

**USAID/GHANA**

**STRATEGIC OBJECTIVE NO. 4**

**ENHANCED CIVIC PARTICIPATION**

**AND**

**ACCOUNTABLE GOVERNANCE**

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**ACTION MEMORANDUM TO THE ACTING MISSION DIRECTOR**

FROM: Denise Rollins, Program Officer *D. Rollins*

DATE: September 30, 1997

SUBJECT: Approval of New Democracy and Governance Strategic Objective

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**I. Action Requested:**

Your approval is request to provide a grant of \$8,500,000 in project assistance to the Government of Ghana (GOG) from the Development Assistance Account for the "Enhancing Civic Participation and Accountable Governance" Strategic Objective, 641-0139. It is planned that a total of \$1,500,000 will be obligated in FY 97 funds into the bilateral agreement. Subsequent incremental funding from USAID will be subject to the availability of funds and the mutual agreement of the parties, at the time of each increment, to proceed.

**II. Background**

Over the past five years Ghana has experienced a spectacular political opening. In no other state in West Africa has the transition from authoritarianism to multi-party democracy been more promising. With the December 1996 elections a major threshold has been crossed in the long and delicate process of political liberalization that has been pursued in Ghana since 1992.

Ghana is going through a political healing process from which major democratic gains can be expected. This process is critical to help insulate Ghana against the instability that currently plagues much of

Africa. There are many problems, however, facing the country as it approaches the 21st Century. The economy, while witnessing growth rates of nearly 5% for more than a decade, is slowing down. Inflation, which has dropped by half since 1995, is still high at 30% and foreign domestic private investment levels are too low to sustain real economic growth rates. It is anticipated that 1997 will be a year of significant economic and fiscal challenges. Anticipated wage, electricity and petrol increases and preparation for a value-added tax will create additional pressures for Ghana's citizens.

Ghana has the basic elements of a democratic political culture, which includes respect for fundamental human rights, political space for economic groups, freedom of the press and broad comprehensive rules of political competition. The institutions required to support these elements are in place -- a constitution, a competitive and meaningful electoral process and legislative and judicial institutions. Although many positive conditions exist to support the consolidation of democracy in Ghana, underlying problems remain to be addressed.

### III. Discussion

#### A. Description of the Project

On the strength of its previous experience in Ghana USAID has developed a framework for consolidating democracy in Ghana which includes promoting greater citizen involvement in the political process and encouraging greater transparency and accountability in the governance process. Enhancing civic participation and accountable governance are central to USAID's long-term goal of promoting the emergence of a democratic environment in Ghana. Support for civil society is a separate set of activities that will help strengthen the non-governmental sector, but also helps develop important linkages between the public and private sector. The governance activities will include support for Parliament, the political process and local government.

USAID has consciously decided to limit assistance to the judicial system which is being assisted by other donors and requires significantly more resources to refurbish court houses, provide equipment and training judges and court staff throughout the system. However, some limited assistance may be provided to help strengthen

the judicial system as targeted opportunities arise. USAID's objectives will be implemented through two, mutually supportive results packages: (1) civil society; (2) governance.

- \* **Results Package 1: Civil Society.** USAID's major objective in the Civil Society results package is to strengthen the capacity of CSOs as an essential component of a democratic society. The focus of these activities will be on increasing the effectiveness of CSOs, building capacity to engage in public policy analysis and debate and establishing linkages and synergies with other elements of civil society. This will be accomplished through four integrated activities: (a) increasing the management capacity of CSOs; (b) increasing collaboration and communication with government decision-makers; (c) improving the capacity of CSOs to represent the organization's interests; and (d) improving coordination among CSOs.
  
- \* **Results Package 2: Governance.** Accountability is the cornerstone of democratic governance. Reduced to its essentials, accountable governance means that the holders of authority are held responsible for their actions, especially as they affect the use of public resources. Not only are they accountable to the public at large, they are also accountable to each other, and this at different levels of government. Members of the government are thus answerable to MPs for their decisions, in the same way that MPs are answerable to their constituents. The same holds true for elected members of District Assemblies: they are responsible to the government for the performance of specific functions (such as tax collection), as well as to the grassroots communities. The activities to be supported under this results package include: (a) increasing the effectiveness of Parliament; (b) fostering a more competitive political process; and (c) strengthening local government.

## B. Financial Summary

STRATEGIC OBJECTIVE NO. 4						
TABLE 3: ESTIMATED COSTS OF USAID INPUTS BY FISCAL YEAR						
Activity	FY 97	FY 98	FY 99	FY 00	FY 01	TOTAL
IFES Grant			800,000	900,000	700,000	2,400,000
NDI Grant	700,000	735,000	430,000	300,000	400,000	2,535,000
Mission-managed Training						
Long Term (2xLAWA)	150,000	150,000	150,000	150,000		600,000
Short Term @\$15,000-\$20,000/person	50,000	50,000	65,000	90,000	85,000	340,000
Seminars/Conference @\$10,000 person	60,000	50,000	50,000	85,000	75,000	320,000
Training/Seminars Subtotal	260,000	250,000	265,000	325,000	160,000	1,260,000
Information Technology/Internet						
Local/Regional Government	100,000					100,000
FIDA (Women lawyers)	35,000					35,000
CEDEP	100,000					100,000
Other NGOs	30,000	155,000	180,000	165,000	100,000	630,000
IT/Internet Subtotal	265,000	155,000	180,000	165,000	100,000	865,000
Project Management						
USPSC	135,000	150,000	150,000	150,000		585,000
3 - IFES/NDI Housing x\$30,000	90,000	90,000	90,000	90,000	90,000	450,000
2 - Vehicles (IFES/NDI)/\$30,000	30,000		30,000			60,000
M&E Specialist - shared costs	20,000	20,000	20,000	20,000	20,000	100,000
Studies/Evaluations/Audits		100,000	65,000	50,000	30,000	245,000
Project Management Subtotal	275,000	360,000	355,000	310,000	140,000	1,440,000
SO4 USAID TOTAL	1,500,000	1,500,000	2,000,000	2,000,000	1,500,000	8,500,000

C. Government of Ghana Concerns

The Government of Ghana, through the Ministry of Finance, has reviewed the strategic objective package. During negotiation, the Ministry of Finance raised several concerns to be addressed during project implementation. The concerns included: (1) donor coordination; (2) absorptive capacity of local institutions and capacity building; (3) the use of local consultants and institutions; (4) selection criteria for participation; (5) the judiciary system; and (6); information technology.

The MOF expressed concern that the majority of bilateral donors are involved in the democracy and governance area and are developing projects to strengthen local government and civil society. There is a very real concern that there is a danger of "overkill" and that resources may not be used effectively by beneficiaries nor sufficient monitoring and coordination by the donors to reduce overlap and redundancy. USAID's implementing organizations, IFES and NDI, by virtue of their long-term presence in Ghana are playing major roles as intermediaries and coordinators between the donors and Ghanaian beneficiaries. For example, NDI has taken the lead among all of the donors in coordinating assistance programs to Parliament. IFES is working closely with civil society organizations and donors to ensure that resources are used effectively.

Both IFES and NDI are conducting assessments in the areas in which they are involved -- civil society/local government and Parliament. The assessments will provide the framework for assistance as well as an analysis of the current capacity of these institutions to perform their functions and specific recommendations to assist in this effort. IFES and NDI are aware of the dangers and pitfalls associated with increased donor interest in this area and are taking steps to avoid duplication and redundancy. Project activities are designed to increase the management and technical capacity of institutions and will build upon other efforts to do the same.

The issue of greater use of local consultants and local training institutions has been longstanding. The MOF reiterated their position, and USAID has agreed, that, to the greatest extent possible, local consultants will be used on USAID-funded technical assistance teams to build capacity and to ensure the long-term sustainability of development

efforts. Additionally, USAID's activities will help strengthen local training institutions so that they can support capacity building activities through improved training programs.

The selection process for working with civil society organizations was not clearly described in Annex I, although it was contained in the results package. The MOF is mindful that objective, transparent criteria must be used to select participants to allay fears of favoritism and politics. The criteria has now been included in Annex I.

The rule of law is a critical element of a sustainable democratic system, and USAID's analysis of the judiciary confirms that the judicial system requires strengthening. However, as a result of other donor interest in the system and the limited resources available under USAID's program the Mission has made a decision to limit activities in this area. The MOF expressed concern for the exclusion of the judicial system from USAID's project. An agreement was reached to conduct an assessment of the Supreme Court and Appeals Court and to look for opportunities to help speed up the court docket and reduce delays.

Finally, the MOF confirmed its interest in the Leland Initiative and encouraged USAID to assist not only the Central Region in accessing Internet, but also the Greater Accra Region. Agreement was reached on, at the minimum, providing Internet connectivity to the Greater Accra Regional Minister's office.

### C. Mission Review

The Mission held the Executive Review on September 25th, 1997. Several issues were raised, primarily concerning the need to (1) focus the scope of activities involving civil society and clearly define the criteria to be used to select participating organizations; (2) integrate the civil society programs with local governance to increase synergies, collaboration and cooperation; (3) identify major anticipated issues that could arise as a result of project activities; and (4) given intensive donor interest in the sector, design mechanisms to ensure close coordination.

Concerning the focus and scope of the activities involving civil society organizations (CSOs), the Mission was concerned that given the large universe of such organizations, there needed to be more specificity in

terms of the subset of CSOs to be strengthened. The Mission agreed that focusing on advocacy and public policy CSOs, to increase their ability to influence policy formulation and dissemination, is appropriate at this time and could, potentially, have the greatest impact in the future. CSOs with a mandate to shape public policy, either through information, education and communication, research, coalition building, interaction with public sector officials, and the like are potential customers of the project. Although criteria has been established by the D/G team, further refining of the criteria is expected as the results of the civil society assessment are finalized.

A few questions arose concerning the relationship between the CSOs and the local government officials, e.g. District Assemblies. The project proposes to work closely with both and to use the training activities as a bridge to increase confidence and build understanding. The community-based training activities will include equal representation from CSOs and local government to begin establishing communication between the two and developing a collaborative relationship.

The Review Committee raised the issue of potential negative effects of the project which had not been fully discussed. These issues could include the impact of project activities on the traditional lines of authority within communities and on potential ethnic conflicts. The project is proposing to encourage a redefinition of the relationship between the community and government officials by increasing citizen participation and involvement in public decision making. This activity could also encourage a redefinition of a community's relationship to chiefs and other traditional leaders. Likewise, ethnic conflict in some areas could be exacerbated. The D/G team and project implementors were encouraged to be cautious in selecting communities and mindful of potential negative impacts. The civil society assessment will also include a discussion a potential issues and project implementors will develop mechanisms to address these issues during implementation.

With all of the donors' interest in the D/G sector, coordination is an issue, not only for USAID, but also the Government of Ghana. The Review Committee encouraged the D/G team to develop a more formal donor coordination mechanism to help avoid overlap. The team indicated that the two institutional contractors, IFES and NDI, will play the lead role

in coordinating activities between donors and Ghanaian counterparts in the sectors in which they are working.

Finally the Mission Review Committee raised the issue of the lack of baseline data. The D/G team indicated that a survey will be conducted in early 1998 to gather baseline data on project impact.

**D. Special Concerns**

The special concerns are two issues already raised by the GOG and USAID: (1) the need for donor coordination; and (2) awareness of the potential negative impact of activities on community power structures. These issues will be addressed through implementation and will be monitored during the course of the project.

**IV. USAID Legal and Policy Requirements**

**A. Waivers:** No special waivers are required for the project.

**B. Justification to Congress.** The Congressional Notification was submitted to Congress and expired without objection on March 5, 1997 (97 STATE 52202). This Strategic Objective contributes to the Agency's Democracy and Governance (D/G) interest area.

**C. Budget Allowance.** The budget allowance was provided in 97 STATE 112918. The Mission's D/G OYB for FY 97 is \$1,800,000. Of this amount \$300,000 was allocated to Project Development and Support, and the remainder of \$1,500,000 is for the bilateral agreement. Approximately \$103,000 of SO4 PD&S has been obligated into the FY 97 Limited Scope Grant Agreement.

**D. Initial Environmental Examination.** The Africa Bureau Environmental Officer approved the IEE on June 12, 1997 and the Bureau's General Counsel approved it on June 16, 1997.

**V. Authority:** USAID/Washington approved the Mission's strategic objective in April 1997 (awaiting R4 cable). The Africa Bureau

Delegation of Authority to the field, contained in ADS 103, gives you broad authority to negotiate and execute grant agreements.

VI. Recommendation: That you sign the following documents for the Enhanced Civic Participation and Accountable Governance Strategic Objective:

- (1) this memorandum, below;
- (2) the Strategic Objective Grant Agreement approving life of project funding of \$8,500,000 in project assistance, and obligating FY 1997 funding of \$1,500,000; and
- (3) the Section 611 Certification attesting that sufficient technical and financial planning has been carried out to determine a reasonably firm estimate of the cost to the United States Government of the assistance and that the Government of Ghana has the financial and human resources to effectively maintain and utilize capital assistance carried out under the project.

Thomas Hobgood  
Acting Mission Director  
USAID/Ghana

Approved: \_\_\_\_\_

*Thomas Hobgood*

Disapproved: \_\_\_\_\_

Date: \_\_\_\_\_

*Sept 30, 1997*

Clearances:

EHRD:PKresge *PK* date *9/30/97*  
TAPSO:PWeisal date *9/30/97*  
CO:REdler *Red* date *9/30/97*  
CONT:RRyley *RR* date *9/30/97*

## I. INTRODUCTION/OVERVIEW

### A. Background

Over the past five years Ghana has experienced a spectacular political opening. In no other state in West Africa has the transition from authoritarianism to multi-party democracy been more promising. With the December 1996 elections a major threshold has been crossed in the long and delicate process of political liberalization that has been pursued in Ghana since 1992.

In December 1996 Ghana held its second multiparty elections. The 1992 presidential elections gave rise to charges of fraud by opposition parties, in turn prompting them to boycott the legislative poll. This time, however, important reforms in the electoral system and a spirited campaign by an opposition coalition gave Ghanaians a meaningful choice on election day. The outgoing presidential candidate, Jerry Rawlings, was elected for the second time to the highest office, in another decisive step towards the building of sustainable political and economic institutions. The opposition won a third of the seats in Parliament, and can use this position of relative strength to build a more effective political base for subsequent elections. Most significantly, the official outcome of the elections was broadly accepted by the opposition.

Ghana is ready to begin the political healing process and consolidate democratic gains. This process is critical to help insulate Ghana against the instability that currently plagues much of Africa. There are many problems, however, facing the country as it approaches the 21st Century. The economy, while witnessing growth rates of nearly 5% for more than a decade, is slowing down. Inflation, which has dropped by half since 1995, is still high at 30% and foreign domestic private investment levels are too low to sustain real economic growth rates. It is anticipated that 1997 will be a year of significant economic and fiscal challenges. Anticipated wage, electricity and petrol increases and preparation for a value-added tax will create additional pressures for Ghana's citizens.

Unlike most of its neighbors, Ghana meets the minimal conditions that are necessary before processes of democratic consolidation can get underway: (1) there is a functioning national government; (2) the transition from authoritarianism to democracy has been sanctioned by free and fair multi-party elections; (3) elected officials are, for the most part, committed to constitutionalism: there have been no flagrant violations of human rights, no deliberate infringements of the constitution, no attempt to turn the legislature into a rubber stamp.

The foregoing are necessary but insufficient conditions, however. There can be no consolidation until democratic values become widely accepted, and institutionalized. While great progress has been made in Ghana since 1992 in paving the way for free and fair elections, less headway has been made in the area of Ghana's democratic governance. Democratic elections do not automatically translate into improved governance. Much remains to be done before this can happen. Specifically, ways must be found to establish relations of transparency and accountability between the civil society and elected officials at the central and local levels, and in so doing create appropriate conditions for coming to grips with national and local issues.

**B. Definition of the Problem**

Ghana has the basic elements of a democratic political culture, which includes respect for fundamental human rights, political space for economic groups, freedom of the press and broad comprehensive rules of political competition. The institutions required to support these elements are in place -- a constitution, a competitive and meaningful electoral process and legislative and judicial institutions.

Civil society is playing an increasingly active role in articulating and channeling social demands, and in advocating policy changes. For example, in 1995 the government submitted legislation to Parliament which would have imposed greater control over the registration and activities of non-governmental organizations (NGOs). NGOs -- including church groups, professional associations and civic organizations -- throughout the country successfully petitioned the then-Parliament against ratification of the legislation by presenting convincing arguments against greater government intrusion into and control over NGOs. This legislation was a rallying cry for NGOs and served to galvanize the organizations into an effective lobbying body over this particular issue. However, there is a need to assist these organizations become more effective in a larger number of policy areas to promote greater transparency and accountability in government.

The principal challenge facing Ghana is how best to consolidate multi-party democracy into a representative, responsive governance process that is meeting the needs of Ghanaians. Although many positive conditions exist to support the consolidation of democracy in Ghana, underlying problems remain to be addressed. According to a USAID Global Bureau report "Democracy, Governance and Economic Growth in Ghana" (November 1996),

*The primary problem for democratic governance -- and a major impediment to progress in most sectors in which USAID works in Ghana - is the centralization of power. Notwithstanding the constitutional progress since the advent of the 4th Republic and the plans for decentralization, power still remains excessively concentrated: (1) in government rather than in the private sector or civil society; (2) in central rather than in local hands; (3) in Accra and the cities rather than in rural areas; (4) in the executive rather than the other branches, (5) and in the National Democratic Congress rather than in a representative plurality of political parties.*

The report goes on to summarize the results of this centralized system -- a top-heavy, state-dominated economy and society, huge deficits, high inflation and disincentives to private sector investment. Unless government becomes more representative and responsive and power more widely dispersed, Ghana will have neither democracy nor robust economic growth.

The structure of economic opportunities in Ghana still favors low-risk investment in trade, treasury bills and property rather than more productive activities. A preference for such investments is partly a reflection of a lack of confidence in the durability of democratically-elected governments and in the commitment to non-partisan practices that encourage private sector growth. This constraint coupled with attendant retrenchment of government expenditures works to reduce funds available for adequately installing and

equipping the many new institutions of democratic governance mandated by the 1992 Constitution. This, in turn, delays the full operation and effectiveness of these institutions which are designed to serve as regulatory/watchdog agencies.

Mistrust of the government on the part of Ghanaians persists despite the government's good record on human rights in the last five years. There is residual fear of government officials having recourse once again to arbitrariness and abuse. Feeding this fear is the perception among Ghanaians that the government has not ceased to fund and fully disband the Committees for Defense of the Revolution (CDRs) and other revolutionary organs. Many of these para-military organizations have now been officially incorporated and registered as non-governmental organizations (NGOs). The CDRs were accused of participating in the violence that erupted during demonstrations against the Value Added Tax in May 1995 and against the Rawlings Government at the University of Ghana in June 1996.

The mistrust extends as well to other branches of government. While a majority of people believe in the ability of the judiciary to check the executive branch of the government, many Ghanaians still believe that the judiciary can be influenced by bribes and government fiat.

Debating government policies in public needs to be encouraged. The lack of tolerance for dissenting opinions has created a partisan polity. Whoever is not for the government is held to be against it. Likewise, the opposition is often highly critical of government policies and actions resulting in being viewed as antagonistic and subversive, rather than constructive. Compounding this situation is the media which is heavily identified with one faction or another. The quality and accuracy of the reporting in the press is frequently scandalous and thrives on muckraking. Consequently, many citizens refuse to participate in public discussions for fear of being labeled as unduly partisan.

### C. Enabling Environment

The technical analysis (contained in Annex E) for the strategic objective reemphasizes the requirements to consolidate democracy. In the July 1994 report on "The Consolidation of Democratic Governance In Ghana: How Can USAID Respond" USAID identified essentially four factors which, together, provide the enabling conditions required to consolidate democracy.

- There can be no consolidated democracy without a **free and vibrant civil society**, i.e. without civil society organizations that are sufficiently autonomous and strong to articulate citizens' demands, to advocate reforms where these are needed, and act as bulwarks of constitutional rule.
- The rights of citizens to organize and participate in public affairs must be embedded in the **rule of law**. In the broadest sense this means widespread commitment by rulers and ruled to constitutional rules which (a) guarantee human rights and an independent judiciary; (b) ensure an open and peaceful competition among political actors; and (c) set limitations on the exercise of executive power.

- Democratic consolidation requires an environment where **social and political pluralism** can flourish, as well as an appreciation for the core institutions around which political competition normally revolves, i.e. political parties, legislatures, elections, interest groups, and so forth. Competitiveness in this sense has much in common with market competition: buyers (citizens and voters) and sellers (leaders and politicians) compete among themselves to prevent market domination by a few.
- The creation of **effective local government institutions** is another component of encouraging participation and ensuring accountability. Only through a substantial devolution of authority to locally elected bodies -- district assemblies, metropolitan or district councils -- can checks be exercised on the concentration of power at the top, and institutional mechanisms developed to encourage citizens to become involved in local affairs.

### 1. *Civil Society Organizations*

One of the more notable achievements of the Fourth Republic has been to open up a "political space" in which pluralism can flourish. Ghana's associational life bears testimony to this phenomenon. **Civil society organizations** (CSOs) have grown significantly since 1992. Relatively few have roots in the rural areas; by far the most numerous and vocal are to be found in the urban sectors. A common handicap suffered by virtually all CSOs, except for those that are clearly identified with the state, is the tenuousness of their links to the political arenas at the national and district levels. The vast majority of CSOs (both for-profit and non-for-profit) are weak and fragmented. A vibrant democracy requires the growth of CSOs that are strong enough to defend constitutional rules while giving citizens significant opportunities for participation.

### 2. *Constitutional Rules and the Judiciary*

The 1992 Constitution is Ghana's fourth since independence in 1957. It provides the basic elements of constitutional rule, including extensive human rights provisions, separation of powers and a Supreme Court with powers of judicial review. Nonetheless, there are two areas where problems are likely to arise. One concerns the hybrid character of the constitution which reflects both the stamp of a presidential system as well as that of the Westminster model. The president's powers of appointment are sweeping and broad. He appoints the Speaker of the House of Parliament who is not a member of this body himself. However, the committee system -- borrowed from the British system -- is designed to keep a close check on the powers of the executive. The other problem is that the Constitution gives the legislature very little say in financial matters. It cannot increase budgetary expenditures, introduce new taxes or raise existing ones. All it can do is reduce the expenditures proposed by the government, or reallocate monies among line items under the same general rubric.

The judiciary has established the supremacy of the Constitution over all laws and has exercised its authority for judicial review. Protection of human rights is vested in the high court with the right of appeal to the Court of Appeals and the Supreme Court. But, the judicial system has severe

administrative and financial weaknesses. It lacks the institutional capacity to deliver justice speedily and inexpensively. Major roadblocks to an effective judiciary include inconsistency of laws with the constitution, insufficient and untrained court personnel such as clerks and court reporters, outdated law books and journals, and inadequate infrastructure.

### 3. *Political Pluralism*

The government-dominated Parliament of the first session of the 4th Republic struggled to assume its position as the premier law making body in the country. Most members had never served in a similar capacity, given that Parliament had not existed for 13 years. Nevertheless, Parliament was not a rubber stamp of government policies, particularly with respect to the budget. The newly-elected Parliament now has a significant opposition presence. The opposition holds 68 seats in the 200 seat parliament, giving it an effective block against government efforts to amend the Constitution. But to be effective in the exercise of its oversight responsibilities, Parliament needs to be strengthened.

The major constraints to an effective Parliament are inadequate training in parliamentary procedures and addressing policy issues, lack of independent research and analytical capacity, and a lack of a mechanism that allows for public participation in legislative debate. Parliamentarians also serve as ex-officio members of the District Assemblies (DA) in their constituencies. Enhancing their ability to work constructively with local government officials and constituents is a critical, and missing, link to strengthening democratic governance.

Political pluralism needs to be encouraged not only within the Parliament, but among political parties as well. Opposition political parties boycotted the 1992 parliamentary elections. By December 1996, eight parties participated in and were fully engaged in the electoral process and racked up an impressive number of seats. The introduction of the Intra-Party Advisory Committee (IPAC), a monthly meeting of political party representatives chaired by the Electoral Commission, was a crucial element in the success of the elections. Party representatives were active in making recommendations to the political parties and election laws. Party agents were trained for both voter registration and the election to ensure their effectiveness as poll watchers. Often tuned-up to compete in elections, political parties disintegrate during the off years when they could use this time to form coherent platforms. The institutional and organizational capacity of the parties requires strengthening.

### 4. *Transparent Government*

Government policies and regulations are often developed with little collaboration from sectors of the society that will be affected by the policies or are to implement them. New government policies and regulations are often announced in the media, but there is little discussion or transparency surrounding the formulation of these initiatives. A key issue facing Ghana at this stage is how to devolve greater authority and responsibility to the local governmental entities and to decentralize decision-making from the central to local government. Decentralization is a key ingredient for achieving more transparent, accountable and responsive

government. Deconcentration of government power will occur as more actors are allowed more meaningful roles in political and economic spheres within Ghana.

Ghanaians have endorsed the need for some measure of decentralization in their constitution. The Local Government Act of 1993 reaffirms the Government's commitment to decentralizing. However, there is some ambivalence on the part of the central ministries regarding retaining their authority against the newly developing authority of the local level which includes District Assemblies (5000 members) and, beginning at the end of 1997, Unit Committees (16,000 elected members). Finding an appropriate balance between the central government and local authorities is a major challenge facing Ghana. Especially in light of the fact that all 110 District Chief Executives and one-third of all Assemblymen are Presidential appointees.

#### **D. USAID Ghana's Development Approach**

On the strength of its previous experience in Ghana USAID has developed a framework for promoting greater citizen involvement in the political process and encouraging greater transparency and accountability. Enhancing civic participation and accountable governance are central to USAID's long-term goal of promoting the emergence of a democratic polity. Support for civil society will be a separate set of activities that help strengthen the non-governmental sector, but also helps develop important linkages between the public and private sector. The governance activities will include support for Parliament, the political process and local government. USAID has consciously decided to limit assistance to the judicial system which is being assisted by other donors and requires significantly more resources to refurbish court houses, provide equipment and training judges and court staff throughout the system. USAID's objectives will be implemented through two, mutually supportive results packages:  
(1) civil society; (2) governance.

**Civil Society:** A vibrant civil society is an essential element of a democratic society. They are the engines that can generate the public push for reform, as well as work to consolidate reform by helping to hold the state accountable for what it does. There are several hundred non-governmental organizations in Ghana. USAID's portfolio in Ghana supports the development and strengthening of civil society in each sector (economic growth, primary education, health) that USAID is involved. The assistance provided under this democracy and governance strategic objective will complement the activities in the other sectors and focus more on supporting interventions that strengthen civil society organizations attempting to foster policy change at the local and national levels. Assistance to these civil society organizations is expected to help put in place mechanisms that can prevent or mitigate against conflict and help establish an early warning system that can insulate Ghana against instability.

**Governance:** There can be no progress toward democratic consolidation unless institutional mechanisms exist through which rulers can be held accountable for their actions. Insofar as they stipulate the rules of the game and the procedures by which they are to be enforced, constitutional provisions provide the building blocks for accountable governance. In its day-to-day manifestations, however, accountability is inseparable from the functions performed by Parliament: the legislature is the only branch of government which combines legislative, representative and oversight functions. Finally,

there can be no accountability without an independent judiciary to guarantee the fundamental rights of citizens to apply the law to specific cases and exercise judicial review.

On the local level, the DAs provide linkage between the government (parliament and the executive) and the local village communities. The credibility of local officials must be improved to create an environment in which information flows up and down the governance chain and decision-making over local issues is allowed to remain at the local level.

Ghana is still completing the Constitutionally-mandated decentralization process. With presidential and parliamentary elections over, the next task is to hold elections at the end of 1997 for the Unit Committees and in mid-1998 for the District Assemblies. The Electoral Commission of Ghana is viewed as one of the most professional and competent electoral bodies in Africa. Additional assistance to the EC in election administration, particularly at the local level, and to strengthen political parties is required to consolidate the gains of the past.

#### **E. Portfolio Integration**

It is important to note that USAID's democracy and governance objectives are not relegated to one single strategic objective, but cut across other activities in the Mission's portfolio. The Mission has had the most experience in implementing democracy and governance objectives in the economic growth area. Since 1992 USAID has helped strengthen the private sector and business associations in taking more active roles in economic development and encouraging the government to view the private sector as a development partner. This approach has led to substantial gains in the non-traditional export sector which has witnessed major increases (\$68 million in 1992 to \$300 million in 1996) over the five year period. USAID will continue to foster a more collaborative partnership between the public and private sector. This process has already started.

In June 1997, USAID sponsored a major economic and trade policy conference on Ghana in North Carolina. The conference brought together 65 Ghanaian public and private sector officials with international development experts, economists, financial markets specialists and U.S. private sector members to discuss in a frank and open fashion the steps required for Ghana to reach the next stage of economic growth. The conference is the first in a series of economic forums, subsequently to be held in Ghana, to help get the economy on track. The results of the North Carolina conference and the upcoming forum in Ghana will help form the basis for USAID's policy reform agenda in the economic growth sector. This approach addresses issues related to development and implementation of public policies. In addition, USAID's extensive assistance to private sector organizations has helped increase their capacity to work more closely with the government in resolving economic issues.

Education in Ghana has experienced a significant decline over the past 15 years. USAID designed a new \$53 million primary education program in late 1996 to address major impediments to sustainable and quality education. The major thrust of the program is to target most of the interventions at the local level where substantive change can take place. Assistance is specifically focused on strengthening educational planning, implementation and financial management capabilities of the District Assemblies, improving

educational management capacity of the district education officers, and empowering school management committees comprised of parents, teachers local leaders to take more active roles in promoting quality education at the local level. These activities will complement the civil society and local governance activities of the democracy and governance strategic objective.

In the health sector, USAID works closely with not-for-profit and non-governmental organizations to promote the use of family planning methods and reduce the spread of sexually transmitted diseases. In fact, USAID's assistance to the private sector is seen as critical to the success and sustainability of Ghana's family planning program. The private sector's contribution to short term family planning methods grew from 50% in 1993 to 72% in 1995. Nearly 50 NGOs are involved in promoting family planning and AIDS/STD prevention interventions. The mission is currently developing a new child survival strategy that will focus on building local capacity to prevent and treat many childhood illnesses. Much of the assistance in child survival will be provided through the NGO sector.

USAID's portfolio is integrated and involves mutually supportive activities: economic growth, primary education, health and democracy and governance. The democracy and governance objectives -- to foster greater civic participation and accountable governance -- are cross-cutting and will jointly help lay a solid foundation for successful democratic governance in Ghana.

II. RESULTS PACKAGE 1:  
ENHANCING THE EFFECTIVENESS OF  
CIVIL SOCIETY TO INFLUENCE PUBLIC POLICY

A. Background

Improved democracy and governance practices and processes are critically important to Ghana's political and economic development. Nongovernmental organizations, district assemblies (local district governmental planning bodies), and local community groups and associations need to play ever more significant roles in the country's development. The reduced role of the national government, decreasing public sector resources and Ghana's strategy of decentralizing government authority to local institutions virtually mandate a more democratic form of governance that will incorporate the views of all citizens.

In early 1995 the Government of Ghana (GOG) submitted a Presidential Report to Parliament on a program of economic and social development policies. Called "Vision 2020," the report presents the requirements for Ghana to achieve the goal of middle-income status by the year 2020. For Ghana's Vision 2020 goal to become reality, democratic governance -- which requires an informed public that understands the changes needed to improve the quality of life -- is no longer an option, but also a requirement.

The democratic process is the foundation for democratic governance. The latter cannot exist without the former. But the former -- the now successful re-establishment of Ghana's democratic process -- will not automatically translate into improved governance under a democratic system. Democratic governance includes, but is not limited to multiparty elections. The extension of the vote on a per capita basis is only one of several conditions that need to be met before democratic governance becomes feasible. Equally important is the involvement of the civil society in participatory processes at the local and national levels.

Democratic governance requires a broader participation over a longer period of time than the electoral processes. It brings into view far more than the usual participants in the electoral race, i.e. voters and candidates, parties and pressure groups, the media and the electoral personnel. For the democratic process to succeed, citizens must be able to express their views at the ballot box. For democratic governance to succeed, there must be a mechanism for citizen concerns to be heard and addressed between elections. There can be no democracy unless citizens are free to make choices at the ballot box; there can be no democratic governance unless there are mechanisms through which citizens' concerns can be aired and addressed between elections.

Civil society is part of the non-governmental (or third) sector and is comprised of the citizens and stakeholders who have everything to lose or gain when public policies run counter to, or are supportive of, their corporate interests. But civil society carries an additional mantle that is not necessarily associated with NGOs. Civil society has as one of its primary purposes to influence public policy and seek to bring

about a democratic transformation in the basic structures of governance. As these structures are liberalized so will the incentives and opportunities grow for civil society to emerge as a vital force in the polity. Thus, civil society has an enormous potential and a lead role to play in a democracy.

A dynamic and vibrant civil society -- with its many actors including trade unions, cooperatives, the media, public interest groups, think tanks, business associations, and the like -- helps create an environment over time where trust between the public and private/non-governmental sectors can be strengthened and assisted in working together for the greater good of the society.

Clearly, civil society has a crucial role to play in the consolidation of democracy; its potential for expanding and deepening popular participation cannot be overestimated. To ensure the effective performance and participation of civil society in Ghana, however, the capacity of grassroots organizations must be increased and a greater proportion of the population will have to be integrated into the country's social and economic activities.

#### **B. Definition of the Problem**

Civil society is the mainstay of democratic governance. Ghana's civil society organizations (CSOs) are active and pervasive. There is a nucleus of organizations in Ghana beginning to represent interests other than those espoused by the government, but most of them are weak and fragmented. For the most part, public debate of government policies is absent. Many new government policies (such as the Value Added Tax in 1995 and the recent electricity bill hikes) are often announced in the media and then face considerable negative public reaction.

The VAT, for example, was withdrawn after nearly two months of demonstrations, some violent. The electricity rates, which were announced as increasing by 300% and to be applied retroactively for three months, were postponed by the President until further consideration by the Parliament and the establishment of a utilities commission. These types of unilateral actions pose serious challenges to Ghana's nascent democracy.

Ghana has been spared much of the ethnic divisiveness that has seriously impaired many of its neighbors. But there has been an upsurge in conflicts related to chieftaincy rights land disputes. Some of the disputes are manifested through ethnic strife in areas with diverse populations. In early 1995 conflict erupted in Ghana's Northern Region between ethnic groups that advocated for greater legitimacy through elevation of its chief and the vesting of land title to the community. Over 500 people died in the year-long conflict. The Government and CSOs took active roles in resolving the dispute which has officially ended, but continues to simmer. Effective conflict resolution mechanisms will need to be in place to insulate Ghana from the potential internal and external threats that simmer below the surface but can erupt at any time and set the country back in its economic and social development.

Civil society in Ghana enjoys a considerable level of freedoms of association and often practices a high degree of democracy internally; however, relations between the government and civil society are poor and remain an impediment to democratic consolidation. Many of Ghana's CSOs lack the institutional capacity and basic managerial skills needed to play their proper role effectively in the post-1996 democratic society. To be effective, these organizations require strengthening -- technically and institutionally -- to pave the way for a more constructive partnership with the public sector, and for the benefit of all Ghanaians.

CSOs are playing an increasing role in promoting greater economic and social development in Ghana. They suffer, however, from organizational, technical and financial handicaps that severely limit their ability to provide a counterweight to government power or to promote accountability and transparency in governmental operations. The leaders of CSOs need to become more familiar with the strategies that help organizations develop mechanisms to place their legitimate demands before their government. The media, which in many countries is often a watchdog for government abuses, needs to develop more professional and responsible standards that encourage credible reporting based on sound investigatory principles. Local government leaders need to establish constructive linkages with civil society and consult with members of these organizations on a regular basis. The result will be to increase civil society's effectiveness as the driving force of democratic governance.

#### **C. Proposed Approach**

USAID Ghana's democracy and governance strategic objective combines a four tiered approach to enhancing the democratization process in Ghana. Table 1 highlights the four interrelated tiers and identifies illustrative results anticipated through successful implementation of the objective. Civil Society activities will be pursued through Results Package 1. The other three tiers are focused on public sector/government areas and will be pursued through Results Package 2.

