

PROJECT IDENTIFICATION DOCUMENT

ECONOMIC AND RURAL DEVELOPMENT MANAGEMENT

641-0077

I. Statement of the Problem to be Addressed

According to the best data currently available, approximately 98 percent of Ghana's rural population has a per capita disposable income of less than \$150 in 1969 prices. This low level of income is reflected in a high rate of infant mortality, a low life expectancy, undernutrition and malnutrition, and limited access to curative health services (see PID for Women in Development, Project 641-0075). By any measure, and despite the bright promise shown at independence, the vast majority of Ghana's rural population remains among the world's poor.

Ghana, while not spectacularly endowed, clearly possesses resources in sufficient abundance to provide all its citizens with increased incomes and welfare. This being the case and given the development efforts of 18 years of independence, why do most of Ghana's citizens remain in poverty? ~~The answer lies in the inability of Ghana's various governments to design and implement a development strategy which could effectively reach the numerous small farmers who form the majority of Ghana's poor.~~ Simply put, the development strategy followed by previous governments failed to provide a sufficiently large number of small farmers with the inputs, infrastructure and social services which they require in order to increase their productivity and income. Until 1966, Nkrumah concentrated upon large-scale capital-intensive farming and industry; following the overthrow of Nkrumah the National Liberation Council concentrated on economic stabilization from 1966-69; and from 1969-72 the Busia government concentrated primarily on the macro-economic framework of development (though toward the end of its tenure it did begin to recognize the importance of the small farmer and the rural sector in the growth equation).

There is considerable evidence that the current government will give primary emphasis to the problems of the small farmer. The "Guideline for the Five Year Development Plan" addresses a number of constraints to increased production among small holders such as inadequate storage, distribution, marketing and inadequate supplies of appropriate inputs. The "Guidelines" clearly recognizes that in the past development efforts have been unduly concentrated in the urban areas of Accra, Kumasi and Sekondi-Takoradi. It notes that this has resulted in an inequitable distribution of social services and facilities such that most areas of the country lack the infrastructure they require to attain their full productive potential. This in turn has resulted in more migration to the urban areas than can be productively absorbed.

The "Guidelines" call for a reversal of this trend through a strengthening of regional planning mechanisms and the creation of "growth foci" at the national, regional, district and local levels. The primary emphasis will be given to those foci at the district and local levels. The district foci will aim at the provision of inputs and services to farmers and serve as the location for agro-industries. At the village level development service centers will be established to serve as channels for social and economic influences and ideas.

The objective of this strategy is clearly to create a hierarchy of places so that every area of the country will have access to the inputs and services required to achieve its fullest productive potential. The creation of such a system of sites should not only increase production in rural areas but improve equity as well through increased income and employment for rural inhabitants and lower local food prices for lower income urban inhabitants. It is thus highly supportive of U.S. assistance strategy as defined by the Congressional Mandate and is a sound basis for proceeding with the rural/agricultural development strategy proposed by the DAP.

The administrative mechanism for the implementation of this strategy will be somewhat different than that which prevailed in the past. Considerable reliance will be placed upon the regions, districts and villages with development projects and

proposals moving from the village to the district to the regional and national level as the size of the proposed project may require.^{1/} Through this mechanism, the rural poor will have an opportunity to make a considerable input into the planning and implementation of projects designed to benefit them.

Such a development strategy will require new capabilities on the part of decision makers at the district, regional and national levels. Depending upon the size of the activity, village, district, regional and national officials will be required to evaluate and decide with respect to questions related to the location of proposed development activities, their scale, and their costs and benefits both direct and indirect (and the best institutional means for developing, implementing and monitoring these activities). The probable impact of national macro-economic policies upon regional, district and village development activities will have to be considered as well.

Ghana possesses a number of economists, planners and managers with considerable training and experience in fiscal policy, monetary policy, international trade and statistics. AID, through its Economic Development Project (0062), has provided considerable assistance toward the development of a pool of such manpower at the national level. The need for training in such areas should be minimal (though not non-existent) in the future.

With respect to the skills required at the national level to design and implement a rural/regional development strategy, the picture is very different. Few Ghanaians are trained in regional economics and regional planning. Yet to ensure the success of a regional development strategy individuals will be required who are trained in such areas as migration estimation, regional income and product accounting, economic base analysis, location theory, cost-benefit analysis, and

^{1/} A district council may enter into contracts not exceeding \$20,000 while a regional council may contract up to \$150,000.

and they have the money

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transport planning. As Ghana moves into the implementation of its five-year development plan with emphasis on regional and rural development, a certain amount of overseas training will be required for selected individuals. Given that this overseas training will require time, short-term consultancy services may be required to assist in the solution of specialized problems which appear as Ghana moves into the implementation of its rural development strategy.

*Summary
Regional*

It is at the regional and district level that the new regional development emphasis will require the largest amount of training in terms of numbers. The individuals making up the regional administrations, regional councils, district administrations and district councils constitute the operational interface between the rural poor and the Government of Ghana. They (particularly the district administrations and councils) will thus play a major role in ensuring that the needs and desires of the rural poor are translated into viable and actionable activities and thus constitute an important part of Ghana's rural development strategy. The individuals that make up these organizations have received little, if any, job-related training in the past and it may be expected that large numbers of them will require training if they are to be fully equipped to play their necessary roles. Though it is impossible to specify precisely the type of training that will be appropriate at this stage, it will no doubt be highly applied and management-related.

While a good deal is known about the constraints that limit increased productivity and incomes of small holders, the new emphasis upon rural/regional development will require the development of substantial amounts of economic and social information if appropriate decisions are to be made at all levels. Ghana's university system and the institutions associated with it have the capacity to provide substantial assistance in the building of this data base. In the past, however, the university system has not worked as closely with the government in the development process as might be desired and has devoted itself to primarily academic concerns. The university system needs to be encouraged to participate in the development process to a

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 much greater extent if Ghana's rural/regional development efforts are to be successful. It could be particularly useful in developing baseline data against which to evaluate the success of rural development efforts.

II. Proposed Response to the Problem

In order to assist the Government of Ghana to successfully implement a rural/regional development strategy which will impact upon the incomes and productivity of low income individuals outside major urban areas, it is proposed that the following actions be taken:

FY 1976 and Interim

The resources available during the final year of Economic Development Management (Project 0062) will be redirected towards a greater emphasis upon rural-regional development as opposed to its original primary concern with the overall macro-economic framework. More specifically:

Not
 \$245,000 will be made available for participant training overseas. These resources will be used primarily to support training for middle and senior level Government of Ghana personnel at the national (and perhaps regional) level in regional economics and regional-rural development planning. Given the importance of the overall macro-economic framework to the success of any rural development strategy, a small amount of training will be provided for specialized individuals working in areas deemed critically, though indirectly, related to regional-rural development.

