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THE WORLD BANK

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1051312

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Ghana - Small Scale Industry - GHA/75/020 - Correspondence

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See RR's  
letter of  
2 June, '76  
CONFORMED COPY

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT OF THE GOVERNMENT OF

GHANA

Title: Identification of Project for Small-Scale Industry Development and Feasibility Study.

Number: GHA/75/020/A/01/42

Project Duration: 14 weeks

Sector: Industry

Subsector: Small Industry Development

Government Agency: Enterprise Development Commission

Executing Agency: IBRD

Date of Submission: November 1, 1975

Starting Date: February 1, 1976

Government Contribution: Cedis 13,400

UNDP Contribution: \$86,000

Approved

T.K. Ollennu  
Ministry of Economic Planning  
External Aid Division  
\_\_\_\_\_  
on behalf of Government (signature)

Date: 23/12/75

Shirley Buskey  
IBRD  
\_\_\_\_\_  
on behalf of Executing Agency  
(signature)

Date: 27/2/76

Bregorio M. Feliciano  
Resident Representative -  
\_\_\_\_\_  
on behalf of UNDP (signature)

Date: 13/4/76

75/320:



## Section I. BACKGROUND AND SUPPORTING INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.

2. The Government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.

The Ministry of Economic Planning External Aid Division has earlier requested the services of a Small Scale Industry expert, to be provided to the Ministry of Industries, to advise and assist in the planning, promotion, and development of Small Scale Industry and programmes and projects.

3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institutional Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.

To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the NIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:-

- a) by legislative action to amend existing small industry promotion and other related laws, if required;

...../



- b) by encouraging private small enterprise to play a more active role in the industrial development of the country, through wide circulation of the relevant recommendations that are expected to emerge from this project;
- c) by suitable administrative measures to strengthen existing policies, institutions and programs in support of small scale industry, and to develop such new institutional arrangements and programme activities as may be deemed appropriate, in the light of the findings of the Project;

7. It is the intention of the Government to seek financial assistance from IBRD for a project to provide necessary assistance for small enterprise development on the basis of the findings of the project.

#### D. Other Related Activities

8. The Government of Ghana has already taken some measures to assist small scale manufacturing activities by the provision of credit facilities through Banks, vocational and management training, and technical assistance in selected fields of activity, in cooperation with international and bilateral aid organizations.

#### E. Future UNDP Assistance

No further UNDP assistance related to the project is envisaged.



Section II. OBJECTIVES OF THE PROJECT

A. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The Government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, availability of facilities for upgrading their skills and gain progressive improvements in the quality of life.

B. Immediate Objectives

2. The purpose of the project is :

(i) to review the existing programmes and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;

(ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;

(iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality.

C. Investment Potential

3. The project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.



### III. WORK PLAN

#### A. Description of Project Activities

##### (1) Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:-

- (i) review of all available statistics and reports;
- (ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;
- (iii) visits to a selected sample of urban and rural centres, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:-

- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);
- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
- performance and problems of the principal institutions and agencies which provide financial, technical, managements and manpower training; or other significant support to small manufacturing and business establishments;

- physical infrastructure, i. e. industrial zones, built up estates, rented accommodation, etc;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements,
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;
- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.
- price controls;
- wages and labour laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganization and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities, domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.,
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.



7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.
8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

(2) Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.
  - (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work programme, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 25 copies to the Government, 6 to the Bank and 3 to UNDP.
  - (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.

B. Description of UNDP Inputs

1. Assignment of International Staff

Not applicable

2. Provision of sub-contractual services

It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

3. Training provisions

Not applicable.

4. UNDP provided supplies and equipment

Not applicable.



C. Description of Government Inputs

1. Counterpart Staff

- |                           |              |
|---------------------------|--------------|
| - Principal staff officer | 4 man months |
| - 2 Engineers             | 8 man months |
| - 2 Economists            | 8 man months |

Total	20 man months
-------	---------------

2. Accommodation, office staff, etc.

- Office accommodation for up to 4 consultants, including desks, chairs, filing cabinets, and telephone for up to 3 months
- 2 English speaking/typing secretaries for up to 3 months
- 1 office attendant (orderly) - for up to 3 months
- Local travel cost (air, taxis, etc.) for up to 6 persons for about **two weeks**
- Office supplies - questionnaire, forms etc.
- Electricity, water, etc. (utilities)
- One staff car and driver (for 3 months)

SECTION III

WORK PLAN

<u>Project Activity</u>	<u>Location</u>	<u>Starting date</u> <u>Proposed Duration</u>
Starting date	-	Feb. 1
Orientation	Accra	Feb 16-17 2 days
Inception Report	-	Feb. 28
Data Collection and Field <u>1/</u> visits	Ghana	Feb 18-Mar.13 3-4 weeks
Data analysis and report writing	Accra	Mar. 15 - Apr. 10 4 weeks
Submission of Draft Final Report	Accra	Not later than Mar. 10
Review meeting	Accra	Before Apr. 18
Submission Final Report	-	Before May, 1975

1/ Note: some members of the team may continue data collection and field visits beyond 3/3, provided this is done without prejudice to the schedule for analysis and submission of the draft report.



SECTION IV      PROJECT BUDGET

Project Budget Covering UNDP  
Contribution

(in U. S. Dollars)

Country:      Ghana

Project No:    GHA/75/070/A/01/42

Title:          Identification of Project for Small-scale Industry Development  
and Feasibility Study.

	<u>Total</u>		<u>1976</u>	
	<u>m/m</u>	<u>US\$</u>	<u>m/m</u>	<u>US\$</u>
29. Subcontract		80,000		80,000
49. Equipment		500		500
59. Miscellaneous		<u>5,500</u>		<u>5,500</u>
99. <u>Grand Total</u>		86,000		86,000

Project Budget Covering Government Counterpart

Contribution in Kind  
( in Local Currency )

Country : Ghana

Project No. : GHA/75/070/A /01/42

Project Title : Identification of Project for Small-Scale Industry Development  
and Feasibility Study

		<u>Total</u>		<u>Total</u>	
		m/m	¢	m/m	¢
10.	<u>Project Personnel</u>				
11	Counterparts	20	8,400	20	8,400
19	Component Total				
		20	8,400	20	8,400
59.	Miscellaneous		<u>5,000</u>		<u>5,000</u>
99.	<u>GRAND TOTAL</u>		13,400		13,400



IRD  
DOC  
FILE

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT REVISION - FINAL

Country: Ghana  
Project Title: Small Scale Industry Development Study  
Project Number: GHA-75-020-C-01-42

The attached budget of the above project is hereby revised to reflect the final expenditures.



Submitted on behalf of the Executing Agency  
Shirley Boskey  
Director, International Relations Department  
The World Bank

12/7/77

Date



Approved on behalf of UNDP

28/12/77

Date

PROJECT BUDGET COVERING UNDP CONTRIBUTION

(in U.S. dollars)

Country: Ghana

Project Title: Small Scale Industry Development

Project Number: GHA-75-020-C-01-42

	<u>Total</u> \$	<u>1976</u> \$	<u>1977</u> \$
20. <u>SUB-CONTRACTS</u>			
21-01	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>
99. UNDP Total Contribution	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>



UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT OF THE GOVERNMENT OF

GHANA

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Number: GHA/75/020/A/01/42

Project Duration: 14 weeks

Sector: Industry

Subsector: Small Industry Development

Government Agency: Enterprise Development Commission

Executing Agency: IBRD

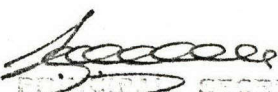
Date of Submission: November 1, 1975

Starting Date: February 1, 1976

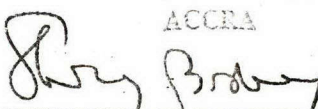
Government Contribution: Cedis 13,400

UNDP Contribution: \$86,000

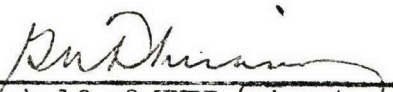
Approved

  
THE SECRETARY  
on behalf of Government (signature)  
(EXTERNAL AID DIVISION)  
P. O. Box 81, 76  
ACCRA

Date: 23. 12. 75

  
on behalf of Executing Agency  
(signature)

Date: Feb. 27 '76

  
on behalf of UNDP (signature)

Date: 13. 4. 76

IRD -  
DOCS  
See RR's  
letter of  
21 April, 76

## Section I. BACKGROUND AND SUPPORTING INFORMATION

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...../



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- government policies for the SSI sector in comparison with larger industrial establishments.

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(2) Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

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B. Description of UNDP Inputs

1. Assignment of International Staff

Not applicable

2. Provision of sub-contractual services

It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

3. Training provisions

Not applicable.

4. UNDP provided supplies and equipment

Not applicable.



C. Description of Government Inputs

1. Counterpart Staff

- |                           |              |
|---------------------------|--------------|
| - Principal staff officer | 4 man months |
| - 2 Engineers             | 8 man months |
| - 2 Economists            | 8 man months |

Total	20 man months
-------	---------------

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SECTION III

WORK PLAN

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Submission of Draft Final Report	Accra	Not later than Mar. 10
Review meeting	Accra	Before Apr. 18
Submission Final Report	-	Before May, 1975

1/ Note: some members of the team may continue data collection and field visits beyond 3/3, provided this is done without prejudice to the schedule for analysis and submission of the draft report.

SECTION IV

PROJECT BUDGET

Project Budget Covering UNDP  
Contribution

(in U. S. Dollars)

Country: Ghana

Project No: GHA/75/070/A/01/42

Title: Identification of Project for Small-scale Industry Development  
and Feasibility Study.

