

Monitoring Plan For Measuring Progress on Reform Agenda

August 1998



Sigma One Corporation

**Monitoring Plan for Measuring Progress
on Reform Agenda**

Submitted to:

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Mission to Ghana**

for:

**Trade and Investment Reform Program (TIRP)
Improved Policy and Financial Intermediation
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**Milestone 2.11 - Proposed Monitoring Plan for Measuring Progress
on the Reform Agenda to IMCC**

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List of Acronyms

Acronym	Definition
BOG	Bank of Ghana
CEPA	Center for Policy Analysis
CEPS	Customs, Excise, and Preventive Service
COP	Chief of Party
CWIQ	Core Welfare Indicator Questionnaire
DIC	Divestiture Implementation Committee
ECOWAS	Economic Community of West African States
FPIB	Forest Products Inspection Board
GEPC	Ghana Export Promotion Council
GIPC	Ghana Investment Promotion Center
GLSS	Ghana Living Standards Survey (1991-92)
GOG	Government of Ghana
GSE	Ghana Stock Exchange
GSS	Ghana Statistical Service
IMCC	Inter-Ministerial Council on Competitiveness
MOF	Ministry of Finance
MOFA	Ministry of Food and Agriculture
MOT	Ministry of Tourism
MOTI	Ministry of Trade and Industry
NPA	Non-Project Assistance
PIP	Public Investment Profile
SSNIT	Social Security and National Income Trust
TEDB	Timber Export Development Board
TIRP	Trade and Investment Reform Program
TUC	Trade Union Council
USAID	United States Agency for International Development

I. Introduction -- Philosophy, Purpose, Procedures

This document provides the monitoring plan for the Improved Policy Reform and Financial Intermediation Program under the USAID funded Trade and Investment Reform Project (TIRP), Republic of Ghana. The project contributes to the accomplishment of the USAID Ghana Mission's Strategic Objective One (SO 1), enhancing the role of the private sector, and to achieving the objectives of Ghana's Vision 2020. This plan is developed within the AID's monitoring and evaluation policies and procedures that are based on managing for results (Series 200, Chapter 203: Managing for Results: Monitoring and Evaluating Performance). The purposes of this plan are to develop a process and procedures for obtaining information to improve the planning and implementation for services to be delivered under the contract, to evaluate and improve program management and decision making, to develop and provide information that will document the lessons learned from contract activities, and to provide the information essential to USAID's oversight and accountability responsibilities.

Monitoring and evaluation can contribute greatly to the successful implementation and to assuring the accomplishment of the contract's objectives. However, effective monitoring requires substantial amounts of information, a process that requires utilization of project resources that could be used for implementation activities. Thus, there is always a tradeoff between monitoring and implementation; care must be used to assure that a disproportionate share of the project's resources are not used for the monitoring and evaluation functions. A basic way to minimize the costs of monitoring while simultaneously providing the essential information is the development and implementation of a well designed monitoring plan that provides for the automatic generation of that information through, for example, trip and activity reports, routine data collection from published sources, etc. that are entered into a database for easy access and use in analysis of project activities. This document, then, develops such a monitoring plan for the Improved Policy Reform and Financial Intermediation portion of TIRP.

II. Overview -- Types, frequencies, formats, responsibilities, Ghanaian involvement

This section gives an overview of the monitoring plan with details presented in subsequent sections. Numerous sources will be used to obtain data and information for monitoring contracted activities and their impacts (see Appendix I for a partial listing of the sources). It should be noted, however, that there are problems with respect to the availability of Ghanaian data, with respect to quantity, quality and timeliness. Thus, while official sources will be used to the greatest extent possible, adequate monitoring will require that all available sources be utilized and even that the program will need to generate some of the necessary information.

A. Types of Monitoring

Types of activities/results to be monitored: under this plan cover two general categories of activities. The first is the project implementation activities as represented by the milestones in the Technical Proposal and Contract. These are clearly enunciated measures that define the obligations of Sigma One Corporation under the performance based contract. The second set consists of the impacts of the project activities on the economy of Ghana. This is a two phase process which, in the first phase involves the development and adoption of policy reforms,

improved financial intermediation, and new financial instruments. However, the purpose of these reforms is to improve the country's rate of economic development. Thus, the monitoring plan also contains procedures for collecting data to evaluate the effectiveness of the contract's activities through improvements in savings, investment and economic growth.

B. Frequency of Monitoring

Monitoring of the project will be continuous and will generate monthly, quarterly, annual and end of project progress reports. The monthly reports will be used to generate quarterly reports which will in turn be used to develop the annual reports, although these latter will also need to include additional impact information that will be collected from official GOG documents and other sources, as appropriate. The end of project report will be developed based on the annual progress reports. The monthly reports will be made within five (5) working days of the end of each month, while the quarterly reports will be made within 30 days of the end of each calendar quarter ending on March 31, June 30, September 30, and December 31. The annual reports will be based on the calendar year (thus, the first annual report will be for the six month period, July 1 to December 31, 1998).

C. Responsibilities for Monitoring Activities

All contract personnel have responsibilities in the monitoring process from the standpoint of documentation of their activities, providing information on results toward achieving project milestones, and their impacts on policy reform, financial intermediation and economic growth. Ms. Marielouise Harrell has management responsibility for the monitoring system and also will coordinate the preparation of the quarterly and annual reports. However, Dr. Joseph B. Goodwin, the Chief of Party in Ghana, has the primary responsibility for the preparation of the monthly, quarterly and annual progress reports, with the assistance of the Project Coordinator. In addition, due to the importance of the overall monitoring function plus other contractual monitoring functions, such as building a database for monitoring competitiveness, an individual will be hired to work in the Field Office to obtain the data and to build and maintain a database of the information required for effective monitoring of the contract activities.

D. Customer Involvement

Both GOG and private sector participants in the Improved Policy Reform and Financial Intermediation contract activities are expected to contribute to the monitoring process. Where needed, project personnel will provide assistance and guidance in data collection and reporting processes for project monitoring, a procedure that will help to build capacity for these customers to carry out monitoring and evaluations of their own activities.

E. Format of Reports

The reports will be organized around the four activities (CLINs) of the project with reports on progress toward achieving relevant milestones for each activity each month (see Appendix II). The milestones in each report will consist of three groups: 1) those for which work was completed during the month, 2) those for which work was initiated in the month, and 3) those for which activities were continued from the previous month(s). For each milestone, the

following information will be provided: titles of specific activities for achieving the milestone, name(s) of person(s) or groups carrying out the specific activity, resources used, accomplishments, and a list of any documentation for those accomplishments (this last item is essential for all milestones completed during the month). In addition to a listing of the activities, a short narrative will be included to summarize the achievements made during the month. Another section of the report will list the activities that will be carried out during the next month. The final section will cover any problems or issues that have arisen and that have the potential for affecting achievement of the programmed activities with an indication of the approach(s) to be used to alleviate the problem or resolve the issue.

The annual reports and, when appropriate, the quarterly or monthly reports, will also report on the policy reforms that have been implemented and any documented impacts of those reforms on the Ghanaian economy.

F. Income Distribution and Gender Issues

While the Improved Policy Reform and Financial Intermediation program does not directly address either income distribution or gender issues, it is expected to contribute to improvements in both income distribution and in the economic situation for women in the economy. The contribution to poverty reduction will be through more rapid economic growth with its concomitant creation of employment, resulting in reductions in unemployment and underemployment which are important contributors to poverty.

As important players in the Ghanaian economy, especially in the informal sector, women are expected to benefit from the increased business opportunities that economic growth will produce. In addition, the creation of additional jobs in the formal sector should enable more women to shift to that sector where, in addition to higher incomes, they will receive social security, health coverage and other fringe benefits.

G. Annual Evaluations Of Progress Toward Milestones

An internal evaluation of progress toward achievement of the milestones of the project will be made at or near the end of each project year, June 30, 1999, 2000, etc. A U.S. consultant with monitoring and evaluation expertise will be contracted to assist with this process and to the annual evaluation of progress toward achievement of this milestone (1.15)..

III. Process Monitoring Plan

The process portion of the monitoring plan is based on the milestones of the AID/SigmaOne contract and is used to track the progress of the project, help assure that objectives of the contract are being met, provide a mechanism for recording, reporting and verifying results achieved, and indicating problems and issues that need to be addressed by field or home office personnel. They consist of two tasks with two activities under each task; these tasks are numbered 1-4, each activity is subdivided into several milestones. This portion of the monitoring plan is based on the Performance Award Fee Milestone Plan of the project contract.

A. Project Tasks and Activities

Task 1. Improve Policy and Regulatory Environment

CLIN #1. Promote participatory change

CLIN #2. Adoption and implementation of policy and regulatory reform

Task 2. Improve Financial Intermediation

CLIN #3. Improvements in regulation, management and supervision of the financial system

CLIN #4. Analysis and development of new financial instruments.

B. Milestone Achievement Monitoring

Each activity is divided in milestones and numbered 1.1, 2.1, etc. where the first part of the number refers to the CLIN and the second part to the specific milestone. The following tables outline the milestones in chronological order of their planned undertaking by year and month for year one and by quarters for subsequent years. This outline together with the annual work plans will be the basis for developing the monthly reports of project activities

First Quarter, Year One Milestones (Month is when actions are to be completed as listed in milestone & implementation plans; these may be adjusted based on annual work plans.)