\$25,000 will be provided to support in-country research related to regional-rural development, including the development of baseline data.

\$18,000 will be provided to fund consultancy services related to regional-rural development and economic management.

\$44,000 will be made available to fund the services of a

Ghanaian consultancy firm (or other appropriate institution) to work with the Ministry of Economic Planning and/or the Ministry of Local Government in undertaking the following scope of work:

- 8000*
- 1) Identify the training needs of District Administrations, District Councils, Regional Administrations and Regional Councils in the light of their functions and responsibilities with respect to the welfare of the rural poor.
 - 2) Develop appropriate training programs to meet these identified needs.
 - 3) Identify the institutional means of providing such training.
 - 4) Conduct management seminars for all District Administrative officers in Ghana (60 individuals). The purpose of these seminars will be not only to impart improved management skills but also to assist in the identification of training needs.

\$18,000 to provide the short-term services of a U.S. consultant to assist the Ghanaian consultancy firm (or institution) as required and appropriate.

FY 1977 and FY 1978

A two-year project entitled Economic and Rural Development Management will commence operation in FY 77. This project will have as its purpose the strengthening of the capacity of the Government of Ghana to plan and implement regional and rural development activities in such a way as to foster popular participation in that process and increase incomes and productivity of the rural poor both on and off the farm. Specifically, the project will have the following components:

A. Participant Training Overseas participant

training will be provided in regional economics and rural-regional development planning. A small amount of training will also be provided for specialized individuals working in areas critically, though indirectly, related to rural-regional development. Most participants will be drawn from appropriate institutions at the national level but individuals employed at the regional level will be considered also. Approximately 18 participants will be sent for training each fiscal year for a total of 36 over the life of the project. Most of the training will be short-term.

B. Research by Ghanaian Institutions - Support will be provided for local research (by universities and associated institutions) into problems related to the implementation and evaluation of a rural-regional development strategy. Two such activities will be supported each fiscal year.

C. Specialized Consultancy Services - Funding will be provided to supply the services of U.S. consultants and contractors. This will provide such short-term expertise as may be required by the Government of Ghana as it develops and implements its rural-regional development strategy. It is anticipated that approximately three man-months of such services will be provided each fiscal year. Such consultants might be used to investigate problems or areas such as the following:

- 1) Export and employment generation potential of rural industries
- 2) Optimal location of rural infrastructure and service centers
- 3) Intermediate technology for rural development
- 4) Tax incentives and expenditure policy for rural development
- 5) Evaluation of project effectiveness.

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D. In-country Management Seminars - Funding will be provided to support management seminars for personnel of District Councils, District Administrations, Regional Councils and Regional Administrations. During FY 77 attention will be focused on the Brong-Ahafo Region and in FY 78 on the Ashanti Region. These regions have been chosen for the pilot phase because they appear to be the probable focus of AID grant and loan activity in support of integrated rural development. Selection of these regions will thus maximize the complementarity of this project with other elements of USAID's agricultural sector strategy.

The institutional mechanism for providing this training will be identified and refined during FY 76 under the auspices of the Economic Development Management project. From preliminary discussions with the Ministry of Economic Planning, however, it seems highly probable that the most appropriate institution will be the Ghana Institute of Management and Public Administration. The Ministry of Local Government may be involved as well.

The management seminars themselves will be conducted by Ghanaian personnel of the selected institution. It is anticipated that two or three man-years of training services by Ghanaian trainers will be required each fiscal year. Approximately three man-months of consultancy services will be provided each fiscal year to assist in developing the seminars, developing a capacity for continued in-service training at the regional and district level, and evaluating training results.

The training provided will be highly applied and management-related and will focus on improving the overall capacity of an institution rather than improving the capacity of isolated individuals. Considerable emphasis will be given to developing a system for continual in-service training at the regional and district level. In this way personnel who attend the seminars will be able to continue to upgrade their skills while new employees benefit as well.

It is anticipated that three weeks of training will be provided to some 60 individuals in Brong Ahafo in FY 77 and to 80 individuals in Ashanti in FY 78.

Funds will be obligated for Economic and Rural Development Management during FY 77 and FY 78. All disbursements should be completed by the end of FY 79.

Major Assumptions for Project Success

1. A firm Government of Ghana commitment to improving the life of the rural poor.
2. The successful installation of an in-service training capacity at the regional and district level (so that the impact of the project is continued).
3. Macro-economic policies at the national level will be such as to support the success of a rural-regional development strategy impacting upon the productivity and incomes of the rural poor.

Host Country and Other Donors

The Canadian International Development Agency (CIDA), at the request of the Government of Ghana, recently undertook a detailed examination of Ghana's planning requirements and needs over the next decade. The resulting report focused upon Ghana's probable economic problems over the coming decade and set forth the manpower, training and infrastructural requirements to appropriately plan for their solution.

As a result of this report the Canadian International Development Agency is cooperating with the Government of Ghana in developing a program of in-country training in project planning, programming, budgeting and monitoring. The Ghana Government has set up a high-level staff development advisory board to assist in this effort. It has also agreed to provide funds to expand the physical facilities of the Ghana Institute of Management and Public Administration to handle the influx of personnel that this training program will imply.

The Ministry of Economic Planning has indicated a strong desire that AID cooperate in this effort and has indicated

its desire to push ahead with the type of training which would be provided by the project proposed herein. Though discussions with the Ministry and CIDA are still at a preliminary stage, there is every reason to believe that the Economic and Rural Development project will be highly complementary to the CIDA effort and supportive of a major component of Government of Ghana strategy.

Alternatives to the Proposed Project

There are two possible approaches to upgrading the planning and management skills of individuals at the regional and district level who serve as the operational interface between the Government of Ghana's rural development strategy and the rural poor.

The first possible approach, training in the U.S., must be ruled out because the cost of such training for 140 individuals would be prohibitive. Also, Ghana possesses a number of universities and training institutions which can, with some assistance, provide the training required. Only when highly specialized training is required for a senior or middle level official at the national (or perhaps regional) level can U.S. training be justified. Such an approach would also fail to install an in-service training capacity at the regional and district level, a critical requirement if the project's purpose is to be attained.