	<u>Total</u>		<u>1976</u>	
	<u>m/m</u>	<u>US\$</u>	<u>m/m</u>	<u>US\$</u>
29. Subcontract		80,000		80,000
49. Equipment		500		500
59. Miscellaneous		<u>5,500</u>		<u>5,500</u>
99. <u>Grand Total</u>		86,000		86,000



Project Budget Covering Government Counterpart

Contribution in Kind  
( in Local Currency )

Country : Ghana

Project No. : GHA/75/070/A /01/42

Project Title : Identification of Project for Small-Scale Industry Development  
and Feasibility Study

	<u>Total</u>		<u>Total</u>	
	m/m	¢	m/m	¢
10. <u>Project Personnel</u>				
11 Counterparts	20	8,400	20	8,400
19 Component Total				
	20	8,400	20	8,400
59. Miscellaneous		<u>5,000</u>		<u>5,000</u>
99. <u>GRAND TOTAL</u>		13,400		13,400

## Section V. Organization of the Project.

### General Responsibilities

1. The Government, the UNDP and the Executing Agency shall cooperate in the execution of the Project with a view to the realization of the objectives described in Section II of the Project Documents.
2. The Government shall provide to the Project the required national personnel, training facilities, land, buildings and other services, equipment and facilities. It hereby designates the party named on the cover page of the Project Document as the Government cooperating agency (herein referred to as "the Cooperating Agency") which will be directly responsible for the carrying out of the obligations of the Government provided for in the Project Document.
3. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the Project.
4. The Executing Agency shall carry out its obligations in accordance with the provisions of the Project Document in consultation with the Cooperating Agency.
5. In the event that the Government's participation includes a cash contribution to the UNDP, the UNDP shall make such contribution available to the Executing Agency to be applied by it in respect of the services, equipment or facilities to which such contribution relates. The Executing Agency shall account to the UNDP in respect of such cash contribution in accordance with the provisions of paragraph 15 hereof

and in turn the UNDP will account annually in respect thereof to the Government.

Participation of the Government

6. The Government shall provide to the Project the services, equipment and facilities in the quantities and at the times specified in the Work Plan, shall make the counterpart contribution - either in kind or in cash - provided for in the Project Budget subject to paragraph 8 hereof.
7. The Cooperating Agency shall in consultation with the Executing Agency assign a director for the Project on a full-time basis. He shall carry out such responsibilities in respect of the implementation of the Government contribution to the Project as are assigned to him by the Cooperating Agency in consultation with the Executing Agency.
8. The estimated cost of the items included in the Government contribution, as detailed in the Project Budget, is based on the best information available immediately prior to the date of the Project Document. It is understood that price fluctuations during the period of execution of the Project may necessitate an adjustment of the said contribution in monetary terms. Such contribution shall accordingly at all times be determined by the actual cost of the services, equipment and facilities required for the proper execution of the Project.
9. Within the aggregate number of man-months of personnel services provided for in the Work Plan, minor adjustments of individual assignments of personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if such adjustment is in the best interests of the Project.



10. The Government shall continue to pay the local salaries and appropriate allowances of national personnel during the period, if any, of their absence from the Project while on UNDP fellowships.
11. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for safe custody of the equipment, its installation and maintenance, insurance, and replacement if necessary, after delivery to the project site.
12. Subject to any security provisions in force at the date of the Project Document the Government shall:
  - (a) make available to the Executing Agency and otherwise for the purposes of the Project any published and unpublished reports, maps, records and other information and data which are necessary to the implementation of the Project; and
  - (b) enable authorized representatives of the UNDP, the Executing Agency and of its consultants to visit any part of its territories for the purpose of the Project and to examine any records and documents relevant thereto.
13. The Government shall assist all the non-national personnel assigned to the Project in finding suitable housing accommodation at reasonable rents.
14. Payment of the counterpart contribution in cash, if any, to be made by the Government as herein provided shall be made in local currency to

the UNDP in accordance with the Schedule of Payments included in the Project Budget. Payment of such contribution to the UNDP on or before the dates specified in the said Schedule of Payments by the Government is a prerequisite to commencement or continuation of the Project by the UNDP and the Executing Agency, but without prejudice to any rights, obligations or liabilities of the UNDP or the Executing Agency existing as at any such specified date.

Participation of the UNDP and of the Executing Agency

15. (a) The UNDP shall provide to the Project through the Executing Agency the services, equipment and facilities described in the Work Plan and, for such purpose, shall from time to time, promptly upon receipt of notice from the Executing Agency, make available to the Executing Agency such amounts in such currencies as it shall specify in the said notice in respect of the total actual costs of the Project.

(b) The Executing Agency shall:

- (i) make payments for the actual costs of the Project components specified in the Project Budget hereto but only to the extent that funds shall have been received by the Executing Agency in accordance with sub-paragraph (a) hereof;
- (ii) exercise in the administration and disbursement of such funds the same care that it applies to the administration of its own funds and maintain records and accounts of funds received and disbursed by it hereunder; and

(iii) until final settlement with the UNDP, furnish to the UNDP, in accordance with a schedule to be agreed, quarterly Project delivery reports and year-end financial reports, in such detail as the UNDP may reasonably request.

(c) The accounts in respect of the Project shall be closed as soon as practicable after the completion thereof and, save in exceptional circumstances, not more than 12 months thereafter.

16. (a) Where the Project includes provision for a Project Manager or other non-national project personnel, the Executing Agency shall, in consultation with the Government, select and assign to the Project such personnel under contract with the Executing Agency.

(b) The Executing Agency shall, in addition, select, in consultation with the Government, candidates for fellowships and determine standards for the training of national personnel, if any.

(c) The Project Manager, if any, shall be responsible in the country for the carrying out of the obligations of the Executing Agency provided for in the Project Document and for the management of all equipment provided to the Project from UNDP funds, and shall supervise the non-national personnel assigned to the Project and the on-the-job training of national personnel.

17. Fellowships shall be administered in accordance with the fellowship regulations from time to time established by the Executing Agency.



18. The Executing Agency may, in agreement with the Government and the UNDP, execute part or all of the Project by subcontract. The selection and appointment of subcontractors shall be made, after consultation with the Government, in accordance with the Executing Agency's procedures for UNDP projects.

19. All material, equipment and supplies which are purchased from UNDP resources shall be used exclusively for the execution of the Project, and shall remain the property of the UNDP (in whose name it will be held by the Executing Agency) until completion of UNDP assistance to the Project. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.

20. Prior to completion of UNDP assistance to the Project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all Project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the Project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.

21. At an agreed time after the completion of UNDP assistance to the Project, the Government and the UNDP and, if necessary, the Executing Agency shall review the activities continuing from or consequent upon the Project with a view to evaluating its results.

The Basic Agreement: Facilities, Privileges and Immunities

22. (a) In accordance with the Agreement concluded by UNDP (Special Fund) and the Government concerning the provision of assistance (the

Basic Agreement), the UNDP, the Executing Agency and other United Nations organizations associated with the Project, and their respective personnel, shall be accorded the facilities, privileges and immunities specified in the Basic Agreement.

(b) The Project Document is the document (therein referred to as a Plan of Operation) provided for in paragraph 2 of Article I of the Basic Agreement. The Executing Agency, by its execution of the Project Document, accepts in relation to the Project the provisions of the Basic Agreement (subject as hereinafter mentioned) and accordingly the Government, the UNDP and the Executing Agency agree that such provisions shall be incorporated in and form part of the Project Document with the same force and effect as if such provisions were fully set forth herein, subject, however, to the provisions of sub-paragraph (c) hereof.

(c) For the purposes of the Project Document:

- (i) paragraph 2 of Article II of the Basic Agreement shall not apply;
- (ii) paragraph 3 of Article II of the Basic Agreement shall not apply to arrangements of an administrative nature made by the Executing Agency in the ordinary course of supervising the Project in accordance with the Project Document;
- (iii) all references in paragraph 6 of Article VIII of the Basic Agreement to an Executing Agency or its personnel (but not to other persons performing services on behalf of an Executing Agency) shall be deemed omitted; and

(iv) the terms "Special Fund" and "Plan of Operation" wherever they appear in the Basic Agreement shall be deemed to read "UNDP" and "Project Document", respectively.

23. (a) The Government shall facilitate clearance through its customs of any equipment, materials and supplies required for the purpose of carrying out the Project, and of the personal effects of the non-national personnel assigned to the Project.

(b) The Government shall make arrangements for all non-national personnel assigned to the Project and their families promptly to be provided with any necessary entry and exit visas, residence permits, exchange permits and travel documents required for their stay in the territories of the Government in connection with the Project.

(c) Promptly upon receipt by the Government of the monthly statements of expenditures submitted by the Consultants retained by the Executing Agency, the Government shall review such statements and, upon approval thereof, forward them to the Executing Agency. Prior to submission to the Executing Agency of the first such statement of expenditures, the Government shall furnish to the Executing Agency and to such consultants sufficient evidence of the authority of the person or persons who will approve such statements on behalf of the Government, together with the specimen signatures of such person or persons.

24. The Government shall indemnify the Executing Agency and members of its staff for any liability arising out of acts or omissions of such staff members in connection with this Project Document or the



execution of the Project, except where resulting from wilful misconduct or gross negligence. Such indemnification shall include, without limitation, attorneys' fees, court costs and other expenses incurred by the Executing Agency or members of its staff in connection with the defense against, or settlement of, claims on account of such liability.

25. The Government shall exempt all consultants retained by the Executing Agency and the personnel (other than residents of the territories of the Government) of such consultants from, or bear the cost of, any taxes, duties, fees or other levies imposed under laws and regulations in effect in its territories or by any political sub-division or agency therein on such consultants and personnel in respect of:

- (i) any payment made to such consultants or personnel in connection with the execution of the Project;
- (ii) any equipment, materials and supplies brought into the territories of the Government for the purpose of carrying out the Project and subsequently withdrawn therefrom; and
- (iii) any personal and household effects brought into the territories of the Government by such consultants and personnel and subsequently withdrawn therefrom upon departure of the said consultants and personnel.

