

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

Distr.
GENERAL

DP/CP/GHA/3*
22 March 1983

ORIGINAL: ENGLISH

GOVERNING COUNCIL
Thirtieth session
June 1983
Agenda item 5 (b)

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR GHANA

UNDP Assistance requested by the Government of Ghana for the period 1983-1986

CONTENTS

	<u>Page</u>
INTRODUCTION	2
NATIONAL DEVELOPMENT OBJECTIVES AND PROGRAMMES TO BE SUPPORTED BY UNDP	3
A. General development issues, policies and planning	5
B. Natural resources	6
C. Agriculture, forestry and fisheries	8
D. Industry	11
E. Transport and communications	12
F. Health	13
G. Education	13
H. Science and technology	14
I. Humanitarian aid and relief	16

Annex Financial Summary

* The previous country programmes for Ghana were issued under the document symbols
DP/CP/GHA/R.1 and DP/CP/GHA/R.2.

/...

INTRODUCTION

1. The present country programme, which is the third one for Ghana, covers the period 1983-1986. It is designed to provide technical assistance in support of the Government's economic reforms and development options as pronounced during the past two years and recently consolidated on 30 December 1982 in the Government's Programme for Economic Reconstruction and Development.
2. The content and orientation of the country programme has been decided upon by the Government of the Provisional National Defence Council (PNDC) through its Ministry of Finance and Economic Planning, which is the technical co-ordinating authority for all UNDP activities in the country. In doing so, the Government has taken into account: (a) its own assessment of the current economic situation in the country and the measures deemed necessary to rectify the situation as a matter of urgency; (b) the results over the past two years of consultations with the United Nations family, including United Nations Development Programme (UNDP); (c) the results of recent evaluations of UNDP projects jointly undertaken by the Government, UNDP and the executing agency concerned; (d) the development programmes of the Government itself as well as assistance expected to be forthcoming from other external sources.
3. As regards the formulation of the country programme, there have been continuous consultations since 1980 between the Government and UNDP as well as with the specialized agencies of the United Nations system that are engaged in providing technical assistance to Ghana. Some agencies, notably the United Nations, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Civil Aviation Organization (ICAO) and the Food and Agriculture Organization of the United Nations (FAO), have actually participated in project consultations and evaluations on the basis of which their respective current projects have been formulated. Special consultations on Ghana carried out in Washington D.C. between UNDP headquarters and the World Bank on 14 January 1983 not only resulted in greater appreciation of the existing situation in Ghana but also facilitated increased co-operation and future co-ordination at both the field and headquarters levels. Specific country programme missions were fielded by the United Nations Industrial Development Organization (UNIDO) in December 1982, the World Meteorological Organization (WMO) in October 1982 and FAO in October 1980.
4. As in the second country programme for Ghana (1979-1981), subsequently extended till December 1982, attention has been given to ensuring co-ordination and complementarity not only with the assistance programmes of other United Nations organizations, but also with those of bilateral and other multilateral donors operating in Ghana. Consultations were carried out in Accra during 1982 and 1983 with major resident bilateral aid programmes as well as with the European Economic Community (EEC). Discussions with the World Bank, as stated earlier, took place in Washington D.C. on 14 January 1983.
5. Although the indicative planning figure (IPF) for Ghana for the 1982-1986 programming cycle has been established at US\$ 40 million, only 80 per cent of this or US\$ 32 million is considered available for programming in accordance with existing UNDP guidelines. From this amount has been deducted the sum of US\$ 482,000 which represents over-expenditures from the previous IPF cycle, thus making a total sum of US\$ 31,518,000 available for 1982-1986. However, with the commitments for 1982 authorized at US\$ 4,300,000, the total IPF resources available for programming for

1983 to 1986 are estimated at US\$ 27,218,000. This figure of US\$ 27,218,000 includes a small amount of US\$ 1,140,000 which has been set aside as unprogrammed reserve for unforeseen expenditures and inflation.

NATIONAL DEVELOPMENT OBJECTIVES AND PROGRAMMES
TO BE SUPPORTED BY UNDP

6. In the light of the economic and social conditions prevailing in Ghana today, it is deemed necessary to reflect briefly in this section on the current state of the national economy. As acknowledged by the Ghanaian Government in its Revised Budget Statement, dated 24 May 1982, for several years the country's economy has been in a state of crisis and declining. In agriculture, which is the most important sector of the economy, production had lagged severely. Manufacturing industries are operating well below the minimum of installed production capacity. The transportation system has major deficiencies; public corporations are having serious management problems and most of them have come to depend on the Government for outright subventions, subsidies, and guarantees of loans from the banking system. The depressed state of export trade has greatly constrained the country's capacity to import much needed machinery, heavy equipment, spare parts, fertilizer and other essential development goods. Inflationary pressures have been severe and previously low employment opportunities have become even more scarce.