A second possible approach would be to draw into a series of management seminars a few key individuals from each and every region and district within Ghana. This approach would be unlikely to produce the desired result as its impact would be too diffused. One individual from one district (for example) trained in skills and approaches his colleagues do not understand is unlikely to have much impact upon the performance of the organization. A "critical mass" of training within an organization is required if the way the organization functions is to be changed. This approach would also fail to develop an in-service training capability at the district or regional level.

The approach chosen avoids the problems inherent in each of

*Subjects
for training
also covered
in 2/15
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the above two approaches. It will train a large number of individuals at a reasonable cost. It will do this for a sufficiently small number of institutions (regions and districts) so that a "critical mass" can be attained in each. It will also provide for the installation of an in-service training capacity which is critical to the success of the project. Perhaps more importantly the project, if successful, will be replicable in other regions and districts in Ghana.

Direct and Indirect Beneficiaries

The direct beneficiaries of the project will be the individuals at the national, regional and districts levels who receive training under the project. The indirect beneficiaries will be the rural poor who will receive increased incomes and economic opportunities as a result of a national commitment to rural-regional development and sound program planning and management.

Spread Effects of the Project

The Brong-Ahafo Region contains some 598.3 thousand rural inhabitants, some 235.5 thousand of whom are engaged in agriculture. The corresponding figures for the Ashanti Region are 1,081.8 thousand and 317.9 thousand respectively. While regional data is not available, data for the nation as a whole indicates that approximately 80 percent of those engaged in agriculture work holdings of 10 acres or less. It is this group who will be the primary beneficiaries of Ghana's rural-regional development emphasis, the implementation of which this project is designed to assist. Other elements of the rural population will also benefit. As rural-regional development increases and expands the agricultural economic base, new employment opportunities will be created in services and processing. The welfare of the dependent portion of the population will increase as well as the productivity of the work force expands.

III. Financial Requirements and Plans

FY 1977 Obligations - U.S. Grant Funds (\$000)

1. \$ 20.0 Local Research Contracts with Ghanaian Universities
2. \$150.0 Participant Training: 72 M/M long-term academic training for six participants and 60 M/M of non-academic training for twelve participants
3. \$ 44.0 Management seminars for personnel of Regional Administration and Councils, District Administrations and Councils Brong-Ahafo Region. 15 days of training for 60 individuals
4. \$ 18.0 Consultancy services in connection with management seminars, 3 M/M
5. \$ 18.0 Consultancy services (including evaluation) with respect to problems related to rural-regional development and economic management, 3 M/M
6. \$250.0 Total Obligations

FY 1977 Government of Ghana Contribution

(In thousands of Cedis)

\$1.00 = ₵1.15

1. ₵ 4.6 University overhead (\$20,000 X 20% X 1.15)
2. ₵ 56.1 Salaries of participants while in training (132 M/M X average salary and benefits of ₵425 month)
3. ₵ 25.2 International travel for participants (₵1,400 X 18 round trips Accra, London, Washington)

4. Management Seminars:
- ¢ 13.5 900 man-days (60 individuals X 15 days)
at ¢15 a day for room, board and facilities
 - ¢ 5.4 Salary for 900 man-days at ¢6 per day
 - 5. ¢104.8 Total Government of Ghana Contribution
(\$91.2 equivalent).

Total Project Cost FY 77 = \$341.2
Of which U.S. Grant Funds = \$250.0
Of which Government of Ghana Funds = \$91.2
Percentage Government of Ghana contribution
to total cost = 26.7 percent

FY 1978 Obligations - U.S. Grant Funds (\$000)

- 1. \$ 20.0 Local research contracts with Ghanaian
Universities and associated institutions
- 2. \$150.0 Participant Training: 72 M/M long-term
academic training for six participants,
60 M/M non-academic training for twelve
participants
- 3. \$ 44.0 Management seminars for personnel of
Regional Administration and Council,
District Administration and Councils
Ashanti Region. 15 days of training for
80 individuals
- 4. \$ 18.0 Consultancy services in connection with
management seminars, 3 M/M
- 5. \$ 18.0 Consultancy services including evaluation
with respect to problems related to rural
regional development and economic
management, 3 M/M
- 6. \$250.0 Total Obligations

FY 1978 Government of Ghana Contribution

(In thousands of Cedis)

\$1.00 = ₵1.15

1. ₵ 4.6 University overhead (\$20,000 X 20% X 1.15)
2. ₵ 56.1 Salaries of participants while in training.
(132 M/M X average salary and benefits
₵425/month)
3. ₵ 25.2 International travel for participants
(1,400 X 18 round trips Accra, London,
Washington)
4. ₵ 18.0 Management seminars 1,200 man days (80
individuals X 15 days) at ₵15 a day for
room, board, facilities
- ₵ 7.2 Salary for 1,200 man days at ₵6 per day
5. ₵111.1 Total Government of Ghana contribution
(\$96.7 equivalent)

Total Project Cost FY 78 = \$346.7
 Of which U.S. grant funds = \$250.0
 Of which Government of Ghana funds = \$96.7
 Percentage Government of Ghana contribution
 to total cost = 27.9 percent

V. Development of the Project

Economic and Rural Development Management is a "small project" per the definition established in AIDTO CIRCULAR A-241. It is therefore assumed that this Project Identification Document can serve as the Project Review Paper for purposes of the Congressional Presentation. The remaining documentation necessary to attaining approval and funding consists of the Project Paper. It is anticipated that this Project Paper will be submitted by May 1976.

As noted in the section on the proposed response to the

problem, a good deal of the preliminary work necessary to the development of the Project Paper will be undertaken under the auspices of the Economic Development Management Project. The Mission's Program Economist (who will ultimately serve as project manager) assisted by other members of the Mission staff, will also make substantial inputs into preparation of the Project Paper.

Only a limited amount of TDY services from AID/W is currently expected to be required. One or two man-months of such services will be required in March and April 1976 to assist in the final drafting of the Project Paper. The person chosen to provide such services should be familiar with problems of rural development in general and specifically familiar with the role of administration in the delivery of services in support of rural development.

