
139	Quality of Water Services		64%	41%	26%	49%		49%	30%	22%	32%
140	Access to Water		68%	39%	23%	39%		56%	31%	30%	41%
141	Access to Spare Parts		46%	46%	14%	51%		36%	32%	15%	28%
142											
143	**C. Infrastructure**										
144	Factors Constituting Important Constraints to Business Growth:										
145	Availability of Air Cargo Space		27%	31%	30%	30%		46%	13%	50%	26%
146	Price of Air Cargo Space		27%	34%	43%	36%		46%	30%	77%	37%
147	Availability of Land Transport		81%	73%	59%	71%		44%	36%	43%	42%
148	Price of Land Transport		82%	83%	70%	79%		67%	55%	69%	60%
149	Availability of Maritime Transport		31%	37%	31%	45%		40%	18%	38%	23%
150	Price of Maritime Transport		41%	41%	44%	54%		63%	35%	75%	42%
151	Inadequate Road Network		86%	60%	54%	65%		51%	44%	55%	42%
152	Quality of Road Network		80%	63%	62%	62%		63%	52%	65%	53%
153	Transport Regulations		61%	52%	31%	42%		36%	34%	55%	41%
154	Access to Water		10%	5%	0%	11%		15%	14%	5%	16%
155	Reliability of Water Supply		13%	6%	9%	5%		11%	15%	9%	13%
156	Cost of Electricity		45%	57%	58%	69%		38%	40%	38%	51%
157	Reliability of Electricity		18%	27%	24%	38%		27%	26%	22%	31%
158	Access to Communications		38%	24%	26%	29%		38%	25%	28%	22%
159	Reliability of Telecommunications		39%	31%	24%	36%		39%	28%	26%	35%

57

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
160											
161	The Following Land Tenure Issues Have Had an Important Effect on Operations:										
162	Cost of Land		54%	34%	53%	76%					
163	Access to Land		62%	56%	60%	94%					
164	Ability to Stay on Land		73%	64%	64%	83%		NA	NA	NA	NA
165	Clear Titling		82%	67%	62%	81%		NA	NA	NA	NA
166											
167	**D. Labor Issues**										
168	% Labor Force Women		40%	28%	25%	25%		19%	18%	35%	28%
169	% Labor Force Ghanaian		97%	97%	98%	96%		95%	98%	96%	100%
170	% Skilled Labor Women		34%	16%	20%	19%		15%	19%	31%	31%
171	% Skilled Labor Ghanaian		26%	39%	31%	24%		49%	57%	38%	63%
172	% Top Management Women		32%	21%	24%	16%		19%	19%	42%	30%
173	% Top Management Ghanaian		87%	95%	94%	97%		95%	91%	96%	97%
174											
175	% Believing Labor Productivity Low		13%	18%	21%	14%		15%	14%	6%	20%
176	% Worker Absent'ism a Problem		33%	23%	20%	34%		13%	21%	13%	33%
177											
178	% Believing Labor Productivity Reduced By:										
179	Sickness		55%	28%	50%	36%		33%	32%	27%	40%
180	Absence for Funerals/Other Pers'l		48%	22%	25%	28%		31%	31%	26%	33%
181	Lack of Motivation		21%	25%	30%	27%		38%	32%	25%	25%
182											
183	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:										
184	Managers		62%	53%	55%	58%		3%	13%	11%	17%
185	Secretaries/Clerical Personnel		48%	27%	42%	41%		3%	3%	0%	8%
186	Technicians		53%	41%	36%	32%		3%	10%	4%	18%
187	Professional Personnel		63%	44%	45%	60%		3%	7%	7%	21%
188											
189	% High Compensation a Constraint		23%	17%	42%	31%		43%	33%	29%	41%

	A	B	C	D	E	F	G	H	I	J	K
190											
191	**E. Credit Issues**										
192	% Obtaining At Least 20% of Start-up Financing Needs from the Following:										
193	Commercial Banks		8%	13%	23%	12%		17%	9%	10%	4%
194	Rural Banks		0%	0%	0%	0%		0%	0%	0%	0%
195	Other Local Formal Fin. Institutions		0%	7%	0%	5%		0%	1%	0%	0%
196	Foreign Partners		8%	7%	4%	0%		8%	6%	3%	6%
197	Susu/Other Informal		0%	0%	0%	5%		0%	1%	3%	3%
198	Remit's from Offshore Ghanaians		0%	1%	0%	5%		0%	0%	0%	0%
199	Suppliers' Credits		0%	2%	8%	0%		0%	3%	5%	3%
200	Family/Friends		24%	22%	30%	26%		15%	18%	23%	22%
201	Personal Capital		76%	81%	85%	81%		75%	78%	77%	70%
202											
203	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:										
204	Commercial Banks		24%	25%	27%	12%		25%	20%	10%	7%
205	Rural Banks		0%	0%	4%	0%		0%	0%	0%	0%
206	Other Local Formal Fin. Institutions		4%	4%	7%	12%		0%	1%	4%	0%
207	Foreign Partners		0%	4%	0%	0%		4%	4%	0%	4%
208	Susu/Other Informal		0%	0%	0%	2%		0%	1%	2%	0%
209	Remit's from Offshore Ghanaians		0%	0%	0%	0%		0%	3%	2%	0%
210	Suppliers' Credits		16%	12%	28%	5%		8%	8%	12%	5%
211	Family/Friends		8%	12%	31%	12%		8%	7%	7%	14%
212	Personal Capital		92%	85%	73%	83%		40%	34%	48%	38%
213											
214	Lack of Credit/Capital Has Arrested the Following:										
215	Many Projects		33%	53%	33%	54%		38%	44%	43%	39%
216	Some Projects		29%	26%	47%	23%		46%	39%	20%	43%
217	No Projects		38%	21%	21%	23%		17%	17%	37%	19%
218											
219	Ability to Obtain Financing Impeded by:										
220	Collateral Requirements		86%	78%	65%	88%		73%	54%	83%	60%
221	Short-term Interest Rates		89%	85%	76%	92%		77%	77%	95%	77%
222	Long-Term Interest Rates		86%	67%	48%	77%		64%	70%	77%	71%
223	Bank Fees		68%	54%	56%	52%		61%	53%	53%	48%
224	Credit Ceilings		85%	79%	78%	92%		77%	70%	67%	60%
225	Paperwork		33%	41%	37%	46%		48%	36%	55%	43%
226	Lack of Equity Capital		67%	71%	66%	70%		81%	66%	80%	67%
227	Distance to Banks		30%	14%	8%	12%		14%	12%	15%	8%

59

	A	B	C	D	E	F	G	H	I	J	K
228											
229	**F. Market Information**										
230	Reliable Information on Local Markets is Available:										
231	Yes		73%	74%	65%	62%		84%	84%	83%	81%
232	No		27%	26%	35%	38%		16%	16%	17%	19%
233											
234	Reliable Information on International Markets is Available:										
235	Yes		29%	24%	19%	19%		43%	35%	45%	37%
236	No		71%	76%	81%	81%		57%	65%	55%	63%
237											
238	Sources of Market Information:										
239	Ministry of Trade and Tourism		2%	4%	14%	11%		2%	10%	13%	4%
240	Ministry Industry Science and Tech.		7%	13%	5%	8%		4%	17%	5%	4%
241	Export Promotion Council		2%	7%	7%	3%		13%	13%	7%	1%
242	Personal Contacts		88%	88%	91%	90%		79%	92%	93%	89%
243	Foreign Partners		5%	6%	9%	3%		10%	9%	12%	6%
244	Association of Ghana Industries		10%	18%	9%	0%		10%	20%	5%	4%
245	National Chamber of Commerce		0%	9%	23%	10%		4%	13%	20%	5%
246	National Marketing Boards		5%	3%	2%	0%		2%	5%	5%	1%
247	Trade Journals		21%	25%	30%	29%		23%	19%	28%	22%
248											
249	Most Interested in Information On:										
250	Prices		90%	98%	98%	85%		85%	89%	95%	86%
251	Product Standards		67%	94%	76%	91%		90%	85%	93%	81%
252	Contacts with other Companies		72%	79%	80%	82%		73%	74%	81%	70%
253	Trade Regulations		55%	80%	81%	69%		59%	70%	80%	61%
254											
255	**G. Technology**										
256	% Having Access to Appropriate Technology:										
257	Yes		75%	66%	41%	73%		69%	68%	57%	59%
258	No		25%	34%	59%	27%		31%	32%	43%	41%

60

	A	B	C	D	E	F	G	H	I	J	K
259											
260	Factors Hindering Access to Technology:										
261	Lack of Information on Technology		48%	41%	39%	48%		15%	15%	7%	14%
262	Lack of Local Expertise		7%	9%	11%	13%		8%	9%	10%	10%
263	Cost of Technology		29%	47%	33%	44%		50%	53%	15%	52%
264	Imported Tech. Inappropriate		10%	4%	9%	2%		6%	11%	2%	7%
265	GOG Licensing Requirements		0%	2%	2%	3%		2%	9%	3%	11%
266	Difficulty Obtaining Spare Parts		7%	12%	7%	8%		2%	8%	0%	7%
267	Maintenance Problems		5%	14%	5%	5%		4%	14%	3%	10%
268	Lack of Foreign Exchange		7%	15%	12%	12%		17%	18%	2%	13%
269											
270											
271	**IV. Market Perceptions, Trade and Investment Opportunities**										
272			1989	1989	1989	1989		1991	1991	1991	1991
273			AGR	MAN	COM	SER		AGR	MAN	COM	SER
274	**A. % Believing the Following Offer the Best Return on Investment**										
275	Agriculture for Domestic Market		12%	9%	13%	8%		22%	6%	8%	9%
276	Agriculture for Export Market		5%	6%	11%	3%		13%	6%	5%	11%
277	Agro-processing for Dom. Market		0%	3%	0%	5%		2%	6%	2%	4%
278	Agro-processing for Export Market		0%	2%	2%	2%		13%	8%	2%	5%
279	Manufacturing for Domestic Market		17%	16%	18%	23%		4%	11%	13%	14%
280	Manufacturing for Export Market		21%	24%	13%	14%		9%	19%	12%	9%
281	Commerce		24%	25%	22%	17%		15%	17%	43%	21%
282	Banking/Finance		7%	6%	7%	13%		2%	4%	0%	4%
283	Tourism/Real Estate		2%	1%	2%	8%		0%	6%	2%	6%
284	Construction		10%	6%	2%	6%		13%	11%	5%	13%
285	Other (Mining, Pharmaceuticals)		2%	4%	0%	3%		7%	8%	8%	5%
286											
287	**B. Investment Plans**										
288	% Interested in Investing in:										
289	Personnel Training		58%	81%	68%	90%		81%	80%	61%	82%
290	Improved Production Technology		76%	95%	57%	81%		92%	91%	32%	83%
291	Plant		86%	95%	70%	84%		98%	92%	64%	88%
292	Marketing		93%	93%	95%	82%		98%	88%	95%	82%
293	Procurement		76%	88%	84%	74%		92%	77%	80%	79%
294	Quality Control		76%	94%	68%	72%		87%	88%	65%	79%
295	Management Skills		60%	81%	80%	73%		85%	80%	73%	78%
296											

61

	A	B	C	D	E	F	G	H	I	J	K
297	% With Specific Plans to Invest in:										
298	Personnel Training		29%	45%	22%	34%		66%	65%	47%	67%
299	Improved Production Technology		31%	47%	40%	38%		77%	71%	21%	62%
300	Plant		67%	60%	47%	53%		63%	68%	50%	63%
301	Marketing		48%	59%	51%	42%		81%	74%	71%	68%
302	Procurement		41%	46%	39%	27%		67%	55%	53%	49%
303	Quality Control		36%	46%	34%	33%		71%	70%	48%	56%
304	Management Skills		36%	46%	27%	31%		65%	66%	56%	65%
305											
306	**C. Sales Profile**										
307	% Sales in Ghana		94%	97%	99%	90%		90%	94%	98%	94%
308											
309	% Sales Abroad		6%	3%	1%	10%		10%	6%	2%	6%
310	o/w % Sales to EEC		5%	1%	0%	3%		8%	4%	1%	2%
311	o/w % Sales to West Africa		1%	2%	0%	2%		1%	1%	0%	2%
312	o/w % Sales to Other Africa		0%	1%	0%	1%		0%	0%	0%	0%
313	o/w % Sales to North America		1%	0%	0%	2%		1%	1%	0%	1%
314	o/w % Sales to Asia		0%	0%	0%	1%		0%	0%	0%	1%
315											
316	**D. Inputs and Imports**										
317	Factors Considered Important in Impeding Ability to Obtain Inputs:										
318	Lack of Financing		95%	97%	95%	100%		95%	93%	93%	94%
319	Lack of Cooperative Buying		50%	49%	45%	47%		56%	51%	40%	66%
320	Availability of Transport		85%	71%	85%	61%		55%	35%	50%	41%
321	Cost of Transport		95%	85%	80%	83%		70%	55%	50%	66%
322	Import License Controls		54%	48%	82%	82%		44%	32%	57%	50%
323	Foreign Exchange Regulations		62%	68%	88%	85%		64%	45%	75%	69%
324	Customs Regulations		58%	63%	89%	79%		56%	71%	75%	65%
325	Middlemen Margins		78%	59%	56%	76%		71%	49%	90%	59%
326	Product Shortages		82%	76%	72%	77%		56%	54%	46%	77%
327											
328	% Having Difficulty Obtaining Needed Raw Materials:										
329	Yes		39%	47%	32%	35%		29%	28%	7%	33%
330	No		61%	53%	68%	65%		71%	72%	93%	67%

62

	A	B	C	D	E	F	G	H	I	J	K
331											
332	% Inputs Imported:		7%	32%	50%	48%		23%	30%	46%	32%
333	o/w from EEC		3%	24%	29%	23%		13%	20%	27%	14%
334	o/w from Middle East		0%	0%	0%	3%		0%	1%	0%	5%
335	o/w from Asia		1%	3%	6%	15%		4%	3%	8%	3%
336	o/w from USA		3%	3%	4%	5%		3%	3%	7%	8%
337	o/w from West Africa		0%	2%	8%	2%		2%	2%	3%	2%
338	o/w from Other Africa		0%	0%	2%	0%		1%	1%	1%	0%
339											
340	**E. Exports**										
341	What is the Most Profitable Export Market?										
342	West Africa		42%	46%	28%	34%		34%	36%	18%	21%
343	Other Africa		3%	3%	3%	3%		3%	1%	12%	4%
344	EEC		51%	33%	56%	45%		47%	44%	65%	54%
345	Middle East		0%	1%	0%	0%		5%	4%	3%	4%
346	Asia		0%	1%	3%	4%		0%	3%	0%	0%
347	USA		3%	13%	9%	15%		11%	13%	3%	13%
348											
349	% Considered Important Constraints to Achieving/Expanding Exports:										
350	Foreign Exchange Control		75%	74%	94%	78%		79%	53%	56%	80%
351	Credit Controls		89%	82%	95%	83%		73%	71%	78%	63%
352	Bureaucratic Delays		69%	72%	88%	83%		60%	55%	67%	62%
353	Taxes		90%	83%	95%	89%		73%	75%	91%	79%
354	Lack of Appropriate Technology		75%	76%	87%	91%		81%	72%	33%	67%
355	Inadequate Transport Infrastructure		75%	68%	75%	78%		81%	46%	78%	41%
356	Other Infrastructure Problems		80%	67%	74%	73%		73%	50%	67%	43%
357	Packaging		69%	60%	68%	78%		53%	66%	63%	50%
358	Raw Materials		81%	72%	84%	83%		57%	67%	13%	53%
359	Low Labor Productivity		70%	65%	71%	73%		63%	51%	56%	63%
360	Lack of Market Information		87%	78%	98%	87%		81%	75%	100%	83%

	A	B	C	D	E	F	G	H	I	J	K
361											
362	**F. Joint Ventures**										
363	% Interested in J-V's with Foreign's		76%	72%	70%	69%		74%	82%	78%	86%
364											
365	Interested in Joint Ventures for:										
366	Capital		100%	98%	100%	98%		94%	98%	91%	94%
367	Technology		87%	92%	96%	90%		83%	87%	55%	86%
368	Managerial Expertise		70%	78%	80%	80%		56%	72%	63%	58%
369	Access to Markets		93%	91%	85%	93%		89%	92%	95%	78%
370											
371											
372	**V. Business Associations**										
373			1989	1989	1989	1989		1991	1991	1991	1991
374			AGR	MAN	COM	SER		AGR	MAN	COM	SER
375	% Member of any [illegible]ociation		61%	80%	74%	91%		67%	67%	51%	74%
376											
377	% Not Member of Associations Because:										
378	Services are Not Useful		56%	41%	71%	46%		38%	57%	80%	71%
379	Fees Discourage My Joining		6%	5%	21%	13%		8%	9%	3%	4%
380	Membership Restrictions		19%	25%	0%	12%		15%	5%	10%	4%
381	Other		19%	30%	7%	29%		38%	27%	7%	21%
382											
383	% of Firms Belonging to Associations Who Are Members of:										
384	National Chamber of Commerce		35%	41%	33%	36%		21%	35%	53%	39%
385	Association of Ghana Industries		62%	54%	45%	54%		27%	61%	9%	9%
386	Ghana Employers Association		35%	20%	24%	18%		38%	42%	16%	21%
387	Fed. of Bus. & Profes'l Women		0%	3%	0%	0%		6%	5%	0%	0%
388	Agricultural Commodity Assns		0%	2%	0%	0%		16%	0%	0%	0%
389	Ghana Pharmaceutical Association		4%	3%	3%	5%		11%	5%	21%	0%
390	Ghana Institute of Bankers		0%	6%	3%	5%		6%	2%	0%	0%
391	Ghana Hotel Association		0%	5%	0%	8%		6%	2%	4%	6%
392											
393	% of Actual Members Believing Their Associations Are Effective:										
394	National Chamber of Commerce		78%	73%	62%	64%		100%	76%	81%	86%
395	Association of Ghana Industries		88%	82%	87%	76%		100%	86%	100%	67%
396	Ghana Employers Association		89%	89%	50%	57%		88%	86%	75%	86%

