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**AN EVALUATION OF GENDER AND
TRADE AND INVESTMENT STRATEGIC PROGRAMS:
THE USAID/GHANA TRADE AND INVESTMENT PROGRAM AND
ITS IMPLICATIONS FOR SIMILAR PROGRAMS**

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ACRONYMS

APDF:	Africa Project Development Facility
API:	Assessment of Program Impact
ARTS:	Analysis, Research, and Technical Support Office of the Africa Bureau
ATAG:	Aid to Artisans/Ghana
CDIE:	Center for Development Information and Evaluation within PPC
CPSP:	Country Program Strategic Plan
CPSP:	Country Program Strategic Plan
DFA:	Development Fund for Africa
EFC:	Export Finance Company
EFO:	Export Finance Office (within Bank of Ghana)
GEPC:	Ghana Export Promotion Council
GOG:	Government of Ghana
GPRA:	Government Performance Results Act
HRDA:	Human Resources Development Assistance
IESC:	International Executive Service Corps
NTE:	Non-traditional Exports
PEED:	Private Enterprise and Export Development Project (WB)
PES:	Project Evaluation Summaries
PPC:	Bureau for Policy and Program Coordination
PRISM:	Program Performance Information for Strategic Management
SPR:	Semi-Annual Portfolio Review
TIP:	USAID/Ghana Trade and Investment Program
WID:	Women in Development

EXECUTIVE SUMMARY

PURPOSE AND OVERVIEW

The work effort associated with this report was to document the gender dimensions of a USAID trade and investment strategic program in one African country, and building on the information from the selected African country, to provide insights into a methodology for use by missions conducting similar trade and investment programs. The USAID/Ghana trade and investment strategic program was selected by the Africa Bureau for the case study. The report uses field results from Ghana and primary and secondary bibliographic sources to assess the documentation of the human level impact of trade and investment programs.

In Sub-Sahara Africa a number of USAID programs are directed at increasing non-traditional agricultural exports. While gender dimensions and other socio-economic aspects have usually been addressed in the design of supportive NTE projects, there has been considerable difficulty in devising feasible indicators that measure these at the program outcome and strategic objective levels. This report focuses on the measurement of female and male participation rates, employment, income, and size of participating firms.

CONCLUSIONS AND RECOMMENDATIONS

General conclusions and recommendations are presented first in this section. Specific conclusions and recommendations are then presented which focus on the USAID/Ghana strategic objective of increasing agricultural-based non-traditional exports.

General Conclusions and Recommendations.

Shared Vision. It is necessary in a complex strategy such as a trade and investment program to ensure that everyone "shares the same vision." The mechanics and logistics of planning and implementing a trade and investment program can frequently obscure the important human-level impact that such a program can deliver. If equity considerations are deemed important by USAID, then they must be defined and their performance indicators discussed within the context of the economic objectives.

Country Strategic Plan. Assessment of the entire country strategic plan (which would include a gender component) would provide a better framework within which to evaluate the inclusion or exclusion of human-level indicators. Sub-goals are frequently interrelated in a country strategic plan, a relationship which is obscured when elements under only one sub-goal are evaluated.

Missions have held consultative meetings with their development partners to develop their program strategies and program performance measurement system (e.g. Uganda). Participation by USAID's development partners encourages "ownership" in the process and facilitates data collection and program evaluation in the future. It also encourages discussion of results throughout the strategic planning period.

Disaggregation of Data. Program performance data should be disaggregated by gender when gender factors affect program results, when equity issues are critical, or when it is important for evaluating program objectives. When gender-disaggregated data are necessary, program implementers need to understand why gender is important. A discussion with program implementers would focus on equity, economic, and efficiency issues.

Various USAID mission programs in Africa have attempted to collect data on primarily agricultural non-traditional export (NTE) programs that include information on human-level indicators. This information is included in their program measurement system or in the narrative section of their Assessment of Program Impact report. Uganda used a case study approach for studying vanilla producers and silk producers. Malawi and Kenya have monitored women's employment by focusing on specific projects - the women's burley project in Malawi and the Kenya Export Development Support Project. The most encompassing set of indicators is used by missions in Zimbabwe, Madagascar, Guinea, and Guinea-Bissau in terms of disaggregating key data points by gender, firm size, geographic location of participants, and race (only used in Zimbabwe). (While race may not be appropriate in all countries, distribution of benefits to certain ethnic groups might be identified as important to monitor.)

Trade and investment programs have been criticized as not being scale neutral programs (i.e., only large firms are assisted). Data collection on employment that includes outgrower and distribution systems would illustrate the involvement of small firms. Firm size needs to be defined and consistently used throughout trade and investment programs.

Data Provision and Use. Those who implement USAID-funded activities should be required to provide data needed by missions to assist in their reporting to USAID/W, and to assist missions in their efforts to manage for results. This responsibility should be clearly specified in scopes of work and in contracts. Workshops should be held when warranted to explain data requirements. Missions should make every effort to request data that can be obtained in a cost-effective manner. Moreover, implementing organizations and firms should be encouraged to use the data gathered for internal management purposes.

Changes in registration and other types of procedures (e.g., the elimination of previously required forms) should be monitored in terms of their effect on data collection efforts.

Cross-border trade. Cross-border trade needs to be researched more thoroughly. The majority of research on cross-border trade issues has focused on commodity flows. Historically more women are involved in cross-border trade than overseas export trade. Cross-border trade affects NTE employment and income, and has implications for policy recommendations on project activity (e.g., feeder roads projects).

Specific USAID/Ghana Conclusions and Recommendations

Strengthen collection of human-level indicators. Assessment of the entire country strategic plan for Ghana (which would include a gender component) would provide a better framework within which to evaluate the inclusion or exclusion of human-level indicators. Sub-goal 1 of increased non-traditional export income and employment is directly related to the

second sub-goal of improved the human resource base. Households with increased incomes can better afford education and health services for their members.

Workshops should be held between USAID/Ghana and individual contractors and grantees to discuss data collection and reporting requirements. There are enough differences between contractors and grantees to warrant separate workshops.

Non-traditional export employment data for assisted firms should be disaggregated by gender, skill level, wage range, and hours worked per week (i.e., full time, part time, casual). The data collected for the mission should be standardized with national census data so the data sets can be compared to project and document differences in income and employment associated with non-traditional exporting.

Current changes in the enabling environment for NTE in Ghana could lead to the abolishment of the A2 form, and have already resulted in a relaxation of the registration requirement by non-traditional exporters with the Ghana Export Promotion Council. These current database revisions do not appear to consider the implications for collection of human level indicators, and in some cases make it more difficult to obtain information since non-traditional exporters are not required to register. The focus to date has been on streamlining the procedures; the issue of data collection and use does not seem to have been a consideration.

Strengthen data collection. Annual and quarterly reports of USAID contractors and grantees involved in the NTE strategic program should be streamlined with essential data reported in table format at the beginning of the document. In terms of information reported to USAID/Ghana, all reports should follow a similar format in the presentation of this information.

There should be a database constructed with information on assisted firms. Information on the following should be included: gender, employment, firm size, wage, geographic location, non-traditional export statistics, procedural information (number of days to export etc.).

There should be better coordination between research efforts and data requirements. In addition, there should be better communication between monitoring and evaluation people and the design of contracted research.

Cross-border trade. Cross-border trade needs to be researched more thoroughly. Of those women who do export, more women are involved in cross-border trade with Togo, Burkina Faso, and the Ivory Coast than are involved in overseas exports. Given the strength of Ghana's economy relative to its neighbors, there is every reason to expect that this trade will increase during the strategic plan period. To date little attention has been paid to cross-border trade issues.

Critical assumptions. The fact that all four of the critical assumptions in the Ghana Trade and Investment Program (TIP) have been questioned during the past year by the major participants implies that a more thorough understanding of the issues included in critical assumptions should have been made during TIP planning. The implications of changes in these assumptions should have been studied to determine their effects on the program. The assumption

that financing would be available to creditworthy non-traditional exporters through a facility designed by the World Bank has been especially troublesome.

Lessons Learned. Working with large non-traditional export firms which have fairly sophisticated accounting records it is possible to obtain income and employment data on primary and secondary beneficiaries. Employment data in terms of gender, type of work, wage and salary information, and training are also available from large non-traditional exporters. These firms tend to employ the majority of workers in the non-traditional export sector, so all firms do not need to be surveyed to obtain an employment profile for the sector, but a sampling procedure should be devised. Contractors and grantees need to understand and buy-in to a shared vision of the results which the NTE program seeks to obtain.

In the initiation of the TIP there was no clear understanding of how human level indicators were to be tracked and used in the program performance measurement system. Development and refinement of the indicators and targets since March 1993 have resulted in an increased understanding by mission personnel of which indicators will be tracked, and how this information will be reported. What currently needs to be addressed is the use of the information to manage the program and its supportive activities. All the relevant partners need to be involved.

INTRODUCTION

The work effort associated with this report was twofold:

1. document the gender level impact of a USAID trade and investment strategic program in one Africa country, and
2. building on the information from the selected African country provide insights into a methodology for use by missions with similar trade and investment programs.

The non-traditional export (NTE) strategic objective in Ghana was selected by the Africa Bureau for the case study. The report uses field results from Ghana and primary and secondary bibliographic sources to assess the human level impact of trade and investment programs and ways to document this impact.

Given that the benefits of economic development rarely trickle down, it is necessary to consciously measure the impact of development on specific populations to ascertain who is receiving benefits and who is not. While gender dimensions and other socio-economic indicators have usually been included in the design of NTE projects, there has been considerable difficulty in devising indicators that are feasible to measure at the program level.¹ This report focuses on measuring the participation rates of female and male-owned firms, employment and income of women and men, size of participating firms, and geographic location of direct beneficiaries.

The report is divided into three main sections. The first section addresses the program strategy and program performance measures, and the supplementary data to be used to determine if the stated objectives have been realized. The second section focuses on collection, analysis, and use of data. The third section presents conclusions and recommendations for implementing the report's recommendations. Throughout the report the strategic objective of increased private sector non-traditional exports is used as a reference point for the issues discussed.

¹ This is a paraphrasing of a statement on the measuring of gender impact in the introduction to Gender Analysis in Development Planning (Rao, Anderson, Overholt 1991).

I. PROGRAM STRATEGY

Country Program Strategic Plan (CPSP)

The CPSP for Ghana encompasses the period from 1992-1996. The overall goal of the USAID strategy in Ghana is achieving broad-based, sustainable, market-oriented economic growth (Figure 1).² The two sub-goals stated in the CPSP strategy were: (1) increase NTE and employment; and (2) enhance the quality of the human resource base. The development strategy includes the following objectives:

1. promoting private sector-led export growth;
2. enhancing the quality of the primary education system; and
3. reducing the fertility rate of Ghanaians.

The export growth objective focuses on the development and expansion of primarily agricultural non-traditional exports.

Program Logframe

This report focuses on the relationship between the program outcome, the strategic objective, and sub-goal levels. In the Ghana logframe, "program outcome" is referred to as "target." To avoid confusion, this report will use the word "target" when referring to "program outcome."

The monitoring of program performance in reference to program logframes usually focuses on "what" and "how." "How" refers to the logical linkage of the strategic objective with its targets. "Why" refers to the linking of the targets with their strategic objective. What is often absent is "who." The inclusion of gender and other human-level indicators in an assessment of the relationships between program outcome and the strategic objective level attempts to address the "who."