Table 1: Project Framework Enhanced Civic Participation and Accountable Governance			
Increased Effectiveness of Civil Society Organizations to Influence Public Policy	Enhanced Governance and Accountability to Respond to Needs of Citizens		
	More Effective Parliament	More Competitive Political Processes	Strengthened Local Government
<ul style="list-style-type: none"> <li>▪ Increased management capacity of CSOs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved professional skills of members and officers of Parliament</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved management and administration of electoral process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased exercise of authority at the local level</li> </ul>
<ul style="list-style-type: none"> <li>▪ Increased Collaboration/Communication with Government Decision Makers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased access to and use of information resources</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthened political parties</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased planning and management capacity of local governments</li> </ul>
<ul style="list-style-type: none"> <li>▪ Increased capacity and will of CSOs to Represent Members' interests</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved oversight capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved decentralization of the competitive political process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased capacity and will of local governments to represent constituents' interests</li> </ul>
<ul style="list-style-type: none"> <li>▪ Improved Coordination between CSOs</li> </ul>		<ul style="list-style-type: none"> <li>▪ More effective flow of information to citizens</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved coordination between national and local governments</li> </ul>

The Government of Ghana recognizes the important role to be played by non-governmental organizations (NGOs). The first phase of Ghana's development plan for the next 25 years, called Vision 2020 (The First Step: 1996-2000), which identifies the long term development goal for the country, makes specific reference to the role of (NGOs) in promoting and implementing the country's developmental goals: "The successful achievement of the medium-term aims... is dependent upon the ability of the central and local government to provide an environment that actively supports the private sector, including NGOs..." From this perspective USAID's civil society agenda is very much in harmony with the GOG's vision of the course to be charted for the next few years.

USAID's objective is to **strengthen the capacity of civil society organizations to influence public policy**. There are estimated to be some 400 registered NGOs in Ghana that are comprised primarily of two types: those based on economic interests, such as professional/unions/business associations, and those organized around civic issues. The former are gradually becoming more advocacy on behalf of their particular economic interests, usually associated with wages, government regulations and taxes. Civic organizations, on the other hand, tend to be less vocal and certainly less demanding of government.

A robust civil society is the key to enhanced civic participation. To the extent that CSOs have the capacity to articulate citizen's concerns, advocate reforms, suggest political alternatives, and monitor government policies, they can significantly raise the level of involvement of grassroots communities in matters of local and national interest. USAID will assist CSOs involved in advocacy, at the national, local and grassroots levels, to increase their effectiveness. This will occur by strengthening their management and institutional capacity, forging more productive linkages with the public sector, enhancing the CSO's ability to effectively represent their membership and improving the coordination among CSOs. Criteria for selecting CSOs will be based on their potential to advocate, educate, mobilize attention around major public issues and monitor government activities.

To begin the process of working with CSOs, USAID will fund an assessment of civil society capacity through the on-going grant to the International Foundation of Election Systems (IFES). The assessment of CSOs, to be conducted in September 1997, will form the foundation for assistance to the sector and will identify the baseline for current capacity and specific issues to be addressed by the training program. The assessment will cover all 10 regions of Ghana and include an urban/rural mix. CSOs and communities will be interviewed to determine cultural, political and social issues that impact on civil society development and to select the initial CSOs to be assisted. Illustrative criteria for selection of CSOs include the following:

- o identifiable and self-aware constituency;
- o a self-conscious mission that is both credible and compelling to membership;
- o a leadership that represents members, is supportive of learning new management strategies, such as strategic planning, action plan development, membership development, polling techniques and is willing to work with other like-minded CSO groups toward specific goals;
- o involved in advocacy, public education or public policy formulation; and
- o sufficient autonomy from the state that the organization can credibly endeavor to influence the state without being (or becoming) captive to it.

#### D. Illustrative Activities

USAID's major objective in this Results Package is strengthening the capacity of CSOs as an essential component of a democratic society. The focus of activities will be on increasing effectiveness and building linkages and synergies with other elements of society to impact on the conduct of public policy. This will be accomplished through four mutually reinforcing activities: (a) increasing the management capacity of CSOs; (b) increasing collaboration and communication with government

decision-makers; (c) improving the capacity of CSOs to represent the organization's interests; and (d) improving coordination among CSOs. USAID support for these integrated components will complement and coordinate with other activities within the Mission's portfolio.

Where possible, this strategic objective will develop synergies with the other objectives that may help build economies of scale. For example, in the Mission's primary education portfolio where a good deal of assistance will focus on communities to support schools, the democracy and governance activities could strengthen community-based groups that are not specifically school oriented but could play a role in increasing the cohesiveness of the community. Specific activities to be supported under this strategic objective include:

1. **Enhanced Civic Participation to Influence Public Policy**

(a) Increased CSO Management Capacity

Although there are significant windows of democratic opportunity in Ghana's political culture, there remains a residue of authoritarianism that needs to be addressed. Often the competency of lower level employees is ignored or untapped. Many organizations tend to have hierarchies in which decisions by a few leaders flow downward. Bringing in wider sources of information and receiving feedback will greatly enhance the development and implementation of public policies on the national and local levels. Management styles that are structured to maximize vertical integration are ill-equipped to meet changes in complex and fluid environments. The most successful organizations employ flexible, non-hierarchical management styles that emphasize collegiality and horizontal integration.

The activities to be supported under this component will focus on developing a more participatory approach to the management of CSOs. This activity will support a series of intensive workshops that will help to develop the management and institutional capacity of civil society. Workshops will be held in all 10 regional capitals and will include representatives from rural areas and women's groups. The workshops will be hands-on, rather than lectures, to create an environment that will encourage the development and retention of practical management skills. Each topic will be more fully discussed by a subsequent workshop topic that will review previous skills learned. For example, the goal of the first series of workshops will be to lessen the rigid top-down management and introduce a more participatory style in which a broader range of views is elicited and consensus is encouraged. Subsequent workshops will begin to develop more technical skills.

Workshop topics will include, but not be limited to: leadership development and participatory management, basic techniques of conflict resolution and mediation, strategic planning and management, coalition and constituency building, policy formulation, analysis and advocacy, determining public opinion on specific issues, financial management and accounting. A small group of CSOs will receive organization-specific

assistance to improve operations. This may include technical assistance to help build the effectiveness of the board of directors and the membership, establish appropriate financial management and personnel systems and other organization-building activities.

U.S.-based training will also be a component of this activity. Training programs to develop the professionalism and increase exposure of Ghanaian CSOs to organizations in the U.S. will be pursued. An example includes the participation of Ghanaian women lawyers in a 16-month program at Georgetown University in Washington. The Women's Law and Public Policy Fellowship Program, Leadership and Advocacy for Women in Africa (LAWA), offers practicing women lawyers a one year Masters of Law degree followed by six months as a staff attorney with a legal or public interest organization in Washington or New York City. Six Ghanaian women lawyers have already successfully completed the program under USAID/W auspices. The lawyers will be competitively selected and will be required to provide some pro bono services to an NGO upon their completion of the program. It is anticipated that USAID/Ghana will fund two participants per year for four years.

USAID assistance will result in (1) increased public perception of CSOs' impact on democratic governance; (2) greater private resources contributed to CSOs; and (3) the development of policy statements by CSOs.

(b) Increased CSO Collaboration and Communication with Government Decision-makers

This activity points to the need for more effective linkage structures between CSOs and stakeholders at the local, district, and national levels to increase CSOs' capacity to influence policy outputs. In the absence of institutions that link the society to the state chances are that the former will remain impotent, and the latter omnipotent.

To encourage dialogue between CSOs and local government a series of workshops will be held to develop skills in coalition building, resource mobilization and policy dialogue. These hands-on training workshops will include representation from CSOs and local government to encourage greater flow of information on technical and social aspects of local issues and understanding about relevant laws and regulations that impact on these issues. Each workshop will include a target of roughly 20 CSO leaders and 15 local government officials drawn from district offices of government agencies and District Assemblies in the same districts where the participating CSOs are active.

The workshops will foster a non-confrontational atmosphere to promote interaction, develop relationships and establish permanent channels of communication between CSOs and local government units. Emphasis will be placed on creating an understanding of and appreciation for the positive role civil society plays in public policy formulation under democratic governance.

The project will support the establishment of a regular forum in the districts receiving assistance to help resolve community issues. Through assistance to CSOs, "town meetings" will be called to encourage a participatory approach to community problems. CSOs will learn how to set agendas, conduct and facilitate meetings and foster a "win-win" approach to solving problems. There will be subsequent follow-up meetings to inculcate the concept of citizen responsibility.

To reinforce the training, a few communities may be selected on a competitive basis to receive small grants for local development projects. To be eligible, the community and local government must be willing to work collaboratively to identify common issues and problems, develop a list of priorities, and management and implementation plans to accomplish the agreed-upon objectives. Each CSO will be assisted to develop an evaluation and monitoring system that allows the tracking of processes and results to ensure that activities are accomplishing the desired impact. The grants will be managed and administered by a U.S. PVO based on agreed-upon selection criteria.

Training programs in the U.S. will be pursued to introduce representatives of selected communities to development efforts in communities across the U.S. Some of the training programs may be in collaboration with other USG organizations such as the U.S. Information Agency which sponsors group professional visits to the U.S. through the International Visitor Program. USAID will also select training programs and conferences that are appropriate.

USAID assistance will result in (1) increased advocacy by CSOs; (2) regular dialogue between CSOs and local government officials; and (3) creation of public forums to discuss community issues.

(c) Improved CSO Capacity to Represent Organizational Interests

This activity refers to the capacity of the civil society to articulate and aggregate the demands of its organization and members. The quickest way for CSOs to stimulate participation and maximize their influence in policy-making is by giving "voice" to the groups they represent. One of the key constraints for civil society organizations, as well as for local government, is often the lack of good information upon which to make decisions. This component of the project will support the development and deepening of analytical capacity of CSOs involved in public policy research and analysis.

Grants will be provided to those CSOs involved in research and public policy debate to strengthen their analytical capacity and ability to publish "user-friendly" reports that can be understood by CSOs and decision makers at all levels, including Parliament. Assistance will be provided to CSOs, through grants and technical assistance, to disseminate information in a public forum to ensure wide distribution of results and recommendations and to generate public discourse. This activity may also support the efforts of CSOs to solicit and poll their members on specific issues to ensure that the views expressed by the

board and senior members are representative of the general membership. Linkages -- both technical assistance and training -- with U.S. academic and research institutions will be encouraged to help increase the analytical base of organizations in Ghana and to provide alternative scenarios for development efforts.

A major activity of this component will be the strengthening of CSO relations with the media. The media has expanded rapidly over the past four years. Nearly 20 independent newspapers (weeklies and semi-weeklies) now operate in Ghana, although the government continues to control the two dailies. The only local television station and two radio stations are operated by the government, but five private FM radio stations offer considerable competition to the government's stations. To increase the flow of information to the public and encourage debate, the project will foster a more regular presentation of public policy issues through the print and broadcast media, including opportunities for CSOs to inform and handle the media. As a consequence journalists will develop an understanding and supportive relationship with CSOs.

USAID assistance will (1) increase the number of public debates on policy issues; and (2) increase analysis conducted by CSOs and shared with government organizations such as District Assemblies, Parliament and the executive branch.

(d) Improved Coordination among CSOs

CSOs in Ghana tend to pursue a "go it alone" approach to their activities. This approach reduces overall effectiveness of the organizations which could achieve economies of scale through networking and sharing resources. The chances of CSOs influencing public policies hinge in part on their ability to coordinate their strategies, which in turn argues for efforts at consensus building, improved communication and, where feasible, the pooling of their staff and financial resources through mergers and umbrella organizations. The need for coalition-building is important because most CSOs are very small and need to join forces in order to become effective champions of reform.

Although umbrella organizations have not been as successful in Ghana as in some other African countries, the project will build on successful efforts to increase coordination among the CSOs. The USAID project does not anticipate creating an umbrella organization necessarily, but will, instead, work with groups of CSOs to encourage coordination. This assistance will include support for development and broad dissemination of information and publications through mass media and the Internet to help foster greater sharing of information and resources. CSOs will be encouraged to facilitate information sharing and issues identification and to establish networks to expand their impact and build more effective and sustainable partnerships. The coalitions can also be important leaders in more difficult issues such as conflict mitigation and resolution.

Following the results of the CSO assessment being conducted by IFES, up to two organizations, such as the Center for the Development of People

(CEDEP), may be selected to develop an NGO research/publication center and NGO website. The NGOs will coordinate their efforts to ensure the relevance and success of the center. This activity will also support the attendance of key advocacy CSOs at U.S. or international conferences and seminars. Participants of training, conferences and seminars will be expected, upon their return, to conduct briefings and workshops to ensure that information acquired is shared with other members of their organizations and other NGOs.

USAID assistance will: (1) increase the production of information between and among CSOs such as publications and other documents; and (2) increase the number of CSO-sponsored seminars on public policy issues.

III. RESULTS PACKAGE 2:  
ENHANCING GOVERNANCE AND ACCOUNTABILITY  
TO RESPOND TO NEEDS OF CITIZENS

A. Background

Accountability is the cornerstone of democratic governance. Reduced to its essentials, accountable governance means that the holders of authority are held responsible for their actions, especially as they affect the use of public resources. Not only are they accountable to the public at large, they are also accountable to each other, and this at different levels of government. Members of the government are thus answerable to MPs for their decisions, in the same way that MPs are answerable to their constituents. The same holds true for elected members of District Assemblies: they are responsible to the government for the performance of specific functions (such as tax collection), as well as to the grassroots communities.

Giving opponents the opportunity to replace incumbents through free and fair elections is only one of the mechanisms through which public officials are held accountable to the people. Democratic governance also implies the ability of elected representatives to exercise a measure of control over public policies, the existence of local government institutions that offer meaningful scope for grassroots participation, and civil society organizations that can provide appropriate linkages between rulers and ruled.

Accountable governance depends on transparency. Transparency in election systems, deliberations, decision making, information dissemination, and policy creation is a tool by which citizens can judge the accountability of government officials. Only through participation in the affairs of national and local government can citizens ensure that those who govern are doing so in a transparent manner. Therefore there exists important linkages between accountability, transparency and participation. In order for government to be accountable, transparency must be a feature of government's *modus operandi*, but only through broad participation in the affairs of the government can transparency be fostered.

Since 1992 Ghana has embarked on a long awaited transition to multiparty democracy. The Government is substantially more accountable. Participation in the 1996 elections was a resounding 78.2%. Citizens and civic associations enjoy broad, indiscriminate freedoms. The Government has subjected itself to the rule of law. The Supreme Court has handed down several important judgments against the government, and the government has complied. The National Commission on Human Rights and Administrative Justice (CHRAJ) has taken its mandate seriously and has found against the government in several important instances. It is taking an active role against corruption and is widely viewed as an effective investigative body. The Government has taken steps to dilute the concentration of power including the establishment of 110 District Assemblies (DAs), two-thirds of whose members are elected in no-party affiliation elections; beginning in late 1997, 16,000 local Unit

Committees will be created through elections where all members will be elected by the public in the same no-party format.

Prior to 1996, Parliament has never had the opportunity to be a vital legislative body, save for a brief period during the civilian-constitutional government of Busia in the late 1960s and early 1970's. During the 1992 elections, perceived irregularities during the presidential vote led to an opposition boycott of the subsequent parliamentary elections. The ruling National Democratic Congress (NDC) thus virtually won every seat. In 1996, however, the opposition gained a substantial share of the seats in parliament (67 out of 200 with one seat still being contested). No longer can the legislature be described as a rubber stamp; increasingly the opposition is asserting itself as a watchdog of governmental policies. The 1996 elections have created a uniquely propitious set of circumstances for Ghana to move toward a progressive national development agenda that builds consensus and establishes accountability. Challenges remain which USAID is uniquely suited to accept and play a constructive role in solving.

#### **B. Definition of the Problem**

The principal challenge facing Ghana is to capitalize on recent strides towards democratic governance by increasing accountability and instilling a sense of popular ownership in politics at the local, regional and national levels.

Ghana's recently elected parliament is poised to play a significant role in the consolidation of Ghana's democracy. The viable and visible roles that legislatures play in any democracy are accentuated in a new democracy such as Ghana. As a representative body, effective legislatures provide the forum for debate on national policy issues in a setting that promotes political pluralism by encouraging the expression of different points of view. Where legislative life is visible to the public through accurate journalistic accounts in broadcast and print media, and public presence or interest in the plenary or committee sessions, the legislature serves as a vehicle for civic education about tolerance of political diversity, political participation, transparency and accountability. Also, to the extent that the legislature establishes mechanisms for effective oversight of the executive branch of government, and that members of parliament are responsive to constituents, government accountability and citizen involvement in the political process are strengthened.

Despite parliament's potentially viable role in Ghana's democracy, it remains weak for the following reasons. Many members of parliament have no previous experience in national politics and policy making. They come from diverse backgrounds and include small business owners, teachers and attorneys. Although some of the ruling party members may have served previously in government, most opposition party members have political experience only at the local level as party activists or campaigners.

Members of Parliament have little administrative support, and no personal or professional staff. Few have access to telephones, fax machines, computers or any other type of communications equipment. There is no office space at Parliament for legislators, and constituency offices are nonexistent. Parliament research facilities are inadequate and, combined with other deficiencies in facilities, parliamentarians are hampered in their ability to plan, draft, execute and debate policy and reach out to their constituencies. Additionally, parliamentarians have no operational budgets to defray their expenses when traveling to meet with constituents, or to engage in other official duties as *ex-officio* members of the District Assemblies. Parliament needs assistance to improve their access to information and research, their communications technology, and their understanding of how policy at the national level is initiated, debated and implemented. Likewise, their ability to communicate and interact with their constituencies needs to be facilitated.

Ghana has minimally met the criteria for democratic governance at the local level. Two thirds of all the district assemblymen are elected officials; in December 1997, 16,000 Unit Committee elections will take place to substantiate popular legitimacy in local politics. However it should be cautioned that voter turnout for the 1994 District Assembly elections was a paltry 29%. Enhancing participation in local elections is essential to strengthening the legitimate base of support for Unit Committees. This local legitimacy will give Unit Committees the mandate they require to govern effectively. At the national level, however, opposition political parties are characterized as being organizationally and financially weak, lacking the ability to articulate and communicate viable alternatives for Ghana's future, and unable to muster and maintain significant support between elections. Supporting the organizational capacities of all political parties in Ghana and facilitating inter-party exchanges through the Inter-Party Advisory Committee (IPAC) will enhance accountable and inclusive governance in Ghana. In addition the mass media in Ghana, while diverse and dynamic, is not entirely productive in terms of promoting a competitive political process. The state owned media clearly favors the incumbent president and his party during elections and there are concerns, despite being constitutionally mandated, that the government media does not present fair representations and give equal access to competing political parties. On the other side of the coin is the independent press. The role of an independent press in a fledgling democracy is crucial, but reporting must be fair, unbiased and objective. The independent press in Ghana is largely sensational in its political reporting and is reflective of the lack of professionalism and analytic skills of its under-trained corps.

The Electoral Commission (EC) in Ghana is among the most capable in Africa. It proved its competency in the wake of 1996's successful election which was conducted peacefully, freely and fairly. The opposition parties accepted the results and channeled their disputes through the proper legal avenues. Despite the EC's capabilities, it still has technical deficiencies that need to be addressed in order to

solidify its position as a stand alone entity not reliant on donor support. Through enhancing its technical capacities and expanding its outreach programs to sensitize the public on the virtues of pluralist politics, the EC can continue to be the vanguard electoral commission in Africa. It will also contribute greatly to participatory, accountable democratic governance in Ghana and in Africa.

Ghana's decentralized governmental structure, which has been in its current form since 1993, seeks to devolve central administrative authority to the district level. Development directives no longer technically come from Accra, but are entrusted to regional and local bodies. Each District Assembly receives a calculated share of the District Assembly Common Fund (DAFC). The DAFC comprises 5% of national revenues. This fund combined with locally generated tax revenues serves as the financial resource base for local development. But there are serious problems with the equitable distribution of this resource pool. From the Regional Coordinating Councils to the District Assemblies, the heads of decentralized departments and down to the Unit Committees, there is a need for better coordination of activities, access to more information, logical development planning and transparent financial management including the transparent tendering of contracts. The common denominator of these needs is accountability among the institutions of local and national government, and to the constituents who provide the legitimacy for democratic governance. Supporting the effective execution of local government and enhancing accountability requires identifying the key players of local government and society and fusing them into a positive and productive relationship.

### **C. Proposed Approach**

USAID's Enhanced Civic Participation and Accountable Governance Strategic Objective (SO4) combines a four tiered approach to advancing the democratization process in Ghana. Results Package 1 focuses on increasing the effectiveness of civil society organizations. Results Package 2 encompasses the remaining three tiers of SO 4 and their related illustrative results beyond civil society. These three tiers and their anticipated results are:

#### ***More Effective Parliament***

- Improved professional skills of members and officers of parliament
- Increased access to and use of information resources
- Improved oversight capacity

#### ***More Competitive Political Processes***

- Improved management and administration of electoral process
- Strengthened political parties
- Improved decentralization of the competitive political process
- More effective flow of information to citizens

***Strengthened Local Government***

- *Increased exercise of authority at the local level*
- *Increased planning and management capacity of local governments*
- *Increased capacity and will of local governments to represent constituents' interests*
- *Improved coordination between national and local governments*

The Government of the Fourth Republic of Ghana (GOG) has made a clear commitment to the establishment of a liberal democracy. The 1992 Constitution makes specific reference to each of the key sectors that USAID's Strategic Objective 4 will support. Article's 93 - 124 establish the parliament and details its roles and responsibilities. The Constitution also sets forth the procedures for presidential and parliamentary elections which have been adhered to thus far. Political parties are unambiguously guaranteed the freedoms to form and campaign. The Local Government Act # 462 of 1993 replaced the Local Government Law of 1988, commonly referred to as PNDC Law 207. This Act enshrines the current decentralized government into codified law and has as its cardinal ideal: "Decentralization is thus envisioned to transfer functions, powers, means and competence to the District Assemblies from the Central Government Ministries and Departments." Additionally it claims that "District Assemblies in effect aimed at creating a forum at the district (local) level where a team of development agents, the representatives of the people or other agencies will agree on the development problems of the district or area, their underlying causative factors and decide on combined actions necessary to deal with them." It is clear from this perspective that Results Package 2 of USAID's SO 4 is supportive of initiatives already endeavored by the GOG. Therefore it can be expected that USAID will constructively assist the GOG in the achievement of accountable democratic governance.

To begin the process of making parliament more effective, USAID will fund a baseline assessment of Parliament. This assessment will include interviews and consultations with a wide range of individuals including MPs, committee chairpersons, parliamentary staffers and the Speaker of Parliament. This assessment will also indicate the priorities of various groups within the parliament and provide a basis for later comparison and analysis. It will additionally identify major institutional and operational issues that should be addressed.

USAID will conduct a similar exercise with respect to civil society organizations and elements of local governance. This assessment, to be conducted in September 1997 through an on-going grant to IFES, will involve 10 consultants in teams of two (7 Ghanaians) researching throughout all 10 regions of Ghana (and two districts per region). It will identify the baseline for current capacity and specific issues to be addressed by the training of local civil society organizations and local governmental authorities. By engaging both leaders of civil society organizations and local government in joint training, the

results will be a better appreciation for each others roles and responsibilities; the foundation for a better working relationship to solve local problems; better representation of constituent interests; closer coordination between national, regional and local governments; and a higher degree of technical knowledge essential for strategic planning, financial management and records keeping. USAID is also currently engaged in supporting the activities of the EC as it prepares to revise the voter registry in anticipation of Unit Committee elections to take place in December 1997.

#### **D. Illustrative Activities**

In support of making governance more accountable, USAID will fund activities designed to make parliament more effective, enhance the competitiveness of the political process, and strengthen local government. The focus of activities will be centered primarily on training programs to build basic capacities essential for effective governance. Each of the three sectors have individual elements which all dovetail into increasing the prospects for accountable democratic governance at the national and local levels.

##### **1. More Effective Parliament**

Parliament will be engaged to undertake training and receive assistance under the following four rubrics (a) improved professional skills of members and officers; (b) increased access to and use of information; and (c) improved oversight capacity.

USAID is aware that there exists potential collaboration opportunities with other donors. Partnering to take advantage of synergies with other donors and NGOs will be an active part of this program.

##### **(a) Improved Professional Skills of Members and Officers**

The practice of constituent representation and democratic legislation is a professional discipline. Like any other professional discipline, job training and education are imperative to the effective execution of this discipline. Many of Ghana's parliamentarians are freshman and have no prior training in the art of representative politics. Effective parliamentarians understand and can articulate constituent concerns into policy; they understand the issues before their respective committees and the plenary; are able to strategically debate issues; and synthesize different views to reach consensus. Additionally, leadership roles in parliament require a more acute ability to negotiate and find consensus. Leaders also face the daunting tasks of setting parliamentary schedules, managing the views of a diverse set of party members, and ensuring that parliament proceeds in accordance with its legal mandate. In Ghana where a legacy of centralized decision making has dominated its post-independence political history, these skills are by no means natural in a politician.

Programs to support the improved professional skills of members and officers will be conducted by USAID. They will involve training programs designed to build the professional capacities of parliamentarians. USAID will conduct a major professional development seminar while MPs are in Accra for a parliamentary session. These seminars will address issues related to roles and responsibilities of parliamentarians. An initial focus will be on the relationship between parliament and NGOs, the work of committees, legislative and executive relations, or the work of factions (majority and minority groups) in parliament. Other seminars and workshops will focus on assisting MPs acquire skills in the area of media relations, communications and constituent relations. Particular attention will be paid to encouraging the active involvement of the 18 women MPs in parliamentary business. Women serving as elected officials in Ghana have traditionally been outnumbered and marginalized by their male counterparts, therefore some training sessions will be devoted to promoting the leadership skills of women MPs.

In order to ensure that future training of parliamentarians continues unfettered, the program will undertake efforts to identify and support an institution that will take the lead in conducting and coordinating training programs for subsequent legislatures. This will lead to a sustainable training mechanism with active Ghanaian participation.

USAID assistance will result in (1) a more professional and competent parliament; (2) a smoother functioning plenary and committee system; (3) an empowered caucus of women parliamentarians; and (4) the institutionalization of future parliament training under the auspices of a Ghanaian facility.

(b) Increased Access to and Use of Information

Another critical area that needs to be addressed is assisting Parliament's access to and use of information. Information is crucial to enabling Parliamentarians to fully understand issues, to communicate issues to colleagues and constituents, and to access alternate points of view. Without sufficient information, Parliamentarians are left without the tools to construct arguments, draft legislation based on factual data, and to check other Parliamentarians or other branches of government when they present information claimed to be factual. The importance of this result can't be overstated. The world of today lives in the age of information and technology. If Ghana's parliament is to become an effective accountable legislative institution, then it must be assisted in meeting its informational needs immediately. To achieve this result, USAID will ensure that the parliamentary leadership, members and staff of the existing library facility, in conjunction with the appropriate experts, will identify the facilities, acquisitions and training programs necessary to significantly improve Parliament's research facility.

USAID's assistance will help Parliament assess its needs and develop a framework for their staffing operations. In addition, USAID will conduct an inventory of existing resource materials to be catalogued,

including reference books, order papers, periodicals and official parliamentary records, and make recommendations on additional resource materials that could assist parliament.

Training programs will be used to familiarize Parliamentarians and staff with the new resources and how to make maximal use of the facility. USAID will coordinate communications with other institutions interested in assisting Ghana's parliament on this task to seek collaboration opportunities.

Information technology can play a key role in this result. A computerized legislative tracking system, which will create an electric record on the actions taken on each proposed piece of legislation as it moves through the legislative process, will be established. This system will not only assist parliamentarians and staff in keeping track of debates, but will also provide a resource tool for NGOs and interested citizens in monitoring the actions of Parliament or individual Parliamentarians. This contributes directly to accountability and transparency of the legislative process. Computers in the research center can be connected to the INTERNET to give parliamentarians the opportunity of seeking even more information, corresponding with colleagues internationally, or with constituents locally. USAID can coordinate these activities with that of USAID's Leland Initiative to establish parliamentary INTERNET connectivity.

One aspect of effective use of information pertains to how Parliament utilizes experts drawn from academia, the business community, civil society, and abroad. A public hearings system is one way of maximizing the available pool of experts from Ghana and abroad. Committees should be empowered to call upon experts to testify and impart their knowledge on matters of legislative issue. INTERNET connectivity can be a means of tapping the expertise of individuals or institutions not located in Ghana. While USAID is aware that there may be legal or customary barriers to enacting such a system, it is an issue that USAID will urge Parliament to consider and take the necessary steps to implement.

USAID assistance will result in (1) an organized, well-stocked and up to date parliamentary research center; (2) parliamentarians and staff trained in the use and maximization of information, and (3) introduction of information technology to facilitate communications and access to alternate data.

(c) Improved Oversight Capacity

The oversight responsibility of Parliament is one of its key functions. Ghana's parliament has thus far been incapable of performing this function effectively due to its weak committee system, lack of access to information, and unclear role identification.

The ability of Ghana's parliament to become effective at acting as a check and balance to the executive will dovetail out of the programs designed to strengthen the committee system, and those of increasing

Parliament's access to information. A stronger committee system will be able to become a mechanism of executive oversight. Technical assistance will be provided to assist the organization of public hearings, legislative analysis, legislative research and oversight of the executive branch. The program will work with members of Parliamentary committees to enhance their knowledge of specific issues that are being considered by the legislature and to increase their oversight capacities. Training of parliamentary committees -- particularly the Public Accounts and Finance Committees -- will be a significant portion of USAID's program. Both of these committees play a potentially critical role in auditing government expenditures and reviewing public policies. Additionally, support for government independent bodies such as the Accountant and Controller General, the Commission on Human Rights and Administrative Justice, and the Government of Ghana Auditing Service (GOGAS) will be provided to assist Parliament in performing its oversight responsibilities.

USAID assistance will (1) train the committee system to access public experts and invite them to public hearings; (2) use information to check data presented by the executive for comparison; and (3) create an environment of trust between the various branches of government based on professionalism and competence.

## 2. More Competitive Political Process

Supporting the contesting political office is crucial in Ghana because the orchestrating of free and fair elections is a primary condition of democracy. Ghana's 1996 Presidential and Parliamentary elections were hailed as a success. The losing parties accepted defeat and conflicts have been directed through the appropriate legal channels. Providing assistance to make sure that the electoral process maintains its status of impartiality and integrity is key for the consolidation of democracy in Ghana. Institutionalizing a competitive political process that is sustainable in Ghana will require the following activities: (a) improving management and administration of electoral process; (b) strengthening political parties; (c) improving the enabling environment for competitive process; and (d) fostering a more responsible media.

### (a) Improving the Management and Administration of the Electoral Process

USAID's support for this result will be administered through a collaborative agreement with IFES. IFES assisted the EC in the 1996 elections through the STEP program. STEP activities continue today, and more activities are planned for the future. The EC is the constitutionally mandated independent commission charged with compiling and periodically revising the voters' register; demarcating electoral boundaries; conducting and supervising elections and referenda; educating citizens on the electoral process and its purpose; and undertaking programs to expand the registry of voters.

Support to the EC consists of upgrading the computer network of the EC with new equipment and a more extensive local area network and equipment for district offices. This upgrade will facilitate the upcoming revision of the voters' registry by hastening the massive amount of data processing and printing that the revision entails. INTERNET connectivity can be a crucial element of this upgrade. District officials should be furnished with computers and INTERNET connectivity. This would greatly facilitate the registry and revision process. Voter lists could be sent to the EC's headquarters via e-mail or a data transfer rather than manually delivered, thereby reducing transaction costs of the EC. USAID can coordinate this activity with the Leland Initiative. Technical training will be joined with hardware and software upgrades. As part of its grant from USAID, IFES is also in the process of establishing a resource center at the EC headquarters. This resource center will house a library of relevant literature and journal subscriptions to enable EC staff and the general public to study political issues. Computers with access to INTERNET will also be included. One possible program would be to link Parliament's Research Center and the EC's Resource Center to a central server where each lab could access the book and periodical catalogues of the other. This information sharing will increase the resourcefulness of users and broaden their scope of accessible data. Future programs could include computerizing the University of Ghana's Balme Library catalogue collection and link it to a computer-based network of Accra resource centers.

In anticipation of the impending Unit Committee elections scheduled for December 1997, USAID support will assist the EC in the following ways. The program will assist in the printing of voters' registry forms, printing of ballots (for 16,000 Unit Committee elections throughout the country), design and printing of educational and informational posters, multi-media public service announcements and other materials designed to educate and inform voters about the elections, and logistical support.

USAID is currently assisting the EC by organizing Regional Director's conferences. These conferences are designed to inform the EC's Regional Directors about the particulars of the upcoming registry of voters revision exercise, and the unit committee elections. USAID will also be sponsoring educational exchanges for EC officials to visit other countries and share experiences on successes and failures. This program will help spread the credibility of Ghana's EC as the most competent and respected in Africa.

(b) Strengthening Political Parties

Opposition political parties are characterized as being organizationally and financially weak, lacking the ability to articulate and communicate viable alternatives for Ghana's future, and unable to muster and maintain significant support between elections. Though USAID will not provide direct financial support for political parties, it can assist the legitimacy and organizational capacities of political parties to invigorate their support base and stimulate a more competitive political process.

Supporting the Inter-Party Advisory Committee (IPAC) will be an important feature of this program. IPAC's main function is to facilitate communication and compromise among political parties on issues of common concern. These issues range from electoral concern, conflict resolution strategies, funding of parties, and roles of traditional chiefs during campaigns. IPAC played an important role in the 1996 elections and was partially responsible for the legitimacy of the elections. USAID will support IPAC's activities through financing the institutionalization of IPAC at the Regional and District levels in order to broaden the scope of its activities and give local level party offices access to this valuable forum.

(c) Improving decentralization of the Competitive Political Process

Improving the enabling environment of Ghana's competitive political process involves promoting information openness and transparency among parties regarding their financial activities; strengthening NGOs in their ability to monitor, report and disseminate information regarding Ghana's political process; and supporting the professional capacities of the mass media.

By promoting informational transparency citizens will have access to more relevant information when making critical judgements on which party or candidate to support. Decisions will be made on a more rational and judgmental decision basis rather than emotional or symbolic one. If parties know that they are required to divulge all financial information to the public, they may be more inclined to operate in a more accountable fashion. This will foster a more competitive political process.

Working through IPAC, the NCCE and the EC to promote the ideals of information transparency in the political process, USAID will be supporting regional public hearings. IFES is currently sponsoring public hearings in all 10 regions of Ghana to encourage citizen input in the development of new campaign financing laws. These hearings will occur in all ten regional capitals and will include members of the EC, political parties, parliamentarians, local political figures, interested civic organizations and the general public. The goal will be to involve citizens in consensus building concerning these issues. It is hoped that the information gathered at these hearings will be conveyed to the relevant legislators for introduction into parliament as part of the ongoing debate over campaign finance reform. This process will be tracked by IFES.

(d) More Effective Flow of Information to Citizens

Transparency and accountability of the political process requires that the citizenry is accurately informed by the media. A free and dynamic independent media is an important functional element of a democracy. Through its investigative acumen the media can uncover dishonest and unethical practices by politicians. This capacity of the media can

serve as an incentive for politicians to govern according to high ethical standards. Additionally, the media can serve as a useful communicative medium to inform the public about the events of Parliamentary and local governmental activity. Civic interest groups alike can use the media to report on their initiatives and activities that are newsworthy. Therefore there is a need to inform elected and other officials and leaders of civil society to how to relate to the media in such a way that impels the media to report to the public on events that affect their lives.

USAID will sponsor public relations training programs and workshops for Parliamentarians, local governmental officials, and civic leaders on how and when to engage the media through a variety of techniques such as press releases, press conferences, and one-on-one interviews.

The members of the media need to be instructed to understand their role as responsible accumulators and distributors of public information. Thorough research and information corroboration techniques will be important aspects of this training. Other donors, such as the Germans, are active in training journalists. USAID will focus more on public relations and the media training to complement the activities of other donors.

USAID assistance will result in (a) transparent political organization and campaigning; (b) involvement of the public and interested bodies in public debates about campaign issues; (c) a more professionalized and productive mass media.