7. As the combined result of many adverse factors, the per capita income of the country has been diminishing and the purchasing power of the Cedi has steadily fallen. This has harmed both the standard and quality of living for the great majority of the people. Not only has the modern sector of the economy been severely affected but even the traditional sector consisting of peasant-based agriculture and related small-scale activities has suffered from the adverse cross currents of recent years.

8. It is against the above background that the Government of Ghana which assumed power on 31 December 1981, has requested the technical assistance of UNDP and the specialized agencies of the United Nations for the period 1983-1986. The Government fully recognizes the complexity and depth of the country's economic and social crisis and is resolved to initiate as a matter of urgency, appropriate measures deemed necessary to improve the situation.

Government economic and social policy

9. In the absence at present of a current and operative national development plan for Ghana, and pending preparation and finalization of the Three-Year Medium-Term Plan scheduled to be launched in 1984, the content of the present country programme has been based on: (a) policy statements and pronouncements issued by Government during the past two years; (b) the Government's Programme for Economic Reconstruction and Development, issued on 30 December 1982; and (c) the Revised Budget Statement 1981-1982, published by the Ministry of Finance and Economic Planning on 24 May 1982.

10. For the purposes of the present country programme, emphasis has been placed on the Government's recent economic recovery programme as contained in its Programme for Economic Reconstruction and Development, which was only released on 30 December 1982.

Concretely, the Government's strategy entails the restructuring and rehabilitation of the basic institutions of the economy with emphasis on sound monetary and fiscal policies as well as sound financial management. The programme highlights the need to (a) eliminate through planned institutional changes rampant malpractices in internal and external trade, tax evasion and avoidance; (b) increase production to realistic targets in a selected number of agricultural products and manufacturing industries; (c) increase production of food and industrial raw materials to planned levels in the context of the Three-Year Medium-Term Plan; (d) lower the rate of inflation; (e) improve the distribution of goods, services and incomes.

11. Special attention has also been given to the Government's earlier Goals of Economic Policy, contained in its Revised Budget Statement published on 24 May 1982. Here the goals in the short- and medium-term were defined as follows:

(a) To cut down the deficit or close the gap of current account of central government within two years;

(b) To reduce the rate of increase in inflation from 116 per cent in two years;

(c) To increase local food production, especially of cassava, maize, sorghum, rice, yams, groundnuts, sweet potatoes and vegetables and to fix guaranteed minimum prices for all domestic food supplies;

(d) To restructure the economy through decentralization of government machinery as well as public and private projects to the regions and districts, thereby encouraging participatory democracy in decision-making and the maximization of local initiative for socio-economic development in the rural areas;

(e) To instil financial discipline in the public sector and to achieve balance in the recurrent component of the government budget and greater efficiency in the operations of public corporations. In this regard, steps are being taken to strengthen and increase logistical support to the Central Bureau of Statistics, the Geological Survey, Accountant-General's Department and the Auditor-General's Department;

(f) To strive towards national self-reliance through an integration in the pattern of use of local raw materials and industrial production.

Programmes to be supported by UNDP

12. Vast potential exists for UNDP technical assistance in the present situation in Ghana. Of particular relevance to UNDP is the disclosure by the Government in May 1982 of major management and administrative shortcomings in the machinery of Government and of over-all financial management. This was further compounded by the lack of up-to-date and reliable statistical data on all vital aspects of the national economy, including employment, labour productivity, industrial and agricultural production, national income accounts, labour force in the central government, local authorities, public and private sectors, co-operatives, etc. The problems of management in the Government's public corporations also bear particular and urgent relevance to the technical assistance potential of UNDP and the associated specialized agencies of the United Nations system.

13. In line with the above considerations and taking into account assistance forthcoming to the Government from other sources of funding, both bilateral and multilateral, the Ghanaian Government has decided that the individual projects outlined below, sector by sector, shall be that part of its development programme which will be financed from resources available from UNDP. In this connexion, particular attention has been given to the need to ensure that these programmes are complementary to programmes of other multilateral and bilateral donors and, particularly, that the UNDP programme of assistance makes the fullest use of the technical expertise available through the specialized agencies of the United Nations system.

14. The Government of Ghana reaffirms its long established interest in participating in mutually beneficial areas of regional and interregional co-operation with other countries, particularly those in the subregion. Projects relating to the United Nations Decade for Transport and Communications in Accra; technical cooperation among developing countries (TCDC), and the International Drinking Water Supply and Sanitation Decade (IDWSSD) are already embodied in the present country programme. Thus, while the present and past UNDP country programmes for Ghana have been mainly concerned with the early attainment of purely national goals, they have and continue to coincide with the global priorities indicated above as well as with those of rural development, environment and the increased participation of women in development.

15. The Government of Ghana firmly believes that the country's economic and social development should be the primary responsibility of its citizens. In the Government's view, external assistance should therefore be supplementary to and not substitute for local initiative, self-reliance and national determination.