Economic and Rural Development Management (Project 0077)
Schedule of Project Development Actions Under
Economic Development Management (Project 0062)
FY 1976

July 1976	Negotiate Pro/Ag (0062) with Government of Ghana
August	Sign Pro/Ag (0062)
September	Sign contract with Ghanaian consultancy firm or other appropriate Ghanaian institution
October	U.S. contractor arrives to assist Ghanaian contractor in defining training needs
November	
December thru January 1976	Ghanaian contractor conducts management seminars for District Administrative Officers. U.S. contractor arrives and assists in training seminars and further definition of Project 0077
February	

March
thru
April

TDY Rural Development Administration Specialist arrives to assist in final drafting of Project Paper. Ghanaian contractor submits final report.

May

Project Paper submitted to AID/W

UNITED STATES GOVERNMENT

Memorandum

6410077 (4)
OR PD-AABF-8307
PID:
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TO : PPC/DPRE/PR, Mr. Ron Bobel

DATE: August 5, 1975

FROM : PPC/PDA/DA, Donald G. McClelland *DM*

SUBJECT: Comments re: Ghana - (a) District Planning and Rural Development;
and (b) Economic and Rural Development Management - PIDs

District Planning and Rural Development. The general thrust of this proposal (with the exception of the Rural Resource Loan, the purposes of which require substantially greater clarification) is completely consistent with AID's emphasis on regional planning, in turn, based on the general principal that rural people must select, design, and implement projects if they are to be the primary beneficiaries. Efforts toward decentralized planning, however, are frequently plagued with myriad problems. Seeking answers to the following questions may help to avoid some of these problems at the outset.

1. The District Councils, responsible for district level planning, consist of a District Chief Executive Officer, local government authorities (mainly political appointees), and governmental agencies operating at the district level (civil servants). (p. 4) This does not suggest that any of the members are locally elected representatives of the town and village development committees; yet, this may constitute an important precondition to achieving local participation and involvement.
2. "All district expenditures...will be coordinated by and channeled through the District Chief Executive." (p. 4) Does this mean that the District Councils, or the central government, will have the authority to determine which projects are funded? Substantial power will rest with the body that controls the financial resources for funding district level projects. This power should rest with the local authorities; but if it rests with the central government, what criteria will be used to determine which district plans are approved and which projects receive funding?

Some programs will no doubt continue to be planned and financed by the central government, and implemented by ministries operating at the district level. How will these programs be coordinated with those planned at the district level? Without some coordinating mechanism, the traditional operating ministries will likely compete for funds to implement programs they have planned, and projects planned at the district level may never be implemented.



3. It is not entirely clear how the three districts in which AID will work were selected. Why was it desirable that they represent three ecological zones and be situated in three different regions (Northern, Brong-Ahafo, and Western)? What evidence is there that there are large disparities in per capita incomes and employment opportunities in these districts?
4. While decentralized planning is an important step forward, what institutional structures are in place to implement these plans? For example, are there cooperatives or farmers' associations to assure that agricultural inputs and services can reach groups of large numbers of people?
5. AID support of various district level projects will be contingent upon three criteria. (p. 6) If these criteria are strictly adhered to, the intended beneficiaries will likely be the actual beneficiaries; otherwise, the more wealthy will likely reap most of the benefits.
6. Is the Rural Development Consultancy Center an AID initiated effort, or a GOG effort that AID wants to support? If the GOG does not view the Center as its institution, it is doubtful that it will support its growth.
7. Loan funds (Rural Resource Loan) of \$20 million over five years will "finance the foreign exchange cost of equipment, materials and machinery required to undertake small public works and community development projects... These loan funds will also help relieve the severe balance of payment constraint." (pp. 7-8) Since the uses of this foreign exchange have not yet been determined, it seems premature to suggest that \$20 million of "equipment and materials" will be required. In addition, the PID does not indicate that Ghana has a balance of payments problem, or which commodities AID might finance in conjunction with the district level planning effort that might indirectly alleviate that problem. In short, it is not clear at this point that the "Rural Resources Loan is...an essential complement to the grant funded district development and planning activities...." (p. 8) Perhaps the district plan expected to be completed for Wenchi District by August 1, 1975, will provide an initial indication of the kinds of materials and equipment that are required for rural development in Ghana.
8. The PID assumes that the "District Councils will be organized for administrative rather than political purposes; that they will be given the autonomy necessary to exercise effective leadership, coordination and control of funds; and, that appropriate practical procedures and modes of operations will be established to enable

District Councils to carry out their functions effectively and with local popular participation in both decision-making and execution." (p. 8) This would appear to be a critical assumption. What is our judgement concerning whether or not the District Councils will in fact operate as we assume they must if they are to be successful?

Economic and Rural Development Management

1. What is the rationale for proposing this as a separate project rather than integrating it as part of the District Planning and Rural Development project? They seem complementary.
2. In my view, training district level rural development officers may be more important than training middle and higher level management people in the central government. In addition, I question the merit of training these people in the U.S.; in-service and in-country training may make more sense. Would it be possible to eliminate the relatively costly training of Ghanaian elites in the U.S. (or alternatively, conduct this training in Ghana), and make the rest of this training project a component of the broader Rural Development project?
3. The money allocated to achieving the services of a Ghanaian consultancy firm will be well spent if the firm addresses the four questions proposed on p. 6.
4. The in-country management seminars seem appropriate. However, it is not clear why Ashanti Region was selected for the pilot phase, since this is not one of the three regions selected for the Rural Development effort.

cc: PPC/PDA/DA, D. Redding
PPC/RC/AFR, E. Fei
PPC/RB, M. Feldstein
AFR/CWA, J. Coe



File *Ron Bobel FYI*
from me checked
TELEGRAM

Department of State

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Ghana
PID District
Planning and
Rural Development

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TAGS:

SUBJECT: APPROVAL OF PID FOR DISTRICT PLANNING AND RURAL
DEVELOPMENT PROJECT 0073

REFS: (A) PID 0073 (B) NORTH/ADAMS LETTER, DTD 7/17/75
(C) NORTH/COE LETTER, DTD 7/8/75 (D) STATE 226679 (E) STATE
202427

1. SUBJECT PID APPROVED IN PRINCIPLE BY ECPR DURING REVIEW
OF MISSION'S FY 77 ABS SUBMISSION. PROPOSED ACTIVITY RE-
GARDED AS CONSISTENT WITH REGIONAL SMALL HOLDERS APPROACH