### **3. Strengthened Local Government**

Strengthening the institutions of local government is an essential component of democratic consolidation in Ghana. By empowering local level authorities and civic groups to play a constructive role in local level development, there exists great opportunity to improve development by giving citizens a sense of ownership in their affairs. Decentralization opens the door for active state - society engagement that can break old stereotypes and fuse local interests that can foster transparent and accountable local and national governance. In order for this ideal to be achieved, better role definition, technical competencies, strategic development planning, enhanced local tax revenue generation, and involvement of civil society in decision making must be activated. USAID will implement programs to achieve the following mutually reinforcing activities: (a) increasing exercise of authority at local level; (b) increasing planning and management capacity; (c) Increasing capacity and will of local government to represent constituents' interests; and (d) improving coordination between national and local governments.

The baseline information for implementing these programs and identifying the key players who will most likely benefit from these programs will be derived from the IFES assessment discussed in the Proposed Approaches

section. Training programs in support of strengthening local government will occur over a four year period. The first group of trainees will be invited to participate in a series of seven training programs. One to be conducted per quarter throughout Ghana over a year and a half period from November 1997 until May 1999. The second group will be identified during a second assessment survey to be conducted in 1999. Subsequent training will occur in a similar fashion. To judge the effects of these training programs, USAID will conduct three (the first has been completed) national public opinion surveys over the next four year period. Since it has been revealed that so many donors are currently engaged in supporting decentralization in Ghana, it is important that SO 4 encourages cooperation with and capitalization upon other donors' projects. Reviewing their activities and training materials will be a useful exercise to ensure minimal duplication and maximization of economies of scale. This duty will fall within the Mission.

(i) Increasing Exercise of Authority at Local Level

Local governmental officials require legitimacy in order to perform their duties effectively. In a democracy legitimacy is derived from popular support for the activities of various actors and institutions. Decentralization in Ghana has diluted a significant degree of local planning and development to local level authorities. Since liberal democracy is relatively new to Ghana, local authorities are faced with limited legitimacy because a residue of authoritarian governance persists.

Efforts to increase the legitimacy of local authorities include identifying proper local authorities from various districts (identified by the IFES assessment survey). They will be included in training sessions designed to clarify roles and responsibilities of the myriad local officials and bringing their inscribed responsibilities in line with their daily realities; sensitize the public on the financial and technical constraints faced by local authorities; instill confidence in local authorities by endowing them with technical and managerial training; and enhancing innovative means of sustainable local tax generation.

(b) Increasing Planning and Management Capacity

One major barrier to the effective execution of local governance is the dearth of managerial and technical training that local officials have. Without these skills, management and strategic planning are random, and as a result, the local population loses confidence in the decentralized government. This can cause citizens to exercise their exit option by withdrawing from participation and payment of taxes. USAID assistance will engage local officials in training sessions to impart skills in financial planning and accounting; strategic development planning; monitoring the performance of contractors, strengthening their regulatory abilities to ensure environmental standards are being met; and accurate records keeping. There exists significant opportunity here for USAID's Ieland initiative to assist in linking DAs via INTERNET

connectivity. Enhancing local officials' access to communication and information will help them to network, collaborate on solution making, and keep up to date on trends in development and success stories from which to learn. In addition, better financial planning will pave the way for efficient utilization of local tax resources. If citizens begin to see results from paying their taxes, they could be inclined to pay their taxes more readily and enhance the local revenue base further.

(c) Improving Capacity and Will of Local Government to Represent Constituents' Interests

The very basis of democracy is that those who rule are given their mandate by the people to represent their interests at various state levels. In Ghana, where the state level has been brought from the remoteness of Accra to every community, this concept is new and unfamiliar. Effective linkages between communities, CSOs and DA's are needed to channel social demands upwards to decision makers. While Assemblymen may be cognizant of their role as representatives of their constituents, they do not exercise sufficient influence to represent those demands of their constituents through the appropriate channels. It is essential to ameliorate the ability of local decision-makers to solicit and promote constituent interests.

Through USAID-sponsored workshops involving the participation of local government officials and representatives of civil society, USAID will lay the foundation for an ongoing policy dialogue. It will empower economic interest groups to articulate their demands, communicate them to the appropriate officials, and contribute to activating local development mechanisms in their favor. By bringing both DAs and local CSO leaders together in joint training, an appreciation of each others constraints and deficiencies will help them to understand each other better. Relationships will be fostered that will carry over into daily local interactions and more effective channels of communication will result. This will contribute significantly to local accountability.

(d) Improved Coordination Between National and Local Governments

While decentralization in Ghana has shifted local development decisions from Accra to localities, local development still falls under national interest. Therefore, ministerial level interest in local activities is great. Improving the coordination between national and local government units involves clarifying the role of the Ministry for Local Government and Rural Development (MLGRD) in the devolution of local government resources and personnel costs, and the legal parameters within which national-local relations are defined. The roles of ministerial civil servants posted in rural districts needs to be clarified as does the role of Heads of Decentralized Departments in local affairs. Much of the work to be done here falls under the ambit of role responsibility. USAID will conduct a thorough study of the relations between local and national government and provide this information for use in training workshop planning.

USAID-funded training programs will promote a constructive exchange of views on these and issues such as relations of government units, revenue generation, the DACF distribution formula, setting and collection of taxes, fees and charges, and local access to credit. The participants of these training programs will comprise the various stakeholders in local and national government. Parliamentarians, ministerial officials, DCEs, Presiding Officers, and civic leaders will be invited to attend. A regular forum for exchanges between local and national decision makers will be established to foster accountability among these vital officials.

USAID support to strengthening local government will result in (a) more effective, responsive local government in the targeted districts; (b) a more technically competent local administration; (c) a managerially sound and fiscally responsible cadre of local officials; (d) durable communication links between communities, CSOs and local government, and between local government and national government which will build accountability at many levels.

## IV. PROGRAM MANAGEMENT

### A. Management and Implementation Plan

#### 1. Overview: Management Approach

The Strategic Objective provides assistance to Ghana to strengthen civil society, local government and parliament, as well as the electoral system which will contribute to more sustainable and accountable governance. Support for these institutions helps provide a countervailing balance to the executive branch in a form of "checks and balances" approach to governance. The management plan is designed to provide direct assistance to these institutions.

Results Package 1 focuses on strengthening the role of civil society in the democratic process. Training, technical assistance, grants, technology and other assistance will be provided to civil society organizations, based on the criteria indicated in the Results Package, to help increase their effectiveness in influencing the development of public policy, through the use of a direct USAID grant. The International Foundation for Election Systems (IFES) will implement the civil society results package.

Results Package 2 will strengthen the decentralization process by increasing the effectiveness of government institutions and processes that represent the people at the local and district levels. Training, technical assistance, grants, technology and other assistance will also be provided to these institutions to enhance their effectiveness in representing the views of constituents. Through the use of direct USAID grants, the National Democratic Institute (NDI) and IFES will implement aspects of this RP. NDI will concentrate primarily on parliamentary assistance and constituency services, while IFES will continue to assist the Electoral Commission and political parties as well as local government.

USAID Ghana will manage a limited number of training activities such as, but not limited to, the Georgetown University Legal Advocacy for Women Program and the technology activities that support the Leland Initiative.

#### 2. Role and Composition of Strategic Objective Team

USAID/Ghana and the Ministry of Finance have the major responsibility for project management and implementation. Other Government of Ghana stakeholders, such as the Ministry of Local Government and the National Development Planning Commission, may be consulted in identifying public sector organizations and personnel to participate in project activities.

The Strategic Objective Team will also include the office directors from USAID/Ghana's technical offices to foster synergy across the Mission's portfolio and build on successful efforts in other strategic objectives.

Two U.S. NGOs will implement the majority, but not all, of project activities. IFES will have primary responsibility for implementing Results Package 1 (Civil Society) and aspects of Results Package 2

(Accountable Governance). Under RP2, IFES will work closely with District Assemblies to strengthen the decentralization processes and the Electoral Commission to improve the competitive political process. RP2 activities will be closely integrated with RP1 to increase collaboration among the various participants.

IFES was awarded a grant in September 1994 under the Supporting the Electoral Process (STEP) Project to strengthen the Electoral Commission's capacity to conduct voter registration and the 1996 presidential and parliamentary elections. Since the election, STEP has been amended to allow IFES to begin implementation of activities under this strategic objective. A new follow-on grant will be awarded IFES upon the full utilization of funds under the previous grant which is expected to be by late 1998.

NDI will implement activities under RP2 designed to enhance the effectiveness of Parliament. This will include some activities involving District Assemblies and local NGOs. NDI was awarded a grant in October 1996 under STEP to monitor the presidential and parliamentary elections in December 1996 and train local nearly 5,000 local monitors. All NDI funding under the STEP project has been disbursed. NDI will be awarded a new grant under this strategic objective to work with the Parliament.

### **3. SO4 Management Team**

Day-to-day responsibility for implementation of the results packages will rest with the USAID Ghana Core Strategic Objective Management Team. The team consists of a team leader (USDH), one USPSC, one FSN project officer, chiefs of each technical office, and one FSN secretary. Additional Mission staff participating on the team include the project development officer, monitoring and evaluation specialist and controller's office. An extended SO Team will include the Ministry of Finance as well as the chiefs of party of the two implementing entities.

The Core Team is responsible for resource management, program monitoring, reporting and overall accountability for achieving results. The Team will also be responsible for evaluating grantee performance, contracts and grant management, final decisions regarding annual implementation plans, budget control, submission of required documentation and the evaluation of all SO activities. The Team will ensure that there is ongoing dialogue with the host government, non-government organizations and other development partners.

### **4. Results Package Teams**

Day-to-day responsibility for implementation of each results package will be delegated to team members. RP1 will be managed by the USDH and RP2 will be managed by the USPSC. Management of both RPs will be supported by other team members.

The SO team will coordinate with IFES and NDI's chiefs of party to ensure that activities are accomplishing objectives in a timely fashion. The team will continue to review and comment on implementation plans and

scopes of work for major studies, assessments and evaluations to be conducted through the IFES and NDI grants and will establish regular project update reviews. Grant management methodology will include quarterly progress reviews with periodic reprogramming of funds as required. An annual planning process will be utilized to help ensure coordination and cooperation among implementing organizations and the efficient provision and management of both USAID and GOG resources. Coordination will also take place between IFES and NDI, and any other grants/contractors implementing other activities under the strategic objective.

#### 5. Strategic Objective Development Partners

a. **Government of Ghana:** The Ministry of Finance will be the principle Government of Ghana representative responsible for implementing and coordinating the bilateral agreement. The RP team will work closely with the ministries and Parliament as required.

b. **Civil Society Organizations:** CSOs are the principal partners for RP1. Representatives of CSOs will serve as expanded team members and will be major beneficiaries of this RP.

c. **Parliament:** As a beneficiary under RP 2, Parliamentary members will serve as extended team members and will be consulted regularly to ensure that project activities are effective and achieving results.

d. **Local Government:** District Assemblies and Unit Committees will be assisted and consulted under RP 2 and will serve as extended team members to ensure relevancy and impact of assistance.

e. **Electoral Commission and Political Parties:** RP2 will continue assistance in the competitive political process and will seek to decentralize the electoral process to districts. As such, the EC and political parties will provide valuable input on monitoring and evaluating impact of activities.

f. **Other Donors:** The Team and grantees will work closely with other donors to ensure complementarity and eliminate the risk of duplication of efforts.

#### 6. Implementing Entities

The bulk of technical assistance, training, grants and commodities will be delivered through two grant agreements. One to IFES to implement activities as described (primarily civil society, electoral administration and local government) and the other to NDI for parliamentary assistance.

As indicated previously, as of July 31, 1997, approximately \$1.8 remained in the IFES grant funded under the STEP Project. The STEP grant has been amended to allow IFES to undertake the initial stages of activities described in this RP such as the assessment of civil society

in Ghana and workshops in the districts. IFES estimates that the remaining funds should cover project activities through the end of 1998. At that time, USAID intends to award a follow-on grant to IFES to continue project activities under this strategic objective bilateral agreement.

NDI will be awarded a follow-on grant to undertake the activities described in RP2 with the Parliament.

The Mission will manage some of the training activities directly such as the LAWA program and will solicit eligible candidates on a yearly basis through public notice. Participants will be selected through a committee comprised of USAID's project and training offices, and representatives of CSOs. USAID may also initiate other training/conference activities for funding under the bilateral agreement.

#### B. Training Plan

The strategic objective is primarily a human resource development project that is designed to increase capacity within civil society and local government entities. As such, the majority of the activities will focus on enhancing the professionalism, management capacity and public policy skills of these organizations. IFES and NDI will conduct the bulk of the training activities based on the results of assessments currently being undertaken, in consultation with the beneficiary organizations and monitored on an on-going basis to ensure that the training is relevant and effective. Training will be carried out in all 110 districts over the life of the project.

The implementing organizations are being encouraged to conduct training and workshops in a practical, hands-on approach, rather than relying on the lecture style of training. In addition, the topics of each training session will be reviewed at the beginning of subsequent training sessions to ensure that participants have absorbed the information and are able to link its relevance to other activities. This process of constant reinforcement of information and a concentration on hands-on learning is expected to increase participant understanding and practical application of information.

Both IFES and NDI training programs will strengthen human resource development institutions in Ghana. For example, IFES' training programs with civil society will also help institutionalize sustainable training programs for a select number of non-government organizations. Likewise, the NDI training programs for Parliament will also institutionalize an on-going training program for parliamentarians, staff and committee members.

USAID will manage a limited number of training activities that support the strategic objective. Most notable the Legal Advocacy for Women in Africa (LAWA) Program at Georgetown University and other types of opportunities will be explored.

#### C. Monitoring and Evaluation Plan

## 1. Overview

The SO4 Management Team will be responsible for results monitoring, evaluation and reporting. Semi-annual implementation reviews will be conducted as integral components of project monitoring. Annual results reviews will be prepared and analyzed to ensure that the project is meeting objectives. Regular informal reviews and more formal quarterly reviews will be held with implementing entities and a select group of participants to assess the impact of project assistance on achieving results.

Monitoring and evaluating democracy and governance projects are difficult given the more subjective and less scientific nature of the activities that seek to encourage greater and more responsible participation of the larger society. Much of the impact of this strategic objective will be manifested in the views and opinions Ghanaians will hold about the various branches of government and the role that civil society plays in increasing accountability.

In July, IFES, in cooperation with the Electoral Commission, completed the first national survey of Ghanaian public opinion. The survey -- used as the baseline -- measured Ghanaian attitudes about the December 1996 elections, politics and the economy. An overview of the results are appended to this section. Periodic measurements of the public's attitudes toward issues will be an integral monitoring tool used to assess public opinion not only on election day, but also between elections as well. Specifically, IFES will conduct two additional surveys, in early 1999 and late 2000 just before the next election, which will build on the results of the baseline survey. In addition both IFES and NDI will conduct regular evaluations of civil society and parliamentary training programs and the effectiveness of project interventions.

The SO4 Management Team will have primary responsibility to manage the monitoring and evaluation system for the SO. Combined with information from the two implementing entities as well as information generated by other strategic objectives, the team will be able to assess the state of democracy and governance in Ghana on a regular basis.

## 2. Strategic Objective: Expected Results and Indicators

Three proxy indicators will be used at the strategic objective level to measure project expected impact. A baseline survey will be conducted in early 1998. Strategic Objective No.4 is designed to "enhance civic participation and accountable governance."

- a. The number of parliamentary laws/policies modified by citizen participation. Currently there is little opportunity for civil society organizations to impact on public policy through a formal process. This indicator will measure the extent to which a process is established to encourage citizen participation in Parliament's deliberations.

- b. The number of local government actions influenced by civil society organizations. A formal process to encourage citizen participation at the local level needs to be established to ensure that citizens are able to influence local government decisions.
  - c. Citizen confidence in the democratic process. This indicator will be measured through the IFES surveys. The baseline survey looked at confidence in the presidency, parliament, district assembly, police force and courts. These measures will be used to assess citizen confidence in the democratization process.
3. Intermediate Results: Expected Results and Indicators

Four intermediate results support achievement of the strategic objective. Presented below are the intermediate results along with illustrative indicators:

**I.R. 4.1 Increased Effectiveness of Civil Society Organizations in Shaping Public Policy**

- Number of meetings held between CSOs and policy makers.
- Number of studies/analyses prepared and disseminated by advocacy CSOs.

**I.R. 4.2 More Effective Parliament**

- Number of public meetings held by Parliament.
- Number of legislative bills amended by opposition political parties.

**I.R. 4.3 More Competitive Political Processes**

- Percent of registered voters who vote in the District Assembly and Unit Committee elections.
- Number of political parties with issues-based platforms.
- Percent of women elected in local elections (District Assembly and Unit Committee)

**I.R. 4.4 Strengthened Local Government**

- Percent of local government budgets derived from locally generated sources.
- Percent of elected local government meetings conducted in public forum.

**D. Financial Plan**

The total cost of Strategic Objective No. 4: Enhancing Civic Participation and Accountable Governance is \$8.5 million in USAID Ghana bilateral grant assistance over five years.

**1. Planned Obligations and Expenditure Projections**

USAID will negotiate and sign a Strategic Objective Grant Agreement (SOAG) for SO 4 and obligate \$1.5 million for the new project in FY 97. Future bilateral funds for SO 4 will be obligated under the SO4 SOAG which is the funding mechanism for the SO. Subsequent USAID obligations will be provided incrementally by fiscal year as required, subject to availability of funds and mutual agreement of USAID and the GOG to proceed with the project. Sufficient funds will be obligated each year to cover anticipated expenditures.

Table 1 shows the projected expenditures and obligations by fiscal year. A follow-on grant to IFES will be awarded upon successful completion of activities and disbursement of all funds under the Supporting the Electoral System Project (STEP). NDI will be awarded a follow-on grant upon signing of the SOAG. Training activities will include a grant to Legal Advocacy for Women in Africa Program (LAWA). LAWA is sponsored by the Georgetown University Center for Women's Law and Public Policy Fellowship Program. If a somewhat stronger degree of USAID involvement becomes necessary, a cooperative agreement will be utilized. The Mission will manage several training and seminar activities as well as the information technology activities and project management.

Table 2 indicates the obligations for FY 97 and subsequent years, subject to funds availability. Table 3 presents estimated costs of USAID inputs by fiscal year.

<b>TABLE 1</b> <b>Projected Expenditures and Obligations</b> <b>FY 1997 - FY 2001</b>						
Project Activities	FY 97	FY 98	FY 99	FY 00	FY 01	TOTAL
IFES Grant			800,000.00	900,000.00	700,000.00	2,400,000.00
NDI Grant	700,000.00	735,000.00	400,000.00	300,000.00	400,000.00	2,535,000.00
Training Programs/seminars /conferences	260,000.00	250,000.00	265,000.00	325,000.00	160,000.00	1,260,000.00
Technology Enhancement	265,000.00	155,000.00	180,000.00	165,000.00	100,000.00	865,000.00
Project Management <ul style="list-style-type: none"> <li>• USFSC</li> <li>• Project Support</li> <li>• Vehicles</li> <li>• M&amp;E specialist</li> </ul>	275,000.00	360,000.00	355,000.00	310,000.00	140,000.00	1,440,000.00
Total Planned OYB Obligations	1,500,000.00	1,500,000.00	2,000,000.00	2,000,000.00	1,500,000.00	8,500,000.00

\* As at July 31, 1997 approximately \$1.8 million remained in the the IFES grant funded under the Supporting the Electoral Process (STEP - No. 641-0135) Project. Thus, IFES has begun implementing the new SO with funds from the STEP project which was amended on July 31, 1997 to incorporate SO activities. Future obligations for IFES will be based on expenditures under STEP.

**TABLE 2**  
**USAID CONTRIBUTIONS**  
**(U.S. DOLLARS)**

Category	Obligation This Period	Planned Future Obligations	Total Life of Project Funding
IFES Grant*		2,400,000	2,400,000
Training	200,000	600,000	800,000
Seminars/Conferences	60,000	385,000	460,000
Technology/Ieland Initiative	265,000	600,000	865,000
NDI Grant	700,000	1,835,000	2,535,000
Project Support Evaluation and audit.	275,000	1,165,000	1,440,000
<b>USAID Total</b>	<b>1,500,000</b>	<b>7,000,000</b>	<b>8,500,000</b>
<b>Host Country Contribution</b>	<b>500,000</b>	<b>2,333,000</b>	<b>2,833,000</b>
<b>Total Strategic Objective Funding</b>	<b>2,000,000</b>	<b>9,333,000</b>	<b>11,333,000</b>

**STRATEGIC OBJECTIVE NO. 4**  
**TABLE 3: ESTIMATED COSTS OF USAID INPUTS BY FISCAL YEAR**

Activity	FY 97	FY 98	FY 99	FY 00	FY 01	TOTAL
IFES Grant			800,000	900,000	700,000	2,400,000
NDI	700,000	735,000	400,000	300,000	400,000	2,535,000
Mission-managed Training						
Long Term (2xLAWA)	150,000	150,000	150,000	150,000		600,000
Short Term @ \$15,000-\$20,000/person	50,000	50,000	65,000	90,000	85,000	340,000
Seminars/Conference @ \$10,000 person	60,000	50,000	50,000	85,000	75,000	320,000
Training/Seminars Subtotal	260,000	250,000	265,000	325,000	160,000	1,260,000
Information Technology/ Internet						
Local/Regional Government	100,000					100,000
FIDA (Women lawyers)	20,000					20,000
CEDEP	100,000					100,000
Other NGOs	45,000	155,000	180,000	165,000	100,000	645,000
IT/Internet Subtotal	265,000	155,000	180,000	165,000	100,000	865,000
Project Management						
USPSC	135,000	150,000	150,000	150,000		585,000
3 - IFES/NDI Housing x \$35,000	90,000	90,000	90,000	90,000	90,000	450,000
2 - Vehicles (IFES/NDI) / \$30,000	30,000		30,000			60,000
M&E Specialist - shared costs	20,000	20,000	20,000	20,000	20,000	100,000
Evaluations/Audits/Studies		100,000	65,000	50,000	30,000	245,000
Project Management Subtotal	275,000	360,000	355,000	310,000	140,000	1,440,000
<b>SO4 USAID TOTAL</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>1,500,000</b>	<b>8,500,000</b>

**E.**  
**International Donors Assistance to Ghana: The Governance Dimension**

With donor contributions of approximately half a billion US dollars annually (of which the World Bank accounts for \$200 to 250 million in loans), Ghana is one of the largest recipients of international assistance in West Africa. Key contributors, other than USAID, include Denmark (Danida), Canada (CIDA), Britain (DFID) Germany (GTZ) and Friedrich Ebert Stiftung (FES), to which must be added the Bretton Woods institutions and the UN specialized agencies.

The following brief inventory of the contribution of international donors to DG activities is intended to set the broad parameters within which the mission's agenda will be implemented. Not only are there areas where donors can usefully complement each other in the performance of their respective tasks; there is every reason to believe that a closer interface and more effective communication among them would go a long way towards maximizing the influence of the donor community on decision-makers within ministries and departments.

One of the Mission's key priorities, therefore, will be to work out informal procedures for regular consultations among major donors on areas where their interests converge. Another is to identify those Regions and Districts that have been relatively neglected by donors and set regional priorities accordingly. A third is to make sure that regional priorities are consistent with the requirements of a politically balanced assistance program.

## 1.

**Decentralization**

Support to decentralization, along with assistance to Parliament, are two areas where donors' efforts overlap. As the brief description below makes clear, each type of assistance covers a broad range of programs and strategies.

**Danish International Development Agency (Danida):** Out of Denmark's total development assistance package of \$29.4 million for 1997, approximately \$2.5 million are devoted to governance and democracy: \$1 million will be spent on voter registration and elections (via the Electoral Commission), another \$1 million on human rights (CHRAJ), and half a million on decentralization initiatives.

Danida's decentralization program is directly related to the broader objective of poverty reduction, a key component of the Danish development cooperation strategy. Focused on four Districts (Lawra and Nadowli in Upper West Region, and Akatasi and Hohoe in the Volta Region), the aim of the project is to raise the living standards of District population through improved accountability, transparency and cost effectiveness of District Assemblies. In time the project will be extended to 15 Districts in both Regions.

The specific objectives of Danida's decentralization project include the following:

- \* To upgrade planning and budgeting skills of the DAs, especially as these are liable to affect the preparation of the Annual Action Plans and Budgets for 1997.
- \* To improve the financial, accounting and reporting systems of the DAs
- \* To strengthen the sub-District institutions, notably the Area Councils, and encourage broader participation, especially of women's groups.

\* To improve local revenue generation through the use of more reliable data on population and income, and incentive schemes for tax collectors at the District and sub-District levels.

\* To stimulate private sector investment in the Districts

**Canadian International Development Agency (CIDA):** CIDA's investment in community water supply programs involving decentralization strategies amounts to C\$ 45 million. These programs are being carried out in the two Upper Regions (Upper East and Upper West) and the Northern Region. The focus of decentralization is on communities with populations larger than 300, and covers all 24 districts in the three regions: 13 in the Northern Region, six in Upper East and five in Upper West.

In each district the aim is to encourage local communities to create their own water sanitation committees and water boards for purposes of operating and managing their systems. In addition, the program assists District Assemblies (DAs) in their efforts to help community organizations to plan, coordinate and manage water-related activities, using expertise available in the regions, including civil servants, NGOs and private sector organizations.

The CIDA programs operate at community, district, regional and national levels. The main partner of the Government of Ghana (GOG) in the water program is the Ghana Water and Sewerage Corporation (GWSC). GWSC's regional representatives are encouraged to coordinate and monitor activities under the program at the regional, district and sub-district levels.

In addition to the above-mentioned water program CIDA has just completed a Pilot Initiative Project (PINP) designed to provide capacity-building assistance for decentralization to six DAs in the three northern regions. PINP was undertaken as a means of assessing the machinery for decentralization and the process used to plan and deliver decentralized development activities. The C\$ 200,000 initiative has provided a useful feedback to plan further larger initiatives to support decentralization activities.

**German Cooperation Agency (GTZ):** GTZ has launched two major programs designed to strengthen the institutional capacities of District Assemblies:

(a)  
"Promotion of District Capitals I" (PRODICAP), centered on the Districts of Atebubu, Ejura-Sekyedumase, Nkoranza and Kintampo. The project is a technical/financial cooperation project, whereby KFW, the technical assistance agency of GTZ, finances improvement of urban facilities.

(b)  
"Program for Rural Action" (PRA) focuses on participatory local development. From 1988 to 1991 PRA operated as a Regional Rural Development Project in West Gonja and Nanumba Districts of the Northern Region. With the introduction of the decentralization policy, PRA's focus shifted to support local government institutions. Project Districts are West Gonja (Northern Region), Kintampo (Brong Ahafo since 1996) and Hohoe

(Volta since 1996). Nanumba District was terminated in 1994 due to ethnic unrest.

(c) A third program -- "Strengthening the self-reliance of the poor population" - is presently being assessed. The project is to complement the foregoing. It focuses on capacity-building with special emphasis on improving the economic conditions of the poor through enhanced participation and access to services.

Projects (a) and (b) are intended to improve management, planning, decision-making and implementation at the District level. Both projects target all actors involved in District development. The more ambitious of the two, the PRA project, started in 1988 and is designed to run over 14 years (until June 2002). As of 1997 DM 13.7 million has been spent on getting the project off the ground; an additional DM 8.4 million has been committed to sustain it until June 1999.

The current phase of the project (July 1995-June 1999) -- officially designated "A functional local government system is promoting the development process in the target districts" -- seeks to lay the groundwork for a village-based decentralized planning, decision-making and implementation process in which Assembly members, DA staff and sector department will play a major supportive role. Budget subsidies to the DAs have been used mainly to cofinance village infrastructures (schools, health care units, latrines). Hydraulic engineering and road construction are expected to form key components of the decentralized planning process.

The PRA project identifies the following results to be achieved by 1999:

- \* Strengthening of planning capacities at the District level
- \*Improvement of financial, managerial and organizational capacities of District institutions
- \*Improved capacities of DAs to promote self-organization and self-initiated development activities at village level
- \* Support to DAs and other relevant institutions to help them identify issues in economic development, and create a conducive environment for economic development
- \*Strengthening of capacities of Ministry of Local Government (MLG) for implementing assistance measure for decentralized development at District level.

The PRA project relies on the MLG as a program partner at the central level, and on DAs as partners at the District level. Following a cooperation agreement with the German Federal Ministry for Economic Cooperation and Development (BMZ), the MLG has agreed to extend assistance to decentralization to another two Districts in Brong Ahafo and Volta Regions.

**The European Union (EU):** The EU held a series of workshops in 1994-95 to develop a framework for implementing decentralized cooperation. The current EU project incorporates many of the proposals made during the workshops. The aim of the decentralization project is to "enhance social and socio-economic development in Ghana's 100 Districts". Among the results to be expected are enhanced capacity of DA staff and opinion leaders to carry out project planning, implementation, evaluation and promotion of community participation.

Over a 4-year period the EU will provide \$7 million (ECU 5.3 million) for formal training in planning and management skills to 1,110 District officials and 8,800 DA members in all 110 Districts; in addition a maximum of 20 persons from the key ministries, including MLG, will be trained overseas. Two training visits to other countries have been planned.

The specific activities envisaged under the project read as follows:

- ◆ 36 courses of four weeks on community development project planning, implementation and evaluation for a total of 800 District Chief Executives, District Coordinating Directors and Decentralized Departments.
- ◆ Five courses for six weeks on integrated District planning, project planning, implementation and evaluation for 110 District Planning Officers
- ◆ Five courses of six weeks in financial planning and management for 110 District Finance and Budget Officers.
- ◆ 110 one-week courses in project management and participatory approach for assemblymen and opinion leaders (number of participants: 80 per districts, or 8,800 in total).
- ◆ A maximum of 20 overseas scholarships (short/medium term) for senior staff in the training institutions and in key participating ministries (MLG and Ministry of Finance) and the National Development Planning Commission in selected topics related to local government.
- ◆ Study tours to other countries for 20 senior officials of key ministries and training institutions.

For coordinating and implementing the program the EU will rely primarily on the MLG; training courses will be handled in part by the Management Development and Productivity Institute (MDPI) and the Ghana Institute of Management and Administration (GIMA).

**The Netherlands Development Organisation (SNV)** is engaged in a rural integration program in the Mphor Wassa East District of the Western Region, Sekondi-Takoradi, and Kadjebi District in the Volta Region. Its aim is to create sustainable, mutually supportive linkages between grassroots organizations, DAs and Agricultural Extension Services. The long-term objective of the program is to improve the living conditions of the urban and rural poor, in particular women, unemployed youth and street children. Income generation is being assisted through village banks and help in the

marketing of food crops. In collaboration with the Integrated Social Development Center (ISODEC) SNV is also involved in a participatory project aimed at improving the capacity of local civil society organizations to implement community programs.

**Britain's Department For International Development (DFID)**, formerly known as ODA, has provided assistance to sub-District institutions in 1993-96, especially in the area health and population; currently DFID's decentralization initiatives are incorporated into a variety of small-scale sector projects, ranging from farmer system training and forestry, to literacy and functional skills projects. A major decentralization initiative has accompanied the Health Sector Assistance project, designed to improve provision of medical equipment at health centers and district hospitals. Currently, much of DFID's decentralization efforts are focused on a renewable natural resources (RNR) project designed to improve service delivery for farmers; specifically, the aim is to support District-level pilot activities in three Districts in each of the two regions (Upper East and Brong Ahafo) where such activities are being planned. In implementing the project DFID intends to work closely with the MLG and the Ministry of Food and Agriculture, and to liaise with the World Bank, GTZ, EU and CIDA.

**The World Bank (WB)** is currently involved in three major capacity-building initiatives in the urban sectors, and two transport and rehabilitation projects in the rural sectors. The former are known as (a) Urban Two (\$3 to 4 million over the next five years); (b) Local Government Development Project (LGDP) (\$2 to 3 million); and (c) the Urban Environment Sanitation Project (UESP) (\$ 2 to 3 million).

Urban Two provides assistance to municipal assemblies in five major cities (Accra, Tamale, Sekondi-Takoradi, Kumasi and Tema), as well as to the relevant central government agencies (Survey Department, Housing, Environmental Protection Agency, Lands and Forestry, MLG). LGDP focuses on regional and district capitals, providing capacity-building assistance to eleven towns. UESP provides assistance to five major urban centers (Accra, Tamale, Kumasi, Sekondi-Takoradi and Tema). In all three projects support for decentralization involves a substantial effort to strengthen the institutional capacities of local institutions of government via the Civil Service Performance Improvement Program (CSPIP), a component of the National Institutional Renewal Program.

In addition the WB's Transport and Rehabilitation Project I and II provides assistance to build rural and semi-rural roads, while the Urban Transport Project and the Highway Sector Investment Project provides assistance for urban roads.

In both the rural and urban components of its assistance program the WB focuses its efforts on strengthening the institutional capabilities of the District or Municipal/Metropolitan assemblies both directly and indirectly, i.e. by giving institutional support to central government ministries and agencies.

#### ▯ **Constraints on Decentralization**

Although their approaches and strategies differ, most donors agree on the following impediments to an effective decentralization assistance program:

- ◆ Lack of programmatic and operational support from the Ministry of Local Government (MLG), in turn reflecting a low political commitment of the MLG to the implementation of decentralization programs
- ◆ Dominant role exercised by the central government via the appointed District Chief Executive (DCE) and appointed DA members
- ◆ Lack of consensus of the role of the Regional Coordinating Councils (RCC)
- ◆ Double allegiance of decentralized departments, as staff will continue to be recruited and paid by the central government but will operate under the supervision of the DAs.
- ◆ The uniformly low institutional capabilities of the DAs

## 2. Parliamentary Assistance

**Danida** will invest \$900,000 in parliamentary assistance over the next year and a half, much of it to be spent on training workshops for committee members; the bulk of Danida's assistance will be handled via the Institute of Economic Affairs (IEA).

**CIDA** is planning to invest some \$200,000 in training seminars for parliamentary committees. As part of its Public Sector Training Fund Initiative, CIDA supported training programs in 1994 for the Finance and Public Accounts Committees. More recently, in March 1997, CIDA co-financed with the Economic Development Institute (EDI) of the World Bank training programs for the same two committees, with CIDA's contribution amounting to C\$ 50,000.

**DFID/ODA's** assistance to parliament is modest, involving approximately £100,000 over the next two years. Its most salient contribution at that level has been the ODA's Women's Participation in Public Life project, aimed at providing skills training for prospective and incumbent women parliamentarians. Through a series of workshops held in 1996 and 1997 ODA has offered training in advocacy, lobbying skills, influencing the legislative process, and "how to work in a male dominated environment".

The British Council has been entrusted with the task of putting together a more comprehensive assistance package whose contents are yet to be disclosed. In the past ODA has funded a visit of the UK House of Commons Librarian to Ghana, in order to identify Parliament's information needs; a visit of the Parliamentary Deputy Editor of Debates to the UK House of Commons; and a Parliamentary Reporting Workshop intended to help the Parliamentary press corps to improve quality of reporting.

**Friedrich Ebert Foundation** will provide several types of assistance over the next year, including: (a) a seminar for the members of the Foreign

Affairs Committee on the role of international institutions and foreign aid agencies, (b) a workshop on the role of Parliament and Foreign Policy-Making in Ghana, (c) a subregional seminar for parliamentarians from several West African states, (d) a videotape on the the role of Parliament in Ghana, (e) a study tour of five MPs to South Africa, (f) the commissioning to the School of Performing Arts of a play on the role of parliamentarians in democracies, to be shown on TV in three local languages, (g) a training program for the parliamentary press corps designed to improve the quality of reporting of parliamentary debates.

### 3. Support to the Civil Society

In its broadest sense, meaning those organizations that stand between the state and the individual, the civil society is an almost universal dimension of donors' assistance. But it is seldom dealt with by donors in the form of a separate, stand-alone project. In this regard USAID's Enhancing Civil Society Effectiveness at the Local Level (ECSELL) project -- a cooperative agreement between IFES and USAID extending from July 1997 to September 2001 -- is the exception rather than the rule.

For the sake of clarity it may be useful to distinguish among four different types of civil society organizations (CSOs):

- (a) **service providers** (e.g. the Institute of Economic Affairs [IEA], or the Center for Policy Analysis [CPA]),
- (b) **advocacy groups** (e.g. Transparency International),
- (c) **professional bodies** (e.g. Ghana Bar Association),
- (d) **grassroots organizations** (e.g. farmers' cooperatives, water boards, etc).

The first are generally used by donors on a contractual basis to help them design or implement projects; their relationship with donors is that of partners. The second and third are intended to serve as instruments for promoting policy reform. The third are the prime vectors of ground-level sectoral assistance. Projects having to do with water systems, renewable natural resources, poverty eradication, etc. will normally target assistance to CSOs with a view to facilitating donors' intervention in these sectors.