64

MAPS PRIVATE SECTOR SURVEY RESULTS BY SECTOR: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
397											
398	% Distribution of Single Most Helpful Assistance Desired from Business Associations:										
399	Financial Assistance		NA	NA	NA	NA		40%	47%	45%	40%
400	Market Statistics		NA	NA	NA	NA		25%	20%	27%	26%
401	Influence on Government Policy		NA	NA	NA	NA		27%	19%	22%	15%
402	Training & Development		NA	NA	NA	NA		0%	7%	0%	9%
403	Nothing		NA	NA	NA	NA		0%	3%	3%	4%
404	Other		NA	NA	NA	NA		8%	4%	3%	6%
405											
406	% Interested in the Following Services from Associations:										
407	Access to Credit		93%	90%	98%	89%		91%	88%	90%	83%
408	Technical Assistance		88%	75%	84%	84%		81%	78%	36%	74%
409	Personnel Training		67%	74%	77%	59%		73%	79%	54%	71%
410	Feasibility Studies		71%	73%	71%	75%		79%	69%	58%	63%
411	Increasing Contacts with GOG		71%	69%	73%	81%		65%	67%	65%	63%
412	Provide Marketing Information		88%	88%	89%	86%		94%	91%	95%	79%

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
1	**i. Profile of Firms**		**1989**	**1989**	**1989**	**1989**		**1991**	**1991**	**1991**	**1991**
2			**MIC**	**SMA**	**MED**	**LAR**		**MIC**	**SMA**	**MED**	**LAR**
3	**A. Location**										
4	Accra		75%	58%	55%	60%		56%	63%	66%	64%
5	Kumasi		13%	20%	23%	19%		14%	20%	21%	16%
6	Tema		4%	7%	5%	11%		13%	5%	6%	8%
7	Takoradi-Sekondi		7%	8%	5%	3%		7%	9%	6%	8%
8	Other		1%	8%	11%	8%		8%	4%	0%	2%
9											
10	**B. Sector Distribution**										
11	Agric./Agro-processing		27%	8%	4%	13%		16%	9%	9%	18%
12	Manufacturing		42%	47%	41%	65%		28%	62%	36%	54%
13	Commerce		14%	21%	19%	8%		29%	16%	17%	7%
14	Other Services		16%	25%	37%	14%		27%	13%	38%	21%
15											
16	**C. Ownership**										
17	Distribution of Ghanaian Firms										
18	Distribution of Womens' Firms		44%	32%	16%	9%		69%	13%	9%	9%
19											
20	% owned by Ghanaians		96%	99%	93%	79%		97%	89%	93%	86%
21	% owned by Women		27%	23%	16%	7%					
22											
23	% owned by GOG or Parastatals		1%	4%	4%	17%		3%	2%	8%	10%
24	% owned by Foreigners		4%	1%	6%	19%		2%	11%	7%	13%
25											
26	**D. Land Tenure**										
27	% Title Deed		35%	16%	31%	41%		23%	34%	40%	30%
28	% Lease		65%	84%	69%	59%		77%	66%	60%	70%
29											

66

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
30											
31	**II. Factors Accounting for Business Performance**										
32			1989	1989	1989	1989		1991	1991	1991	1991
33			MIC	SMA	MED	LAR		MIC	SMA	MED	LAR
34	**A. Factors Negatively Affecting Business Performance**										
35	Taxes		59%	52%	56%	51%		50%	46%	47%	52%
36	Availability of Credit		62%	59%	61%	63%		38%	35%	49%	52%
37	Raw Materials Prices		48%	54%	49%	54%		51%	55%	49%	62%
38	Interest Rates		48%	54%	53%	59%		41%	40%	51%	66%
39	Output Prices		51%	38%	48%	42%		39%	39%	52%	35%
40	GOG Actions/Policies		30%	36%	29%	35%		34%	23%	33%	33%
41	FOREX Rate		41%	46%	40%	34%		39%	15%	45%	44%
42	Raw Materials Availability		21%	20%	14%	31%		19%	24%	17%	22%
43	Auction Exchange Rate		33%	34%	26%	40%		33%	25%	40%	51%
44	Employee Performance		15%	13%	20%	24%		11%	24%	24%	17%
45											
46	**B. Factors Positively Affecting Business Performance**										
47	Taxes		16%	21%	19%	26%		20%	24%	29%	17%
48	Availability of Credit		12%	17%	18%	19%		24%	20%	36%	25%
49	Raw Materials Prices		29%	21%	18%	28%		24%	26%	32%	16%
50	Interest Rates		13%	11%	13%	24%		8%	8%	19%	15%
51	Output Prices		20%	34%	25%	29%		30%	25%	36%	28%
52	GOG Actions/Policies		12%	9%	9%	21%		17%	21%	28%	25%
53	FOREX Rate		8%	10%	12%	14%		2%	21%	13%	22%
54	Raw Materials Availability		37%	37%	27%	27%		56%	48%	68%	53%
55	Auction Exchange Rate		8%	16%	17%	21%		3%	6%	10%	17%
56	Employee Performance		26%	27%	18%	21%		21%	17%	30%	25%

67

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
57											
58	**C. Factors Having Important Impact on Sales Volume**										
59	Tax Policies		87%	82%	88%	92%		70%	60%	74%	68%
60	Consumer Demand		90%	80%	81%	83%		88%	74%	91%	77%
61	Market Information		69%	67%	73%	73%		77%	74%	75%	60%
62	Competition: Priv. Ghanaian Firms		67%	71%	58%	75%		68%	49%	67%	58%
63	Access to Production Technology		76%	72%	73%	58%		61%	80%	73%	58%
64	Transportation		72%	71%	71%	69%		57%	61%	53%	51%
65	Credit Regulations		64%	65%	87%	68%		56%	48%	68%	64%
66	Distance from Markets		74%	57%	47%	41%		38%	28%	33%	31%
67	Middleman Margins		72%	63%	53%	38%		60%	57%	55%	33%
68	GOG Incentive Policies		53%	62%	50%	66%		38%	31%	50%	54%
69	Licensing/Other Regulations		56%	54%	65%	50%		37%	22%	44%	29%
70	Foreign Exchange Regulations		56%	60%	71%	69%		40%	46%	55%	63%
71	Market Infrastructure		59%	53%	45%	37%		46%	47%	43%	44%
72	Marketing Controls		58%	42%	53%	52%		46%	40%	66%	40%
73	Competition from Parastatals		41%	35%	30%	46%		21%	19%	44%	23%
74	Competition from Foreign Firms		45%	28%	33%	50%		27%	29%	42%	41%
75	Export Promotion Incentives		44%	28%	37%	43%		9%	27%	25%	40%
76	Shipping Regulations		43%	36%	35%	47%		30%	23%	44%	47%
77											
78	**D. Perceptions of the Business Environment**										
79	Better Than One Year Ago		34%	42%	45%	31%		34%	39%	38%	47%
80	Same as One Year Ago		20%	13%	23%	18%		19%	14%	22%	15%
81	Worse Than One Year Ago		46%	45%	32%	50%		47%	46%	40%	38%
82											
83	**E. Perceptions of Sales Volume**										
84	Improved in the Last Year		37%	42%	46%	29%		33%	48%	50%	46%
85	Same as the Last Year		34%	24%	22%	29%		31%	21%	20%	20%
86	Worse than Last Year		29%	34%	32%	43%		36%	31%	30%	34%
87											
88	Expected to Improve Next Year		61%	68%	77%	53%		67%	76%	79%	72%
89	Should Stay the Same Next Year		19%	16%	12%	27%		22%	15%	11%	13%
90	Expected to Deteriorate Next Year		18%	16%	12%	21%		11%	9%	11%	15%

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
91											
92	% Firms Operating at the Following Capacity Utilization Rates:										
93	90% to 100%		4%	1%	7%	1%		1%	5%	2%	9%
94	75% to 89%		11%	7%	7%	13%		12%	9%	33%	14%
95	50% to 74%		23%	53%	50%	31%		45%	25%	31%	40%
96	25% to 49%		38%	28%	26%	28%		33%	47%	22%	25%
97	less than 25%		24%	10%	11%	26%		9%	13%	11%	11%
98											
99											
100	**III. Resource Constraints and Government Policies**										
101			**1989**	**1989**	**1989**	**1989**		**1991**	**1991**	**1991**	**1991**
102			**MIC**	**SMA**	**MED**	**LAR**		**MIC**	**SMA**	**MED**	**LAR**
103											
104	**A. Factors Negatively Affecting Business Performance in the Last Year:**										
105	Access to Credit		65%	64%	69%	50%		60%	62%	49%	49%
106	Price of Electricity		53%	65%	63%	54%		43%	36%	46%	44%
107	Price of Transport		51%	50%	54%	39%		37%	35%	46%	38%
108	Access to Suitable Equipment		35%	36%	25%	23%		31%	38%	17%	22%
109	Quality of Communications		37%	35%	33%	25%		25%	37%	38%	31%
110	Reliability of Electricity		19%	20%	31%	32%		26%	24%	36%	25%
111	Access to Transport		29%	32%	20%	15%		14%	15%	17%	10%
112	Access to Raw Materials		25%	25%	19%	34%		21%	23%	23%	12%
113	Access to Land		29%	37%	27%	11%		35%	33%	28%	11%
114	Availability of Communications		34%	32%	23%	19%		23%	41%	31%	22%
115	Availability of Suitable Premises		19%	28%	11%	6%		29%	31%	30%	10%
116	Access to Public Services		12%	14%	14%	10%		14%	8%	27%	14%
117	Access Skilled/Supervisory Labor		9%	9%	15%	10%		5%	10%	20%	8%
118	Quality of Water Services		11%	3%	9%	6%		13%	13%	18%	11%
119	Access to Water		5%	3%	8%	9%		17%	13%	15%	9%
120	Access to Spare Parts		22%	32%	25%	25%		34%	36%	37%	23%

69

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
121											
122	**B. Factors Positively Affecting Business Performance in the Last Year:**										
123	Access to Credit		32%	25%	20%	30%		21%	14%	40%	36%
124	Price of Electricity		19%	21%	23%	21%		19%	21%	20%	23%
125	Price of Transport		24%	17%	22%	23%		24%	18%	17%	17%
126	Access to Suitable Equipment		45%	44%	56%	54%		36%	38%	59%	48%
127	Quality of Communications		6%	18%	39%	41%		30%	39%	42%	37%
128	Reliability of Electricity		39%	35%	40%	44%		40%	34%	45%	34%
129	Access to Transport		39%	31%	39%	39%		40%	37%	37%	43%
130	Access to Raw Materials		44%	45%	45%	38%		50%	51%	63%	64%
131	Access to Land		24%	21%	25%	25%		24%	24%	17%	26%
132	Availability of Communications		12%	21%	47%	48%		36%	39%	47%	42%
133	Availability of Suitable Premises		61%	48%	40%	62%		42%	41%	43%	42%
134	Access to Public Services		47%	45%	45%	40%		36%	41%	42%	40%
135	Access Skilled/Supervisory Labor		46%	49%	48%	49%		42%	52%	49%	51%
136	Quality of Water Services		53%	38%	40%	43%		29%	27%	40%	35%
137	Access to Water		54%	40%	29%	35%		39%	38%	36%	36%
138	Access to Spare Parts		36%	37%	50%	49%		15%	30%	40%	39%
139											
140	**C. Infrastructure**										
141	Factors Constituting Important Constraints to Business Growth:										
142	Availability of Air Cargo Space		38%	39%	32%	21%		44%	11%	26%	26%
143	Price of Air Cargo Space		38%	46%	42%	27%		65%	44%	65%	37%
144	Availability of Land Transport		84%	69%	67%	62%		47%	43%	41%	30%
145	Price of Land Transport		87%	77%	81%	73%		62%	68%	72%	48%
146	Availability of Maritime Transport		37%	38%	37%	37%		33%	23%	19%	26%
147	Price of Maritime Transport		39%	45%	40%	51%		55%	47%	50%	44%
148	Inadequate Road Network		76%	58%	51%	68%		46%	56%	54%	40%
149	Quality of Road Network		70%	58%	56%	72%		52%	61%	71%	52%
150	Transport Regulations		56%	45%	44%	47%		44%	37%	50%	31%
151	Access to Water		5%	3%	8%	9%		17%	13%	15%	9%
152	Reliability of Water Supply		11%	3%	9%	6%		13%	13%	18%	11%
153	Cost of Electricity		53%	65%	63%	54%		43%	36%	46%	44%
154	Reliability of Electricity		24%	20%	31%	32%		26%	24%	36%	25%
155	Access to Communications		34%	32%	23%	19%		23%	41%	31%	22%
156	Reliability of Telecommunications		37%	35%	33%	25%		25%	37%	38%	31%

70

	A	B	C	D	E	F	G	H	I	J	K
157											
158	The Following Land Tenure Issues Have Had an Important Effect on Operations:										
159	Cost of Land		63%	47%	64%	50%					
160	Access to Land		68%	71%	73%	50%					
161	Ability to Stay on Land		74%	82%	64%	50%		NA	NA	NA	NA
162	Clear Titling		76%	76%	67%	60%		NA	NA	NA	NA
163											
164	**D. Labor Issues**										
165	% Labor Force Women		34%	29%	30%	22%		34%	20%	18%	16%
166	% Labor Force Ghanaian		93%	100%	97%	98%		100%	98%	98%	96%
167	% Skilled Labor Women		24%	22%	15%	16%		30%	25%	19%	17%
168	% Skilled Labor Ghanaian		33%	32%	29%	27%		51%	52%	57%	56%
169	% Top Management Women		25%	29%	21%	13%		40%	28%	19%	11%
170	% Top Management Ghanaian		94%	95%	99%	89%		98%	95%	98%	88%
171											
172	% Believing Labor Productivity Low		21%	19%	28%	25%		6%	14%	24%	10%
173	% Worker Absent'ism a Problem		21%	21%	35%	31%		21%	23%	40%	14%
174											
175	% Believing Labor Productivity Reduced By:										
176	Sickness		53%	31%	30%	28%		31%	38%	40%	30%
177	Absence for Funerals/Other Pers'l		42%	23%	20%	19%		31%	35%	32%	29%
178	Lack of Motivation		30%	24%	20%	25%		25%	39%	26%	32%
179											
180	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:										
181	Managers		76%	61%	53%	28%		6%	12%	18%	11%
182	Secretaries/Clerical Personnel		56%	35%	34%	14%		3%	3%	2%	6%
183	Technicians		58%	34%	36%	27%		2%	10%	20%	12%
184	Professional Personnel		71%	56%	45%	26%		4%	8%	16%	13%
185											
186	% High Compensation a Constraint		26%	27%	27%	22%		22%	42%	38%	46%

71

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
187											
188	**E. Credit Issues**										
189	% Obtaining At Least 20% of Start-up Financing Needs from the Following:										
190	Commercial Banks		2%	13%	14%	25%		7%	2%	13%	12%
191	Rural Banks		0%	0%	0%	0%		0%	0%	0%	0%
192	Other Local Formal Fin. Institutions		0%	0%	2%	9%		0%	0%	2%	0%
193	Foreign Partners		0%	0%	2%	17%		1%	2%	6%	13%
194	Susu/Other Informal		0%	4%	2%	0%		2%	2%	2%	0%
195	Remit's from Offshore Ghanaians		0%	0%	0%	0%		0%	2%	0%	0%
196	Suppliers' Credits		0%	2%	0%	6%		1%	2%	4%	5%
197	Family/Friends		39%	25%	24%	9%		26%	27%	17%	9%
198	Personal Capital		82%	87%	83%	72%		85%	84%	60%	68%
199											
200	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:										
201	Commercial Banks		8%	22%	19%	40%		6%	7%	21%	29%
202	Rural Banks		0%	0%	1%	0%		0%	0%	0%	0%
203	Other Local Formal Fin. Institutions		4%	4%	5%	13%		0%	0%	2%	1%
204	Foreign Partners		0%	0%	0%	2%		0%	0%	4%	7%
205	Susu/Other Informal		0%	2%	0%	0%		2%	0%	0%	0%
206	Remit's from Offshore Ghanaians		0%	0%	0%	0%		2%	0%	2%	2%
207	Suppliers' Credits		8%	2%	10%	10%		9%	9%	6%	8%
208	Family/Friends		16%	16%	21%	4%		13%	16%	4%	2%
209	Personal Capital		16%	85%	69%	75%		46%	54%	32%	24%
210											
211	Lack of Credit/Capital Has Arrested the Following:										
212	Many Projects		46%	53%	43%	47%		42%	55%	47%	32%
213	Some Projects		19%	31%	40%	31%		37%	27%	32%	46%
214	No Projects		35%	16%	17%	23%		21%	18%	21%	22%
215											
216	Ability to Obtain Financing Impeded by:										
217	Collateral Requirements		94%	75%	85%	70%		74%	63%	71%	53%
218	Short-term Interest Rates		85%	86%	90%	83%		77%	77%	83%	82%
219	Long-Term Interest Rates		78%	63%	68%	66%		70%	68%	70%	73%
220	Bank Fees		55%	45%	48%	64%		46%	30%	58%	64%
221	Credit Ceilings		87%	82%	80%	79%		64%	49%	66%	79%
222	Paperwork		44%	39%	38%	40%		37%	41%	45%	48%
223	Lack of Equity Capital		70%	79%	72%	56%		67%	73%	78%	72%
224	Distance to Banks		22%	13%	11%	11%		14%	13%	13%	8%