26. The Executing Agency shall provide the Government through the Resident Representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

27. The Project Document shall be free from any taxes imposed under the laws of the Government or laws in effect in its territories on or in connection with the execution, delivery or registration thereof.

#### Consultation

28. The Government, the UNDP and the Executing Agency shall at such times as shall be mutually agreed exchange views on the Project, including the progress and costs thereof and the benefits derived therefrom and each shall furnish to the others such information as shall reasonably be requested in respect thereof.

#### Reports

29. The Executing Agency shall furnish to the UNDP periodical reports on the carrying out of the Project at such times and in such form as may be agreed between the UNDP and the Executing Agency.

#### Settlement of Disputes

30. (a) Any dispute between the Executing Agency on the one hand and the Government on the other arising out of or relating to the Project Document and which cannot be settled by negotiation or other agreed mode of settlement shall be treated as a dispute between the UNDP and the Government and shall be submitted to arbitration at the request of either the Executing Agency or the Government in the manner set forth in Article IX of the Basic Agreement; provided however, that the foregoing provisions of this paragraph (a) shall not apply where the UNDP and the Executing Agency are agreed that the subject matter of such dispute results from the wilful misconduct or gross negligence of members of the staff of the Executing Agency.

(b) Notwithstanding any termination of the Project Document pursuant to paragraph 32 hereof, the provisions of this paragraph shall continue in full force and effect in respect of any dispute arising either before or after termination, provided such dispute shall be submitted to arbitration within six months after the date of such termination.

Suspension: Termination Notices

31. (a) The UNDP shall be entitled by notice to the Government and the Executing Agency to suspend the assistance to be provided by it in accordance with the Project Document if any condition arises which interferes with or threatens to interfere with the successful completion of the Project or the accomplishment of the purposes thereof; the UNDP shall consult the Government and the Executing Agency before any such suspension.

(b) Any suspension pursuant to paragraph (a) of this Section shall continue until such time as the UNDP shall give notice to the Government and the Executing Agency that it is willing to resume such assistance.

32. (a) If any condition referred to in paragraph 31(a) hereof shall continue for a period of fourteen days after notice thereof shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance of such condition, the UNDP may by notice to the Government and the Executing Agency terminate this Project Document; the UNDP shall consult the Government and the Executing Agency before giving such notice.

(b) The Project Document may be terminated by the Government, the UNDP or the Executing Agency by at least sixty days' prior notice to each of the others; the UNDP or the Executing Agency, as the case may be, shall consult the other before giving such notice.



33. Any notice or request required or permitted to be given or made under the Project Document shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, mail, telegram or cable to the party to which it is required to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

RECEIVED BY

*Scanned*

*Jan 19, '76*

*4*

FORM NO. 80

(3-75)

WORLD BANK GROUP  
MESSAGES

DATE \_\_\_\_\_

TIME \_\_\_\_\_

TO \_\_\_\_\_

FROM

Mr. Gisle

DEPT./OFFICE

Room E806

PHONE

EXTENSION

2175

☐

CALLED

☐

REQUESTS APPOINTMENT

☐

CAME TO SEE YOU

☐

CALL BACK

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RETURNED YOUR CALL

☐

WILL CALL AGAIN

☐

URGENT

REMARKS

MISS MASON

RECEIVED BY



UNITED NATIONS DEVELOPMENT PROGRAM

PROJECT OF THE GOVERNMENT OF

GHANA

Title: Identification of Project for Small-Scale Industry Development and Feasibility Study.

Numbers: GH/73/050/1/01/02

Project Duration: 14 weeks

Sector: Industry

Subsector: Small Industry Development

Government Agency: Enterprise Development Commission

Executing Agency: UNDP

Date of Submission: November 1, 1975

Starting Date: February 1, 1976

Government Contribution: Cedis 5,900

UNDP Contribution: \$85,000

Approved: \_\_\_\_\_  
on behalf of Government (signature)

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

\_\_\_\_\_

on behalf of Executing Agency  
(signature)

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

*Approved January*  
on behalf of UNDP (signature)

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

## Section 1. BACKGROUND AND SUMMARY INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.

2. The Government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.

The Ministry of Economic Planning External Aid Division has earlier requested the services of a Small Scale Industry expert, to be provided to the Ministry of Industries, to advise and assist in the planning, promotion, and development of Small Scale Industry and programmes and projects.

3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institutional Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.

To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the MIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:-

- a) by legislative action to amend existing small industry promotion and other related laws, if required;





## Section II. OBJECTIVES OF THE PROJECT

### A. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, avail of facilities for upgrading their skills and gain progressive improvements in the quality of life.

### B. Immediate Objectives

2. The purpose of the Project is:-

- (i) to review the existing programmes and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;
- (ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;
- (iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality.

### C. Investment Potential

3. The project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.

### III. WORK PLAN

#### A. Description of Project Activities

##### (1) Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:-

- (i) review of all available statistics and reports;
- (ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;
- (iii) visits to a selected sample of urban and rural centres, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:-

- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);
- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
- performance and problems of the principal institutions and agencies which provide financial, technical, managements and manpower training; or other significant support to small manufacturing and business establishments;

- physical infrastructure, i. e. industrial zones, built up estates, rented accommodation, etc;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, co-operative or common service selling or purchasing arrangements;
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;
- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.
- price controls;
- wages and labour laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganisation and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.,
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.



7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.
8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

(2) Timeline of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.

- (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work programme, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
- (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
- (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 15 copies to the Government, 6 to the Bank and 3 to UNDP.
- (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.















ROUTING SLIP		DATE <u>Dec 2, 1975</u>	
NAME		ROOM NO.	
<u>Mr. Gisle</u>		<u>E806</u>	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
COMMENT		PER OUR CONVERSATION	
FOR ACTION		PER YOUR REQUEST	
<input checked="" type="checkbox"/> INFORMATION		PREPARE REPLY	
INITIAL		RECOMMENDATION	
NOTE AND FILE		SIGNATURE	
REMARKS			
<p><u>Ghana - UNDP Project Document</u>  <u>on Small Industries Project</u>          I have sent a copy to          Mr. Assee <del>for clear</del> and          Mr. Jones (Controller's)          for clearance.          → T. Blackmore.</p>			
FROM		ROOM NO.	EXTENSION
<u>C. Munkhath</u>		<u>A343</u>	<u>5741</u>

8415

12/1 File

AHA/75/020

Accra

Yellow

25/11/75

Documents

Dear D.B.,

This is a copy of the UNDP project agreement which got lost in Nkrumah Plan. Feliciano has resubmitted it for signature. Maybe you could have a look at it & let me know whether it is acceptable either for my signature or for signature in Washington. Feliciano expects govt signature next week - so you can let me know by mid-week.

The Upper Region mission went extremely well & after our wind-up meeting this afternoon we should coast through the negotiations.

Will send you a full report on the various projects & issues

Yours,

Jim

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT OF THE GOVERNMENT OF

GHANA

Title: Identification of Project for Small-Scale Industry Development and Feasibility Study.

Number: GHA/75/020/A/01/42

Project Duration: 14 weeks

Sector: Industry

Subsector: Small Industry Development

Government Agency: Enterprise Development Commission

Executing Agency: IBRD

Date of Submission: November 1, 1975

Starting Date: February 1, 1976

Government Contribution: Cedis 8,900

UNDP Contribution: \$86,000

Approved

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

\_\_\_\_\_  
on behalf of Government (signature)

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

\_\_\_\_\_  
on behalf of Executing Agency  
(signature)

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

\_\_\_\_\_  
on behalf of UNDP (signature)



## Section I. BACKGROUND AND SUPPORTING INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.

2. The Government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.

The Ministry of Economic Planning External Aid Division has earlier requested the services of a Small Scale Industry expert, to be provided to the Ministry of Industries, to advise and assist in the planning, promotion, and development of Small Scale Industry and programmes and projects.

3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institutional Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.

To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the NIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:-

- a) by legislative action to amend existing small industry promotion and other related laws, if required;

...../



- b) by encouraging private small enterprise to play a more active role in the industrial development of the country, through wide circulation of the relevant recommendations that are expected to emerge from this project;
- c) by suitable administrative measures to strengthen existing policies, institutions and programs in support of small scale industry, and to develop such new institutional arrangements and programme activities as may be deemed appropriate, in the light of the findings of the Project;

7. It is the intention of the Government to seek financial assistance from IBRD for a project to provide necessary assistance for small enterprise development on the basis of the findings of the project.

#### D. Other Related Activities

8. The Government of Ghana has already taken some measures to assist small scale manufacturing activities by the provision of credit facilities through Banks, vocational and management training, and technical assistance in selected fields of activity, in cooperation with international and bilateral aid organizations.

#### E. Future UNDP Assistance

No further UNDP assistance related to the project is envisaged.



### III. WORK PLAN

#### A. Description of Project Activities

##### (1) Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:-

(i) review of all available statistics and reports;

(ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;

(iii) visits to a selected sample of urban and rural centres, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:-

- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);
- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
- performance and problems of the principal institutions and agencies which provide financial, technical, managements and manpower training; or other significant support to small manufacturing and business establishments;



- physical infrastructure, i. e. industrial zones, built up estates, rented accommodation, etc;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements,
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;
- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.
- price controls;
- wages and labour laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganization and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities, domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.,
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.



7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.
8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

(2) Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.

- (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work programme, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
- (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
- (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 25 copies to the Government, 6 to the Bank and 3 to UNDP.
- (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.

B. Description of UNDP Inputs

1. Assignment of International Staff

Not applicable

2. Provision of sub-contractual services

It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

3. Training provisions

Not applicable.

4. UNDP provided supplies and equipment

Not applicable.