#### **Danida**

The Institute of Economic Affairs (IEA) is Danida's only service provider for designing and implementing its parliamentary assistance program. The latter will involve approximately 900,000, half of which will be in the form of contracts to IEA. Among activities planned are a series of workshops for parliamentarians and the hiring of graduate students to serve as research assistance to MPs.

In the health sector, representing roughly 10 per cent of its global envelope, Danida will be providing assistance to the Ministry of Health as well as to NGO user groups .

**DFID**

In putting together its Women's Participation in Public Life project DFID has received technical assistance from the Institute of Statistical, Social and Economic Research (ISSR), the Ghana Institute of Management and Public Administration (GIMPA) and the National Council on Women and Development (NCWD) (as well as funding from the FEF, Hans Seidel Foundation, the British Council and the UNDP).

In implementing its sectoral projects DFID has established partnerships with several national and local-level service providers: the Wenchi Farmer Institute (Wenchi Farmer System), the Council for Scientific and Industrial Research (National Agricultural Research Project), Empretec (Enterprise Development Project). Just to what extent these sectoral projects will generate benefits specifically directed to grassroots CSOs remains unclear.

**GTZ**

Because of GTZ's close collaborative relationships with MLG, it is unlikely that CSOs will play a decisive role in implementing its assistance program. GTZ's two major technical assistance projects -- PRODICAP and PRA -- are both implemented through MLG. For project designing, and for much of its training program, however, GTZ has turned to local service providers. Nkum Associates, GRABCO, PAB Consult, CEDEP, GAS Consultants, Continental Consultants and UST/SPRING have played a major role in implementation of training and organization of development activities of PRODICAP/PRA projects.

In an effort to coordinate training programs in support of decentralization, Cowater, UST, African Center for Human Development, Nkum Associates, KNUST's Planning Department, JSA Consultants, CEDEP have all been consulted during the "Workshop to Coordinate and Synchronize Training as Capacity Building for Decentralization" (Ada, May 1997), and in due course some may indeed play a critical role in developing training modules. Nonetheless, in the words of the Ada conference report, "it was not quite clear at the workshop whether the MLG could engage NGOs as trainers or service providers... The question which the MLG may have to resolve is whether or not government has a policy or clear position regarding the role of NGOs and the private sector in training as capacity building for decentralization".

Despite considerable uncertainty as to the kinds of strategies that GTZ will use to promote community participation and self-help, one such strategy being considered is greater NGO involvement in project proposals, project management and record keeping; another is to give more "voice" to "NGOs, CBOs and civil society" in the development planning, decision-making and implementation process. As things currently stand, the major issue facing GTZ is how to manage NGO-Donor-Government interface to ensure that project formulation and implementation are in support of decentralization at all levels.

**SNV**

In implementing its Kajebi-based rural integrated programme, SNV leans heavily on the services of the African Center for Human Development (ACHD); in Takoradi its legal awareness programme for women is implemented through Women in Law and Development in Africa (WILDAF); in the Accra region it works hand in hand with the Integrated Social Development Center (ISODEC) in carrying out its "Participatory methods, training and information facility" project. In addition, SNV has a close working relationship with the National Council for Women in Development (NCWD). In the Western Region, Ashanti and Brong Ahafo SNV provides institutional support to cocoa farmers' cooperatives, the aim being to improve marketing outlets and expand trade linkages, and ultimately to raise rural income levels.

**World Bank**

Because the Bank only lends to governments, its relations with CSOs are tenuous at best -- except where service providers are needed to implement projects. IEA, CEPA, CEDEP have all been involved in implementing Bank projects, but on a contractual basis. In none of the decentralization projects undertaken by the Bank are CSOs treated as direct recipients of assistance.

**IV. Concluding Remarks**

1. In view of the convergence of USAID's agenda and that of other donors on parliamentary assistance and decentralization, **it is imperative that informal mechanisms be developed to provide a basis for discussion and consultation** on both topics. Danida's suggestion that the Danish Embassy assume the lead role for donor coordination with respect to decentralization is step in the right direction. USAID could follow up by assuming responsibility for coordination of parliamentary assistance.
2. **Geographical and functional areas of donor convergence need to be identified** so as to avoid duplication of effort, or the saturation of certain Districts or Regions at the expense of others. Providing significant empowerment to geographically isolated minorities -- such as the Kokombas -- should rank especially high on our list of priorities.
3. In implementing its ECSELL agenda **IFES should keep a close tab of what types of CSOs (service providers, advocacy groups, professional associations, grassroots organizations) are involved in partnerships, or recipient relationships**, with other donors, and set its priorities accordingly.
4. In designing and implementing its training for decentralization program **USAID should keep in regular contact with GTZ**, whose Rural Action Program is particularly comprehensive, and well designed, but this does not imply that USAID should establish cooperative ties with the MLG.
5. Among those aspects of the decentralization agenda that cry out for clarification, three stand out:

- (a) the role of **chiefly authorities** in local government structures,
- (b) the role of **unit committees** at the village level, and their relationship to both the chieftaincy and the village development committees,
- (c) the role of the **Regional Coordinating Councils** in relation to the District Assemblies.

On each of these counts donors need to make a concerted effort to reach out to the MLG and seek clarification of where these institutions fit into the overall scheme of decentralized governance at the local, District and Regional levels.

## V. DESIGN/FEASIBILITY ANALYSES

### A. Background

In the fifties Ghana emerged as the vanguard of the movement toward self-rule in the continent. Today it is once again playing a pioneering role in charting a successful course toward multiparty democracy. In no other state in West Africa has the passage from authoritarianism to democracy been more promising. The December 1966 elections, resulting in nearly one third of parliamentary seats in the hands of opposition parties, must be seen as a watershed event in the process of liberalization set in motion under the 1992 constitution. At no other time in the country's history have the prospects for democratic consolidation been brighter; nowhere else in West Africa are the conditions more propitious for USAID to play a constructive role in sustaining the trend toward political pluralism, respect for human rights and good governance.

#### 1. The Dynamics of Democratic Consolidation

The principal challenge facing Ghana is to capitalize on recent strides towards democratic governance by increasing accountability and instilling a sense of popular ownership in politics at the local, regional and national levels. Free and fair elections are a necessary but insufficient condition for a consolidated democracy to take root. For such a system to begin to emerge there has to be (a) a significant level of civic participation in public affairs, above and beyond the opportunities offered through the electoral process, and (b) institutional mechanisms by which the ruled can hold the rulers accountable for their actions. Although elections are the most obvious mechanism for ensuring accountability, the state must be held accountable between elections as well.

By making enhanced civic participation and accountability the twin objectives of its governance agenda (SO4); USAID/Accra hopes to contribute significantly to the consolidation of Ghana's nascent multiparty democracy.

Successful implementation of USAID's SO 4 requires attention to the following enabling conditions, which together provide the guidelines for identifying USAID's four intermediate results (IRs):

- There can be no consolidated democracy without a **free and vibrant civil society**, i.e. without civil society organizations (CSO) that are sufficiently autonomous and strong to articulate citizens' demands, to advocate reforms where these are needed, and to buttress constitutional rule.
- The rights of citizens to organize and participate in public affairs must be embedded in the **rule of law**. In the broadest sense this means a widespread commitment by rulers and ruled to constitutional rules which (a) guarantee human rights and an independent judiciary, (b) ensure an open and peaceful competition among political actors, © set limitations on the exercise of executive power.

- Democratic consolidation requires an environment where **social and political pluralism** can flourish, as well as an appreciation for the core institutions around which political competition normally revolves, i.e. political parties, legislatures, elections, interest groups.
- The creation of **effective local government institutions** is yet another way of encouraging participation and ensuring accountability. Only through a substantial devolution of authority to locally elected bodies -- IE. district assemblies -- can checks be exercised on the concentration of power at the top, and institutional mechanisms developed to encourage citizens to become involved in local affairs.

By each of these yardsticks Ghana's performance outstrips that of most neighboring states in West Africa; nonetheless, there are still important milestones to reach before it can claim the status of a consolidated multiparty democracy.

## 2. Constraints and Opportunities

Among the obstacles that USAID will have to confront in implementing its governance agenda the following deserve special emphasis:

- The **carry-over of the authoritarian model** inherited from the pre-transition phase translates into a form of political patronage that inhibits pluralism and competitiveness;
- The **size of the public sector creates conditions propitious for inflation** and low rates of direct private investment, thus imperilling economic recovery; the resultant economic malaise hampers the functioning of democratic institutions national and aggravates social inequalities in both urban and rural areas;
- Though far more developed than elsewhere in West Africa, Ghana's **fledgling civil society** has yet to develop sufficient institutional capacity and linkages with elected officials that are required to make a significant impact on policy outputs;
- Given the relatively **modest amount allocated to USAID's governance agenda** (\$8.5 million over a five year period), there are corresponding limitations to what USAID can accomplish. Critical choices, therefore, will have to be made regarding operational strategies, scope of activities, and partnerships with donors and NGOs.

Despite these constraints, USAID has identified conditions which exist in Ghana that favor the potential for positive outcomes from its democracy and governance programs. They include:

- (i) the **existence of a state system** capable of sustaining the twin burdens of political and economic reform;

(ii) a **successful transition to multiparty democracy**, accompanied by free and contested elections;

(iii) an emergent, **politically autonomous civil society** that includes a wide variety of social groupings and associations;

(iv) a **free and critical press** with the potential to become a viable source of accountability in governance;

(v) **local government institutions** that offer significant scope for expanding grassroots participation and a measure of political independence from central government authorities.

Reduced to its essentials, then, the justification for a sustained involvement of USAID/Accra in governance activities is two-fold: in the wake of 1996 elections, the conditions are ripe for Ghanaian democracy to make significant strides towards consolidation, and for USAID to encourage this process; furthermore, if properly designed USAID's governance agenda can make a significant contribution to the successful implementation of the mission's other Strategic Objectives, which focus on private sector growth; primary education; and family planning, AIDS prevention and child health. Combined with more effective mechanisms of accountability at the local and district levels, increased grassroots participation can have a significant impact on economic growth, improvement of the educational sector and the effectiveness of a population control and family planning program.

### 3. Considerations

Successful implementation of USAID's governance agenda requires attention to the following guidelines which incorporate ways of improving the programming of the governance portfolio.

(I) USAID must make every effort to resist the temptation of overly rigid compartmentalization of strategic objectives which can easily lead to duplication of effort, and mask the benefits accruing from intersectoral synergies. This search for interconnections among SOs is consistent with the integrated approach to sustainable development spelled out by Vice-President Gore's New Partnership Initiatives (NPI). It underscores the critical importance for USAID to identify what policy constraints are common to all four SOs, and to look for cross-sectoral solutions; it forces us to look at local communities as integrated wholes rather than as social entities divided into separate sectors; and it reminds us of the fact that improved governance means very little unless it is aimed at enlarging and diversifying the resource-base of local communities.

(ii) In dealing with civil society organizations (CSOs) USAID must encourage the "**scaling up**" of their activities. Their strengthened institutional capacities need to be seen not as an end in itself but as a starting point for other activities, including advocacy and policy reform. It is one thing to help raise living standards among the rural poor, and quite another to ameliorate their capacity for self-improvement. What is required is a shift of strategy to the importance

of grassroots organizations, coalition-building, networking and awareness raising as key ingredients in a "scaling up" strategy.

## **B. Civil Society Organizations**

The rationale for improving the effectiveness of CSOs in shaping public policy can be simply stated: a robust civil society is the key to enhanced civic participation. To the extent that CSOs have the capacity to articulate citizens' demands, advocate reforms, suggest political alternatives, monitor government policies, they can significantly raise the level of involvement of grassroots communities in matters of local and national interest.

The Ghana-Vision 2020 (The First Step: 1996-2000) makes specific reference to the role of NGOs in implementing Ghana's developmental goals: "the successful achievement of the medium-term aims... is dependent upon the ability of the central and local government to provide an environment that actively supports the private sector, including NGOs..." From this perspective USAID's civil society agenda is very much in synch with GOG's vision of the course to be chartered over the next few years.

Sub-IR 4.1.1 *Increased Management Capacity of CSOs* - This points to the need for institutional capacity building, i.e. improved performance in terms of management and accounting, information gathering, outreach, networking and fund-raising.

Sub-IR 4.1.2 *Increased Collaboration and Communication with Government Decision-Makers* - This translates into a more effective linkage apparatus between CSOs and government officials at the local, district, regional and national levels. This will facilitate access and increase their capacity to influence policy outputs.

Sub-IR 4.1.3 *Increased Capacity and Will of CSOs to Represent Members' Interests* - The ability of CSOs to play a constructive advocacy role in local and national affairs will depend largely on the strength and conviction of their members' views. Enhancing the capacity of CSOs to tap the energies and ideas of their memberships will facilitate their advocacy objectives.

Sub-IR 4.1.4 *Improved Coordination Among CSOs* - This is based on the assumption that the chances of CSOs influencing public policies hinge partly on their ability to coordinate their strategies and present a broad front to policy makers. Consensus building, coordination and pooling of resources are key elements of achieving this objective. The possibilities for forming umbrella organizations will be analyzed.

Depending on the kinds of CSOs we choose to support, benefits will be material or intangible, quantifiable or non-quantifiable. Assistance to farmers' organizations eventually translates into so many boreholes, weirs or acres of irrigated land; assistance to human rights groups or women's associations involves benefits that are far more difficult to quantify. Since assistance to CSOs involves non-commercial activities, and for the most part benefits that are difficult to quantify,

USAID/Accra needs to figure out what is the best **trade-off** between the costs of assistance -- in terms of training seminars, equipment, access to information, etc. -- and the pay-offs in terms of enhanced civic participation.

This means making strategic choices at three different levels:

-- at the level of individual CSOs USAID has established criteria for identifying **potential recipients** of USAID assistance, meaning here both the **beneficiaries** (e.g. farmers' organizations, cooperatives, womens' associations, etc.) and the local **service providers** we shall be working with in order to channel such assistance in the most cost-effective way. Among the criteria that USAID will use are: (a) that the organization is involved in engaging government at one level or another and advocating the interests of their members; (b) an identifiable and self-aware constituency; (c) a self-conscious mission that is credible and compelling to its membership; (d) a leadership that represents its membership and is firmly linked to it; (e) a leadership with the desire to learn how to poll its membership to discover and confirm the members' interests; (f) a leadership with the desire to develop and action strategy based on members' interests; (g) a dependable (however small) financial base to fund its activities, and a willingness on the part of the leadership to learn how to maintain accurate financial records; (h) sufficient autonomy from the state that the organization can credibly endeavor to influence the state without being (or becoming) captive to it; (I) a leadership that displays a willingness to work with other like-minded CSO groups toward specific goals; and (j) a leadership that shows a willingness to mobilize or recruit unorganized non-member citizens who share a common interest to solve a common problem.

-- at the level of the **geographical distribution** of CSOs: USAID has determined to aim at a regional balance with consideration of the activities of other donors.

-- at the level of **donor partnerships**: USAID will identify other donors willing to share the costs of USAID's assistance so long as the desired goals and objectives are congruent.

The sheer number and diversity of CSOs confronts the Accra mission with problems and opportunities. The larger the number of potential recipients, the wider the range of options; but the more candidates there are the more difficult it becomes to properly assess their capabilities. According to one estimate, from a total of 10 in 1960, the number of registered NGOs jumped to 350 in 1990, and 900 in 1996. The vast majority are concentrated in the southern regions, and the towns. As the brief inventory below shows, they differ markedly in terms of objectives, internal organization, activities and political sympathies.

Ghana's CSOs can be subsumed under the following categories: (a) support and advocacy NGOs; (b) Church groups and other charitable organizations; (c) village development associations; (d) farmers cooperatives; (e) womens' groups.

\* **Support and Advocacy NGOs** have a long record of active involvement on behalf of democracy. Groups like the Ghana Bar Association (GBA), the National Union of Ghana Students (NUGS), the Association of Recognized Professional Bodies (ARPB), or the Movement for Freedom and Justice (MFJ) played an important role in bringing Ghana back into the fold of multiparty democracy in the 1980s. Their ability to play public advocacy and reformist roles makes them one of the mission's most valuable customers. Particularly significant in this regard is the GBA, whose membership is estimated at 3,000; especially noteworthy are GBA's legal committee, which reviews the constitutionality of bills submitted to parliament, and human rights committee, both of which perform important watchdog and lobbying functions. Included under the same rubric are the Institute for Economic Affairs (IEA), the Center for Policy Analysis (CEPA), and the Ghana Institute for Management and Public Administration (GIMPA): the first has an outstanding track record of monitoring government policies and engaging in public advocacy; the second's strong suite is in macro-economic analysis, and the third offers training in administrative and managerial skills. On a more modest scale, and in a more critical mode, Ghanalert, and Allied Research Ltd., are doing a commendable job of monitoring public policies.

\* **Church groups** represent a moral force of considerable importance, as well as a major vehicle for community-based participation. Except for charismatic churches, like Action Faith, most churches in Ghana try to combine their evangelical message with a commitment to democracy. This is particularly true of the Christian Council (CC) for Protestant churches, and the Catholic Bishops Conference (CBC) for the Catholic Church. Indicative of the CC's democratic concerns are the themes of some of the workshops recently organized under its aegis: "Democratic culture, constitution and free and fair elections", "The Church, ethnicity and democracy", "The role of local councils of churches in the promotion of ecumenism and democratic culture", etc. The CC and CBC are working hand in hand in organizing workshops and conferences on democracy related topics; both play a significant role in promoting civic education, and both enjoy considerable political autonomy as well as broad outreach capacities.

Along with ongoing efforts to promote democracy, welfare and rehabilitation activities rank high on the agenda of the CC; its Relief and Rehabilitation unit is heavily involved in relief programmes, and new strategies are being developed to integrate health and education components into agricultural projects. Through its "Church and Society" and "Development and Environment" units, the CC is engaged in a variety of community-centered projects. Some aim at creating jobs for unemployed youth (e.g. snail farming, mushroom cultivation, bee-keeping, etc.), others focus on agroforestry or health and environment, or promoting business activities through the so-called "small business advisory services" (SBAS). Through the Ghana Ecumenical Church Loan Fund (GECLOF) the CC can provide credit facilities to its customers at a rate that they can afford. Access to credit is what enabled several womens' groups in the Volta Region to "scale up" their activities, that is to expand from one type of activity to another, in this case from setting bakeries to snail farming and vegetable cultivation. Regardless of the activity, training is what the CC does best. As one CC official told this writer, "we teach people how to organize themselves".

Church groups are among those SCOs that are best equipped to provide USAID with the knowledge and skills that are needed to combine local-level, community-centered activities with enhanced grassroots participation.

\* **Village development associations** are the basic self-help organizations around which village communities try to gain access to basic services. They cover a wide gamut. Some, like Amasachina, operative in the Dagbon and Nanumba areas, have shown impressive capabilities in terms of promoting self-help, maintaining infrastructures, and promoting participation and solidarity among the youth; others have barely gotten off the ground. A case in point is the Ablekuma South Development Association, which, despite its ambitious agenda (roads, sanitation, schools and human development), has done very little to meet the needs of grassroots communities. Just as the scope and nature of their activities varies from one locality to the next, there are major differences in their staff and material resources, and overall fit into the local power structures.

\* **Farmers cooperatives** are the principal hope for smallholder agriculture, much of which has been marginalized by the emphasis on export crop sectors. They have built up considerable experience in agricultural development, but with rare exceptions they all suffer from fragmentation and low institutional capabilities. Their remarkable proliferation (in the Yendi area alone USAID has recorded over 50 farmers cooperatives, whose membership varied between 30 and 40) makes for a considerable lack of coordination in their activities. It explains their institutional weakness, inadequate staff resources and the host of difficulties most of them are experiencing in gaining access to the district and regional decision-makers.

\* **Women's associations** share the position that the benefits of development should reach equally men and women. In one way or another their aim is to address gender issues and women's needs. Beyond this commonality of concerns diversity is the rule. At least three distinctive types of associations can be identified: (a) the NDC affiliated 31st December Women's Movement, the largest women's organization in Ghana, operates in close collaboration with the National Council for Women and Development (NCWD) and has a controlling interest in many of the development projects aimed at women; (b) the Church-affiliated women's groups, most of them involved in income-generating projects for women, such as the Christian Council of Ghana Northern Region Rural Integrated Programme, or the Christian Mothers Association of the Catholic Church; (c) professional women's groups, such as the International Federation of Women's Lawyers (FIDA), or the Women in Law and Development in Africa (WILDAF), both of which are involved in activities ranging from raising rights-awareness to providing legal aid and counselling for women and research on women's legal issues.

All five types of CSOs are plausible candidates for assistance. But since the primary objective of USAID is enhanced participation, it makes more sense (a) to focus assistance on those CSOs that are likely to have the greatest impact on grassroots participation, and (b) to make sure that the service providers have the skills and experience required to put in place effective participatory structures.

Specifically, USAID needs to know how well potential recipients of assistance CSOs meet the 10 criteria listed above. Given the state of our knowledge about how CSOs fare on each of these criteria, it is important for the mission to conduct a global assessment of CSOs in Ghana. The aim here would be:

-- to provide a rough picture of where local-level CSOs stand with reference to the above criteria -- on the basis of a wide regional sample encompassing all 10 of Ghana's regions.

-- to identify those CSOs that are best able to combine participatory activities with those envisaged under SO1 and SO2. For the sake of maximizing benefits and reducing costs, we need to explore areas of mutual compatibility between assistance to CSOs as advocacy groups or service providers and the spin-offs of such assistance in terms of economic growth and improved educational facilities. From this perspective, PTAs and farmers' cooperatives would seem to be prime candidates for assistance, for both can play an important role in developing incentives for organizing local communities around their collective interests. The same applies to women's groups in specific localities (Volta region).

-- to identify those advocacy groups best equipped to pursue policy reform initiatives favorable to private sector economic growth, bearing in mind that for an advocacy organization to become effective in shaping policy it is important that those at the grassroots take a leading role in setting priorities. If for no other reason it is imperative to make room for the participation of grassroots communities at each step of the way in implementing all four Sub-IRs.

-- in terms of service providers as distinct from beneficiaries (though some CSOs can qualify as both), the mission needs to get a better handle on what it can expect from local partners in terms of design and/or implementation of our Sub-IRs.

Attention must be drawn to the following sample of **service providers** for inclusion in the mission's list of potential partners:

\* The Kumasi-based **Center for the Development of People** (CEDEP). In CEPED's own words "it strives to make visible the work of small-scale, marginalized NGOs and Community based organizations (CBOs) and create the space for them to access the needed local and international links to enhance their operations". The CEPED newsletter, NGO FORUM, is an important source of continuing information on NGO activities in Ghana. CEPED emphasizes a participatory approach to development. It has worked closely with the ISODEC in putting together Partner Organizations with a view to implementing the Community Water Project (COWAP) in Northern Ghana.

\* The **Integrated Social Development Center** (ISODEC), an Accra-based NGO, with field offices in Kumasi, Sunyani and Tamale. On the strength of its highly professional image, broad outreach and multiplicity of sectoral activities (water and sanitation, health, capacity building, micro-enterprise support), ISODEC deserves to rank high on our list of potential partners.

\* **African Development Program (ADP)**: primarily involved development programmes targeted at rural and peri-urban communities and community-based organizations, ADP has a good track record in providing services to schools, and in getting community influentials involved in projects. It has links with DAs in its target areas and thus offers a useful vehicle for implementing Sub-IR 4.1.2.

\* **Institute for Economic Affairs (IEA)**: the IEA is one of the most active and visible advocacy groups in Ghana. Being urban-based and mainly concerned with national issues, it has relatively little experience of rural problems. Nonetheless, it could provide the mission with guidance in implementing Sub-IR 4.1.2, and in terms of IR 4.2 and IR 4.3.

\* **Center for Policy Analysis (CEPA)**: this institute's quality of its work is widely recognized as first-rate. CEPA could provide USAID/Accra with a "balanced ticket" in addition to performing useful services in terms of IRs 4.2., 4.3 and 4.5.

Looking at the **social soundness** dimension of IR 4.1, the most important point to note is the overall receptivity of Ghana's social environment to the activities contemplated by USAID in terms of enhanced participation, greater accountability and strengthening of local government institutions.

For one thing, except for those areas of the Northern Region that have been most hard hit by the Kokamba/Dagomba violence in 1995, where distrust persist between the two groups, there is probably more "**social capital**", or trust, available in Ghana than anywhere else in the sub-region. This provides an exceptionally favorable environment for expanding associational ties.

Secondly, the **texture of the civil society** in Ghana is stronger than in most other states in the continent, thus providing an exceptionally rich milieu for the development of wide array of linkages between grassroots communities and decision-makers. The potential for wider participation is therefore equally promising.

Thirdly, where their claims to legitimacy remain strong, **traditional authorities** can play a major role in giving status and visibility to CSOs, in facilitating communication with government officials and other stakeholders, both formally (via the House of Chiefs) and informally, and in encouraging the diffusion of participatory initiatives from one area to another. Chiefs will be consulted and their advice sought when conducting regional studies of the texture of rural associational life.

Fourthly, some areas have a **long tradition of self-help activities**: youth groups and asafo companies in Fantiland, the amasachina in Yendi, the Kpodzi Women Group in Kpando (Volta Region) are all focused on traditional village self-help organizations. Because they have the potential to provide intermediary linkages between village communities and stakeholders at the district levels, and because of their impressive track record in mobilizing local participation in community works, they

constitute ideal vehicles for channeling USAID assistance to the rural capillaries.

At a more technical level, another problem confronting the mission stems from the extreme fragmentation of CSOs in the rural sectors. The result, as noted earlier, is a correspondingly weak civil society. Lacking the bare minimum of institutional capacity and linkage structures most rural-based CSOs are incapable of meeting the demands of their members. Disaffection is widespread. Encouraging the development of umbrella organizations, so as to diminish the number of small-scale CSOs while at the same time strengthening their institutional and outreach capacities, will be a key consideration in the implementation of the Mission's civil society agenda.

### C. Parliamentary Assistance

As a representative body, the legislature is expected to take into account the diversity of interests that comprise the civil society. As a deliberative body it is supposed to debate and articulate these interests, and eventually translate them into laws. Finally as an oversight institution with responsibility over national finance it is expected to hold the government accountable for how the tax-payers' money is being spent. The legislature, in short, combines representative, legislative and oversight functions.

Helping Parliament become more effective in the performance of these functions is one of the three major "intermediate results" through which USAID/Accra proposes to contribute to "accountable governance".

Parliament's problem with effectiveness stems from an institutional deficit: professional skills and staff resources are in short supply; access to reliable and pertinent information is inadequate; there are no clear procedures or precedents for committees to hold public hearings; and both standing and select committees are poorly equipped to properly perform their oversight functions. All of which argues for a sustained effort in the direction of legislative capacity building.

In order to improve the effectiveness of Parliament (IR 4.2), USAID will provide the following three types of assistance:

*Sub-IR 4.2.1 Improved Professional Skills of Members and Officers of Parliament* - This aims at providing technical training to presiding officers (Speaker and Deputy Speakers, Clerk and Deputy Clerk), committee members and freshmen MPS in areas ranging from policy analysis to parliamentary procedure, from constituency relations to needs assessment. Study tours designed to allow participants to observe first hand the work of other legislative bodies may be included under this rubric, provided that the recipients are recruited on a non-partisan basis.

Sub-IR 4.2.2 *Increased Access to and Use of Information* - Seeks to provide technical and material assistance in accessing and keeping track of information relevant to legislative activities. The aim is to facilitate access to information technologies, expand and modernize the parliamentary library, provide training for library staff and the parliamentary research center, and hold periodic seminars on topics of special interest for committee members. Committees will also be sensitized on the importance of tapping the expertise of the population in matters of interest to specific legislation.

Sub-IR 4.2.3 *Increased Oversight Capacity* - This involves (a) strengthening the capacity of committee members to review the government's implementation of enacted laws (oversight), and (b) public hearings designed to bring qualified citizens and the media into the legislative process, to educate citizens on important issues, and examine the likely impact of government proposals on the democratic process. Because of the critical role they play in reviewing and auditing public accounts and in scrutinizing public expenditures, the Public Accounts Committee and the Finance Committee should be the prime targets of USAID assistance.

Although the total amount to be spent on parliamentary assistance is relatively modest compared to the tasks involved, the USAID contribution will be supplemented by funding from other donors, including ODA, CIDA and DANIDA. The size and nature of their respective contributions is not entirely clear at this stage; equally uncertain is what contribution the GOG intends to make to the parliamentary assistance program.

The benefits to be derived these activities are not reducible to measurable quantities of "governance and democracy". Insofar as the immediate purpose of parliamentary assistance is to help consolidate Ghana's democracy, the gains to be expected are in the form of a more effective deliberation and participation in legislative activities, a more informed debate on government policies, better communication with constituencies, and freer access of the public to the committees.

Whether an added value can be placed on these benefits, in the form of economic or financial gains for Ghana society, is a highly speculative exercise. The best one can do is to draw attention to four areas where a more effective performance of parliamentary functions might correlate with society-wide economic benefits:

(I) since parliament has the power to impose fiscal discipline on state agencies, and make specific recommendations concerning the conditions of economic recovery, facilitating parliamentary access to relevant and reliable policy information on economic and financial issues is probably the quickest way to bring public policies in "synch" with the exigencies of economic and financial recovery;

(ii) given that the Public Accounts Committee (PAC) plays a critical role in auditing government expenditures, there is reason to believe that a strengthening of the PAC would go a long way towards reducing levels of corruption in the public domain;

(iii) by strengthening the institutional capabilities of specific standing committees, notably Business and Finance, and select committees, notably Trade, Industry and Tourism as well as Food, Agriculture and Cocoa Affairs, and Employment, Social Welfare and State Enterprises, donor assistance can play a significant role in helping translate public policies into economic benefits;

(iv) to the extent that assistance to parliament can help forge closer ties between MPs and their constituents, the result may be a substantial improvement in the delivery of technical assistance to farmers, and more productive linkages between rural cooperatives and decision-makers at the district and regional levels (MPs are ex-officio members of the district assemblies located in their constituencies).

By way of a background to the remainder of this section, it may be useful to look at the composition, political complexion and mode of election of Ghana's parliament as summarized in the table below. The first point to note is that although the NDC holds an absolute majority of seats, the size of the opposition (67) makes it a force that has to be reckoned with. It controls just enough seats to defeat constitutional amendments introduced by the ruling party. Furthermore, partisan alignments on certain substantive issues do not rule out a bi-partisan stand on procedural issues regarding the work and privileges of MPs. There is a broad consensus of opinion among MPs, irrespective of party affiliations, about the need to strengthen the legislative, representative and oversight functions of parliament. Finally, in terms of their social background characteristics, one must note the relatively high level of education of MPs. Few are those who do not claim an O-level or A-level certificate; a fair number have attended an institution of higher learning here or abroad; of these some hold Ph.D.s in engineering, agronomy or economics. In terms of occupational ties the majority of MPs are either teachers or lawyers, with the NPP claiming the largest number of lawyers. On all three counts the new parliament -- officially known as the Second Parliament of the Fourth Republic -- differs markedly from its predecessor.

#### PROFILE OF THE GHANA PARLIAMENT (1997)

Length of Term	4 years
Electoral System	Single member, first past the post
Membership	200
Gender	182-M; 18-F

Religion	NA
Freshmen	131

### Political Parties

National Democratic Convention (NDC)	133
New Patriotic Party (NPP)	61
People's National Convention (PNC)	5
People's Convention Party (PCP)	1

### Committees

Standing Committees*	11
Select Committees**	16

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\* Business; Finance; Subsidiary Legislation: Government Assurances; Privileges; House; Committee of Selection; Appointments; Committee on Members; Holding Offices of Profit; Standing Orders; Public Accounts.

\*\* Defense and Interior; Trade, Industry and Tourism; Food, Agriculture and Cocoa Affairs; Lands and Forestry; Health; Constitutional, Legal and Parliamentary Affairs; Works and Housing; Local Government and Rural Development; Transport and Communications; Foreign Affairs and Information; Employment, Social Welfare and State Enterprises; Environment, Science and Technology; Education; Youth, Sports and Culture; Mines and Energy; Roads and Highways.

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The present situation in Ghana is highly favorable to the kinds of activities envisaged under IR 4.2. parliament has emerged as the focal point of Ghana's political life, and MPs generally recognize the importance of parliamentary assistance.

Unlike the First Parliament (1992-1996), wholly dominated by the NDC, the Second claims a degree of inclusiveness that enhances its legitimacy. Recognition of parliament as the nation's most inclusive body does not mean that it is the most effective legislative assembly, however. The need to turn to donors for assistance is widely recognized by MPs. Committee chairs freely admit that they do not always possess the expertise needed to properly discharge the functions devolved upon their committees by parliamentary Standing Orders. Where differences of opinion do arise is in the types of assistance requested. Some presiding officers insist that parliamentary assistance should be in the form of "bricks and mortar" equipment -- of infrastructures and office space for members, of computers and typewriters. While recognizing the need for material assistance, most MPs would also concede that capacity building must remain a major ingredient of parliamentary assistance.

Furthermore, in view of the relatively high level of education claimed by parliamentarians there is every reason to expect long-term dividends from an investment in parliamentary assistance. It is one thing to provide training, organize policy seminars, and facilitate access to information; what benefits if any the participants may derive from these activities is a very different matter. This is where the social profile of MPs has particular relevance in terms of the immediate and long-term

benefits to be expected from the training programs organized under USAID auspices.

Finally, the respect and status that many MPs enjoy among their constituents makes them a logical point of entry for channeling assistance downwards to the rural level. Most observers agree on the need to forge closer ties between parliament and the civil society: if so, MPs are particularly well qualified to fulfill this need, and in so doing assist USAID in implementing its decentralization agenda under IR 4.5.

Therefore, one must recognize the sensitive nature of legislative strengthening. Insofar as such activities are likely to result in improving the oversight capacities of committees, including the two principal watchdogs, the Public Accounts Committee and the Finance Committee, USAID recognizes the potential for concern on the part of the executive branch. Again, when the participants in study tours are essentially drawn from the ranks of the opposition donors may have a difficult time maintaining their reputation as impartial providers of aid. For these reasons it is important for USAID to take all appropriate steps to mitigate the political sensitivity of IR 4.2. Keeping open communication channels with other donors, implementers, and legislative leaders, and developing an inclusive work plan that satisfies all parties, is essential.

In providing parliamentary assistance USAID hopes (a) to improve the ability of parliament to engage in a more analytical and informed policy dialog internally as well as with the government, and (b) to improve the ability of the committees to exercise their oversight functions.

To achieve these goals the mission has limited resources. Hence the need establish a meaningful order of priority among the several Sub-IRs included in its agenda: capacity building (encompassing Sub-IR 4.2.1 and 4.2.2) should come first, and increased oversight capacity (Sub-IR 4.2.3, and 4.2.4) second, the reason being that successful performance of oversight depends in large part on how much capacity can be built into the system.

Capacity building in turn requires setting priorities among the several activities involved, ranging from technical support (increased staff and information resources), infrastructure improvements (office space, upgrading of furniture and physical plant, computers), training programs, and constituency services. Training should receive the highest order of priority. Given the general lack of familiarity of most MPs, particularly among freshmen, with the internal workings of a parliamentary system, the quickest way to remedy this situation is for USAID to organize a series of well-targeted workshops and seminars, some dealing with operational and management issues, others with policy issues. Under the first rubric training should aim at developing specific skills, designed to meet the routine needs of parliamentarians, e.g. legislative drafting, media relations, the uses of information technology, the rules of parliamentary debate and constituency relations. These seminars should be essentially skill-focused and task oriented. The second type of seminar should aim at responding to the information needs of MPs on domestic and international issues. These may

range from the impact of structural adjustment to labor relations, from the role of UN or ECOMOG peace-keeping forces in Liberia to the crisis in Zaire. The aim here is to provide basic background information on critical issues.

Improving the oversight capacities of committees should be next in line on our list of priorities. Broadly speaking "oversight" involves the examination and reporting of the executive branch's implementation of the laws enacted by parliament. In Ghana as in Britain primary responsibility for scrutiny of the activities of the executive is in the hands of two standing committees, the Public Accounts Committee (PAC) and the Finance Committee (FC). The former has the authority to audit government expenditures, and the latter to review proposals for public expenditures. Select committees may be requested to investigate a specific matter, but they have no formal powers of oversight. Insofar as they may contribute to informing public debate on government policies, however, they can play a significant, albeit indirect, oversight role.