72

	A	B	C	D	E	F	G	H	I	J	K
225											
226	**F. Market Information**										
227	Reliable Information on Local Markets is Available:										
228	Yes		71%	72%	54%	78%		86%	74%	83%	86%
229	No		29%	28%	46%	22%		14%	26%	17%	14%
230											
231	Reliable Information on International Markets is Available:										
232	Yes		23%	6%	15%	41%		25%	24%	52%	52%
233	No		77%	94%	85%	59%		75%	76%	48%	48%
234											
235	Sources of Market Information:										
236	Ministry of Trade and Tourism		3%	5%	9%	10%		3%	5%	13%	13%
237	Ministry Industry Science and Tech.		6%	1%	13%	22%		4%	4%	13%	19%
238	Export Promotion Council		5%	0%	6%	13%		2%	7%	4%	26%
239	Personal Contacts		94%	93%	91%	77%		93%	93%	89%	85%
240	Foreign Partners		5%	1%	11%	9%		3%	9%	11%	15%
241	Association of Ghana Industries		3%	7%	9%	30%		5%	11%	11%	22%
242	National Chamber of Commerce		6%	4%	19%	15%		4%	13%	13%	19%
243	National Marketing Boards		2%	0%	4%	4%		2%	4%	2%	7%
244	Trade Journals		28%	27%	20%	28%		16%	13%	36%	26%
245											
246	Most Interested in Information On:										
247	Prices		94%	93%	94%	96%		86%	89%	98%	88%
248	Product Standards		74%	93%	92%	92%		87%	85%	94%	83%
249	Contacts with other Companies		68%	84%	85%	82%		69%	75%	83%	77%
250	Trade Regulations		66%	79%	72%	81%		55%	53%	82%	78%
251											
252	**G. Technology**										
253	% Having Access to Appropriate Technology:										
254	Yes		72%	52%	60%	76%		49%	75%	69%	81%
255	No		28%	48%	40%	24%		51%	25%	31%	19%

73

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
256											
257	Factors Hindering Access to Technology:										
258	Lack of Information on Technology		52%	46%	47%	24%		16%	11%	9%	12%
259	Lack of Local Expertise		5%	10%	17%	11%		5%	11%	13%	13%
260	Cost of Technology		39%	51%	43%	35%		43%	54%	53%	40%
261	Imported Tech. Inappropriate		40%	27%	7%	27%		3%	14%	9%	8%
262	GOG Licensing Requirements		0%	3%	2%	3%		8%	7%	13%	6%
263	Difficulty Obtaining Spare Parts		5%	7%	17%	15%		2%	5%	13%	8%
264	Maintenance Problems		1%	7%	13%	19%		6%	13%	17%	10%
265	Lack of Foreign Exchange		6%	7%	19%	23%		10%	23%	17%	9%
266											
267											
268	**IV. Market Perceptions, Trade and Investment Opportunities**										
269			**1989**	**1989**	**1989**	**1989**		**1991**	**1991**	**1991**	**1991**
270			**MIC**	**SMA**	**MED**	**LAR**		**MIC**	**SMA**	**MED**	**LAR**
271	**A. % Believing the Following Offer the Best Return on Investment**										
272	Agriculture for Domestic Market		14%	8%	11%	5%		12%	7%	6%	9%
273	Agriculture for Export Market		6%	7%	7%	5%		4%	7%	11%	12%
274	Agro-processing for Dom. Market		2%	3%	5%	0%		2%	5%	2%	7%
275	Agro-processing for Export Market		2%	0%	0%	4%		7%	5%	4%	9%
276	Manufacturing for Domestic Market		10%	18%	16%	20%		15%	18%	11%	3%
277	Manufacturing for Export Market		23%	17%	18%	27%		11%	20%	6%	18%
278	Commerce		26%	25%	18%	19%		33%	16%	19%	15%
279	Banking/Finance		8%	5%	9%	8%		1%	0%	6%	5%
280	Tourism/Real Estate		2%	4%	2%	4%		2%	2%	6%	7%
281	Construction		6%	8%	14%	3%		4%	11%	21%	13%
282	Other (Mining, Pharmaceuticals)		1%	5%	0%	4%		8%	9%	6%	4%
283											
284	**B. Investment Plans**										
285	% Interested in Investing in:										
286	Personnel Training		57%	81%	85%	88%		70%	76%	85%	84%
287	Improved Production Technology		82%	79%	83%	89%		74%	76%	83%	85%
288	Plant		82%	88%	85%	96%		78%	95%	83%	89%
289	Marketing		86%	92%	96%	91%		92%	89%	93%	85%
290	Procurement		74%	84%	93%	87%		81%	79%	84%	76%
291	Quality Control		73%	85%	93%	86%		75%	80%	93%	84%
292	Management Skills		58%	81%	81%	89%		77%	74%	83%	82%

74

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
293											
294	% With Specific Plans to Invest in:										
295	Personnel Training		36%	36%	36%	38%		49%	67%	77%	70%
296	Improved Production Technology		38%	46%	32%	49%		54%	65%	61%	68%
297	Plant		62%	57%	50%	58%		54%	67%	62%	71%
298	Marketing		54%	53%	46%	54%		65%	73%	81%	79%
299	Procurement		41%	41%	32%	43%		48%	62%	55%	59%
300	Quality Control		41%	36%	32%	48%		54%	62%	70%	70%
301	Management Skills		44%	34%	34%	39%		58%	69%	64%	67%
302											
303	**C. Sales Profile**										
304	% Sales in Ghana		98%	95%	97%	92%		98%	95%	98%	87%
305											
306	% Sales Abroad		2%	5%	3%	8%		2%	5%	2%	13%
307	o/w % Sales to EEC		1%	1%	1%	5%		0%	2%	1%	8%
308	o/w % Sales to West Africa		1%	2%	1%	1%		1%	1%	0%	1%
309	o/w % Sales to Other Africa		0%	1%	0%	0%		0%	0%	1%	1%
310	o/w % Sales to North America		0%	1%	1%	1%		1%	1%	0%	2%
311	o/w % Sales to Asia		0%	1%	0%	0%		0%	0%	0%	0%
312											
313	**D. Inputs and Imports**										
314	Factors Considered Important in Impeding Ability to Obtain Inputs:										
315	Lack of Financing		100%	79%	100%	94%		96%	81%	95%	97%
316	Lack of Cooperative Buying		50%	48%	52%	43%		57%	56%	67%	44%
317	Availability of Transport		85%	79%	65%	59%		48%	33%	30%	46%
318	Cost of Transport		95%	85%	83%	76%		70%	44%	67%	54%
319	Import License Controls		57%	67%	76%	50%		39%	50%	54%	36%
320	Foreign Exchange Regulations		70%	75%	76%	74%		50%	40%	64%	60%
321	Customs Regulations		74%	83%	65%	59%		61%	78%	71%	65%
322	Middlemen Margins		79%	66%	79%	37%		80%	64%	59%	39%
323	Product Shortages		77%	78%	86%	67%		85%	33%	58%	44%
324											
325	% Having Difficulty Obtaining Needed Raw Materials:										
326	Yes		37%	41%	39%	51%		23%	24%	38%	27%
327	No		63%	59%	61%	51%		77%	76%	62%	73%

15

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
328											
329	% Inputs Imported:		17%	36%	46%	44%		22%	25%	40%	44%
330	o/w from EEC		11%	25%	25%	28%		13%	18%	24%	26%
331	o/w from Middle East		0%	3%	0%	0%		0%	0%	0%	2%
332	o/w from Japan		2%	3%	12%	3%		1%	0%	2%	2%
333	o/w from Other Asia		0%	0%	3%	3%		2%	3%	0%	2%
334	o/w from USA		3%	5%	4%	4%		2%	3%	11%	6%
335	o/w from West Africa		2%	1%	1%	2%		3%	1%	1%	1%
336	o/w from Other Africa		0%	0%	0%	1%		1%	0%	1%	4%
337											
338	**E. Exports**										
339	What is the Most Profitable Export Market?										
340	West Africa		45%	36%	28%	39%		30%	26%	34%	31%
341	Other Africa		0%	3%	2%	6%		8%	0%	0%	2%
342	EEC		41%	51%	36%	31%		46%	56%	53%	47%
343	Middle East		0%	0%	0%	2%		1%	0%	3%	9%
344	Asia		0%	3%	4%	0%		1%	0%	3%	1%
345	USA		12%	7%	9%	18%		14%	16%	8%	10%
346											
347	% Considered Important Constraints to Achieving/Expanding Exports:										
348	Foreign Exchange Control		75%	78%	81%	82%		73%	56%	60%	63%
349	Credit Controls		88%	88%	83%	82%		73%	85%	46%	73%
350	Bureaucratic Delays		75%	80%	79%	71%		40%	30%	42%	76%
351	Taxes		87%	91%	90%	84%		84%	75%	73%	77%
352	Lack of Appropriate Technology		83%	88%	82%	70%		56%	86%	67%	73%
353	Inadequate Transport Infrastructure		77%	75%	64%	71%		47%	43%	53%	63%
354	Other Infrastructure Problems		73%	75%	72%	66%		53%	58%	43%	59%
355	Packaging		68%	71%	67%	61%		56%	50%	62%	67%
356	Raw Materials		79%	86%	72%	73%		63%	64%	50%	57%
357	Low Labor Productivity		61%	84%	63%	68%		47%	64%	79%	51%
358	Lack of Market Information		86%	82%	86%	84%		86%	75%	86%	77%

-16

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
359											
360	**F. Joint Ventures**										
361	% Interested in J-V's with Foreign's		72%	61%	78%	79%		82%	83%	82%	78%
362											
363	Interested in Joint Ventures for:										
364	Capital		100%	98%	97%	98%		93%	98%	97%	94%
365	Technology		92%	93%	86%	94%		74%	79%	92%	88%
366	Managerial Expertise		76%	79%	72%	84%		60%	69%	69%	64%
367	Access to Markets		88%	95%	86%	91%		86%	96%	89%	88%
368											
369											
370	**V. Business Associations**										
371			1989	1989	1989	1989		1991	1991	1991	1991
372			MIC	SMA	MED	LAR		MIC	SMA	MED	LAR
373	% Member of any Association		65%	70%	70%	78%		47%	69%	68%	85%
374											
375	% Not Member of Associations Because:										
376	Services are Not Useful		53%	46%	35%	61%		62%	67%	77%	65%
377	Fees Discourage My Joining		11%	12%	6%	6%		9%	0%	0%	6%
378	Membership Restrictions		16%	16%	29%	12%		11%	0%	8%	6%
379	Other		21%	27%	29%	22%		18%	33%	15%	24%
380											
381	% of Firms Belonging to Associations Who Are Members of:										
382	National Chamber of Commerce		27%	47%	38%	45%		15%	42%	45%	39%
383	Association of Ghana Industries		42%	36%	47%	48%		11%	22%	25%	63%
384	Ghana Employers Association		22%	11%	29%	21%		0%	10%	35%	60%
385	Fed. of Bus. & Profes'l Women		0%	0%	0%	5%		5%	5%	0%	2%
386	Agricultural Commodity Assns		0%	2%	0%	2%		0%	0%	0%	6%
387	Ghana Pharmaceutical Association		3%	2%	5%	3%		7%	0%	20%	7%
388	Ghana Institute of Bankers		3%	7%	0%	5%		0%	0%	0%	4%
389	Ghana Hotel Association		7%	6%	0%	2%		2%	0%	6%	6%
390											
391	% of Actual Members Believing Their Associations Are Effective:										
392	National Chamber of Commerce		81%	64%	53%	81%		100%	70%	90%	78%
393	Association of Ghana Industries		92%	74%	56%	89%		80%	100%	100%	84%
394	Ghana Employers Association		85%	67%	45%	100%		NA	100%	100%	82%

77

MAPS PRIVATE SECTOR SURVEY RESULTS BY FIRM SIZE: 1989-1991

	A	B	C	D	E	F	G	H	I	J	K
395											
396	% Distribution of Single Most Helpful Assistance Desired from Business Associations:										
397	Financial Assistance		NA	NA	NA	NA		55%	54%	43%	26%
398	Market Statistics		NA	NA	NA	NA		17%	21%	32%	29%
399	Influence on Government Policy		NA	NA	NA	NA		15%	16%	15%	30%
400	Training & Development		NA	NA	NA	NA		4%	5%	4%	7%
401	Nothing		NA	NA	NA	NA		4%	4%	2%	1%
402	Other		NA	NA	NA	NA		5%	0%	4%	8%
403											
404	% Interested in the Following Services from Associations:										
405	Access to Credit		92%	88%	93%	93%		90%	91%	85%	83%
406	Technical Assistance		80%	80%	82%	78%		61%	68%	74%	80%
407	Personnel Training		77%	74%	65%	74%		63%	70%	93%	73%
408	Feasibility Studies		73%	75%	75%	71%		60%	70%	72%	70%
409	Increasing Contacts with GOG		70%	74%	80%	69%		58%	58%	67%	75%
410	Provide Marketing Information		89%	84%	87%	89%		90%	95%	89%	84%
411											

78

MAPS GENERAL AND EXPORTER SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
1	**I. Profile of Firms**						
2			1989	1989		1991	1991
3			EXP'RT	TOTAL		EXP'RT	TOTAL
4							
5	**A. Location**						
6	Accra		60%	63%		55%	61%
7	Kumasi		20%	18%		27%	17%
8	Tema		7%	7%		9%	9%
9	Takoradi-Sekondi		7%	6%		9%	8%
10	Other		7%	6%		0%	6%
11							
12	**B. Sector Distribution**						
13	Agric./Agro-processing		13%	14%		27%	14%
14	Manufacturing		33%	49%		45%	43%
15	Commerce		7%	15%		5%	18%
16	Other Services		47%	22%		23%	24%
17							
18	**C. Scale of Enterprise**						
19	0 Employees (Owner-Op'd)		7%	3%		0%	5%
20	1 to 5 Employees		7%	28%		9%	33%
21	6 to 10 Employees		27%	26%		14%	17%
22	11 to 20 Employees		13%	18%		5%	14%
23	21 to 100 Employees		27%	20%		41%	24%
24	101 to 500 Employees		0%	4%		14%	5%
25	More than 500 Employees		20%	1%		18%	2%
26							
27	**D. Ownership**						
28	% owned by Ghanaians		87%	92%		81%	91%
29	% owned by Women		0%	19%		0%	19%
30	% owned by GOG or Parastatals		7%	6%		0%	5%
31	% owned by Foreigners		13%	8%			8%
32							
33	**E. Land Tenure**						
34	% Title Deed		50%	26%		32%	30%
35	% Lease		50%	74%		68%	70%
36							

79

MAPS GENERAL AND EXPORTER SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
37							
38	**II. Factors Accounting for Business Performance**						
39			1989	1989		1991	1991
40			EXP'RT	TOTAL		EXP'RT	TOTAL
41							
42	**A. Negative Factors Affecting Business Performance**						
43	Taxes		50%	56%		70%	50%
44	Availability of Credit		70%	61%		47%	43%
45	Raw Materials Prices		43%	51%		45%	55%
46	Interest Rates		57%	54%		56%	52%
47	Output Prices		54%	41%		30%	40%
48	GOG Actions/Policies		45%	32%		35%	31%
49	FOREX Rate		46%	40%		41%	38%
50	Raw Materials Availability		29%	22%		25%	20%
51	Auction Exchange Rate		45%	33%		33%	39%
52	Employee Performance		46%	18%		14%	17%
53							
54	**B. Positive Factors Affecting Business Performance**						
55	Taxes		17%	21%		5%	21%
56	Availability of Credit		0%	17%		21%	25%
57	Raw Materials Prices		21%	26%		30%	24%
58	Interest Rates		0%	16%		28%	12%
59	Output Prices		23%	26%		25%	29%
60	GOG Actions/Policies		18%	15%		35%	22%
61	FOREX Rate		15%	11%		35%	14%
62	Raw Materials Availability		14%	32%		55%	55%
63	Auction Exchange Rate		18%	17%		33%	10%
64	Employee Performance		15%	24%		19%	23%

80

MAPS GENERAL AND EXPORTER SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
65							
66	**C. Factors Having Important Impact on Sales Volume**						
67	Tax Policies		100%	85%		81%	69%
68	Consumer Demand		86%	84%		71%	82%
69	Market Information		71%	70%		65%	71%
70	Competition: Priv. Ghanaian Firms		92%	68%		48%	61%
71	Access to Production Technology		79%	71%		74%	66%
72	Transportation		86%	70%		68%	55%
73	Credit Regulations		54%	68%		76%	59%
74	Distance from Markets		58%	57%		56%	34%
75	Middleman Margins		54%	58%		31%	51%
76	GOG Incentive Policies		85%	56%		53%	44%
77	Licensing/Other Regulations		67%	56%		50%	46%
78	Foreign Exchange Regulations		92%	64%		76%	53%
79	Market Infrastructure		50%	49%		56%	45%
80	Marketing Controls		67%	50%		50%	46%
81	Competition from Parastatals		38%	38%		22%	26%
82	Competition from Foreign Firms		40%	39%		26%	35%
83	Export Promotion Incentives		67%	39%		79%	31%
84	Shipping Regulations		57%	42%		57%	43%
85							
86	**C. Perceptions of the Business Environment**						
87	Better Than One Year Ago		20%	38%		52%	40%
88	Same as One Year Ago		27%	18%		10%	17%
89	Worse Than One Year Ago		53%	44%		38%	43%
90							
91	**D. Perceptions of Sales Volume**						
92	Improved in the Last Year		21%	38%		45%	42%
93	Same as the Last Year		50%	28%		23%	24%
94	Worse than Last Year		29%	34%		32%	34%
95							
96	Expected to Improve Next Year		57%	64%		91%	72%
97	Should Stay the Same Next Year		29%	19%		9%	16%
98	Expected to Deteriorate Next Year		14%	17%		0%	12%