C. Description of Government Inputs

1. Counterpart Staff

- |                           |              |
|---------------------------|--------------|
| - Principal staff officer | 4 man months |
| - 2 Engineers             | 8 man months |
| - 2 Economists            | 8 man months |

Total

20 man months

2. Accommodation, office staff, etc.

- Office accommodation for up to 4 consultants, including desks, chairs, filing cabinets, and telephone for up to 3 months
- 2 English speaking/typing secretaries for up to 3 months
- 1 office attendant (orderly) - for up to 3 months
- Local travel cost (air, taxis, etc.) for up to 6 persons for about weeks
- Office supplies - questionnaire, forms etc.
- Electricity, water, etc. (utilities)
- One staff car and driver (for 3 months)

SECTION III

WORK PLAN

<u>Project Activity</u>	<u>Location</u>	<u>Starting date</u> <u>Proposed Duration</u>
Starting date	-	Feb. 1
Orientation	Accra	Feb 16-17 2 days
Inception Report	-	Feb. 28
Data Collection and Field 1/ visits	Ghana	Feb 18-Mar.13 3-4 weeks
Data analysis and report writing	Accra	Mar. 15 - Apr. 10 4 weeks
Submission of Draft Final Report	Accra	Not later than Mar. 10
Review meeting	Accra	Before Apr. 18
Submission Final Report	-	Before May, 1975

1/ Note: some members of the team may continue data collection and field visits beyond 3/3, provided this is done without prejudice to the schedule for analysis and submission of the draft report.

SECTION IV

PROJECT BUDGET

Project Budget Covering UNDP  
Contribution

(in U. S. Dollars)

Country: Ghana

Project No: GHA/75/070/A/01/42

Title: Identification of Project for Small-scale Industry Development  
and Feasibility Study.

	<u>Total</u>	<u>1976</u>
	m/m      US\$	m/m      US\$
29. Subcontract	80,000	80,000
49. Equipment	500	500
59. Miscellaneous	<u>5,500</u>	<u>5,500</u>
99. <u>Grand Total</u>	86,000	86,000



Project Budget Covering Government Counterpart

Contribution in Kind  
( in Local Currency )

Country : Ghana

Project No. : GHA/75/070/A /01/42

Project Title : Identification of Project for Small-Scale Industry Development  
and Feasibility Study

	<u>Project Personnel</u>	<u>Total</u>		<u>Total</u>	
		m/m	¢	m/m	¢
10.	Counterparts	20	8,400	20	8,400
19	Component Total	20	8,400	20	8,400
59.	Miscellaneous		5,000		5,000
99.	<u>GRAND TOTAL</u>		13,400		13,400

[illegible]

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT OF THE GOVERNMENT OF

GHANA

Title: Identification of Project for Small-Scale Industry Development  
and Feasibility Study.

Number: A/75/020/A/01/42

Project Duration: 14 weeks

Sector: Industry

Subject: Small Industry Development

Government Agency: Enterprise Development  
Commission

Executing Agency: International Bank for  
Reconstruction and Development (IBRD)

Date of Submission: November 1, 1975

Starting Date: May 1, 1976

Government Contribution: Cedis 8,900

UNDP Contribution: \$85,000

Approved

\_\_\_\_\_  
on behalf of Government (signature)

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

\_\_\_\_\_  
on behalf of Executing Agency  
(signature)

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

\_\_\_\_\_  
on behalf of UNDP (signature)

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



## Section I. BACKGROUND AND SUPPORTING INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.

2. The Government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.

The Ministry of Economic Planning External Aid Division has earlier requested the services of a Small Scale Industry expert, to be provided to the Ministry of Industries, to advise and assist in the planning, promotion, and development of Small Scale Industry and programmes and projects.

3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institutional Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.

To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the NIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:-

- a) by legislative action to amend existing small industry promotion and other related laws, if required;

...../

- b) by encouraging private small enterprise to play a more active role in the industrial development of the country, through wide circulation of the relevant recommendations that are expected to emerge from this project;
- c) by suitable administrative measures to strengthen existing policies, institutions and programs in support of small scale industry, and to develop such new institutional arrangements and programme activities as may be deemed appropriate, in the light of the findings of the Project;

7. It is the intention of the Government to seek financial assistance from IBRD for a project to provide necessary assistance for small enterprise development on the basis of the findings of the project.

#### D. Other Related Activities

8. The Government of Ghana has already taken some measures to assist small scale manufacturing activities by the provision of credit facilities through Banks, vocational and management training, and technical assistance in selected fields of activity, in cooperation with international and bilateral aid organizations.

#### E. Future UNDP Assistance

No further UNDP assistance related to the project is envisaged.



## Section II. OBJECTIVES OF THE PROJECT

### A. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, avail of facilities for upgrading their skills and gain progressive improvements in the quality of life.

### B. Immediate Objectives

2. The purpose of the Project is:-

- (i) to review the existing programmes and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;
- (ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;
- (iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality.

### C. Investment Potential

3. The project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.



### III. WORK PLAN

#### A. Description of Project Activities

##### (1) Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:-

(i) review of all available statistics and reports;

(ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;

(iii) visits to a selected sample of urban and rural centres, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:-

-- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);

-- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;

-- performance and problems of the principal institutions and agencies which provide financial, technical, managements and manpower training; or other significant support to small manufacturing and business establishments;

- physical infrastructure, i. e. industrial zones, built up estates, rented accommodation, etc;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements,
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;
- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.
- price controls;
- wages and labour laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganization and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities, domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.,
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.



7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.
8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

(2) Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.
- (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work programme, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 25 copies to the Government, 6 to the Bank and 3 to UNDP.
  - (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.



B. Description of UNDP Inputs

1. Assignment of International Staff

Not applicable

2. Provision of sub-contractual services

It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

3. Training provisions

Not applicable.

4. UNDP provided supplies and equipment

Not applicable.

C. Description of Government Inputs

1. Counterpart Staff

- |                           |              |
|---------------------------|--------------|
| - Principal staff officer | 4 man months |
| - 2 Engineers             | 8 man months |
| - 2 Economists            | 8 man months |

Total	<hr/> 20 man months
-------	---------------------

2. Accommodation, office staff, etc.

- Office accommodation for up to 4 consultants, including desks, chairs, filing cabinets, and telephone for up to 3 months
- 2 English speaking/typing secretaries for up to 3 months
- 1 office attendant (orderly) - for up to 3 months
- Local travel cost (air, taxis, etc.) for up to 6 persons for about weeks
- Office supplies - questionnaire, forms etc.
- Electricity, water, etc. (utilities)
- One staff car and driver (for 3 months)

SECTION III

WORK PLAN

<u>Project Activity</u>	<u>Location</u>	<u>Starting Date</u> <u>Proposed Duration</u>
Starting date	-	May 1, 1976
Orientation	Accra	May 17-18 2 days
Inception Report	-	May 28 - June 12
Data Collection and Field <u>1/</u> visits	Ghana	May 19 - June 12 3-4 weeks
Data analysis and report writing	Accra	June 14 - July 10 4 weeks
Submission of Draft Final Report	Accra	Not later than July 17
Review meeting	Accra	Before July 24
Submission Final Report	-	Before August 14, 1976

1/ Note: some members of the team may continue data collection and field visits beyond 8/13, provided this is done without prejudice to the schedule for analysis and submission of the draft report.



SECTION IV

## PROJECT BUDGET

Project Budget Covering UNDP  
Contribution

(in U. S. Dollars)

Country: Ghana

Project No: GHA/75/070/A/01/42

Title: Identification of Project for Small-scale Industry Development  
and Feasibility Study.

	Total		1976	
	m/m	US\$	m/m	US\$
29. Subcontract		80,000		80,000
49. Equipment		500		500
59. Miscellaneous		<u>5,500</u>		<u>5,500</u>
99. <u>Grand Total</u>		86,000		86,000

Project Budget Covering Government Counterpart

Contribution in Kind  
( in Local Currency )

Country : Ghana

Project No. : GHA/75/070/A /01/42

Project Title : Identification of Project for Small-Scale Industry Development  
and Feasibility Study

		<u>Total</u>			<u>Total</u>	
		m/m	¢		m/m	¢
10.	<u>Project Personnel</u>					
11	Counterparts	20	8,400		20	8,400
19	Component Total					
		20	8,400		20	8,400
59.	Miscellaneous		<u>5,000</u>			<u>5,000</u>
99.	<u>GRAND TOTAL</u>		13,400			13,400

SECTION V.

ORGANIZATION OF THE PROJECT

General Responsibilities

1. The Government, the UNDP and the Executing Agency shall cooperate in the execution of the Project with a view to the realization of the objectives described in Part II of the Project Document.
2. The Government shall provide to the Project the required national personnel, training facilities, land, buildings and other services, equipment and facilities. It hereby designates the party named on the cover page of the Project Document as the Government cooperating agency (herein referred to as "the Cooperating Agency") which will be directly responsible for the carrying out of the obligations of the Government provided for in the Project Document.
3. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the Project.
4. The Executing Agency shall carry out its obligations in accordance with the provisions of the Project Document in consultation with the Cooperating Agency.
5. In the event that the Government's participation includes a cash contribution to the UNDP, the UNDP shall make such contribution available to the Executing Agency to be applied by it in respect of the services, equipment or facilities to which such contribution relates. The Executing Agency shall account to the UNDP in respect of such cash contribution in accordance with the provisions of paragraph 15 hereof



and in turn the UNDP will account annually in respect thereof to the Government.

Participation of the Government

6. The Government shall provide to the Project the services, equipment and facilities in the quantities and at the times specified in the Work Plan, shall make the counterpart contribution - either in kind or in cash - provided for in the Project Budget subject to paragraph 8 hereof.

7. The Cooperating Agency shall in consultation with the Executing Agency assign a director for the Project on a full-time basis. He shall carry out such responsibilities in respect of the implementation of the Government contribution to the Project as are assigned to him by the Cooperating Agency in consultation with the Executing Agency.