No.	Milestone & Indicator	Month
CLIN #1: Improve Policy and Regulatory Environment: Promote Participatory Change		
1.1	Chief of Party/Senior Economist Mobilized & Performing Duties in Ghana Verification: COP living in Ghana & working in field office Source: Project records in Sigma One field and home offices and USAID/Ghana	1-2
1.2	Annual Work Plan Finalized Incorporating GOG Priorities Verification: Plan submitted to and accepted by USAID Source: Project Records in Sigma One field and home offices and USAID/Ghana	1-2
1.4	Mailing list of opinion leaders to receive briefs, newsletters and other documents Verification: Mailing list submitted to USAID and approved Source: Project records in Sigma One field and home offices and USAID/Ghana	3
1.11	Annual National Economic Forum in Fall (September) Verification: Minutes from meeting to be submitted to USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	3
1.13	Evaluate progress toward milestones and results Verification: Monitoring and evaluation plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	2
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana Verification: COP living in Ghana and working in field office Source: Project records in Sigma One field and home offices and USAID/Ghana	1-2
2.3	Annual work plan finalized incorporating GOG priorities Verification: Plan submitted to and accepted by USAID Source: Project Records in Sigma One field and home offices and USAID/Ghana	1-2
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana Verification: COP living in Ghana and working in field office Source: Project records in Sigma One field and home offices and USAID/Ghana	1-2
3.2	Annual work plan finalized incorporating GOG priorities Verification: Plan submitted to and accepted by USAID Source: Project Records in Sigma One field and home offices and USAID/Ghana	2
CLIN #4: Analysis and Development of improved Financial Instruments		
4.1	Annual work plan finalized incorporating GOG priorities Verification: Plan submitted to and accepted by USAID Source: Project Records in Sigma One field and home offices and USAID/Ghana	1-2

Second Quarter, Year One Milestones

No.	Milestone & Indicator	Month
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.3	Obtain clearance of protocol for informing parliament of results of formal policy dialogue Verification: Written protocol is submitted and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	4
1.4	Mailing list of opinion leaders to receive newsletters, briefs and other documents	4
1.5	Develop a plan for national consultations on a policy agenda Verification: Written plan submitted to and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	4
1.6	Government Approval of Draft Policy Agenda Verification: Draft policy agenda submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	4
1.7	Overall work plan for 4.5 years finalized Verification: Plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	6
1.8	Protocol for providing contract assistance for officials or private sector leaders Verification: Written protocol submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	6
1.9	Formation of Participatory Policy Working Group Verification: Listing of suggested participants submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	6
1.10	Protocol for working arrangements of the Participatory Policy Working Group Verification: Protocol submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	6
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.2	Senior Monetary Economist mobilized and performing in Ghana Verification: Senior Economist is living and working in Ghana Source: Project records in Sigma One field and home offices and USAID/Ghana	6(?)

2.8	Quarterly briefs on monitoring and evaluation in relation to targets of IMF & other donors Verification: Briefs submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	4
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.2	Senior Monetary Economist mobilized and performing in Ghana Verification: Senior Economist is living and working in Ghana Source: Project records in Sigma One field and home offices and USAID/Ghana	6(7)
CLIN #4: Analysis and Development of Improved Financial Instruments		
none		

Third Quarter, Year One Milestones

No.	Milestone & Indicator	Month
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.18	Present budget and legislation to Parliament for January Verification: GOG budget is submitted to USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	7
1.12	Design public awareness campaign on policy reforms; organize town hall meetings Verification: Communication Action Plan submitted to and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
1.17	Town Hall Meeting held in one or two regional cities to increase public awareness Verification: Minutes of issues presented at meeting submitted to & accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.4	Action plan presenting a strategy for improved monetary management Verification: Action plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
2.5	Document prepared to guide Tripartite review of the labor markets Verification: Document submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
2.6	Develop plan for revenue enhancement (VAT and other changes) Verification: Plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
2.7	Protocol submitted to IMCC with USAID clearance for identifying specific TA tasks for GOG policy makers Verification: Protocol submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
2.9	Develop database for monitoring international competitiveness Verification: Database operational and documentation submitted to USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8

CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
none		
CLIN #4: Analysis and Development of improved Financial Instruments		
4.2	A collaborative plan with other TIRP contractors and institutions for mobilizing informal sector resources into productive investments Verification: Annual plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8
4.3	Conference on financial innovations in the financial sector in Ghana Verification: Conference proceedings submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	8

Fourth Quarter, Year One Milestones

No.	Milestone & Indicator	Month
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.13	Develop plan to disseminate quarterly or semi-annual newsletters to report policy changes Verification: Plan submitted to and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	10
1.14	Annual update to N.C. Conference to prepare briefs for National Economic Forum Verification: Brief summarizing progress in last year submitted and accepted by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	12
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.10	A document to guide access to land for agricultural and industrial sites Verification: Document submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	10
2.11	Submit a proposed monitoring plan for measuring progress on the reform agenda to IMCC Verification: Monitoring plan submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	10
2.12	Develop an action plan to enforce compliance with BOG policy eliminating foreign exchange declarations for nontraditional exports Verification: Action plan submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	10
2.13	Deliver annual draft documents to assist GOG to develop evidence of NPA conditionality Verification: Draft documents submitted to GOG and approved by USAID Source: Project records in Sigma One field and home offices and USAID/Ghana	12
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.4	Formation of Financial Sector Working Group Verification: Listing of proposed members submitted to and approved by USAID Source: Project Records in Sigma One field and home offices and USAID/Ghana	10

3.5	<p>Protocol for the Working Arrangements of the Financial Sector Working Group</p> <p>Verification: Working Protocol is submitted to USAID and Approved</p> <p>Source: Project Records in Sigma One field and home offices and USAID/Ghana</p>	10
3.6	<p>Draft report on deficiencies in regulatory and supervisory practices in the financial sector</p> <p>Verification: Report submitted to and accepted by USAID</p> <p>Source: Project records in Sigma One field and home offices and USAID/Ghana</p>	12
3.7	<p>Review of Ghana’s bank regulatory and supervision practices in accordance with “Basle Committee’s” standards</p> <p>Verification: Review document submitted to and accepted by USAID</p> <p>Source: Project records in Sigma One field and home offices and USAID/Ghana</p>	12
CLIN #4: Analysis and Development of Improved Financial Instruments		
4.4	<p>Review of SSNIT and other elements of the pension system with a view to modernization</p> <p>Verification: Review submitted to and accepted by USAID</p> <p>Source: Project records in Sigma One field and home offices and USAID/Ghana</p>	10

Year One: General Activities

CLIN#5 Conferences, Workshops, Seminars		
6.1	One workshop per year	
6.2	Hold workshops/seminars with Participatory Policy Working Group	
6.3	One seminar held in Ghana per year	
6.4	One conference held in Ghana per year	
CLIN #7: Equipment for Ghanaian Institutions		
7.1	Equipment list circulated to confirm needs with GOG institutions	
7.2	Equipment is secured and functional within GOG institutions	
CLIN #8: Publications for Ghanaian Institutions		
8.1	Obtain list of economic publications desired by Ghanaian institutions	
8.2	Publications are ordered for Ghanaian Institutions	
8.3	Publications are renewed on an annual basis	

Year Two Milestones

No.	Milestone & Indicator	Quarter
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
1.2	Annual work plan finalized incorporating GOG priorities	1
1.11	Annual national economic forum in fall (September)	1
1.15	Evaluate progress toward milestones and results	1
1.16	Present budget and legislation to Parliament in January	2
1.17	Town Hall meeting held in one or two regional cities to increase public awareness	3
CLIN # 2: Adoption & Implementation of Proposed Policy and Regulatory Reforms		
2.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
2.2	Senior monetary economist mobilized and performing in Ghana	1
2.3	Annual work plan finalized incorporating GOG priorities	1
2.14	Document for monitoring expenditure controls	2
2.15	Document on dividends, ways and means, NPART & revaluation account, OMOs, single markets for government securities	2
2.16	Position paper on BOG role in providing liquidity for markets	2
2.17	Submit proposal for reduced variance & lower average tariffs for Parliament's consideration	2
2.18	An action plan for reducing controls on importation of agricultural & industrial inputs	2
2.19	A study on bans and controls on commodities such as rubber, yams and cotton	2
2.20	An action plan for implementing foreign exchange liberalization policies	2
2.21	An action plan for reduction of customs barriers	2
2.22	Elimination of export bans on products such as cotton lint, natural rubber, scrap metal, yams	4
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
3.3	Senior monetary economist mobilized and performing in Ghana	1
3.2	Annual work plan finalized incorporating GOG priorities	1
3.8	Training plan and syllabus developed for training BOG and banking system participants in implementing Basle standards	1
3.9	Strategy document for identifying strategies for broadening the products listed on the GSE	1
3.10	Simplified version of bank supervision standards published in easy to read version to promote transparency	2
3.11	Quarterly meetings of the Financial Sector Work Group	3,4,5
CLIN #4: Analysis and Development of Improved Financial Instruments		
4.1	Annual work plan finalized incorporating GOG priorities	1

4.5	Develop a conceptual strategy for developing innovative financial instruments	1
4.6	Quarterly meetings of Financial Sector Working Group	1,2,3,4
4.7	Annual workshop on financial innovations in the financial sector of Ghana	3
CLIN#5 Conferences, Workshops, Seminars		
6.1	One workshop per year	
6.2	Hold workshops/seminars with Participatory Policy Working Group	
6.3	One seminar held in Ghana per year	
6.4	One conference held in Ghana per year	
CLIN #8: Publications for Ghanaian Institutions		
8.3	Publications are renewed on an annual basis and distributed to Ghanaian institutions	

Year Three Milestones

No.	Milestone & Indicator	Quarter
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
1.2	Annual work plan finalized incorporating GOG priorities	1
1.11	Annual national economic forum in fall (September)	1
1.15	Evaluate progress toward milestones and results	1
1.16	Present budget and legislation to Parliament in January	2
1.17	Town Hall meeting held in one or two regional cities to increase public awareness	3
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
2.2	Senior monetary economist mobilized and performing in Ghana	1
2.3	Annual work plan finalized incorporating GOG priorities	1
2.14	Document for monitoring expenditure controls	2
2.23	A strategy brief circulated to achieve consensus on timber and wood export policies	2
2.24	An action plan to implement revenue sharing from tourist attractions	3
2.25	Draft Tripartite compact for increasing flexibility in the labor markets	4
2.26	Study of transferable usufruct rights and in context of village heads and in the rights of the permanent chiefs	4
CLIN #3: Improvements in Regulation, Management, & Supervision of the Financial System		
3.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
3.3	Senior monetary economist mobilized and performing in Ghana	1
3.2	Annual work plan finalized incorporating GOG priorities	1
3.11	Quarterly meetings of the Financial Sector Work Group	3,4,5
3.12	Training for banking supervisors in use of simplified supervision rules	2
3.13	Prepare strategic documents for financial regulation & supervision	3
CLIN #4: Analysis and Development of improved Financial Instruments		
4.1	Annual work plan finalized incorporating GOG priorities	1
4.6	Quarterly meetings of Financial Sector Working Group	1,2,3,4
4.7	Annual workshop on financial innovations in the financial sector of Ghana	3
4.8	Introduction of innovative financial instruments into financial markets	1,2,3,4
CLIN #5 Conferences, Workshops, Seminars		
6.1	One workshop per year	
6.2	Hold workshops/seminars with Participatory Policy Working Group	
6.3	One seminar held in Ghana per year	
6.4	One conference held in Ghana per year	
CLIN #8: Publications for Ghanaian Institutions		
8.3	Publications are renewed annually & distributed to Ghanaian institutions	