81

	A	B	C	D	E	F	G
99							
100	% Firms Operating at the Following Capacity Utilization Rates:						
101	90% to 100%		8%	3%		9%	5%
102	75% to 89%		23%	11%		14%	15%
103	50% to 74%		15%	38%		55%	38%
104	25% to 49%		53%	31%		14%	32%
105	less than 25%		0%	18%		9%	10%
106							
107							
108	**III. Resource Constraints and Government Policies**						
109			1989	1989		1991	1991
110			EXP'RT	TOTAL		EXP'RT	TOTAL
111							
112	**A. Negative Factors Affecting Business Performance in the Last Year:**						
113	Access to Credit		42%	61%		45%	55%
114	Price of Electricity		86%	59%		37%	42%
115	Price of Transport		36%	48%		43%	38%
116	Access to Suitable Equipment		36%	30%		24%	27%
117	Quality of Communications		29%	32%		26%	31%
118	Reliability of Electricity		29%	28%		37%	27%
119	Access to Transport		14%	25%		15%	14%
120	Access to Raw Materials		8%	25%		15%	18%
121	Access to Land		14%	26%		20%	27%
122	Availability of Communications		14%	27%		20%	27%
123	Availability of Suitable Premises		7%	21%		14%	23%
124	Access to Public Services		7%	13%		11%	15%
125	Access Skilled/Supervisory Labor		13%	10%		5%	9%
126	Quality of Water Services		0%	7%		5%	13%
127	Access to Water		0%	7%		11%	13%
128	Access to Spare Parts		15%	21%		33%	31%

82

	A	B	C	D	E	F	G
129							
130	**B. Positive Factors Affecting Business Performance in the Last Year:**						
131	Access to Credit		17%	22%		45%	27%
132	Price of Electricity		0%	20%		42%	21%
133	Price of Transport		14%	22%		19%	20%
134	Access to Suitable Equipment		57%	49%		52%	43%
135	Quality of Communications		29%	26%		53%	36%
136	Reliability of Electricity		57%	48%		42%	37%
137	Access to Transport		43%	38%		40%	40%
138	Access to Raw Materials		62%	42%		60%	57%
139	Access to Land		36%	24%		35%	23%
140	Availability of Communications		36%	31%		55%	40%
141	Availability of Suitable Premises		57%	54%		38%	42%
142	Access to Public Services		57%	44%		53%	39%
143	Access Skilled/Supervisory Labor		53%	47%		60%	48%
144	Quality of Water Services		50%	48%		32%	33%
145	Access to Water		54%	41%		42%	38%
146	Access to Spare Parts		62%	34%		44%	31%
147							
148	**C. Infrastructure**						
149	Factors Constituting Important Constraints to Business Growth:						
150	Availability of Air Cargo Space		40%	31%		50%	30%
151	Price of Air Cargo Space		40%	39%		64%	45%
152	Availability of Land Transport		50%	72%		53%	39%
153	Price of Land Transport		71%	80%		47%	61%
154	Availability of Maritime Transport		40%	38%		31%	26%
155	Price of Maritime Transport		50%	44%		53%	49%
156	Inadequate Road Network		62%	64%		56%	46%
157	Quality of Road Network		69%	65%		72%	56%
158	Transport Regulations		54%	47%		63%	38%
159	Access to Water		0%	7%		11%	13%
160	Reliability of Water Supply		0%	7%		5%	13%
161	Cost of Electricity		86%	59%		37%	42%
162	Reliability of Electricity		29%	28%		37%	27%
163	Access to Communications		29%	32%		26%	31%
164	Reliability of Telecommunications		14%	27%		20%	27%

83

	A	B	C	D	E	F	G
165							
166	The Following Land Tenure Issues Have Had an Important Effect on Operations:						
167	Cost of Land		75%	57%			44%
168	Access to Land		100%	67%			50%
169	Ability to Stay on Land		100%	65%		NA	NA
170	Clear Titling		100%	72%		NA	NA
171							
172	**D. Labor Issues**						
173	% Labor Force Women		17%	29%		7%	24%
174	% Labor Force Ghanaian		89%	97%		94%	99%
175	% Skilled Labor Women		18%	20%		9%	23%
176	% Skilled Labor Ghanaian		21%	31%		56%	54%
177	% Top Management Women		11%	23%		10%	26%
178	% Top Management Ghanaian		92%	93%		88%	94%
179							
180	% Believing Labor Productivity Low		33%	22%		10%	11%
181	% Believe Worker Absent'sm Hurts		40%	25%		27%	22%
182							
183	% Believing Labor Productivity Reduced By:						
184	Sickness		47%	37%		41%	33%
185	Absence for Funerals/Other Pers'l		27%	27%		32%	31%
186	Lack of Motivation		27%	26%		32%	30%
187							
188	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:						
189	Managers		33%	55%		19%	12%
190	Secretaries/Clerical Personnel		13%	35%		14%	4%
191	Technicians		14%	40%		10%	11%
192	Professional Personnel		53%	50%		16%	11%
193							
194	% High Compensation Constraint		27%	26%		56%	37%

94

	A	B	C	D	E	F	G
195							
196	**F. Credit Issues**						
197	% Obtaining At Least 20% of Start-up Financing Needs from the Following:						
198	Commercial Banks		30%	13%		14%	9%
199	Rural Banks		0%	0%		0%	0%
200	Other Local Formal Fin. Institutions		10%	2%		0%	0%
201	Foreign Partners		10%	2%		18%	6%
202	Susu/Other Informal		0%	1%		0%	2%
203	Remitt's from Offshore Ghanaians		0%	1%		0%	0%
204	Suppliers' Credits		0%	2%		5%	3%
205	Family/Friends		0%	24%		5%	19%
206	Personal Capital		80%	81%		68%	76%
207							
208	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:						
209	Commercial Banks		20%	22%		14%	16%
210	Rural Banks		0%	1%		0%	0%
211	Other Local Formal Fin. Institutions		10%	7%		0%	1%
212	Foreign Partners		10%	2%		14%	3%
213	Susu/Other Informal		0%	1%		0%	1%
214	Remitt's from Offshore Ghanaians		0%	0%		5%	2%
215	Suppliers' Credits		10%	8%		5%	8%
216	Family/Friends		20%	20%		9%	9%
217	Personal Capital		80%	84%		38%	38%
218							
219	Lack of Credit/Capital Has Arrested the Following:						
220	Many Projects		33%	47%		23%	42%
221	Some Projects		27%	29%		36%	37%
222	No Projects		40%	24%		41%	21%
223							
224	Ability to Obtain Financing Impeded by:						
225	Collateral Requirements		67%	78%		59%	63%
226	Short-term Interest Rates		67%	86%		76%	80%
227	Long-Term Interest Rates		67%	70%		69%	72%
228	Bank Fees		58%	56%		44%	54%
229	Credit Ceilings		55%	83%		71%	69%
230	Paperwork		10%	40%		56%	44%
231	Lack of Equity Capital		45%	68%		87%	71%
232	Distance to Banks		9%	14%		18%	13%

85

	A	B	C	D	E	F	G
233							
234	**F. Market Information**						
235	Reliable Information on Local Markets is Available:						
236	Yes		92%	71%		78%	83%
237	No		8%	29%		22%	17%
238							
239	Reliable Information on International Markets is Available:						
240	Yes		67%	22%		74%	39%
241	No		33%	78%		26%	61%
242							
243	Sources of Market Information:						
244	Ministry of Trade and Tourism		27%	7%		9%	8%
245	Ministry Industry Science and Tech.		7%	11%		14%	10%
246	Export Promotion Council		20%	7%		36%	9%
247	Personal Contacts		67%	89%		64%	90%
248	Foreign Partners		0%	6%		14%	9%
249	Association of Ghana Industries		13%	13%		14%	12%
250	National Chamber of Commerce		0%	11%		23%	11%
251	National Marketing Boards		7%	2%		9%	4%
252	Trade Journals		33%	27%		18%	22%
253							
254	Most Interested in Information On:						
255	Prices		100%	90%		89%	87%
256	Product Standards		100%	82%		89%	83%
257	Contacts with other Companies		92%	75%		79%	68%
258	Trade Regulations		91%	61%		75%	48%
259							
260	**G. Technology**						
261	% Having Access to Appropriate Technology:						
262	Yes		75%	66%		89%	65%
263	No		25%	34%		11%	35%

278			EXP'RT	TOTAL		EXP'RT	TOTAL
279							
280	**A. % Believing the Following Offer the Best Return on Investment**						
281	Agriculture for Domestic Market		10%	10%		5%	9%
282	Agriculture for Export Market		6%	6%		10%	8%
283	Agro-processing for Dom. Market		2%	2%		5%	4%
284	Agro-processing for Export Market		2%	2%		25%	7%
285	Manufacturing for Domestic Market		15%	16%		0%	11%
286	Manufacturing for Export Market		22%	22%		25%	14%
287	Commerce		23%	23%		10%	22%
288	Banking/Finance		7%	7%		0%	3%
289	Tourism/Real Estate		3%	3%		0%	4%
290	Construction		8%	7%		20%	10%
291	Other (Mining, Pharmaceuticals)		3%	2%		0%	7%
292							
293	**B. Investment Plans**						
294	% Interested in Investing in:						
295	Personnel Training		93%	77%		90%	78%
296	Improved Production Technology		87%	85%		95%	79%
297	Plant		93%	87%		82%	85%
298	Marketing		93%	90%		82%	89%
299	Procurement		86%	83%		76%	80%
300	Quality Control		80%	83%		65%	81%
301	Management Skills		93%	76%		76%	79%

MAPS GENERAL AND EXPORTER SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
302							
303	% With Specific Plans to Invest in:						
304	Personnel Training		53%	36%		77%	63%
305	Improved Production Technology		40%	41%		86%	61%
306	Plant		80%	57%		64%	63%
307	Marketing		47%	52%		73%	73%
308	Procurement		33%	40%		59%	55%
309	Quality Control		47%	40%		59%	63%
310	Management Skills		40%	38%		57%	64%
311							
312	**C. Sales Profile**						
313	% Sales in Ghana		25%	94%		26%	94%
314							
315	% Sales Abroad		75%	6%		74%	5%
316	o/w % Sales to EEC			2%			3%
317	o/w % Sales to West Africa			3%			1%
318	o/w % Sales to Other Africa			0%			0%
319	o/w % Sales to North America			1%			1%
320	o/w % Sales to Asia			0%			0%
321							
322	**D. Inputs and Imports**						
323	Factors Considered Important in Impeding Ability to Obtain Inputs:						
324	Lack of Financing		100%	98%		71%	93%
325	Lack of Cooperative Buying		25%	49%		67%	54%
326	Availability of Transport		83%	74%		50%	42%
327	Cost of Transport		100%	85%		83%	59%
328	Import License Controls		60%	62%		20%	41%
329	Foreign Exchange Regulations		80%	73%		83%	57%
330	Customs Regulations		60%	70%		100%	67%
331	Middlemen Margins		20%	64%		50%	61%
332	Product Shortages		40%	78%		83%	59%
333							
334	% Having Difficulty Obtaining Needed Raw Materials:						
335	Yes		45%	42%		26%	27%
336	No		55%	58%		74%	73%

MAPS GENERAL AND EXPORTER SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
337							
338	% Raw Materials Come From:						
339	Domestic Sources		56%	66%		65%	68%
340	Foreign Sources		44%	34%		35%	32%
341	o/w from EEC		10%			13%	
342	o/w from Middle East		0%			5%	
343	o/w from Japan		1%			4%	
344	o/w from Other Asia		2%			5%	
345	o/w from USA		11%			8%	
346	o/w from West Africa		17%			1%	
347	o/w from Other Africa		1%			0%	
348							
349	**E. Exports**						
350	What is the Most Profitable Export Market?						
351	West Africa		40%	38%		14%	30%
352	Other Africa		0%	3%		5%	3%
353	EEC		30%	42%		57%	49%
354	Middle East		0%	0%		5%	4%
355	Asia		0%	2%		0%	1%
356	USA		19%	11%		19%	12%
357	Other		10%	2%		0%	0%
358							
359	% Considered Important Constraints to Achieving/Expanding Exports:						
360	Foreign Exchange Control		71%	80%		71%	63%
361	Credit Controls		79%	84%		71%	73%
362	Bureaucratic Delays		77%	76%		81%	59%
363	Taxes		87%	88%		75%	77%
364	Lack of Appropriate Technology		71%	81%		65%	72%
365	Inadequate Transport Infrastructure		64%	73%		56%	56%
366	Other Infrastructure Problems		69%	73%		56%	55%
367	Packaging		77%	67%		56%	60%
368	Raw Materials		86%	77%		50%	58%
369	Low Labor Productivity		67%	69%		41%	56%
370	Lack of Market Information		77%	84%		71%	79%
371							
372	**F. Joint Ventures**						
373	% Interested in J-V's with Foreign's		70%	72%		78%	81%

89

	A	B	C	D	E	F	G
374							
375	Interested in Joint Ventures for:						
376	Capital		83%	99%		94%	95%
377	Technology		86%	92%		100%	83%
378	Managerial Expertise		80%	79%		69%	65%
379	Access to Markets		100%	91%		94%	89%
380							
381							
382	**V. Business Associations**						
383			**1989**	**1989**		**1991**	**1991**
384			**EXP'RT**	**TOTAL**		**EXP'RT**	**TOTAL**
385							
386	% Member of any Association		86%	73%		91%	66%
387							
388	% Not Member of Associations Because:						
389	Services are Not Useful		0%	50%		100%	64%
390	Fees Discourage My Joining		0%	9%		0%	6%
391	Membership Restrictions		50%	4%		0%	4%
392	Other		50%	37%		0%	26%
393							
394	% of Firms Belonging to Associations Who Are Members of:						
395	National Chamber of Commerce		31%	40%		50%	27%
396	Association of Ghana Industries		46%	43%		31%	28%
397	Ghana Employers Association		31%	20%		36%	23%
398	Fed.of Business & Profes. Women		0%	1%		0%	2%
399	Agricultural Commodity Assns		0%	1%		0%	1%
400	Ghana Pharmaceutical Association		0%	3%		0%	5%
401	Ghana Institute of Bankers		0%	4%		0%	1%
402	Ghana Hotel Association		0%	4%		8%	2%
403							
404	% of Actual Members Believing Their Associations Are Effective:						
405	National Chamber of Commerce		75%	71%		71%	81%
406	Association of Ghana Industries		100%	82%		75%	87%
407	Ghana Employers Association		50%	76%		80%	86%

90

	A	B	C	D	E	F	G
408							
409	% Distribution of Single Most Helpful Assistance Desired from Business Associations:						
410	Financial Assistance		NA	NA		27%	44%
411	Market Statistics		NA	NA		23%	24%
412	Influence on Government Policy		NA	NA		23%	20%
413	Training & Development		NA	NA		5%	5%
414	Nothing		NA	NA		0%	3%
415	Other		NA	NA		23%	5%
416							
417	% Interested in the Following Services from Associations:						
418	Access to Credit		100%	91%		81%	88%
419	Technical Assistance		93%	80%		73%	70%
420	Personnel Training		80%	74%		59%	72%
421	Feasibility Studies		67%	74%		64%	67%
422	Increasing Contacts with GOG		73%	73%		73%	65%
423	Provide Marketing Information		93%	88%		86%	89%
424							

91

MAPS GENERAL AND FOREIGN-OWNED SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
1	**I. Profile of Firms**						
2			1989	1989		1991	1991
3			FOR'GN	TOTAL		FOR'GN	TOTAL
4							
5	**A. Location**						
6	Accra		50%	63%		50%	61%
7	Kumasi		0%	18%		25%	17%
8	Tema		10%	7%		5%	9%
9	Takoradi-Sekondi		20%	6%		10%	8%
10	Other		20%	6%		10%	6%
11							
12	**B. Sector Distribution**						
13	Agric./Agro-processing		0%	14%		25%	14%
14	Manufacturing		60%	49%		45%	43%
15	Commerce		20%	15%		10%	18%
16	Other Services		20%	22%		20%	24%
17							
18	**C. Scale of Enterprise**						
19	0 Employees (Owner-Op'd)		0%	3%		0%	5%
20	1 to 5 Employees		20%	28%		10%	33%
21	6 to 10 Employees		10%	26%		15%	17%
22	11 to 20 Employees		40%	18%		15%	14%
23	21 to 100 Employees		20%	20%		30%	24%
24	101 to 500 Employees		10%	4%		25%	5%
25	More than 500 Employees		0%	1%		5%	2%
26							
27	**D. Ownership**						
28	% owned by Ghanaians		80%	92%		16%	91%
29	% owned by Women		0%	19%		13%	19%
30	% owned by GOG or Parastatals		10%	6%		5%	5%
31	% owned by Foreigners		100%	8%		100%	8%
32							
33	**E. Land Tenure**						
34	% Title Deed		67%	26%		20%	30%
35	% Lease		33%	74%		80%	70%
36							

92

MAPS GENERAL AND FOREIGN-OWNED SURVEY RESULTS: 1989-1991

	A	B	C	D	E	F	G
37							
38	**II. Factors Accounting for Business Performance**						
39			1989	1989		1991	1991
40			FOR'GN	TOTAL		FOR'GN	TOTAL
41							
42	**A. Negative Factors Affecting Business Performance**						
43	Taxes		90%	56%		39%	50%
44	Availability of Credit		100%	61%		50%	43%
45	Raw Materials Prices		75%	51%		82%	55%
46	Interest Rates		86%	54%		50%	52%
47	Output Prices		75%	41%		44%	40%
48	GOG Actions/Policies		20%	32%		31%	31%
49	FOREX Rate		20%	40%		35%	38%
50	Raw Materials Availability		25%	22%		18%	20%
51	Auction Exchange Rate		50%	33%		39%	39%
52	Employee Performance		0%	18%		5%	17%
53							
54	**B. Positive Factors Affecting Business Performance**						
55	Taxes		0%	21%		22%	21%
56	Availability of Credit		0%	17%		22%	25%
57	Raw Materials Prices		13%	26%		6%	24%
58	Interest Rates		0%	16%		19%	12%
59	Output Prices		25%	26%		44%	29%
60	GOG Actions/Policies		30%	15%		38%	22%
61	FOREX Rate		60%	11%		18%	14%
62	Raw Materials Availability		38%	32%		59%	55%
63	Auction Exchange Rate		17%	17%		6%	10%
64	Employee Performance		60%	24%		47%	23%