Strategic Objective and Indicators. A strategic objective is a significant impact with measurable results. Mission projects contribute to the achievement of the strategic objective. Substantial progress in attaining a strategic objective can be measured within five to eight years. In the Ghana logframe the strategic objective of increasing private sector NTE is measured using the performance indicators of US\$ value of NTE, and NTE as a percentage of total exports. The latter indicator measures the relationship of NTE to exports in general.

Working with PRISM personnel in 1993 USAID/Ghana further clarified its NTE program sub-goal by defining it as an increase in NTE income and employment (Figure 2). The strategic objective contributing to this sub-goal is increased private sector NTE. Thus

² The material for this paragraph was taken from Ghana Country Program Strategic Plan 1992-1996.

FIGURE 1

GHANA
STRATEGIC FRAMEWORK
API 1994

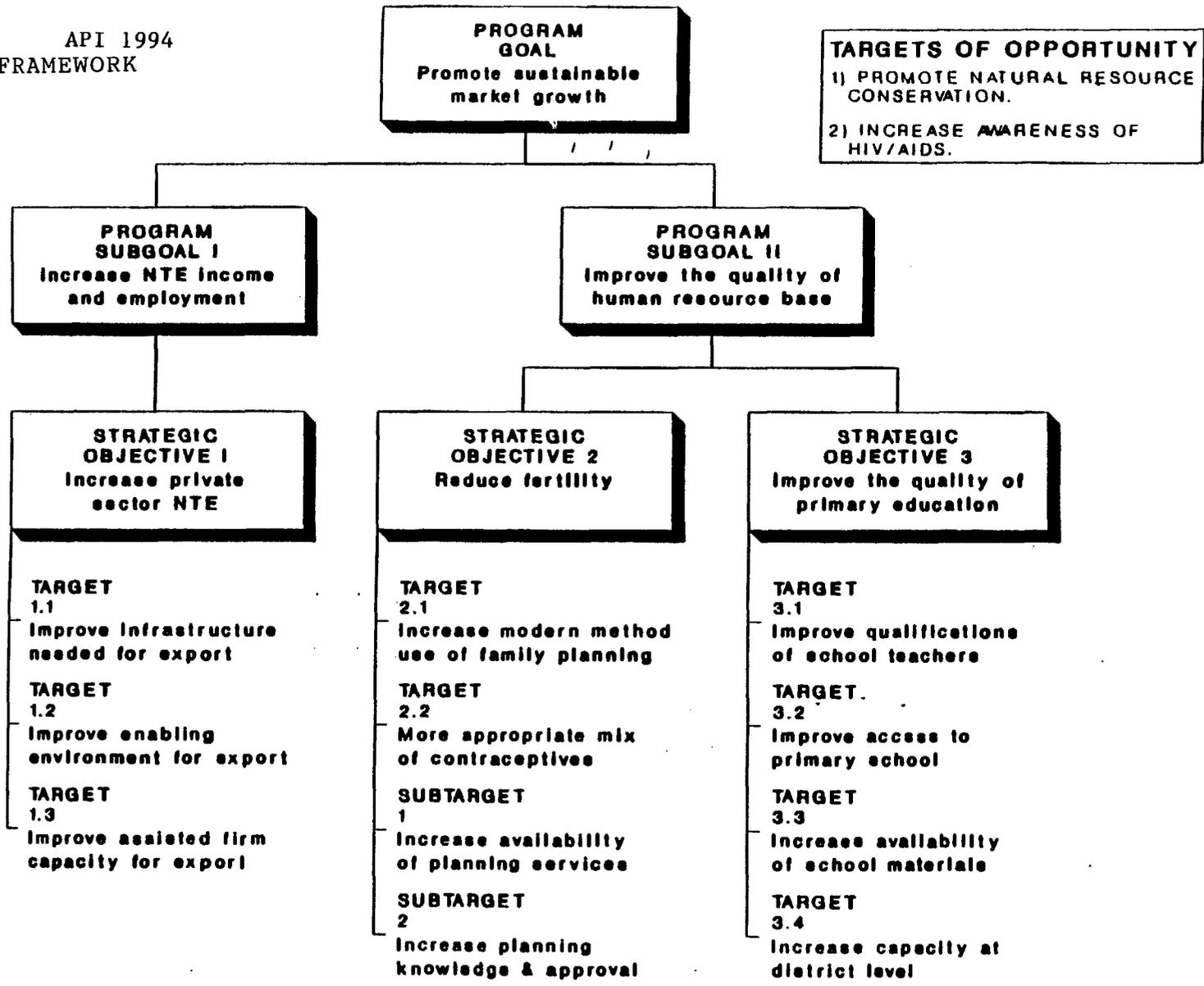
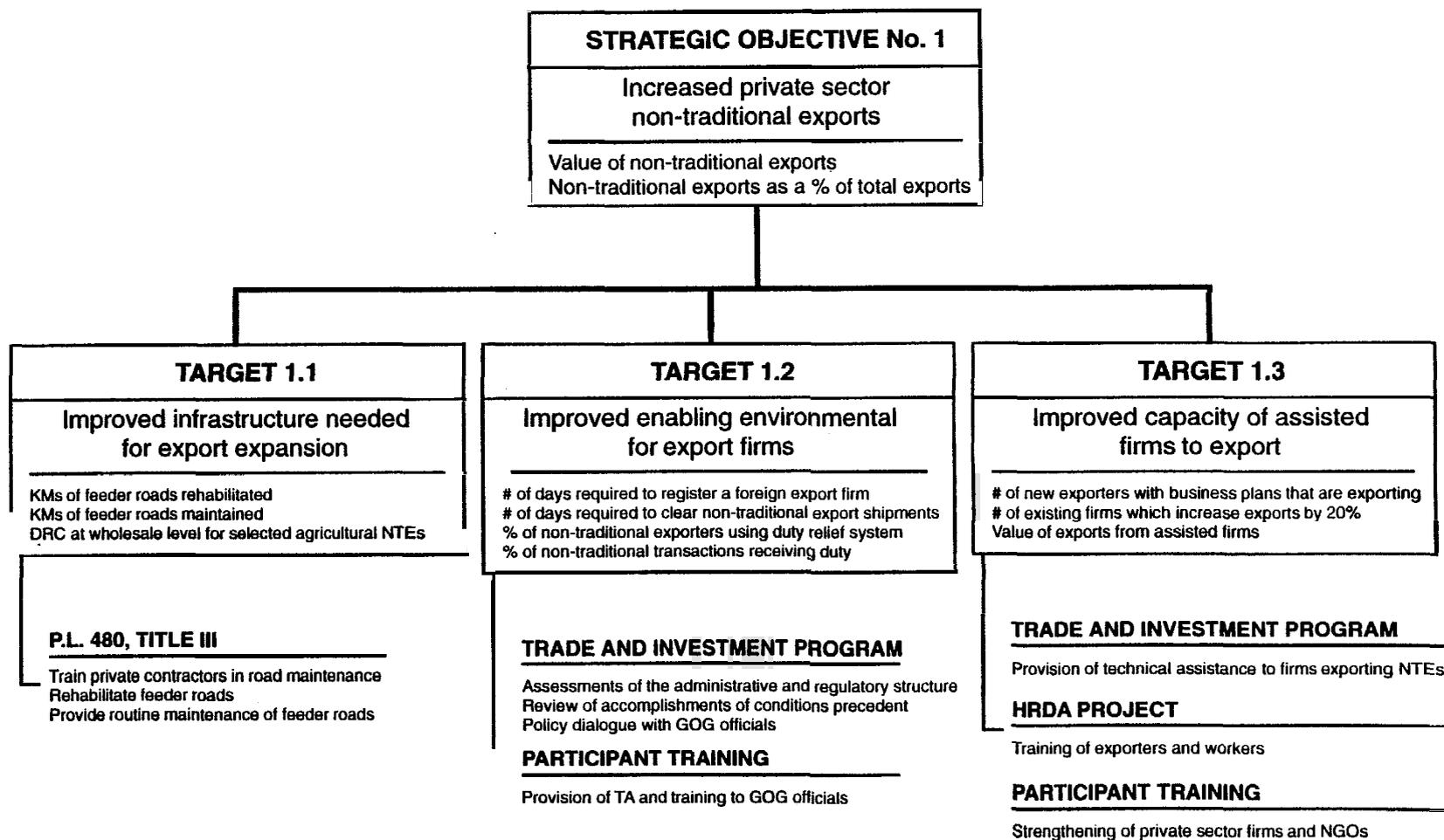


Figure 2. Trade and Investment Strategy



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increased NTE income and employment are higher level impacts influenced by factors beyond the strategic objective level.

Target Areas and Indicators. Targets are measurable results which are generally achievable in two to five years, and which contribute to the attainment of a higher-order strategic objective. Indicators measure progress in results from USAID-funded assistance efforts, in concert with its development partners. The targets which contribute to an increase in private sector NTE are:

1. improved infrastructure needed for exports;
2. improved the enabling environment for exports; and
3. improved assisted firm capacity for exports.

The first target (improved infrastructure for exports) is designed to lower the high cost of transporting goods and services due to the deteriorating condition of feeder roads. Poor secondary road conditions make it difficult to market and sell produce whether for local or export markets. The performance indicators are: kilometers of feeder road rehabilitated, kilometers of feeder road maintained, and a lowering of domestic resource costs at the wholesale level for yams, peppers, pineapples, cassava, and plantains.

While improving the infrastructure in areas where NTE crops are produced increases private sector NTE and thus directly benefits those producers, it also appears to affect people's access to motorized transportation, access to health clinics, and access to domestic markets outside their local area. Thus the number of indirect beneficiaries could be as important or more important than the number of NTE producers or direct beneficiaries. A related issue of interest is the effect of feeder roads on cross-border trade activities. Given the Ghanaian woman's traditional involvement in cross-border trading, feeder roads that increase cross-border trade activities should have a positive impact on women traders.

The second target is improved enabling environment. Due to the policy nature of the programming changes in this target value, and the ongoing modifications in export procedures, it is difficult to measure the changes in this target. Nevertheless by measuring the number of days required to register a foreign export firm, and the number of days to clear NTE shipments, it is anticipated that the streamlining will be evidenced in the reduction in the number of days required to complete both tasks. Neither gender nor firm size appear to be relevant measures for these indicators.

The other indicator (percent of non-traditional exporters using the duty relief system) is not scale neutral. The duty relief system is being used by larger firms more than smaller firms due to cumbersome filing procedures and the time required to complete these procedures. As women own more smaller NTE firms than larger firms, this bias affects their ability to use the duty relief system as well (Morris, 1994).

An assumption which may be linked to increasing NTE is the provision of processing, packaging, and marketing information to businesspersons involved in primarily agricultural NTE. Which public or private sector agencies are responsible for providing this information to non-traditional exporters? What information is being provided, and what is the cost of the information? And who is being assisted? Are non-traditional exporters being assisted regardless of gender, firm size, or product line?

The third target is improved capacity of assisted firms to export. This target is designed to contribute to increasing private sector NTE; it is considered a necessary but not sufficient element for achievement of the strategic objective. USAID/Ghana hired private contractors to provide the technical assistance. The contractors then selected firms that were already exporting NTE or who were poised to export. The indicators are: number of new exporters with business plans that are exporting, number of existing exporters increasing the value of their exports by 20% per year, and US\$ value of exports from assisted firms. A review by the PRISM team in March, 1993 stressed the importance of incorporating gender into the measurement of each of these indicators. Thus the Mission staff was strongly encouraged to gender disaggregate all indicators within the third target. While information was communicated from USAID/W to USAID/Ghana, it does not appear to have been communicated to the private TIP contractors. The 1993 API did not define any data cells according to numbers of females and males.