Year Four Milestones

No.	Milestone & Indicator	Quarter
CLIN #1: Improve Policy and Regulatory Environment: Promote Participatory Change		
1.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
1.2	Annual work plan finalized incorporating GOG priorities	1
1.11	Annual national economic forum in fall (September)	1
1.15	Evaluate progress toward milestones and results	1
1.16	Present budget and legislation to Parliament in January	2
1.17	Town Hall meeting held in one or two regional cities to increase public awareness	3
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
2.2	Senior monetary economist mobilized and performing in Ghana	1
2.3	Annual work plan finalized incorporating GOG priorities	1
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
3.3	Senior monetary economist mobilized and performing in Ghana	1
3.2	Annual work plan finalized incorporating GOG priorities	1
3.11	Quarterly meetings of the Financial Sector Work Group	3,4,5
CLIN #4: Analysis and Development of improved Financial Instruments		
4.1	Annual work plan finalized incorporating GOG priorities	1
4.6	Quarterly meetings of Financial Sector Working Group	1,2,3,4
4.7	Annual workshop on financial innovations in the financial sector of Ghana	3
4.8	Introduction of innovative financial instruments into financial markets	1,2,3,4
CLIN#5 Conferences, Workshops, Seminars		
6.1	One workshop per year	
6.2	Hold workshops/seminars with Participatory Policy Working Group	
6.3	One seminar held in Ghana per year	
6.4	One conference held in Ghana per year	
CLIN #8: Publications for Ghanaian Institutions		
8.3	Publications are renewed on an annual basis and distributed to Ghanaian institutions	

Year Five Milestones

No.	Milestone & Indicator	Quarter
CLIN #1: Improve Policy & Regulatory Environment: Promote Participatory Change		
1.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
1.2	Annual work plan finalized incorporating GOG priorities	1
1.11	Annual national economic forum in fall (September)	1
1.15	Evaluate progress toward milestones and results	1
1.16	Present budget and legislation to Parliament in January	2
1.17	Town Hall meeting held in one or two regional cities to increase public awareness	2
CLIN # 2: Adoption and Implementation of Proposed Policy and Regulatory Reforms		
2.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
2.2	Senior monetary economist mobilized and performing in Ghana	1
2.3	Annual work plan finalized incorporating GOG priorities	1
2.28	Plan for institutionalizing TIRP activities within Ghanaian institutions	1
CLIN #3: Improvements in Regulation, Management, and Supervision of the Financial System		
3.1	Chief of Party/Senior Policy Expert mobilized and performing in Ghana	1
3.3	Senior monetary economist mobilized and performing in Ghana	1
3.2	Annual work plan finalized incorporating GOG priorities	1
3.11	Quarterly meetings of the Financial Sector Work Group	3,4,5
3.14	Plan for transition of training for banking supervision to be accomplished by Ghanaians	1
CLIN #4: Analysis and Development of improved Financial Instruments		
4.1	Annual work plan finalized incorporating GOG priorities	1
4.9	Plan for transition of activities to be maintained by Ghanaians	1
4.10	Evaluation of innovative financial instruments introduced in to financial markets	1,2
CLIN#5 Conferences, Workshops, Seminars		
6.1	One workshop per year	
6.2	Hold workshops/seminars with Participatory Policy Working Group	
6.3	One seminar held in Ghana per year	
6.4	One conference held in Ghana per year	
CLIN #8: Publications for Ghanaian Institutions		
8.3	Publications are renewed on an annual basis and distributed to Ghanaian institutions	

IV. Impact Monitoring Plan

As a result of policy dialogue and related activities (by USAID, the World Bank, IMF, etc.), the Government of Ghana is expected to implement additional economic reforms (it has already carried out a substantial body of reforms). A purpose of the Sigma One-USAID contract is to assist the GOG in the analysis and implementation of appropriate policy reforms, as well as enhancing the capacity for policy analysis and dialogue and increasing the involvement of the private sector and general population in the process. Thus, one aspect of monitoring for results is the impact of the policy dialogue process on the economic reforms actually implemented. However, since the objective of the reforms is increased economic growth, the impacts of the reforms on the economy must also be measured through monitoring of general and sector specific indicators of economic growth and development. Some reforms can be expected to have relatively immediate and direct impacts, e.g., the removal of an export ban on a product can be expected to cause an increase in the export of that product, at least if it is competitively produced. Other reforms act only indirectly on the economy and, thus, direct impacts cannot be measured. These can be assessed to some extent by general measures of economic growth such as increases in per capita GDP. Such measures, however, are influenced by many factors and, therefore, care must be used when analyzing the impacts of particular reforms or in using a particular indicator in determining success or failure of any specific contract activity. Thus, for the monitoring of this portion of the TIRP, information on both general and specific indicators will be regularly collected, analyzed and reported.

In the selection of the indicators used for monitoring the results and impacts of the Improved Policy Reform and Financial Intermediation program, the criteria listed in the AID manual for monitoring for results were used. The matrices utilized in this process and an explanation of the procedures are given in Appendix III.

A. Potential Policies to be Evaluated, Adopted and Implemented

Due to the many distortions and problems in the Ghanaian economy and, despite previous reform efforts, there are still many policy changes to be made that will contribute to enhanced growth. A listing of many of these is given in the following outline based on the draft policy agenda in the Technical Proposal from Sigma One Corporation. This list is for illustrative purposes only, since the final policy agenda is not yet approved. However, it is representative of the types of policy reforms that are required to address problems and issues that must be resolved if Ghana is to meet the ambitious goals of its Vision 2020.

1. Fiscal Planning and Accountability

- (a) *Incorporate the Broad Budget as the single approved budget for fiscal expenditures (Fiscal Plan for the Nation)* The preparation of this fiscal plan will include the domestic currency requirements to counterpart international development assistance. It must be developed in close consultation with the Regional Ministers and their advisers to ensure regional investment programs are focused on international competitiveness with due regard to human and social welfare issues.
- (b) *Timeliness of the Fiscal Planning Process* All parties agree that the new fiscal plan in (1) above will be prepared with sufficient time for submission to Parliament and debate

therein.

- (c) *Expenditure Control and Accountability* There is a need for an expenditure control system that links all government expenditures recurrent and nonrecurrent (as well as the traditional Narrow Budget and Broad Budget items) to specific line items in the Parliamentary approved Budget.
- (d) *Repayment of Debt* The government will examine the debt repayment schedules and its international borrowing when considering its fiscal plan.
- (e) *Divestiture of Public Enterprises* Budget should account for any proceeds from the divestiture of Public Enterprises.

2. Monetary Management and Accountability

- (a) *Disclosure of Targets for Monetary Aggregates* The Governor of the Bank of Ghana informs the Nation of the targets which have been agreed for monetary aggregates, credit to the public sector and foreign reserves. The Bank of Ghana will consider eliminating the use of the nominal exchange rate as an anchor for the economy. The use of the nominal interest rate must be recognized as a consequence of monetary policy and neither a target nor an instrument .
- (b) *Monetary Policy Instruments* The Bank of Ghana will agree to review Open Market Operations with a view to streamlining the role of BOG Bills and Treasury Bills to make the Open Market Operations more transparent, *ex post*, and unpredictable on an *ex ante* basis.
- (c) *Relationship of Bank of Ghana to Treasury* The Government and the Bank of Ghana will jointly review the process for and use of the following practices: (a) ways and means advances; (b) revaluation account; (c) dividend payments and other extraordinary transfers from the Bank of Ghana to the Treasury; and (d) direct transfers from the Bank of Ghana to parastatal enterprises.
- (d) *Debt repayment schedules* The Government and the Bank of Ghana will jointly examine the debt repayment schedules and international borrowing when considering monetary and exchange rate policy.

3. Revenue Generation and Broad Based Taxation

- (a) *Review of VAT Implementation for Purpose of Broadening its Coverage*
- (b) *Direct vs. Indirect Taxation* The Government would review the taxing system to identify taxes that are nondistorting and not so specific that groups can lobby for exoneration.
- (c) *Uniform and Lower Tariffs* The government will agree to study the revenue effects of uniform and lower tariffs.
- (d) *Pricing of Publicly Provided Goods and Services* The Government will review import parity pricing and/or full cost recovery for publicly provided goods and services (utilities, petroleum products, transportation, buses, ship lines, Ghana Airways, etc.) The Government will review the use of concessions and tolls to promote investment in an operation of improved public infrastructure (roads, ports, airports, sewage systems, public utilities, etc.).

4. Trade Reform

- (a) *Uniform and Lower Tariffs* The government will implement uniform and lower tariffs, eliminating exonerations and exemptions to the fullest extent possible.
- (b) *Duty Relief Systems* CEPS will implement some refinements needed to perfect the duty drawback system and other duty relief systems for intermediate inputs used in production of exportable goods and services.
- (c) *Streamlining Customs Clearance Procedures* CEPS will streamline the customs clearance procedures for imports and exports.
- (d) *Integration of VAT and Tariff Structure* CEPS and IRS will integrate the VAT and tariff structures to promote uniformity of taxation, in order to eliminate unintended disparities in effective protection across product lines.