92

	A	B	C	D	E	F	G
65							
66	**C. Factors Having Important Impact on Sales Volume**						
67	Tax Policies		89%	85%		61%	69%
68	Consumer Demand		75%	84%		82%	82%
69	Market Information		100%	70%		63%	71%
70	Competition: Priv. Ghanaian Firms		67%	68%		74%	61%
71	Access to Production Technology		86%	71%		44%	66%
72	Transportation		100%	70%		63%	55%
73	Credit Regulations		89%	68%		44%	59%
74	Distance from Markets		44%	57%		31%	34%
75	Middleman Margins		50%	58%		43%	51%
76	GOG Incentive Policies		100%	56%		56%	44%
77	Licensing/Other Regulations		78%	56%		43%	46%
78	Foreign Exchange Regulations		88%	64%		59%	53%
79	Market Infrastructure		75%	49%		31%	45%
80	Marketing Controls		86%	50%		59%	46%
81	Competition from Parastatals		75%	38%		20%	26%
82	Competition from Foreign Firms		71%	39%		53%	35%
83	Export Promotion Incentives		43%	39%		43%	31%
84	Shipping Regulations		71%	42%		67%	43%
85							
86	**C. Perceptions of the Business Environment**						
87	Better Than One Year Ago		60%	38%		40%	40%
88	Same as One Year Ago		30%	18%		10%	17%
89	Worse Than One Year Ago		10%	44%		50%	43%
90							
91	**D. Perceptions of Sales Volume**						
92	Improved in the Last Year		33%	38%		40%	42%
93	Same as the Last Year		33%	28%		20%	24%
94	Worse than Last Year		33%	34%		40%	34%
95							
96	Expected to Improve Next Year		78%	64%		65%	72%
97	Should Stay the Same Next Year		0%	19%		25%	16%
98	Expected to Deteriorate Next Year		22%	17%		10%	12%

94

	A	B	C	D	E	F	G
99							
100	% Firms Operating at the Following Capacity Utilization Rates:						
101	90% to 100%		0%	3%		10%	5%
102	75% to 89%		0%	11%		10%	15%
103	50% to 74%		67%	38%		45%	38%
104	25% to 49%		11%	31%		35%	32%
105	less than 25%		22%	18%		0%	10%
106							
107							
108	**III. Resource Constraints and Government Policies**						
109			**1989**	**1989**		**1991**	**1991**
110			**FOR'GN**	**TOTAL**		**FOR'GN**	**TOTAL**
111							
112	**A. Negative Factors Affecting Business Performance in the Last Year:**						
113	Access to Credit		89%	61%		41%	55%
114	Price of Electricity		78%	59%		50%	42%
115	Price of Transport		67%	48%		44%	38%
116	Access to Suitable Equipment		38%	30%		38%	27%
117	Quality of Communications		50%	32%		18%	31%
118	Reliability of Electricity		22%	28%		32%	27%
119	Access to Transport		40%	25%		11%	14%
120	Access to Raw Materials		13%	25%		22%	18%
121	Access to Land		50%	26%		18%	27%
122	Availability of Communications		10%	27%		6%	27%
123	Availability of Suitable Premises		10%	21%		21%	23%
124	Access to Public Services		11%	13%		5%	15%
125	Access Skilled/Supervisory Labor		20%	10%		0%	9%
126	Quality of Water Services		0%	7%		6%	13%
127	Access to Water		11%	7%		6%	13%
128	Access to Spare Parts		50%	21%		40%	31%

95

	A	B	C	D	E	F	G
129							
130	**B. Positive Factors Affecting Business Performance in the Last Year:**						
131	Access to Credit		0%	22%		35%	27%
132	Price of Electricity		22%	20%		17%	21%
133	Price of Transport		22%	22%		28%	20%
134	Access to Suitable Equipment		38%	49%		31%	43%
135	Quality of Communications		30%	26%		50%	36%
136	Reliability of Electricity		56%	48%		42%	37%
137	Access to Transport		40%	38%		56%	40%
138	Access to Raw Materials		63%	42%		50%	57%
139	Access to Land		25%	24%		12%	23%
140	Availability of Communications		70%	31%		56%	40%
141	Availability of Suitable Premises		70%	54%		37%	42%
142	Access to Public Services		67%	44%		58%	39%
143	Access Skilled/Supervisory Labor		60%	47%		56%	48%
144	Quality of Water Services		78%	48%		44%	33%
145	Access to Water		56%	41%		38%	38%
146	Access to Spare Parts		50%	34%		20%	31%
147							
148	**C. Infrastructure**						
149	Factors Constituting Important Constraints to Business Growth:						
150	Availability of Air Cargo Space		71%	31%		27%	30%
151	Price of Air Cargo Space		71%	39%		45%	45%
152	Availability of Land Transport		75%	72%		21%	39%
153	Price of Land Transport		88%	80%		50%	61%
154	Availability of Maritime Transport		100%	38%		27%	26%
155	Price of Maritime Transport		100%	44%		69%	49%
156	Inadequate Road Network		56%	64%		44%	46%
157	Quality of Road Network		63%	65%		63%	56%
158	Transport Regulations		63%	47%		31%	38%
159	Access to Water		11%	7%		6%	13%
160	Reliability of Water Supply		0%	7%		6%	13%
161	Cost of Electricity		78%	59%		50%	42%
162	Reliability of Electricity		22%	28%		32%	27%
163	Access to Communications		10%	27%		6%	27%
164	Reliability of Telecommunications		50%	32%		18%	31%

96

	A	B	C	D	E	F	G
165							
166	The Following Land Tenure Issues Have Had an Important Effect on Operations:						
167	Cost of Land		75%	57%			44%
168	Access to Land		75%	67%			50%
169	Ability to Stay on Land		75%	65%			NA
170	Clear Titling		100%	72%			NA
171							
172	**C. Labor Issues**						
173	% Labor Force Women		18%	29%		18%	24%
174	% Labor Force Ghanaian		94%	97%		98%	99%
175	% Skilled Labor Women		6%	20%		20%	23%
176	% Skilled Labor Ghanaian		31%	31%		62%	54%
177	% Top Management Women		10%	23%		4%	26%
178	% Top Management Ghanaian		83%	93%		73%	94%
179							
180	% Believing Labor Productivity Low		0%	22%		5%	11%
181	% Believe Worker Absent'sm Hurts		30%	25%		30%	22%
182							
183	% Believing Labor Productivity Reduced By:						
184	Sickness		60%	37%		30%	33%
185	Absence for Funerals/Other Pers'l		40%	27%		25%	31%
186	Lack of Motivation		40%	26%		20%	30%
187							
188	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:						
189	Managers		56%	55%		12%	12%
190	Secretaries/Clerical Personnel		11%	35%		5%	4%
191	Technicians		0%	40%		11%	11%
192	Professional Personnel		33%	50%		11%	11%
193							
194	% High Compensation Constraint		43%	26%		31%	37%

97

	A	B	C	D	E	F	G
195							
196	**D. Credit Issues**						
197	% Obtaining At Least 20% of Start-up Financing Needs from the Following:						
198	Commercial Banks		17%	13%		10%	9%
199	Rural Banks		0%	0%		0%	0%
200	Other Local Formal Fin. Institutions		0%	2%		0%	0%
201	Foreign Partners		17%	2%		35%	6%
202	Susu/Other Informal		0%	1%		0%	2%
203	Remitt's from Offshore Ghanaians		0%	1%		0%	0%
204	Suppliers' Credits		0%	2%		0%	3%
205	Family/Friends		17%	24%		5%	19%
206	Personal Capital		100%	81%		60%	76%
207							
208	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:						
209	Commercial Banks		33%	22%		20%	16%
210	Rural Banks		0%	1%		0%	0%
211	Other Local Formal Fin. Institutions		0%	7%		0%	1%
212	Foreign Partners		17%	2%		30%	3%
213	Susu/Other Informal		0%	1%		0%	1%
214	Remitt's from Offshore Ghanaians		0%	0%		0%	2%
215	Suppliers' Credits		0%	8%		10%	8%
216	Family/Friends		33%	20%		0%	9%
217	Personal Capital		83%	84%		30%	38%
218							
219	Lack of Credit/Capital Has Arrested the Following:						
220	Many Projects		40%	47%		35%	42%
221	Some Projects		60%	29%		20%	37%
222	No Projects		0%	24%		45%	21%
223							
224	Ability to Obtain Financing Impeded by:						
225	Collateral Requirements		100%	78%		73%	63%
226	Short-term Interest Rates		100%	86%		85%	80%
227	Long-Term Interest Rates		83%	70%		75%	72%
228	Bank Fees		67%	56%		64%	54%
229	Credit Ceilings		86%	83%		73%	69%
230	Paperwork		38%	40%		43%	44%
231	Lack of Equity Capital		89%	68%		81%	71%
232	Distance to Banks		20%	14%		27%	13%

98

	A	B	C	D	E	F	G
233							
234	**E. Market Information**						
235	Reliable Information on Local Markets is Available:						
236	Yes		78%	71%		82%	83%
237	No		22%	29%		18%	17%
238							
239	Reliable Information on International Markets is Available:						
240	Yes		43%	22%		25%	39%
241	No		57%	78%		75%	61%
242							
243	Sources of Market Information:						
244	Ministry of Trade and Tourism		22%	7%		5%	8%
245	Ministry Industry Science and Tech.		22%	11%		5%	10%
246	Export Promotion Council		33%	7%		5%	9%
247	Personal Contacts		80%	89%		80%	90%
248	Foreign Partners		30%	6%		30%	9%
249	Association of Ghana Industries		22%	13%		15%	12%
250	National Chamber of Commerce		20%	11%		20%	11%
251	National Marketing Boards		22%	2%		10%	4%
252	Trade Journals		50%	27%		35%	22%
253							
254	Most Interested in Information On:						
255	Prices		100%	90%		94%	87%
256	Product Standards		100%	82%		89%	83%
257	Contacts with other Companies		90%	75%		72%	68%
258	Trade Regulations		90%	61%		89%	48%
259							
260	**F. Technology**						
261	% Having Access to Appropriate Technology:						
262	Yes		75%	66%		75%	65%
263	No		25%	34%		25%	35%

29

	A	B	C	D	E	F	G
264							
265	Factors Hindering Access to Technology:						
266	Lack of Information on Technology		22%	44%		15%	13%
267	Lack of Local Expertise		0%	11%		20%	10%
268	Cost of Technology		38%	42%		30%	45%
269	Imported Tech. Inappropriate		0%	6%		5%	8%
270	GOG Licensing Requirements		13%	3%		10%	8%
271	Difficulty Obtaining Spare Parts		38%	11%		0%	6%
272	Maintenance Problems		25%	11%		10%	10%
273	Lack of Foreign Exchange		0%	13%		10%	13%
274							
275							
276	**IV. Market Perceptions, Trade and Investment Opportunities**						
277			1989	1989		1991	1991
278			FOR'GN	TOTAL		FOR'GN	TOTAL
279							
280	**A. % Believing the Following Offer the Best Return on Investment**						
281	Agriculture for Domestic Market		10%	10%		5%	9%
282	Agriculture for Export Market		0%	6%		15%	8%
283	Agro-processing for Dom. Market		10%	2%		0%	4%
284	Agro-processing for Export Market		0%	2%		15%	7%
285	Manufacturing for Domestic Market		10%	16%		0%	11%
286	Manufacturing for Export Market		30%	22%		5%	14%
287	Commerce		30%	23%		25%	22%
288	Banking/Finance		0%	7%		0%	3%
289	Tourism/Real Estate		0%	3%		5%	4%
290	Construction		10%	7%		15%	10%
291	Other (Mining, Pharmaceuticals)		0%	2%		15%	7%
292							
293	**B. Investment Plans**						
294	% Interested in Investing in:						
295	Personnel Training		80%	77%		70%	78%
296	Improved Production Technology		80%	85%		70%	79%
297	Plant		80%	87%		80%	85%
298	Marketing		100%	90%		75%	89%
299	Procurement		40%	83%		79%	80%
300	Quality Control		100%	83%		68%	81%
301	Management Skills		90%	76%		68%	79%

100

	A	B	C	D	E	F	G
302							
303	% With Specific Plans to Invest in:						
304	Personnel Training		30%	36%		55%	63%
305	Improved Production Technology		50%	41%		55%	61%
306	Plant		70%	57%		60%	63%
307	Marketing		60%	52%		65%	73%
308	Procurement		40%	40%		55%	55%
309	Quality Control		50%	40%		55%	63%
310	Management Skills		50%	38%		50%	64%
311							
312	**C. Sales Profile**						
313	% Sales in Ghana		98%	94%		81%	94%
314							
315	% Sales Abroad		2%	6%		19%	5%
316	o/w % Sales to EEC		0%	2%		12%	3%
317	o/w % Sales to West Africa		2%	3%		1%	1%
318	o/w % Sales to Other Africa		0%	0%		1%	0%
319	o/w % Sales to North America		0%	1%		6%	1%
320	o/w % Sales to Asia		0%	0%		1%	0%
321							
322	**D. Inputs and Imports**						
323	Factors Considered Important in Impeding Ability to Obtain Inputs:						
324	Lack of Financing		100%	98%		90%	93%
325	Lack of Cooperative Buying		67%	49%		50%	54%
326	Availability of Transport		83%	74%		50%	42%
327	Cost of Transport		100%	85%		56%	59%
328	Import License Controls		83%	62%		67%	41%
329	Foreign Exchange Regulations		86%	73%		63%	57%
330	Customs Regulations		71%	70%		88%	67%
331	Middlemen Margins		67%	64%		57%	61%
332	Product Shortages		100%	78%		67%	59%
333							
334	% Having Difficulty Obtaining Needed Raw Materials:						
335	Yes		75%	42%		31%	27%
336	No		25%	58%		69%	73%

101

	A	B	C	D	E	F	G
337							
338	% Raw Materials Come From:						
339	Domestic Sources		38%	66%		55%	68%
340	Foreign Sources		62%	34%		45%	32%
341	o/w from EEC		29%			27%	
342	o/w from Middle East		1%			2%	
343	o/w from Japan		6%			2%	
344	o/w from Other Asia		6%			5%	
345	o/w from USA		8%			9%	
346	o/w from West Africa		0%			0%	
347	o/w from Other Africa		2%			0%	
348	o/w Other Foreign Sources		12%			0%	
349							
350	**E. Exports**						
351	What is the Most Profitable Export Market?						
352	West Africa		43%	38%		19%	30%
353	Other Africa		14%	3%		0%	3%
354	EEC		0%	42%		50%	49%
355	Middle East		0%	0%		19%	4%
356	Asia		0%	2%		0%	1%
357	USA		43%	11%		13%	12%
358	Other		0%	2%		0%	0%
359							
360	% Considered Important Constraints to Achieving/Expanding Exports:						
361	Foreign Exchange Control		88%	80%		75%	63%
362	Credit Controls		88%	84%		78%	73%
363	Bureaucratic Delays		75%	76%		88%	59%
364	Taxes		78%	88%		78%	77%
365	Lack of Appropriate Technology		89%	81%		78%	72%
366	Inadequate Transport Infrastructure		56%	73%		67%	56%
367	Other Infrastructure Problems		67%	73%		56%	55%
368	Packaging		63%	67%		67%	60%
369	Raw Materials		67%	77%		50%	58%
370	Low Labor Productivity		56%	69%		67%	56%
371	Lack of Market Information		78%	84%		56%	79%

102

	A	B	C	D	E	F	G
372							
373	**F. Joint Ventures**						
374	% Interested in J-V's with Foreign's		70%	72%		50%	81%
375							
376	Interested in Joint Ventures for:						
377	Capital		83%	99%		100%	95%
378	Technology		86%	92%		100%	83%
379	Managerial Expertise		80%	79%		100%	65%
380	Access to Markets		100%	91%		90%	89%
381							
382							
383	**V. Business Associations**						
384			**1989**	**1989**		**1991**	**1991**
385			**FOR'GN**	**TOTAL**		**FOR'GN**	**TOTAL**
386							
387	% Member of any Association		78%	73%		79%	66%
388							
389	% Not Member of Associations Because:						
390	Services are Not Useful		75%	50%		67%	64%
391	Fees Discourage My Joining		0%	9%		17%	6%
392	Membership Restrictions		25%	4%		17%	4%
393	Other		0%	37%		0%	26%
394							
395	% of Firms Belonging to Associations Who Are Members of:						
396	National Chamber of Commerce		29%	40%		45%	27%
397	Association of Ghana Industries		29%	43%		45%	28%
398	Ghana Employers Association		29%	20%		69%	23%
399	Fed.of Business & Profes. Women		0%	1%		0%	2%
400	Agricultural Commodity Assns		0%	1%		0%	1%
401	Ghana Pharmaceutical Association		0%	3%		10%	5%
402	Ghana Institute of Bankers		0%	4%		0%	1%
403	Ghana Hotel Association		0%	4%		0%	2%
404							
405	% of Actual Members Believing Their Associations Are Effective:						
406	National Chamber of Commerce		50%	71%		80%	81%
407	Association of Ghana Industries		50%	82%		60%	87%
408	Ghana Employers Association		50%	76%		78%	86%