A. General development issues, policies and planning

16. As stated above in paragraphs 6 and 7, the major preoccupation of the Government in this area is with the over-all decline of the national economy in all sectors. In the light of the shortcomings in Government machinery mentioned earlier, the absence of reliable statistical data that is vital for economic planning and management and the lack of effective management in the public corporations, the evident need is for proper planning at all levels of Government and strengthening of the machinery of Government responsible for statistical services and management of public sector enterprises.

17. In direct response to the Government's requirement as indicated above, UNDP plans to continue its previous assistance to statistical services in Ghana. Furthermore, two new major activities in economic planning and assistance to parastatal organizations are to be initiated as soon as possible during 1983.

1. Ongoing projects

Assistance to the Central Bureau of Statistics (GHA/78/006)

UNDP contribution: US\$ 1,660,000

Duration: 5 years

18. Since 1979 this project has been helping to expand the statistical base of the country as part of the endeavours to improve the efficiency of development planning tasks undertaken by the Ministry of Finance and Economic Planning. The project has produced useful data on statistics, national accounts, prices, external trade, distributive trade and public finance, as well as training counterpart staff through

fellowships for study abroad and through in-service training..However, many gaps and shortcomings of data, as well as shortages of trained personnel, still remain to be overcome. Since the project is due to terminate in September 1983, UNDP inputs for the period January to September 1983 is US\$ 410,000.

2. New Projects

Assistance to development Planning (GHA/82/010)

UNDP contribution: US\$ 750,000 Duration: 2 years

19. The project is to assist the Government through provision of expert services in designing policies that will have a significant impact on the pace of development in the immediate future. Its more critical role will be to provide substantive help in the formulation and initial implementation of the country's new national development plan.

Assistance to Parastatal Organizations (GHA/82/026)

UNDP contribution: US\$ 500,000 Duration: 2 years

20. The project is aimed at improving management and technical efficiency of parastatal organizations through the provision of appropriate expert services and the training of national staff.

Assistance to the Central Bureau of Statistics (Phase II) (GHA/83/002)

UNDP contribution: US\$ 1,000,000 Duration: 3 years

21. This project, due to start in 1983, seeks to continue assistance provided to the Central Bureau of Statistics under the project GHA/78/006 (see para. 18 above). Current assistance is to be intensified and greater emphasis will be placed on training of national staff and remedying existing gaps and shortcomings of data as identified by the previous project.

B. Natural resources

22. As Ghana is reasonably well endowed with natural resources, the Government's development strategy places major emphasis on the development of this sector as an important foreign exchange earner. Mineral production - comprising gold, diamonds, bauxite and manganese - is by far the most important economic activity in this area, although potential also exists in forestry, fish resources and water. In the mining sector, however, obstacles such as obsolete mining equipment, scarcity of spare parts and shortage of technical skills have hampered progress for several years, resulting in declining levels of production of the four main minerals mentioned above. The output of gold declined from 16,295 grams in 1975 to 10,582 grams in 1981. Diamonds also declined from 2,336,000 carats in 1975 to 836,000 carats in 1981, while bauxite declined from 325,200 tons to 199,599 tons during the same period. Manganese similarly declined from 415,300 tons in 1975 to a little more than half the 1975 output by 1981.

23. In its efforts to improve the situation, the Government is contemplating a number of measures. These include the enactment of a revised foreign investment code and the institution of a 20 per cent foreign exchange earnings retention scheme whereby mine

operators can purchase, outside of the cumbersome import license letter of credit procedure, urgently needed operational supplies, consumables and spare parts. Other measures under study include a new five-year rehabilitation plan for the State Gold Mining Corporation (SGMC). The specific proposal is to grant SGMC a special export rate of 10 cedis per US dollar on bullion sales. A related proposal is for SGMC to be authorized to offer expatriates competitive salaries consisting of a taxable cedi component and a non-taxable foreign exchange component deposited abroad at regular intervals.

24. In addition, the Government intends to establish a National Minerals Commission which would be expected to oversee the over-all development of the sector. It would replace the Gold Action Committee and the Diamond Industry Commission.

25. As a reflection of the Government's continuing preoccupation with the mining sector, the most major single concentration of UNDP assistance to Ghana has been directed to this area. Since 1971, UNDP has approved a total of 11 individual projects designed to augment the Government's efforts in management, exploration, technical training as well as in policy and legislative decisions. Of the 11 projects, 8 are now completed and 3 are still ongoing. The present UNDP emphasis in these areas is to be continued and new activities are being programmed to start as early as possible during 1983.