USAID can help strengthen the oversight functions of committees in a number of ways:

- \* through training seminars designed to improve the performance of committees on specific activities related to their work, i.e. monitoring of government policies, auditing public expenditures, policy analysis and research;

- \*by facilitating the holding of public hearings, as a means of gathering information and bringing pressure to bear upon the government;

- \*by providing the committees with adequate professional staff, whose duties would involve (but not be restricted to) organizing meetings, calling witnesses, processing paperwork, or making travel arrangements;

- \*by putting in place a parliamentary research and library center designed to provide the committees with appropriate information on key policy issues.

Which of the above tasks should be given precedence over the other is a matter to be decided by USAID in the light of the assistance priorities of other donors. Parliamentary assistance is one of the most popular targets on the agenda of donors (along with decentralization). Not the least of the difficulties confronting USAID in putting together a coherent assistance program will be to make sure that its interventions are complementary to, rather than overlapping with, those of other donors.

Another guiding principle for establishing certain priorities in terms of training, information resources and professional staff, is to explore the extent to which these can be fitted into the context of other strategic objectives. Thus if it makes sense to aim at the strengthening of oversight capacities, this should not prevent the mission from giving careful consideration to specific select committees whose work might serve the implementation of SO1, 2 and 3, such as Health and Education Committee, Trade Industry and Tourism, Food Agriculture and Cocoa, and Local Development and Development.

#### D. Political Processes

Fostering a more competitive political process is yet another way in which USAID proposes to bring accountable governance to Ghana. The aim here is to encourage the emergence of countervailing forces that are strong enough to challenge the power of the state and hold it accountable for its actions, or inaction. Support to such countervailing forces by USAID centers upon a two-fold strategy: the creation of a level playing field for political competition (Sub-IR 4.3.1 and 4.3.3), and support for dialogue and conflict resolution among the political parties.

Sub-IR 4.3.1 *Improved Management and Administration of the Electoral Process* - This is follow up to the work accomplished by USAID in 1995-1996. working in close collaboration with the Electoral Commission, USAID will help revise the electoral register, assist in the administration of impending Unit Committee and upcoming District Assembly elections.

Sub-IR 4.3.2 *Strengthened Political Parties* - The aim is to help parties continue to submit views to the EC, increase women's participation and representation at all levels of the parties' hierarchy, to make the parliamentary parties more responsive to demands of their constituencies, and to continue to use the IPAC as a forum to channel disputes and share ideas on strengthening the political process in Ghana.

Sub-IR 4.3.3 *Improved Enabling Environment for Competitive Political Processes* - This is meant to complement the technical aspects of Sub-IR 4.3.1 through assistance to civic education programs including those sponsored by the National Commission for Civic Education (NCCE). Additionally USAID will aid in involving citizens in decision making about broad political issues that affect the election process. This will be supported through public hearings sponsored by the EC.

Sub-IR 4.3.4 *More Responsible Media Relations* - Involving the media in the political process entails training parliamentarians and civic leaders in public relations techniques to ensure that their views on public affairs are properly publicized. Techniques in press relations will include press release writing and distributing, press conference management, and the use of information technology in publicity creation.

By and large Ghana's socio-political environment is relatively congenial to activities aimed at stimulating the competitiveness of economic and political processes. A threshold has been crossed in the transition to multiparty democracy that makes any sharp reversal of the process of liberalization unlikely. Although Ghana's institutional adjustment to democracy has yet to run its course, there is a solid basis for shaping the political environment to greater competitiveness. For example:

\* The very impressive work accomplished by the Electoral Commission (EC) in the months preceding the 1996 elections (for which USAID/IFES deserves due credit) has laid the foundation for continued USAID

involvement in the managerial, administrative and monitoring aspects of the electoral process.

\* The setting up in of a national Inter-Party Advisory Committees (IPAC), under the guidance of IFES, has been instrumental in defusing conflict among parties. By extending the formula to districts and localities, USAID can help create additional fora where grievances and disagreements can be aired and thus encourage the growth of pluralism.

\* The presence of a sizeable opposition in parliament means that initiatives designed to strengthen the relations of MPs with their constituents will not automatically work to the advantage of the majority party.

\* The media are remarkably free and often critical of government policies (even though few Ghanaian journalists are able to meet even minimal standards of professionalism). Since the re-establishment of press freedoms in 1991, and the greater autonomy subsequently gained by the Ghana Journalists Association (GJA), a climate of unprecedented freedom and tolerance surrounds the media which in turn encourages pluralism.

\* The constitutionally mandated Commission on Human Rights and Administrative Justice (CHRAJ), though subject to government pressures, has emerged as a highly significant ombudsman, with the potential to act even more decisively in the future to ensure the protection of human rights, to investigate cases of corruption and abuse of power, and make appropriate recommendations.

USAID will concentrate its efforts on those institutions that are most receptive to political pluralism. Two are particularly well positioned to receive USAID assistance under IR 4.3: the Electoral Commission (EC) and the NCCE. Both have impressive technical and administrative capabilities, as well as an excellent track record in leveling the playing field for multiparty democracy. That their "jurisdictions" happen to overlap to some degree must be seen as an advantage, allowing them to share information and technical resources. While the EC is the normal vehicle for assisting election administration and monitoring, it has also played a significant role in setting up and strengthening IPAC fora at the regional, district and local levels.

The sequencing of USAID is an important factor to bear in mind in the design of IR 4.3. Given the proximity of electoral processes at the district and local levels, immediate attention should be given to the installation of IPACs at these levels, and in the meantime make a sustained effort to strengthen the regional IPACs, whose performance so far appears spotty. Support to the EC should be directed to the IPACs as a first priority, and second to the "nuts and bolts" electoral issues.

#### E. Local Government

The strengthening of local government institutions (IR 4.5) is a critical feature of the USAID governance agenda because it cuts across

the twin goals of enhanced participation and accountability. By directing assistance downstream towards the districts and grassroots communities USAID can create the conditions for more citizen involvement in government decisions that affect them; it can increase the perception of national leaders that grassroots opinion matters; and it can make District Assemblies (DA) more responsive to local demands.

The aim here is not to replace the existing legal framework of local governance by another but to improve the institutional capacities of local government institutions, and enhance the participation of grassroots communities in matters affecting their well-being. Reducing levels of poverty among the rural populations goes hand in hand with strategies designed to revitalize institutions of local government.

Operationally, IR 4.5 has been disaggregated into four Sub-IRs:

Sub-IR 4.5.1 *Increased Exercise of Authority at the Local Level* - Seeks to promote greater awareness of what local authorities are legally and constitutionally entitled to accomplish.

Sub-IR 4.5.2 *Increased Planning and Management of Local Governments* - This underscores the need to improve the institutional capacities of the DAs. Their ability to enhance revenue and improve service delivery and crucially dependent on this activity.

Sub-IR 4.5.3 *Increased Capacity and Will of Local Governments to Represent Constituent Interests* - Focuses on the need for effective linkages between rural/urban constituencies and local government institutions to improve their representative capacities to respond to local demands.

Sub-IR 4.5.4 *Improved Coordination Between Local and National Governments* - While decentralization has shifted local development initiatives from Accra to the districts, ministries still have a presence locally and parliamentarians coordinate local demands to the national legislative arena. Therefore local/national linkages are present and important. Clarifying channels of communication and strengthening linkages are hallmark aspects of Sub-IR 4.5.4.

It is speculative to translate non-monetary benefits into monetary ones. The intangible benefits to be derived from enhanced participation and accountability are sufficient justification. There are several areas where effective decentralization may yield significant material or fiscal benefits.

\* Assistance to decentralization may facilitate the public finance objectives of the DAs in two ways: by improving revenue generation, and through a better management of fiscal resources at the district level;

\* Insofar as assistance to the DAs translates into better institutional structure and capacity, the result will be to improve the ability of the DAs to provide services effectively (garbage

collection, market infrastructures, pit latrines, construction of primary schools);

\* To the extent that decentralization aims at shifting resources downstream, to village communities and towns, it can have a significant impact on economic growth at the grassroots. For example:

(a) by strengthening linkages between local communities, on the one hand, and the districts and regions, on the other, so as to make the DAs and the Regional Ministers more responsive to their economic needs;

(b) by stimulating the necessity to improve local tax collection to meet local needs;

(c) by exploring ways in which local governments can engage in or stimulate entrepreneurial revenue-raising activities; and

(d) by encouraging self-help activities, as a way of generating revenue and improving service provision (in Fantiland, for example, the self-help ethic is culturally pervasive and rooted in enduring institutions, such as the asafo companies, yet relatively little is being done by donors to encourage the scaling-up and diffusion of such activities where feasible).

Turning to the "social soundness" dimension, the following considerations should inform the mission's programming strategy; they suggest both obstacles and opportunities, with the latter weighing more heavily in the balance.

The main obstacles to effective decentralization are reducible to the following:

\* **Institutional support structures within the Ministry of Local Government (MLG) are weak or non-existent.** A year ago the World Bank gave financial assistance to MLG to organize a Technical Support Unit and a Training Support Unit, the latter has yet to materialize. In the absence of a coordinating and training agency at the center, decentralization initiatives are left largely in abeyance. Furthermore, the ministerial departments in charge of providing the DAs with technical assistance are inefficient.

\* **The DAs are faced with enormous financial constraints.** The Common Fund for DAs (into which 5 per cent of the total annual national revenue is to be paid) is clearly insufficient to meet the needs of the district population in terms of infrastructures and service delivery. Falling back on local taxes to make up for the shortage of revenue can only offer a partial solution, because of the very fragile economic base of local constituencies.

\* **Managerial/Administrative skills available at the district level are in short supply.** The very uneven performance of DAs tends to correlate with the administrative capacities and staff resources

available to the DAs. By and large virtually all DAs suffer from an acute shortage of administrative and managerial skills.

\* Almost everywhere **high levels of fraud and corruption accompany the collection of local taxes**, especially of market taxes (a fact made abundantly clear in the annual reports of the Auditor General on District Assemblies), resulting in substantial losses of revenue for both the national government and DAs.

\* The **extreme fragmentation of CSOs** makes for a corresponding weakness in terms of their ability to articulate demands and bring pressure to bear on the DAs. Self-help, rather than pressure politics, is the only survival strategy for many rural communities.

On the positive side of the ledger the following factors need to be underscored:

\* Ghana offers a uniquely propitious **legal/institutional environment** for decentralization. It is arguably the only country in West Africa where a meaningful legal framework exists for decentralization. The Local Government Law of 1988 (PNDC Law 207), supplemented by the LG Law of 1990 and Local Government Act #462 of 1993, stipulate that the DAs (a) shall be responsible for the overall development of the District, (b) they will formulate programmes and strategies for the effective mobilisation and utilization of human, physical, financial and other resources in the District; (c) promote and support productive activity and social development in the District, and remove any obstacles to initiative and development, and (d) ensure ready access to the courts and public tribunals in the District for the promotion of justice". From a legal/constitutional perspective Ghana thus offers significant scope for furthering the process of devolution to local government institutions.

\* District elections have had the effect of **raising political consciousness** and participation. There has been a priming of the participatory pump, so that future elections will further increase the sensitivity of DA members to the interests of their constituents.

\* MPs see themselves as **trustees of their constituents**. In part because of their ex-officio membership in DAs, in part because it serves their electoral ambitions, MPs provide a significant linkage between parliament, on the one hand, and institutions of local government, on the other, notably the chiefs and the DAs.

\* A major plus in favor of Ghana's experiment in decentralization is that it builds on **indigenous traditions of self-help and self-government**. Whether the "chieftaincy model" is always the most suitable guide for grassroots decentralization is debatable. Much depends on the structure of local authority systems. In many areas chieftaincy conflicts have all but torn asunder the fabric of local societies. Nonetheless, there can be no doubt that in the vast majority of districts traditional authorities -- whether paramount or divisional chiefs, odikro or headmen -- continue to play a critical role in mobilizing grassroots communities in the pursuit of

common goals. Their role cannot be left out of decentralization strategies.

From the perspective of priorities and sequencing in USAID programming, the following points need to be stressed:

1. Given the uncertainty surrounding the resurrection of a Technical Training Unit within the MLG, the mission should give first priority to working directly with the DAs, in close collaboration with the Regional Ministers, rather than with the MLG. This means securing appropriate information on what is most important for the mission to do at that level, and on what other donors are doing.

2. Since decentralization is one of the priority areas for donors (World Bank, UNDP, Danida, Cida, GTZ) it is important for the mission to keep in close touch with other donors, so as to get a better picture of the geographical and institutional parameters of their intervention, and agree on strategies.

3. There are limits to what the mission can do in assisting decentralization; it should therefore concentrate on what it can do best, and where assistance is most urgently needed. This means:

(a) giving immediate attention to improving the planning and management capacities of the DAs, via seminars and workshops on financial management (Sub-IR 4.5.2); since the ability to mobilize local revenue is a pivotal condition for effective decentralization training activities for the DAs should focus primarily, though not exclusively, on issues of revenue generation (is the mix of local revenue sources adequate? are all local economic activities brought into the local tax net? what are the opportunities for local government to engage in entrepreneurial revenue-raising activities?)

(b) organizing workshops for Assemblymen, district-based NGOs, and representatives of unit committees and chieftaincies with a view to laying the foundation for an ongoing dialogue among them (Sub-IR 4.5.3);

(c) providing a modest amount of equipment -- computers, calculators, typewriters -- to those Assemblies that need them most.

(d) establishing the relevance of decentralization as a means of strengthening sectoral development, especially SO1 and SO2, i.e. identifying ways in which decentralization, either at the district or village or town level, can help breathing new life into cooperatives, market women's associations, PTAs, etc.

## VI. CONDITIONS PRECEDENT AND COVENANTS

### A. Conditions Precedent to First Disbursement

Prior to the first disbursement of project assistance under the Grant, or to the issuance by USAID of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

A statement in the name of the person holding or acting in the Office of the Minister of Finance, and of any additional representatives, together with a specimen signature of each person specified in such statement.

USAID will promptly notify the Grantee when USAID has determined that the condition precedent has been met.

It is not anticipated that there will be additional conditions precedent for the release of any subsequent tranches of project assistance funds.

### B. Special Covenants

The Parties agree to carry out the terms of the following special covenants:

(a) The GOG will continue to provide a conducive environment in Ghana for the growth of democracy and to encourage public sector accountability;

(b) The GOG will provide sufficient personnel and financial resources to implement the Strategic Objective; and

(c) The GOG will furnish to USAID such reports and information relating to the Grant and the performance of the Grantee's obligations under this Agreement as USAID may reasonably request.

INITIAL ENVIRONMENTAL EXAMINATION  
OR  
CATEGORICAL EXCLUSION

**PROGRAM/ACTIVITY DATA:**

**Program/Activity Number:** 641-0138

**Country/Region:** Ghana, Africa

**Program/Activity Title:** Enhanced Civic Participation and Accountable Governance

**Funding Begin:** 1997 **Funding End:** 2001 **LOP Amount:** \$8,500,000

**Sub-Activity Amount:** \$1,500,000 available to NGOs

**IEE Prepared By:** Richard A. Macken **Current Date:** 5/21/97

**IEE Amendment (Y/N):** N If "yes", Number & date of original IEE \_\_\_\_\_ ; \_\_\_/\_\_\_/\_\_\_

**ENVIRONMENTAL ACTION RECOMMENDED:** (Place X where applicable)

Categorical Exclusion: XXX Negative Determination: \_\_\_\_\_

Positive Determination: \_\_\_\_\_ Deferral: \_\_\_\_\_

**ADDITIONAL ELEMENTS:** (Place X where applicable)

EMEMP: \_\_\_\_\_ CONDITIONS \_\_\_\_\_ PVO/NGO: XXX

**SUMMARY OF FINDINGS (Please Limit Text to This Page):**

The activities under USAID/Ghana's Strategic Objective No. 4, Enhanced Civic Participation and Accountable Governance, will consist of technical assistance, training and the procurement of commodities in support of strengthening local organizations and host country institutions to foster greater civic involvement and better governance. The project activities of USAID/Ghana's Strategic Objective No. 4 are determined not to have an effect on the natural or physical environment, and thus are recommended for categorical exclusion as per 22 CFR 216.2(c)(1)(i), 22 CFR 216.2(c)(2)(i) and 22 CFR 216.2(c)(2)(iii).

**APPROVAL OF ENVIRONMENTAL ACTION RECOMMENDED:** (Type Name Under Signature Line)

**CLEARANCE:**

Mission Director: \_\_\_\_\_ /S/ \_\_\_\_\_ Date: 6/9/97  
Myron Golden

**CONCURRENCE:**

Bureau Environmental  
Officer: \_\_\_\_\_ Date: \_\_\_\_\_  
Carl Gallegos Approved: \_\_\_\_\_  
Disapproved: \_\_\_\_\_

**File No:** \_\_\_\_\_ (AID/W)

**CLEARANCE:**

General Counsel  
(Africa Bureau) \_\_\_\_\_ Date: \_\_\_\_\_

**ADDITIONAL CLEARANCES:** (Type Name Under Signature Line)

Mission Environmental

Officer: \_\_\_\_\_/S/\_\_\_\_\_ Date: 5/23/97  
Stephen Haykin

Project Manager: \_\_\_\_\_/S/\_\_\_\_\_ Date: 6/9/97  
Denise Rollins

Regional Environmental

Officer: \_\_\_\_\_/S/\_\_\_\_\_ Date: 5/28/97  
Wayne McDonald, REDSO/WCA, Abidjan

## INITIAL ENVIRONMENTAL EXAMINATION

### PROGRAM/ACTIVITY DATA:

Program/Activity Number: 641-0138

Country/Region: Ghana, Africa

Program/Activity Title: Enhanced Civic Participation and Accountable Governance

### 1.0 BACKGROUND AND PROJECT DESCRIPTION

USAID/Ghana's Enhanced Civic Participation and Accountable Governance Project will work at the parliamentary and district assembly levels to increase civic involvement and improve governance. Working with the Government of Ghana and local NGOs, the activity will help strengthen host country institutions to improve their efficiency and effectiveness in responding to citizens' needs, increase civil society's role in decision making through the enhancement and strengthening of NGOs, and promote an enabling environment for an open political system and the smooth functioning of the electoral process. USAID support will be provided in the form of technical assistance, training and commodities.

Over a four-year life of project, activities will be carried out to (1) increase the effectiveness of civil society organizations in shaping public policy, (2) make Parliament more effective, (3) promote more competitive political processes, and (4) strengthen local government. These activities will do the following:

- (1) **Civil Society.** Ghana has a large number of civil society organization (CSOs), but for the most part they are weak and fragmented, without much ability to influence government decision making. The current political climate is sufficiently permissive to allow CSOs to flourish, but most groups lack the organization and resources needed to be effective. CSOs need considerable strengthening before they can offer citizens an opportunity for participating in the shaping of government policies and serve as defenders of the constitution. The project will help to (a) increase the management capacity of CSOs, (b) increase CSOs' collaboration and communication with government decision makers, (c) increase the capacity and will of CSOs to represent their members' interests, and (d) improve coordination among CSOs.
- (2) **Parliament.** With the holding of free and fair presidential and parliamentary elections in December 1996, Ghana took an important step in consolidating the return democracy begun in 1992. A responsive, functional democracy requires a Parliament that is effective and efficient in handling public business. Ghana's Parliament needs strengthening, so it can play the role demanded of it. Parliament's 200 members, especially the 130 freshmen, would benefit from training in parliamentary procedures to help them carry out their work better; the standing committees require appropriate research and analysis capabilities; more effective dialogue needs to be established between members of Parliament and their constituents, especially in rural areas; and the oversight functions of parliamentary committees have to be strengthened. The project will help to (a) improve the professional skills of members and officers of Parliament, (b) increase access to human and information resources, (c) reduce legal, customary and fiscal barriers to the functioning of Parliament, and (d) increase Parliament's oversight capacity.
- (3) **Political Processes.** Ghanaians' confidence in the openness and fairness of the electoral and political processes is critical for the success of democracy in the country. Significant progress toward gaining this acceptance was made with the December 1996 elections when all political parties participated in the polling and agreed to the results. Similarly, the voting process, both registering and casting ballots, was acknowledged to be free and fair. The Electoral Commission and its offshoot, the Inter-Party Advisory Committee, have an important role to play in mitigating disputes between parties and ensuring the functioning of the democratic process at all levels. The project will help to (a) improve the management and administration of the electoral process, (b) assist political parties in better ascertaining the needs and desires of their constituents, and (c) improve the enabling environment for competitive political processes.
- (4) **Local Government.** The central government is officially committed to a policy of decentralization, in particular the devolution of greater authority to the district level. In practice, the transfer of more power to the districts has not proceeded very far. The District Assemblies (DAs) are seriously underfunded, lacking the minimum level of fiscal

resources needed to provide basic services, while government-appointed district secretaries, in their capacity as chairmen of the DA Executive Committees, have limited the ability of elected assemblymen to play an active role in decision making. The project will help to (a) increase the exercise of authority at the district level, (b) increase the planning and management capacity of DAs, (c) increase the capacity and will of DAs to represent constituent interests, and (d) improve coordination between the national government and the DAs.

## **2.0 COUNTRY AND ENVIRONMENTAL INFORMATION (BASELINE INFORMATION)**

Activities will take place throughout the country. Since the project's activities are not expected to have an impact on the natural and physical environment, country and environmental information are not required for this section.

## **3.0 EVALUATION OF PROJECT/PROGRAM ISSUES WITH RESPECT TO ENVIRONMENTAL IMPACT POTENTIAL**

The activities of this project will consist of technical assistance, training and the procurement of commodities in support of strengthening local organizations and host country institutions to foster greater civic involvement and better governance. These activities are not expected to have an impact upon the environment.

## **4.0 RECOMMENDED MITIGATION ACTIONS (INCLUDING MONITORING AND EVALUATION)**

Mitigation actions will not be required.

## **5.0 SUMMARY OF FINDINGS (copy also onto Face Page)**

The activities under USAID/Ghana's Strategic Objective No. 4, Enhanced Civic Participation and Accountable Governance, will consist of technical assistance, training and the procurement of commodities in support of strengthening local organizations and host country institutions to foster greater civic involvement and better governance. The project activities of USAID/Ghana's Strategic Objective No. 4 are determined not to have an effect on the natural or physical environment, and thus are recommended for categorical exclusion as per 22 CFR 216.2(c)(1)(i), 22 CFR 216.2(c)(2)(i) and 22 CFR 216.2(c)(2)(iii).

**ANNEX B  
STATUTORY CHECKLISTS**

**I. COUNTRY CHECKLIST**

The USAID/W Country Desk Office, in consultation with Department of State counterparts, prepares the Country Checklist. It is normally prepared at the beginning of the fiscal year.

Listed below are the statutory and regulatory "country eligibility" criteria applicable to: (A) both Development Assistance ("DA") and Economic Support Fund ("ESF") assistance; (B) DA only; or (C) ESF only.

**A. DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND**

**1. Narcotics Certification (FAA Sec. 490):**  
If the recipient is a "major illicit drug producing country" (defined as a country in which during a year at least 1,000 hectares of illicit opium poppy is cultivated or harvested, or at least 1,000 hectares of illicit coca is cultivated or harvested, or at least 5,000 hectares of illicit cannabis is cultivated or harvested) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government):

a. Has the President in the March 1 International Narcotics Control Strategy Report (INCSR) determined and certified to the ongress (without Congressional enactment, within 30 calendar days, of a resolution disapproving such a certification), that (1) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (2) the vital national interests of the United States require the provision of such assistance?

YES

b. With regard to a major illicit drug producing or drug-transit country for which the President has not certified on March 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

N/A

**2. Indebtedness to U.S. Citizens (FAA Sec. 620(c)):**

NO

If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

**3. Seizure of U.S. Property (Foreign Relations**

NO

Authorization Act, Fiscal Years 1994 and 1995, Sec. 527): If assistance is to a government, has it (including any government agencies or instrumentalities) taken any action on or after January 1, 1956 which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without (during the period specified in subsection (c) of this section) either returning the property, providing adequate and effective compensation for the property, offering a domestic procedure providing prompt, adequate, and effective compensation for the property, or submitting the dispute to international arbitration? If the actions of the government would otherwise prohibit assistance, has the President waived this prohibition and so notified Congress that it was in the national interest to do so?

4. **Communist and Other Countries** (FAA Secs. 620 (a), 620(f), 620D; FY 1997 Appropriations Act Secs. 507, 523): Will assistance be provided: (a) to China, Cuba, North Korea, Tibet, Vietnam or another Communist country; (b) directly to Cuba, Iraq, Libya, North Korea, Iran, Sudan or Syria; or (c) indirectly to China, Cuba, Iran, Iraq, Libya, North Korea, or Syria? If so, has the President made the necessary determinations to allow assistance to be provided? NO
5. **Mob Action** (FAA Sec. 620(j)): Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property? [Reference may be made to the "Taking into Consideration" memo.] NO
6. **OPIC Investment Guaranty** (FAA Sec. 620(l)): Has the country failed to enter into an investment guaranty agreement with OPIC? [Reference may be made to the annual "Taking into Consideration" memo.] NO
7. **Seizure of U.S. Fishing Vessels** (FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5): (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made? [Reference may be made to the annual "Taking into Consideration" memo.] NO
8. **Loan Default** (FAA Sec. 620(q); FY 1997 Appropriations Act Sec. 512 (Brooke Amendment)): (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1995 Appropriations Act appropriates funds? NO
9. **Military Equipment** (FAA Sec. 620(s)): If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the N/A

Country Checklist

4

percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? [Reference may be made to the annual "Taking Into Consideration" memo.]

10. **Diplomatic Relations with U.S.** (FAA Sec. 620(t)): Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? NO

11. **U.N. Obligations** (FAA Sec. 620(u)): What is the payment status of the country's U.N. suobligations? If the country is in arrears, were such arrange taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? [Reference may be made to the annual "Taking into Consideration" memo.] Ghana is currently on its payment obligations- to the U.N.

12. **International Terrorism**

a. **Sanctuary and Support** (FY 1997 Appropriations Act Sec. 527A; FAA Sec. 620A): Has the country been determined by the President to: (a) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (b) otherwise support international terrorism, unless the President has waived this restriction on grounds of national security or for humanitarian reasons? NO

b. **Compliance with UN Sanctions** (FY 1997 Appropriations Act Sec. 534): Is assistance being provided to a country not in compliance with UN sanctions against Iraq, Serbia, or Montenegro. If so, has the President made the necessary determinations to allow assistance to be provided? NO

c. **Governments That Aid Terrorist States.** (FAA Section 620G, added by section 325 of the Antiterrorism and Effective Death Penalty Act of 1996, P.L. 104-132, April 24, 1996): Is assistance being provided to a government which provides assistance to a country the government of which is a terrorist government under section 620A of the FAA?. If so, has the NO

President made the necessary determinations to allow assistance to be provided?

**13. Export of Lethal Military Equipment**

(FY 1997 Appropriations Act Sec. 552; FAA Se. 620H, added by section 326 of the Antiterrorism and Effective Death Penalty Act of 1996, P.L. 104-132, April 24, 1996): Is assistance being made available to a government which provides lethal military equipment to a country the government of which is a terrorist government under sections 620A of the FAA, 6(j) of the Export Administration Act (50 U.S.C. App. 2405(j)) or 40(d) of the Arms Export Control Act? If so, has the President made the necessary determinations to allow assistance to be provided?

NO

**14. Discrimination** (FAA Sec. 666(b)): Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?

NO

**15. Nuclear Technology** (Arms Export Control Act Secs. 101, 102): Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? [FAA Sec. 620E(d) permits a special waiver of Sec. 101 for Pakistan.]

NO

**16. Algiers Meeting** (ISDCA of 1981, Sec. 720): Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the

Ghana has not entered reservations. The Administrator

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36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate **itself from the communique issued? If so, has the President taken it into account?** [Reference may be made to the "Taking into Consideration" memo.]

took this into account at the time of approval of the FY 1997 OYB

17. **Military Coup** (FY 1997 Appropriations Act Sec. 508): Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance?

NO

18. **Exploitation of Children** (FAA Sec. 116(b)): Does the recipient government fail to take appropriate and adequate measures, within its means, to protect children from exploitation, abuse or forced conscription into military or paramilitary services?

NO

19. **Parking Fines** (FY 1997 Appropriations Act Sec. 552): Has the overall assistance allocation of funds for a country taken into account the requirements of this section to reduce assistance by 110 percent of the amount of unpaid parking fines owed to the District of Columbia as of the date of enactment of the FY 1997 Appropriations Act, September 30, 1996?

YES

20. **Delivery of Humanitarian Assistance** (FAA Sec. 6201, added by FY 1997 Appropriations Act Sec. 559 562): Has the government prohibited or otherwise restricted, directly or indirectly the transport or delivery of United States humanitarian assistance? If so, has the President made the necessary determination to allow assistance to be provided?

NO

21. **Nuclear Power Plant in Cuba** (Sec. 111 of the LIBERTAD Act, P.L. 104-114, March 12, 1996): Has the country or any entity in the country provided on after the dates of enactment of the FY 1996 Appropriations Act, January 27, 1996, or the LIBERTAD Act, March 12, 1996, assistance or credits in support of the Cuban nuclear facility at Juragua, Cuba. If so, has the overall assistance allocation of funds for that country taken into account the requirements of this section to withhold assistance equal to the sum of any such

NO

assistance or credits?

22. **Harboring War Criminals** (FY 1997 Appropriations Act Sec. 568): Has the government knowingly granted sanctuary to persons in its territory for the purpose of evading prosecution, where such persons--

a. have been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

NO

b. have been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933, and ending on May 8, 1945 under the direction of, or in association with (1) the Nazi government of Germany; (2) any government in any area occupied by the military forces of the Nazi government of Germany; (3) any government which was established with the assistance or cooperation of the Nazi government; or (4) any government which was an ally of the Nazi government of Germany?

NO

**B. DEVELOPMENT ASSISTANCE ONLY**

**Human Rights Violations** (FAA Sec. 116): Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

NO

**C. ECONOMIC SUPPORT FUND ONLY**

**Human Rights Violations** (FAA Sec. 502B): Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

N/A

\* \* \* \* \*

**II. ASSISTANCE CHECKLIST**

Listed below are criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to: (A) both DA and ESF assistance; (B) DA only; or (C) ESF only.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE? YES

**A. DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND****1. Congressional Notification**

a. **General Requirement (FY 1997 Appropriations Act Sec. 515; FAA Sec. 634A):** YES  
If the obligation has not previously justified to Congress, or is for an amount in excess of the amount previously justified to Congress, has a Congressional Notification been made?

b. **Special Notification Requirement (FY 1997 Appropriations Act, "Burma" and "NIS" Title II headings and Sec. 520):** N/A  
For obligations for NIS countries, Burma, Colombia, Guatemala (except development assistance), Dominican Republic, Haiti, Liberia, has a Congressional Notification been submitted, regardless of any justification in the Congressional Presentation?

c. **Notice of Account Transfer (FY 1997 Appropriations Act Sec. 509):** N/A  
If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees?

d. **Cash Transfers and Nonproject Sector Assistance (FY 1997 Appropriations Act Sec. 531(b)(3)):** N/A  
If funds are to be made available in the form of cash transfer or nonproject

sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

2. **Engineering and Financial Plans** (FAA Sec. 611(a)): YES  
Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

3. **Legislative Action** (FAA Sec. 611(a)(2)): N/A  
If the obligation is in excess of \$500,000 and requires legislative action within the recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

4. **Water Resources** (FAA Sec. 611(b)): If the assistance is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? N/A

5. **Cash Transfer/Nonproject Sector Assistance Requirements** (FY 1997 Appropriations Act Sec. 531). If assistance is in the form of a cash transfer or nonproject sector assistance:

a. **Separate Account:** Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements N/A

are waived by Congressional notice for nonproject sector assistance)?

b. **Local Currencies:** If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A.I.D. taken all necessary steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

6. **Capital Assistance** (FAA Sec. 611(e)): If capital assistance is proposed (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the assistance effectively? YES

7. **Local Currencies**

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

b. **US-Owned Foreign Currencies**

(1) **Use of Currencies** (FAA Secs. 612(b), 636(h)): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. N/A

(2) **Release of Currencies** (FAA Sec. 612(d)): Does the U.S. own non-PL 480 excess foreign currency of the country and, if so, has the agency endeavored to obtain agreement for its release in an amount equivalent to the dollar amount of the assistance? NO

8. **Trade Restrictions - Surplus Commodities** (FY 1997 Appropriations Act Sec. 513(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time N/A

the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

9. **Environmental Considerations** (FAA Sec. 117; USAID Regulation 16, 22 CFR Part 216): Have the environmental procedures of USAID Regulation 16 been met? YES

10. **PVO Assistance**

a. **Auditing** (FY 1997 Appropriations Act Sec. 550): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of USAID? YES

b. **Funding Sources** (FY 1997 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? If not, has the requirement been waived? YES

11. **Agreement Documentation** (Case-Zablocki Act, 1 U.S.C. Sec. 112b, 22 C.F.R. Part 181): For any bilateral agreement over \$25 million, has the date of signing and the amount involved been cabled to State L/T immediately upon signing and has the full text of the agreement been pouched to State/L within 20 days of signing? N/A. The Strategic Objective Agreement is not subject to the Case-Zablocki Act.

12. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as YES

interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

13. **Abortions** (FAA Sec. 104(f); FY 1997 Appropriations Act, Title II, under heading "Development Assistance" and Sec. 518):

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? (Note that the term "motivate" does not include the provision, consistent with local law, of information or counseling about all pregnancy options.)

NO

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

NO

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c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization? NO

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only.) NO

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? (As a legal matter, DA only.) N/A

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? NO

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization? NO

14. Procurement

a. Source, Origin and Nationality (FAA Sec. 604(a): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section? YES

- b. **Marine Insurance** (FAA Sec. 604(d)): N/A  
If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?
- c. **Insurance** (FY 1997 Appropriations Act Sec. 528A): YES  
Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate?
- d. **Non-U.S. Agricultural Procurement** (FAA Sec. 604(e)): N/A  
If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)
- e. **Construction or Engineering Services** (FAA Sec. 604(g)): NO  
Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)
- f. **Cargo Preference Shipping** (FAA Sec. 603): NO  
Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as

amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

g. **Technical Assistance** (FAA Sec. 621(a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

YES

h. **U.S. Air Carriers** (Fly America Act, 49 U.S.C. Sec. 1517): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

YES

i. **Consulting Services** (FY 1997 Appropriations Act Sec. 549): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

N/A

j. **Notice Requirement** (FY 1997 Appropriations Act Sec. 561): Will agreements or contracts contain notice consistent with FAA section 604(a) and with the sense of Congress that to the greatest extent practicable equipment and products purchased with appropriated funds should be American-

YES

made?

**15. Construction**

a. **Capital Assistance** (FAA Sec. 601(d)): If capital (e.g., construction) assistance, will U.S. engineering and professional services be used? YES

b. **Large Projects - Congressional Approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress? N/A

16. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A

17. **Communist Assistance** (FAA Sec. 620(h)). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? YES

**18. Narcotics**

a. **Cash Reimbursements** (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? YES

- b. Assistance to Narcotics Traffickers** YES  
(FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?
19. **Expropriation and Land Reform** (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? YES
20. **Police and Prisons** (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? YES
21. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? YES
22. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? YES
23. **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec. 506): Will assistance YES

preclude use of financing to finance, except for purposes of nuclear safety, the export of nuclear equipment, fuel, or technology?

24. **Publicity, Propaganda and Lobbying** (FY 1997 Appropriations Act Sec. 546; Anti-Lobbying Act, 18 U.S.C. § 1913; Sec. 109(1) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989, P.L. 100-204): Will assistance be used to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? NO

25. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? NO

26. **Impact on U.S. Jobs** (FY 1997 Appropriations Act, Sec. 538):

a. Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? NO

b. Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.? NO

c. Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture?

NO

#### B. DEVELOPMENT ASSISTANCE ONLY

1. **Agricultural Exports (Bumpers Amendment)** (FY 1997 Appropriations Act Sec.

NO

513(b)), as interpreted by the conference report for the original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?

2. **Recipient Country Contribution** (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the activity with respect to which the assistance is to be furnished or is this cost-sharing requirement being waived for a "relatively least developed" country?

The project will primarily assist non-governmental organizations. However, where assistance is provided to cost

sharing of 25% will  
be required.

3. **Forest Degradation** (FAA Sec. 118):

a. Will assistance be used for the procurement or use of logging equipment? If so, does the an environmental assessment indicate that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems?