102

	A	B	C	D	E	F	G
409							
410	% Distribution of Single Most Helpful Assistance Desired from Business Associations:						
411	Financial Assistance		NA	NA		20%	44%
412	Market Statistics		NA	NA		40%	24%
413	Influence on Government Policy		NA	NA		25%	20%
414	Training & Development		NA	NA		0%	5%
415	Nothing		NA	NA		0%	3%
416	Other		NA	NA		15%	5%
417							
418	% Interested in the Following Services from Associations:						
419	Access to Credit		70%	91%		74%	88%
420	Technical Assistance		70%	80%		68%	70%
421	Personnel Training		60%	74%		68%	72%
422	Feasibility Studies		60%	74%		79%	67%
423	Increasing Contacts with GOG		50%	73%		78%	65%
424	Provide Marketing Information		80%	88%		95%	89%
425							

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
1	**I. Profile of Firms**						
2			1989	1989		1991	1991
3			WOMEN	TOTAL		WOMEN	TOTAL
4							
5	**A. Location**						
6	Accra		19%	63%		53%	61%
7	Kumasi		35%	18%		16%	17%
8	Tema		15%	7%		13%	9%
9	Takoradi-Sekondi		24%	6%		9%	8%
10	Other		16%	6%		9%	6%
11							
12	**B. Sector Distribution**						
13	Agric./Agro-processing		21%	14%		11%	14%
14	Manufacturing		43%	49%		33%	43%
15	Commerce		14%	15%		30%	18%
16	Other Services		21%	22%		27%	24%
17							
18	**C. Scale of Enterprise**						
19	0 Employees (Owner-Op'd)					9%	5%
20	1 to 5 Employees					59%	33%
21	6 to 10 Employees					13%	17%
22	11 to 20 Employees					9%	14%
23	21 to 100 Employees					8%	24%
24	101 to 500 Employees					2%	5%
25	More than 500 Employees					0%	2%
26							
27	**D. Ownership**						
28	% owned by Ghanaians		100%	92%		95%	91%
29	% owned by Women		100%			100%	19%
30							
31	% owned by GOG or Parastatals		6%	6%		2%	5%
32	0% to 20%		95%	2%			15%
33	20% to 50%		0%	86%			69%
34	50%+		5%	6%			15%

105

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
35							
36	% owned by Foreigners			8%			8%
37	0% to 20%			92%			15%
38	20% to 50%			3%			27%
39	50%+			5%			59%
40							
41	**E. Land Tenure**						
42	% Title Deed		19%	26%		44%	30%
43	% Lease		81%	74%		56%	70%
44							
45							
46	**II. Factors Accounting for Business Performance**						
47			1989	1989		1991	1991
48			WOMEN	TOTAL		WOMEN	TOTAL
49							
50	**A. Negative Factors Affecting Business Performance**						
51	Taxes		48%	56%		48%	50%
52	Availability of Credit		52%	61%		41%	43%
53	Raw Materials Prices		45%	51%		46%	55%
54	Interest Rates		45%	54%		44%	52%
55	Output Prices		51%	41%		30%	40%
56	GOG Actions/Policies		28%	32%		25%	31%
57	FOREX Rate		29%	40%		30%	38%
58	Raw Materials Availability		10%	22%		15%	20%
59	Auction Exchange Rate		22%	33%		34%	39%
60	Employee Performance		23%	18%		14%	17%
61							
62	**B. Positive Factors Affecting Business Performance**						
63	Taxes		17%	21%		21%	21%
64	Availability of Credit		19%	17%		24%	25%
65	Raw Materials Prices		25%	26%		24%	24%
66	Interest Rates		5%	16%		14%	12%
67	Output Prices		46%	26%		33%	29%
68	GOG Actions/Policies		9%	15%		19%	22%
69	FOREX Rate		3%	11%		6%	14%
70	Raw Materials Availability		34%	32%		55%	55%
71	Auction Exchange Rate		6%	17%		6%	10%
72	Employee Performance		28%	24%		25%	23%

106

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
73							
74	**C. Factors Having Important Impact on Sales Volume**						
75	Tax Policies		86%	85%		68%	69%
76	Consumer Demand		80%	84%		83%	82%
77	Market Information		65%	70%		81%	71%
78	Competition: Priv. Ghanaian Firms		72%	68%		76%	61%
79	Access to Production Technology		60%	71%		59%	66%
80	Transportation		73%	70%		54%	55%
81	Credit Regulations		44%	68%		55%	59%
82	Distance from Markets		79%	57%		36%	34%
83	Middleman Margins		75%	58%		57%	51%
84	GOG Incentive Policies		36%	56%		39%	44%
85	Licensing/Other Regulations		64%	56%		38%	46%
86	Foreign Exchange Regulations		46%	64%		38%	53%
87	Market Infrastructure		53%	49%		39%	45%
88	Marketing Controls		55%	50%		43%	46%
89	Competition from Parastatals		26%	38%		26%	26%
90	Competition from Foreign Firms		29%	39%		20%	35%
91	Export Promotion Incentives		29%	39%		9%	31%
92	Shipping Regulations		19%	42%		27%	43%
93							
94	**C. Perceptions of the Business Environment**						
95	Better Than One Year Ago		29%	38%		34%	40%
96	Same as One Year Ago		16%	18%		14%	17%
97	Worse Than One Year Ago		55%	44%		52%	43%
98							
99	**D. Perceptions of Sales Volume**						
100	Improved in the Last Year		31%	38%		38%	42%
101	Same as the Last Year		33%	28%		23%	24%
102	Worse than Last Year		36%	34%		39%	34%
103							
104	Expected to Improve Next Year		64%	64%		73%	72%
105	Should Stay Same Next Year		19%	19%		16%	16%
106	Expected to Deteriorate Next Year		17%	17%		11%	12%

107

	A	B	C	D	E	F	G
107							
108	% Firms Operating at the Following Capacity Utilization Rates:						
109	90% to 100%		9%	3%		7%	5%
110	75% to 89%		7%	11%		13%	15%
111	50% to 74%		32%	38%		41%	38%
112	25% to 49%		32%	31%		31%	32%
113	less than 25%		20%	18%		8%	10%
114							
115							
116	**III. Resource Constraints and Government Policies**						
117			**1989**	**1989**		**1991**	**1991**
118			**WOMEN**	**TOTAL**		**WOMEN**	**TOTAL**
119							
120	**A. Negative Factors Affecting Business Performance in the Last Year:**						
121	Access to Credit		59%	61%		55%	55%
122	Price of Electricity		54%	59%		45%	42%
123	Price of Transport		42%	48%		35%	38%
124	Access to Suitable Equipment		24%	30%		23%	27%
125	Quality of Communications		25%	26%		21%	31%
126	Reliability of Electricity		33%	28%		30%	27%
127	Access to Transport		19%	25%		8%	14%
128	Access to Raw Materials		27%	25%		11%	18%
129	Access to Land		26%	26%		27%	27%
130	Availability of Communications		24%	31%		21%	27%
131	Availability of Suitable Premises		20%	21%		24%	23%
132	Access to Public Services		13%	13%		17%	15%
133	Access Skilled/Supervisory Labor		8%	10%		8%	9%
134	Quality of Water Services		11%	7%		16%	13%
135	Access to Water		8%	7%		16%	13%
136	Access to Spare Parts		22%	21%		32%	31%

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
137							
138	**B. Positive Factors Affecting Business Performance in the Last Year:**						
139	Access to Credit		16%	22%		23%	27%
140	Price of Electricity		26%	20%		27%	21%
141	Price of Transport		25%	22%		20%	20%
142	Access to Suitable Equipment		48%	49%		42%	43%
143	Quality of Communications		13%	26%		28%	36%
144	Reliability of Electricity		33%	48%		42%	37%
145	Access to Transport		40%	38%		41%	40%
146	Access to Raw Materials		50%	42%		58%	57%
147	Access to Land		22%	24%		25%	23%
148	Availability of Communications		14%	31%		32%	40%
149	Availability of Suitable Premises		52%	54%		47%	42%
150	Access to Public Services		46%	44%		40%	39%
151	Access Skilled/Supervisory Labor		33%	47%		50%	48%
152	Quality of Water Services		39%	48%		32%	33%
153	Access to Water		46%	41%		39%	38%
154	Access to Spare Parts		22%	34%		21%	31%
155							
156	**C. Infrastructure**						
157	Factors Constituting Important Constraints to Business Growth:						
158	Availability of Air Cargo Space		21%	31%		27%	30%
159	Price of Air Cargo Space		21%	39%		36%	45%
160	Availability of Land Transport		69%	72%		33%	39%
161	Price of Land Transport		77%	80%		63%	61%
162	Availability of Maritime Transport		22%	38%		14%	26%
163	Price of Maritime Transport		26%	44%		43%	49%
164	Inadequate Road Network		51%	64%		54%	46%
165	Quality of Road Network		52%	65%		69%	56%
166	Transport Regulations		36%	47%		44%	38%
167	Access to Water		8%	7%		16%	13%
168	Reliability of Water Supply		11%	7%		16%	13%
169	Cost of Electricity		54%	59%		45%	42%
170	Reliability of Electricity		33%	28%		30%	27%
171	Access to Communications		24%	31%		21%	27%
172	Reliability of Telecommunications		25%	26%		21%	31%

159

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
173							
174	The Following Land Tenure Issues Have Had an Important Effect on Operations:						
175	Cost of Land		55%	57%		56%	47%
176	Access to Land		73%	67%		44%	53%
177	Ability to Stay on Land		89%	65%		NA	NA
178	Clear Titling		78%	72%		NA	NA
179							
180	**C. Labor Issues**						
181	% Labor Force Women		82%	29%			24%
182	% Labor Force Ghanaian		100%	97%			99%
183	% Skilled Labor Women		57%	20%			23%
184	% Skilled Labor Ghanaian		30%	31%			54%
185	% Top Management Women		83%	23%			26%
186	% Top Management Ghanaian		95%	93%			94%
187							
188	% Believing Labor Productivity Low		14%	22%		18%	11%
189	% Believe Worker Absent'sm Hurts		25%	25%		22%	22%
190							
191	% Believing Labor Productivity Reduced By:						
192	Sickness		45%	37%		32%	33%
193	Absence for Funerals/Other Pers'l		38%	27%		26%	31%
194	Lack of Motivation		16%	26%		30%	30%
195							
196	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:						
197	Managers		68%	55%			12%
198	Secretaries/Clerical Personnel		55%	35%			4%
199	Technicians		48%	40%			11%
200	Professional Personnel		56%	50%			11%
201							
202	% See High Compensation Hurts		26%	74%		27%	37%

110

	A	B	C	D	E	F	G
203							
204	**D. Credit Issues**						
205	% Obtaining At Least 20% of Start-up Financing Needs from the Following:						
206	Commercial Banks		6%	13%		18%	9%
207	Rural Banks		0%	0%		0%	0%
208	Other Local Formal Fin. Institutions		3%	2%		0%	0%
209	Foreign Partners		0%	2%		0%	6%
210	Susu/Other Informal		6%	1%		3%	2%
211	Remitt's from Offshore Ghanaians		0%	1%		0%	0%
212	Suppliers' Credits		6%	2%		3%	3%
213	Family/Friends		53%	24%		45%	19%
214	Personal Capital		81%	81%		95%	76%
215							
216	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:						
217	Commercial Banks		14%	22%		19%	16%
218	Rural Banks		0%	1%		0%	0%
219	Other Local Formal Fin. Institutions		3%	7%		0%	1%
220	Foreign Partners		0%	2%		4%	3%
221	Susu/Other Informal		8%	1%		0%	1%
222	Remitt's from Offshore Ghanaians		0%	0%		0%	2%
223	Suppliers' Credits		20%	8%		30%	8%
224	Family/Friends		28%	20%		26%	9%
225	Personal Capital		94%	84%		79%	38%
226							
227	Lack of Credit/Capital Has Arrested the Following:						
228	Many Projects		29%	47%		35%	42%
229	Some Projects		29%	29%		44%	37%
230	No Projects		43%	24%		21%	21%
231							
232	Ability to Obtain Financing Impeded by:						
233	Collateral Requirements		73%	78%		77%	63%
234	Short-term Interest Rates		76%	86%		81%	80%
235	Long-Term Interest Rates		56%	70%		85%	72%
236	Bank Fees		41%	56%		32%	54%
237	Credit Ceilings		71%	83%		44%	69%
238	Paperwork		38%	40%		29%	44%
239	Lack of Equity Capital		55%	68%		67%	71%
240	Distance to Banks		16%	14%		10%	13%

	A	B	C	D	E	F	G
241							
242	**E. Market Information**						
243	Reliable Information on Local Markets is Available:						
244	Yes		73%	71%		87%	83%
245	No		27%	29%		13%	17%
246							
247	Reliable Information on International Markets is Available:						
248	Yes		9%	22%		33%	39%
249	No		91%	78%		67%	61%
250							
251	Sources of Market Information:						
252	Ministry of Trade and Tourism		4%	7%		80%	8%
253	Ministry Industry Science and Tech.		4%	11%		0%	10%
254	Export Promotion Council		0%	7%		50%	9%
255	Personal Contacts		95%	89%		100%	90%
256	Foreign Partners		4%	6%		50%	9%
257	Association of Ghana Industries		2%	13%		75%	12%
258	National Chamber of Commerce		4%	11%		67%	1[illegible]%
259	National Marketing Boards		0%	2%		67%	4%
260	Trade Journals		11%	27%		100%	22%
261							
262	Most Interested in Information On:						
263	Prices		35%	90%		94%	87%
264	Product Standards		79%	82%		82%	83%
265	Contacts with other Companies		73%	75%		68%	68%
266	Trade Regulations		56%	61%		55%	48%
267							
268	**F. Technology**						
269	% Having Access to Appropriate Technology:						
270	Yes		69%	66%		61%	65%
271	No		31%	34%		39%	35%

112

	A	B	C	D	E	F	G
272							
273	Factors Hindering Access to Technology:						
274	Lack of Information on Technology		41%	44%		90%	13%
275	Lack of Local Expertise		7%	11%		75%	10%
276	Cost of Technology		43%	42%		100%	45%
277	Imported Tech. Inappropriate		13%	6%		0%	8%
278	GOG Licensing Requirements		0%	3%		88%	8%
279	Difficulty Obtaining Spare Parts		5%	11%		50%	6%
280	Maintenance Problems		4%	11%		67%	10%
281	Lack of Foreign Exchange		5%	13%		100%	13%
282							
283							
284	**IV. Market Perceptions, Trade and Investment Opportunities**						
285			1989	1989		1991	1991
286			WOMEN	TOTAL		WOMEN	TOTAL
287							
288	**A. % Believing the Following Offer the Best Return on Investment**						
289	Agriculture for Domestic Market			10%		13%	9%
290	Agriculture for Export Market			6%		6%	8%
291	Agro-processing for Dom. Market			2%		2%	4%
292	Agro-processing for Export Market			2%		5%	7%
293	Manufacturing for Domestic Market			16%		15%	11%
294	Manufacturing for Export Market			22%		11%	14%
295	Commerce			23%		37%	22%
296	Banking/Finance			7%		0%	3%
297	Tourism/Real Estate			3%		2%	4%
298	Construction			7%		6%	10%
299	Other (Mining, Pharmaceuticals)			2%		3%	7%
300							
301	**B. Investment Plans**						
302	% Interested in Investing in:						
303	Personnel Training		64%	77%		65%	78%
304	Improved Production Technology		82%	85%		60%	79%
305	Plant		79%	87%		75%	85%
306	Marketing		86%	90%		84%	89%
307	Procurement		68%	83%		68%	80%
308	Quality Control		66%	83%		66%	81%
309	Management Skills		61%	76%		71%	79%

113

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
310							
311	% With Specific Plans to Invest in:						
312	Personnel Training		40%	36%		45%	63%
313	Improved Production Technology		42%	41%		43%	61%
314	Plant		49%	57%		50%	63%
315	Marketing		44%	52%		67%	73%
316	Procurement		37%	40%		35%	55%
317	Quality Control		37%	40%		40%	63%
318	Management Skills		37%	38%		48%	64%
319							
320	**C. Sales Profile**						
321	% Sales in Ghana		100%	94%			94%
322							
323	% Sales Abroad		0%	6%			5%
324	o/w % EEC		0%	2%			3%
325	o/w % West Africa		0%	3%			1%
326	o/w % Other Africa		0%	0%			0%
327	o/w % North America		0%	1%			1%
328	o/w % Asia		0%	0%			0%
329							
330	**D. Inputs and Imports**						
331	Factors Considered Important in Impeding Ability to Obtain Inputs:						
332	Lack of Financing		100%	98%		91%	93%
333	Lack of Cooperative Buying		50%	49%		31%	54%
334	Availability of Transport		69%	74%		45%	42%
335	Cost of Transport		75%	85%		65%	59%
336	Import License Controls		36%	62%		20%	41%
337	Foreign Exchange Regulations		67%	73%		60%	57%
338	Customs Regulations		75%	70%		45%	67%
339	Middlemen Margins		80%	64%		54%	61%
340	Product Shortages		86%	78%		57%	59%
341							
342	% Having Difficulty Obtaining Needed Raw Materials:						
343	Yes		25%	42%		18%	27%
344	No		75%	58%		82%	73%

114

	A	B	C	D	E	F	G
345							
346	% Raw Materials Come From:						
347	Domestic Sources		76%	66%			68%
348	Foreign Sources		24%	34%			32%
349	o/w from EEC			65%			59%
350	o/w from Middle East			3%			3%
351	o/w from Japan			15%			3%
352	o/w from Other Asia			3%			6%
353	o/w from USA			15%			16%
354	o/w from West Africa			15%			16%
355	o/w from Other Africa			0%			3%
356	o/w Other Foreign Sources			0%			6%
357							
358	E. Exports						
359	What is the Most Profitable Export Market?						
360	West Africa		50%	38%		29%	30%
361	Other Africa		2%	3%		5%	3%
362	EEC		33%	42%		29%	49%
363	Middle East		0%	0%		8%	4%
364	Asia		2%	2%		3%	1%
365	USA		10%	11%		26%	12%
366	Other		2%	2%		0%	0%
367							
368	% Considered Important Constraints to Achieving/Expanding Exports:						
369	Foreign Exchange Control		80%	80%		67%	63%
370	Credit Controls		93%	84%		77%	73%
371	Bureaucratic Delays		77%	76%		25%	59%
372	Taxes		91%	88%		100%	77%
373	Lack of Appropriate Technology		82%	81%		64%	72%
374	Inadequate Transport Infrastructure		73%	73%		25%	56%
375	Other Infrastructure Problems		68%	73%		64%	55%
376	Packaging		76%	67%		80%	60%
377	Raw Materials		82%	77%		62%	58%
378	Low Labor Productivity		67%	69%		50%	56%
379	Lack of Market Information		87%	84%		100%	79%