Human Level Implications. Trade and investment strategies are expected to have a very positive people level impact. Given that many of the economies of developing countries are agricultural, increasing agricultural non-traditional exports will provide jobs, wages, and an increase in household incomes for people living in rural areas (Alberti et.al., 1990).

Government regulations and a bureaucratic environment that stifles production of goods for the domestic and export markets have negative consequences for small, medium, and large scale businesses. Microenterprises and small businesses are affected by these restrictions since they have fewer opportunities than larger firms to obtain inputs and make sales in restrictive environments. Women-owned firms, which tend to be clustered in the micro- and small-sized range, are disproportionately affected. Thus efforts to reform macroeconomic and macrofinance policies should have positive impacts on small businesses and women entrepreneurs in particular (e.g., streamlining export procedures should benefit non-traditional female and male exporters, privatization of inefficient banks should improve the provision of financial services to women and men).

Trade and investment strategies that focus primarily on increasing agricultural non-traditional exports will not address the problems faced by women entrepreneurs in areas of local market saturation (e.g., bakers and bakery goods traders), and increased competition from displaced workers entering informal trading activities. Trade and investment strategies generally have not been designed to have a direct impact on women entrepreneurs producing for the local market. Indirectly women are affected through increased economic activity from people who have employment in the non-traditional export sector.

It is possible to achieve Ghana's program sub-goal of increased non-traditional exports and employment by concentrating program resources only on the large NTE firms. The larger

firms export more NTE both in terms of quantity and value than the smaller firms (Ghana Export Promotion Council trade statistics). Large firms in food processing and textiles/apparel production also employ more people (and in the case of Ghana, more women) than smaller firms (field notes by researcher).

Increasing non-traditional exports and employment with equity, however, involves the inclusion of small- and medium-sized firms. Since women traditionally own more small- and medium-sized firms a gender dimension is added as well. Women represent 5% of non-traditional export workers, and own 24% of firms producing non-traditional exports. These firms are concentrated in handicrafts, processed foods, and garments.

Women are economically active in apparel/textiles and handicrafts. In horticultural products and handicrafts women are traditionally self-employed in micro- or small-sized firms. The majority of women working in apparel/textiles are wage laborers. Women own 24% of the firms producing non-traditional exports. These firms are concentrated in three sectors: handicrafts, processed foods, and garments.

Perusing membership lists of the Association of Ghana Industries and the Ghana Export Promotion Council, and visiting urban marketplaces in Accra, it is evident that there are many more women producing for the local market than the export market. Of those women who do export, more women are involved in cross-border trade with Togo, Burkina Faso, and the Ivory Coast than are involved in overseas exports (Bremer and Sensenig, 1992). The facilitation of regional trade through streamlining cross-border trade procedures and improving access roads to towns on either side of the border will have a greater impact on women exporters than changes in overseas export procedures.

Trade and investment programs should promote linkages between small and large-sized firms as the latter expand their export potential through contract farming schemes. This is occurring in Ghana in pineapples (overseas export markets) and egg and pepper production (regional export markets). Since quality and reliability of supply are important determinants of an exporter's success, the larger firms have strong incentives to maintain long term relationships with their outgrowers or contract farmers who produce good quality crops; thus affording opportunities for smaller firms to supply export markets. Information on these linkage activities should be available in contractor quarterly reports. (However, because quality and reliability are not consistent when working with smaller firms, there is a counter incentive for firms to vertically integrate their production systems to control more of the production process.)

Due to accessibility and communications constraints it is difficult to include rural areas non-adjacent to urban centers in trade and investment programs. Including geographic location as one criteria in the selection of NTE industries will enhance the participation of rural participants and increase the potential of providing jobs, wages, and higher household incomes for people living in rural areas as well as urban areas. The inclusion of non-traditional exporters who are assisted by TechnoServ and Aid to Artisans/Ghana means that all regions in Ghana have some type of NTE activity.

Critical Assumptions

The CPSP and the program activities which support it are based on certain critical assumptions. Discussions with The World Bank resulted in USAID/Ghana focusing its efforts to increase non-traditional exports on addressing the enabling environment and private sector capacity issues. The World Bank program would accordingly focus primarily on developing export financing institutions and instruments, and revising the tax system. The World Bank has committed US \$57 million for this purpose.

A second critical assumption was built on the first and assumed new firms would be assisted through information, technical assistance, training, buyer/seller matching, and improved access to loanable funds. The increased access to credit would result from continued liberalization and strengthening of the financial sector which would occur as a result of the parallel World Bank project in export financing.

The third critical assumption was that private contractors and grantees contracted by USAID/Ghana would be working with a diverse sample of non-traditional export firms. There were no built-in requirements to individual contractors, however, to deliver assistance to small and large firms, to women-owned and men-owned firms, or to firms employing large numbers of men and women. These criteria were raised in the monitoring and evaluation section of the TIPS project assistance approval document, but they were not listed in the assisted firm target sections for specific contractors.

The fourth critical assumption was the development of a data information and dissemination system so that data would not only be collected, but would be analyzed and disseminated to appropriate players in a timely fashion. The analysis of collected NTE data would provide reporting information and the opportunity to assess the impact of decisions made, and the future direction of NTE activities. If assisted firms were concentrated in one sector and location, and if those receiving the assistance were mostly owners of the same gender and firm size, then this information could be used in the selection of future firms to ensure a more diverse client base.³

Program Activities

The principal program intervention that supports achievement of the first sub-goal (increasing non-traditional exports and employment) is a U.S. government US\$80 million agreement with the government of Ghana (GOG), the Ghana Trade and Investment Program (TIP).⁴ A brief summary of this program follows.

³ The fourth critical assumption is based on material from Harriett Destler et.al. "Monitoring Program Performance: USAID/Ghana 1993."

⁴ Material on TIP in Ghana in the following paragraphs was taken from the report "Project Assistance Approval Document and Ghana Trade and Investment Program."

The Ghana Trade and Investment Program (TIP) is a five year, US\$80 million initiative, authorized pursuant to Sections 496 and 103 of the Foreign Assistance Act of 1961, as amended, whose goal is to increase sustained per capita GDP. The purpose of TIP is to increase private sector non-traditional exports. The program's EOPS is (a) an increase in the nominal value of NTEs by new and pre-existing firms from US\$62 million in 1991 to US\$250 million by the end of TIP; (b) an increase in the number of firms participating directly or indirectly in NTEs by 1500 from the 1991 total of 2822; (c) an increase in real per capita income of men and women engaged directly or indirectly in NTEs of 5 percent per year by the end of TIP, compared to a 2 percent increase in the economy as a whole; and (d) at least 60,000 new fulltime NTE related employment opportunities created for men and women by the end of the program.

TIP directly addresses the dual challenges of increasing and diversifying export growth in the Ghana economy. Ghana's traditional exports of cocoa, gold, timber, and electricity will not be able to sustain the growth required by the Ghana economy to meet its socio-economic requirements and reduce its reliance on international donor support. Based on extensive pre-program analysis it appears that the non-traditional export sector is positioned to increase and diversify export growth in Ghana's economy. In order to realize this potential there are a number of constraints facing the non-traditional export sector which the TIP is designed to address. The three most important constraints are:

1. the enabling environment;
2. the present production and marketing capacity and capability of existing and/or potential export firms; and
3. the limited financing available to exporters.

Other programs being administered by USAID/Ghana also contribute to the strategic objective and sub-goal. The Title III program provides US\$5 million in local currency per year to be used for the rehabilitation of feeder roads in areas that have export potential. Title III funds are also available for the improvement of export infrastructure funding, and funding for NGO activities in support of export production and marketing.

The US\$5.4 million Human Resources Development Assistance Project (HRDAP) focuses on the private sector.⁵ The direct beneficiaries of the HRDAP include: the University of Ghana/Legon, staff and members of Ghanaian business associations, women owners of small businesses, students and teachers at public training institutes, and managers of targeted GOG ministries who have responsibilities for policy and programs affecting the private sector. As

⁵ Problems in expatriate staffing have led to slower implementation of this project. Newly hired replacement personnel have only been in Ghana since September 1994.

some of these associations, small businesses, and managers are involved in NTEs, the strengthening of these groups will assist the development of the NTE sector. The Ghana Venture Capital Fund established by the Commonwealth Development Corporation is designed to facilitate the availability of term and investment capital for non-traditional exporters.

The three NTE targets of USAID's strategy which contribute to the increasing of private sector NTE are:

1. improved infrastructure needed for export;
2. improved enabling environment for export; and
3. improved assisted firm capacity for export.

Under the TIP, contractors were hired to assist USAID/Ghana in the realization of targets (2) and (3). Grant agreements were signed with TechnoServ and Aid to Artisans/Ghana which support achievement of target (3). The roles of the contractors and grantees are given below.

1. AMEX International - provides technical assistance to groups of non-traditional exporters working in high export revenue-generating sectors;
2. International Executive Service Corps - provides technical assistance, utilizing retired U.S. executives, to non-traditional exporters;
3. Sigma One Corporation - provides technical assistance to the Ministry of Trade and Industry to improve the enabling environment for exports;
4. African Project Development Facility - provides technical assistance to large firms in the preparation of business plans to secure bank financing;
5. TechnoServ - organizes non-traditional exporters into cooperatives to increase their production and marketing potential;
6. Aid to Artisans/Ghana - provides technical assistance to artisans producing non-traditional handicraft exports brings it within the TIP purview; and
7. Foreign Investment Advisory Service - provides technical assistance to the Government of Ghana in improving investment promotion activities.

II. PROGRAM PERFORMANCE DATA

Data Collection

Non-Traditional Exports. National level statistical data on volume, value, and firms exporting NTE are provided by the Ghana Export Promotion Council (GEPC). Trade databases are currently being revised in Customs and the Ministry of Trade and Industry which will augment trade information. Cross-border trade information is projected to be collected in 1995.

Four non-traditional export sectors were selected by TIP to measure employment changes: horticultural products, wood products, apparel/textiles, and handicrafts. Women are economically active in horticultural products, wood products, apparel/textiles, and handicrafts. In horticultural products and handicrafts women are traditionally self-employed in micro- or small-sized firms. The majority of women working in apparel/textiles are wage laborers working for foreign subsidiaries operating in Ghana (e.g., Oriental Pacific, Akosombo Textiles). In addition to the above listed sectors women are also economically active in the processed foods subsector as employees and owners of small- and medium-sized firms (Morris, 1994).

Contractors have been hired to examine and recommend changes in regulatory measures which impede the export of non-traditional goods. One method of measuring the changes in the enabling environment is through the use of a policy matrix. Sigma One contractors are working on developing such a matrix which will be used to track Trade and Investment Management Unit recommended policy changes. A calendar of activities for the Trade Policy Unit developed by Sigma One contractors currently tracks the unit's initiatives.

Production issues associated with non-traditional exports include worker safety, environmental concerns, and choice of technology. Volunteer executives working with International Executive Service Corps (IESC) are well positioned to monitor worker safety conditions within assisted firms. Issues such as worker safety are used to monitor target level objectives (e.g., improve capacity of assisted firms to export).

The government of Ghana has final responsibility for monitoring the environmental impact of NTE activities. In their regular interaction with clients, USAID's contractors and grantees are positioned to monitor assisted-firm environment issues. For example, TechnoServ in its work with cashew farmers in northern Ghana is monitoring the impact of pesticides that were recommended by government extension agents to cashew project participants.

