

Data Sheet

USAID Mission:	Ghana
Program Title:	Increase Competitiveness of Private Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	641-006
Status:	Continuing
Planned FY 2005 Obligation:	\$7,636,000 DA
Prior Year Unobligated:	\$466,000 DCA
Proposed FY 2006 Obligation:	\$6,273,000 DA
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2009

Summary: USAID's program to increase the competitiveness of Ghana's private sector includes training and technical assistance to the private sector and the Government of Ghana (GOG) for improving the enabling environment for private sector development and for strengthening private sector competitiveness in selected industries and sectors involved in overseas, regional, and domestic markets. USAID activities will promote policy and regulatory reforms, particularly relating to agriculture and infrastructure (such as electricity, gas, and telecommunications). USAID will provide assistance to private sector enterprises, including horticultural and small- and medium-sized businesses, to help them meet regulatory and market-driven standards and to attract foreign investment and market linkages. In addition, USAID will promote environmentally sound, income-generating activities such as agro-forestry and ecotourism.

Inputs, Outputs, Activities:

FY 2005 Program: Increase Participation in Global Trade and Investment (\$1,500,000 DA). USAID will provide technical assistance and training to private sector enterprises, particularly in the horticultural industry, to meet regulatory and market driven trade quality, safety and health standards in the production and marketing of products for domestic, regional, and international markets. USAID will also provide technical assistance to improve the trade-related enabling environment for private sector exporters.

Improve Economic Policy and Governance (\$2,000,000 DA). USAID will support public and private sector institutions in policy analysis and advocacy in policy areas necessary to increase trade, production, and marketing (i.e. agricultural commodities and processed products), and will expand related public-private sector policy dialogue. USAID will finance grants made by the Business Association Policy Advocacy Challenge Fund (a multi-donor effort supported by USAID and other aid agencies) to business and trade associations, trade unions, and farmer organizations that can effectively analyze and advocate for private sector-led policy positions. USAID will advocate for policies and regulations that promote safe bioengineered crops, and strengthen the University of Ghana's policy analysis and advocacy capacity.

Increase Private Sector Growth (\$1,000,000 DA). USAID will strengthen the capacity of small- and medium-sized firms to respond to trade opportunities and to compete profitably in overseas, regional, and domestic markets by providing technical assistance to Ghanaian firms that seek to develop contacts with foreign firms interested in local investment, joint ventures, and buyer-seller mentoring relationships. USAID will support business associations and service providers who work on export constraints.

Strengthen Financial Sector's Contribution to Economic Growth (\$466,000 prior-year DCA; \$1,000,000 DA). USAID will support the implementation of Ghana's Financial Sector Strategic Plan (FinSSP) by providing technical assistance, furnishing a long-term advisor to the Bank of Ghana, and by funding activities to improve the efficiency and development impact of private transfers to Ghana. Through the Development Credit Authority (DCA), USAID will provide loan guarantees for selected, productive loans to be issued by the Global Development Alliance partner ECOBANK.

Expand and Improve Access to Economic and Social Infrastructure (\$386,000 DA). USAID will work to strengthen the regulatory frameworks for gas, electricity, and telecommunications, and will support the energy regulatory work of the National Association of Regulatory Utility Commissioners (NARUC). USAID

will also promote reform of information and communications technology (ICT) regulations.

Increase Agricultural Productivity (\$1,000,000 DA). USAID will increase agricultural productivity by: integrating smallholder farmers into the supply chain for exports; strengthening producer organizations and business service providers; strengthening agricultural input marketing systems through improved technology adoption; increasing agribusiness partnerships between Ghanaian and developing country firms; and increasing rural access to energy and ICT services.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$750,000 DA). USAID will link biodiversity conservation with income earning activities, working with an agro-forestry program linked to cocoa production or through community-owned and operated ecotourism activities. USAID will promote sustainable land use and organic product exports to the European market.

Principal contractors and grantees (for all components): Chemonics (prime); CARE, Technoserve, The Services Group, NARUC, the Statistical, Social and Economic Research and Ghana's Public Regulatory Commission (PURC), and Citizens International (subs); and others to be determined.

FY 2006 Program: Increase Participation in Global Trade and Investment (\$1,200,000 DA). USAID will continue to provide technical assistance and training to strengthen the policy and regulatory environment; improve the capability of private sector enterprises to meet regulatory and market-driven trade quality, safety, and health standards; and respond to trade opportunities.

Improve Economic Policy and Governance (\$1,600,000 DA). USAID will deepen its involvement in policy and regulatory reform that promote agricultural exports.

Increase Private Sector Growth (\$800,000 DA). USAID plans to continue to strengthen the capacity of Ghanaian firms to respond to trade opportunities and to compete profitably in all markets. USAID will also continue to develop links with foreign firms to encourage local investment, joint ventures, and buyer-seller mentoring relationships and support local firms in the marketing of exports.

Strengthen Financial Sector's Contribution to Economic Growth (\$900,000). USAID will continue to provide technical assistance to support FinSSP implementation and will expand the ongoing DCA loan guarantee program to include additional banks. Efforts to improve the efficiency and development impact of private transfers to Ghana will also continue.

Expand and Improve Access to Economic and Social Infrastructure (\$473,000 DA). USAID will continue to strengthen gas, electricity, and telecommunications regulatory frameworks and support training for staff of the PURC on the role of public and private participation in the regulatory process. USAID will begin to develop a wireless-based agriculture market information system.

Increase Agricultural Productivity (\$750,000 DA). USAID will continue its activities with participating producers, processors, marketers, and exporters in order to strengthen export supply chains.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$550,000 DA). USAID will continue income-generating biodiversity activities (including ecotourism) and will continue to promote sustainable land use practices and organic product exports to the European market.

Same implementers as FY 2005.

Performance and Results: Program activities initiated in FY 2004 will begin to report measurable results in FY 2005. The following longer-term results are expected: Ghana's non-traditional exports (NTEs) as a share of total world exports will increase 20% by 2007 and 35% by 2010 with respect to the 2003 baseline; Ghana's non-traditional agriculture exports as a share of total world agricultural exports will increase 20% by 2007 and 35% by 2010; and the share of NTEs in Ghana's total exports will increase from the current 25% to 31% by 2007 and 35% by 2010.

US Financing in Thousands of Dollars

Ghana

641-006 Increase Competitiveness of Private Sector	DA	DCA
Through September 30, 2003		
Obligations	6,134	0
Expenditures	0	0
Unliquidated	6,134	0
Fiscal Year 2004		
Obligations	7,842	0
Expenditures	124	0
Through September 30, 2004		
Obligations	13,976	0
Expenditures	124	0
Unliquidated	13,852	0
Prior Year Unobligated Funds		
Obligations	0	466
Planned Fiscal Year 2005 NOA		
Obligations	7,636	0
Total Planned Fiscal Year 2005		
Obligations	7,636	466
Proposed Fiscal Year 2006 NOA		
Obligations	6,273	0
Future Obligations	30,600	0
Est. Total Cost	58,485	466