NO

b. Will assistance be used for: (1) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (2) activities which would result in the conversion of forest lands to the rearing of livestock; (3) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (4) the colonization of forest lands; or (5) the construction of dams or other water control structures which flood relatively undergraded forest lands? If so, does the environmental assessment indicate that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

NO

4. **Deobligation/Reobligation** (FY 1997 Appropriations Act Sec. 510): If deob/reob authority is sought to be exercised under section 510 in the provision of DA assistance,

N/A

are the funds being obligated for the same general purpose and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified? [Note: Compare to no-year authority under section 511.]

5. **Capital Assistance** (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital activity, is the activity developmentally sound and will it measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level? N/A

6. **Loans**

a. **Repayment Capacity** (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest. N/A

b. **Long-Range Plans** (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities? N/A

c. **Interest Rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? N/A

d. **Exports to United States** (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the N/A

U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?

**7. Planning and Design Considerations.** Has agency guidance or the planning and design documentation for the specific activity taken into account the following, as applicable?

**a. Economic Development.** FAA Sec. 101(a) requires that the activity give reasonable promise of contributing to the development of economic resources or to the increase of productive capacities and self-sustaining economic growth.

The project will increase participation and advocacy of Ghanaian in the economic and social development of the country. The democratization process will impact on all

areas of development and will help increase sustainability of USG resources.

**b. Special Development Emphases.** FAA Secs. 102(b), 113, 281(a)) require that assistance: (1) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (2) encourage democratic private and local governmental

The project fosters greater democratic participation at all levels including the community, district, region & national. Most of the project's activities will be concentrated in rural and peri-urban areas and will encourage greater

institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries.

community involvement in resolving community problems. Many types of community groups will be beneficiaries including womens' groups, farmers associations, district assemblies and advocacy groups.

c. **Development Objectives.** FAA Secs. 102(a), 111, 113, 281(a) require that assistance: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

See 7b, above

d. **Agriculture, Rural Development and Nutrition, and Agricultural Research.** FAA Secs. 103 and 103A require that: (1) **Rural poor and small farmers:** assistance for agriculture, rural development or nutrition

N/A

be specifically designed to increase productivity and income of rural poor; and assistance for agricultural research take into account the needs of small farmers and make extensive use of field testing to adapt basic research to local conditions;

(2) **Nutrition:** assistance be used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people;

(3) **Food security:** assistance increase national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

The use of indigenously produced foodstuffs should increase under the program.

The program will encourage domestic production, improved storage facilities and reduced post-harvest food losses.

e. **Population and Health.** FAA Secs. 104(b) and (c) require that assistance for population or health activities emphasize low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of

N/A

community outreach.

**f. Education and Human Resources Development.** FAA Sec. 105 requires that assistance for education, public administration, or human resource development (1) strengthen nonformal education, make formal education more relevant, especially for rural families and urban poor, and strengthen management capability of institutions enabling the poor to participate in development; and (2) provide advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

N/A

**g. Energy, Private Voluntary Organizations, and Selected Development Activities.** FAA Sec. 106 requires that assistance for energy, private voluntary organizations, and selected development problems may be used for (1) data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment; (2) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development organizations; (3) research into, and evaluation of, economic development processes and techniques; (4) reconstruction after

N/A

natural or manmade disaster and programs of disaster preparedness; (5) special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance; (6) urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development.

h. **Appropriate Technology.** FAA Sec. 107 requires that assistance emphasize use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.

N/A

i. **Tropical Forests.** FAA Sec. 118 and FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act) require that:

N/A

(1) **Conservation:** assistance place a high priority on conservation and sustainable management of tropical forests and specifically: (i) stress the importance of conserving and sustainably managing forest resources; (ii) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (iii) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (iv) help end destructive slash-and-burn agriculture by supporting stable and

The program will support stable and productive farming practices. Biological diversity will be encouraged through assistance to a forest national park.

productive farming practices; (v) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (vi) conserve forested watersheds and rehabilitate those which have been deforested; (vii) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (viii) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (ix) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (x) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (xi) utilize the resources and abilities of all relevant U.S. government agencies; (xii) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (xiii) take full account of the environmental impacts of the proposed activities on biological diversity.

(2) **Sustainable Forestry:**

N/A

assistance relating to tropical forests assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing

a national program for sustainable forestry.

**j. Biological Diversity. FAA Sec.**

N/A

119(g) requires that assistance: (i) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (ii) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (iii) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (iv) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas.

**k. Benefit to Poor Majority. FAA Sec.**

128(b) requires that if the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, it be designed and monitored to ensure that the ultimate beneficiaries are the poor majority.

The poor will be principal beneficiaries of the project as assistance will help strengthen rural institutions that represent and advocate on behalf of the poor.

**l. Indigenous Needs and Resources.**

FAA Sec. 281(b) requires that an activity recognize the particular needs, desires, and capacities of the people of the country; utilize the country's intellectual resources to encourage institutional development; and support civic education and training in skills required for effective participation in governmental and political processes.

The activity will be based in rural areas and will engage the resources of the poor in fostering greater civic participation and involvement.

**m. Energy. FY 1991 Appropriations**

N/A

Act Sec. 533(c) as referenced in section

532(d) of the FY 1993 Appropriations Act) requires that assistance relating to energy focus on: (1) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (2) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases.

n. **Debt-for-Nature Exchange.** FAA Sec. 463 requires that assistance which will finance a debt-for-nature exchange (1) support protection of the world's oceans and atmosphere, animal and plant species, or parks and reserves; or (2) promote natural resource management, local conservation programs, conservation training programs, public commitment to conservation, land and ecosystem management, or regenerative approaches in farming, forestry, fishing, and watershed management.

N/A

### C. ECONOMIC SUPPORT FUND ONLY

1. **Economic and Political Stability** (FAA Sec. 531(a)): Does the design and planning documentation demonstrate that the assistance will promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

The activity is funded from the Development Assistance account.

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account

(counterpart) arrangements been made? (For FY 1997, this provision is superseded by the separate account requirements of FY 1997 Appropriations Act Sec. 532(a), see Sec. 532(a)(5).)

**4. Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1997, this provision is superseded by the separate account requirements of FY 1997 Appropriations Act Sec. 532(a), see Sec. 532(a)(5).)

**5. Capital Activities** (Sec. 306, Jobs Through Exports Act of 1992, P.L. 102-549, 22 U.S.C. 2241a): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided.

## ANNEX C

### Foreign Assistance Act of 1961, as Amended Section 611

#### Section 611 (a)

The Democracy and Governance Strategic Objective design team has carried out detailed technical and financial planning for the activities required to achieve the sector strategic objective of increased civic participation and accountable governance. Activities have been clearly identified for fostering a more viable and dynamic civil society and foster greater decentralization and accountability in the public sector. Reasonably firm estimates of the cost to the United States Government of providing such assistance have been completed. Limited legislative action may be required within the recipient country to achieve the planned activities. It is anticipated that any such legislative action may reasonably be expected to be completed in time to permit the orderly accomplishment of the purposes of the grant.

---

Thomas Hobgood  
Acting Mission Director  
USAID/Ghana

---

Date

**UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
ACTIVITY DATA SHEET**

**PROGRAM: GHANA**

CP 81-05 (4-85)

TITLE PARTICIPATORY DEVELOPMENT AND GOVERNANCE		FUNDING SOURCE DA	PROPOSED OBLIGATION (In thousands of dollars)		
			FY 97 1,800 (PA)	LIFE OF PROJECT (Auth.) : 8,500	
NUMBER 641-0138 GRANT <input checked="" type="checkbox"/> LOAN <input type="checkbox"/>	NEW <input checked="" type="checkbox"/> CONTINUING <input type="checkbox"/>	PRIOR REFERENCE ADVISE OF PROGRAM DATED None	INITIAL OBLIGATION FY 97	ESTIMATED FINAL OBLIGATION FY 02	ESTIMATED COMPLETION DATE OF PROJECT FY 02

**Purpose:** To enhance Ghana's democratic reform efforts through broader participation and improved governance.

**Background:** Since 1994, USAID has assisted Ghana in consolidating democracy by increasing confidence and broadening participation in the electoral process. As a result of USAID assistance, nearly 80% of eligible Ghanaian voters went to the polls in December 1996 in what was considered a historic event. USAID also provided training for over 80,000 electoral officials and 150,000 political party representatives to participate in both the voter registration process and the election. One third of the new Parliament will be comprised of opposition political parties. This is a remarkable change from the previous Parliament, which was represented by government-supported parties due to boycott of the elections in 1992. Ghana must now focus its energy on broadening participation and strengthening its democratic institutions.

**Program Description:** This five-year program will strengthen the capacity of Ghanaian organizations and institutions to more effectively participate in a democratic society. U.S. technical assistance and training will build capacity within civil society organizations such as the media, professional associations, women's groups and public policy institutions and increase their ability to become more effective change agents. Assistance will also be provided to public sector institutions to encourage greater transparency and decentralization of authority to the local level. The overall objective is to increase confidence between the public and private sectors and encourage a strong partnership. USAID support will include development of a research capacity for Parliament. Other support will include training of local government officials to increase their capacity to design and implement

development programs in their communities. U.S. study tours and training will be a major focus under the activity to encourage greater understanding of democratic principles and institutions.

**Relationship to USAID Country Strategy:** This activity supports the Mission's strategic objective to increase democratic participation and governance.

**Host Country and Other Donors:** The donor community has been very supportive of democracy/governance activities in Ghana and contributed over \$7 million to the voter registration/electoral process. Major bilateral donors are the British, whose \$1 million, five year contribution for good governance supports efforts such as restructuring of the civil service and non-governmental organizations involved in human/women/civil rights advocacy; and the Germans who concentrate on the media, political party development, legal profession and womens rights. Other donors include the Danes and Canadians and the European Union.

**Beneficiaries:** Ghana's 18 million people will benefit from this activity as more citizens get involved in guiding development of the country. Ghanaians' rising demand for improved economic conditions and better education requires more opportunities for growth which can only be generated if all productive elements of the society are engaged in the development process.

**Results:** By the end of the Project in 2002: (1) Increased parliamentary committee meetings held with active public participation; (2) greater formal discussion of public policy issues; (3) devolution of authority to local governments to determine development needs; (4) increased revenues generated by local governments.

U.S. FINANCING (In thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unliquidated	
Through September 30, 1995	-0-	-0-	-0-	U.S. contractors (to be determined)  U.S. private voluntary organizations (to be determined)
Estimated Fiscal Year 1996	-0-	-0-	-0-	
Estimated Through September 30, 1996	-0-	-0-	-0-	
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1997	1,800	6,700	8,500	

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ACTION: AID-1  
INFO: DCM-1

DISTRIBUTION: AID  
CHARGE: AID

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**RECEIVED**  
**25 MAR 1997**  
**USAID / GHANA**

AIDAC FOR PAULINE JOHNSON, GC/AFR

E.O. 12958: N/A

TAGS:

SUBJECT: COUNTRY CHECKLIST AND OBLIGATION OF FUNDS FOR  
PARTICIPATORY DEVELOPMENT AND GOVERNANCE, 641-0138

1. THE COUNTRY CHECKLIST FOR GHANA HAS BEEN COMPLETED AND  
WILL BE HANDCARRIED TO MISSION BY PROGRAMOFF ROLLINS.

2. THE WAITING PERIOD FOR THE PARTICIPATORY DEVELOPMENT  
AND GOVERNANCE CONGRESSIONAL NOTIFICATION EXPIRED WITHOUT  
OBJECTION MARCH 5, 1997. OBLIGATION OF DOLS 1,800,000 MAY  
NOW OCCUR.

TARNOFF

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**Annex E**

**STRATEGIC OBJECTIVE GRANT AGREEMENT**

between

**THE UNITED STATES OF AMERICA**  
acting through  
**THE UNITED STATES AGENCY**  
**FOR INTERNATIONAL DEVELOPMENT**

and

**THE REPUBLIC OF GHANA**

for

**ENHANCING CIVIC PARTICIPATION**  
**AND**  
**ACCOUNTABLE GOVERNANCE**

**Date: September 30, 1997**

# Strategic Objective Grant Agreement

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Section 5.1. First Disbursement of Project Assistance.  
Section 5.2. Notification for Project Assistance.  
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- Article 6: Special Covenants.
- Article 7: Miscellaneous.  
Section 8.1. Communications.  
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STRATEGIC OBJECTIVE GRANT AGREEMENT

"Enhancing Civic Participation  
and  
Accountable Governance"

Dated: September XX, 1997

Between

The United States of America, acting through the United States Agency for International Development ("USAID")

and

The Republic of Ghana (hereinafter referred to as the ("Grantee"))

**Article 1: Purpose**

The purpose of this Strategic Objective Grant Agreement ("Agreement") is to set out the understanding of the parties named above (the "Parties") about the Strategic Objective described below.

**Article 2: Strategic Objective and Results**

**Section 2.1. Strategic Objective** The Strategic Objective ("Objective") is to enhance civic participation and accountable governance. Achievement of the objective should result in increased citizen confidence in the democratic process and democratic institutions (presidency, parliament, local government, the police and the courts) in Ghana as measured by opinion surveys to be conducted throughout the course of the activity.

**Section 2.2. Results:** In order to achieve that Objective, the Parties agree to work together to attain the following results:

- (1) Greater participation of civil society organizations (CSOs) in the conduct of national public policy by increasing CSO preparation and dissemination of public policy analyses and studies; participating in parliamentary committee meetings and consulting with members of parliament. Achievement of this result will be measured by the number of parliamentary laws/policies that are modified through citizen participation.
- (2) More effective citizen participation at the local level to influence public sector accountability. This result will be

measured by the number of local government actions influenced by civil society organizations.

Within the limits of the definition of the Objective in Section 2.1, this Section 2.2 may be changed by written agreement of the authorized representatives of the Parties without formal amendment to the Agreement.

**Section 2.3. Annex 1, Amplified Description:** Annex 1, attached, amplifies the above Objective and Results. Within the limits of the above, changes to Annex 1 are limited by the definition of the Objective in Section 2.1,. Annex 1 may be changed by written agreement of the authorized representatives of the Parties without formal amendment of this Agreement.

### **Article 3. Contributions of the Parties**

#### **Section 3.1. USAID Contribution**

##### **(a) The Grant**

To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of the Agreement not to exceed One Million Five Hundred Thousand United States ("U.S.") Dollars (\$1,500,000) (the "Grant").

##### **(b) Total Estimated USAID Contribution**

USAID's total estimated contribution to achievement of the Objective will be U.S. \$8,500,000 in Project Assistance. USAID's contribution will be provided in increments. Subsequent increments will be subject to the availability of funds to USAID for this purpose and the mutual agreement of the Parties, at the time of each subsequent increment, to proceed.

**(c) Unilateral Deobligation**

If at any time USAID determines that its contribution under Section 3.1(a) exceeds the amount which reasonably can be committed for achieving the Objective or Results or activities during the current or next U.S. fiscal year, USAID may, upon written notice to the Grantee, withdraw the excess amount, thereby reducing the amount of the Grant as set forth in Section 3.1(a). Actions taken pursuant to this subsection will not revise USAID's total estimated contribution set forth in 3.1(b).

**Section 3.2. Grantee Contribution**

(a) The Grantee agrees to provide or cause to be provided all funds, in addition to those provided by USAID and any other donor identified in Annex 1, and all other resources required to complete, on or before the Completion Date, all activities necessary to achieve the Results.

(b) The Grantee's contribution, based on USAID's contribution in section 3.1(a), will not be less than the equivalent of U.S. \$500,000, including in-kind contributions by the Grantee and non-funded contributions by others who implement activities under this agreement. The Grantee's Total Estimated Planned Contribution to the Objective will not be less than the equivalent of U.S. \$2,833,333, including in-kind contributions by the Grantee and non-funded contributions by others who implement activities under this agreement, subject to availability of funds to the Grantee for this purpose, the mutual agreement of the Parties, at the time of each subsequent increment, to proceed, and USAID providing the total estimated amount in Section 3.1(b). The Grantee will report at least annually in a format to be agreed upon with USAID on its cash and in-kind contributions.

**Article 4: Completion Date**

(a) The Completion Date, which is September 30, 2001, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Results will be completed.

(b) Except as USAID may otherwise agree to in writing, USAID will not issue or approve documentation which would authorize disbursement of the Grant for services performed or goods furnished after the Completion Date.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, are to be received by USAID no later than nine (9) months following the Completion Date, or such other period as USAID agrees to in writing before such period. After such period USAID, at any time or times, may give notice in writing to the Grantee and reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, were not received before the expiration of such period.

**Article 5: Conditions Precedent to Disbursement of Project Assistance**

**Section 5.1. First Disbursement of Project Assistance**

Prior to the first disbursement of project assistance under the Grant, or to the issuance by USAID of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

(a) A statement of the name of the person holding or acting in the office of the Grantee specified in Section 7.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

**Section 5.2. Notification for Project Assistance**

USAID will promptly notify the Grantee when USAID has determined that the condition precedent in Section 5.1 has been met.

**Section 5.3. Terminal Date for Condition Precedent for Project Assistance**

(a) The terminal date for meeting the condition precedent specified in Section 5.1 is 60 days from the date of this Agreement or such later date as USAID may agree to in writing before or after the above terminal date. If the condition precedent in Section 5.1 has not been met by the above terminal date, USAID, at any time, may terminate this Agreement by written notice to the Grantee.

**Article 6: Special Covenants**

The parties agree to carry out the terms of the following special covenants:

(a) The GOG will continue to provide a conducive environment in Ghana for the growth of democracy and to encourage public sector accountability;

(b) The GOG will provide sufficient personnel and financial resources to implement the Strategic Objective; and

(c) The GOG will furnish to USAID such reports and information relating to the Grant and the performance of the Grantee's obligations, including updates on host country contributions, under this Agreement as USAID may reasonably request.

**Article 7: Miscellaneous**

**Section 7.1. Communications:** Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram, telefax or cable, and will be deemed duly given or sent when delivered to such Party at the following address:

**To USAID:**

Mail Address:  
Mission Director  
USAID Ghana  
P.O. Box 1630  
Accra, Ghana

**To the Grantee:**

Mail Address  
Honorable Minister  
Ministry of Finance  
P.O. Box M 40  
Accra, Ghana

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

**Section 7.2. Representatives:** For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the Office of Minister of Finance, and USAID will be represented by the individual holding or acting in the Office of Mission Director, USAID/Ghana, each of whom, by written notice, may designate additional representatives for all purposes other than

signing formal amendments to the Agreement or exercising the power under Sections 2.2 or 2.3 to revise the Results or Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to USAID, which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 7.3. Standard Provisions Annex: A "Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the United States of America and the Grantee, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE UNITED STATES OF AMERICA

THE REPUBLIC OF GHANA

By: Thomas Hobgood  
Mr. Thomas Hobgood  
Acting Mission Director  
USAID/Ghana

By: Victor Selormey  
Mr. Victor Selormey  
Deputy Minister  
Ministry of Finance

Date: September 30, 1997

Date: September 30, 1997

Funds Available

Rick Ryley  
Rick Ryley  
USAID Ghana  
Controller

Funds Cite:

APPR:727/81021  
BPC: GDV7-97-21641-KG13  
RCN: D970096  
AMT: \$1,500,000

## ANNEX 2

### STANDARD PROVISIONS

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## Standard Provisions

### Article A: Definitions and Implementation Letters.

**Section A.1. Definitions:** As used in this Annex, the "Agreement" refers to the Strategic Objective Grant Agreement to which this Annex is attached and of which this Annex forms a part. Terms used in this Annex have the same meaning or reference as in the Agreement.

**Section A.2. Implementation Letters:** To assist the Grantee in the implementation of the Agreement, USAID, from time to time, will issue Implementation Letters that will furnish additional information about matters stated in this Agreement. The Parties may also issue jointly agreed-upon Implementation Letters to confirm and record their mutual understanding on aspects of the implementation of this Agreement. Implementation Letters can also be issued to record revisions or exceptions which are permitted by the Agreement.

### Article B: General Covenants.

**Section B.1. Consultation:** The Parties will cooperate to assure that the Objective and Results of this Agreement will be accomplished. To this end, the Parties, at the request of either, will exchange views on progress towards the Objective and Results, the performance of obligations under this Agreement, the performance of any consultants, contractors, or suppliers engaged under the Agreement, and other matters relating to the Agreement.

**Section B.2. Execution of Agreement:** The Grantee will:

(a) Carry out the Agreement or cause it to be carried out with due diligence and efficiency, in conformity with sound technical, financial, and management practices, and in conformity with those documents, plans, specifications, contracts, schedules, or other arrangements, and with any modifications therein, approved by USAID pursuant to this Agreement; and

(b) Provide qualified and experienced management for, and train such staff as may be appropriate for the maintenance and operation of activities financed under the Agreement, and, as applicable for continuing activities, cause those activities to be operated and maintained in such manner as to assure the continuing and successful achievement of the Objective and Results of the Agreement.

### **Section B.3. Utilization of Goods and Services**

(a) Any goods and services financed under this Agreement, unless otherwise agreed in writing by USAID, will be devoted to the Agreement until the completion or termination of the Agreement, and thereafter (as well as during any period of suspension of the Agreement) will be used to further the Objective of the Agreement and as USAID may direct in Implementation Letters.

(b) Goods or services financed under this Agreement, except as USAID may otherwise agree in writing, will not be used to promote or assist a foreign aid project or activity associated with or financed by a country not included in USAID Geographic Code 935 as in effect at the time of such use.

### **Section B.4. Taxation** [See ADS 350.5.1d for appropriate use of this clause or alternative language.]

(a) **General Exemption.** The Agreement and the assistance thereunder are free from any taxes imposed under laws in effect in the territory of the Grantee.

(b) Except as provided otherwise in this provision, the General Exemption in subsection (a) applies to, but is not limited to (1) any activity, contract, grant or other implementing agreement financed by USAID under this Agreement; (2) any transaction or supplies, equipment, materials, property or other goods (hereinafter collectively "goods") under (1) above; (3) any contractor, grantee, or other organization carrying out activities financed by USAID under this Agreement; (4) any employee of such organizations; and (5) any individual contractor or grantee carrying out activities financed by USAID under this Agreement.

(c) Except as provided otherwise in this provision, the General Exemption in subsection (a) applies to, but is not limited to, the following taxes:

(1) **Exemption 1.** Customs duties, tariffs, import taxes, or other levies on the importation, use and re-exportation of goods or the personal belongings and effects (including personally-owned automobiles) for the personal use of non-national individuals or their family members.

Exemption 1 includes, but is not limited to, all charges based on the value of such imported goods, but does not include service charges directly related to services performed to transfer goods or cargo.

(2) **Exemption 2.** Taxes on the income, profits or property of all (i) non-national organizations of any type, (ii) non-national employees of national and non-national organizations, or (iii) non-national individual contractors and grantees. Exemption 2 includes income and social security taxes of all types

and all taxes on the property, personal or real, owned by such non-national organizations or persons. The term "national" refers to organizations established under the laws of the Grantee and citizens of the Grantee, other than permanent resident aliens in the United States.

(3) Exemption 3. Taxes levied on the last transaction for the purchase of goods or services financed by USAID under this Agreement, including sales taxes, value-added taxes (VAT), or taxes on purchases or rentals of real or personal property. The term "last transaction" refers to the last transaction by which the goods or services were purchased for use in the activities financed by USAID under this Agreement.

(d) If a tax has been levied and paid contrary to the provisions of an exemption, USAID may, in its discretion, (1) require the Grantee to refund to USAID or to others as USAID may direct the amount of such tax with funds other than those provided under the Agreement, or (2) offset the amount of such tax from amounts to be disbursed under this or any other agreement between the Parties.

(e) In the event of a disagreement about the application of an exemption, the Parties agree to promptly meet and resolve such matters, guided by the principle that the assistance furnished by USAID is free from direct taxation, so that all of the assistance furnished by USAID will contribute directly to the economic development of the country of the Grantee.

#### **Section B.5. Reports, Accounting Records, Audits, and Inspections**

(a) The Grantee shall furnish USAID such information and reports relating to the Agreement as USAID may reasonably request.

(b) The Grantee shall maintain accounting books, records, documents and other evidence relating to the Agreement, adequate to show, without limitation, all costs incurred under the Agreement, the receipt and use of goods and services acquired under the Agreement, agreed-upon cost sharing requirements, the nature and extent of solicitations of prospective suppliers of goods and services acquired, the basis of award of contracts and orders, and the overall progress of the Agreement toward completion ("Agreement books and records"). At the Grantee's option, with approval by USAID, Agreement books and records shall be maintained in accordance with one of the following methods: (1) generally accepted accounting principles prevailing in the United States, (2) generally accepted accounting principles prevailing in the country of the Grantee, (3) accounting principles prescribed by the International Accounting Standards Committee (an affiliate of the International Federation of Accountants), or (4) such other accounting principles as the Parties may agree to in writing. Agreement books and records shall be maintained for at least three years after the date of last disbursement by USAID or for such longer period, if any, required to resolve any litigation, claims or audit findings.

(c) If \$250,000 or more is disbursed directly to the Grantee in any one calendar year under the Agreement, the Grantee, except as the Parties may otherwise agree in writing, shall have financial audits made of the funds disbursed to the Grantee under the Agreement in accordance with the following terms:

(1) The Grantee shall select an independent auditor in accordance with the "Guidelines for Financial Audits Contracted by Foreign Recipients" issued by the USAID Inspector General ("Guidelines"), and the audits shall be performed in accordance with the "Guidelines."

(2) An audit of the funds provided under the Agreement shall be conducted for each fiscal year of the Grantee. The audit shall determine whether the receipt and expenditure of the funds provided under the Agreement are presented in accordance with generally accepted accounting principles agreed to in section (b) above and whether the Grantee has complied with the terms of the Agreement. Each audit shall be completed no later than one year after the close of the Grantee's fiscal year.

(d) The Grantee shall submit an audit report to USAID within 30 days after completion of each audit arranged for by the Grantee in accordance with this Section. The USAID Inspector General will review each report to determine whether it complies with the audit requirements of this Agreement. Subject to USAID approval, costs of audits performed in accordance with the terms of this Section may be charged to the Agreement. In cases of continued inability or unwillingness to have an audit performed in accordance with the terms of this Section, USAID will consider appropriate sanctions which include suspension of all or a portion of disbursements until the audit is satisfactorily completed or USAID performs its own audit.

(e) The Grantee shall submit to USAID, in form and substance satisfactory to USAID, a plan by which the Grantee will ensure that funds made available to subrecipients that receive \$100,000 or more in any one calendar year under the Agreement are audited in accordance with this Agreement. The plan should describe the methodology to be used by the Grantee to satisfy its audit responsibilities with respect to any subrecipient to which this Section applies. Such audit responsibilities with respect to subrecipients may be satisfied by relying on independent audits of the subrecipients or on appropriate procedures performed by the internal audit or program staff of the Grantee, by expanding the scope of the independent financial audit of the Grantee to encompass testing of subrecipients' accounts, or by a combination of these procedures. The plan should identify the funds made available to subrecipients that will be covered by audits conducted in accordance with other audit provisions that would satisfy the Grantee's audit responsibilities (a nonprofit organization organized in the United States is required to arrange for its own audits; a for-profit contractor organized in the United States that has a direct contract with USAID is audited by the cognizant U.S. Government Agency; a private voluntary organization organized outside the United States with a direct grant from USAID is required to arrange

for its own audits; and a host-country contractor should be audited by the cognizant Grantee contracting agency). The Grantee shall ensure that appropriate corrective actions are taken on the recommendations contained in the subrecipients' audit reports; consider whether subrecipients' audits necessitate adjustment of its own records; and require each subrecipient to permit independent auditors to have access to records and financial statements as necessary.

(f) USAID may, at its discretion, perform the audits required under this Agreement on behalf of the Grantee by utilizing funds under the Agreement or other resources available to USAID for this purpose. The Grantee shall afford authorized representatives of USAID the opportunity at all reasonable times to audit or inspect activities financed under the Agreement, the utilization of goods and services financed by USAID, and books, records and other documents relating to the Agreement.

**Section B.6. Completeness of Information** The Grantee confirms:

(a) that the facts and circumstances of which it has informed USAID, or caused USAID to be informed, in the course of reaching agreement with USAID on the Agreement, are accurate and complete, and include all facts and circumstances that might materially affect the Agreement and the discharge of responsibilities under this Agreement; and

(b) that it will inform USAID in timely fashion of any subsequent facts and circumstances that might materially affect, or that it is reasonable to believe might so affect, the Agreement or the discharge of responsibilities under this Agreement.

**Section B.7. Other Payments:** Grantee affirms that no payments have been or will be received by any official of the Grantee in connection with the procurement of goods or services financed under the Agreement, except fees, taxes, or similar payments legally established in the country of the Grantee.

**Section B.8. Information and Marking:** The Grantee will give appropriate publicity to the Agreement as a program to which the United States has contributed, identify Agreement activity sites, and mark goods financed by USAID, as described in Implementation Letters.

**Article C: Procurement Provisions.**

**Section C.1. Source and Origin**

C.1. Source and Origin. [If the authorized Geographic Code for foreign exchange procurement is Code 000, insert the following paragraph (a):

(a) Foreign Exchange Costs. Disbursements for Foreign Exchange Costs will be used exclusively to finance the costs of goods and services required for the Agreement having, with respect to goods, their source and origin and, with respect to the suppliers of goods and services, their nationality, in the United States (USAID Geographic Code 000), except as USAID may otherwise agree in writing.

[Alternatively, if the authorized Geographic Code for foreign exchange procurement is other than Code 000, insert the following paragraph (a):

(a) Foreign Exchange Costs. Disbursements for Foreign Exchange Costs will be used exclusively to finance the costs of goods and services required for the Agreement having, with respect to goods, their source and origin and, with respect to the suppliers of goods and services, their nationality, in countries included in Geographic Code \_\_\_ as in effect at the time orders are placed or contracts entered into for such goods or services, except as USAID may otherwise agree in writing and as follows:

- (1) Ocean transportation costs shall be financed under the Agreement only on vessels under flag registry of countries included in Code 935. Also see Section C.6 on use of U.S. flag vessels.
- (2) The country of the Grantee is an eligible source for Foreign Exchange Cost for marine insurance, if otherwise eligible under Section C.7(a).
- (3) Any motor vehicles financed under the Agreement will be of United States manufacture, except as USAID may otherwise agree in writing. ]

(b) Local Currency Costs. Disbursements for Local Currency Costs will be used exclusively to finance the costs of goods and services required for the Agreement which meet the requirements of USAID's local procurement policy which will be provided in an Implementation Letter.

(c) The source and origin of ocean and air shipping will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.

(d) Provisions concerning restricted and ineligible goods and services may be provided in an Implementation Letter.

(e) Transportation by air of property or persons financed under this agreement will be on carriers holding United States certification, to the extent service by such carriers is available under the Fly America Act. This requirement may be further described by USAID in Implementation Letters.

**Section C.2. Eligibility Date:** No goods or services may be financed under the Agreement which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the Parties may otherwise agree in writing.

**Section C.3. Plans, Specifications and Contracts:** In order for there to be mutual agreement on the following matters, and except as the Parties may otherwise agree in writing:

(a) The Grantee will furnish to USAID upon preparation:

(1) any plans, specifications, procurement or construction schedules, contracts, or other documentation between the Grantee and third parties, relating to goods or services to be financed under the Agreement, including documentation relating to the prequalification and selection of contractors and to the solicitation of bids and proposals. Material modifications in such documentation will likewise be furnished USAID on preparation; and

(2) such documentation will also be furnished to USAID, upon preparation, relating to any goods or services, which, though not financed under the Agreement, are deemed by USAID to be of major importance to the Agreement. Aspects of the Agreement involving matters under this subsection (a)(2) will be identified in Implementation Letters.

(b) Documents related to the prequalification of contractors, and to the solicitation of bids or proposals for goods and services financed under the Agreement will be approved by USAID in writing prior to their issuance, and their terms will include United States standards and measurements;

(c) Contracts and contractors financed under the Agreement for engineering and other professional services, for construction services, and for such other services, equipment, or materials as may be specified in Implementation Letters, will be approved by USAID in writing prior to execution of the contract. Material modifications in such contracts will also be approved in writing by USAID prior to execution; and

(d) Consulting firms used by the Grantee for the Agreement but not financed under the Agreement, the scope of their services and such of their personnel assigned to activities financed under the Agreement as USAID may specify, and construction contractors used by the Grantee for the Agreement but not financed under the Agreement, shall be acceptable to USAID.

**Section C.4. Reasonable Price:** No more than reasonable prices will be paid for any goods or services financed, in whole or in part, under the Agreement. Such items will be procured on a fair and, to the maximum extent practicable, competitive basis.

**Section C.5. Notification to Potential Suppliers:** To permit all United States firms to have the opportunity to participate in furnishing goods and services to be financed under the Agreement, the Grantee will furnish USAID such information with regard thereto, and at such times, as USAID may request in Implementation Letters.

### **Section C.6. Transportation**

(a) In addition to the requirements in Section C.1(a), costs of ocean or air transportation and related delivery services may not be financed under the Grant, if the costs are for transportation under an ocean vessel or air charter which has not received prior USAID approval.

(b) Unless USAID determines that privately owned United States-flag commercial ocean vessels are not available at fair and reasonable rates for such vessels, or otherwise agrees in writing:

(1) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by USAID which may be transported on ocean vessels will be transported on privately owned United States-flag commercial vessels; and

(2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by USAID and transported to the territory of the Grantee on dry cargo liners shall be paid to or for the benefit of privately owned United States-flag commercial vessels. Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

### **Section C.7. Insurance**

(a) Marine insurance on goods financed by USAID which are to be transported to the territory of the Grantee may be financed as a Foreign Exchange Cost under this Agreement provided

(1) such insurance is placed at the most advantageous competitive rate;

(2) such insurance is placed in a country which is authorized under Section C.1(a); and

(3) claims thereunder are payable in U.S. dollars or any freely convertible currency unless USAID agrees otherwise in writing.

If the Grantee (or government of the Grantee), by statute, decree, rule, regulation, or practice discriminates with respect to USAID-financed procurement against any marine insurance company authorized to do business in any State of the United States, then all goods shipped to the territory of the Grantee financed by USAID hereunder shall be insured against marine risks and such insurance shall be placed in the United States with a company or companies authorized to do marine insurance business in the United States.

(b) Except as USAID may otherwise agree in writing, the Grantee will insure, or cause to be insured, goods financed under the Agreement imported for the Agreement against risks incident to their transit to the point of their use under the Agreement; such insurance will be issued on terms and conditions consistent with sound commercial practice and will insure the full value of the goods. Any indemnification received by the Grantee under such insurance will be used to replace or repair any material damage or any loss of the goods insured or will be used to reimburse the Grantee for the replacement or repair of such goods. Any such replacement will be of source and origin of countries listed in USAID Geographic Code 935 as in effect at the time of replacement and, except as the Parties may agree in writing, will be otherwise subject to the provisions of the Agreement.

**Section C.8. U.S. Government-Owned Excess Property:** The Grantee agrees that wherever practicable United States Government-owned excess personal property, in lieu of new items financed under the Grant, should be utilized. Funds under the Agreement may be used to finance the costs of obtaining such property.

**Article D: Disbursements.** [D.1 2 and 3 are optional; clause can provide that disbursements will be made through such means as the Parties agree to in writing or as set forth in Annex 1.]

#### **Section D.1. Disbursement for Foreign Exchange Costs**

(a) After satisfaction of conditions precedent, if any, the Grantee may obtain disbursements of funds under the Agreement for the Foreign Exchange Costs of goods or services required for the Agreement in accordance with its terms, by such of the following methods as may be mutually agreed upon:

(1) by submitting to USAID, with necessary supporting documentation as prescribed in Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for USAID to procure commodities or services in Grantee's behalf for the Agreement; or,

(2) by requesting USAID to issue Letters of Commitment for specified amounts directly to one or more contractors or suppliers, committing USAID to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by the Grantee in connection with Letters of Commitment will be financed under the Agreement unless the Grantee instructs USAID to the contrary. Such other charges as the Parties may agree to may also be financed under the Agreement.

#### **Section D.2. Disbursement for Local Currency Costs**

(a) After satisfaction of conditions precedent, if any, the Grantee may obtain disbursements of funds under the Agreement for Local Currency Costs required for the Agreement in accordance with terms of this Agreement, by submitting to USAID, with necessary supporting documentation as prescribed in Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be purchased by USAID with U.S. Dollars. The U.S. Dollar equivalent of the local currency made available hereunder will be the amount of U.S. Dollars required by USAID to obtain the local currency.

**Section D.3. Other Forms of Disbursement:** Disbursements may also be made through such other means as the Parties may agree to in writing.