1. Ongoing projects

Operational Assistance to the State Gold Mining Corporation (GHA/78/003)

UNDP contribution: US\$ 3,560,000 Duration: 7 years

26. Started in 1979, this project is aimed at improving the efficiency of operations of SGMC by helping to strengthen its management and supervisory capability relating to mechanical and electrical engineering, dredging and shaft sinking. In particular, the project has sought to improve significantly the standards of mechanical and electrical maintenance and repair of mining equipment, to strengthen the Technical Services Department of SGMC, to strengthen the SGMC's capability in mine construction work, to increase the output of its dredges and the rate of shaft sinking, and provide on-the-job training designed to improve productivity. UNDP assistance in the third cycle is conditional on the introduction by the Government of measures designed to provide SGMC with equipment and spare parts, the deplorable state of which is seriously hampering production. The UNDP input in 1983-1986 is approximately US\$ 1,898,000.

Birim River Diamond Exploration (GHA/78/005)

UNDP contribution: US\$ 2,315,000 Duration: 4 years

27. This project, started in late 1979, has been helping to evaluate diamond deposits as well as minor associated alluvial gold in an area of 256.5 square kilometres astride the Birim river from Akwatia downstream to the Pra river. The project was originally expected to terminate in June 1982, but owing to implementation delays, project activities at that time only indicated 3.0 million cubic metres of ore reserves representing three years of diamond mining activities. The project was extended therefore by one year to permit the continuation of the drilling programme so as to lay the foundation for an investment programme based on workable reserves of at least five years. The project will now terminate in August 1983 and the UNDP input in the period 1983-1986 is US\$ 70,000.

Assistance in the Proving of Gold Ore Deposits at the Tarkwa Mine (GHA/80/001)

UNDP contribution: US\$ 1,200,000 Duration: 4 years

28. The main aim of this project, which commenced in late 1980, is to increase the efficiency of drilling activities for gold and to explore for extensions of the auriferous deposits in the Tarkwa area. In the third cycle, the project will place an emphasis on deeper drilling, requiring a UNDP input of US\$ 300,000.

2. New projects

Assistance to the National Minerals Commission (GHA/82/014)

UNDP contribution: US\$ 500,000 Duration: 3 years

29. The Government has decided to merge the Gold Action Committee and the Diamond Industry Commission into a single National Minerals Commission. UNDP is to assist, through expert services and training, in the establishment and initial operation of the new commission which will have responsibility for developing Government policy and for control and co-ordination in this area.

Assistance to the National Energy Board (GHA/82/030)

UNDP contribution: US\$ 1,000,000 Duration: 3 years

30. The project is intended to assist the National Energy Board in strengthening its capabilities relating to energy planning and renewable energy applications. The Board needs the services of advisers and consultants who have specialization in these fields. Particular attention will be given to personnel training and to dissemination of information on energy matters.

Assistance to the National Petroleum Company (GHA/82/021)

UNDP contribution: US\$ 500,000 Duration: 3 years

31. The project is aimed at assisting the National Petroleum Company of Ghana in undertaking exploration activities, management and training of national staff. Facilities will be developed for local interpretation and processing of seismic and geological log data.

C. Agriculture, forestry and fisheries

32. In relation to population growth, over-all agricultural production in Ghana has declined steadily over the past ten years due to both natural and artificial causes. In the area of food production, cereals production fell from 850,100 tons in 1974 to 725,000 in 1981, while the production of starchy staples declined from 7,989,700 tons to 4,166,000 tons during the same period. Vegetable production also fell from 533,600 tons in 1974 to 339,000 tons in 1979. Similar declines in the production of pulses, nuts, oranges, pineapples and bananas have been registered. The result has been an ever dwindling supply of food commodities sold at ever increasing prices in the market, insufficient raw materials for local agro-based industries, low volume of exports, unattractive employment opportunities, and increased migration of rural people to the urban centres.

33. Cocoa production, the backbone of the agricultural sector, which contributes 12 per cent to gross domestic product (GDP) and employs 17 per cent of the national labour force, has been in decline too over the past several years. Production has fallen

from a peak of 470,000 tons in 1971-1972 to about 255,000 tons in 1980-1981. As cocoa has traditionally accounted for 60 per cent of the nation's export earnings and over-one half of total Government revenue, the catalytic effect of the decline has been severe on the over-all national economy.

34. Despite several constraints, the Government is currently engaged in revitalizing the agricultural sector. The constraints are primarily structural defects and include lack of equipment, low productivity, producer pricing and ineffective marketing and distribution arrangements. There are also problems involving maintenance of agricultural equipment and the general transport infrastructure, inadequate supplies of spare parts and raw materials and low utilization of credit facilities.

35. A comprehensive agricultural strategy and policy is being worked out. Land matters such as the registration of titles to land and stabilization of agricultural land, will be tackled. Individuals and institutions in the public and private sectors will be encouraged to establish and/or expand farming and fishing operations. Small-scale farmers and fishermen will be encouraged to pool their efforts through co-operative or similar groups. Public corporations engaged in agricultural activities will be required to function as productively as their counterparts in the private sector. Mass mobilization of labour will be undertaken for agricultural activities. Agricultural extension services will be mobilized. Supplies of such crucial inputs as seed, fertilizer, insecticide and credit will be made available to farmers through appropriate channels. Facilities for food storage and food processing will be expanded. Steps have been taken to restructure and overhaul the Cocoa Marketing Board.