Department of State **TELEGRAM**

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CONTAINED IN VOLUME IV OF DAP WHICH OUTLINED OPTIONS FOR U. S. ASSISTANCE TO GHANAIAN AGRICULTURAL DEVELOPMENT. SUGGESTED LINKAGE OF COMPREHENSIVE AGRICULTURAL DEVELOPMENT PROGRAM TO GOG ADMINISTRATIVE DECENTRALIZATION OBJECTIVES AND SUPPORT OF LOCAL PLANNING/IMPLEMENTATION EFFORTS REGARDED AS FEASIBLE/DESIRABLE APPROACH ENABLE DISTRICT COUNCILS TO AVOID DIFFICULTIES EXPERIENCED ELSEWHERE IN DESIGN AND EXECUTION AGRICULTURAL DEVELOPMENT PROGRAM AT THIS LEVEL. ECPR RECOGNIZES THIS APPROACH WILL BE HIGHLY DEPENDENT ON DEVELOPMENT OF ADEQUATE PLANNING CAPACITY AT LOCAL LEVEL IN SEVERAL DIFFERENT AREAS AND WILL REQUIRE INTENSIVE COORDINATION EFFORT BY USAID/GOG AS WELL AS SUBSTANTIAL INVESTMENT OF PERSONNEL/FINANCIAL RESOURCES, BUT

ALSO BELIEVES THERE IS REASONABLE PROSPECT THAT COMPREHENSIVE APPROACH OUTLINED IN PID COULD HAVE LONG-TERM IMPACT ON SMALL HOLDER INCOME, LOCAL PLANNING AND RURAL INFRASTRUCTURE DEVELOPMENT IN GHANA.

2. WHILE IT IS RECOGNIZED THAT PROPOSAL IN EARLY STAGE OF DEVELOPMENT WITH LIMITED DETAILS AVAILABLE ON REQUIREMENTS FOR SPECIFIC SUBACTIVITIES AT THIS JUNCTURE, ECPR CONSIDERS REFINEMENT OF ANALYSIS CONTAINED IN PID AND ADEQUATE TREATMENT OF FOLLOWING ISSUES IN PRP AS IMPORTANT PRE-REQUISITES TO PRP APPROVAL AND AUTHORIZATION TO PROCEED WITH FURTHER DESIGN:

A. ECPR NOTES POLICY CONSIDERATIONS AND SPECIAL FACTORS INVOLVED IN AGENCY'S RECENT SHIFT OF EMPHASIS FROM LARGE-SCALE CAPITAL CONSTRUCTION PROJECTS AND PROGRAM LOANS TO SUPPORT FOR RURAL AND SMALL FARMER DEVELOPMENT, EXPANDED RURAL HEALTH SERVICES, ETC., OUTLINED PAGES 1-3, REF (B). PREVAILING VIEW HERE IS THAT APPROVAL OF A PROGRAM CONSISTING ENTIRELY OR PARTIALLY OF GENERAL RESOURCE INPUTS FOR RURAL DEVELOPMENT SECTOR CONTINGENT UPON ADEQUATE ANALYSIS OF SECTOR DEVELOPMENT OBJECTIVES BY USAID, GOG, OR OTHER COMPETENT SOURCE AND SPECIFIC DELINEATION OF SECTOR RESOURCE REQUIREMENTS. IF ASSESSMENT OF REQUIREMENTS FOR DEVELOPMENT OF RURAL SECTOR EXISTS, IT COULD, IF ACCEPTABLE TO AID/W, BE BASIS FOR LOAN FOR GENERAL RESOURCE TRANSFERS FOR THIS SECTOR PROVIDED SIGNIFICANT



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IMPACT OF INPUTS ON TARGET GROUP CAN BE DEMONSTRATED, WHILE AID/W RECOGNIZES GRAVITY OF GOG BALANCE OF PAYMENTS/ FOREIGN EXCHANGE SITUATION, UNTIL SPECIFICS OF PROPOSED RESOURCE INPUTS DETERMINED, IT IS DIFFICULT TO ASSESS MERITS OF PROGRAM OF DOLLARS 20 MILLION IN QUOTE EQUIPMENT AND MATERIALS UNQUOTE. PER REF (D) PARA 3, SHORTAGE OF FOREIGN EXCHANGE/BALANCE OF PAYMENTS CONSIDERATIONS NOT SUFFICIENT JUSTIFICATION FOR GENERAL RESOURCE TRANSFERS TO RURAL DEVELOPMENT SECTOR SINCE OBJECTIVE OF ASSISTANCE MUST BE SUPPORT OF ACTIVITIES WHICH RESULT IN SIGNIFICANT AND LASTING BENEFITS FOR THE PRIMARY TARGET GROUP--SMALL HOLDERS AND NON-FARM RURAL POOR.

B. AID/W WOULD APPRECIATE BEING ADVISED AS TO STATUS OF GOG PLANNING FOR RURAL DEVELOPMENT. AID/W PREPARED TO ASSIST MISSION IN DEVELOPMENT OF REQUIRED ANALYSIS OF RURAL DEVELOPMENT SECTOR IF SUCH ANALYSIS NOT PLANNED BY GOG OR OTHER SOURCE IN NEAR FUTURE.

C. IN ABSENCE OF THOROUGH ANALYSIS NOTED ABOVE, PRP SHOULD GIVE CONSIDERATION TO PHASED PROJECT OR NARROWER PROGRAM

PROVIDING GRANT ASSISTANCE FOR PLANNING ACTIVITIES PERHAPS IN FEWER DISTRICTS RATHER THAN LARGE-SCALE GRANT/LBAN COMBINATION DURING THE INITIAL STAGE. ACTIVITIES PROPOSED IN SUBJECT PID COULD BE DESIGNED ALONG THESE LINES. SOME GRANT FUNDED CAPITAL ASSISTANCE FOR INITIAL SMALL PUBLIC WORKS ACTIVITIES COULD BE INCLUDED. IMPLEMENTATION OF MORE SUBSTANTIAL COMMUNITY DEVELOPMENT PROGRAMS WOULD BE DELAYED PENDING CONSOLIDATION OF ON-GOING REORGANIZATION OF LOCAL GOVERNMENTAL STRUCTURE AND COMPLETION OF DISTRICT DEVELOPMENT PLANS UNDER PLANNING ACTIVITIES OF THIS PROJECT. THIS APPROACH WOULD NOT ONLY PROVIDE SUFFICIENT LEAD-TIME FOR ANALYSIS OF EQUIPMENT AND OTHER CAPITAL RESOURCE REQUIREMENTS, BUT WOULD ALSO PERMIT REVIEW OF LOCAL PLANNING EFFORTS AND CAPABILITIES. A CRUCIAL ELEMENT IN SUCH A PROGRAM WOULD BE EARLY IDENTIFICATION OF SECTOR OBJECTIVES AND ANALYSIS OF RESOURCE INPUTS NEEDED FOR EACH GEOGRAPHIC AREA. AID/W FULLY APPRECIATES FACT ARTICULATED BY FUCHS-CARSCH IN PC AND ECPR REVIEWS THAT IT IS ALREADY POSSIBLE TO IDENTIFY SOME PRESSING DISTRICT NEEDS FOR LOCAL