5. The Role of Government

Review of Government Support for Private Sector Activities The public-private partnership will review the role of government in support of the private sector activities with the intent to provide broad based and diffuse services rather than explicit or implicit sectoral or firm level support (The Government will not “pick winners”). These issues include:

- (a) GIPC will further enhance its role as a promoter of investment rather than a controller of investment.
- (b) GEPC will enhance its ability to deliver broad based promotion services .
- (c) The Business Assistance Fund would be eliminated.
- (d) Review of implicit or explicit prohibitions of exporting and importing in specific commodities with a view of eliminating quotas and prohibitions.
- (e) Overall review of government hassles that impede business formation, international trade and the domestic movement of goods and services.
- (f) Further Divestiture of State Owned Enterprises.
- (g) Decentralization of Government.

6. Streamlining the Performance of Factor Markets (Labor, Land and Financial Sector)

- (a) *Labor Markets:* Undertake a Tripartite Review (Government, Labor Unions, Employers) of Labor Market practices to increase labor market flexibility while providing adequate worker protection with respect to work place safety, health and welfare, pension and tenure benefits, and worker’s rights to collective representation.
- (b) *Land markets:* Review urban and rural land tenure practices to identify opportunities to institute secure usufruct rights with full acknowledgment and respect of cultural land tenure practices.
- (c) *Financial Engineering:* The Government would agree to consider the recommendations of the financial sector working group.

B. Monitoring Policy Changes and Their Impacts

Official GOG documents, press releases and pronouncements will be used to monitor and verify changes in government policies, although newspapers and other media will be reviewed on a continuous basis to help determine when policy changes are made and to assure that the public is being made aware of changes that are being contemplated and/or implemented.

While the GOG has an Official Registry and publishes its laws and regulations, as well as Parliamentary debates, it is not always easy to find the information or to obtain copies of complete and/or current laws and regulations. Thus, in furtherance of the objective of greater transparency in the policy making and implementation process, project personnel will work with and provide assistance to improve the publication and availability of information about policy making and policy changes; this will, of course, contribute to enhancing monitoring and evaluation capacity in Ghana.

In addition to the official sources, ISSER monitors changes in Ghanaian laws and regulations and publishes these periodically. Thus, ISSER's publications will be used to help verify the progress made in policy reform (ISSER's publications lag considerably and, thus, are not adequate for the monthly and quarterly progress and monitoring reports).

1. Results Expected from Policy and Regulatory Reforms

The policy reforms that are implemented are expected to produce positive effects on the Ghanaian economy. These, as outlined in the Technical Proposal, include results for Task One (CLIN 1 & 2) of the USAID-Sigma One contract. The results expected for each task and the approach to monitoring for these results are described below. Indicators for the expected results, sources for obtaining the indicators, and their baseline values also are reported.

Task 1. Improved Policy and Regulatory Environment: Based on the Sigma One Corporation's technical proposal, the expected results from Task 1 CLIN 1 (Promote Participatory Change) and CLIN 2 (Adoption and Implementation of Policy and Regulatory Reform) are:

- a. A viable policy reform agenda to increase international competitiveness;
- b. Ongoing participation of private sector in the policy dialogue and change process;
- c. Increased public knowledge of policy reforms;
- d. Implementation plans for agreed upon policy reforms;
- e. Streamlined procedures for importation of agricultural and industrial inputs;
- f. Improved policies for exportation of specific products such as wood, cotton, yams, etc.;
- g. Elimination of export bans for products: cotton lint, natural rubber, scrap metal and yams;
- h. Enforced compliance with BOG policy eliminating foreign exchange controls for exporters of nontraditional products.

As a result of suggestions made and questions raised after review of the Technical Proposal, Sigma One submitted a "Best and Final Offer" which added detail and explanations of the procedures described in the former. Consequently, the following additional expected results for the Improved Policy and Regulatory Reform task have been added to those listed in the Technical Proposal:

- i. Improvements in labor markets and labor productivity;
- h. Improvements in land uses through better usufruct procedures;
- j. An improved, more hassle free business climate;
- k. An enhanced trade regime; and
- l. A reduced, but more effective role for the government in the economy.

The policy reforms referred to in results a-h and additional results i-l are expected to have important impacts on the economic development of Ghana. Since several of these results are also milestones in the performance contract, the monitoring activities reported in Section III of this report will also contribute toward documentation of achievement of the results for Task One. In addition, the following indicators will be used to measure the impacts of the reforms: an increased rate of economic growth, i.e., increased rate of growth in per capita GDP, increased exports of traditional and nontraditional products, increased food production (crops and livestock), increased industrial production, increased tourism, fewer business hassles, increased labor productivity, and greater land tenure security for modern agricultural and industrial enterprises..

2. Monitoring Results for Policy and Regulatory Reform Activities

A substantial amount of data is required to adequately monitor and determine the impacts of reforms in the policies and regulatory activities of the Ghanaian public sector. For this purpose, and when available, official data published by Government of Ghana will be used. Data from the most recent years will be collected to form the baseline from which changes will be determined and to measure progress toward achieving the goals of Vision 2020. A database will be designed and the baseline as well as current data will be entered into the database to facilitate monitoring and analyses of the impacts of policy and regulatory reforms on the economy of Ghana. General indicators of the quantitative data to be collected and their sources are listed in Table 1. Baseline information for specific indicators is given in Appendix IV; agricultural data are reported in Appendix VI.

Table 1. DATA REQUIRED FOR MONITORING POLICY REFORM IN GHANA

Indicator	Source
GDP & GDP per capita	Budget Statement, MOF Research Dept.
Exports (vols. & values by commodity)	GEPC for NTE; CEPS
Imports (vols. & values by commodity)	CEPS (A2 form)
Tariff Schedule	CEPS
Agricultural Production	MOFA
Forestry, timber, reforestation etc.	TEDB, FPIB
Industrial Production	MOTI, (VRA, CGE)
Infrastructure development	Capital budget, ECG, PIP
Privatization	Divestiture Implementation Committee (DIC)
Tourism (numbers, revenue)	Ghana Tourist Board
Employment/unemployment	SSNIT (formal); GLSS, CWIQ
Wages, wage rates; fringes (formal sector)	SSNIT, PIB, GLSS, CWIQ

3. Linkages of Indicators and Expected Results

An increased rate of economic growth is an overall objective of TIRP and other USAID funded projects in Ghana. Growth in GDP and GDP per capita are basic indicators of economic growth, especially GDP

per capita since it indicates, in an overall sense, whether or not the income per person is rising. However, they are not indicators for any specific policy or program but rather indicate the net effects of many activities, policies and programs (including international, climatic and other events outside the control of policy makers); they also do not indicate that progress is being made toward a more equitable income distribution. None-the-less, GDP per capita is probably the best single indicator to measure the progress of Ghana toward its Vision 2020 goal of becoming a middle income country and is, thus, one of the more important economic measures to monitor.

Expected result “a” (a viable policy reform agenda to increase international competitiveness) for Policy and Regulatory Reforms of the Sigma One-US AID contract under the TIRP project is to increase the international competitiveness of Ghana. Thus, the monitoring of exports and imports is essential for evaluating progress toward achieving this result. Increased competitiveness should result in larger exports, especially for nontraditional products. However, it is also important to maintain and even increase traditional exports, i.e., to increase their competitiveness since they provide a large share of the country’s foreign exchange earnings. Thus, it is important to monitor both overall performance of the export sector and to track what is happening to exports of individual products or categories of products. Competitiveness is, essentially, a function of the cost and other factors, including especially economic policies, related to individual products, although exchange rates, export/import taxes, and other policies in both Ghana and its actual and potential trading partners are important in determining competitiveness. Under Milestone 2.9, a database will be developed to monitor competitiveness; that database will facilitate the monitoring which this plan encompasses.

Expected results b and c (ongoing participation of private sector in the policy dialogue and change process; increased public knowledge of policy reforms) involve enhancing the policy process by inducing greater participation of public and private sector businesses in policy dialogue and development. The result will be an improved policy making process as these activities become institutionalized; this, however, is a process that will take time. Thus, the monitoring for these two results will be through achievement of program milestones that encompass holding conferences, forums, workshops, and seminars, through the development of newsletters and other forms of disseminating information; and through monitoring of newspapers, magazines and other media to determine the effectiveness of the policy dialogue process in improving the quantity and quality of the information being distributed, as well as the sophistication of the media representations of the issues under consideration. In addition, focus groups will be utilized to help determine if greater understanding is being attained by different socioeconomic groups, people in the various regions, and by gender. These approaches also will be supplemented by rapid survey methods and informal interviews with businesses, including microenterprises, importers, exporters, manufacturers, financial firms, etc.

Expected result “d” (implementation plans for agreed upon policy reforms) is concerned with developing plans to implement the agreed upon policy and regulatory reforms. Monitoring this aspect of the program will involve documentation of the development of plans for implementing the reforms and will consist primarily of those involved achieving Milestones 1.6, 2.8, 2.11, 2.12, 2.13 and 2.20.

Expected result e (streamlined procedures for importation of agricultural and industrial inputs) will be monitored through determination of changes in the laws and regulations on imports to streamline and simplify the process. Then, to determine the effectiveness of the changes, the importation of agricultural and industrial imports will be monitored to determine increases in the quantities imported and/or decreases in the real prices of those imports. Timeliness of importations also needs to be evaluated since,

for example, agricultural inputs that arrive too late to be utilized effectively may be wasted.

Similarly for expected result f (improved policies for exportation of specific products such as wood, cotton, yams, etc.), the monitoring will be in two phases; one to determine if changes in the policies have taken place and the second to determine the impacts of the changes on the export of those products, much of which is expected to be cross border trade with neighboring countries, but which can also include exports to European, North American, Asian and other markets.

Result g (elimination of export bans for products such as cotton lint, natural rubber, scrap metal and yams) is similar to item “f” in that it should result in increased exports. These bans typically exist to assure adequate domestic supplies although they may have the opposite effect through decreased incentives. The monitoring for this result will be: 1) determining which, if any, bans are eliminated; and 2) then determining if removing the bans have impacts on production, exports, and/or prices received by producers.