8. The estimated cost of the items included in the Government contribution, as detailed in the Project Budget, is based on the best information available immediately prior to the date of the Project Document. It is understood that price fluctuations during the period of execution of the Project may necessitate an adjustment of the said contribution in monetary terms. Such contribution shall accordingly at all times be determined by the actual cost of the services, equipment and facilities required for the proper execution of the Project.

9. Within the aggregate number of man-months of personnel services provided for in the Work Plan, minor adjustments of individual assignments of personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if such adjustment is in the best interests of the Project.

10. The Government shall continue to pay the local salaries and appropriate allowances of national personnel during the period, if any, of their absence from the Project while on UNDP fellowships.

11. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for safe custody of the equipment, its installation and maintenance, insurance, and replacement if necessary, after delivery to the project site.

12. Subject to any security provisions in force at the date of the Project Document the Government shall:

- (a) make available to the Executing Agency and otherwise for the purposes of the Project any published and unpublished reports, maps, records and other information and data which are necessary to the implementation of the Project; and

- (b) enable authorized representatives of the UNDP, the Executing Agency and of its consultants to visit any part of its territories for the purpose of the Project and to examine any records and documents relevant thereto.

13. The Government shall assist all the non-national personnel assigned to the Project in finding suitable housing accommodation at reasonable rents.

14. Payment of the counterpart contribution in cash, if any, to be made by the Government as herein provided shall be made in local currency to

the UNDP in accordance with the Schedule of Payments included in the Project Budget. Payment of such contribution to the UNDP on or before the dates specified in the said Schedule of Payments by the Government is a prerequisite to commencement or continuation of the Project by the UNDP and the Executing Agency, but without prejudice to any rights, obligations or liabilities of the UNDP or the Executing Agency existing as at any such specified date.

Participation of the UNDP and of the Executing Agency

15. (a) The UNDP shall provide to the Project through the Executing Agency the services, equipment and facilities described in the Work Plan and, for such purpose, shall from time to time, promptly upon receipt of notice from the Executing Agency, make available to the Executing Agency such amounts in such currencies as it shall specify in the said notice in respect of the total actual costs of the Project.

(b) The Executing Agency shall:

(i) make payments for the actual costs of the Project components specified in the Project Budget hereto but only to the extent that funds shall have been received by the Executing Agency in accordance with sub-paragraph (a) hereof;

(ii) exercise in the administration and disbursement of such funds the same care that it applies to the administration of its own funds and maintain records and accounts of funds received and disbursed by it hereunder; and



(iii) until final settlement with the UNDP, furnish to the UNDP, in accordance with a schedule to be agreed, quarterly Project delivery reports and year-end financial reports, in such detail as the UNDP may reasonably request.

(c) The accounts in respect of the Project shall be closed as soon as practicable after the completion thereof and, save in exceptional circumstances, not more than 12 months thereafter.

16. (a) Where the Project includes provision for a Project Manager or other non-national project personnel, the Executing Agency shall, in consultation with the Government, select and assign to the Project such personnel under contract with the Executing Agency.

(b) The Executing Agency shall, in addition, select, in consultation with the Government, candidates for fellowships and determine standards for the training of national personnel, if any.

(c) The Project Manager, if any, shall be responsible in the country for the carrying out of the obligations of the Executing Agency provided for in the Project Document and for the management of all equipment provided to the Project from UNDP funds, and shall supervise the non-national personnel assigned to the Project and the on-the-job training of national personnel.

17. Fellowships shall be administered in accordance with the fellowship regulations from time to time established by the Executing Agency.

18. The Executing Agency may, in agreement with the Government and the UNDP, execute part or all of the Project by subcontract. The selection and appointment of subcontractors shall be made, after consultation with the Government, in accordance with the Executing Agency's procedures for UNDP projects.

19. All material, equipment and supplies which are purchased from UNDP resources shall be used exclusively for the execution of the Project, and shall remain the property of the UNDP (in whose name it will be held by the Executing Agency) until completion of UNDP assistance to the Project. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.

20. Prior to completion of UNDP assistance to the Project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all Project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the Project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.

21. At an agreed time after the completion of UNDP assistance to the Project, the Government and the UNDP and, if necessary, the Executing Agency shall review the activities continuing from or consequent upon the Project with a view to evaluating its results.

The Basic Agreement: Facilities, Privileges and Immunities

22. (a) In accordance with the Agreement concluded by UNDP (Special Fund) and the Government concerning the provision of assistance (the

Basic Agreement), the UNDP, the Executing Agency and other United Nations organizations associated with the Project, and their respective personnel, shall be accorded the facilities, privileges and immunities specified in the Basic Agreement.

(b) The Project Document is the document (therein referred to as a Plan of Operation) provided for in paragraph 2 of Article I of the Basic Agreement. The Executing Agency, by its execution of the Project Document, accepts in relation to the Project the provisions of the Basic Agreement (subject as hereinafter mentioned) and accordingly the Government, the UNDP and the Executing Agency agree that such provisions shall be incorporated in and form part of the Project Document with the same force and effect as if such provisions were fully set forth herein, subject, however, to the provisions of sub-paragraph (c) hereof.

(c) For the purposes of the Project Document:

- (i) paragraph 2 of Article II of the Basic Agreement shall not apply;
- (ii) paragraph 3 of Article II of the Basic Agreement shall not apply to arrangements of an administrative nature made by the Executing Agency in the ordinary course of supervising the Project in accordance with the Project Document;
- (iii) all references in paragraph 6 of Article VIII of the Basic Agreement to an Executing Agency or its personnel (but not to other persons performing services on behalf of an Executing Agency) shall be deemed omitted; and



(iv) the terms "Special Fund" and "Plan of Operation" wherever they appear in the Basic Agreement shall be deemed to read "UNDP" and "Project Document", respectively.

23. (a) The Government shall facilitate clearance through its customs of any equipment, materials and supplies required for the purpose of carrying out the Project, and of the personal effects of the non-national personnel assigned to the Project.

(b) The Government shall make arrangements for all non-national personnel assigned to the Project and their families promptly to be provided with any necessary entry and exit visas, residence permits, exchange permits and travel documents required for their stay in the territories of the Government in connection with the Project.

(c) Promptly upon receipt by the Government of the monthly statements of expenditures submitted by the Consultants retained by the Executing Agency, the Government shall review such statements and, upon approval thereof, forward them to the Executing Agency. Prior to submission to the Executing Agency of the first such statement of expenditures, the Government shall furnish to the Executing Agency and to such consultants sufficient evidence of the authority of the person or persons who will approve such statements on behalf of the Government, together with the specimen signatures of such person or persons.

24. The Government shall indemnify the Executing Agency and members of its staff for any liability arising out of acts or omissions of such staff members in connection with this Project Document or the

execution of the Project, except where resulting from wilful misconduct or gross negligence. Such indemnification shall include, without limitation, attorneys' fees, court costs and other expenses incurred by the Executing Agency or members of its staff in connection with the defense against, or settlement of, claims on account of such liability.

25. The Government shall exempt all consultants retained by the Executing Agency and the personnel (other than residents of the territories of the Government) of such consultants from, or bear the cost of, any taxes, duties, fees or other levies imposed under laws and regulations in effect in its territories or by any political sub-division or agency therein on such consultants and personnel in respect of:

- (i) any payment made to such consultants or personnel in connection with the execution of the Project;
- (ii) any equipment, materials and supplies brought into the territories of the Government for the purpose of carrying out the Project and subsequently withdrawn therefrom; and
- (iii) any personal and household effects brought into the territories of the Government by such consultants and personnel and subsequently withdrawn therefrom upon departure of the said consultants and personnel.

26. The Executing Agency shall provide the Government through the Resident Representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

27. The Project Document shall be free from any taxes imposed under the laws of the Government or laws in effect in its territories on or in connection with the execution, delivery or registration thereof.

#### Consultation

28. The Government, the UNDP and the Executing Agency shall at such times as shall be mutually agreed exchange views on the Project, including the progress and costs thereof and the benefits derived therefrom and each shall furnish to the others such information as shall reasonably be requested in respect thereof.

#### Reports

29. The Executing Agency shall furnish to the UNDP periodical reports on the carrying out of the Project at such times and in such form as may be agreed between the UNDP and the Executing Agency.

#### Settlement of Disputes

30. (a) Any dispute between the Executing Agency on the one hand and the Government on the other arising out of or relating to the Project Document and which cannot be settled by negotiation or other agreed mode of settlement shall be treated as a dispute between the UNDP and the Government and shall be submitted to arbitration at the request of either the Executing Agency or the Government in the manner set forth in Article IX of the Basic Agreement; provided however, that the foregoing provisions of this paragraph (a) shall not apply where the UNDP and the Executing Agency are agreed that the subject matter of such dispute results from the wilful misconduct or gross negligence of members of the staff of the Executing Agency.



(b) Notwithstanding any termination of the Project Document pursuant to paragraph 32 hereof, the provisions of this paragraph shall continue in full force and effect in respect of any dispute arising either before or after termination, provided such dispute shall be submitted to arbitration within six months after the date of such termination.

Suspension: Termination Notices

31. (a) The UNDP shall be entitled by notice to the Government and the Executing Agency to suspend the assistance to be provided by it in accordance with the Project Document if any condition arises which interferes with or threatens to interfere with the successful completion of the Project or the accomplishment of the purposes thereof; the UNDP shall consult the Government and the Executing Agency before any such suspension.

(b) Any suspension pursuant to paragraph (a) of this Section shall continue until such time as the UNDP shall give notice to the Government and the Executing Agency that it is willing to resume such assistance.