36. Since 1972, UNDP has supported at least 12 key projects in agriculture in such areas as agricultural planting, livestock, fruit and vegetable development, forestry and fisheries, statistics, training and assistance to the Cocoa Marketing Board. Except for one project in forestry and the assistance to the Cocoa Marketing Board, most of the above projects are now completed. However UNDP assistance in the present country programme will continue to emphasize these same areas, with special attention being given to food production and preservation.

1. Ongoing projects

Development of Forestry Energy Resources (GHA/74/013)

UNDP contribution: US\$ 4,180,000 Duration: 7 years

37. Operational since 1976, the project has sought to strengthen the Government's capacity to maintain timber as the most important export product next to cocoa. Through experts, advisory services and training, the project has assisted the Government in determining the most economical methods of extraction, conversion, transportation and carbonization of wood and in improving the forest-management system so as to provide for the long-term production of energy and other products. There are important results of UNDP/FAO interventions under the project: (a) a landrover has been converted to using gas from charcoal in place of petrol; (b) the project has demonstrated that a resource base is available in the Subri River Forest reserve for Ghana's proposed pulp and paper mill. The project is scheduled to terminate in June 1983 and the UNDP input during the 1983-1986 period is estimated at US\$ 500,000.

Assistance to the Ghana Cocoa Marketing Board (GCMB) (GHA/81/003)UNDP contribution: US\$750,000Duration: 3 years

38. This project is providing, through consultant services, assistance to the GCMB to help improve the operation of the Board, responsible for cocoa production and evacuation at the national level, in regard to general management and training of staff, financial accounting procedures and controls, purchase and transportation of cocoa and improvement of storage facilities in cocoa-growing areas. Currently the project is scheduled to end in June 1983 and the UNDP contribution is estimated at US\$ 160,000 during the 1983-1986 period.

2. New projectsIntegrated Maize Production, Ashanti Region (GHA/81/011)UNDP contribution: US\$ 1,560,000Duration: 4 years

39. This new project will be designed to help increase the production of foodgrains and to create conditions for self-sustained agro-economic growth in the Ashanti region in general and in Mampong, Bjura, Offinso areas in particular, focusing on maize productivity as a tool for community development.

Development of Onchocerciasis Freed Zones (GHA/80/021)UNDP contribution: US\$ 1,000,000Duration: 3 years

40. This project will be a follow-up to the regional project Volta River Onchocerciasis Control Programme (RAF/74/063), which aimed at planning future economic and social development in the areas freed from the disease. The present new project will have as its immediate objective the formulation of bankable projects for selected areas of the northern region in agriculture and rural development.

41. The project will undertake complementary feasibility and/or prefeasibility studies for large-scale bankable projects utilizing information and data generated in three separate projects funded by the World Bank, Canadian International Development Agency (CIDA) and the Federal Republic of Germany. The bank project is located in the upper region while the other two projects are in the northern region.

Aquaculture Development (GHA/82/017)UNDP contribution: US\$ 900,000Duration: 3 years

42. The project activities described in paragraph 40 above will be supplemented by this one, entitled "Aquaculture Development". Also to be made operational in the northern and upper regions, the project will carry out a survey of existing aquaculture facilities, contribute to rehabilitating the under-utilized and unutilized pond system in the two regions, promote improved fish farm techniques, establish a demonstration fish hatchery at Veaa, develop and promote cage and pen culture of fish and conduct in-service training of core personnel.

Prevention of Post-Harvest Food Losses (GHA/81/010)UNDP contribution: US\$ 1,500,000Duration: 4 years

43. This new project is intended to assist the Government in strengthening institutions in Ghana that seek to prevent the high post-harvest losses in cereals, pulses, root crops, fruit and vegetables. In this connexion, regular local training will be imparted to the technicians and extension workers of production-oriented areas.

Agricultural Census, Crop Forecasting, Early Warning Systems (GHA/80/025)

UNDP contribution: US\$ 1,100,000 Duration: 2 years

44. An amount of US\$ 1,100,000 has been allocated to the three new activities shown above. The agricultural census is to improve the flow of agricultural data in selected areas of Ghana. A system of timely rainfall forecasts is to be established for specific regions to help farmers organize field preparations and planting activities. Finally, the Government wishes to develop a methodology for early estimation of crop production, especially foodgrain production.

Development of Wood Resources for Pulp and Paper Mill (GHA/82/024)

UNDP contribution: US\$ 500,000 Duration: 2 years

45. This project will oversee the plantation programme to be used as an input for the proposed mill of 60,000 tons per annum. Both bilateral and multilateral sources have expressed interest in financing the plantation and the mill.

Inventory of Reserved Forests in Ghana (GHA/82/023)

UNDP contribution: US\$ 500,000 Duration: 2 years

46. The project is to assist the Government in the production of a management plan for the forest resources of Ghana over the next five decades.