Another expected result from Task One is “h” (enforced compliance with BOG policy eliminating foreign exchange controls for exporters of nontraditional products). Monitoring this will involve interviews with exporters of nontraditional products to determine if the policy is being enforced. Its impacts would be to increase exports of those products, although the level of exports involve a complex set of activities and it is difficult to determine which is more prominent in determining the levels of exports for particular products.

In addition to the results and impacts listed in this section, the contract contains some further activities that potentially will contribute to achieving the SO1 and Vision 2020 goals but that are not covered in the monitoring activities described above. These additional results are listed in i-l above. Two of these are related to factor markets: “i”, the tripartite review of labor markets (improvements in labor markets and labor productivity) and “j”, the land usufruct study (improvements in land uses through better usufruct procedures). A weakness for monitoring these results is a lack of adequate data, for both determining a good baseline and for realistic impact monitoring. There is a considerable amount of information on earnings by various occupations and other categories (including gender) from the Ghana Living Standards Survey (GLSS) of 1991-92, but that data is too dated to be of much practical value for an activity beginning in 1998. Some information on the formal sector is available from the SSNIT and there is some information on public sector labor, but neither is very satisfactory for monitoring labor market developments. The proposed population census in 2000 might provide useful information, but without recent 1995-97) baseline information it will not be possible to determine the impacts of contract activities on changes in the labor market.

Land use information, especially as it relates to tenure and use, is also deficient as well as being highly sensitive due to traditional procedures and regional variations in these procedures. Thus, the primary activity will be to study this activity and to make recommendations for procedures that would be more consistent with increased competitiveness while respecting traditional approaches to land use. The indicator to be used is the document developed to report on the land use study. Then it will be necessary to institute a policy dialogue to discuss and devise strategies for improvement in land use, land ownership and land tenure.

Item “j”.(an improved, more hassle free business climate) involves eliminating red tape, superfluous or complicated forms and licenses (or hassles, i.e., red tape, in completing the former and getting the latter).

Accomplishing this requires reducing the transactions costs of doing business. Monitoring will involve tracking changes in governmental procedures and interviewing businesses and others involved in obtaining permits, licenses, etc. to determine if the process has become more facilitative rather than consisting of roadblocks to accomplishing necessary business functions that involve public agencies—often, it seems, the government makes reforms in the procedures but the bureaucracy does not follow through by eliminating the forms or other procedural hassles that the reforms were intended to eliminate or simplify.

Additional result “k” (an enhanced trade regime) involves removing barriers, both tariff and nontariff barriers. Indicators are a lower and more uniform set of tariffs, reduced costs of exporting (including reduced taxes on exports), improved infrastructure to facilitate imports and exports, improved and more rapid inspections and customs procedures, and removal of internal barriers to trade (such as elimination or reduction in arbitrary police inspections of goods being transported within the country). Monitoring of these activities will involve tracking changes in the rules and regulations and the compliance with the reforms with interviews and focus groups used to help in this process.

The final result “l” (a reduced, but more effective role for the government in the economy) recognizes that there are legitimate functions for the public sector but also that these need to be facilitative of an improved business climate as well as carrying out legitimate control and regulatory functions that help to assure that adequate health, safety and environmental concerns are being considered and implemented. Monitoring for determining if this result is being achieved involves tracking changes in government rules and regulations as well as determining the impacts of the changes on doing business. Conferences, forums, workshops, seminars, working groups, focus groups, rapid surveys and informal interviews with those who do business in Ghana will be used in this process. An indicator of success will be a decline in the deficit and a constant or declining proportion of GDP in the public sector.

C. Monitoring Improvements in Financial Intermediation

Rapid growth in a modernizing economy depends on high rates of savings and investment, generally together with substantial levels of FDI (foreign direct investment) and, in the case of developing countries, development assistance (although care must be used to assure that development assistance does not place undue burdens on the country’s fiscal situation). Mobilization of savings and their investment depend on the effective functioning of the country’s capital markets, i.e., on efficient and secure processes of financial intermediation. Task 2 activities are to enhance these processes in Ghana.

1. Expected Results from Improvements in Financial Intermediation

The expected results from carrying out the activities in CLIN 3 (Improvements in Regulation, Management and Supervision of the Financial System) and CLIN 4 (Analysis and Development of Improved Financial Instruments) are given below.

Task 2. Financial Intermediation Improvements and Instruments: The expected results from Task 2, Improved Financial Intermediation, include the following:

- a. An expansion of viable financial instruments used in Ghana;
- b. A more aggressive and competitive financial services sector;
- c. An increase in net domestic credit provided to the private sector;

- d. A decrease in enterprises citing self-financing as a principal source of funds for expansion;
- e. Increased linkages between the Ghanaian financial system and the global financial system.

The expected impacts of improved financial intermediation include: a reduced rate of inflation, more stable and realistic exchange rates, no or slower growth in public debt (debt declines as a percent of GDP), increased loans to the private sector, increased use of private sector financial resources, and increased foreign direct investment.

2. Monitoring Improvements in Financial Intermediation

Monitoring the results for Task Two, CLIN 3 and 4 involves data on the country's budget and financial functions and institutions. Indicators that will be used to monitor the achievement of the results for Task Two and their sources are listed in Table 2; baseline data for specific indicators are reported in Appendix V. Information on the financial system in Ghana is derived primarily from the Bank of Ghana and Ministry of Finance, although some will be from other sources including the Ghana Stock Exchange and private sector banks; much of these data are published in newspapers as well as in official documents. However, the newspaper information is often available much sooner than the official documents. Templates for collection of weekly indicators for interest rates, stock market activities, and exchange rates from media sources are given in Appendix VI. These data can be obtained from daily newspapers or, preferably, from the weekly *Business & Financial Times*, which has weekly summaries for several financial measures, as well as price information. Appendix VI also contains an example template for collection of monthly data for CPI, imports, exports, etc.

Table 2. Financial Intermediation Improvements & Instruments Monitoring Indicators

Indicator	Source
CPI/Inflation rate	GSS Flyer
Exchange rates (cedis/\$, etc.)	BOG/two rates: interbank & Forex
Interest rates: BOG bills/bonds	BOG Bulletin; weekly in <i>Daily Graphic</i>
Interest Rates (private banks)	Private banks posted rates
Taxes and Expenditures	Budget (1 year lag), MOF
Public debt	domestic - BOG; foreign - MOF
Savings and Investment (private)	GSS, (NIPA), BOG monetary survey
Foreign Direct Investment (FDI)	GIPC

3. Linkages of Indicators to Expected Results and Their Impacts

The expected results from improved financial intermediation include an expansion of viable financial instruments, a more aggressive and competitive financial services sector, an increase in net domestic credit provided to the private sector, a decrease in enterprises citing self-financing as a principal source of funds for expansion, and increased linkages between the Ghanaian financial system and the global financial system. This aspect of program activities will be a major responsibility of the Senior Monetary

Economist. The impacts of these results will be reflected in the following indicators: a reduced rate of inflation, more stable and realistic exchange rates, no or slower growth in public debt (debt declines as a percent of GDP), increased loans to the private sector, increased use of private sector financial resources, and increased foreign direct investment.

The numbers and types of financial instruments used in Ghana will be determined by monitoring the financial markets to determine the types of instruments being used and by determining if the numbers have increased during the life of the program. This can be determined, in part, by monitoring reports of financial institutions as well as activities and documents of the BOG and Ministry of Finance.

The Monetary Survey of the BOG will be used to determine changes in the proportion of credit being extended to the private sector. Foreign direct investment is a primary measure of linkages with world financial markets; this information will be obtained from the Ghana Investment Promotion Center (GIPC). Formal and informal interviews with business firms that are expanding will be used to help determine if less firms cite self financing as the primary method for obtaining capital for expansion. However, increases in the amount and proportion of loans going to the private sector and increases in firms listed on the Ghana Stock Exchange (GSE) also will be used as indicators of a reduced need for self financing.

D. Frequency of Data Collection

The different types of data required for monitoring contract activities and accomplishments are generated at various frequencies. Some types of price information may be generated daily as, for example, stock prices on the GSE. Other data may be generated weekly as in the case of interest rates from weekly auctions of Government and Bank of Ghana securities. Substantial amounts of data are generated on a monthly basis including the CPI, imports, exports, etc. On the other hand, agricultural production data, the GDP and some other information are only available on an annual basis. Thus, the schedule for collecting and storing the data for monitoring and analysis must be flexible enough to incorporate these different frequencies. Proposed formats for some of the database components are given in Appendix VI.

E. Regional Development Monitoring

An issue in the economic development of Ghana is differences in the various regions of the country. This will be addressed to some extent through the formation of the focus groups discussed in Section VI-B, below and in the use of regional conferences and workshops contemplated under Milestones 1.11, 1.12, 1.13, 1.14, 1.17, 2.8, 3.11, 4.3, and 4.4. However, adequate monitoring of regional effects requires more information than is now available. To enhance this activity Sigma One will examine the feasibility of utilizing information from administration of the value added tax (VAT) to monitor economic activities by region, i.e., to determine the amount of value added by registered economic activities in each region. It is recognized that not all economic activity is covered by VAT, but utilizing the data on covered activities will give a more accurate picture of regional levels and changes than is currently available.

V. Monitoring NPA Compliance

USAID provides non-project assistance (NPA) to the Government of Ghana to assist it with the process of policy reform. This assistance has conditions which must be complied with before receiving the next *tranche* (disbursement). Sigma One Corporation will assist and support the Interministerial Committee on Competitiveness (IMCC) to prepare its annual proposals for

conditionality for submission to and agreement with USAID. Contract personnel will advise the IMCC on the suggested means for implementing and verifying the compliance with each year's conditionality prior to the release of each tranche of NPA. To assist with the process of verification, this monitoring plan includes provisions to monitor compliance with the NPA conditions. The first year's NPA conditions are:

1. The GOG will develop a plan of action to establish a national multiparty consultative process that includes broad representation from the public sector, the private sector, and civil society in general. This process will provide for open and transparent consultations on at least an annual basis, and the plan will contain the specific economic issues to be addressed by the process.
2. The GOG will implement the plan of action for the consultative process, which will result in a macro and trade policy agenda with specific recommendations, timetables, targets and expected results to help increase Ghana's international competitiveness.
3. The GOG will conduct analyses and develop an action plan eliminating exchange controls for non-traditional exporters.
4. The GOG will undertake studies on the effects of bans and controls on commodities such as rubber, yams and cotton, and develop an action plan to eliminate their negative impact on production and exports of these products.