32. (a) If any condition referred to in paragraph 31(a) hereof shall continue for a period of fourteen days after notice thereof shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance of such condition, the UNDP may by notice to the Government and the Executing Agency terminate this Project Document; the UNDP shall consult the Government and the Executing Agency before giving such notice.

(b) The Project Document may be terminated by the Government, the UNDP or the Executing Agency by at least sixty days' prior notice to each of the others; the UNDP or the Executing Agency, as the case may be, shall consult the other before giving such notice.

33. Any notice or request required or permitted to be given or made under the Project Document shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, mail, telegram or cable to the party to which it is required to be given or made at such party's address specified below or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT OF THE GOVERNMENT OF

GHANA

COPY  
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See our  
letter to  
RR. Ghana  
30 JAN. 76

Title: Identification of Project for Small-Scale Industry Development and Feasibility Study.

Number: GHA/75/020/A/01/42

Project Duration: 14 weeks

Sector: Industry

Subsector: Small Industry Development

Government Agency: Enterprise Development Commission

Executing Agency: International Bank for Reconstruction and Development (IBRD)

Date of Submission: November 1, 1975

Starting Date: May 1, 1976

Government Contribution: Cedis 8,900

UNDP Contribution: \$86,000

13,400

Approved

\_\_\_\_\_  
on behalf of Government (signature)

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

Shay Daskey  
on behalf of Executing Agency  
(signature)

Date: Jan 30 76

\_\_\_\_\_  
on behalf of UNDP (signature)

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

75/320:



## Section I. BACKGROUND AND SUPPORTING INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.

2. The Government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.

The Ministry of Economic Planning External Aid Division has earlier requested the services of a Small Scale Industry expert, to be provided to the Ministry of Industries, to advise and assist in the planning, promotion, and development of Small Scale Industry and programmes and projects.

3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institutional Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.

To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the NIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:-

- a) by legislative action to amend existing small industry promotion and other related laws, if required;

...../

- b) by encouraging private small enterprise to play a more active role in the industrial development of the country, through wide circulation of the relevant recommendations that are expected to emerge from this project;
- c) by suitable administrative measures to strengthen existing policies, institutions and programs in support of small scale industry, and to develop such new institutional arrangements and programme activities as may be deemed appropriate, in the light of the findings of the Project;

7. It is the intention of the Government to seek financial assistance from IBRD for a project to provide necessary assistance for small enterprise development on the basis of the findings of the project.

**D. Other Related Activities**

8. The Government of Ghana has already taken some measures to assist small scale manufacturing activities by the provision of credit facilities through Banks, vocational and management training, and technical assistance in selected fields of activity, in cooperation with international and bilateral aid organizations.

**E. Future UNDP Assistance**

No further UNDP assistance related to the project is envisaged.



Section II. OBJECTIVES OF THE PROJECT

A. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, avail of facilities for upgrading their skills and gain progressive improvements in the quality of life.

B. Immediate Objectives

2. The purpose of the Project is:-

- (i) to review the existing programmes and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;
- (ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;
- (iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality.

C. Investment Potential

3. The project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.



### III. WORK PLAN

#### A. Description of Project Activities

##### (1) Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:-

(i) review of all available statistics and reports;

(ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;

(iii) visits to a selected sample of urban and rural centres, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:-

- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);
- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
- performance and problems of the principal institutions and agencies which provide financial, technical, managements and manpower training; or other significant support to small manufacturing and business establishments;

- physical infrastructure, i. e. industrial zones, built up estates, rented accommodation, etc;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements,
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;
- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.
- price controls;
- wages and labour laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganisation and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities, domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.,
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.



7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.
8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

(2) Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

(3) Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.
  - (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work programme, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
  - (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 25 copies to the Government, 6 to the Bank and 3 to UNDP.
  - (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.



B. Description of UNDP Inputs

1. Assignment of International Staff

Not applicable

2. Provision of sub-contractual services

It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

3. Training provisions

Not applicable.

4. UNDP provided supplies and equipment

Not applicable.

C. Description of Government Inputs

1. Counterpart Staff

- Principal staff officer	4 man months
- 2 Engineers	8 man months
- 2 Economists	8 man months

Total	20 man months
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2. Accommodation, office staff, etc.

- Office accommodation for up to 4 consultants, including desks, chairs, filing cabinets, and telephone for up to 3 months
- 2 English speaking/typing secretaries for up to 3 months
- 1 office attendant (orderly) - for up to 3 months
- Local travel cost (air, taxis, etc.) for up to 6 persons for about weeks
- Office supplies - questionnaire, forms etc.
- Electricity, water, etc. (utilities)
- One staff car and driver (for 3 months)

SECTION III

WORK PLAN

<u>Project Activity</u>	<u>Location</u>	<u>Starting Date</u> <u>Proposed Duration</u>
Starting date	-	May 1, 1976
Orientation	Accra	May 17-18 2 days
Inception Report	-	May 28 - June 12
Data Collection and Field <u>1/</u> visits	Ghana	May 19 - June 12 3-4 weeks
Data analysis and report writing	Accra	June 14 - July 10 4 weeks
Submission of Draft Final Report	Accra	Not later than July 17
Review meeting	Accra	Before July 24
Submission Final Report	-	Before August 14, 1976

1/ Note: some members of the team may continue data collection and field visits beyond 8/3, provided this is done without prejudice to the schedule for analysis and submission of the draft report.



SECTION IV

PROJECT BUDGET

Project Budget Covering UNDP  
Contribution

(in U. S. Dollars)

Country: Ghana

Project No: GHA/75/070/A/01/42

Title: Identification of Project for Small-scale Industry Development  
and Feasibility Study.

	<u>Total</u>		<u>1976</u>	
	<u>m/m</u>	<u>US\$</u>	<u>m/m</u>	<u>US\$</u>
29. Subcontract		80,000		80,000
49. Equipment		500		500
59. Miscellaneous		<u>5,500</u>		<u>5,500</u>
99. <u>Grand Total</u>		86,000		86,000

Project Budget Covering Government Counterpart

Contribution in Kind  
( in Local Currency )

Country : Ghana

Project No. : GHA/75/070/A /01/42

Project Title : Identification of Project for Small-Scale Industry Development  
and Feasibility Study

		<u>Total</u>		<u>Total</u>	
		m/m	¢	m/m	¢
10.	<u>Project Personnel</u>				
11	Counterparts	20	8,400	20	8,400
19	Component Total				
		20	8,400	20	8,400
59.	Miscellaneous		<u>5,000</u>		<u>5,000</u>
99.	<u>GRAND TOTAL</u>		13,400		13,400

SECTION V.

ORGANIZATION OF THE PROJECT

General Responsibilities

1. The Government, the UNDP and the Executing Agency shall cooperate in the execution of the Project with a view to the realization of the objectives described in Part II of the Project Document.
2. The Government shall provide to the Project the required national personnel, training facilities, land, buildings and other services, equipment and facilities. It hereby designates the party named on the cover page of the Project Document as the Government cooperating agency (herein referred to as "the Cooperating Agency") which will be directly responsible for the carrying out of the obligations of the Government provided for in the Project Document.
3. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the Project.
4. The Executing Agency shall carry out its obligations in accordance with the provisions of the Project Document in consultation with the Cooperating Agency.
5. In the event that the Government's participation includes a cash contribution to the UNDP, the UNDP shall make such contribution available to the Executing Agency to be applied by it in respect of the services, equipment or facilities to which such contribution relates. The Executing Agency shall account to the UNDP in respect of such cash contribution in accordance with the provisions of paragraph 15 hereof



and in turn the UNDP will account annually in respect thereof to the Government.

Participation of the Government

6. The Government shall provide to the Project the services, equipment and facilities in the quantities and at the times specified in the Work Plan, shall make the counterpart contribution - either in kind or in cash - provided for in the Project Budget subject to paragraph 8 hereof.

7. The Cooperating Agency shall in consultation with the Executing Agency assign a director for the Project on a full-time basis. He shall carry out such responsibilities in respect of the implementation of the Government contribution to the Project as are assigned to him by the Cooperating Agency in consultation with the Executing Agency.

8. The estimated cost of the items included in the Government contribution, as detailed in the Project Budget, is based on the best information available immediately prior to the date of the Project Document. It is understood that price fluctuations during the period of execution of the Project may necessitate an adjustment of the said contribution in monetary terms. Such contribution shall accordingly at all times be determined by the actual cost of the services, equipment and facilities required for the proper execution of the Project.

9. Within the aggregate number of man-months of personnel services provided for in the Work Plan, minor adjustments of individual assignments of personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if such adjustment is in the best interests of the Project.

10. The Government shall continue to pay the local salaries and appropriate allowances of national personnel during the period, if any, of their absence from the Project while on UNDP fellowships.

11. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for safe custody of the equipment, its installation and maintenance, insurance, and replacement if necessary, after delivery to the project site.

12. Subject to any security provisions in force at the date of the Project Document the Government shall:

- (a) make available to the Executing Agency and otherwise for the purposes of the Project any published and unpublished reports, maps, records and other information and data which are necessary to the implementation of the Project; and

- (b) enable authorized representatives of the UNDP, the Executing Agency and of its consultants to visit any part of its territories for the purpose of the Project and to examine any records and documents relevant thereto.

13. The Government shall assist all the non-national personnel assigned to the Project in finding suitable housing accommodation at reasonable rents.

14. Payment of the counterpart contribution in cash, if any, to be made by the Government as herein provided shall be made in local currency to

the UNDP in accordance with the Schedule of Payments included in the Project Budget. Payment of such contribution to the UNDP on or before the dates specified in the said Schedule of Payments by the Government is a prerequisite to commencement or continuation of the Project by the UNDP and the Executing Agency, but without prejudice to any rights, obligations or liabilities of the UNDP or the Executing Agency existing as at any such specified date.