Wood Energy Consumption Survey (GHA/82/025)

UNDP contribution: US\$ 500,000 Duration: 2 years

47. The objective of the project is to carry out a wood fuel consumption survey, including charcoal.

D. Industry

48. The Government places a particular emphasis on industrial production, especially in view of declining production levels in recent years. On account of the stalemate in the foreign exchange situation, import pipelines have dried up and at present a large proportion of manufacturing establishments have closed completely. As a result, the utilization of installed capacity of manufacturing industries, which was estimated to have fallen to 25.5 per cent in 1980, is reported to have touched 15 per cent in 1982. Therefore the Government is taking steps designed to expand the output of small-, medium- and large-scale industries which play a crucial role in the productive activity of the country. Efforts are being made in this connexion to shift the incentive structure towards industries that are based on the processing of domestic resources. The present structure of industries will be rationalized by encouraging the potentially viable ones to increase capacity utilization based on domestic raw materials.

49. Taking into account the assistance which the Government expects to receive from other sources, UNDP activities will shift from the previous concentration on the Ghana Industrial Holding Corporation to emphasis on over-all industrial planning and establishment of potentially viable local industries making maximum use of domestic raw materials. Since all ten projects supported by UNDP since 1973 are now completed, only the new activities are indicated below.

1. New projects

Assistance to Industrial Planning and Programming (GHA/80/012)

UNDP contribution: US\$ 540,000 Duration: 3 years

50. The objectives of this project are to assist the Government: (a) in preparing and implementing industrial plans and programmes for the speedy reactivation and strengthening of Ghana's manufacturing sector (focusing on major industries, such as textiles), the improvement of performance and capacity utilization of existing industries and the establishment of economically viable new industries; (b) in reviewing and modifying, as appropriate, the present industrial policies and regulations; and (c) in improving the present institutional arrangements, procedures and criteria for industrial development in Ghana.

Development of Brick and Tile Industry (GHA/82/005)

UNDP contribution: US\$ 1,200,000 Duration: 4 years

51. This project is intended to help expand the production of clay building bricks and tiles and thereby contribute to decreasing the reliance of the country on imported materials, to improving housing conditions and to increasing opportunities for work. The project will help, among other things, to determine the raw material potential for establishing brick and tile manufactures, to introduce more durable building materials for rural houses (by replacing mud with fired bricks and thatched roofs with fired clay tiles), to reduce construction costs of houses (by replacing iron galvanized sheets with fired clay tiles and concrete blocks with clay bricks), and to train villagers in the various processes involved in establishing and running new brick and tile production units with a maximum of (or even without) simple machines.

Development of Hotels and Tourism (GHA/82/026)

UNDP contribution: US\$ 260,000 Duration: 2 years

52. This project will be designed to assist the Government in re-establishing the hotel industry and tourism as a means for generating foreign exchange earnings.

E. Transport and communication

53. One of the principal bottlenecks to development in Ghana is due to inadequate road, rail, river and air transport facilities. The soaring price of crude petroleum and the shortage of foreign exchange for the importation of transport and communication equipment and spares as well as road construction equipment has severely dislocated the transport and communication system. For this reason the Government attaches a high priority to the development of this sector, second only to agriculture.

54. UNDP does not have the magnitude of resources to invest in transport infrastructure, which has already received considerable investment from the Government of the Federal Republic of Germany. The Government intends to supplement the Federal Republic's contribution with similar ones from bilateral and multilateral sources, in particular Italy, Japan and the World Bank, in order to help attain its objective of establishing an integrated road, rail, river and air transport system.

55. Of the four technical assistance projects financed by UNDP since 1973, - namely, assistance to posts and telecommunications, civil aviation, road maintenance and the Ghana railways management study - only the assistance to civil aviation is being continued in the present country programme.

1. Ongoing projects

Assistance to the Civil Aviation Department (Phase II) (GHA/80/009)

UNDP contribution: US\$ 2,390,000

Duration: 4 years

56. This project is Phase II follow-up to the project GHA/74/026. Since 1981, to help build an efficient national air service, this project has been assisting Ghana's Department of Civil Aviation in the training of personnel on operational, technical and administrative aspects of air traffic, in the provision of urgently needed facilities at the airports in Accra, Kumasi, Tamale and Sunyani and in the general development and strengthening of the country's aviation infrastructure. International staff, training fellowships and relevant equipment are being provided for this purpose. The project is scheduled to be completed in 1984. The estimated UNDP contribution for 1983-1986 is US\$ 1,860,000.

F. Health

57. Despite the progress achieved by the Government in recent years, health facilities in Ghana are still inadequate. Among other things, sanitary conditions need to be improved, piped clean water to be made available to an increased proportion of the population and adequate levels of nutrition need to be attained and maintained.