The work plan for the first year's activities under the Sigma One-USAID contract includes activities encompassing the NPA conditionality and, thus, the monitoring for contract processes includes procedures for verifying NPA conditionality compliance. Specifically, accomplishment of Milestone 2.13 (deliver annual draft documents to assist the GOG to develop evidence of NPA conditionality) will generally serve as evidence that contract personnel are working with the GOG to assure NPA conditionality. Compliance with conditionalities 1 and 2 for the first year will be assisted through accomplishment of Milestones 1.5, 1.8, 1.9, and 1.10 (see Section III). Conditionality number 3 will be assisted through Milestone 2.12 and number 4 through Milestone 2.19. Thus, much of the dialogue process during year one of the program will contribute to processes that will help assure NPA conditionality compliance. The monitoring plan for subsequent years will be modified to take account of the new NPA conditionalities as they are developed and approved..

VI. Participation of Customers/Clients

The monitoring of policy changes and their impacts will incorporate a high degree of involvement by customers (GOG and Ghanaian Civil Society). This process will include involvement in collecting, analyzing, reviewing and evaluating performance indicators based on customers' needs. Perceptions and beliefs of public officials and employees as well as those of private sector entities, firms, customers and others will be solicited and incorporated into the monitoring and evaluation reports.

A. Public Sector

A substantial number of GOG ministries and agencies will be involved in the reforms that are to be carried out with project assistance. Individuals involved in these processes and changes will be asked for their inputs into the monitoring process and, where needed, will be assisted with program resources to improve their capabilities for analyzing and monitoring economic reforms and their impacts on the Ghanaian economy. As a start for this process, a number of officials in public sector agencies were contacted by the program monitoring and evaluation team to obtain their inputs and to discuss participation in the activities to be carried out under this contract (see Appendix VIII for a list of the persons and agencies contacted).

B. Private Sector

Since Strategic Objective One is directed at increasing the involvement of the private sector in the economic development of Ghana, its involvement in monitoring and evaluation of the process is essential. Private sector firms, trade associations, and business organizations (such as the American Chamber of Commerce) will be contacted and their inputs solicited to determine the effects of policy reforms on the business community and on the ease of doing business in Ghana, i.e., on the attainment of a more nearly hassle free situation for the business community.

However, it also is essential to see how the policy changes are affecting the general public, microenterprises, farmers and others who might not be represented by the more organized elements of the community. Therefore, to obtain inputs from these segments of Ghanaian society a series of focus groups in various areas of the country will be organized and surveyed periodically. Similarly, rapid rural survey methods may be used to help monitor the perceived results of financial reforms on farmers, rural area merchants, microenterprises, etc.

VII. Building Monitoring and Evaluation Capacity in Ghana

Contract personnel will work with GOG and private sector entities to encourage and enable them to implement their own monitoring and evaluation processes (where they do not already exist), especially as these apply to Vision 2020 objectives. This process will contribute toward creating a broad based participation in the policy dialogue process and to capacity building. One approach to this would be to hold a workshop or series of seminars on the topic. A brief outline for a potential workshop is given below:

Brief Outline for a Proposed Seminar/Workshop on Monitoring and Evaluation

- I. Introduction: General Concepts of Project Monitoring and Evaluation
- II. USAID Program of Monitoring for Results
- III. World Bank's Monitoring and Evaluation Program
- IV. Preparing Monitoring and Evaluation Reports
- V. Economic Data in Ghana

APPENDICES

Appendix I: Selected Sources for Ghanaian Economic Data

Source	Types of data
Bank of Ghana (annual & quarterly reports)	Currency, credit, liquidity, gov. revenue & expenditures, exports (cacao & gold), Annual: values, volumes & prices by major com), exchange rates, etc.
Ghana Export Bulletin (MOTI)	Quantities & values by destination
Quarterly Digest of Statistics (GSS) (not currently being published)	Economic indicators, agr. - areas, production of major crops; mining, manufacturing, fuel & power, transport & commerce, public finance, employment earnings, prices, trade, education, medical, national accounts
Ghana Living Standards Survey (1991-92)	Household Expenditures; total & by type, etc., for areas and by gender, etc. (very detailed)
Employment and Manpower Statistics, 1994 (Min of Employment and Social Welfare)	Detailed employment data
Annual Reports & Accounts (SSNIT)	Pensions, contributors, amounts (min. data)
The Annual Estimates for 1998 (other years)	Budget estimates for current & previous year
Public Expenditure Review (MOF)	Annual Summary of Expenditures by GOG
Selected Non-Government Sources	
ISSER review of rules and regulations	Annual compendium of changes
Macroeconomic Review and Outlook (CEPA)	Macroeconomic data and analysis
World Development Indicators (World Bank)	1970-95 data on numerous measures
Ghana: Country Report (EIU)	Some data, summary of situation
Agricultural Situation Report: FAS, U.S. Embassy, Ghana (& FAS website)	Summary of agricultural and general economy of Ghana, agricultural data
Country Commercial Guide, U.S. & Foreign Commercial Svc, U.S. Embassy, Ghana	Economic and business situation in Ghana: limited data on general economy
FAO website	Agricultural data, including trade data (usually delayed 2 years)

Appendix II: Suggested Template for Monthly Reports

PROGRESS REPORT Improved Policy Reform and Financial Intermediation Month:

Summary of Activities:

Progress toward achievement of milestones:

CLIN 1:

Milestones achieved during month

Milestones Initiated during month

Milestones continued during month

CLIN 2

CLIN 3

CLIN 4

Impacts of Project Activities

Activities to be carried out next month

Problems and Issues to be resolved

Appendix III: Evaluation Matrices for Monitoring Indicators

The following matrices are used to assist in the selection of the monitoring for results indicators for two aspects of the monitoring plan, results and impacts. The results portion is for monitoring the list of results for each of the tasks while the impacts are the expected impacts of successful implementation of the policy reforms and improved financial intermediation procedures. The matrices utilize the AID criteria for selection of indicators. These are that the indicators should be: 1) direct, 2) objective, 3) adequate, 4) quantitative (where appropriate), 5) disaggregated (where appropriate), 6) practical, and 7) reliable. These seven criteria are described on page 4 of the AID manual on monitoring. In the approach used for the following matrices a three point scale is used where the number three (3) means that the indicator is very good with respect to that criteria while one (1) means that it is a poor indicator. The letter N is used to signify that the particular criteria is not appropriate for the indicator being evaluated.

I. Matrix for Evaluating Results Indicators for Policy and Regulatory Reform

Task 1 Results	INDICATORS	D	O	A	Q	S	P	R
a. A viable policy reform agenda to increase international competitiveness	Approval of draft policy agenda	2	3	2	N	N	3	2
	Implementation of policy changes	3	2	3	N	N	3	2
	Exports (Traditional & NTE)	1	3	2	N	N	3	3
	Growth in per capita GDP	2	2	1	N	N	3	2
b. Ongoing participation of private sector in the policy dialogue and change process	Conferences and forums	3	3	2	N	2	3	3
	Participatory working group formed	3	3	2	N	N	3	3
	Protocol for project assistance to the private sector	3	3	2	N	N	3	3
c. Increased public knowledge of policy reforms	Town hall meetings, conferences	2	2	2	N	2	3	3
	Newsletters developed & distributed	2	2	2	1	2	3	3
	Media coverage of reforms	3	2	2	N	N	3	2
d. Implementation plans for agreed upon policy reforms	GOG compliance with NPA conditionality	3	3	3	N	N	3	3
	Protocol for TA tasks to assist GOG	2	2	2	N	N	3	3
	Tripartite review of labor markets	2	2	2	N	N	3	2
	Monitoring of policy reforms: implementation in laws & regulations	2	3	2	N	N	3	2
e. Streamlined procedures for importation of agricultural and industrial inputs	Revised procedures for imports of inputs implemented	3	3	2	N	1	2	2
	Imports of agricultural and industrial inputs	1	2	2	3	1	3	2
	Real prices for imported inputs	1	1	2	3	1	3	2
f. Improved policies for exportation of specific products such as wood, cotton, yams, etc.	Changes in laws and regulations for exports	3	3	2	N	N	3	2
	Exports of the specific and other nontraditional products	1	1	2	3	2	3	2
g. Elimination of export bans for products such as cotton lint, natural rubber, scrap metal & yams	Changes in the laws and regulations to remove the bans on exports	3	3	3	N	N	3	2
	Exports of the products for which the bans have been eliminated	2	2	2	3	1	3	3
h. Enforced compliance with BOG policy eliminating foreign exchange controls for exporters of nontraditional products	Interviews with exporters of NTEs to determine if policy is being enforced	3	2	2	N	2	3	2
	Increased exports of NTEs	1	2	1	3	2	3	3