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INFRASTRUCTURE DEVELOPMENT. THERE IS CONCERN, HOWEVER, THAT A PRIORI IDENTIFICATION OF SOME REQUIREMENTS WILL RESULT IN PREEMPTING ANALYSIS AND PROJECT PLANNING ROLE OF DISTRICT COUNCILS AND DIMINISH CAPABILITY AND INCENTIVE OF THESE ORGANIZATIONS TO MAKE THEIR OWN ANALYSIS OF PRIORITY NEEDS AND ALLOCATE RESOURCES FOR LOCAL PROGRAMS.

FIRST PHASE OF PROJECT MIGHT CONSIST OF FOLLOWING ELEMENTS: (1) GRANT ASSISTANCE FOR INTEGRATED AGRICULTURAL DEVELOPMENT PROGRAMS; (2) PLANNING SUPPORT; AND (3) DEVELOPMENT OF RURAL DEVELOPMENT CONSULTANCY CENTER. LIMITED GRANT FUNDING FOR SMALL CAPITAL/PUBLIC WORKS ACTIVITIES WOULD BE INCLUDED IN INTEGRATED AGRICULTURAL DEVELOPMENT COMPONENT. ALTHOUGH PHASING APPROACH COULD RESULT IN SOME LAG IN IMPLEMENTATION OF FULL-SCALE PROJECT OUTLINED IN PID, GRANT FUNDING OF SOME EARLY PUBLIC WORKS/CAPITAL IMPROVEMENTS WOULD DEMONSTRATE DISTRICT COUNCILS' CAPACITY TO PLAN AND CARRY OUT CONCRETE ACTIVITIES AND TO SUSTAIN INTEREST IN LOCAL PROGRAM UNTIL LOAN RESOURCES BECOME AVAILABLE DURING SECOND PHASE. THIS CONNECTION PRP SHOULD REPORT STATUS OF DRAW-DOWNS AGAINST LOAN 017 AND FEASIBILITY/DESIRABILITY REQUESTING GOG TO PROGRAM SOME OF THE LOCAL CURRENCY GENERATED UNDER LOAN 017 FOR INITIAL PHASES THIS PROJECT. PRP SHOULD ALSO EXAMINE FEASIBILITY/DESIRABILITY OF OBTAINING FINANCING FOR EQUIPMENT NEEDED FROM GOG RESOURCES OR OTHER DONORS, E.G., RECENT LOAN FROM U.K.

D. PRP SHOULD EXPLAIN BASIS FOR DISTRICTS SELECTED, LOCATION AND NUMBER AS WELL AS EXPLANATION FOR DECISION TO WORK AT DISTRICT RATHER THAN REGIONAL LEVEL, SINCE PID DID

NOT INCLUDE ANY EVIDENCE OF LARGE DISPARITIES IN INCOME/EMPLOYMENT OPPORTUNITIES AND AVAILABILITY OF SOCIAL SERVICES BETWEEN PROPOSED DISTRICTS AND OTHER DISTRICTS. ASSUME MISSION AWARE OF POSSIBLE WIDENING OF DISPARITIES SINCE SMALL-SCALE FARMERS AND NON-FARM RURAL POOR IN ASSISTED DISTRICT WILL BE RECIPIENTS AND BENEFICIARIES OF INPUTS AND PROGRAMS WHICH WILL NOT BE AVAILABLE IN SAME MAGNITUDE TO SIMILAR GROUP IN NEIGHBORING DISTRICTS.

B. PAGE 4 OF SUBJECT PID MENTIONS COORDINATION OF DISTRICT

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EXPENDITURES. PRP SHOULD INDICATE WHICH GOVERNMENT BODY WILL DETERMINE WHICH PROJECTS ARE ACTUALLY FUNDED. IF FINAL DETERMINATION IS MADE BY CENTRAL GOVERNMENT, PRP SHOULD DESCRIBE CRITERIA BY WHICH DISTRICT PLANS WILL BE APPROVED AND FUNDED. THIS SECTION OF PRP SHOULD ALSO DESCRIBE HOW ON-GOING DISTRICT DEVELOPMENT PROGRAMS IMPLEMENTED BY VARIOUS MINISTRIES WILL BE COORDINATED WITH THOSE PROPOSED FOR IMPLEMENTATION BY DISTRICT COUNCILS.

F. PRP SHOULD DESCRIBE RELATIONSHIP OF THIS PROJECT TO FAAD PROJECT 072 AND MIDAS PROJECT 067 AND EXPLAIN HOW THESE ACTIVITIES WILL COMPLEMENT DECENTRALIZED PLANNING AND PROVIDE INPUTS AND SERVICES TO TARGET GROUP.

G. NOTE THAT PID CALLS FOR GRANT FUNDING OF HOUSING FOR HOST COUNTRY TECHNICIANS. PRP SHOULD JUSTIFY U.S. SUPPORT OF THIS COST, NORMALLY BORNE BY GOG.

H. PRP SHOULD INCLUDE AN ASSESSMENT OF LABOR AVAILABILITY INCLUDING ITS SEASONALITY AND EXPLAIN THE REASONS FOR THE PARTICULAR MIX OF LABOR/CAPITAL PLANNED UNDER THE PROJECT.

I. CRITERIA A THROUGH C LISTED ON PAGE 6 OF THE PID ARE GOOD EXAMPLE OF THE TYPE OF CRITERIA REFERRED TO IN PARA 4 REF (D), AND APPEAR ESPECIALLY APPROPRIATE TO ACHIEVEMENT PROJECT OBJECTIVES.