58. Within the framework of the health sector, the Government accords special attention to the supply of potable water in order to improve the health standards of the population, especially in outlying areas. For this purpose a National Action Committee was set up in June 1980 under the aegis of the Ministry of Finance and Economic Planning. Its mandate is to elaborate a national action plan designed to meet the objectives of (IDWSSD).

59. UNDP has been assisting the National Action Committee in plan formulation through the provision of a sanitary engineer and further UNDP assistance is foreseen in the improvement of drinking water and sanitation. In addition, UNDP will act as a catalyst and focal point for stimulating investments in this important sector from other donors. The Government of Canada, the Federal Republic of Germany and the Netherlands have expressed an interest in participating in the implementation of the national action plan. UNDP has also established a technical support team with participants from the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO) to assist the Government's efforts in this area.

1. Ongoing project

Sanitary Engineer (GHA/76/008)

UNDP contribution: US\$ 370,000

Duration: 7 years

60. Under the project, an operational assistance (OPAS) sanitary engineer has been provided since 1977 to the Ghana Water and Sewerage Corporation for the purpose of strengthening the Corporation's Planning and Reserve Unit. The expert has also assisted to the Government's National Action Committee in the formulation of a national action plan and programme for drinking water supply and sanitation. This project will end in 1983 and will require an estimated US\$ 50,000 in 1983.

2. New project

Improvement of Drinking Water and Sanitation (GHA/82/004)

UNDP contribution: US\$ 1,400,000

Duration: 3 years

61. In line with the objectives of IDWSSDI, this project will be designed to provide expert services, consultants and training for the attainment of some of the specific objectives of the Government's national action plan being formulated under the auspices of the above-mentioned (GHA/76/008) project.

G. Education

62. Although Ghana has a developed educational system, the sector has been plagued by a host of problems, notably a shortage of trained cadres in certain fields and the departure of qualified teachers to neighbouring countries. In addition, the education system is not fully geared to satisfying the requirements of the labour market. The Government is conscious of the need to improve and expand facilities for the training of technicians and other sub-professionals so as to be able to cope with the demand for middle level skills, which are crucial for the development of industry and commerce in the country.

63. In view of the Government's own efforts and resources traditionally allocated to this sector, and assistance which the Government receives from other sources, UNDP participation, past and present, has tended to be somewhat limited. Between 1976 and 1982 the only assistance provided by UNDP was the training in secondary school science teachers and agricultural science teachers at the University of Cape Coast. In the current country programme, only two UNDP activities are foreseen as indicated below.

1. New projects

Expansion of Technical and Vocational Training (GHA/82/012)

UNDP contribution: US\$ 1,500,000 Duration: 4 years

64. The project will be designed to make technical and vocational education more responsive to the manpower needs of the country. It will widen the scope of self-employment at skilled levels, thereby encouraging the springing up of the new small-scale industries in the private sector, and thereby contribute to the economic growth of the country. Unemployment of both skilled and unskilled labour will also be reduced. UNDP assistance will consist of expert services, consultants and relevant equipment.

Establishment of Model School Farms (GHA/82/011)

UNDP contribution: US\$ 1,300,000 Duration: 5 years

65. The project will assist the Government in the establishment of twelve model/pilot-school farms throughout the country for the training of secondary school students in agriculture. The pilot-school farms will serve also as practice teaching centres for agricultural science teacher graduates from the local universities. Assistance required from UNDP will consist of expert services, equipment and provision for training.

H. Science and technology

66. Productive activity in Ghana has been hampered by shortages of scientific and technological skills. The problem has been compounded in recent years by the migration of many highly-skilled Ghanaians to the countries that have attracted them with possibilities of lucrative jobs. To carry out many complex development tasks, Ghana is in urgent need of a growing national pool of scientific and technological skills.

67. As stated earlier in the context of the education sector, UNDP activities in Ghana in science and technology have been, and continue to be, of a limited nature. Currently the only activities contemplated by UNDP are completion of (a) previous assistance

to the Scientific Instrumentation Centre (GHA/74/017) and (b) assistance to the University of Science and Technology School of Mines, Tarkwa (GHA/74/018).

1. Ongoing projects

Assistance to the Scientific Instrumentation Centre (GHA/74/017)

UNDP contribution: US\$ 1,360,000 Duration: 8 years

68. Since 1976, the project has assisted in establishing a viable repair and maintenance facility for scientific, educational, medical and industrial instruments valued at US\$ 100 million in the key sectors of the economy. The non-availability of raw materials for the completion of construction work at the Centre, required for the storage of equipment, has delayed the completion of the project. The construction work is expected to be resumed soon and would permit the fielding of UNESCO experts for completing installation of the sophisticated equipment, apart from training the trainers on its use. Complementing assistance to the Centre may be forthcoming from other external sources including the Swiss Foundation for Technical Assistance. The UNDP contribution to the project during the 1983-1986 period will be US\$ 480,000.