Participation of the UNDP and of the Executing Agency

15. (a) The UNDP shall provide to the Project through the Executing Agency the services, equipment and facilities described in the Work Plan and, for such purpose, shall from time to time, promptly upon receipt of notice from the Executing Agency, make available to the Executing Agency such amounts in such currencies as it shall specify in the said notice in respect of the total actual costs of the Project.

(b) The Executing Agency shall:

- (i) make payments for the actual costs of the Project components specified in the Project Budget hereto but only to the extent that funds shall have been received by the Executing Agency in accordance with sub-paragraph (a) hereof;
- (ii) exercise in the administration and disbursement of such funds the same care that it applies to the administration of its own funds and maintain records and accounts of funds received and disbursed by it hereunder; and



(iii) until final settlement with the UNDP, furnish to the UNDP, in accordance with a schedule to be agreed, quarterly Project delivery reports and year-end financial reports, in such detail as the UNDP may reasonably request.

(c) The accounts in respect of the Project shall be closed as soon as practicable after the completion thereof and, save in exceptional circumstances, not more than 12 months thereafter.

16. (a) Where the Project includes provision for a Project Manager or other non-national project personnel, the Executing Agency shall, in consultation with the Government, select and assign to the Project such personnel under contract with the Executing Agency.

(b) The Executing Agency shall, in addition, select, in consultation with the Government, candidates for fellowships and determine standards for the training of national personnel, if any.

(c) The Project Manager, if any, shall be responsible in the country for the carrying out of the obligations of the Executing Agency provided for in the Project Document and for the management of all equipment provided to the Project from UNDP funds, and shall supervise the non-national personnel assigned to the Project and the on-the-job training of national personnel.

17. Fellowships shall be administered in accordance with the fellowship regulations from time to time established by the Executing Agency.

18. The Executing Agency may, in agreement with the Government and the UNDP, execute part or all of the Project by subcontract. The selection and appointment of subcontractors shall be made, after consultation with the Government, in accordance with the Executing Agency's procedures for UNDP projects.

19. All material, equipment and supplies which are purchased from UNDP resources shall be used exclusively for the execution of the Project, and shall remain the property of the UNDP (in whose name it will be held by the Executing Agency) until completion of UNDP assistance to the Project. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.

20. Prior to completion of UNDP assistance to the Project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all Project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the Project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.

21. At an agreed time after the completion of UNDP assistance to the Project, the Government and the UNDP and, if necessary, the Executing Agency shall review the activities continuing from or consequent upon the Project with a view to evaluating its results.

The Basic Agreement: Facilities, Privileges and Immunities

22. (a) In accordance with the Agreement concluded by UNDP (Special Fund) and the Government concerning the provision of assistance (the

Basic Agreement), the UNDP, the Executing Agency and other United Nations organizations associated with the Project, and their respective personnel, shall be accorded the facilities, privileges and immunities specified in the Basic Agreement.

(b) The Project Document is the document (therein referred to as a Plan of Operation) provided for in paragraph 2 of Article I of the Basic Agreement. The Executing Agency, by its execution of the Project Document, accepts in relation to the Project the provisions of the Basic Agreement (subject as hereinafter mentioned) and accordingly the Government, the UNDP and the Executing Agency agree that such provisions shall be incorporated in and form part of the Project Document with the same force and effect as if such provisions were fully set forth herein, subject, however, to the provisions of sub-paragraph (c) hereof.

(c) For the purposes of the Project Document:

- (i) paragraph 2 of Article II of the Basic Agreement shall not apply;
- (ii) paragraph 3 of Article II of the Basic Agreement shall not apply to arrangements of an administrative nature made by the Executing Agency in the ordinary course of supervising the Project in accordance with the Project Document;
- (iii) all references in paragraph 6 of Article VIII of the Basic Agreement to an Executing Agency or its personnel (but not to other persons performing services on behalf of an Executing Agency) shall be deemed omitted; and



(iv) the terms "Special Fund" and "Plan of Operation" wherever they appear in the Basic Agreement shall be deemed to read "UNDP" and "Project Document", respectively.

23. (a) The Government shall facilitate clearance through its customs of any equipment, materials and supplies required for the purpose of carrying out the Project, and of the personal effects of the non-national personnel assigned to the Project.

(b) The Government shall make arrangements for all non-national personnel assigned to the Project and their families promptly to be provided with any necessary entry and exit visas, residence permits, exchange permits and travel documents required for their stay in the territories of the Government in connection with the Project.

(c) Promptly upon receipt by the Government of the monthly statements of expenditures submitted by the Consultants retained by the Executing Agency, the Government shall review such statements and, upon approval thereof, forward them to the Executing Agency. Prior to submission to the Executing Agency of the first such statement of expenditures, the Government shall furnish to the Executing Agency and to such consultants sufficient evidence of the authority of the person or persons who will approve such statements on behalf of the Government, together with the specimen signatures of such person or persons.

24. The Government shall indemnify the Executing Agency and members of its staff for any liability arising out of acts or omissions of such staff members in connection with this Project Document or the

execution of the Project, except where resulting from wilful misconduct or gross negligence. Such indemnification shall include, without limitation, attorneys' fees, court costs and other expenses incurred by the Executing Agency or members of its staff in connection with the defense against, or settlement of, claims on account of such liability.

25. The Government shall exempt all consultants retained by the Executing Agency and the personnel (other than residents of the territories of the Government) of such consultants from, or bear the cost of, any taxes, duties, fees or other levies imposed under laws and regulations in effect in its territories or by any political sub-division or agency therein on such consultants and personnel in respect of:

- (i) any payment made to such consultants or personnel in connection with the execution of the Project;
- (ii) any equipment, materials and supplies brought into the territories of the Government for the purpose of carrying out the Project and subsequently withdrawn therefrom; and
- (iii) any personal and household effects brought into the territories of the Government by such consultants and personnel and subsequently withdrawn therefrom upon departure of the said consultants and personnel.

26. The Executing Agency shall provide the Government through the Resident Representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

27. The Project Document shall be free from any taxes imposed under the laws of the Government or laws in effect in its territories on or in connection with the execution, delivery or registration thereof.

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(b) Notwithstanding any termination of the Project Document pursuant to paragraph 32 hereof, the provisions of this paragraph shall continue in full force and effect in respect of any dispute arising either before or after termination, provided such dispute shall be submitted to arbitration within six months after the date of such termination.

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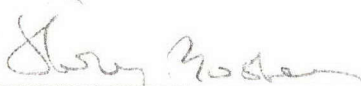
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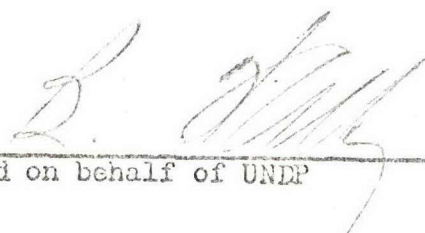
Project Revision Form

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

The subject project budget is hereby revised to reflect actual expenditures in 1976 and anticipated expenditures in 1977.

  
\_\_\_\_\_  
Submitted on behalf of the Executing Agency  
Shirley Boskey/  
Director, International Relations Department  
The World Bank

4/28/77  
Date

  
\_\_\_\_\_  
Approved on behalf of UNDP

17-5-77  
Date



Project Budget Covering UNDP Contribution  
(in U.S. Dollars)

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

	<u>TOTAL</u> \$	<u>1976</u> \$	<u>1977</u> \$
29 Subcontracts	86,000	51,619	34,381
99 GRAND TOTAL:	86,000	51,619	34,381

GHA/75/008  
GHA/75/020 ✓

May 3, 1978

Mr. Walter Holzhausen  
Resident Representative  
United Nations Development Programme  
P.O. Box 1423  
Accra, Ghana

Dear Mr. Holzhausen:

GHANA: Road Maintenance  
Small-Scale Industry Development Study

Please find enclosed the Final Quarter Project Delivery Reports for the above projects.

Also enclosed are four copies of Project Revision "E" for GHA/75/008 signed on behalf of the Bank by Mrs. Shirley Boskey, Director, International Relations Department. We would appreciate receiving, in due course, one fully signed copy showing original signatures.

The final Project Revision for GHA/75/020 has already been signed and the project is now closed.

Yours sincerely,

Anne Cesell Vaughn  
International Relations Department

Attachments

cc: Mr. Michel Doo Kingue  
Assistant Administrator and  
Regional Director  
Bureau for Africa  
United Nations Development Programme  
1 United Nations Plaza  
New York, New York 10017

w/copy ProRev.

cc: Mr. Trnka, WAP  
Mr. Conde-Rocha, CTR  
Mr. Blinkhorn, WAI

AVaughn/eb

INCOMING CABLE

RECEIVED

sj

ITT6/MAY 2 1978 VIA ITT WORLDCOM

1978 MAY -2 AM 10:09  
COMMUNICATIONS DIVISION

ZCZC AWA399 VIA ITT CTB390 CAC466 A6132

UIWA CO GHAA 019

ACCRA 19/18 27 1410

Distribution:

~~Mr~~Ms. Vaughn(P715)

\_\_\_\_ date as received.

April 27, 1978

INTBAFRAD

WASHINGTONDC(USA)

MAY 2 1978

MISC420 VAUGHN GRATEFUL URGENTLY FORWARD 1977 YEAR-END  
DELIVERY REPORT FOR IBRD IPF PROJECTS GHANA

HOLZHAUSEN UNDEVPRO

COL ( ) MISC420 1977



Mr. Frank A. Mwine (LEG)

18 January, 1978

Anne Gesell Vaughn (IRD)

GHANA: GHA/75/020 - Small-Scale Industry Development Study

Please find attached, for the Bank's records, one original fully signed Project Revision Form "C" for the subject project, which we have received from the UNDP Resident Representative in Accra under cover of his letter dated 28 December, 1977 (attached).

An extra xerox copy of this Revision is also attached for your Department's files.