Non-Traditional Exporters. Previously all exporters had to register with GEPC which collected information on exports as well as some human level indicators such as employees per firm, though the latter information has never been published and its reliability is questionable. Given that GEPC registration is now voluntary, and the revised databases do not include human level indicators, there appears to be no organized collection of information on human level indicators for exporters. USAID/Ghana special studies and TIP-assisted firms are the only sources for this type of information. This information is required to provide information associated with program results.

All data on non-traditional exporters that are assisted by TIP contractors should be sex-disaggregated. Employment data should include both male and female participation rates. Data should be reported using male and female labels, and not just using female when women are present which implicitly states that male is the default gender choice. For example the phrase "three owners one of whom is female" implies through this type of language construction that the normal gender for an owner is male, but that in this case one of the owners is female. Sex-disaggregated data should be used in managing TIP activities as well as providing data to document USAID's contribution to the program sub-goal.

Firm size needs to be defined within the TIP. Are firms defined according to employment, assets, or sales? It has been argued that TIP is not a scale neutral program: large firms receive the majority of benefits. By discussing the outgrower systems and distributions systems with TIP-assisted firms it can be shown that smaller firms are participating in the non-traditional export sector. AMEX is currently preparing an outgrower report which will provide gender disaggregated data on large and small pineapple growers who are participating directly or indirectly in the export of pineapples.

Wage and household data are costly to obtain. Other methods of collecting this data are to use firm records. Data have been collected for an income baseline study of non-traditional exporters by a local Ghanaian consulting firm (USAID/Ghana Baseline Study, 1993). This study will be repeated every 2 years. It provides national level data to measure progress at the sub-goal level. TIP-assisted firms can provide data by task, wage range, and gender as part of their initial interview process which would parallel the non-traditional export study and serve to indicate USAID's contribution to achievement of the sub-goal. In addition to supplementing indicator requirements at the target level, this data can also be used to evaluate the TIP program and the NTE strategic program.

Individual contractors and grantees are tracking human level indicators for their own purposes. TechnoServ has a field project database which includes three data bases: socio-economic, macroeconomic, and project commentary. The socio-economic database has information on household income for project participants. Aid to Artisans Ghana has 1993 wage information for various handicrafts and is in the process of designing a questionnaire which will obtain gender-disaggregated wage information (Bram and Matthias 1993). The Africa Project Development Facility is in the process of establishing a database to monitor its Enterprise Support Service Africa (ESSA) facility and has agreed to consider variables on gender, wage and employment.

Data collected on the geographic location of USAID sponsored NTE activities would demonstrate the extent to which assisted firms are located throughout Ghana, and not just in the periurban area of Accra. The activities of TechnoServ and ATAG in particular have included regions of Ghana that were not represented in TIP prior to their activities. A map would demonstrate this information succinctly and clearly.

TIP-assisted contractors were not asked to provide human level data at the beginning of the program and consequently firms have not been providing it. ATAG and TechnoServ have indicated that they have data on their clients, but that they are currently not reporting it to

USAID/Ghana. The data are currently being used internally by these organizations to determine program activities and evaluate program outcomes. Most firms receiving TIP technical assistance have employment and wage data. USAID could use this data to document the contribution of assisted firms to the sub-goal of increasing NTE employment and income. Assisted firms should be notified that their participation in technical assistance programs means they will be asked to provide data from time to time to assist USAID program performance measurement efforts.

The mission in consultation with contractors and grantees should develop a data collection protocol and communicate this information to contractors and grantees who are involved in data collection. For example, there should be a common method for defining and classifying part time and casual employees, and firm size.

A database with information from TIP-assisted firms would assist USAID/Ghana in monitoring and evaluating TIP activities, evaluating the NTE strategy, meeting reporting requirements, and structuring special studies. Moreover, the information should assist in making resource allocation decisions. Data would be supplied by the contractors and grantees working with assisted firms. The database would include information on geographical location of project activities, and gender-disaggregated information on firm ownership, firm size, employment, and wages.

Cost of Data Collection. Data collection should be done efficiently, and should be available within the specified timeframe. Tables have been developed by the author or are being developed by USAID/Ghana monitoring and evaluation personnel to decrease paperwork and improve reporting efficiency. Contractors should be encouraged to obtain as much information on human level impact as possible during the initial firm interview, and in subsequent visits to clients. The initial intake form used by all contractors could be revised to obtain designated information on firm size, employment, owner information, and use of subcontractors.

Household level surveys are expensive to conduct. Alternatives to household level surveys to estimate income impact of NTE are possible by measuring the income of a sample of non-traditional exporters or workers and comparing their income with national household census data.⁶ Average wage rates for specific jobs could also be used to obtain a measure of income impact.

Data Reporting

Format. Data are reported to two principal entities: external to USAID/Ghana, and internal to USAID/Ghana. External data requirements drive some internal data requests. Contractors and grantees should be aware of this interface.

Contractor quarterly reports in their current condition do not provide data in a format that is useful to USAID/Ghana. In fact most quarterly reports are prepared with corporate

⁶ Variations on this methodology were suggested to the author by B. Dickerson, monitoring and evaluation specialist at USAID/Ghana.

headquarters as the primary client and not USAID/Ghana. The format of quarterly reports should be changed to make them more user friendly for USAID/Ghana.

Timing. A reporting schedule prepared and distributed to contractors with due dates for quarterly and annual report submissions to USAID/Ghana should eliminate confusion and assist with presentation of data. The schedule should also allow TIP contractors working on "mini-surveys" to coordinate data collection in line with reporting requirements. For USAID/Ghana use, data from the previous quarter should be sufficiently recent for inclusion in reporting.

Data Use

External: Information on progress made in achieving the NTE targets and strategic objective, provided both in statistical terms and a narrative, is reported to USAID/W. In turn it provides USAID/W with information to monitor progress on results across missions with similar strategies. The mission data are summarized along with those from other operating units to report to Agency managers and Congress on program performance.

Internal. Program performance data collected by USAID/Ghana can perform a variety of roles within the Mission: (1) allow for program monitoring and evaluation; (2) highlight topics or areas for special studies; and (3) provide a basis for making management decisions. The mission should use the data to review program activities, and evaluate the consistency of results with expected levels of achievement. Data should also be utilized to either rationalize changes in program direction or measurement, or as justification for continuing with current activities. The executive summaries of contracted research results should be disseminated to interested contractors with specific issues noted that they would find of interest.

Monitoring

Responsibility for Monitoring Data. The monitoring and evaluation section of TIP stated:

USAID has exclusive responsibility for tracking two of the four [project] purpose-level indicators, i.e., increases in income and employment of men and women engaged in the NTE sector. These involve measuring people-level impact through increases in employment and income. ... Of particular importance will be the collection of data by USAID on people level impact. ... TIP funded activities with the private sector will be geared to promote inclusivity of firm size, ethnicity, gender, and regions. ... One variable which will be monitored particularly closely in relation to all program activities is the impact on women.

However, the TIP guidelines for selection of clients by private contractors who were to provide technical assistance were:

The projects will provide assistance to "A-level" firms, which are ready for immediate assistance in finding trade and investment opportunities; "B-level" firms, which require technical and/or managerial assistance to prepare them for trade and investment opportunities in a reasonable period of time; and to a limited extent "C-level" firms, which are not ready or willing to take the steps necessary to prepare for trade and investment opportunities at this time." Thus AMEX will work with "A-level" firms and IESC will work with "B-level" firms to prepare them to graduate to "A-level" export assistance. APDF will work with entrepreneurs interested in developing new NTE projects or expanding current operations.

Thus no specific criteria or even general guidelines regarding gender, scale or employment was included in contractor guidelines for selecting firms to assist. Assistance targets were specified in terms of number of firms assisted, number of bankable projects, number of exporters receiving services, and number of new product lines developed. Therefore USAID/Ghana was put in the position of having to monitor indicators that were not used in the initial selection of clients (e.g., female/male participation rates) by contractors working directly with assisted firms.

Data collection requirements regarding these variables have not been specified in the contracts. Private contractors report to their corporate headquarters. Contracts should be written that include the cost-effective collection of appropriate (sex-disaggregated) human level indicators such as beneficiaries and outgrower participation rates as part of the contractors' responsibility.

Human Resources. USAID/Ghana has one fulltime mission monitoring and evaluation person. A private sector office staff person is in charge of TIP monitoring and evaluation, but he is frequently involved in other private sector office activities. TIP contractors do not appear to have an organized response to quarterly and annual reports. When these reports are due everyone is "pulled off" their other responsibilities to assist in the completion of the report. Where possible, one office person should coordinate the monitoring of data collection and the reporting. In most contractor offices no one is overseeing data collection to make sure key variables are collected on intake forms, or during fieldwork. When important data points are missing, it quickly becomes burdensome to revisit clients etc. to obtain the information.

It is necessary in a complex program such as USAID/Ghana's NTE to ensure that everyone "shares the same vision." The mechanics and logistics of project implementation can frequently obscure the important human level impact that such activities can deliver. Does it matter if only 15 male-owned firms are responsible for 99% of the increase in volume and value of NTEs? The inclusion of women and small producers is important for three principal reasons: economic, equity, and efficiency.

The inclusion of equity considerations should occur at the program and project activities levels and address the question of "who". Who has access and who doesn't have access to

program assistance? Who participates and doesn't participate in programs? Who benefits from programs and who is negatively affected by programs?

Technical Resources. USAID/Ghana monitoring and evaluation people are computer literate and have access to computers. All contractors also have access to computers (when there is electricity available). Therefore reporting tables can be generated efficiently and completed for employment, wages, and size of firm, all disaggregated by gender. And quarterly reports can have information presented in a similar format each reporting period.

When special NTE related studies are commissioned, consultants (whether local or expatriate) should build on data previously collected. Questionnaires should be scrutinized by monitoring and evaluation personnel to make sure the questions asked will result in the collection of necessary information.

Moreover, similar measures and methods should be used for key variables, and the methods and data collection techniques specified in the final report. While these seem to be common sense procedures, they have not always been followed by missions. Data points need to be clearly defined, explained to questionnaire developers, and tables using the data prepared **before** the study is undertaken to highlight any inconsistencies or problems. If this is not done the wrong questions can be asked, or a crucial question left out (e.g., asking respondents if they have heard of the duty relief system does not provide the same information as asking them if they currently use or have ever used the duty relief system).

Monetary Resources. Special studies are expensive, yet missions frequently pay for these studies without carefully considering the data required, often do not use the majority of the data collected, and do not disseminate the results.

It should be the assisted firms' responsibility to provide information to the TIP contractors who then provide a report to USAID/Ghana. Both the contractors and USAID/Ghana should use the information for internal program and project assessment. Providing a reasonable amount of data in a cost effective format should be recognized by the corporate headquarters of the TIP contractors as a legitimate contractor activity. Those TIP contractors which demonstrate an increase in human level data reporting should be acknowledged by USAID/Ghana. Data collection is expensive, and often pulls a person from another job. USAID/Ghana should be cognizant of these costs and use data collection and reporting as one of the TIP contractor evaluation criteria.