115

	A	B	C	D	E	F	G
380							
381	**F. Joint Ventures**						
382	% Interested in J-V's with Foreign's		77%	72%		79%	81%
383							
384	Interested in Joint Ventures for:						
385	Capital		98%	99%		94%	95%
386	Technology		95%	92%		58%	83%
387	Managerial Expertise		86%	79%		45%	65%
388	Access to Markets		90%	91%		85%	89%
389							
390							
391	**V. Business Associations**						
392			1989	1989		1991	1991
393			WOMEN	TOTAL		WOMEN	TOTAL
394							
395	% Member of any Association		76%	73%		55%	66%
396							
397	% Not Member of Associations Because:						
398	Services are Not Useful		60%	50%		63%	64%
399	Fees Discourage My Joining		14%	9%		9%	6%
400	Membership Restrictions		7%	4%		6%	4%
401	Other		20%	37%		22%	26%
402							
403	% of Firms Belonging to Associations Who Are Members of:						
404	National Chamber of Commerce		41%	40%		15%	27%
405	Association of Ghana Industries		39%	43%		15%	28%
406	Ghana Employers Association		10%	20%		8%	23%
407	Fed. of Business & Profes. Women		0%	1%		8%	2%
408	Agricultural Commodity Assns		2%	1%		0%	1%
409	Ghana Pharmaceutical Association		5%	3%		0%	5%
410	Ghana Institute of Bankers		5%	4%		0%	1%
411	Ghana Hotel Association		7%	4%		4%	2%
412							
413	% of Actual Members Believing Their Associations Are Effective:						
414	National Chamber of Commerce		82%	71%		75%	81%
415	Association of Ghana Industries		81%	82%		75%	87%
416	Ghana Employers Association		75%	76%		100%	86%

116

MAPS PRIVATE SECTOR SURVEY RESULTS BY GENDER: 1989-1991

	A	B	C	D	E	F	G
417							
418	% Distribution of Single Most Helpful Assistance Desired from Business Assns:						
419	Financial Assistance		NA	NA		56%	44%
420	Market Statistics		NA	NA		16%	24%
421	Influence on Government Policy		NA	NA		13%	20%
422	Training & Development		NA	NA		6%	5%
423	Nothing		NA	NA		2%	3%
424	Other		NA	NA		8%	5%
425							
426	% Interested in the Following Services from Associations:						
427	Access to Credit		90%	91%		92%	88%
428	Technical Assistance		81%	80%		75%	70%
429	Personnel Training		74%	74%		61%	72%
430	Feasibility Studies		74%	74%		47%	67%
431	Increasing Contacts with GOG		77%	73%		50%	65%
432	Provide Marketing Information		84%	88%		92%	89%

APPENDIX C: GRAPHIC HIGHLIGHTS OF SURVEY RESPONSES

APPENDIX D: SURVEY FINDINGS AND RESPONSES FROM NORTHERN GHANA

APPENDIX B: SURVEY FINDINGS AND RESPONSES FROM NORTHERN GHANA

APPENDIX B: SUMMARY OF FINDINGS FROM THE NORTH: ADJUNCT REPORT TO THE 1991 MAPS PRIVATE SECTOR SURVEY FINDINGS

Produced for:	USAID/Ghana
Produced by:	J.E. Austin Associates
Date:	December, 1991

I. INTRODUCTION

In 1989, USAID/Ghana and AFR/MDI contracted J.E. Austin Associates (JAA) through its prime contractor, Arthur Young, to conduct a private sector assessment based on the MAPS (Manual for Action in the Private Sector) methodology developed by the firm. As part of the exercise, JAA carried out a private sector survey to generate primary data on a firm-specific basis to test private sector perceptions of the business environment. The survey was carried out in the southern part of Ghana[1], where 300 firms were interviewed in the formal and informal private sectors.

In 1991, USAID/Ghana contracted JAA (through Ernst & Young) to update the 1989 survey to test for changes in private sector perceptions. In addition to the 1989 sample of 300 firms, JAA also established baseline data on 26 firms in the north (Tamale and Bolgatanga). The following report summarizes 1991 findings among those firms interviewed in the north, and compares them with the comprehensive results of the 300 firms interviewed in the southern part of Ghana.

The JAA team consisted of Mike Borish (Team Leader), Mike Grossman (Survey Manager) and Tessie San Martin (Survey Advisor). The JAA team would like to thank Frank Tackie and his associates at the Consortium for Innovations in Human Settlements Development for their field management of the survey in Ghana. Special thanks go out to Joe Goodwin (Mission Director), Ed Birgells (Program Officer), Peter Weiser (Private Sector Officer), Bob Wuertz (Program Economist), and Daniel Gyimah (Private Sector Advisor), all of USAID.

II. PROFILE OF FIRMS

A. The Sample: A total of 26 firms were interviewed in Tamale (20) and Bolgatanga (6). This compares with a sample of 300 firms in the broader private sector survey.

B. Sector Distribution: The sectoral distribution of firms was slightly different in the north, particularly in the service sector (commerce and other services). While the manufacturing (40%) and agro-processing (16%) sectors were roughly the same segment of the sample, there appear to be more traders and fewer non-commerce service providers in the north. In the northern sample, 28% were commercial traders and 16% were providers of other services. In the southern sample, 24% provided other services while 18% were commercial traders. As "other services" include pharmaceutical distribution, health care, education, real estate, construction, tourism, banking and finance, insurance and other services, it is likely that the range of services provided to consumers and businesses in the north is far less than in the south. This is logical given lower per capita incomes, distance from major population centers and ports, and fewer business establishments.

[1] See MAPS-Ghana Private Sector Survey Report: 1989, or the Phase III report from the 1989 MAPS-Ghana exercise.

122

C. **Firm Size**: The north has fewer "large-scale"[2] firms than in the south. In the south, three in 10 firms employed greater than 20 people; one in 14 employed more than 100. In the north, only one in 13 firms employed more than 20 people; no firms in our northern sample had more than 100 employees. Among firms interviewed in the north, two of three employed between six and 20 people. Thus, most firms in the northern sample were SMEs[3]. This is slightly different from the south, where owner-operated firms and microenterprises[4] constituted nearly 40% of firms interviewed. Thus, the northern sample presents the image of a bell-shaped curve when it comes to firm size, with most firms employing six to 20 people. In contrast, the south appears to have more firms in the microenterprise and large-scale categories. This may reflect a more advanced stage of economic rationalization in the south, with more competitive firms growing, smaller enterprises scaling down and identifying niches, and SMEs losing ground due to competitive pressures from these extremes. This appears to be the case based on trends from 1989 to 1991[5]. The data gathered in 1991 in the north do not allow for trend analysis. Nevertheless, at the current moment, firm size is different between the north and south.

D. **Ownership**: There is little difference between the north and south in terms of ownership. Virtually all firms are owned by Ghanaians, with little or no foreign or GOG/SOE participation. The main difference is that women appear to own a greater percentage of firms in the north than in the south. In the northern sample, 27% of firms were women-owned compared to 19% in the south. This may be one reason why there is a higher composition of commercial traders in the northern sample than in the broader southern sample. It may also reflect migration patterns in Ghana, with men from the north migrating to the south for jobs and proximity to larger markets.

E. **Land Tenure**: While there are likely to be differences in local land tenure practices, the distribution of landowners is the same in the north and south. In both samples, 30% of firms interviewed owned their land and premises while 70% rented.

F. **Market Orientation**: Northern firms are even more local in their focus than southern firms. Of the 26 firms interviewed in the north, 98% of their sales were to the local market. The southern sample figure was 94%. Thus, in all parts of Ghana, firms are overwhelmingly focused on the domestic market.

III. FACTORS ACCOUNTING FOR BUSINESS PERFORMANCE

A. **General Perceptions**: Most firms in the north believe things are the same as one year

[2] Large-scale is defined as firms employing greater than 20 people.

[3] SMEs are small- and medium-scale enterprises; the former employ 6-10 people; the latter employ 11-20 people.

[4] Owner-operated firms have zero employees; microenterprises have up to five employees.

[5] See the MAPS-Ghana Private Sector Survey Report: 1989-1991.

123

ago. This is in sharp contrast to the south, where firms generally believe things have improved or deteriorated in equal numbers. Perceptions of sales volume trends are more negative in the north than in the south. Six of 10 northern firms believe sales have declined in the last year, compared to one in three in the south. Despite these negative feelings, about seven of 10 firms in the north believe sales should improve in the coming year, nearly identical to sentiments in the south.

B. **Resources**: As in the south, northern firms appear to be experiencing liquidity shortages. Firms are benefiting from greater access to raw materials, but complaining of higher prices. Consumer demand is the major factor constraining sales, reflecting limited purchasing power. Credit is in short supply, although this has traditionally been the case given limited savings and few bank branches outside of Tamale. Firms also complain of middleman margins in the north more than in the south. Other factors, such as access to suitable equipment, land, premises and labor all appear far more positive in the north than in the south.

What is noteworthy is that in most price-related categories, northern responses were stronger than in the south. Raw materials prices were cited by three of four northern firms as negative, compared to one of two in the south. Fees and interest rates are slightly greater impediments to obtaining credit in the north, while paperwork is less of a problem than in the south. Middleman margins negatively affect two-thirds of northern firms, compared to half in the south. Even on the positive side, output prices are viewed more favorably in the north than in the south, suggesting that about half the northern firms were generating better revenue figures even if incurring higher costs. These responses reflect greater price sensitivity in the north, probably due to higher costs resulting from distance and transport.

C. **Capacity Utilization**: Despite complaints about higher costs, there is little difference in capacity utilization around the country; 60% of firms are operating at a minimum of 50% capacity utilization. What is different is the structure of those rates. In the north, about two-thirds of firms are operating at greater than 50%, largely due to increased access to raw materials made available under Ghana's more liberalized trade regime. However, only 12% are operating above 75% rates, and none are operating above 90% rates. In the south, more firms are operating at higher rates, but more firms are also operating at lower rates. Thus, similar to firm size characteristics, northern firms' capacity utilization rates resemble a bell-shaped curve while southern firms show greater movement towards the extremes. This suggests that investment in new plant and equipment may be less necessary in the north than in the south, or that the amount of required investment in existing plant and equipment in the north may be less as there are fewer enterprises operating at high capacity utilization rates.

D. **Infrastructure**: The north has traditionally functioned with far fewer infrastructural capabilities than the south, and perceptions are likely tempered by having done without for so many years. Thus, questions related to electricity, communications, and air transport generated little response in the north as constraints because they are not perceived as constraints. The main infrastructure constraint relates to land transport, with firms claiming the quality and adequacy of the road network is their major infrastructure constraint to business growth. Firms do not complain of access or price of transport, but believe that a better network would facilitate links with the more populous and acquisitive south. This

124

suggests that the widely recognized improvements in Ghana's road system in the south have not yet occurred in the north. This sentiment is likely to change over the next two years as work continues on the Tamale-Bolgatanga road. More firms in the north also complain about the cost and quality of water services than in the south.

E. **Labor**: There is very little variation among firms concerning labor issues. As more women own firms in our northern sample, more women were represented in the northern labor force. This may also partly reflect migrant worker trends in Ghana, where men often work in the south. The northern firms appear more satisfied with labor productivity, skill levels and compensation than in the south. In general, firms do not believe the supply, quality or price of labor is a problem.

F. **Credit and Liquidity**: Northern firms, like their counterparts in the south, have to rely on personal capital for most of their financial needs. This is true for business start-up, as well as for working capital and capital investment for growth. One key difference, however, is the northern sample showed greater support from commercial banks than in the south. In terms of start-up and ongoing operations, nearly twice as many northern firms claimed support from commercial banks than in the south. This may reflect 20 of 26 firms in our sample operating in Tamale, the one city where there is a concentration of banks in the northern part of Ghana. Other differences include greater reliance on supply credit in the north, and greater reliance on family and friends in the south. Nevertheless, all of these differences are marginal. What is clear is that personal sources of capital are the main source of finance for virtually all entrepreneurs in Ghana.

G. **Market Information**: Northern firms rely entirely on personal contacts for market information, and feel more confident than southern firms about their intelligence on local markets. However, northern firms feel almost totally cut off from information and trends in the international marketplace. This compares with southern firms that believe information on foreign markets is currently insufficient, but improving since 1989. Northern firms show the same interest as southern firms in obtaining information on prices and product standards. Northern firms are also more eager for contacts with other companies than southern firms, partly reflecting their sense of isolation away from the major population centers and greater reliance on personal contacts for market information (as opposed to reliance on trade journals, business associations and GOG sources).

H. **Technology**: Northern firms complain far less about access to appropriate technology than in the south. This may reflect a lack of awareness about improved options, or even a far more relaxed attitude resulting from less market competition. Nevertheless, only one in three firms complained of technology costs, and four of five claim to have access to required production technology.

IV. MARKET PERCEPTIONS, TRADE AND INVESTMENT

A. **Perceptions of Return on Investment**: The distribution of perceptions in the north about sectors and markets of opportunity are not significantly different from those in the south. More northern firms (31%) believe manufacturing is the best sector, particularly for

125

export markets. This may partly reflect the greater representation of manufacturers (40%) in our sample than other private sector actors. It also likely reflects opportunities in neighboring markets (e.g., Burkina Faso, Togo, Ivory Coast) for northern manufactures. Agriculture and agro-processing, primarily for the domestic market, were favored by 24% of respondents despite only constituting 16% of the sample. Commerce was favored by 19%, and tourism by 12%. No firm cited construction, in contrast to 10% of firms in the south. Lack of interest in construction may reflect the lack of economic and social infrastructure development to which the northern part of Ghana has become accustomed. Worth noting is that 27% of firms cited agriculture, agro-processing or manufacturing for export markets as the best areas of opportunity, even though only 2% sell outside of Ghana's borders to West African neighbors. Northern producers may sense opportunities in neighboring countries for these exports.

B. **Investment Plans**: Firms in the north have far less intention (and/or fewer resources) to invest in the internal operations of their firms. While about two-thirds of southern firms had specific plans to invest in marketing, management and personnel training, plant, equipment and quality control, only about 15% of northern firms responded with similar plans.

C. **International Trade**: As discussed above, international trade is virtually non-existent in the north. Only 2% of the firms interviewed export, and exclusively to West African neighbors. Northern firms believe the EEC and West Africa offer the greatest potential for profits, similar to southern firms. Northern firms also cited 100% of raw materials being sourced domestically, although some of these undoubtedly came from abroad or with foreign content. This compares with about 68% of domestically sourced raw materials in the south. Consistent with perceptions in the south, northern firms complain about the cost of raw materials and inputs while acknowledging that availability is one of the most positive factors affecting their businesses today.

V. BUSINESS ASSOCIATIONS

A. **The Sample and Membership**: In our sample of 26 firms, 88% claimed to be members of some association, although no more than 13% were members of any of the major associations (in this case, the Association of Ghana Industries). It appears that these firms have strong local and community ties which are important to their businesses, but more on an informal and social basis rather than an officially registered and organized basis.

B. **Wants and Needs**: There is little difference in the types of assistance firms want from associations: financial assistance. Other areas, such as marketing assistance and influence on GOG policy, are secondary to improving firm liquidity. These needs appear to be a bit greater in the north, although they also appear to be limiting business growth in the south.

VI. CONCLUSIONS

Northern firms' perceptions of the economic and business environment in Ghana are not

126

markedly different from those in the south, although they do tend to reflect slightly different firm sizes, greater price sensitivity, lower expectations of infrastructure development and GOG support, and greater isolation from markets. General trends that prevail in the south, such as weak consumer demand and purchasing power, increased availability of raw materials at higher prices, limited credit availability and at high rates, almost exclusive focus on the domestic market and reliance on personal contacts for market information all obtain in the north as well. The northern firms tend to differ in the following ways:

a) Firm Size: more firms are SMEs (6–20 employees) in the north, while southern firms are undergoing consolidation and show more microenterprise (0–5 employees) and large-scale (more than 20 employees) participation;

b) Women-owned Firms: more firms in the north are owned by women, probably reflecting traditional migratory patterns in which men move to more populous and active southern markets;

c) Service Sector Activity: more northern firms engage in commercial trade than other service sector activities in the south, reflecting less provision of health, education, housing, financial and other services to consumers and businesses in the north than in the south;

d) Capacity Utilization: northern firms are operating at moderate capacity utilization rates, whereas southern firms are more frequently operating at high or low rates;

e) Credit: northern firms cite commercial banks as slightly more supportive of their enterprise start-up and ongoing operations than southern firms, although commercial banks and other financial sources are still of marginal importance compared to personal sources;

f) Infrastructure: northern firms are less troubled or concerned by most infrastructure constraints, but are not yet experiencing the benefits of improved road networks that are benefitting southern firms;

g) Market Information: northern firms appear to rely strictly on personal contacts for market information, whereas southern firms partially rely on trade journals, business associations and GOG institutions; northern firms also appear to be fully cut off from foreign markets, whereas southern firms feel there is insufficient information available but improvements since 1989;

h) Production Technology: northern firms feel satisfied with information, cost and availability of existing production technology, whereas southern firms believe that costs are high; this likely reflects greater awareness and growing competitiveness in the south, compared to less sophisticated manufacturing and agro-processing techniques in the north;

i) Investment Plans: northern firms have few plans to invest in their firms, whereas southern firms have shown a substantial increase in these plans since 1989; once again, this may reflect greater awareness and growing sophistication of southern firms compared to the more traditional thinking of northern firms;

127

j) Market Opportunities: northern firms identify neighboring West African states as their only real export targets, as opposed to southern firms that appear to have far more contact with the EEC for both imports and exports; and

k) Business Associations: northern firms are members of associations, but these tend to be informal or social; this is in contrast to the south, where formal, organized associations prevail.