**Section D.4. Rate of Exchange:** If funds provided under the Agreement are introduced into the Cooperating Country by USAID or any public or private agency for purposes of carrying out obligations of USAID hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into local currency at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the country of the Grantee to any person for any purpose.

### **Article E: Termination; Remedies.**

#### **Section E.1. Suspension and Termination**

(a) Either Party may terminate this Agreement in its entirety by giving the other Party 30 days written notice. USAID also may terminate this Agreement in part by giving the Grantee 30 days written notice, and suspend this Agreement in whole or in part upon giving the Grantee written notice. In addition, USAID may terminate this Agreement in whole or in part, upon giving the Grantee written notice, if (i) the Grantee fails to comply with any provision of this Agreement, (ii) an event occurs that USAID determines makes it improbable that the Objective or Results of the Agreement or the assistance program will be attained or that the Grantee will be able to perform its obligations under this Agreement, or (iii) any disbursement or use of funds in the manner herein contemplated would be in violation of the legislation governing USAID, whether now or hereafter in effect.

(b) Except for payment which the Parties are committed to make pursuant to noncancellable commitments entered into with third parties prior to such suspension or termination, suspension or termination of this entire Agreement or part thereof will suspend (for the period of the suspension) or terminate, as applicable, any obligation of the Parties to provide financial or other resources to the Agreement, or to the suspended or terminated portion of the Agreement, as applicable. Any portion of this Agreement which is not suspended or terminated shall remain in full force and effect.

(c) In addition, upon such full or partial suspension or termination, USAID may, at USAID's expense, direct that title to goods financed under the Agreement, or under the applicable portion of the Agreement, be transferred to USAID if the goods are in a deliverable state.

### **Section E.2. Refunds**

(a) In the case of any disbursement which is not supported by valid documentation in accordance with this Agreement, or which is not made or used in accordance with this Agreement, or which was for goods or services not used in accordance with this Agreement, USAID, notwithstanding the availability or exercise of any other remedies under this Agreement, may require the Grantee to refund the amount of such disbursement in U.S. Dollars to USAID within sixty (60) days after receipt of a request therefor.

(b) If the failure of Grantee to comply with any of its obligations under this Agreement has the result that goods or services financed or supported under the Agreement are not used effectively in accordance with this Agreement, USAID may require the Grantee to refund all or any part of the amount of the disbursements under this Agreement for or in connection with such goods or services in U.S. Dollars to USAID within sixty (60) days after receipt of a request therefor.

(c) The right under subsections (a) or (b) to require a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three years from the date of the last disbursement under this Agreement.

(d) (1) Any refunds under subsections (a) or (b), or (2) any refund to USAID from a contractor, supplier, bank or other third party with respect to goods or services financed under the Agreement, which refund relates to an unreasonable price for or erroneous invoicing of goods or services, or to goods that did not conform to specifications, or to services that were inadequate, will (A) be made available first for the Agreement, to the extent justified, and (B) the remainder, if any, will be applied to reduce the amount of the Grant.

(e) Any interest or other earnings on funds disbursed by USAID to the Grantee under this Agreement prior to the authorized use of such funds for the Agreement will be returned to USAID in U.S. Dollars by the Grantee, unless USAID otherwise agrees in writing.

**Section E.3. Nonwaiver of Remedies:** No delay in exercising any right or remedy accruing to a Party in connection with its financing under this Agreement will be construed as a waiver of such right or remedy.

**Section E.4. Assignment:** The Grantee agrees, upon request, to execute an assignment to USAID of any cause of action which may accrue to the Grantee in connection with or arising out of the contractual performance or breach of performance by a Party to a direct U.S. Dollar contract which USAID financed in whole or in part out of funds granted by USAID under this Agreement.

## **Article F: Miscellaneous**

### **Section F.1. Job Loss, Export Processing Zones and Workers' Rights**

(a) No funds or other support provided hereunder may be used in an activity reasonably likely to involve the relocation or expansion outside of the United States of an enterprise located in the United States if non-U.S. production in such relocation or expansion replaces some or all of the production of, and reduces the number of employees at, said enterprise in the United States.

(b) No funds or other support provided hereunder may be used in an activity the purpose of which is the establishment or development in a foreign country of any export processing zone or designated area where the labor, environmental, tax, tariff, and safety laws of the country would not apply, without the prior written approval of USAID.

(c) No funds or other support provided hereunder may be used in an activity which contributes to the violation of internationally recognized rights of workers in the recipient country, including those in any designated zone or area in that country.

\*\*\* END \*\*\*

Strategic Objective No. 4

"Enhanced Civic Participation  
and Accountable Governance"

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**STRATEGIC OBJECTIVE:  
"ENHANCING CIVIC PARTICIPATION  
AND ACCOUNTABLE GOVERNANCE"**

**ANNEX I  
AMPLIFIED PROJECT DESCRIPTION**

**I. INTRODUCTION**

This annex describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement.

**II. BACKGROUND**

Over the past five years Ghana has experienced a spectacular political opening. In no other state in West Africa has the transition from authoritarianism to multi-party democracy been more promising. With the December 1996 elections a major threshold has been crossed in the long and delicate process of political liberalization that has been pursued in Ghana since 1992.

Ghana is going through a political healing process from which major democratic gains can be expected. This process is critical to help insulate Ghana against the instability that currently plagues much of Africa. There are many problems, however, facing the country as it approaches the 21st Century. The economy, while witnessing growth rates of nearly 5% for more than a decade, is slowing down. Inflation, which has dropped by half since 1995, is still high at 35% and foreign domestic private investment levels are too low to sustain real economic growth rates. It is anticipated that 1997 will be a year of significant economic and fiscal challenges. Anticipated wage, electricity and petrol increases and preparation for a value-added tax will create additional pressures for Ghana's citizens.

Ghana has the basic elements of a democratic political culture, which includes respect for fundamental human rights, political space for economic groups, freedom of the press and broad comprehensive rules of political competition. The institutions required to support these elements are in place -- a constitution, a competitive and meaningful electoral process and legislative and judicial institutions.

**III. CONSTRAINTS TO DEMOCRATIC CONSOLIDATION**

The principal challenge facing Ghana is how best to consolidate multi-party democracy into a representative, responsive governance process that is meeting the needs of Ghanaians. Although many positive conditions exist to support the consolidation of democracy in Ghana, underlying problems remain to be addressed.

**A. Civil Society Organizations**

One of the more notable achievements of the Fourth Republic has been to open up a "political space" in which pluralism can flourish. Ghana's associational life bears testimony to this phenomenon. **Civil society organizations** (CSOs) have grown significantly since 1992. Relatively few have roots in the rural areas; by far the most numerous and vocal are to be found in the urban sectors. A common handicap suffered by virtually all CSOs, except for those that are clearly identified with the state, is the tenuousness of their links to the political arenas at the national and

district levels. The vast majority of CSOs (both for-profit and non-for-profit) are weak and fragmented. A vibrant democracy requires the growth of CSOs that are strong enough to defend constitutional rules while giving citizens significant opportunities for participation;

**B. *Constitutional Rules and the Judiciary***

The 1992 Constitution is Ghana's fourth since independence in 1957. It provides the basic elements of constitutional rule, including extensive human rights provisions, separation of powers and a Supreme Court with powers of judicial review. Nonetheless, there are two areas where problems are likely to arise. One concerns the hybrid character of the constitution which reflects both the stamp of a presidential system as well as that of the Westminster model. The president's powers of appointment are sweeping and broad. He appoints the Speaker of the House of Parliament who is not a member of this body himself. However, the committee system -- borrowed from the British system -- is designed to keep a close check on the powers of the executive. The other problem is that the Constitution gives the legislature very little say in financial matters. It cannot increase budgetary expenditures, introduce new taxes or raise existing ones. All it can do is reduce the expenditures proposed by the government, or reallocate monies among line items under the same general rubric.

The judiciary has established the supremacy of the Constitution over all laws and has exercised its authority for judicial review. Protection of human rights is vested in the high court with the right of appeal to the Court of Appeals and the Supreme Court. But, the judicial system has severe administrative and financial weaknesses. It lacks the institutional capacity to deliver justice speedily and inexpensively. Major roadblocks to an effective judiciary include inconsistency of laws with the constitution, insufficient and untrained court personnel such as clerks and court reporters, outdated law books and journals, and inadequate infrastructure.

**C. *Political Pluralism***

The government-dominated Parliament of the first session of the 4th Republic struggled to assume its position as the premier law making body in the country. Most members had never served in a similar capacity, given that Parliament had not existed for 13 years. Nevertheless, Parliament was not a rubber stamp of government policies, particularly with respect to the budget. The newly-elected Parliament now has a significant opposition presence. The opposition holds 67 seats in the 200 seat parliament, giving it an effective block against government efforts to amend the Constitution. But to be effective in the exercise of its oversight responsibilities, Parliament needs to be more proactive and less reactionary.

The major constraints to an effective Parliament are inadequate training in parliamentary procedures and addressing policy issues, lack of independent research and analytical capacity, and a lack of a mechanism that allows for public participation in legislative debate.

Parliamentarians also serve as ex-officio members of the District Assemblies (DA) in their constituencies. Enhancing their ability to work constructively with local government officials and constituents is a critical, and missing, link to strengthening democratic governance.

Political pluralism needs to be encouraged not only within the Parliament, but among political parties as well. Opposition political parties boycotted the 1992 parliamentary elections. By December 1996, eight parties participated in and were fully engaged in the electoral process and racked up an impressive number of seats. The introduction of the Intra-Party Advisory Committee (IPAC), a monthly meeting of political party representatives chaired by the Electoral Commission, was a crucial element in the success of the elections. Often tuned-up to compete in elections, political parties disintegrate during the off years when they could use this time to form coherent platforms. The institutional and organizational capacity of the parties requires strengthening.

#### **D. *Transparent Government***

Government policies and regulations are often developed with little collaboration from sectors of the society that will be affected by the policies or are to implement them. New government policies and regulations are often announced in the media, but there is little discussion or transparency surrounding the formulation of these initiatives. A key issue facing Ghana at this stage is how to devolve greater authority and responsibility to the local governmental entities and to deconcentrate decision-making from the central to local government. Decentralization is a key ingredient for achieving more transparent, accountable and responsive government. Deconcentration of government power will occur as more actors are allowed more meaningful roles in political and economic spheres within Ghana.

Ghanaians have endorsed the need for some measure of decentralization in their constitution. The Local Government Act of 1993 reaffirms the Government's commitment to decentralizing. However, there is some ambivalence on the part of the central ministries regarding retaining their authority against the newly developing authority of the local level which includes District Assemblies (5000 members) and, beginning at the end of 1997, Unit Committees (16,000 elected members). Finding an appropriate balance between the central government and local authorities is a major challenge facing Ghana. Especially in light of the fact that all 110 District Chief Executives and one-third of all Assembly members are Presidential appointees.

#### **IV. RATIONALE AND STRATEGY FOR THE PROGRAM**

On the strength of its previous experience in Ghana USAID has developed a framework for promoting greater citizen involvement in the political process and encouraging greater transparency and accountability. Enhancing civic participation and accountable governance are central to USAID's long-term goal of promoting the emergence of a democratic environment in Ghana. Support for civil society will be a separate set of activities that help strengthen the non-governmental sector, but also

helps develop important linkages between the public and private sector. The governance activities will include support for Parliament, the political process and local government. USAID has consciously decided to limit assistance to the judicial system which is being assisted by other donors and requires significantly more resources to refurbish court houses, provide equipment and training judges and court staff throughout the system. USAID's objectives will be implemented through two, mutually supportive results packages: (1) civil society; (2) governance.

**Civil Society:** A vibrant civil society is an essential element of a democratic society. They are the engines that can generate the public push for reform, as well as work to consolidate reform by helping to hold the state accountable for what it does. There are several hundred non-governmental organizations in Ghana. USAID's portfolio in Ghana supports the development and strengthening of civil society in each sector (economic growth, primary education, health) in which we are involved. The assistance provided under this democracy and governance strategic objective will complement the activities in the other sectors and focus more on supporting interventions that strengthen civil society organizations attempting to foster policy change at the local and national levels. Assistance to these civil society organizations is expected to help put in place mechanisms that can prevent or mitigate against conflict and help establish an early warning system that can help insulate Ghana against instability.

**Governance:** There can be no progress toward democratic consolidation unless institutional mechanisms exist through which rulers can be held accountable for their actions. Insofar as they stipulate the rules of the game and the procedures by which they are to be enforced, constitutional provisions provide the building blocks for accountable governance. In its day-to-day manifestations, however, accountability is inseparable from the functions performed by Parliament: the legislature is the only branch of government which combines legislative, representative and oversight functions. Finally, there can be no accountability without an independent judiciary to guarantee the fundamental rights of citizens to apply the law to specific cases and exercise judicial review.

On the local level, the 110 local government District Assemblies (DAs) provide linkage between the government (parliament and the executive) and the local village communities. The credibility of local DAs must be improved to create an environment in which information flows up and down the governance chain and decision-making over local issues is allowed to remain at the local level.

Ghana is still completing the Constitutionally-mandated decentralization process. With presidential and parliamentary elections over, the next task is to hold elections at the end of 1997 for the Unit Committees and in mid-1998 for the district assemblies. The Electoral Commission (EC) of Ghana is viewed as one of the most professional and competent electoral bodies in Africa. Additional assistance to the EC in election administration, particularly, at the local level and to strengthen political parties is required to consolidate the gains of the past.

USAID Ghana's democracy and governance strategic objective combines a four tiered approach to enhancing the democratization process in Ghana. Table 1 highlights the four interrelated tiers and identifies illustrative results anticipated through successful implementation of the objective. Civil Society activities will be pursued through Results Package 1. The other three tiers are focused on public sector/government areas and will be pursued through Results Package 2.

Table 1: Project Framework Enhanced Civic Participation and Accountable Governance			
Increased Effectiveness of Civil Society Organizations to Influence Public Policy	Enhanced Governance and Accountability to Respond to Needs of Citizens		
	More Effective Parliament	More Competitive Political Processes	Strengthened Local Government
<ul style="list-style-type: none"> <li>▪ Increased management capacity of CSOs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved professional skills of members and officers of Parliament</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved management and administration of electoral process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased exercise of authority at the local level</li> </ul>
<ul style="list-style-type: none"> <li>▪ Increased Collaboration/Communication with Government Decision Makers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased access to information resources</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthened political parties</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased planning and management capacity of local governments</li> </ul>
<ul style="list-style-type: none"> <li>▪ Increased capacity and will of CSOs to Represent Members' interests</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved oversight capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved decentralization of the competitive political process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased capacity and will of local governments to represent constituents' interests</li> </ul>
<ul style="list-style-type: none"> <li>▪ Improved Coordination between CSOs</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ More effective flow of information to citizens</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved coordination between national and local governments</li> </ul>

**V. PLANNED PROGRAM RESULTS PACKAGES AND ACTIVITIES**

Improved democracy and governance practices and processes are critically important to Ghana's political and economic development. Nongovernmental organizations, district assemblies (local district governmental planning bodies), and local community groups and associations need to play ever more significant roles in the country's development. The reduced role of the national government, declining public sector resources and Ghana's strategy of decentralizing government authority to local institutions virtually mandate a more democratic form of governance that will incorporate the views of all citizens.

For Ghana's Vision 2020 goal to become reality, democratic governance -- which requires an informed public that understands the changes needed to

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improve the quality of life -- is no longer an option, but a requirement. The Government of Ghana recognizes the important role to be played by non-governmental organizations (NGOs). The first phase of Ghana's development plan for the next 25 years, called Vision 2020 (The First Step: 1996-2000), which identifies the long term development goal for the country, makes specific reference to the role of (NGOs) in promoting and implementing the country's developmental goals: "The successful achievement of the medium-term aims... is dependent upon the ability of the central and local government to provide an environment that actively supports the private sector, including NGOs..." From this perspective USAID's civil society agenda is very much in harmony with the GOG's vision of the course to be charted for the next few years.

The underlying theme to all of USAID's activities in this strategic objective is to build the capacity of Ghanaians and Ghanaian institutions to lead the country into the 21st Century and to achieve Ghana's goals. For the most part, technical assistance provided will include partnering of expatriate teams with Ghanaian institutions, rather than relying solely on expatriate personnel. Specific activities will be geared to the conditions and needs of the communities involved. Preliminary results from the IFES-conducted civil society assessment, which includes the participation of some 60 different communities, indicate that there is wide variations among communities in ethnicity, religion, education and traditional practices. Thus, the activities supported by this project will require flexibility and targeting. It is anticipated that IFES and NDI will serve as the lead organizations working with the donor community and beneficiaries to ensure complementarity of program activities and eliminate redundancy and overlap.

**A. Results Package One: Civil Society**

USAID's major objective in the Civil Society results package is to strengthen the capacity of CSOs as an essential component of a democratic society. The focus of activities will be on increasing the effectiveness of CSOs, building capacity to engage in public policy analysis and debate and establishing linkages and synergies with other elements of civil society. This will be accomplished through four integrated activities: (a) increasing the management capacity of CSOs; (b) increasing collaboration and communication with government decision-makers; (c) improving the capacity of CSOs to represent the organization's interests; and (d) improving coordination among CSOs.

USAID support for these components will complement and coordinate with other activities within the Mission's portfolio to develop synergies and build on economies of scale. For example, in the Mission's primary education portfolio where a good deal of assistance will focus on communities to support schools, the democracy and governance activities could strengthen community-based groups that are not specifically school oriented but could play a role in increasing the cohesiveness of the community.

Through a grant to the International Foundation for Election Systems (IFES), USAID is funding an assessment of CSOs in Ghana. The assessment will be conducted during September 1997. The team conducting the assessment is comprised of three expatriates and 11 Ghanaians, primarily from the University of Ghana at Legon. The nation-wide assessment will identify the current state of civil society, its role in consolidating the democratization process and the strengths and weaknesses of civil society organizations. The results of the assessment will be used to refine the selection criteria and help select organizations to assist and training program topics. Illustrative criteria for selection of CSOs as participants in project activities include the following:

- ❖ identifiable and self-aware constituency;
- ❖ a self-conscious mission that is both credible and compelling to membership;
- ❖ a leadership that represents members, is supportive of learning new management strategies, such as strategic planning, action plan development, membership development, polling techniques and is willing to work with other like-minded CSO groups toward specific goals;
- ❖ involved in advocacy, public education or public policy formulation; and
- ❖ sufficient autonomy from the state that the organization can credibly endeavor to influence the state without being (or becoming) captive to it.

Specific activities to be supported under this results package include:

1. Enhanced Civic Participation to Influence Public Policy
  - (a) Increased CSO Management Capacity

Although there are significant windows of democratic opportunity in Ghana's political culture, there remains a residue of authoritarianism that needs to be addressed. Many organizations tend to have hierarchies in which decisions by a few leaders flow downward. Bringing in wider sources of information and receiving feedback will greatly enhance the development and implementation of public policies on the national and local levels. Management styles that are structured to maximize vertical integration are ill-equipped to meet changes in complex and fluid environments. The most successful organizations employ flexible, non-hierarchical management styles that emphasize collegiality and horizontal integration.

The activities to be supported under this component will focus on developing a more participatory approach to the management of CSOs. This activity will support a series of intensive workshops that will help to develop the management and institutional capacity of civil society. Workshops will be held in all 10 regional capitals and will include representatives from rural areas and women's groups. Workshop topics will include, but not be limited to: leadership development and participatory management, basic techniques of conflict resolution and mediation, strategic planning and management, coalition and constituency building, policy formulation, analysis and advocacy, determining public opinion on specific issues, financial management and accounting. A small group of CSOs will receive organization-specific assistance to improve operations. This may include technical assistance to help build the effectiveness of the board of directors and the membership, establish appropriate financial management and personnel systems and other organization-building activities.

U.S.-based training will also be a component of this activity. Training programs to develop the professionalism and increase exposure of Ghanaian CSOs to organizations in the U.S. will be pursued. An example includes the participation of Ghanaian women lawyers in a 16-month program at Georgetown University in Washington. The Women's Law and Public Policy Fellowship Program Leadership and Advocacy for Women in Africa (LAWA) offers practicing women lawyers a one year Masters of Law degree followed by six months as a staff attorney with a legal or public interest organization in Washington or New York City. Six Ghanaian women lawyers have already successfully completed the program under USAID/W auspices. The lawyers will be

competitively selected and will be required to provide some pro bono services to an NGO upon their completion of the program. It is anticipated that USAID/Ghana will fund two participants per year for four years.

USAID assistance will result in (1) increased public perception of CSOs' impact on democratic governance; (2) greater private resources contributed to CSOs; and (3) the development of policy statements by CSOs.

(b) Increased CSO Collaboration and Communication with Government Decision-makers

This activity points to the need for more effective linkage structures between CSOs and stakeholders at the local, district, and national levels to increase CSOs' capacity to influence policy outputs. In the absence of institutions that link the society to the state chances are that the former will remain impotent, and the latter omnipotent.

To encourage dialogue between CSOs and local government a series of workshops will be held to develop skills in coalition building, resource mobilization and policy dialogue. These hands-on training workshops will include representation from CSOs and local government to encourage greater flow of information on technical and social aspects of local issues and understanding about relevant laws and regulations that impact on these issues.

The workshops will foster a non-confrontational atmosphere to promote interaction, development relationships and establish permanent channels of communication between CSOs and local government units. Emphasis will be placed on creating an understanding of and appreciation for the positive role civil society plays in public policy formulation under democratic governance.

The project will support the establishment of regular fora in the districts receiving assistance to help resolve community issues. Through assistance to CSOs, "town meetings" will be called to encourage a participatory approach to community problems. CSOs will learn how to set agendas, conduct and facilitate meetings and foster a "win-win" approach to solving problems. There will be subsequent follow-up meetings to inculcate the concept of citizen responsibility.

To reinforce the training, a few communities may be selected on a competitive basis to receive small grants for local development projects. To be eligible, the community, a CSO and local government must be willing to work collaboratively to identify common issues and problems, develop a list of priorities, and management and implementation plans to accomplish the agreed-upon objectives. Each community will be assisted to develop an evaluation and monitoring system that allows the tracking of progress and results to ensure that activities are accomplishing desired impact. The grants will be managed and administered by a U.S. PVO based on agreed-upon selection criteria.

Training programs in the U.S. will be pursued to introduce representatives of selected communities to development efforts in communities across the U.S. Some of the training programs may be in collaboration with other USG organizations such as the U.S. Information Agency which sponsors group professional visits to the U.S. through the International Visitor Program. USAID will also select training programs and conferences that are appropriate.

USAID assistance will result in (1) increased advocacy by CSOs; (2) regular dialogue between CSOs and local government officials; and (3) creation of public forums to discuss community issues.

(c) Improved CSO Capacity to Represent Organizational Interests

This activity refers to the capacity of the civil society to articulate and aggregate the demands of its organization and members. The quickest way for CSOs to stimulate participation and maximize their influence in policy-making is by giving "voice" to the groups they represent. One of the key constraints for civil society organizations, as well as for local government, is often the lack of good information upon which to make decisions. This component of the project will support the development and deepening of analytical capacity of CSOs involved in public policy research and analysis.

Grants will be provided to those CSOs involved in research and public policy debate to strengthen their analytical capacity and ability to publish "user-friendly" reports that can be understood by CSOs and decision makers at all levels, including Parliament. Assistance will be provided to CSOs, through grants and technical assistance, to disseminate information in a public forum to ensure wide distribution of results and recommendations and to generate public discourse. This activity will also support the efforts of CSOs to solicit and poll their members on specific issues to ensure that the views expressed by the board and senior members are representative of the general membership. Linkages -- both technical assistance and training -- with U.S. academic and research institutions will be encouraged to help increase the analytical base of organizations in Ghana and to provide alternative scenarios for development efforts.

An activity of this component will be the strengthening of CSO relations with the media. The media has expanded rapidly over the past four years. To increase the flow of information to the public and encourage debate, the project will foster a more regular presentation of public policy issues through the print and broadcast media, including opportunities for CSOs to inform and handle the media. As a consequence journalists will develop an understanding and supportive relationship with CSOs.

USAID assistance will (1) increase the number of public debates on policy issues; and (2) increase analysis conducted by CSOs and shared with government organizations such as District Assemblies, Parliament and the executive branch.

(d) Improved Coordination among CSOs

CSOs in Ghana tend to pursue a "go it alone" approach to their activities. This approach reduces overall effectiveness of the organizations which could achieve economies of scale through networking and sharing resources. The chances of CSOs influencing public policies hinge in part on their ability to coordinate their strategies, which in turn argues for efforts at consensus building, improved communication and, where feasible, the pooling of their staff and financial resources through mergers and umbrella organizations. The need for coalition-building is important because most CSOs are very small and need to join forces in order to become effective champions of reform.

Although umbrella organizations have not been as successful in Ghana as in some other African countries, the project will build on successful efforts to increase coordination among the CSOs. The USAID project does not anticipate creating an umbrella organization necessarily, but will, instead, work with groups of CSOs to encourage coordination. This assistance will include support for development and broad dissemination of information and publications through mass media and the Internet to help foster greater sharing of information and resources.

Following the results of the CSO assessment being conducted by IFES, up to two organizations may be selected to develop and house an NGO research/publication center and NGO website. The NGOs will coordinate their efforts to ensure the relevance and success of the center. This activity will also support the attendance of key advocacy CSOs at U.S. or international conferences and seminars. Participants of training, conferences and seminars will be expected, upon their return, to conduct briefings and workshops to ensure that information acquired is shared with other members of their organizations and other NGOs.

USAID assistance will: (1) increase the production of information between and among CSOs such as publications and other documents; and (2) increase the number of CSO-sponsored seminars on public policy issues.

B. Results Package Two: Enhanced Governance and Accountability to Respond to Needs of Citizens

Accountability is the cornerstone of democratic governance. Reduced to its essentials, accountable governance means that the holders of authority are held responsible for their actions, especially as they affect the use of public resources. Not only are they accountable to the public at large, they are also accountable to each other, and this at different levels of government. Members of the government are thus answerable to MPs for their decisions, in the same way that MPs are answerable to their constituents. The same holds true for elected members of District Assemblies: they are responsible to the government for the performance of specific functions (such as tax collection), as well as to the grassroots communities.

Results Package 2 encompasses the remaining three tiers (parliament, political process and local government) of SO 4 and their related illustrative results. Additionally, there may be targetted opportunities to impact on the governance process that have not already been identified. This could include limited assistance to the judicial and court systems by the funding of assessments and, if determined feasible, provision of technical assistance, training and some commodities to improve the administration of justice.

1. More Effective Parliament

USAID is aware that there exists potential collaboration opportunities with other donors. Partnering to take advantage of synergies with other donors and NGOs will be an active part of this program.

Specifically, Parliament will be engaged to undertake training and receive technical assistance under the following four rubrics (a) improved professional skills of members and officers; (b) increased access to information; (c) improved oversight capacity.

(a) Improved Professional Skills of Members and Officers

The practice of constituent representation is a professional discipline. Like any other professional discipline, job training and education are imperative to the effective execution of this discipline. Many of Ghana's parliamentarians are freshman and have no prior training in the art of representative politics. Effective parliamentarians understand and can articulate constituent concerns into policy; they understand the issues before their respective committees and the plenary; are able to strategically debate issues; and synthesize different views to reach consensus. Additionally, leadership roles in parliament require a more acute ability to negotiate and find consensus. Leaders also face the daunting tasks of setting parliamentary schedules, managing the views of a diverse set of party

members, and ensuring that parliament proceeds in accordance with its legal mandate. In Ghana where a legacy of centralized decision making has dominated its post-independence political history, these skills are by no means natural in a politician.

USAID will fund training programs to improve professional skills of members and officers. This will include training programs designed to build the professional capacities of parliamentarian. These seminars will address issues related to roles and responsibilities of parliamentarians, with an initial focus on the relationship between parliament and NGOs, the work of committees, legislative and executive relations, or the work of factions (majority and minority groups) in parliament. Other seminars and workshops will focus on assisting members of parliament to acquire skills in the area of media relations, communications and constituent relations. Particular attention will be paid to encouraging the active involvement of the 18 women MPs in parliamentary business. Women serving as elected officials in Ghana have traditionally been outnumbered and marginalized by their male counterparts, therefore some training sessions will be devoted to promoting the leadership skills of women MPs.

In order to ensure that future training of parliamentarians continues unfettered, the program will undertake efforts to identify and support an institution or institutions that will take the lead in conducting and coordinating training programs for subsequent legislatures. This will lead to a sustainable training mechanism with active Ghanaian participation.

USAID assistance will result in (1) a more professional and competent parliament; (2) a smoother functioning plenary and committee system; (3) an empowered caucus of women parliamentarians; and (4) the institutionalization of future parliament training under the auspices of a Ghanaian institution.

(b) Increased Access to and Use of Information

Another critical area that needs to be addressed is assisting parliament's access to and use of information. Information is crucial to enabling parliamentarians to fully understand issues, to articulate and communicate views to colleagues and constituents, and to access alternate points of view. Without a wealth of information, parliamentarians are left without the tools to construct arguments, draft legislation based on factual data, and to check other parliamentarians or other branches of government when they present information claimed to be factual. To achieve this result, USAID will ensure that the parliamentary leadership, members and staff of the existing library facility, in conjunction with the appropriate experts, will participate in the identification of the facilities, acquisitions and training programs necessary to significantly improve Parliament's research facility.

USAID's assistance will help Parliament assess its needs and develop a framework for their staffing operations. In addition, USAID, through its implementing agencies, will conduct an inventory of existing resource materials to be catalogued, including reference books, order papers, periodicals and official parliamentary records, and make recommendations on additional resource materials that could assist parliament.

Information technology can play a key role in this result. A computerized legislative tracking system, which will create an electric record on the actions taken on each proposed piece of legislation as it moves through the legislative process will be established. This system will not only assist parliamentarians and staff in keeping track of debates, but will also provide a resource tool for NGOs and interested citizens in monitoring the actions of parliament or individual parliamentarians. This contributes directly to accountability and transparency of the legislative process.

Computers in the research center can be connected to the INTERNET to give parliamentarians the opportunity of seeking even more information, corresponding with colleagues internationally, or with constituents locally. USAID will coordinate these activities with that of USAID's Leland Initiative to establish parliamentary INTERNET connectivity.

USAID assistance will result in (1) an organized, well-stocked and up to date parliamentary research center; (2) parliamentarians and staff trained in the use and maximization of information, and (3) introduction of information technology to facilitate communications and access to alternate data.

(c) Improved Oversight Capacity

The oversight responsibility of Parliament is one of its key functions. Ghana's parliament requires assistance in performing this function effectively by strengthening the parliamentary committee system, increasing access to information and clearer role identification.

The ability of Ghana's parliament to become effective at acting as a check and balance to the executive will emerge from the programs designed to strengthen the committee system and parliament's access to information. A stronger committee system will be able to serve as a mechanism of executive oversight. Technical assistance will be provided to assist the organization of public hearings, legislative analysis, legislative research and oversight of the executive branch. The program will work with members of various committees to enhance their knowledge of specific issues that are being considered by committee in order to strengthen the oversight capacities of parliament. In order to perform this function, access to information will be crucial. This is where programs designed to give parliament access to information will assist the oversight function of Parliament as well. Training such committees as the Public Accounts Committee and the Finance Committee will form part of USAID's program. Both of these committees play a potentially critical role in auditing government expenditures and reviewing public policies. Additionally, support for government independent bodies such as the Accountant and Controller General, the Commission on Human Rights and Administrative Justice and the Government of Ghana Auditing Service will be provided to assist Parliament in performing its oversight responsibilities.

USAID assistance will (1) increase the development and use of position papers to present data and alternative proposals on the executive/legislative agenda; and (2) create an environment of trust between the various branches of government based on professionalism and competence.

2. More Competitive Political Process

The orchestrating of free and fair elections is a primary condition of democracy. Ghana's 1996 presidential and parliamentary elections were hailed as a success. The losing parties accepted defeat and conflicts have been directed through the appropriate legal channels. Providing assistance to make sure that the electoral process in Ghana maintains its status of impartiality and integrity is key for the consolidation of democracy in Ghana. Institutionalizing a competitive political process that is sustainable in Ghana will require the following activities: (a) improving management and administration of electoral process; (b) strengthening political parties; (c) improving the enabling environment for competitive process; and (d) fostering a more responsible media.

(a) Improved Management and Administration of the Electoral Process

USAID has supported the electoral process in Ghana since late 1994. A grant to the International Foundation for Election Systems provided technical assistance, training and commodities over the past three years to help strengthen the Electoral Commission's (EC) administration system for national elections. With the successful presidential and parliamentary elections behind them, the EC is gearing up to conduct Unit Committee elections in late 1997 and the second round of District Assembly elections in August 1998. The Unit Committee will be a challenge for the EC as 16,000 new officials will be elected nationwide. In addition to conducting and supervising elections and referenda, EC must continue to update the voter registry on an annual basis, demarcate electoral boundaries; and educate citizens on the electoral process and its purpose.

Support to the EC will consist of upgrading the computer network with new equipment and a more extensive local area network and equipment for district offices. This upgrade will facilitate the upcoming revision of the voters' registry by hastening the massive amount of data processing and printing that the revision entails. Internet connectivity will be a crucial element of this upgrade. Some district offices will be furnished with computers and INTERNET connectivity. This will greatly facilitate the registry and revision process.

Further, an election administration resource center will be established at the EC headquarters. This resource center will house a library of relevant literature and journal subscriptions to enable EC staff and the general public to study political issues. A computer with a dedicated INTERNET phone line will also be included. One possible program would be to link Parliament's Research Center and the EC's Resource Center to a central server where each lab could access the book and periodical catalogues of the other. This information sharing will increase the resourcefulness of users and broaden their scope of accessible data. Future programs could include computerizing the University of Ghana's Balme Library catalogue collection and link it to a computer-based network of Accra resource centers.

In anticipation of the impending Unit Committee elections scheduled for December 1997, USAID support will assist the EC in printing voters' registry forms and ballots (for 16,000 Unit Committee elections throughout the country), designing and printing of educational and informational posters, multi-media public service announcements, and other materials designed to educate and inform voters about the elections, and logistical support.

USAID will continue to assist the EC by supporting regional director's conferences. These conferences are designed to inform the EC's Regional Directors about the particulars of the upcoming registry of voters revision exercise, and the unit committee elections. USAID will also sponsor educational exchanges for EC officials to visit other countries and share experiences on successes and failures. This program will help spread the credibility of Ghana's EC as the most competent and respected in Africa.

USAID assistance will work toward: (a) 60% of registered voters casting ballots in the local elections; and (b) at least 20% of local elected officials are women.

(b) Strengthened Political Parties

Opposition political parties are characterized as being organizationally and financially weak, lacking the ability to articulate and communicate viable alternatives for Ghana's future, and unable to muster and maintain significant support between elections. Though USAID will not provide direct financial support for political parties, it can assist the legitimacy and organizational capacities of political parties to invigorate their support base and stimulate a more competitive political process.

Supporting the Inter-Party Advisory Committee (IPAC) will be an important feature of this program. IPAC's main function is to facilitate communication and compromise among political parties on issues of common concern. These issues range from electoral concern, conflict resolution strategies, funding of parties, and roles of traditional chiefs during campaigns. IPAC played an important role in the 1996 elections and was partially responsible for the legitimacy of the elections and acceptance of the results by the parties. USAID will support IPAC's activities through financing the institutionalization of IPAC at the Regional and District levels in order to broaden the scope of its activities and give local level party offices access to this valuable forum.

USAID assistance will result in : (a) inter-party advisory committees established in each district (110); and (b) increase in political parties with issues-based platforms.

(c) Improved Decentralization of the Competitive Political Process

Improving the enabling environment of Ghana's competitive political process involves promoting information openness and transparency among parties regarding their financial activities; strengthening NGOs in their ability to monitor, report and disseminate information regarding Ghana's political process; and supporting the professional capacities of the mass media.

By promoting informational transparency citizens will have access to more relevant information when making critical judgements on which party or candidate to support. Decisions will be made on a more rational and judgmental decision basis rather than emotional or symbolic one. If parties know that they are required to divulge all financial information to the public, they may be more inclined to operate in a more accountable fashion. This will foster a more competitive political process.

Working through IPAC, the National Commission on Civic Education (NCCE) and the EC to promote the ideals of information transparency in the political process, USAID will be supporting regional public hearings.