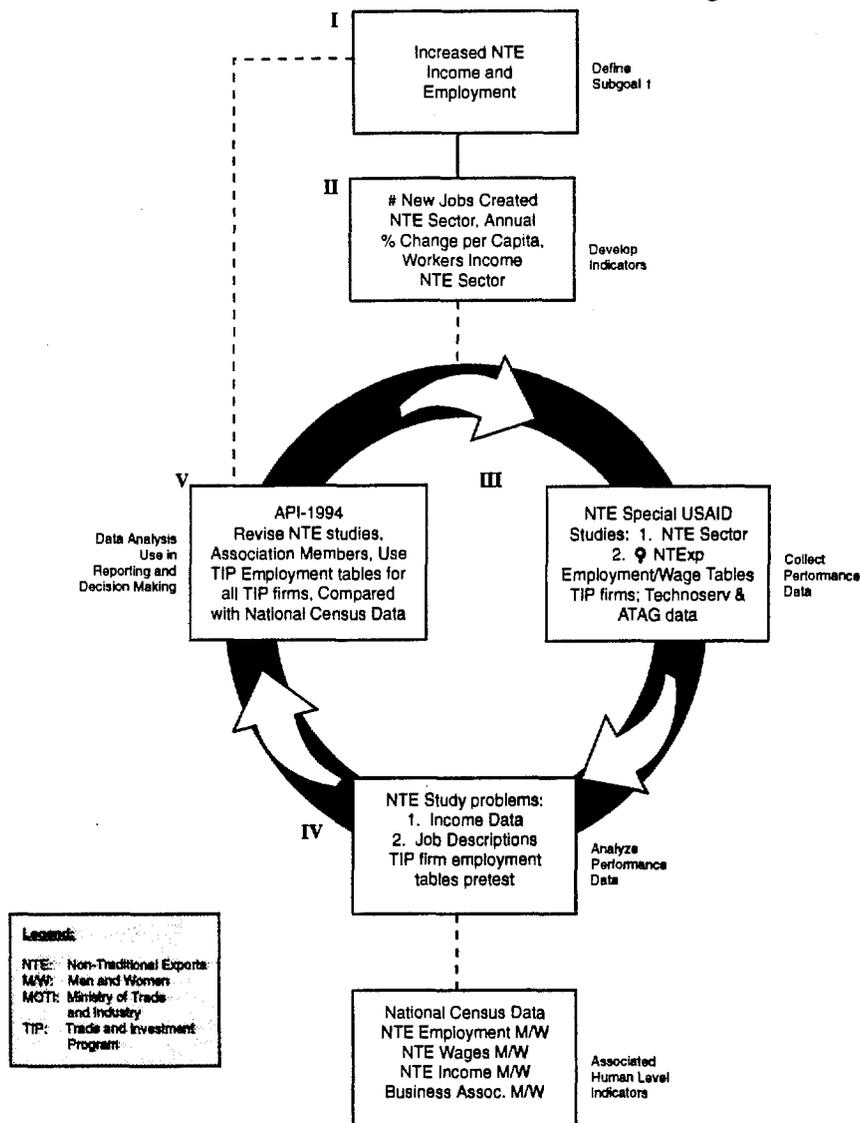
Performance Measurement Phases

Various mission programs have attempted to track data related to changes in NTE income and employment. Uganda has used the case study approach for vanilla producers and silk producers. Malawi and Kenya have monitored women's employment by focusing on specific projects - the women's burley project in Malawi and the Kenya Export Development Support Project. The most encompassing set of indicators is used by missions in Zimbabwe, Madagascar, Guinea, and Guinea Bissau in terms of disaggregating key data points by gender, firm size, geographic location of participants, and race (only used in Zimbabwe). (While race may not

always be appropriate in other countries, benefits flowing to certain ethnic groups might be identified as important to monitor.)

Gender dimensions and the use of human-level indicators in assessing trade and investment programs can be summarized using performance measurement phases.⁷ Figures 3-7 present USAID/ Ghana program performance measurement for Sub-goal 1 and the strategic objective and three targets for Sub-goal 1. The format is designed to highlight the decisions necessary to ensure inclusion of human level indicators as real time indicators. Figure 3 presents information specific to the Sub-goal.

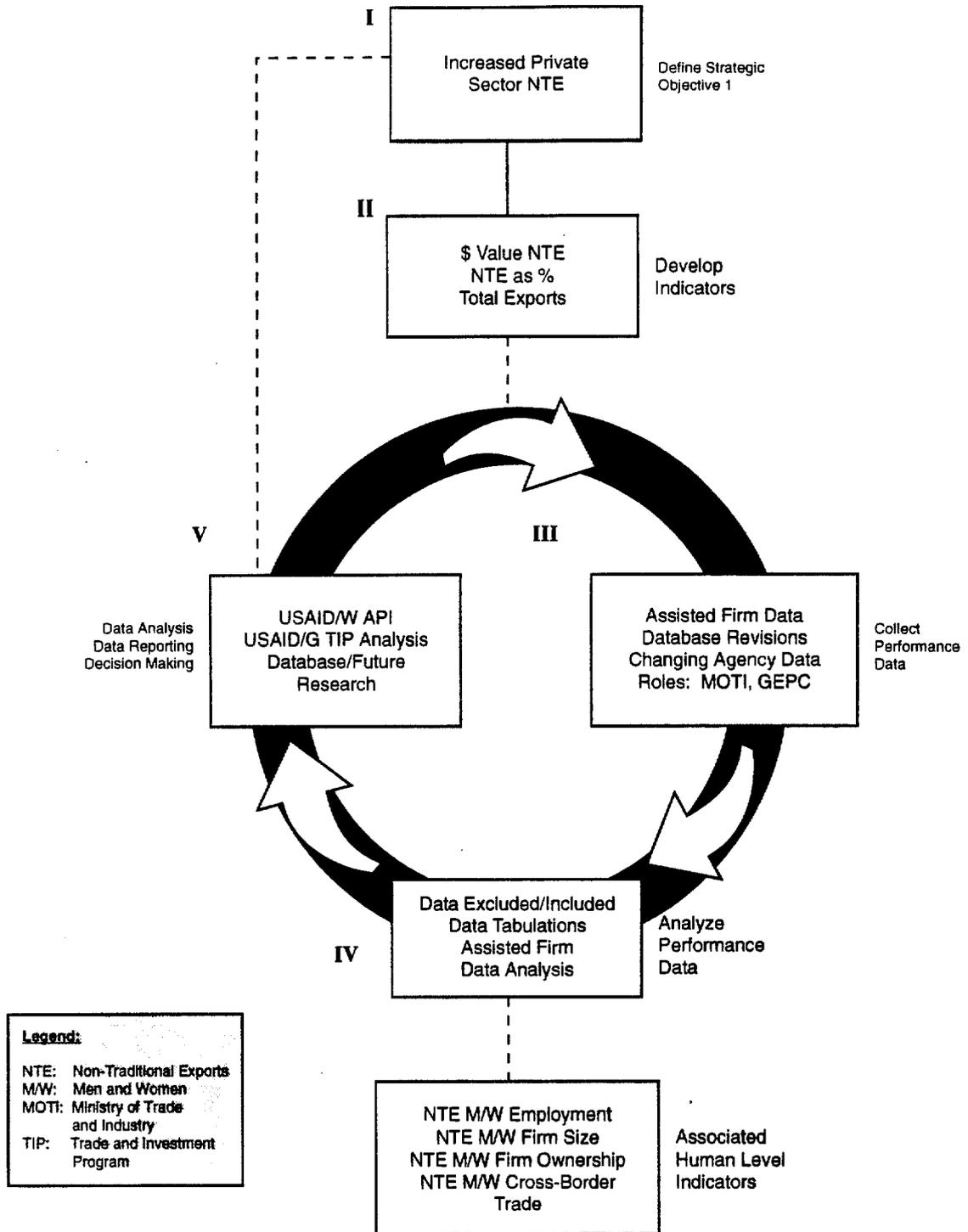
Figure 3. Performance Measurement Phases for USAID/Ghana Sub-goal



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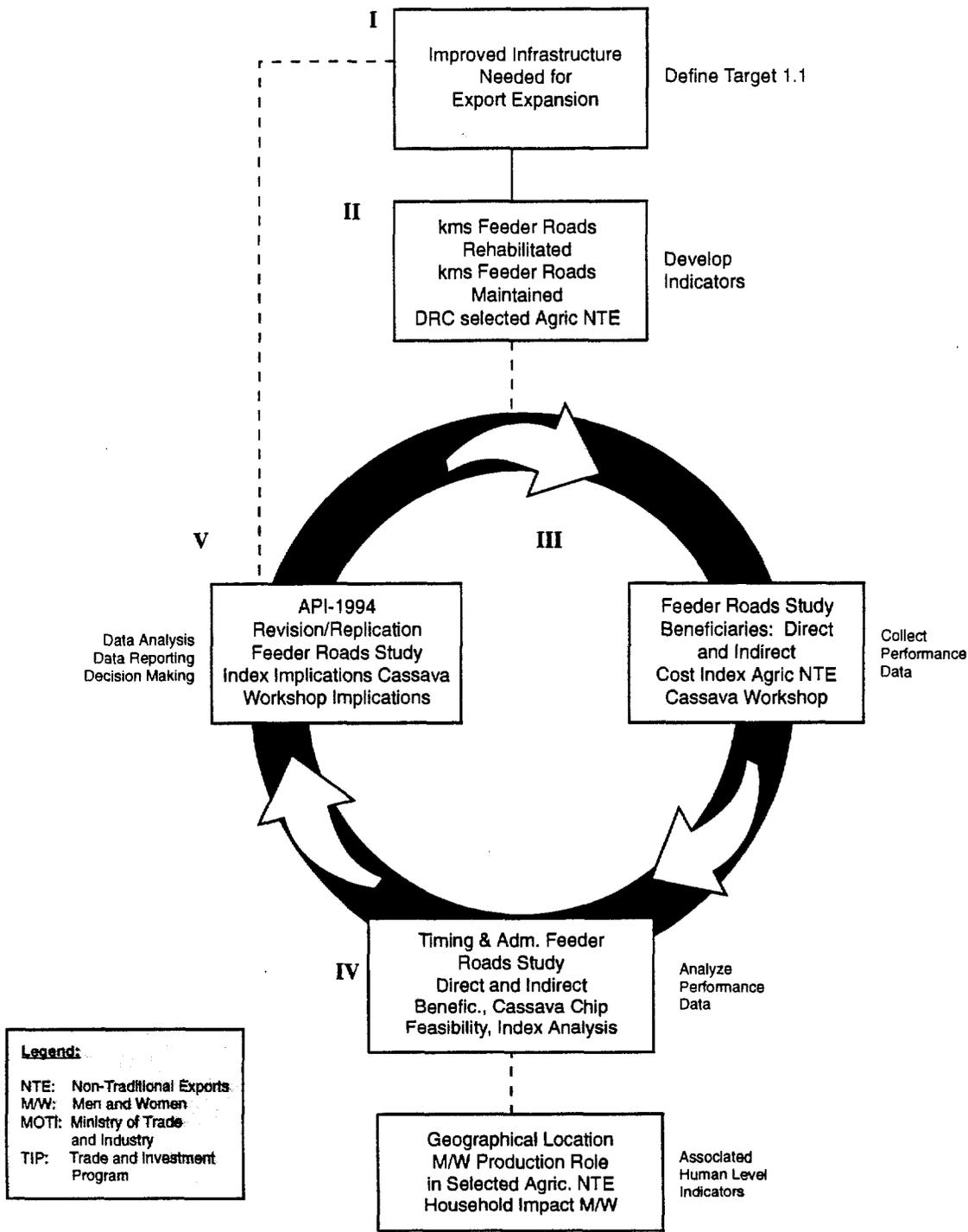
⁷ Figures 3-7 prepared for this discussion are based on a figure presented in USAID Evaluation News Vol.6 No.1 p.4, 1994.