128

ATTACHMENT: PRIMARY SURVEY DATA

1991 MAPS PRIVATE SECTOR SURVEY RESULTS: NORTH AND GENERAL

	A	B	C	D	E	F	G
1	**I. Profile of Firms**						
2			1991	1991			
3			NORTH	TOTAL			
4							
5	**A. Location**						
6	Accra		0%	61%			
7	Kumasi		0%	17%			
8	Tema		0%	9%			
9	Takoradi-Sekondi		0%	8%			
10	Other		100%	6%			
11							
12	**B. Sector Distribution**						
13	Agric./Agro-processing		16%	14%			
14	Manufacturing		40%	43%			
15	Commerce		28%	18%			
16	Other Services		16%	24%			
17							
18	**C. Scale of Enterprise**						
19	0 Employees (Owner-Op'd)		0%	5%			
20	1 to 5 Employees		27%	33%			
21	6 to 10 Employees		31%	17%			
22	11 to 20 Employees		35%	14%			
23	21 to 100 Employees		8%	24%			
24	101 to 500 Employees		0%	5%			
25	More than 500 Employees		0%	2%			
26							
27	**D. Ownership**						
28	% owned by Ghanaians		92%	91%			
29	% owned by Women		27%	19%			
30	% owned by GOG or Parastatals		0%	5%			
31	% owned by Foreigners		8%	8%			
32							
33	**E. Land Tenure**						
34	% Title Deed		31%	30%			
35	% Lease		69%	70%			
36							

130

1991 MAPS PRIVATE SECTOR SURVEY RESULTS: NORTH AND GENERAL

	A	B	C	D	E	F	G
37							
38	**II. Factors Accounting for Business Performance**						
39			1991	1991			
40			NORTH	TOTAL			
41							
42	**A. Negative Factors Affecting Business Performance**						
43	Taxes		38%	50%			
44	Availability of Credit		62%	43%			
45	Raw Materials Prices		76%	55%			
46	Interest Rates		31%	52%			
47	Output Prices		35%	40%			
48	GOG Actions/Policies		23%	31%			
49	FOREX Rate		4%	38%			
50	Raw Materials Availability		19%	20%			
51	Auction Exchange Rate		4%	39%			
52	Employee Performance		0%	17%			
53							
54	**B. Positive Factors Affecting Business Performance**						
55	Taxes		0%	21%			
56	Availability of Credit		23%	25%			
57	Raw Materials Prices		15%	24%			
58	Interest Rates		0%	12%			
59	Output Prices		50%	29%			
60	GOG Actions/Policies		8%	22%			
61	FOREX Rate		0%	14%			
62	Raw Materials Availability		77%	55%			
63	Auction Exchange Rate		0%	10%			
64	Employee Performance		23%	23%			

131

1991 MAPS PRIVATE SECTOR SURVEY RESULTS: NORTH AND GENERAL

	A	B	C	D	E	F	G
65							
66	**C. Factors Having Important Impact on Sales Volume**						
67	Tax Policies		62%	69%			
68	Consumer Demand		100%	82%			
69	Market Information		85%	71%			
70	Competition: Priv. Ghanaian Firms		58%	61%			
71	Access to Production Technology		62%	66%			
72	Transportation		62%	55%			
73	Credit Regulations		50%	59%			
74	Distance from Markets		23%	34%			
75	Middleman Margins		65%	51%			
76	GOG Incentive Policies		15%	44%			
77	Licensing/Other Regulations		12%	46%			
78	Foreign Exchange Regulations		0%	53%			
79	Market Infrastructure		23%	45%			
80	Marketing Controls		4%	46%			
81	Competition from Parastatals		23%	26%			
82	Competition from Foreign Firms		15%	35%			
83	Export Promotion Incentives		4%	31%			
84	Shipping Regulations		0%	43%			
85							
86	**C. Perceptions of the Business Environment**						
87	Better Than One Year Ago		12%	40%			
88	Same as One Year Ago		81%	17%			
89	Worse Than One Year Ago		8%	43%			
90							
91	**D. Perceptions of Sales Volume**						
92	Improved in the Last Year		31%	42%			
93	Same as the Last Year		12%	24%			
94	Worse than Last Year		58%	34%			
95							
96	Expected to Improve Next Year		69%	72%			
97	Should Stay the Same Next Year		4%	16%			
98	Expected to Deteriorate Next Year		23%	12%			

132

	A	B	C	D	E	F	G
99							
100	% Firms Operating at the Following Capacity Utilization Rates:						
101	90% to 100%		0%	5%			
102	75% to 89%		12%	15%			
103	50% to 74%		50%	38%			
104	25% to 49%		23%	32%			
105	less than 25%		15%	10%			
106							
107							
108	**III. Resource Constraints and Government Policies**						
109			**1991**	**1991**			
110			**NORTH**	**TOTAL**			
111							
112	**A. Negative Factors Affecting Business Performance in the Last Year:**						
113	Access to Credit		62%	55%			
114	Price of Electricity		19%	42%			
115	Price of Transport		38%	38%			
116	Access to Suitable Equipment		15%	27%			
117	Quality of Communications		4%	31%			
118	Reliability of Electricity		12%	27%			
119	Access to Transport		12%	14%			
120	Access to Raw Materials		19%	18%			
121	Access to Land		12%	27%			
122	Availability of Communications		0%	27%			
123	Availability of Suitable Premises		8%	23%			
124	Access to Public Services		0%	15%			
125	Access Skilled/Supervisory Labor		0%	9%			
126	Quality of Water Services		8%	13%			
127	Access to Water		23%	13%			
128	Access to Spare Parts		23%	31%			

133

	A	B	C	D	E	F	G
129							
130	**B. Positive Factors Affecting Business Performance in the Last Year:**						
131	Access to Credit		27%	27%			
132	Price of Electricity		4%	21%			
133	Price of Transport		0%	20%			
134	Access to Suitable Equipment		62%	43%			
135	Quality of Communications		35%	36%			
136	Reliability of Electricity		46%	37%			
137	Access to Transport		35%	40%			
138	Access to Raw Materials		77%	57%			
139	Access to Land		60%	23%			
140	Availability of Communications		38%	40%			
141	Availability of Suitable Premises		85%	42%			
142	Access to Public Services		42%	39%			
143	Access Skilled/Supervisory Labor		85%	48%			
144	Quality of Water Services		42%	33%			
145	Access to Water		42%	38%			
146	Access to Spare Parts		27%	31%			
147							
148	**C. Infrastructure**						
149	Factors Constituting Important Constraints to Business Growth:						
150	Availability of Air Cargo Space		0%	30%			
151	Price of Air Cargo Space		0%	45%			
152	Availability of Land Transport		29%	39%			
153	Price of Land Transport		43%	61%			
154	Availability of Maritime Transport		50%	26%			
155	Price of Maritime Transport		20%	49%			
156	Inadequate Road Network		83%	46%			
157	Quality of Road Network		63%	56%			
158	Transport Regulations		18%	38%			
159	Access to Water		23%	13%			
160	Reliability of Water Supply		23%	13%			
161	Cost of Electricity		19%	42%			
162	Reliability of Electricity		12%	27%			
163	Access to Communications		0%	31%			
164	Reliability of Telecommunications		4%	27%			

134

	A	B	C	D	E	F	G
165							
166	The Following Land Tenure Issues Have Had an Important Effect on Operations:						
167	Cost of Land		31%	44%			
168	Access to Land		15%	50%			
169							
170	**D. Labor Issues**						
171	% Labor Force Women		35%	24%			
172	% Labor Force Ghanaian		96%	99%			
173	% Skilled Labor Women		29%	23%			
174	% Skilled Labor Ghanaian			54%			
175	% Top Management Women		29%	26%			
176	% Top Management Ghanaian		94%	94%			
177							
178	% Believing Labor Productivity Low		0%	11%			
179	% Believe Worker Absent'sm Hurts		8%	22%			
180							
181	% Believing Labor Productivity Reduced By:						
182	Sickness		8%	33%			
183	Absence for Funerals/Other Pers'l		8%	31%			
184	Lack of Motivation		8%	30%			
185							
186	Finding Suitable Ghanaians for the Following Positions Has Been Difficult:						
187	Managers		0%	12%			
188	Secretaries/Clerical Personnel		0%	4%			
189	Technicians		0%	11%			
190	Professional Personnel		5%	11%			
191							
192	% High Compensation Constraint		4%	37%			

135

	A	B	C	D	E	F	G
193							
194	**E. Credit Issues**						
195	% Obtaining At Least 20% of Start-up Financing Needs from the Following:						
196	Commercial Banks		19%	9%			
197	Rural Banks		0%	0%			
198	Other Local Formal Fin. Institutions		0%	0%			
199	Foreign Partners		0%	6%			
200	Susu/Other Informal		0%	2%			
201	Remitt's from Offshore Ghanaians		0%	0%			
202	Suppliers' Credits		4%	3%			
203	Family/Friends		15%	19%			
204	Personal Capital		88%	76%			
205							
206	% Obtaining at Least 20% of Ongoing Capital Needs from the Following:						
207	Commercial Banks		27%	16%			
208	Rural Banks		0%	0%			
209	Other Local Formal Fin. Institutions		0%	1%			
210	Foreign Partners		4%	3%			
211	Susu/Other Informal		0%	1%			
212	Remitt's from Offshore Ghanaians		0%	2%			
213	Suppliers' Credits		15%	8%			
214	Family/Friends		0%	9%			
215	Personal Capital		100%	38%			
216							
217	Lack of Credit/Capital Has Arrested the Following:						
218	Many Projects		46%	42%			
219	Some Projects		42%	37%			
220	No Projects		12%	21%			
221							
222	Ability to Obtain Financing Impeded by:						
223	Collateral Requirements		65%	63%			
224	Short-term Interest Rates		85%	80%			
225	Long-Term Interest Rates		77%	72%			
226	Bank Fees		73%	54%			
227	Credit Ceilings		77%	69%			
228	Paperwork		27%	44%			
229	Lack of Equity Capital		69%	71%			
230	Distance to Banks		0%	13%			

136

	A	B	C	D	E	F	G
231							
232	**F. Market Information**						
233	Reliable Information on Local Markets is Available:						
234	Yes		92%	83%			
235	No		8%	17%			
236							
237	Reliable Information on International Markets is Available:						
238	Yes		4%	39%			
239	No		96%	61%			
240							
241	Sources of Market Information:						
242	Ministry of Trade and Tourism		0%	8%			
243	Ministry Industry Science and Tech.		0%	10%			
244	Export Promotion Council		0%	9%			
245	Personal Contacts		100%	90%			
246	Foreign Partners		0%	9%			
247	Association of Ghana Industries		0%	12%			
248	National Chamber of Commerce		0%	11%			
249	National Marketing Boards		0%	4%			
250	Trade Journals		0%	22%			
251							
252	Most Interested in Information On:						
253	Prices		100%	87%			
254	Product Standards		100%	83%			
255	Contacts with other Companies		88%	68%			
256	Trade Regulations		50%	48%			
257							
258	**G. Technology**						
259	% Having Access to Appropriate Technology:						
260	Yes		81%	65%			
261	No		19%	35%			

137

	A	B	C	D	E	F	G
262							
263	Factors Hindering Access to Technology:						
264	Lack of Information on Technology		14%	13%			
265	Lack of Local Expertise		0%	10%			
266	Cost of Technology		33%	45%			
267	Imported Tech. Inappropriate		0%	8%			
268	GOG Licensing Requirements		0%	8%			
269	Difficulty Obtaining Spare Parts		5%	6%			
270	Maintenance Problems		0%	10%			
271	Lack of Foreign Exchange		0%	13%			
272							
273							
274	**IV. Market Perceptions, Trade and Investment Opportunities**						
275			1991	1991			
276			NORTH	TOTAL			
277							
278	**A. % Believing the Following Offer the Best Return on Investment**						
279	Agriculture for Domestic Market		12%	9%			
280	Agriculture for Export Market		4%	8%			
281	Agro-processing for Dom. Market		4%	4%			
282	Agro-processing for Export Market		4%	7%			
283	Manufacturing for Domestic Market		12%	11%			
284	Manufacturing for Export Market		19%	14%			
285	Commerce		19%	22%			
286	Banking/Finance		8%	3%			
287	Tourism/Real Estate		12%	4%			
288	Construction		0%	10%			
289	Other (Mining, Pharmaceuticals)		4%	7%			

	A	B	C	D	E	F	G
290							
291	**B. Investment Plans**						
292	% Interested in Investing in:						
293	Personnel Training		65%	78%			
294	Improved Production Technology		77%	79%			
295	Plant		85%	85%			
296	Marketing		92%	89%			
297	Procurement		92%	80%			
298	Quality Control		88%	81%			
299	Management Skills		85%	79%			
300							
301	% With Specific Plans to Invest in:						
302	Personnel Training		23%	63%			
303	Improved Production Technology		23%	61%			
304	Plant		15%	63%			
305	Marketing		8%	73%			
306	Procurement		8%	55%			
307	Quality Control		8%	63%			
308	Management Skills		12%	64%			
309							
310	**C. Sales Profile**						
311	% Sales in Ghana		98%	94%			
312							
313	% Sales Abroad		2%	5%			
314	o/w % Sales to EEC		0%	3%			
315	o/w % Sales to West Africa		2%	1%			
316	o/w % Sales to Other Africa		0%	0%			
317	o/w % Sales to North America		0%	1%			
318	o/w % Sales to Asia		0%	0%			

	A	B	C	D	E	F	G
319							
320	**D. Inputs and Imports**						
321	Factors Considered Important in Impeding Ability to Obtain Inputs:						
322	Lack of Financing		100%	93%			
323	Lack of Cooperative Buying		40%	54%			
324	Availability of Transport		67%	42%			
325	Cost of Transport		80%	59%			
326	Import License Controls		33%	41%			
327	Foreign Exchange Regulations		50%	57%			
328	Customs Regulations		50%	67%			
329	Middlemen Margins		80%	61%			
330	Product Shortages		80%	59%			
331							
332	% Having Difficulty Obtaining Needed Raw Materials:						
333	Yes		15%	27%			
334	No		85%	73%			
335							
336	% Raw Materials Come From:						
337	Domestic Sources		100%	68%			
338	Foreign Sources		0%	32%			
339							
340	**E. Exports**						
341	What is the Most Profitable Export Market?						
342	West Africa		39%	30%			
343	Other Africa		0%	3%			
344	EEC		44%	49%			
345	Middle East		0%	4%			
346	Asia		0%	1%			
347	USA		11%	12%			
348	Other		6%	0%			

140

	A	B	C	D	E	F	G
349							
350	% Considered Important Constraints to Achieving/Expanding Exports:						
351	Foreign Exchange Control		67%	63%			
352	Credit Controls		33%	73%			
353	Bureaucratic Delays		33%	59%			
354	Taxes		67%	77%			
355	Lack of Appropriate Technology		100%	72%			
356	Inadequate Transport Infrastructure		100%	56%			
357	Other Infrastructure Problems		67%	55%			
358	Packaging		33%	60%			
359	Raw Materials		100%	58%			
360	Low Labor Productivity		100%	56%			
361	Lack of Market Information		33%	79%			
362							
363	**F. Joint Ventures**						
364	% Interested in J-V's with Foreign's		73%	81%			
365							
366	Interested in Joint Ventures for:						
367	Capital		100%	95%			
368	Technology		89%	83%			
369	Managerial Expertise		67%	65%			
370	Access to Markets		56%	89%			
371							
372							
373	**V. Business Associations**						
374			**1991**	**1991**			
375			**NORTH**	**TOTAL**			
376							
377	% Member of any Association		88%	66%			
378							
379	% Not Member of Associations Because:						
380	Services are Not Useful		0%	64%			
381	Fees Discourage My Joining		0%	6%			
382	Membership Restrictions		0%	4%			
383	Other		100%	26%			

141

	A	B	C	D	E	F	G
384							
385	% of Firms Belonging to Associations Who Are Members of:						
386	National Chamber of Commerce		9%	27%			
387	Association of Ghana Industries		13%	28%			
388	Ghana Employers Association		4%	23%			
389	Fed.of Business & Profes. Women		4%	2%			
390	Agricultural Commodity Assns		0%	1%			
391	Ghana Pharmaceutical Association		4%	5%			
392	Ghana Institute of Bankers		0%	1%			
393	Ghana Hotel Association		0%	2%			
394							
395	% of Actual Members Believing Their Associations Are Effective:						
396	National Chamber of Commerce		100%	81%			
397	Association of Ghana Industries		100%	87%			
398	Ghana Employers Association		100%	86%			
399							
400	% Distribution of Single Most Helpful Assistance Desired from Business Associations:						
401	Financial Assistance		50%	44%			
402	Market Statistics		19%	24%			
403	Influence on Government Policy		12%	20%			
404	Training & Development		12%	5%			
405	Nothing		0%	3%			
406	Other		4%	5%			
407							
408	% Interested in the Following Services from Associations:						
409	Access to Credit		88%	88%			
410	Technical Assistance		77%	70%			
411	Personnel Training		62%	72%			
412	Feasibility Studies		65%	67%			
413	Increasing Contacts with GOG		85%	65%			
414	Provide Marketing Information		88%	89%			
415							

142