3. AID/W MAY NOT BE WILLING TO GO FORWARD WITH CONGRESSIONAL NOTIFICATION FOR START-UP OF THIS PROJECT IN INTERIM QUARTER. IN ADDITION, PREPARATION AND APPROVAL OF PRP PLUS SIMILAR PROCESS FOR PP EXPECTED TO INVOLVE CONSIDERABLE TIME AND EFFORT WITH RESULT THAT PROJECT FUNDING IN EARLY 1977, AFTER INCLUSION IN FY 1977 CP WILL PROBABLY NOT DELAY PROJECT SUBSTANTIALLY. PROJECT INCLUDED IN BUREAU BUDGET SUBMISSION FOR LIMITED FUNDING IN INTERIM QUARTER, MORE SUBSTANTIAL FUNDING IN FY 1977. BUDGET DETAILS TRANSMITTED SEPARATELY. INCLUSION IN FY 77 CP DEPENDENT ON RECEIPT ADEQUATE PRP BY NOVEMBER 15 (THIS WILL ALSO APPLY TO ANY PROJECTS WHICH MAY BE INCLUDED AS QUOTE

SHOULD UNQUOTE ITEMS IN FY 77 CP). SUGGEST, THEREFORE,

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YOU PROCEED AS RAPIDLY AS POSSIBLE WITH FURTHER DESIGN.

4. THREE POSITIONS (TWO AREA DEVELOPMENT ADVISORS AND PROJECT MANAGER) REQUESTED IN AMENDED MOB INCLUDED IN SUBMISSION TO DA/AID FOR APPROVAL. THESE POSITIONS WILL BE INCLUDED UNDER MOB UNTIL PP APPROVED. AT THAT TIME THE DISTRICT ADVISORS (THREE) AND ACCRA-BASED PROJECT MANAGER WOULD BE CHARGED AGAINST PROJECT 073 AS OUTLINED COE/STUART LETTER. AID/W CONCERNED ABOUT COMMITMENT IMPLIED IN ASSIGNMENT OF AREA DEVELOPMENT ADVISORS TO DISTRICTS PRIOR TO SUBMISSION AND APPROVAL OF PRP/PP. RECOGNIZE THESE TECHNICIANS NEEDED FOR QUALITY PROJECT DESIGN AND INVOLVEMENT PROJECT BENEFICIARIES IN DESIGN PROCESS, BUT APPEARS ESSENTIAL TO MAKE CLEAR TO NATIONAL AND, PARTICULARLY, LOCAL OFFICIALS THAT NO COMMITMENT POSSIBLE UNTIL PRP APPROVED BY AID. IN THIS CONNECTION, USAID/ACCRA MAY WISH TO CONSIDER SCALED-DOWN PROGRAM (PEI PARA 2 B ABOVE) AND/OR OPTIMIZING THE USE OF AREA DEVELOPMENT ADVISORS BY HAVING EACH ADVISOR COVER MORE THAN ONE DISTRICT.

5. WILL TRANSMIT DETAILS REGARDING DESIGN REQUIREMENTS BY SEPTTEL. KISSINGER

Handwritten initials and scribbles, possibly "S. S." and "KISSINGER".

641-0077

UNITED STATES GOVERNMENT

Memorandum

6410077 (6)
PD-AAB-836
Are you going to the
6P.

TO : Distribution

DATE: December 7, 1976

FROM : AFR/DR, John Withers *JW*

SUBJECT: ECPR Meeting on the Economic and Rural Development (ERDM) Project Paper, Project 641-0077, Ghana

The ECPR meeting on ERDM will be held on Friday, December 10 at 4:15 P.M. in Room 6944 N.S.

USAID/Ghana has accorded high priority to review of this project and the meeting is being scheduled to take advantage of the presence of Bill Berg, the Chief of USAID/Ghana's Office of Development Administration, who is currently on home leave/consultation.

It should be noted that this project was moved from the PID directly to the PP with an increase in funding that will require congressional notification. The congressional presentation shows \$250,000 for FY 77 with a life-of-project cost of \$850,000; the PP calls for \$644,000 in FY 77 and a life-of-project cost of \$2,236,000.

⁷³⁴
The PID, submitted in June, 1975 outlines a pilot training program in three districts with a U.S. grant contribution of \$500,000; however, the project design team, fielded in March-April, 1976, found the GOG and the mission in agreement that a country-wide training program was the most appropriate approach for this project. The team also found that all PRP issues could be addressed in the PP for this training project. Accordingly, U.S. project costs were increased to \$3.0 million in the PP submission.

The project committee review of the ERDM PP in April, 1976 identified no major issues requiring resolution but did ask the mission's response to several questions in State 166377 (attached). Accra 6765 (attached) provides the mission's answers to these questions. Final approval of the project was delayed during the Ghana policy review between April and September of this year.

Since only minor editorial changes and funding adjustments (down to \$2.3 million) have been made in the PP as submitted in April, we feel this PP is now ready for ECPR consideration.

Attachments: a/s
Clearances: AFR/CAWA:NOlsen(subs)
AFR/CAWARAP:GThompson(draft)
USAID/Ghana:WBerg(draft)



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TAGS:

SUBJECT: PROJECT COMMITTEE MEETING FOR ERDM (077) PP

REF: ACCRA 3856

1. PROJECT COMMITTEE MEETING HELD APRIL 26 WITH ATTENDANCE FROM PPC, AFR/DP, AFR/DR, GHANA DESK AND DESIGN TEAM. AS MISSION AWARE, THIS CABLE HAS BEEN DELAYED BECAUSE OF RECENT CONSIDERATIONS REGARDING NEW PROJECTS. DRAFT PP GOES BEYOND BOTH PID AND CP IN TERMS OF PROJECT LIFE AND FUNDING. IN KEEPING WITH AID PROGRAMMING CYCLE AND PROJECT DOCUMENTATION CONSIDERATIONS, BASIC DECISIONS RE CHANGES IN SIZE AND LENGTH OF PROJECT SHOULD BE MADE EARLIER AND WOULD LEAD TO SUBMISSION OF PRP BEFORE PP. WE UNDERSTAND HOWEVER THAT IN THIS CASE CONCLUSIONS REACHED ON LARGER SIZE AND SCOPE UPON COMPLETION OF PP RESEARCH. FROM DESIGN PERSPECTIVE, MISSION AND DESIGN TEAM TO BE COMPLIMENTED ON JOB WELL DONE. IN ADDITION TO USAID COMMENTS PROVIDED REFTEL, WOULD APPRECIATE RESPONSE TO FOLLOWING ISSUES RAISED BY PROJECT COMMITTEE:

2: WOULD IT NOT BE MORE REALISTIC TO PHASE IN TRAINING STARTING IN SOME REGIONS AND ADDING OTHERS OVER A TWO-THREE YEAR PERIOD? SUCH AN ALTERNATE APPROACH WOULD

ALLOW ADDITIONAL TIME FOR FULL IDENTIFICATION/ASSIGNMENT OF USG AND GOG PERSONNEL, ANALYSIS OF DECENTRALIZATION PITFALLS AND ASSESSMENT OF VARYING STRENGTHS AND WEAKNESSES AMONG REGIONS AND DISTRICTS. (DESIGN TEAM ADDRESSED THIS QUESTION, BUT WOULD STILL APPRECIATE USAID COMMENTS.) ADDITIONALLY, AND AS BUDGETARY CONSIDERATION, THIS APPROACH WOULD LIGHTEN FUNDING REQUIREMENT IN FY 77 FIRST YEAR.