Figure 4. Performance Measurement Phases for USAID/Ghana Trade and Investment Strategic Objective



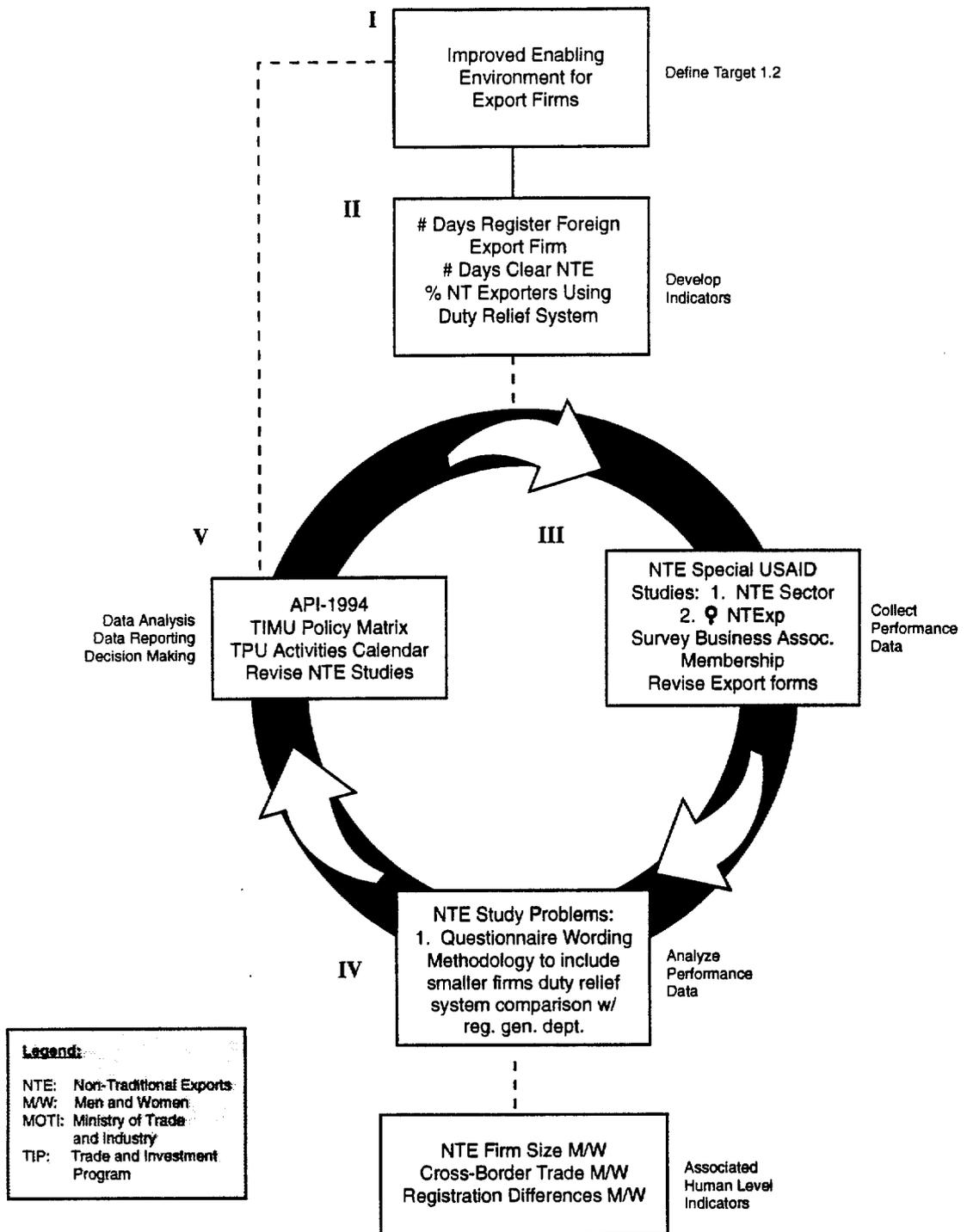
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Figure 5. Performance Measurement Phases for USAID/Ghana Trade and Investment Target 1.1



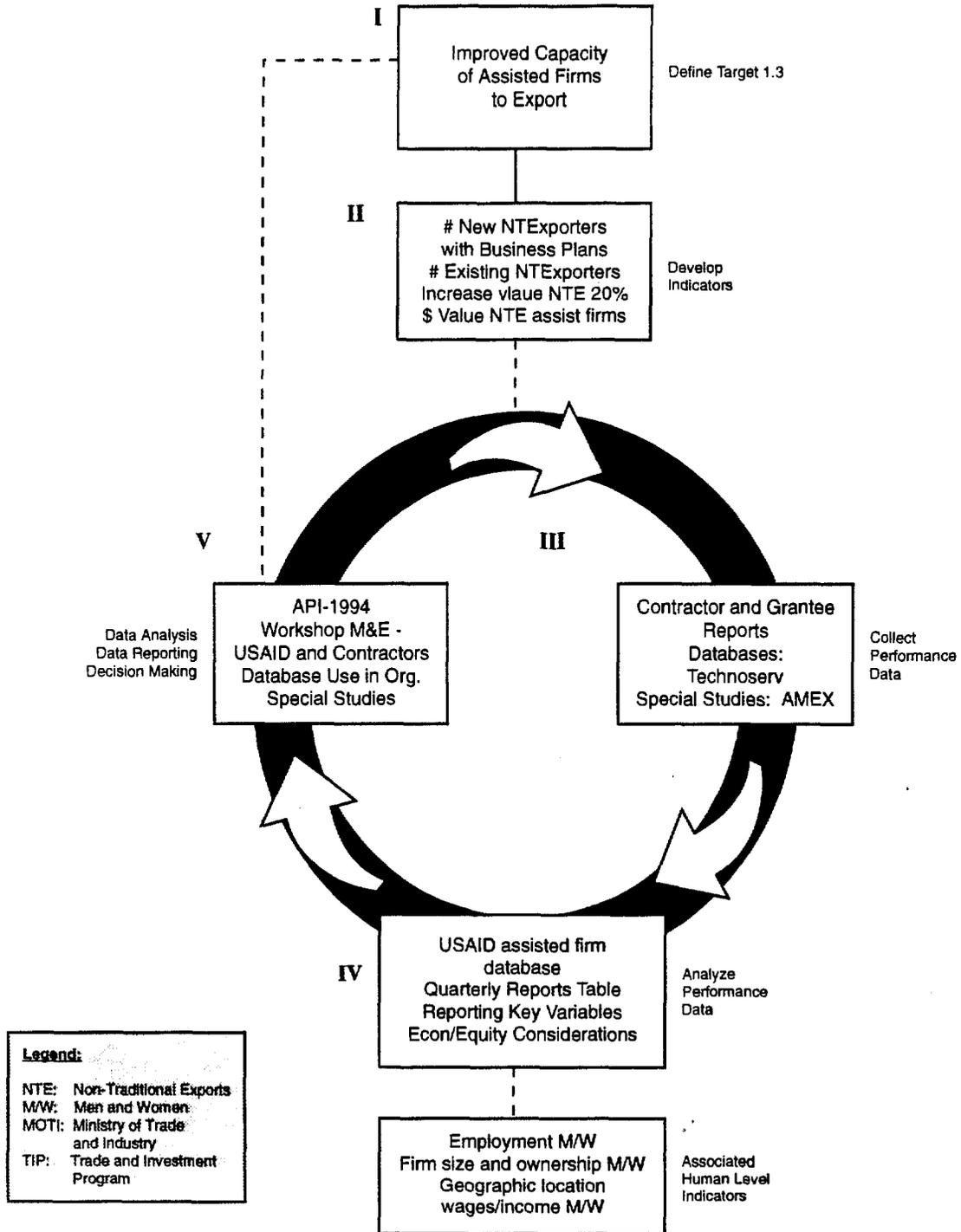
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Figure 6. Performance Measurement Phases for USAID/Ghana Trade and Investment Target 1.2



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Figure 7. Performance Measurement Phases for USAID/Ghana Trade and Investment Target 1.3



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Using USAID/Ghana baseline studies and employment/wage information obtained from assisted firms, and comparing this data with national census data on income and employment, it is possible to project effects on NTE employment and income.

Figure 4 presents information relevant to Strategic Objective 1 (increase private sector NTE). Indicators associated with this strategic objective measure the dollar value and percentage change of NTE. Thus the measurements are associated with the revision of Minister of Trade and Industry and associated agency databases. Assisted firm data are used for specific sector case study purposes. Cross-border trade data needs to be presented more explicitly. The feeder roads project has implications for cross-border trade, and this trading will also impact on NTE income and employment data.

Figures 5-7 present information specific to the three targets under Strategic Objective 1: improved infrastructure needed for export expansion; improved enabling environment for export firms; and improved capacity of assisted firms to export.

These targets use indicators that rely almost exclusively on special studies contracted by USAID/Ghana (Figures 5 and 6), and on data provided by private contractors and grantees (Figure 7). TechnoServ has devised a methodology to calculate direct and indirect beneficiaries, and Aid to Artisans/Ghana has wage and training participation data that provide data relevant for Target 1.3. Private contractors are developing their own small surveys to administer to assisted firms to obtain information on subcontracting (e.g., AMEX).

III. CONCLUSIONS AND RECOMMENDATIONS

General conclusions and recommendations are presented first in this section. Specific conclusions and recommendations are then presented which focus on the USAID/Ghana trade and investment strategic program.

General Conclusions and Recommendations

Shared Vision. It is necessary in a complex strategy such as a trade and investment program to ensure that everyone "shares the same vision." The mechanics and logistics of planning and implementing a trade and investment program can frequently obscure the important human-level impact that such a program can deliver. Equity concerns must be defined and their performance indicators discussed within the context of the program strategy.

Country Strategic Plan. Assessment of the entire country strategic plan (which would include a gender component) would provide a better framework within which to evaluate the inclusion or exclusion of human-level indicators. Sub-goals are frequently interrelated in a country strategic plan, a relationship which is obscured when indicators and projects under only one sub-goal are evaluated.

Some missions have held consultative meetings with other stakeholders (e.g., local NGOs, ministry people) to develop their program strategies and program performance measurement system (e.g. Uganda). Participation by other stakeholders encourages "ownership" in the process and facilitates data collection and use, and program evaluation in the future. It also encourages discussion of results throughout the strategic planning period.

Disaggregation of Data. Program performance measurement data should be disaggregated by sex when this factor affects program results, when equity issues are critical, and/or when it is important for evaluating program objectives. When sex-disaggregated data are necessary, program implementers need to understand why male/female disaggregation is important. A discussion with program implementers would focus on equity, economic, and efficiency issues.

Various mission programs have attempted to collect data on primarily agricultural non-traditional export programs that includes information on human-level indicators. This information is included in their program measurement system or included in a narrative section when reporting on results. Uganda has used the case study approach for vanilla producers and silk producers. Malawi and Kenya have monitored women's employment by focusing on specific projects - the women's burley project in Malawi and the Kenya Export Development Support Project. The most encompassing set of indicators is used by missions in Zimbabwe, Madagascar, Guinea, and Guinea Bissau in terms of disaggregating key data points by gender, firm size, geographic location of participants, and race (only used in Zimbabwe). (While race may not be appropriate in all countries, the distribution of impacts or flow of benefits to certain ethnic groups might be identified as important results to monitor.)

Trade and investment programs have been criticized as not being scale neutral programs (i.e., only large firms are assisted). Data collection on employment that includes outgrower and distribution systems would illustrate the involvement of small firms. Firm size needs to be defined and consistently used throughout trade and investment programs.

Cross-border trade. Cross-border trade needs to be researched more thoroughly. To date the majority of research on cross-border trade issues has focused on commodity flows and not on who is trading. Historically more women are involved in cross-border trade than are involved in overseas exports. Cross-border trade is linked to NTE income and employment. Other projects (e.g., feeder roads projects) have implications for cross-border trade activity.