These hearings will occur in all ten regional capitals and will include members of the EC, political parties, parliamentarians, local political figures, interested civic organizations and the general public. The goal will be to involve citizens in consensus building concerning these issues. The information gathered at these hearings will be conveyed to the relevant legislators for introduction into parliament as part of the ongoing debate over campaign finance reform and other electoral topics.

USAID assistance will work toward: (a) at least one public hearing will be held in each region during debate of a particular issue; (b) at least one CSO will present its members views at the public hearing.

(d) More Effective Flow of Information

Transparency and accountability of the political process requires that the citizenry is accurately informed by the media. A free and dynamic independent media is an important functional element of a democracy. Through its investigative acumen the media can uncover dishonest and unethical practices by politicians. This capacity of the media can serve as an incentive for politicians to govern according to high ethical standards. Additionally, the media can serve as a useful communicative medium to inform the public about the events of parliamentary and local governmental activity. Civic interest groups alike can use the media to report on their initiatives and activities that are newsworthy. Therefore, there is a need to inform elected and other officials and leaders of civil society how to relate to the media in such a way that impels the media to accurately report to the public on events that affect their lives.

USAID will sponsor public relations training programs and workshops for parliamentarians, local governmental officials, and civic leaders on how and when to engage the media through a variety of techniques such as press releases, press conferences, and one-on-one interviews.

USAID assistance will result in (a) transparent political organization and campaigning; (b) involvement of the public and interested bodies in public debates about campaign issues; (c) a more professionalized and productive mass media.

3. Strengthened Local Government

Strengthening the institutions of local government is an essential component of democratic consolidation in Ghana. By empowering local level authorities and civic groups to play a constructive role in local level development, there exists great opportunity to improve development by giving citizens a sense of ownership in their affairs. Decentralization opens the door for active state - society engagement that can break old stereotypes and fuse local interests that can foster transparent and accountable local and national governance. In order for this ideal to be achieved, better role definition, technical competencies, strategic development planning, enhanced local tax revenue generation, and involvement of civil society in decision making must be activated. USAID will implement programs to achieve the

following mutually reinforcing activities: (a) increasing exercise of authority at local level; (b) increasing planning and management capacity (c) increasing capacity and will of local governments to represent constituents' interests; and (d) improving coordination between national and local governments.

The baseline information for implementing these programs and identifying the key players who will most likely benefit from these programs will be derived from an assessment team survey to be conducted in early September 1997. Training programs in support of strengthening local government will occur over a four year period. To judge the effects of these training programs, USAID will finance two national public opinion surveys (the baseline was conducted in April 1997).

(a) **Increased Exercise of Authority at Local Level**

Local governmental officials require legitimacy in order to perform their duties effectively. In a democracy legitimacy is derived from popular support for the activities of various actors and institutions. Decentralization in Ghana has devolved a significant degree of local planning and development to local level authorities such as the DAs. Since liberal democracy is relatively new to Ghana, local authorities are faced with limited legitimacy because a residue of authoritarian governance persists. Training for local officials will include efforts to clarify roles and responsibilities of the myriad local officials and bringing their inscribed responsibilities in line with their daily realities; sensitize the public on the financial and technical constraints faced by local authorities; instill confidence in local authorities by endowing them with technical and managerial training; and enhancing innovative means of sustainable local tax generation.

(b) **Increased Planning and Management Capacity**

One major barrier to the effective execution of local governance is the dearth of managerial and technical training that local officials have. Without these skills, management and planning are random, strategy planning becomes redundant, and as a result, the local population loses confidence in the decentralized government and exercises his or her exit option by withdrawing from participation and payment of taxes.

USAID will finance training programs for local officials to enhance skills in areas such as financial planning and accounting; strategic development planning; monitoring the performance of contractors, strengthening their regulatory abilities to ensure environmental standards are being met; and accurate records keeping. There exists significant opportunity here for USAID's Leland initiative to assist IFES in linking DAs via INTERNET connectivity. Enhancing local officials' access to communication and information will help them to network, collaborate on solution making, and keep up to date on trends in development and success stories from which to learn. In addition, better financial planning will pave the way for efficient utilization of local tax resources. If citizens begin to see results from paying their taxes, they could be inclined to more readily pay their taxes and enhance the local revenue base further.

(c) Improved Capacity and Will of Local Government to Represent Constituents' Interests

The very basis of democracy is that those who rule are given their mandate by the people to represent their interests at various state levels. In Ghana, where the state level has been brought from the remoteness of Accra to every community, this concept is new and unfamiliar. Effective linkages between communities, CSOs and DA's are needed to channel social demands upwards to decision makers. While Assemblymen may be cognizant of their role as representatives of their constituents, they do not exercise sufficient influence to represent those demands of their constituents through the appropriate channels. It is essential to ameliorate the ability of local decision-makers to solicit and promote constituent interests.

By bringing both DAs and local CSO leaders together in joint training, an appreciation of each others constraints and deficiencies will help them to understand each other better. Relationships will be fostered that will carry over into daily local interactions and more effective channels of communication will result. This will contribute significantly to local accountability.

(d) Improved Coordination Between National and Local Governments

While decentralization in Ghana has shifted local development decisions from Accra to localities, local development still falls under national interest. Therefore, ministerial level interest in local activities is great. Improving the coordination between national and local government units involves clarifying the role of the Ministry for Local Government and Rural Development (MLGRD) in the devolution of local government resources and personnel costs, and the legal parameters within which national-local relations are defined. The roles of ministerial civil servants posted in rural districts needs to be clarified as does the role of Heads of Decentralized Departments in local affairs. Much of the work to be done here falls under the ambit of role responsibility. USAID will finance a study of the relations between local and national government which will be used for training workshop planning.

USAID-funded training programs will promote a constructive exchange of views on these and issues such as relations of government units, revenue generation, the DACF distribution formula, setting and collection of taxes, fees and charges, and local access to credit. The participants of these training programs will comprise the various stakeholders in local and national government. Parliamentarians, ministerial officials, DCEs, Presiding Officers, and civic leaders will be invited to attend. A regular forum for exchanges between local and national decision makers will be established to foster accountability among these vital officials. Internet accessibility will also be provided to a limited number of regional authorities, e.g. Central Region and Greater Accra, to help increase the flow of information.

USAID support to strengthening local government will result in (a) more effective, responsive local government in the targeted districts; (b) a more technically competent local administration; (c) a managerially sound and fiscally responsible cadre of local officials; (d) durable communication links between communities, CSOs and local government, and between local government and national government which will build accountability at many levels.

**VI. RESULTS MONITORING, EVALUATION, REPORTING AND AUDITS**

The SO4 Management Team will be responsible for results monitoring, evaluation, reporting and audits, where required. Semi-annual implementation reviews will be conducted as integral components of project monitoring. Annual results reviews will be prepared and analyzed to ensure that the project is meeting objectives. Regular informal reviews and more formal quarterly reviews will be held with implementing entities and a select groups of stakeholders to assess the impact of project assistance on achieving results.

The SO4 Management Team will have primary responsibility to manage the monitoring and evaluation system for the SO. Combined with information from the two implementing entities as well as information generated by other strategic objectives, the team will be able to assess the state of democracy and governance in Ghana on a regular basis.

Monitoring and evaluating democracy and governance projects are difficult given the more subjective and less scientific nature of the activities that seek to encourage greater and more responsible participation of the larger society. Much of the impact of this strategic objective will be manifested in the views and opinions Ghanaians will hold about the various branches of government and the role that civil society plays in increasing accountability.

**A. Strategic Objective: Expected Results and Indicators**

Three proxy indicators will be used at the strategic objective level to measure project expected impact. Strategic Objective No.4 is designed to "enhance civic participation and accountable governance." USAID will conduct a baseline survey in early 1998.

- i. The number of parliamentary laws/policies modified by citizen participation. Currently there is little opportunity for civil society organizations to impact on public policy through a formal process. This indicator will measure the extent to which a process is established to encourage citizen participation in Parliament's deliberations.
- ii. The number of local government actions influenced by civil society organizations. A formal process to encourage citizen participation at the local level needs to be established to ensure that citizens are able to influence local government decisions.

- iii. Citizen confidence in the democratic process. This indicator will be measured through the IFES surveys. The baseline survey looked at confidence in the presidency, parliament, district assembly, police force and courts. These measures will be used to assess citizen confidence in the democratization process.

**B. Intermediate Results: Expected Results and Indicators**

Four intermediate results support achievement of the strategic objective. Presented below are the intermediate results along with illustrative indicators:

**I.R. 4.1 Increased Effectiveness of Civil Society Organizations in Influencing Public Policy**

- Number of meetings held between CSOs and policy makers.
- Number of studies/analyses prepared and disseminated by advocacy CSOs.

**I.R. 4.2 More Effective Parliament**

- Number of public meetings held by Parliament.
- Number of legislative bills amended by opposition political parties.

**I.R. 4.3 More Competitive Political Processes**

- Percent of registered voters who vote in the District Assembly and Unit Committee elections.
- Number of political parties with issues-based platforms.
- Percent of women elected in local elections (District Assembly and Unit Committee)

**I.R. 4.4 Strengthened Local Government**

- Percent of local government funds derived from locally generated sources.
- Percent of elected local government meetings conducted in public forum.

VII. IMPLEMENTATION ROLES AND RESPONSIBILITIES

A. **Management Approach**

USAID Ghana and the Ministry of Finance will have the primary responsibility for project management and implementation. In project areas where there is mutual interest and benefit, USAID will work with other GOG implementing entities and donors to promote effective implementation and coordination.

B. **Strategic Objective Management Team**

Overall project management will be the responsibility of the Strategic Objective No. 4 (SO4) management team under the guidance of the USAID Mission Director and the SO team leader. The team leader will be a U.S. direct hire foreign service officer. Team members will include the office directors of each technical office within USAID/Ghana, USPSC democracy and governance advisor, project development officer, program officer, financial analyst, and contracting officer.

The SO4 management team will be responsible for policy dialogue, project management, implementation, monitoring and evaluation, reporting and overall accountability for achieving project results. The team will also review, monitor and approve institutional grants and project work plans.

Day-to-day responsibility for implementation of the results packages will be delegated to members of the SO team. RP1 -- civil society -- will be managed by the USDH team leader, and RP2 -- accountable governance -- will be managed by the USPSC. Additional assistance from team members will be requested in the areas of contracting, monitoring and evaluation and financial management.

C. **Development Partners**

1. ***Government of Ghana***

The Ministry of Finance will be responsible for managing the strategic objective grant agreement, including reviewing and authorizing amendments to the agreement and revisions to the project activities. The MOF will participate as a member of the USAID Ghana strategic objective team which provides ongoing planning, analysis, implementation oversight and monitoring of project activities. The MOF will also be responsible for ensuring that adequate funds are allocated to meet the host country counterpart funding required by the strategic objective agreement. Other key GOG stakeholders and customers include the Electoral Commission, Parliament, District Assemblies and government ministries or administrative offices involved in the implementation of the strategic objective.

**2. National Level Activities**

At the national level, USAID Ghana and its implementing entities will work directly with Parliament in strengthening its capacity to be an effective legislative body. This will include training activities, both in-country and overseas, establishment of the parliamentary resource center and other selected activities. USAID and its partners will support the parliamentary committee coordinating donor projects and activities and serve as a resource to help determine the parliamentary needs and requirements. USAID will also work with national civil society organizations to improve the flow of information between the legislature and non-governmental organizations and to increase coordination in addressing national issues.

**3. Local Level Activities**

At the district and community levels, USAID Ghana will work directly with local leaders and organizations that include the District Assemblies, Unit Committees and civil society organizations. Representatives for each of these organizations, and others, will participate in training programs and implement new mechanisms for resolving community/district problems.

**4. Implementing Entities**

Technical assistance, training and community organizational development activities will be implemented through two primary grants. The International Foundation for Election Systems (IFES) will have responsibility, in collaboration with the RP team leader, for implementing RP1 -- civil society. IFES has been established in Ghana since October 1994 under USAID's "Supporting the Electoral Process (STEP)" Project. Nearly \$1.8 million remains in the IFES/STEP grant as of July 31, 1997. USAID extended the STEP Grant Agreement was extended to March 31, 2001. The IFES grant was extended until December 31, 1999; and the grant program description amended to allow IFES to begin activities in support of SO4 with STEP funds. IFES anticipates that the STEP funds will cover project activities through December 1998. The additional year -- until 1999 -- is insurance in case IFES requires more time to expend the STEP funds. At that time, USAID will award a follow on grant to IFES, funded under the SO4 SOAG, to continue activities, if performance has been satisfactory.

RP2 -- accountable governance -- will be managed by both IFES and the National Democratic Institute (NDI). NDI will be responsible for parliamentary assistance. NDI's pre-election assistance to Ghana was also funded under the STEP project beginning in October 1996. A new follow-on grant in support of SO4 post election activities will be awarded to NDI upon signing of the SOAG.

IFES will manage the "More Competitive Political Process" and "Local Government" activities of RP2. There may occasionally be overlap between the two entities' activities, given that civil society and local government are integral components of the decentralization process and are required to increase public sector accountability.

However, IFES and NDI will coordinate their activities with each other to eliminate redundancy. Both organizations will also coordinate with other USAID-funded implementing organizations involved in community activities to build synergies and eliminate overlap.

To the extent implementation of activities in support of the strategic objective in this Agreement is undertaken through an implementing grant, the obligation of the United States under this Agreement is merely to assist in the efforts towards the accomplishment of the strategic objective and the agreed upon results while the implementing grantee will have substantial freedom to pursue its stated program. All actions to be undertaken by USAID under this Agreement will be subject to United States law and applicable rules and regulations.

**D. Annual Implementation Plans**

Annual implementation plans will be prepared by USAID implementing entities along with the major recipients of assistance, such as Parliament, civil society organizations and local government. These plans will include specific project outcomes, activities and resources required for achieving project results. The plans will be prepared each year covering the calendar year commencing January 1, 1998.

**E. Other Development Agencies Supporting Democracy and Governance**

With a global envelope of approximately half a billion US dollars annually (of which the World Bank accounts for \$200 to \$250 million in loans), Ghana is one of the largest recipients of international assistance in West Africa. Key players, other than USAID, include Denmark (Danida), Canada (CIDA), Britain (DfID) Germany (GTZ) and Friedrich Ebert Stiftung (FES), to which must be added the Bretton Woods institutions and the UN specialized agencies. Most of the donors support democracy and governance activities through funding of seminars and training for the media, district assemblies and non-governmental organizations.

One of USAID Ghana's key priorities will be to work out informal procedures for regular consultations among major donors on areas where their interests converge. USAID's project will work with those regions and districts that have been relatively neglected by donors and ensure that regional priorities are consistent with the requirements of a politically balanced assistance program.

**VIII. FUNDING AND FINANCIAL PLAN**

**A. USAID Contribution**

The planned USAID contribution to this activity over a five year period is \$8,500,000. Future USAID contributions are subject to the availability of funds and joint agreement of the Parties to proceed.

USAID's initial obligation in project assistance will be \$1,500,000 from fiscal year 1997. Table 1 illustrates the planned schedule for obligations. This table may be amended through an exchange of Strategic Objective Implementation Letters. Subsequent USAID obligations will be provided incrementally by fiscal year as required, subject to the availability of funds and mutual agreement of the parties to the agreement to proceed with the project.

It is anticipated that project funding will finance long and short term technical assistance, training (in-country and overseas), workshops and seminars, information technology, commodities, research, studies, and provide institutional strengthening grants to non-governmental organizations and community groups as well as on-going evaluations and audit activity.

**B. Grantee Contribution**

The GOG contribution to the project, based on USAID's contribution, will not be less than 25% of the cedi equivalent of the U.S. Dollar amount contributed, including in-kind contributions and non-funded contributions by others who implement activities under this agreement. The total planned estimated amount of the Objective is USD 11,333,000. USAID's planned estimated contribution amount is anticipated to be USD 8,500,000. The GOG's total estimated planned contribution to the Objective will not be less than the equivalent of USD 2,833,333, including in-kind contributions and non-funded contributions by others who implement activities under this agreement, subject to availability of funds to the Grantee for this purpose, the mutual agreement of the Parties, at the time of each subsequent increment, to proceed, and USAID providing the total planned estimated amount. The GOG will report at least semi-annually in a format to be agreed upon with USAID on its cash and "in-kind" contributions."

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TABLE 1 FINANCIAL PLAN (U.S. DOLLARS)			
Category	Obligation This Period	Planned Future Obligations	Total Life of Project Funding
IFES Grant		2,400,000	2,400,000
Training	200,000	600,000	800,000
Seminars/Conferences	60,000	385,000	460,000
Technology/Leland Initiative	265,000	600,000	865,000
NDI Grant	700,000	1,835,000	2,535,000
Project Support Monitoring/studies Evaluations/audits	275,000	1,165,000	1,440,000
USAID Total	1,500,000	7,000,000	8,500,000
Host Country Contribution	500,000	2,333,000	2,833,000
Total Strategic Objective Funding	2,000,000	9,333,000	11,333,000

## **E. International Donors Assistance to Ghana: The Governance Dimension**

With a global envelope of approximately half a billion US dollars annually (of which the World Bank accounts for \$200 to 250 million in loans), Ghana is one of the largest recipients of international assistance in West Africa. Key players, other than USAID, include Denmark (Danida), Canada (CIDA), Britain (ODA) Germany (GTZ and Friedrich Ebert Stiftung [FES]), to which must be added the Bretton Woods institutions and the UN specialized agencies.

The following brief inventory of the contribution of international donors to DG activities is intended to set the broad parameters within which the mission's agenda will be implemented. Not only are there areas where donors can usefully complement each other in the performance of their respective tasks; there is every reason to believe that a closer interface and more effective communication among them would go a long way towards maximizing the influence of the donor community on decision-makers within ministries and departments.

One of the mission's key priorities, therefore, should be to work out informal procedures for regular consultations among major donors on areas where their interests converge. Another is to identify those Regions and Districts that have been relatively neglected by donors and set regional priorities accordingly. A third is to make sure that regional priorities are consistent with the requirements of a politically balanced assistance program.

### **1. Decentralization**

Support to decentralization, along with assistance to Parliament, are two areas where donors' efforts overlap. As the brief description below makes clear, each type of assistance covers a broad range of programs and strategies.

**Danish International Development Agency (Danida):** Out of Denmark's total development assistance package of \$29.4 million for 1997, approximately \$2.5 million are devoted to governance and democracy: \$1 million will be spent on voter registration and elections (via the Electoral Commission), another \$1 million on human rights (CHRAJ), and half a million on decentralization initiatives.

Danida's decentralization program is directly related to the broader objective of poverty reduction, a key component of the Danish development cooperation strategy. Focused on four Districts (Lawra and Nadowli in Upper

West Region, and Akatasi and Hohoe in the Volta Region), the aim of the project is to raise the living standards of District population through improved accountability, transparency and cost effectiveness of District Assemblies. In time the project will be extended to 15 Districts in both Regions.

The specific objectives of Danida's decentralization project include the following:

- \* To upgrade planning and budgeting skills of the DAs, especially as these are liable to affect the preparation of the Annual Action Plans and Budgets for 1997.
- \* To improve the financial, accounting and reporting systems of the DAs
- \* To strengthen the sub-District institutions, notably the Area Councils, and encourage broader participation, especially of women's groups.
- \* To improve local revenue generation through the use of more reliable data on population and income, and incentive schemes for tax collectors at the District and sub-District levels.
- \* To stimulate private sector investment in the Districts

**Canadian International Development Agency (CIDA):** CIDA's investment in community water supply programs involving decentralization strategies amounts to C\$ 45 million. These programs are being carried out in the two Upper Regions (Upper East and Upper West) and the Northern Region. The focus of decentralization is on communities with populations larger than 300, and covers all 24 districts in the three regions: 13 in the Northern Region, six in Upper East and five in Upper West.

In each district the aim is to encourage local communities to create their own water sanitation committees and water boards for purposes of operating and managing their systems. In addition, the program assists District Assemblies (DAs) in their efforts to help community organizations to plan, coordinate and manage water-related activities, using expertise available in the regions, including civil servants, NGOs and private sector organizations.

The CIDA programs operate at community, district, regional and national levels. The main partner of the Government of Ghana (GOG) in the water program is the Ghana Water and Sewerage Corporation (GWSC). GWSC's regional representatives are encouraged to coordinate and monitor activities under the program at the regional, district and sub-district levels.

In addition to the above-mentioned water program CIDA has just completed a

Pilot Initiative Project (PINP) designed to provide capacity-building assistance for decentralization to six DAs in the three northern regions. PINP was undertaken as a means of assessing the machinery for decentralization and the process used to plan and deliver decentralized development activities. The C\$ 200,000 initiative has provided a useful feedback to plan further larger initiatives to support decentralization activities.

**German Cooperation Agency (GTZ):** GTZ has launched two major programs designed to strengthen the institutional capacities of District Assemblies:

(a) "Promotion of District Capitals I" (PRODICAP), centered on the Districts of Atebubu, Ejura-Sekyedumase, Nkoranza and Kintampo. The project is a technical/financial cooperation project, whereby KFW finances improvement of urban facilities.

(b) "Program for Rural Action" (PRA) focuses on participatory local development. From 1988 to 1991 PRA operated as a Regional Rural Development Project in West Gonja and Nanumba Districts of the Northern Region. With the introduction of the decentralization policy, PRA's focus shifted to support local government institutions. Project Districts are West Gonja (Northern Region), Kintampo (Brong Ahafo since 1996) and Hohoe (Volta since 1996). Nanumba District was terminated in 1994 due to ethnic unrest.

(c) A third program -- "Strengthening the self-reliance of the poor population" -- is presently being assessed. The project is to complement the foregoing. It focuses on capacity-building with special emphasis on improving the economic conditions of the poor through enhanced participation and access to services.

Projects (a) and (b) are intended to improve management, planning, decision-making and implementation at the District level. Both projects target all actors involved in District development. The more ambitious of the two, the PRA project, started in 1988 and is designed to run over 14 years (until June 2002). As of 1997 DM 13.7 million has been spent on getting the project off the ground; an additional DM 8.4 million has been committed to sustain it until June 1999.

The current phase of the project (July 1995-June 1999) -- officially designated "A functional local government system is promoting the development process in the target districts" -- seeks to lay the groundwork for a village-based decentralized planning, decision-making and implementation process in which Assembly members, DA staff and sector department will play a major supportive role. Budget subsidies to the DAs have been used mainly to cofinance village infrastructures (schools, health care units, latrines). Hydraulic engineering and road construction are expected to form key components of the decentralized planning process.

The PRA project identifies the following results to be achieved by 1999:

- \* Strengthening of planning capacities at the District level
- \*Improvement of financial, managerial and organizational capacities of District institutions
- \*Improved capacities of DAs to promote self-organization and self-initiated development activities at village level
- \* Support to DAs and other relevant institutions to help them identify issues in economic development, and create a conducive environment for economic development
- \*Strengthening of capacities of Ministry of Local Government (MLG) for implementing assistance measure for decentralized development at District level.

The PRA project relies on the MLG as a program partner at the central level, and on DAs as partners at the District level. Following a cooperation agreement with the German Federal Ministry for Economic Cooperation and Development (BMZ), the MLG has agreed to extend assistance to decentralization to another two Districts in Brong Ahafo and Volta Regions.

**The European Union (EU):** The EU held a series of workshops in 1994-95 to develop a framework for implementing decentralized cooperation. The current EU project incorporates many of the proposals made during the workshops. The aim of the decentralization project is to "enhance social and socio-economic development in Ghana's 100 Districts". Among the results to be expected are enhanced capacity of DA staff and opinion leaders to carry out project planning, implementation, evaluation and promotion of community participation.

To the tune of \$7 million (ECU 5.3 million) over a 4-year period the EU will provide formal training in planning and management skills to 1,110 District officials and 8,800 DA members in all 110 Districts; in addition a maximum of 20 persons from the key ministries, including MLG, will be trained overseas. Two training visits to other countries have been planned.

The specific activities envisaged under the project read as follows:

- \*36 courses of four weeks on community development project planning, implementation and evaluation for a total of 800 District Chief Executives, District Coordinating Directors and Decentralized Departments.
- \*Five courses for six weeks on integrated District planning, project

planning, implementation and evaluation for 110 District Planning Officers

\*Five courses of six weeks in financial planning and management for 110 District Finance and Budget Officers.

\*110 one-week courses in project management and participatory approach for assemblymen and opinion leaders (number of participants: 80 per districts, or 8,800 in total)

\*A maximum of 20 overseas scholarships (short/medium term) for senior staff in the training institutions and in key participating ministries (MLG and Ministry of Finance) and the National Development Planning Commission in selected topics related to local government

\*Study tours to other countries for 20 senior officials of key ministries and training institutions.

For coordinating and implementing the program the EU will rely primarily on the MLG; training courses will be handled in part by the Management Development and Productivity Institute (MDPI) and the Ghana Institute of Management and Administration (GIMA).

The Netherlands Development Organisation (SNV) is engaged in a rural integration program in the Mpohor Wassa East District of the Western Region, Sekondi-Takoradi, and Kadjebi District in the Volta Region. Its aim is to create sustainable, mutually supportive linkages between grassroots organisations, DAs and Agricultural Extension Services. The long-term objective of the program is to improve the living conditions of the urban and rural poor, in particular women, unemployed youth and street children. Income generation is being assisted through village banks and help in the marketing of food crops. In collaboration with the Integrated Social Development Center (ISODEC) SNV is also involved in a participatory project aimed at improving the capacity of local civil society organisations to implement community programs.

Britain's Department For International Development (DFID), formerly known as ODA, has provided assistance to sub-District institutions in 1993-96, especially in the area health and population; currently DFID's decentralization initiatives are incorporated into a variety of small-scale sector projects, ranging from farmer system training and forestry, to literacy and functional skills projects. A major decentralization initiative has accompanied the Health Sector Assistance project, designed to improve provision of medical equipment at health centers and district hospitals. Currently, much of DFID's decentralization efforts are focused on a renewable natural resources (RNR) project designed to improve service delivery for farmers; specifically, the aim is to support District-level

pilot activities in three Districts in each of the two regions (Upper East and Brong Ahafo) where such activities are being planned. In implementing the project DFID intends to work closely with the MLG and the Ministry of Food and Agriculture, and to liaise with the World Bank, GTZ, EU and CIDA.

**The World Bank** (WB) is currently involved in three major capacity-building initiatives in the urban sectors, and two transport and rehabilitation projects in the rural sectors. The former are known as (a) Urban Two (\$3 to 4 million over the next five years); (b) Local Government Development Project (LGDP) (\$2 to 3 million); and (c) the Urban Environment Sanitation Project (UESP) (\$ 2 to 3 million).

Urban Two provides assistance to municipal assemblies in five major cities (Accra, Tamale, Sekondi-Takoradi, Kumasi and Tema), as well as to the relevant central government agencies (Survey Department, Housing, Environmental Protection Agency, Lands and Forestry, MLG). LGDP focuses on regional and district capitals, providing capacity-building assistance to eleven towns. UESP provides assistance to five major urban centers (Accra, Tamale, Kumasi, Sekondi-Takoradi and Tema). In all three projects support for decentralization involves a substantial effort to strengthen the institutional capacities of local institutions of government via the Civil Service Performance Improvement Program (CSPIP), a component of the National Institutional Renewal Program.

In addition the WB's Transport and Rehabilitation Project I and II provides assistance to build rural and semi-rural roads, while the Urban Transport Project and the Highway Sector Investment Project provides assistance for urban roads.

In both the rural and urban components of its assistance program the WB focuses its efforts on strengthening the institutional capabilities of the District or Municipal/Metropolitan assemblies both directly and indirectly, i.e. by giving institutional support to central government ministries and agencies.

□ **Constraints on Decentralization**

Although their approaches and strategies differ, most donors agree on the following impediments to an effective decentralization assistance program:

- \* Lack of programmatic and operational support from the Ministry of Local Government (MLG), in turn reflecting a low political commitment of the MLG to the implementation of decentralization programs
- \* Dominant role exercised by the central government via the appointed District Chief Executive (DCE) and appointed DA members

- \* Lack of consensus of the role of the Regional Coordinating Councils (RCC)
- \* Double allegiance of decentralized departments, as staff will continue to be recruited and paid by the central government but will operate under the supervision of the DAs.
- \* The uniformly low institutional capabilities of the DAs

## 2. Parliamentary Assistance

\* **Danida** will invest \$900,000 in parliamentary assistance over the next year and a half, much of it to be spent on training workshops for committee members; the bulk of Danida's assistance will be handled via the Institute of Economic Affairs (IEA).

\* **CIDA** is planning to invest some \$200,000 in training seminars for parliamentary committees. As part of its Public Sector Training Fund Initiative, CIDA supported training programs in 1994 for the Finance and Public Accounts Committees. More recently, in March 1997, CIDA co-financed with the Economic Development Institute (EDI) of the World Bank training programs for the same two committees, with CIDA's contribution amounting to C\$ 50,000.

\* **DFID/ODA's** assistance to parliament is modest, involving approximately £100,000 over the next two years. Its most salient contribution at that level has been the ODA's Women's Participation in Public Life project, aimed at providing skills training for prospective and incumbent women parliamentarians. Through a series of workshops held in 1996 and 1997 ODA has offered training in advocacy, lobbying skills, influencing the legislative process, and "how to work in a male dominated environment".

The British Council has been entrusted with the task of putting together a more comprehensive assistance package whose contents are yet to be disclosed. In the past ODA has funded a visit of the UK House of Commons Librarian to Ghana, in order to identify Parliament's information needs; a visit of the Parliamentary Deputy Editor of Debates to the UK House of Commons; and a Parliamentary Reporting Workshop intended to help the Parliamentary press corps to improve quality of reporting.

\* **Friedrich Ebert Foundation** will provide several types of assistance over the next year, including: (a) a seminar for the members of the Foreign Affairs Committee on the role of international institutions and foreign aid agencies, (b) a workshop on the role of Parliament and Foreign Policy-Making in Ghana, (c) a subregional seminar for parliamentarians from several West African states, (d) a videotape on the the role of Parliament in Ghana, (e) a study tour of five MPs to South Africa, (f) the commissioning to the School of Performing Arts of a play on the role of parliamentarians in

democracies, to be shown on TV in three local languages, (g) a training program for the parliamentary press corps designed to improve the quality of reporting of parliamentary debates.

### 3. Support to the Civil Society

In its broadest sense, meaning those organizations that stand between the state and the individual, the civil society is an almost universal dimension of donors' assistance. But it is seldom dealt with by donors in the form of a separate, stand-alone project. In this regard USAID's Enhancing Civil Society Effectiveness at the Local Level (ECSELL) project -- a cooperative agreement between IFES and USAID extending from July 1997 to September 2001 -- is the exception rather than the rule.

For the sake of clarity it may be useful to distinguish among four different types of civil society organizations (CSOs):

- \* (a) **service providers** (e.g. the Institute of Economic Affairs [IEA], or the Center for Policy Analysis [CPA]),
- \* (b) **advocacy groups** (e.g. Transparency International),
- \* (c) **professional bodies** (e.g. Ghana Bar Association),
- \* (d) **grassroots organizations** (e.g. farmers' cooperatives, water boards, etc).

The first are generally used by donors on a contractual basis to help them design or implement projects; their relationship with donors is that of partners. The second and third are intended to serve as instruments for promoting policy reform. The third are the prime vectors of ground-level sectoral assistance. Projects having to do with water systems, renewable natural resources, poverty eradication, etc. will normally target assistance to CSOs with a view to facilitating donors' intervention in these sectors.

#### **Danida**

The Institute of Economic Affairs (IEA) is Danida's only service provider for designing and implementing its parliamentary assistance program. The latter will involve approximately 900,000, half of which will be in the form of contracts to IEA. Among activities planned are a series of workshops for parliamentarians and the hiring of graduate students to serve as research assistance to MPs.

In the health sector, representing roughly 10 per cent of its global envelope, Danida will be providing assistance to the Ministry of Health as well as to NGO user groups .

## **DFID**

In putting together its Women's Participation in Public Life project DFID has received technical assistance from the Institute of Statistical, Social and Economic Research (ISSR), the Ghana Institute of Management and Public Administration (GIMPA) and the National Council on Women and Development (NCWD) (as well as funding from the FEF, Hans Seidel Foundation, the British Council and the UNDP).

In implementing its sectoral projects DFID has established partnerships with several national and local-level service providers: the Wenchi Farmer Institute (Wenchi Farmer System), the Council for Scientific and Industrial Research (National Agricultural Research Project), Empretec (Enterprise Development Project). Just to what extent these sectoral projects will generate benefits specifically directed to grassroots CSOs remains unclear.

## **GTZ**

Because of GTZ's close collaborative relationships with MLG, it is unlikely that CSOs will play a decisive role in implementing its assistance program. GTZ's two major technical assistance projects -- PRODICAP and PRA -- are both implemented through MLG. For project designing, and for much of its training program, however, GTZ has turned to local service providers. Nkum Associates, GRABCO, PAB Consult, CEDEP, GAS Consultants, Continental Consultants and UST/SPRING have played a major role in implementation of training and organization of development activities of PRODICAP/PRA projects.

In an effort to coordinate training programs in support of decentralization, Cowater, UST, African Center for Human Development, Nkum Associates, KNUST's Planning Department, JSA Consultants, CEDEP have all been consulted during the "Workshop to Coordinate and Synchronize Training as Capacity Building for Decentralization" (Ada, May 1997), and in due course some may indeed play a critical role in developing training modules. Nonetheless, in the words of the Ada conference report, "it was not quite clear at the workshop whether the MLG could engage NGOs as trainers or service providers... The question which the MLG may have to resolve is whether or not government has a policy or clear position regarding the role of NGOs and the private sector in training as capacity building for decentralization".

Despite considerable uncertainty as to the kinds of strategies that GTZ will use to promote community participation and self-help, one such strategy being considered is greater NGO involvement in project proposals, project management and record keeping; another is to give more "voice" to "NGOs, CBOs and civil society" in the development planning, decision-making and implementation process. As things currently stand, the major issue facing

GT is how to manage NGO-Donor-Government interface to ensure that project formulation and implementation are in support of decentralization at all levels.

#### **SNV**

In implementing its Kajebi-based rural integrated programme, SNV leans heavily on the services of the African Center for Human Development (ACHD); in Takoradi its legal awareness programme for women is implemented through Women in Law and Development in Africa (WILDAF); in the Accra region it works hand in hand with the Integrated Social Development Center (ISODEC) in carrying out its "Participatory methods, training and information facility" project. In addition, SNV has a close working relationship with the National Council for Women in Development (NCWD). In the Western Region, Ashanti and Brong Ahafo SNV provides institutional support to cocoa farmers' cooperatives, the aim being to improve marketing outlets and expand trade linkages, and ultimately to raise rural income levels.

#### **World Bank**

Because the Bank only lends to governments, its relations with CSOs are tenuous at best -- except where service providers are needed to implement projects. IEA, CEPA, CEDEP have all been involved in implementing Bank projects, but on a contractual basis. In none of the decentralization projects undertaken by the Bank are CSOs treated as direct recipients of assistance.

#### **IV. Concluding Remarks**

1. In view of the convergence of USAID's agenda and that of other donors on parliamentary assistance and decentralization, **it is imperative that informal mechanisms be developed to provide a basis for discussion and consultation on both topics.** Danida's suggestion that the Danish Embassy assume the lead role for donor coordination with respect to decentralization is **step in the right direction.** USAID could follow up by assuming responsibility for coordination of parliamentary assistance.

2. **Geographical and functional areas of donor convergence need to be identified** so as to avoid duplication of effort, or the saturation of certain Districts or Regions at the expense of others. Providing significant empowerment to geographically isolated minorities -- such as the Kokombas -- should rank especially high on our list of priorities.

3. In implementing its ECSELL agenda **IFES should keep a close tab of what types of CSOs (service providers, advocacy groups, professional associations, grassroots organizations) are involved in partnerships, or recipient relationships**, with other donors, and set its priorities

accordingly.

4. In designing and implementing its training for decentralization program **USAID should keep in regular contact with GTZ**, whose Rural Action Program is particularly comprehensive, and well designed, but this does not imply that USAID should establish cooperative ties with the MLG.

5. Among those aspects of the decentralization agenda that cry out for clarification, three stand out:

(a) the role of **chiefly authorities** in local government structures,

(b) the role of **unit committees** at the village level, and their relationship to both the chieftaincy and the village development committees,

(c) the role of the **Regional Coordinating Councils** in relation to the District Assemblies.

On each of these counts donors need to make a concerted effort to reach out to the MLG and seek clarification of where these institutions fit into the overall scheme of decentralized governance at the local, District and Regional levels.