PAGE 02

3. HOW FIRM IS GOG COMMITMENT OF FUNDING AND PERSONNEL? WHAT CONDITIONS WOULD USAID PROPOSE AS APPROPRIATE FOR INCLUSION IN PROAG TO ASSURE GOG COMMITMENT PRIOR TO SIGNING U.S. CONTRACT?

4. WHY IS THE APPROACH FOR THIS PROJECT A NATIONAL ONE AND THE APPROACH FOR DIPRUD A PILOT ONE? (AGAIN DESIGN TEAM HAS RESPONDED THIS ISSUE BUT WOULD APPRECIATE USAID COMMENTS ESPECIALLY REGARDING DIPRUD AND RELATIONSHIP OF TWO PROJECTS.)

5: WILL THERE BE SUFFICIENT FUNDING AVAILABLE FOR DISTRICT LEVEL LOCAL DEVELOPMENT TO JUSTIFY 3 MILLION DOLLAR USG EXPENDITURE? ALSO, IS THERE SUFFICIENT NEED FOR THIS TYPE TRAINING TO JUSTIFY THAT SIZE EXPENDITURE?

DECONTROL: 7/1/77. KISSINGER



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TEAMS TO BE FIRST PRIORITY OF SECRETARIAT; 3) PASA AGREEMENT WITH U.S. TECHNICIANS TO BE SIGNED ONLY AFTER DETERMINATION BY USAID OF SIGNIFICANT PROGRESS TOWARD RECRUITMENT OF GHANAIAN TECHNICIANS.

R. GOG BUDGETARY FUNDING IN GOG FY77 FOR SUBJECT PROJECT NEED BE LIMITED ONLY TO TRAINING THE TRAINERS IN-COUNTRY. GOG FU78 AND SUCCEEDING YEARS FUNDING WILL REQUIRE SUBSTANTIAL INCREASE AND WILL BE INCLUDED IN THEIR FUTURE BUDGETS.

3. RE REFTEL (A) PARA 4:
EMPHASIS IN DIPRUD IS INCREASED RURAL PRODUCTION IN ONE DISTRICT. EMPHASIS IN ERDM IS TO STRENGTHEN LOCAL GOVERNMENT BY DEVELOPING A CAPABILITY WITHIN EACH DISTRICT TO PLAN AND MANAGE RURAL DEVELOPMENT AND RURAL SERVICES. DIPRUD INVOLVES CONSIDERABLE EXPERIMENTATION AND RESEARCH WHICH REQUIRES A RESTRICTED AREA WITHIN WHICH MEASUREMENT CAN BE COMPARED. MUCH OF OUTPUT FROM DIPRUD EFFORTS WILL PROVIDE INVALUABLE INPUTS FOR ERDM.

4. RE REFTEL (A) PARA 5:
KEYS TO SUFFICIENT FUNDING AT LOCAL LEVEL ARE: 1) RELEASE OF FUNDS BY CENTRALIZED MINISTRIES FOR LOCAL CONTROL, AND 2) INCREASE IN TAX BASE. REALISTICALLY GOG MINISTRIES CANNOT BE EXPECTED TO RELEASE FUNDS UNTIL ASSURED THAT INDIVIDUALS AND ORGANIZATIONS ARE TRAINED AND COMPETENT. IMPROVED TAX BASE RESULTING FROM INCREASED COMPLIANCE WITH TAX LAWS WILL COME WITH EVIDENCE OF CHANGE/IMPROVEMENT. ALL RURAL DEVELOPMENT SUCCESSES OR FAILURES IN GHANA WILL BE INFLUENCED STRONGLY BY CAPABILITY OF DISTRICT LEVEL OFFICERS. THUS FELT PROJECT COSTS A SMALL PRICE TO PAY.

5. PLEASE REFER TO REF (C). TOTAL COSTS DUE TO PASA PERSONNEL REDUCES PROJECT COSTS FROM DOLS 3 MILLION TO DOLS 2.3 MILLION.

6. USAID/ACCRA PROCEEDING NECESSARY GROUNDWORK PRIOR FINAL NEGOTIATION OF PRO/AG. INTERNAL SCHEDULE CALLS FOR MISSION CLEARANCE OF PRO/AG BY OCTOBER 15 IN ORDER TO SIGN WITH GOG BY LAST WEEK NOVEMBER. THIS ANTICIPATES EARLY COMPLETION OF PP REVISION FOLLOWED BY ECPR APPROVAL. ASSUME STUDY TEAM LEADER, SHERPER TO HANDLE PP REVISIONS. IF NOT AVAILABLE SUGGEST USAID PROCEED TO DO REVISIONS AND CABLE SAME TO AID/W.
LINEHAN

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6410077 (7)

PD - AAB - 836

1 p.

Mr. W. Haven North, DAA/AFR

March 10, 1977

Edward Hogan, AAA/PPC/DPRE

Ghana - Economic and Rural Development Management (ERDM)

Although we have cleared the subject project for authorization by the Acting Deputy Administrator we wish to call to your attention a divergence to the AID system in the hope that the Africa Bureau does not permit a similar recurrence.

As you indicated in your memo of March 9, the design team's efforts resulted in an increased AID contribution from \$500,000 to \$2,336,000, although no PRP was prepared. The appropriate course of action in such a case is to request AID/W approval of any significant increase in proposed project contributions and not proceed to incorporate such increased amounts until a positive reply has been received. Such a request should be accompanied by a revised PID, PRP or PP document, as the case may be, and a reconvening of either the Project Committee or the ECPR.

If this procedure is not clear to all field posts we would advise that necessary action be taken to inform them, possibly using the present case as an example.

PPC/DPRE/PR:RBobel:pjn:3/10/77