Data should be disaggregated by sex if this information affects program results or is important for evaluating program objectives. Trade and investment programs should ascertain the sectors where women are employed and where they own businesses and include these sectors in project activities. Indicators should be used that provide information on female/male participation rates at the target level.

Trade and investment programs have been criticized as not being scale neutral programs (i.e., only large firms are assisted). Data collection on employment that includes outgrower and distribution systems would illustrate the involvement of small firms. Firm size needs to be defined and consistently used throughout trade and investment programs.

USAID contractors and grantees should understand the need for results data and cooperate with the mission. The mission should be specific about its use of the information. This responsibility should be clearly specified in scopes of work, and contracts and, if possible, cooperative agreements and grants. Workshops should be held when warranted to discuss managing for results and program performance measurement. Missions should make every effort to request data that can be obtained in a cost-effective manner. Changes in registration and other types of procedures (e.g., the elimination of previously required forms) should be monitored in terms of their effect on database collection efforts.

Specific USAID/Ghana Conclusions and Recommendations

Strengthen collection of human-level indicators. Assessment of the entire country strategic plan for Ghana (which would include a gender component) would provide a better framework within which to evaluate the inclusion or exclusion of human-level indicators. Sub-goal 1 of increasing non-traditional export income and employment is directly related to the second sub-goal of improving the human resource base. Households with increased incomes can better afford education and health services for their members.

Four non-traditional export sectors were selected by TIP to measure employment changes: horticultural products, wood products, apparel/textiles, and handicrafts. Women are economically active in horticultural products, apparel/textiles, and handicrafts. In addition to the above listed sectors women are also economically active in the processed foods subsector as employees and owners of small- and medium-sized firms. TIP might consider expanding its sector emphasis to include processed foods.

Workshops should be held between USAID/Ghana and individual contractors and grantees to explain data collection and reporting requirements. There are enough differences between contractors and grantees to warrant separate workshops.

Employment data should be disaggregated by gender, skill level, and hours worked per week (i.e., full time, part time, casual). This employment information parallels information collected for non-traditional exporters in a 1993 baseline study prepared for USAID/Ghana. This data can then be compared to national census data to project and document differences in income and employment associated with non-traditional exporting.

TIP has been criticized by local Ghanaian officials as not being a scale neutral program (i.e., only large firms are assisted). Data collection on employment that includes outgrower (e.g., small pineapple and pepper farms) and distribution systems would illustrate the involvement of small firms. Firm size needs to be defined and consistently used throughout USAID/Ghana's program, performance measurement system.

Current changes in the enabling environment for NTE in Ghana could lead to the abolishment of the A2 form, and have already resulted in a relaxation of the registration requirement by non-traditional exporters with the Ghana Export Promotion Council. These current database revisions do not appear to consider the collection of human level indicators, and in some cases make it more difficult to obtain information since non-traditional exporters are not required to register. The focus to date has been on streamlining the procedures; the issue of data needs does not seem to have been a consideration.

Strengthen contractor reporting. Annual and quarterly reports of TIP contractors and grantees should be streamlined with essential data reported in table format at the beginning of the document. In terms of information reported to USAID/Ghana, all reports should follow a similar format in the presentation of this information.

Strengthen database on assisted firms. Firms receiving TIP assistance should be required to provide data to TIP contractors and grantees as requested by USAID/Ghana for reporting purposes, and to evaluate program objectives and monitor program activities. Every effort should be made by USAID/Ghana to request data that can be obtained in a cost-effective manner. Many of the contractors are interacting with assisted firms several times a year. These opportunities should be utilized to collect the required data in a systematic manner. Volunteer executives with the International Executive Service Corps who spend the majority of their time in an assisted firm are a good source to use for data collection. When feasible, one person should be responsible in each contractor's office for assisted firm data protocols and collection.

There should be a database constructed with information on assisted firms. It would include data on gender, employment, firm size, wage, geographic location, non-traditional export statistics, and procedural information (number of days to export, etc.).

Improve integration of data collection requirements in contracted research. Contracted research that provides information on non-traditional exports and exporters that would be of interest to TIP contractors should be brought to their attention. For example the report on

Ghanaian women exporters contained sex-disaggregated information on membership and officers of all export associations which would be of interest to the International Executive Service Corps and their association strengthening work.

There should be better coordination between research efforts and data requirements. And there should be better communication between monitoring and evaluation people and the design of contracted research. The method and measure of key variables used for tracking program performance have to be standardized.

Cross-border trade. Cross-border trade needs to be researched more thoroughly. Of those women who do export, more women are involved in cross-border trade with Togo, Burkina Faso, and the Ivory Coast than are involved in overseas exports. Given the strength of Ghana's economy relative to its neighbors, there is every reason to expect that this trade will increase during the strategic plan period. Cross-border trade affects NTE income and employment data, and is affected by the feeder roads project. To date little attention has been paid to cross-border trade issues.

Critical assumptions. The fact that all four of the critical assumptions in the Ghana TIP have been questioned during the past year by the major participants implies that a more thorough understanding of the issues included in critical assumptions should have been made during TIP planning. The assumption that financing would be available to creditworthy non-traditional exporters through a facility designed by the World Bank has been especially troublesome.

Lessons Learned. Working with large non-traditional export firms which have fairly sophisticated accounting records it is possible to obtain income and employment data on primary and secondary beneficiaries. The types of information that can be obtained include an income estimate based on distributor profits and an estimate of the number of secondary beneficiaries whose income is now more stable due to their contracts with large non-traditional export firms (e.g., label and container producers). Employment data in terms of gender, type of work, wage and salary information, and training are also available from large non-traditional exporters. These firms tend to employ the majority of workers in the non-traditional export sector, so all firms do not need to be surveyed to obtain an employment profile for the sector.

In the initiation of the TIP there was no clear understanding of how human level indicators were to be tracked during the project. Development and refinement of the indicators and targets of the NTE program strategy since March 1993 have resulted in an increased understanding by mission personnel of which indicators will be tracked, and how this information will be reported. What currently needs to be addressed is how to communicate these data collection requirements to contractors and grantees, many of whom were hired prior to March 1993.

Grantees involved with TIP such as TechnoServ and Aid to Artisans/Ghana are tracking human level indicators for their own reporting purposes. This data could be used by USAID/Ghana for its reporting requirements.

Reports in their current condition do not provide data in a format that is useful to USAID/Ghana. In fact most quarterly reports are prepared with corporate headquarters as the primary client and not USAID/Ghana. The format of quarterly reports should be changed to make them more user friendly for USAID/Ghana.

When special NTE studies are commissioned, consultants (whether local or expatriate) should build on data previously collected. Data points need to be clearly defined, explained to questionnaire developers, and tables using the data prepared **before** the study is undertaken to highlight any inconsistencies or problems.

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APPENDIX - 1

METHODOLOGY

Ghana was selected as the case study country to document the human level impact of a USAID trade and investment program. Logistical support provided by the Mission enabled the completion of fieldwork in Ghana in October - November 1994.

Prior to the fieldwork in Ghana primary and secondary bibliographic materials on measurement and evaluation, the USAID/Ghana program logframe, gender and international trade issues, and human level variables measured in other countries with trade and investment programs were studied. Mission personnel in Kenya and Tanzania were contacted regarding policy measurement indicators that both missions are attempting to calculate.

During her fieldwork in Ghana, the author read and analyzed all the quarterly reports from the various contractors. Discussions were held with each contractor on various ways of strengthening the reporting of human level data. Tables were constructed for contractors to expedite their data collection procedures, and to highlight the necessary data points. Data reporting was also discussed, and tables were constructed to facilitate the provision of information. A sample of developed tables developed is attached.

Data tables were field pretested where this was feasible. Site visits to female and male owners of small- and medium-sized non-traditional export firms provided insights into the type of data that could and could not be collected, and the likelihood that TIP was befitting them. Owners of large firms who were examples of firms assisted by TIP contractors were also interviewed.

The Mission requested a second debriefing after the first debriefing so that all USAID/Ghana personnel connected with TIP and monitoring and evaluation could hear the presentation of the author. A list of appointments of people interviewed in Ghana is attached.

APPENDIX - 2

GHANA GENDER ISSUES⁸

Legal Issues. The duality of the legal system in Ghana means there are often conflicting interpretations regarding access to and control over property and other resources. Customary law continues to be the most important legal structure in areas related to property, marriage, succession, and other family matters. Women's lack of legal awareness and their absence from government and private policymaking bodies also limits their access to resources.

The Constitution guarantees the human rights of all Ghanaians and recognizes the family as the basic unit in society. Monogamous and polygamous marriages are recognized under statute law. Families are either organized as unilineal (southern Ghanaian groups), patrilineal (Gas, Ewes, northern Ghanaian groups), or matrilineal (Akans, Gas).

Blood relationship rather than matrimonial relationship (husband/wife) determines property holdings, inheritance, and family decision-making. Women own few productive inputs and have access to family property or land only through their husband or lineage. Women's rights to land under customary law depends on whether they belong to patrilineal or matrilineal groups.

Social Issues. In 1989 the literacy rate for females was 23%, and the literacy rate for males was 42%. Girls are more likely than boys to not complete their education due to early pregnancy, traditional beliefs, and the demand for their labor at home.

Ghanaian women average 6.4 births. Over 40% of pregnant women are afflicted by protein-energy malnutrition, diarrhoeal diseases, malaria, and respiratory infections. The estimated maternal mortality rate was 1,000 per 100,000 live births in 1990. While knowledge of contraception is high, its use is relatively low.

Due to a large matrilineal population and more involvement in independent economic activities, Ghanaian women are less likely than women in patrilineal societies to rely on their children's father for economic support. Contributing to this lower economic involvement of fathers is the custom of polygyny, the frequent practice of non-coresidence of spouses, and marital disruption.

Economic Issues. Based on 1984 Census data women compose 51.3% of the total labor force. The majority of women (70%) are concentrated in self-employment. A minority are involved in wage employment (16%) and unpaid family labor (12%).

Approximately 60% of the agricultural workforce is female. They are involved in all stages of food preparation from production to processing to marketing. Food crops cultivated by women include maize, plantains, cocoyams, cassava, and vegetables. Three constraints to women's food production has been their limited access to credit, the lack of technical assistance

⁸ Material in this section is taken principally from Ghana: Gender Issues a fact sheet published by the World Bank, and from Gender Inequalities and Demographic Behavior by Gage and Njogu.

in the provision of necessities such as fuel and water, and the poor quality of the rural transportation system. It has been estimated that Ghanaian women spend 4.5 hours per week obtaining water. Women are the main transporters, often using dirt "roads" that are virtually closed to motorized transportation (when it is available) during the rainy season. In non-agricultural formal employment women are concentrated in nursing, teaching, and civil service. (Ghanaian women who work in the public sector have legislated maternity leave benefits.) There is relatively little wage discrimination in the formal sector between women and men. Research from this report and other sources indicates that women are often paid a premium for their labor (Hood et.al., 1992).

In informal employment women are concentrated in small-scale home-based production and as wholesale and retail traders. The products they produce and/or sell are extensions of women's traditional roles (e.g., food products, garments, household wares). While Ghanaian women have traditionally been more economically active than other African women, their work effort is concentrated in the informal sector in microenterprise production and trading (Hood et.al., 1992).

Formal institutional financial services (credit and savings opportunities) are usually not available to women (Morris, 1994). Alternative informal financial services provided through rotating savings and credit associations (called *susus* in Ghana) are frequently used by women. Semi-formal financial institutions such as Women's World Banking, savings and loans, and credit unions are servicing a small segment of mostly urban women.