School of Mines, University of Science and Technology (Tarkwa) (GHA/74/018)

UNDP contribution: US\$ 1,800,000 Duration: 5 years

69. Project operations commenced in April 1978 with the principal objective of rendering the School of Mines, independent of foreign assistance, capable of training staff for the mining industry in Ghana at an international standard, at the certificate, diploma and degree levels. As with the Scientific Instrumentation Centre, the project was affected by delays in the construction of classrooms and storage facilities. At the present time, 18 certificate holders, 82 diploma holders and 35 graduates have completed their studies. As the project is terminating in June 1983, an amount of US\$ 244,000 has been earmarked for 1983 as supplementing assistance to complete the present first phase. A Phase II project will consolidate and expand such achievements so as to allow for a sufficient number of trainees to join the production process.

70. Apart from the UNDP contribution to the project, the Deutsche Gesellschaft fur Technische Zusammenarbeit (DGTZ) (German Agency for Technical Co-operation) in assisting the School through October 1984 by providing short-term experts (lecturers and consultants) and relevant equipment estimated at 13.9 million deutsche mark. In addition, the Netherlands Government has provided US\$ 40,000 for the repair of survey equipment and a land surveyor for two years. The expertise provided by the Governments of the Federal Republic of Germany and the Netherlands complement UNDP activities through the provision of specialized assistance not covered under the UNDP programme.

New projects

Terminal Support to School of Mines, University of Science and Technology (Tarkwa) (Phase II) (GHA/82/029)

UNDP contribution: US\$ 1,600,000 Duration: 4 years

71. This will be a follow-up to the earlier project (GHA/74/018) which is due to terminate in mid-1983. Given the Government's renewed emphasis on the mining sector, the project will continue earlier support to the School in practical training of

engineers and technicians and the provision of research and laboratory facilities with a view to further strengthening and consolidating the earlier assistance. Emphasis will be on increasing the number of graduates at current technical levels of training as well as other technical staff. UNDP assistance as before will consist of expert services, consultants, limited equipment, and training.

I. Humanitarian Aid and relief

72. As a result of the action taken by the Nigerian Government regarding all illegal immigrants from Ghana and other West African countries, which had as deadline, 31 January 1983, Ghana has recently been seized with the emergency and relief aid problem created by the sudden influx of an estimated one million Ghanaian returnees. Following an appeal by the Secretary-General of the United Nations on 28 January 1983 for international assistance, relief aid (food, drugs, etc.) is being mobilized and co-ordinated at the local level by the UNDP Resident Representative and the representative of the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) close consultation with donors, non-governmental organizations, the United Nations specialized agencies and the Government.

73. While the response to the Secretary-General's appeal has been both prompt and positive and should effectively alleviate the plight of the immigrants in the short run, UNDP will actively explore with the Ghanaian Government the possibilities of longer term assistance to the Government which will have as its aim the urgent planning and implementation of special economic and social programmes which will accomplish, in the shortest possible time frame, the absorption and integration of the returnees into Ghana's national economy.

74. The specific proposals for the above assistance are as yet to be worked out between the Government, UNDP and the specialized agencies concerned. No specific earmarking has been made in the country programme for this assistance; however, it is expected that such a project proposal will be financed from the unprogrammed financial reserve, estimated at US\$ 1,140,000 in the financial summary annexed to the present document.

Annex

FINANCIAL SUMMARY

A. <u>Resources</u>		\$	
<u>IPF and other resources</u>			
(i)	Illustrative IPF for 1982-1986	40 000 000	
(ii)	Less unprogrammed balance <u>a/</u>	(8 000 000)	
(iii)	Less authorized budget level for 1982	(4 300 000)	
(iv)	Previous IPF cycle balance	(482 000)	
Total resources available for programming		27 218 000	
B. <u>Use of resources</u>			
<u>(a) Programmed</u>			
(i)	Ongoing projects	6 468 000	
(ii)	New projects and new phases of ongoing projects included in the country Programme	19 610 000	
Subtotal:		26 078 000	
<u>(b) Reserve</u>		1 140 000	
Total programmed plus reserve		27 218 000	
C. <u>Financial distribution and programme, by sector</u>			
<u>Sector b/</u>	<u>Ongoing projects</u>	<u>New projects</u>	<u>Total</u>
	\$	\$	\$
02 General development issues, policy and planning	410 000	2 250 000	2 660 000
03 Natural resources	2 768 000	2 000 000	4 768 000
04 Agriculture, fisheries and forestry	660 000	7 560 000	8 220 000
05 Industry	-	2 000 000	2 000 000
06 Transport and communications	1 860 000	-	1 860 000
10 Health	50 000	1 400 000	1 450 000
11 Education	-	2 800 000	2 800 000
16 Science and technology	720 000	1 600 000	2 320 000
TOTAL	6 468 000	19 610 000	26 078 000

a/ Representing 20 per cent of the illustrative IPF which has not been taken into account for programming.

b/ According to ACC classification.

- - - - -