I. Matrix for Evaluating Results Indicators for Policy and Regulatory Reform

Task 1 Results	INDICATORS	D	O	A	Q	S	P	R
Additional Expected Results Based on <i>Best and Final Offer Document</i>								
Improved business climate to make a hassle free environment	Number of Forms and Licenses	2	2	2	2	1	3	2
	Ease in processing applications	2	2	2	1	1	2	1
	Percent of GDP in formal sector	2	3	2	3	1	3	2
	Internal barriers to trade (police)	2	1	2	2	3	2	2
Enhanced trade regime to improve competitiveness of Ghana in international markets	Improved CEPS procedures	2	2	2	1	1	2	2
	Low and uniform tariffs	3	3	3	3	N	2	3
	Value of exports	1	3	2	3	N	3	3
	Value of imports	1	2	2	3	N	3	3
	Removal of internal barriers	1	2	2	1	3	2	1
	Improved infrastructure	1	2	2	2	3	2	2
	Foreign direct investment	2	3	2	3	2	2	3
Reduced role of government in the economy	Business assistance fund eliminated	2	3	2	N	1	3	3
	Subsidies to energy and utilities reduced or eliminated	3	3	2	3	1	2	2
	Government employment reduced (total or as a percentage of total employment in Ghana)	2	3	2	3	2	2	2
	Privatization of public enterprises	3	2	2	2	2	2	3
	Government deficits reduced (and eventually eliminated)	2	3	2	3	N	2	2
D=Direct, O=Objective, A=Adequate, Q=Quantitative, S=Disaggregated, P=Practical, R=Reliable; Ratings are: 3=Strong, 2=Medium, 1=Weak, N=Not Applicable								

II. Matrix for Evaluating Results Indicators for Improved Financial Intermediation

Task 2 Results	INDICATOR	D	O	A	Q	S	P	R
a. An expansion of viable financial instruments used in Ghana	Numbers and types of financial instruments	3	3	2	2	N	2	3
	Interest rates	2	2	1	3	N	3	3
	Savings and investment	2	2	1	3	1	2	2
	Inflation rate	1	2	1	3	N	3	2
b. A more aggressive and competitive financial services sector	Amounts of loans, especially to private sector	2	2	2	3	2	2	2
	Interest rates	1	2	2	3	N	3	2
	Savings & investment	1	2	2	3	2	2	2
c. An increase in net domestic credit provided to the private sector	Volume of loans to private sector	3	3	2	3	2	2	2
	Proportion of credit to the private sector	3	3	3	3	2	2	2
	Interest rates	1	1	2	3	2	3	3
	Size and length of typical private sector loan	2	2	1	1	2	2	2
d. A decrease in enterprises citing self-financing as a primary source of funds for expansion	Interviews with businesses including microbusinesses	3	3	2	N	2	3	2
	Listings on stock market	2	2	1	2	2	3	3
e. Increased linkages between Ghanaian financial system and the global financial system	Foreign direct investment	3	3	3	3	2	3	3
	Stable and realistic exchange rates	2	3	2	3	2	2	2
	Strategy for improved monetary management	1	3	2	N	N	2	2
	Rate of inflation	1	3	2	3	N	3	2
D=Direct, O=Objective, A=Adequate, Q=Quantitative, S=Disaggregated, P=Practical, R=Reliable; Ratings are: 3=Strong, 2=Medium, 1=Weak, N=Not Applicable								

III. Matrix for Evaluating Indicators of Impacts of Policy and Regulatory Reform

Task 1 Impacts	INDICATORS	D	O	A	Q	S	P	R
Increased Economic Growth	Gross Domestic Product (GDP)	2	3	3	3	N	3	2
	GDP per capita	3	3	3	3	N	3	2
	Percentage Change in GDP	3	3	3	3	N	3	2
	Employment	2	2	3	3	N	1	1
	Unemployment	2	2	3	3	N	1	1
	Exports	2	3	3	3	N	3	3
	Industrial Production	2	3	3	3	N	2	2
	Proportion of Agriculture in GDP	2	2	3	3	N	2	2
	Change in Relative Size of the Formal Sector	1	2	1	3	N	2	1
Increased Exports of Nontraditional Products	Total value of NTE exports	3	3	3	3	1	3	3
	Exports nontraditional crops	2	3	3	3	1	3	2
	Exports of specific products	3	3	3	3	2	3	3
Increased Exports of Traditional Products	Total value of traditional exports	3	3	3	3	2	3	3
	Cocoa exports	3	3	3	3	2	3	3
	Timber exports	3	3	3	3	2	3	3
	Gold exports	3	3	3	3	2	3	3
Increased Food Production	Value added in agriculture	2	2	3	3	N	2	2
	Rate of growth in agriculture	2	3	3	3	N	2	2
	Crop production	2	3	3	3	2	2	2
	Livestock production	2	2	3	3	2	2	1
	Grain production	2	3	3	3	2	2	2
	Starchy crop production	3	3	3	3	2	2	2
	Per capita food production	3	3	3	3	2	2	1
	Crop yields	2	3	2	3	2	2	2
Increased Industrial Production	Value added by industry	3	3	3	3	N	2	2
	Value of Industrial GDP	3	3	3	3	N	3	2
	Industrial Percentage Contribution to GDP	2	3	3	3	N	2	2
Increased Tourism	Number of Tourists Entering Ghana	2	3	3	3	2	3	2
	Expenditures by tourists	3	3	3	3	2	1	1
D=Direct, O=Objective, A=Adequate, Q=Quantitative, S=Disaggregated, P=Practical, R=Reliable; Ratings are: 3=Strong, 2=Medium, 1=Weak, N=Not Applicable								

IV. Matrix for Evaluating Indicators for Impacts of Improved Financial Intermediation

Task 2 Impacts	INDICATOR	D	O	A	Q	S	P	R
Reduced Rate of Inflation	More Stable Consumer Price Index (CPI)	3	3	3	3	N	3	2
	Rate of Inflation	3	3	3	3	N	3	2
	Exchange Rates	2	2	3	3	N	3	3
More Stable and Realistic Exchange Rates	Dollar exchange rate	3	3	3	3	N	3	3
	Pound exchange rate	2	3	3	3	N	3	3
	Rand exchange rate	2	3	3	3	N	3	3
	CFA Franc exchange rate	2	3	3	3	N	3	3
	Depreciation rate for cedi	3	3	3	3	N	2	3
No or Slower Growth in Public Debt	Level of Public Debt	2	3	3	3	N	3	2
	Growth in Public Debt	3	3	3	3	N	2	2
	Public Debt as Percent of GDP	3	3	3	3	N	2	2
Increased Use of Private Sector Financial Resources	Loans to private sector	2	2	3	3	2	2	2
	Proportion of credit going to the private sector	3	3	3	3	N	2	2
	Listings on the GSE	2	2	3	3	2	2	2
	GSE volume of trades	2	3	3	3	2	3	3
Increased Foreign Direct Investment	Level of FDI (accumulated)	2	3	3	3	2	2	2
	Annual new FDI	3	3	3	3	2	2	2
	Net FDI	2	3	3	3	2	3	2
D=Direct, O=Objective, A=Adequate, Q=Quantitative, S=Disaggregated, P=Practical R=Reliable; Ratings are: 3=Strong, 2=Medium, 1=Weak, N=Not Applicable								

Appendix IV. Baseline Line Data For Monitoring Policy Reforms

Indicator	Units	1995	1996	1997(e)
GDP	Million US\$		6,342	6,891
GDP per capita	US\$		356	365
GDP Growth Rate	%	4.5	5.2	5.1
Total Exports	US\$ mil.	1,431	1,571	1,481
Total Imports	US\$ mil.	1,688	1,937	1,753
Balance of Payments	US\$ mil.	-257	-366	-272
Traditional Exports (cocoa)	US\$ mil	389	509	440
Forestry (timber exports)	US\$ mil.	191	141	130
Nontraditional Exports (total)	US\$ mil	156.7	276.2	
Nontraditional Exports (crops)	US\$ mil	28	50	
Agricultural Production: Change	%	4.2	4.0	
Agricultural Proportion of GDP	%	41.5	40.6	
Agricultural Proportion of Foreign Exch.	%	442.5	46.3	
Agricultural Contribution to Tax Revenue	%	13.8	16.1	
Agricultural Share of Budget Expend.	%	1.63	1.44	
Industrial Share of GDP	%	14.5	14.2	
Industrial Growth Rate	%	3.3	4.2	
Service share of GDP	%	46.9	40.6	
Service Sector's Growth Rate	%	4.9	6.3	
Tourism				
Unemployment	%		22	20
Wages, Minimum Wage	cedis	1,200	1,700	2,000
Sources: Various, but mostly from: Agricultural Situation: Ghana (Attache Query Detail, FAS, USDA, Sept. 1997)				

Appendix V. Baseline Data for Improved Financial Intermediation Monitoring

Indicator	Units	1995	1996	1997
CPI (consumer price index)				
Inflation Rate	%	59.5	32.7	20.8
Exchange rates, average (cedis/\$)	cedit/\$	1,446*	1,637	2,050
Interest rate (bank rate)	%	41.5	45.0	
Interest Rates (private banks)	%	38.5	47.0	
Government spending as percent of GDP	%	20.2	23.2	21.9
Government Expenditures	¢ billion	1,732	2,410.5	
Government Revenue	¢ billion	1,784	2,268.5	
Surplus (Deficit)	¢ billion	52	(240.9)	
Domestic Public Debt	¢ billion		1,183.6	
Interest Payments on Domestic Debt	¢ billion		579.3	
Interest as a Percent of Recurrent Exp.	%		31	
Savings and Investment (private)				
Foreign Direct Investment (FDI)**	US\$ mil	150.3	192.8	258.4***
Money supply				
Private sector loans (credit extended to)				
Financial Intermediation (bank deposits)				
Stock market; vol., prices, listings				
* end of year for 1995; does not include petroleum or mining (60%); *** Jan-Mar for 1997 Sources: various				

Appendix VI. Templates for Monitoring Interest Rates & Stock Exchange Activities

Weekly Monitoring of Interest Rates on GOG/BOG bills, notes and bonds					
Date (week):	Volume million ¢	Weighted average APR interest equivalent			
		91 day bills	182 day bills	1 yr note/bd	2 yr nt/bond
27-31 Jul 98	102,000	36.72	35.90	33.03	32.02
July 31, 1998*	N.R.	33.63	30.44	33.03	32.02

Source: Daily Graphic; *Business & Financial Times

Weekly Monitoring of the Ghana Stock Exchange					
Date	No. Cos.	Index	Change (week)	Volume	Capitalized Value
July 17, 1998*	23	996.83	+15.74	535,300w	3,434.62 ¢ bil
July 27, 1998**	21	1,015.61	+12.97 (day)	38,000d	3,305.17 ¢ bil
July 31, 1998**	25	1,012.19	-3.9 (day)	406,330	3,194.34 ¢ bil

Source: * Business & Financial Times; **Daily Graphic

The *Business & Financial Times* is probably the preferred source since it gives more summary data; the *Daily Graphic* gives a brief daily report.