Women are involved in NTE businesses (e.g., food processing, handicrafts, apparel/textiles, horticultural production) as workers and as owners of businesses. They face similar legal, social, and economic constraints as women involved in domestic production. Historically women have been more involved in cross-border trade than overseas trade.

GHANA TIP OVERVIEW

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT ASSISTANCE APPROVAL DOCUMENT
(PAAD)

GHANA TRADE AND INVESTMENT PROGRAM
(TIP)

641-0125
641-0126

1.0 EXECUTIVE SUMMARY AND DESCRIPTION

1.1 Summary Description: The Ghana Trade and Investment Program (TIP) is a five year, \$80.0 million initiative, authorized pursuant to Sections 496 and 103 of the Foreign Assistance Act of 1961, as amended, whose goal is to increase sustained per capita GDP. The purpose of TIP is to increase private sector non-traditional exports. The program's EOPS is (a) an increase in the nominal value of NTE's by new and pre-existing firms from \$62 million in 1991 to \$250 million by the end of TIP; (b) an increase in the number of firms participating directly or indirectly in NTE's by 1,500 from the 1991 total of 2,822; (c) an increase in real per capita income of men and women engaged directly or indirectly in NTE's of 5 percent per year by the end of TIP, compared to a 2 percent increase in the economy as a whole; and (d) at least 60,000 new fulltime NTE related employment opportunities created for men and women by the end of the program.

TIP proposes a \$60.0 million cash grant from the Development Fund for Africa (DFA) that will address the principal constraints in the enabling environment to export production and investment. \$50.0 million is scheduled from the Mission's Operational Year Budget and an additional \$10.0 million is requested from the Africa Economic Policy Reform Program. TIP also includes a \$20.0 million project component to strengthen the principal public sector institutions involved in investment and export promotion, for support to private sector associations and firms to improve their capacity to export and to obtain export financing. Funding is also provided for program management and support.

Upon the GOG successfully meeting the conditionality under the cash grant, dollar disbursements will be made to a GOG account in the U.S. At this point, AID tracking of the funds will cease. The GOG has demonstrated a suitable capacity for programming and has developed an acceptable, transparent accounting system. USAID is satisfied that the dollars will be used to augment the foreign exchange reserves of the GOG, or sold to commercial banks through the Bank of Ghana's interbank market.

The Government of Ghana will contribute the cedi equivalent of \$40.0 million through the General Budget. The GOG contribution will support the cost of implementing reforms resulting from the policy measures enacted, as well as include budgeting support for proper environmental monitoring. The private sector associations and firms will contribute the cedi equivalent of \$600,000 which will go toward sharing the cost of technical assistance and training provided through TIP, as well as the land and building and operational costs for the proposed Accra Private Sector Center.

TIP responds to dual challenges facing the Ghana economy; i.e., the need to both increase and diversify export growth. Ghana's export growth has not kept pace with the rest of the economy, with the result that in 1991, after deducting 25 percent of Ghana exports to cover debt servicing, Ghana's export earnings only covered 56 percent of Ghana's import bill. While donor resource flows and remittances from Ghanaians abroad have made up the difference, Ghana's long-term economic health depends upon a significant increase in Ghana's exports. Current traditional exports (cocoa, gold, timber and electricity) which provide 87.5 percent of Ghana's export earnings, will not be capable of providing the export growth needed to meet Ghana's growth needs and reduce its dependency on donor resource flows. Therefore, Ghana needs to look to the non-traditional export sector which has begun to respond to the positive macroeconomic environment created by the Economic Recovery Program, initiated by the GOG in 1983. Since 1983, non-traditional exports have increased from \$1.0 million to \$62.0 million in 1991. A number of new products are being exported and overall, the prospects for sustained growth in non-traditional exports appear to be good if the constraints can be eliminated.

There are a number of constraints affecting the general economy, which are being addressed by the GOG in cooperation with various donor groups. The three constraints (identified as a result of extensive pre-project analysis) having the greatest restraining impact on non-traditional export growth are: (1) the enabling environment; (2) the present production and marketing capacity and capability of existing and/or potential export firms; and (3) the limited financing available to exporters.

In the case of the enabling environment, the issues of the legal framework, transparency and the trade regime have a negative impact on the interest of firms to invest in or expand investment for export production. Likewise, the documentation requirements frustrate exporters and raise their costs. The weaknesses of public sector export and investment promotion agencies have also acted as a brake on the expansion of export trade and investment.

Resolving the issues of the enabling environment will not be sufficient to get exports moving; the present capacity and capability of exporters limits their ability to rapidly increase production. Lack of market information is compounded by management, production and financial access problems. These issues must be addressed simultaneously with the enabling environment. The restraints imposed by underdeveloped financing systems are particularly severe for non-traditional exporters. Establishing export credit guarantee, and export refinancing facilities, as well as export insurance programs are essential incentives to encouraging banks to actively marketing export financing loans to non-traditional exporters.

The above three issues, enabling environment, private sector capacity and export financing are the subjects of two separate but parallel export promotion projects. The USAID/Ghana TIP program proposed herewith, will address the issues of enabling environment and private sector capacity, while the World Bank is designing a project to address the export financing issues. The GOG, the World Bank and USAID/Ghana, are agreed that the private sector must become the engine of growth for the economy through export expansion if Ghana is to continue to grow and develop. TIP supports the development of private sector-led export growth and complements other donor activities in infrastructure development, the two World Bank financial sector adjustment credits, the third World Bank Structural Adjustment Credit (SAC III) and the upcoming World Bank export credit.

The TIP cash grant will be implemented in five tranches and will leverage conditionality in the following key areas:

- 1) Improving the policy framework through an improved and transparent legal and regulatory environment and trade and duty relief regimes.
- 2) Reducing Ghanaian exporters regulatory and administrative transactions costs through the elimination of outdated requirements and the streamlining of export processing and clearance documentation.
- 3) Improving GOG public sector export support services.

The project component, authorized pursuant to Sections 496 and 103 of the Foreign Assistance Act of 1961, as amended, will provide technical assistance and training amounting to \$11.2 million which will be provided to the private sector non-traditional exporters directly and through private sector trade or product group associations, to: identify promising export markets; produce internationally competitive products; promote and sell products in established and new markets; obtain information on changing markets; and expand export production. Included within the private sector component will be the financing of a Private Enterprise Foundation that will oversee the provision of technical assistance and training to the private sector and will manage the Accra Private Sector Center, a facility for providing firm-level advisory and training services in any number of directly related business management, financing, sales and commercial areas that impact on exports. Four hundred Ghanaian businesses will successfully conduct non-traditional export transactions involving sales, financing or sourcing through TIP assisted trade and/or professional associations. Moreover, the TIP will fund the establishment of an Accra Office of the African Project Development Facility, ultimately to be located in the Accra Private Sector Center. The APDF will in

turn be committed to the development of 8-10 bankable private sector projects a year, at least half in the export sector.

In addition to support to the private sector, TIP will also provide \$6.2 million for technical assistance and training to selected export-related GOG agencies especially the Trade and Investment Unit (TIMU) and the Trade Policy Unit (TPU) of the Ministry of Trade and Tourism. This assistance to TIMU and TPU is to strengthen the GOG's efforts to improve the export environment, enhance dialogue with the private sector and expand non-traditional exports. Assistance is also planned to assist the GOG develop and implement export promotion and investment promotion strategies. Assistance to implement these strategies will be contingent upon AID's approval of the strategies and the recommended institutional framework for their implementation. Assistance is also planned for the Customs Excise and Preventive Service to assist it in establishing and implementing a comprehensive duty relief program to facilitate the importation by Ghanaian exporters of raw materials used in the production of export goods.

Finally, the project will provide \$2.6 million in program management and support funding. This will provide for the services of a USPSC to assist in the management of TIP, as well as for vital support requirements in terms of impact and environmental monitoring and evaluation, financial assessments, reviews and audits and for contractor support through the Mission Field Support Unit.

1.2 Response to PAIP Guidance and Project Changes: The TIP PAIP review was held in Washington March 17, 1992. USAID/Ghana has taken into account the guidance from AID/W in the PAIP Approval Cable when drafting the TIP PAAD. Since the PAIP was written, several components have been modified due to action by the GOG and other donors, as well as revised assessments of TIP priorities by the Mission.

To provide an overarching framework that more closely relates TIP reforms and activities to the constraints, the Mission and representatives from the Africa Bureau developed a detailed policy matrix for the program. Likewise the Mission in collaboration with Bureau staff, conducted a detailed cost-benefit analysis whose resulting rates of return of 25 and 31.9 percent provide clear evidence that the returns to the TIP investment are more than adequate.

Shortly after the PAIP review, the World Bank indicated an interest in becoming involved in the export sector. USAID/Ghana and AID/W staff met with the Bank to discuss how we might collaborate effectively in the trade and investment area. As a result of those discussions, USAID agreed to focus its efforts on addressing the enabling environment and private sector capacity

issues while the World Bank would focus on the issues of developing export financing institutions and instruments. This division of labor helps to ensure that all of the trade and investment constraints would be dealt with at the necessary level of detail. At the same time the addition of World Bank resources will allow USAID/Ghana to concentrate its resources on a more restricted set of issues. The joint collaboration on conditionality by AID and the Bank helps to coordinate our efforts and ensure that we are not sending conflicting signals to the GOG.

As a result of the PAIP review, the Mission reviewed its project assistance to the private sector and has modified the proposed activities to provide a greater role for the private sector, while acknowledging that the Ghana Export Promotion Council and the Ghana Investment Center had appropriate and critical roles to play. One problem limiting private sector control and direction of activities such as TIP is the weak state of private sector associations. In the PAAD, the Mission has provided resources and staff to strengthen private sector capability and has programmed private sector strengthening activities through the private sector. At the same time, TIP resources will help to focus GEPC resources in a more limited set of issues. In the case of investment promotion, TIP resources are conditioned on fundamental GOG institutional and policy changes in these areas. These conditions have been negotiated with the Government of Ghana and they have expressed their willingness and intention to make the changes necessary for an effective investment promotion program in Ghana. All control or regulatory functions will be removed, and more focused staff and programs will be implemented, with private sector guidance to foster investment promotion.

Recognizing the uncertainty of funding levels, the Mission obligation schedule was developed assuming a straightlined Mission OYB for the life of the project. The Mission believes that this action is both prudent and in line with the cable guidance.

In the PAAD the Mission has in the discussion of beneficiaries demonstrated that the program will have significant people-level impact, both by significantly increasing employment and by helping to improve salaries over time. The monitoring and evaluation plan is also concerned with ensuring that people level impact is both achieved and documented. This measurement and documentation of people level impact is a priority of the Monitoring and Evaluation plan.

Further to the concerns discussed in the PAIP guidance cable, the Mission believes the PAAD adequately addresses the modality for tracking non-project cash disbursement. The Mission has included in the PAAD a request for an exemption from the separate account requirement. Moreover the Mission has modified the host country

contribution. The Mission proposes not to generate local currency but to focus on GOG restructuring budgetary expenditures to meet project requirements. This will serve to reduce further local currency monitoring and audit requirements of the Mission.

The PAAD meets the guidance concerns of NPA guidance. Likewise, the Mission has worked closely with the Bureau to ensure that appropriate environmental safeguards are in the program.

The Mission has worked closely with the Regional WID Advisor to incorporate gender considerations into the PAAD and to ensure that the Monitoring & Evaluation program monitors the participation of women, as well as identifies WID issues for resolution in the program.