Weekly Monitoring of Exchange Rates				
Date/Currency	Inter-Bank Rate		Forex Rate	
	Buy	Sell	Buy	Sell
July 17, 1998				
Dollar	2,310.73	2,340.27	2,350.00	2,380.00
Pound	3,789.60	3,840.38	3,850.00	3,980.00
Rand	368.22	372.38	N.R.	N.R.
CFA Franc	N.R.	N.R.	3,850.00	4,000.00
July 31, 1998				
Dollar	2,310.36	2,340.36	2,320.00	2,380.00
Pound	3,782.52	3,833.36	3,820.00	3,980.00
Rand	379.24	382.90	N.R.	N.R.
CFA Franc	N.R.	N.R.	3,850.00	4,000.00

Source: Business & Financial Times; N.R. = not reported.

Monthly Monitoring of CPI, Imports, Exports, etc.				
Date	CPI	Imports	Exports	
July 1998				

Appendix VII. Agricultural Production Data

Estimates Of Area Cropped For Major Crops in Ghana by Region -1996 (Hectares)

REGION	Maize	Rice	Millet	Sorghum	Cassava	Cocoyam	Yam	Plantain
Western	50,528	11,770	-	-	58,504	29,117	9,511	38,774
Central	76,198	605	-	-	57,504	15,278	3,550	8,187
Eastern	136,500	9,000	-	-	163,200	70,000	28,000	95,000
Greater Accra	21,751	750	-	-	25,840	-	-	-
Volta	50,900	8,605	-	4,800	56,370	7,690	20,500	4,950
Ashanti	101,098	3,850	-	-	117,462	53,500	16,251	54,700
Brong-Ahafo	76,475	5,550	-	-	92,300	38,130	48,085	27,140
Northern	104,500	24,000	64,700	107,000	19,488	-	36,109	-
Upper-West	40,500	3,220	65,000	88,000	-	-	16,000	-
Upper-East	6,500	37,900	59,900	114,500	-	-	-	-
Totals	664,950	105,250	189,600	314,300	590,668	213,715	178,006	228,751

Source: PPMED (Agric. Statistics & Census Div.) Ministry of Food & Agriculture

Production Estimates for Major Crops by Region in Ghana -1996 (MetricTons)

REGION	Maize	Rice	Millet	Sorghum	Cassava	Cocoyam	Yam	Plantain
Western	69,600	14,990	-	-	540,340	170,713	59,380	279,780
Central	90,900	740	-	-	632,891	75,277	20,419	49,906
Eastern	262,000	14,400	-	-	1,958,400	476,000	520,800	855,000
Greater Accra	28,300	6,520	-	-	206,672	-	-	-
Volta	73,150	34,300	-	4,800	984,700	42,530	246,800	29,800
Ashanti	166,040	5,460	-	-	1,191,481	534,522	194,500	435,021
Brong-Ahafo	145,430	4,900	-	-	1,468,465	252,776	671,568	173,888
Northern	123,440	49,380	59,386	114,020	128,233	-	387,284	-
Upper-West	42,950	2,830	71,480	110,413	-	-	174,038	-
Upper-East	5,800	82,200	62,438	124,186	-	-	-	-
TOTAL	1,007,610	215,720	193,304	353,419	7,111,182	1,551,818	2,274,789	1,823,395

Average Yield Estimates for Major Crops by Region in Ghana -1996 (Metric Tons per Hectare)

REGION	Maize	Rice	Millet	Sorghum	Cassava	Cocoyam	Yam	Plantain
Western	1.38	1.27			9.24	5.86	6.24	7.22
Central	1.19	1.22			11.01	4.93	5.75	6.10
Eastern	1.92	1.60			12.00	6.80	18.60	9.00
Gt. Accra	1.30	8.69			8.00			
Volta	1.44	3.99		1.00	17.47	5.53	12.04	6.02
Ashanti	1.64	1.42			10.14	9.99	11.97	7.95
Brong-Ahafo	1.90	0.88			15.91	6.63	13.97	6.41
Northern	1.18	2.06	0.92	1.07	6.58		10.73	
Upper-West	1.06	0.88	1.10	1.25			10.88	
Upper-East	0.89	2.17	1.04	1.08				
Average	1.52	2.05	1.02	1.12	12.04	7.26	12.78	7.97

Grain Crop Production in Ghana (1,000 metric tons)				
Crop	1994	1995	1996	1997
Maize	940	1034	1008	700
Sorghum	324	361	353	350
Millet	168	209	193	180
Rice	162	221	216	210
Total for 4 Grains	1594	1825	1770	1440
Area Used for Grain Production (1,000 hectares)				
Maize	629	669	665	660
Sorghum	299	335	314	310
Millet	191	193	190	192
Rice	81	100	105	110
Total for 4 Grains	1200	1297	1274	1272
Yield of Grains (metric tons per hectare)				
Maize	1.49	1.55	1.52	1.06
Sorghum	1.08	1.08	1.12	1.13
Millet	0.88	1.08	1.02	0.94
Rice	2.00	2.21	2.06	1.91
Total for 4 Grains	1.33	1.41	1.39	1.13
Source: Country Commercial Guide (Ghana), based on MOFA data.				

Starchy Crops Production in Ghana (1,000 metric tons)				
Crop	1994	1995	1996	1997
Cassava	6025	6612	7111	7600
Yam	1700	2126	2275	2400
Cocoyam	1148	1408	1552	1700
Plantains	1475	1638	1823	2000
Total 4 crops	10348	11784	12761	13700
Areas Planted to Starchy Crops (1,000 hectares)				
Cassava	520	551	591	650
Yam	154	176	178	180
Cocoyam	179	205	214	225
Plantains	184	213	229	250
Total 4 crops	1037	1145	1212	1305
Yield of Starchy Crops (tons per hectare)				
Cassava	11.59	12.00	12.03	11.69
Yam	11.04	12.08	12.78	13.33
Cocoyam	6.41	6.87	7.25	7.56
Plantains	8.02	7.69	7.96	8.00
Total 4 crops	9.98	10.29	10.53	10.50
Source: Agricultural Situation, Ghana, Attache Query Detail, FAS, USDA (MOFA data)				

Production of Selected Other Crops				
Crop	1994	1995	1996	1997
Lint Cotton	4611	7197	7900	7000
Seed Cotton	11,650	17,983	19,240	17,500
Palm Oil	572,989	607,290	641,771	674,000
Cocoa		281,518	403,900	320,000
Area Used for Production (1,000 hectares)				
Cotton area	5,434	8,963	11,029	10,833
Cotton area	4,534	8,963	11,029	10,833
Palm Oil				
Cocoa				
Yield (metric tons per hectare)				
Lint Cotton	0.85	0.80	0.72	0.65
Seed cotton	2.57	2.01	1.74	1.62

Livestock and Poultry Populations (million head)				
Species	1994	1995	1996	1997
Cattle	1.22	1.12	1.17	1.22
Sheep	2.22	2.01	2.08	2.18
Goats	2.20	2.16	2.21	2.32
Pigs	0.35	0.37	0.34	0.34
Poultry	12.29	13.08	13.71	14.40

Average Wholesale Prices of Agricultural Products (¢ per kg.)					
Cereals	Maize	Local Rice	Millet	Sorghum	Cowpeas
1995	254.34	552.72	328.25	273.00	426.03
1996	328.14	802.70	427.54	437.10	898.23
1997					
Starchy Crops	Yams	Cassava	Cocoyam	Plantains	Garri
1995	822.16	104.95	293.18	260.00	334.31
1995	974.87	113.07	278.03	230.81	379.52
1997					
Vegs. & Oils	Onions	Dried Pepper	Groundnuts	Tomatoes	Palm Oil
1995	845.79	2,534.88	662.76	490.65	974.00
1996	955.03	3,766.97	n.a.	692.46	1,211.86
1997					

Source: Agricultural Situation, Ghana, Attache Query Detail, FAS, USDA					
Average Wholesale Prices of Agricultural Products (¢ per kg.)					
Cereals	Maize	Local Rice	Millet	Sorghum	Cowpeas
1995	254.34	552.72	328.25	273.00	426.03
1996	328.14	802.70	427.54	437.10	898.23
1997					
Starchy Crops	Yams	Cassava	Cocoyam	Plantains	Garri
1995	822.16	104.95	293.18	260.00	334.31
1995	974.87	113.07	278.03	230.81	379.52
1997					
Vegs. & Oils	Onions	Dried Pepper	Groundnuts	Tomatoes	Palm Oil
1995	845.79	2,534.88	662.76	490.65	974.00
1996	955.03	3,766.97	n.a.	692.46	1,211.86
1997					
Source: Agricultural Situation, Ghana, Attache Query Detail, FAS, USDA					

Fertilizer Prices in Ghana (cedis/25 kg.)						
Year	NPK Mixed	Urea	Amonium Sulphate	Muriate of Potash	Potassium Nitrate	Single Super Phosphate
1994	17,200	4,200	8,800	14,000	24,000	5,000
1995	11,250	17,500	8,000	12,500	23,000	14,500
1996						
1997						
Source: Country Commercial Guide (Ghana), based on MOFA data.						

Appendix VIII. List of Persons Contacted

USAID

Fenton Sands

Government of Ghana

Dr. Samuel K. Depaah, Chief Director, Ministry of Food and Agriculture

Mr. G. E. B. Haizel, Chief Director, Ministry of Trade and Investment

Mr. Godwin K. Amuzu, Chief Economist, Ministry of Finance

Others

Mr. Yaw Asante-Kwabiah, Foreign Agricultural Service, U.S. Embassy, Accra

Mr. Eric K. Adotey, Economic and Commercial Specialist, U.S. Embassy, Commercial Section,
Accra