Attachments - 1 original ProRev  
1 xerox copy "  
1 original letter

cc: Messrs.R.Jones(CTR) )  
R.Drake(CTR) )  
F.Vita(WAP) ) w/copy attachments  
A.Clift(WAL) )  
Mrs.M.Berta(IRD) )

eps

UNITED



NATIONS

DEVELOPMENT PROGRAMME

Office of the Resident Representative  
Post Office Box 1423, Accra  
Ghana.

Tel: 66851/5

Letter No.

Ref. GHA/75/020(3)

Cable: UNDEVPRO ACCRA

28 December 1977

Dear Madam,

GHANA: GHA/75/020 - Small-Scale Industry Development Study

With reference to your letter GHA/75/020 please find attached one copy of the final Revision Form "C" of the above project I have signed on behalf of UNDP.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'W. Holzhausen'.

Walter Holzhausen  
Resident Representative

Ms. Anne Gesell Vaughn  
International Relations Department  
World Bank  
1818 H Street  
N.W. Washington D.C. 20433  
U.S.A

The United Nations Conference on Technical Co-operation among Developing Countries (TCDC) will take place in August/September 1978 in Buenos Aires  
"An opportunity for the world community to help release the latent creativity of two billion people"  
(from the Kuwait Declaration on TCDC, 5 June 1977)

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT REVISION - FINAL

Country: Ghana  
Project Title: Small Scale Industry Development Study  
Project Number: GHA-75-020-C-01-42

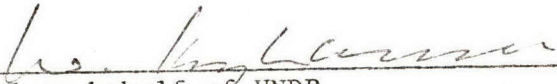
The attached budget of the above project is hereby revised to reflect the final expenditures.



Submitted on behalf of the Executing Agency  
Shirley Boskey  
Director, International Relations Department  
The World Bank

12/7/77

Date



Approved on behalf of UNDP

28/12/77

Date



PROJECT BUDGET COVERING UNDP CONTRIBUTION

(in U.S. dollars)

Country: Ghana

Project Title: Small Scale Industry Development

Project Number: GHA-75-020-C-01-42

	<u>Total</u> \$	<u>1976</u> \$	<u>1977</u> \$
20. <u>SUB-CONTRACTS</u>			
21-01	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>
99. UNDP Total Contribution	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>

GHA/75/020

8 December, 1977

Mr. Walter Holzhausen  
Resident Representative  
United Nations Development Programme  
P.O. Box 1423  
Accra  
Ghana

Dear Mr. Holzhausen:

GHANA: GHA/75/020 - Small-Scale Industry Development Study

Please find attached a Project Revision Form "C", which represents the final expenditures for the above project.

The revision has been signed by Mrs. Shirley Boskey, Director of the International Relations Department, on behalf of The World Bank, and we would appreciate receiving a fully signed document for our files in due course.

Yours sincerely,

Anne Gesell Vaughn  
International Relations Department

Attachments (4)

cc: Mr. Michel Doo Kingue      w/ProRev  
Assistant Administrator &  
Regional Director  
Regional Bureau for Africa  
United Nations Development Programme  
One United Nations Plaza  
New York, N.Y. 10017

cc: Mr.R.Jones(CTR) w/ProRev

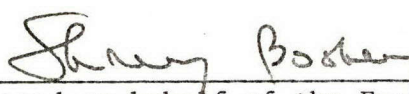
AGVaughn/eps *AGV*

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT REVISION - FINAL

Country: Ghana  
Project Title: Small Scale Industry Development Study  
Project Number: GHA-75-020-C-01-42

The attached budget of the above project is hereby revised to reflect the final expenditures.

  
\_\_\_\_\_  
Submitted on behalf of the Executing Agency  
Shirley Boskey  
Director, International Relations Department  
The World Bank

12/7/77  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved on behalf of UNDP

\_\_\_\_\_  
Date



PROJECT BUDGET COVERING UNDP CONTRIBUTION

(in U.S. dollars)

Country: Ghana

Project Title: Small Scale Industry Development

Project Number: GHA-75-020-C-01-42

	<u>Total</u> \$	<u>1976</u> \$	<u>1977</u> \$
20. <u>SUB-CONTRACTS</u>			
21-01	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>
99. UNDP Total Contribution	<u>85,965</u>	<u>51,619</u>	<u>34,346</u>

## OFFICE MEMORANDUM

TO: Mrs. Shirley Boskey

DATE: 5 December, 1977

FROM: Anne Gesell Vaughn 

SUBJECT: GHANA: GHA/75/020 - Small-Scale Industry Development Study

The attached Project Revision Form "C" has been prepared by the Controller's Department. It represents the final budget for the above-mentioned project.

May we please have your signature on all four attached copies.

Attachments (4)

AGVaughn/eps

## OFFICE MEMORANDUM

TO: Mr. M. Loewen, International Relations Department  
FROM: Robert L. Drake, Jr., Controller's Department  
SUBJECT: UNDP - Ghana - Small Scale Industry Development Study  
(GHA-75-020-C-01-42)

DATE: November 30, 1977

~~WFL~~  
AV

As requested by Mr. Jones in his memorandum of November 2, 1977, attached is a final budget for the above-mentioned project. It will be appreciated if you would arrange for the proper signatures to the documents.

Attachments

cc: Mr. R. Jones



## OFFICE MEMORANDUM

TO: Mr. Andres Rigo (LEG) DATE: 1 June, 1977  
FROM: Peter Gisle (IRD)  
SUBJECT: GHANA: GHA/75/020 - Small-Scale Industry Development

Please find attached, for the Bank's records, one original signed Project Revision Form "D" for the subject project, which we have received from the UNDP Resident Representative's office in Accra under cover of a letter dated 17 May, 1977 (copy attached).

An extra xerox copy of this Revision is also attached for your Department's records.

Attachments - 1 original ProRev  
1 xerox copy "  
1 copy letter

cc: Messrs.R.Jones(CTR) )  
R.Drake(CTR) )  
*F.VITA* F.Ibanez(NDP) *XWAP* w/copy attachments  
A.Clift(WAL) )  
Mrs.M.Berta(IRD) )

eps

UNITED



NATIONS

DEVELOPMENT PROGRAMME

Office of the Resident Representative  
Post Office Box 1423, Accra  
Ghana

Tel: 21416/21457

Cable: UNDEVPRO ACCRA

Letter No.

Ref. GHA/75/020(3)

17 May 1977

Dear Mr. Gisle,

GHA/75/020 : Small-Scale Industry Development

....

Please find enclosed one fully endorsed copy of Project Revision "D" representing the 1976 Agency Project Delivery Report of the above-mentioned project.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Berude Halbert".

Berude Halbert  
Resident Representative a.i.

Mr. Peter Gisle  
International Relations Department  
I.B.R.D.  
Washington D.C.  
U.S.A.

cc: Mr. Leon Segal, Chief  
Division for West Africa  
Regional Bureau for Africa  
UNDP - New York.

" Mr. Louis A. Shapiro, Director  
Management Information Services  
R.B.A. - UNDP - New York.

" Mr. James McGibbon  
Resident Representative  
IBRD - Accra.

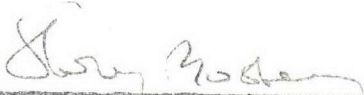
MAY 26 1977

UNITED NATIONS DEVELOPMENT PROGRAMME

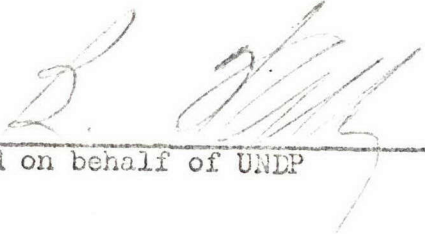
Project Revision Form

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/h2

The subject project budget is hereby revised to reflect actual expenditures in 1976 and anticipated expenditures in 1977.

  
\_\_\_\_\_  
Submitted on behalf of the Executing Agency  
Shirley Boskey/  
Director, International Relations Department  
The World Bank

4/28/77  
Date

  
\_\_\_\_\_  
Approved on behalf of UNDP

17-5-77  
Date



Project Budget Covering UNDP Contribution  
(in U.S. Dollars)

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

	<u>TOTAL</u> \$	<u>1976</u> \$	<u>1977</u> \$
29 Subcontracts	86,000	51,619	34,381
99 GRAND TOTAL:	86,000	51,619	34,381

CHA/75/008 (Rev."D")  
CHA/75/020 (Rev."D")

28 April, 1977

Mr. Berude Halbert  
Resident Representative, a.i.  
United Nations Development Programme  
P.O. Box 1423  
Accra  
Ghana

Dear Mr. Halbert:

GHANA: 1976 Agency Project Delivery Reports  
CHA/75/008 - Road Maintenance  
CHA/75/020 - Small-Scale Industry Development

Please refer to your letters of 7 and 14 April, 1977. We regret having forwarded the wrong Project Revision Forms with our letter of 24 March, 1977, and for any inconvenience this may have caused you.

Please find attached the six copies, as requested, of Project Revision Forms "D" for the subject projects, which have been signed on behalf of the World Bank by Mrs. Shirley Boskey, Director of the International Relations Department. The 1976 Agency Project Delivery Reports for these two projects are also enclosed.

We look forward to receiving one fully signed copy of each document for our records in due course.

Yours sincerely,

Peter Gisle  
International Relations Department

Attachments

cc: Mr. Michel Doo Kingue - w/l copy each ProRev  
Assist.Admin.& Reg.Dir.  
RBA, UNDP, New York

cc: Mr.R.Jones(CTR)-w/l copy ea.ProRev

PGisle/eps

## OFFICE MEMORANDUM

TO: Mrs. Shirley Boskey  
FROM: Peter Gisle  
SUBJECT: GHANA: GHA/75/020 - Small-Scale Industry Development

DATE: 27 April, 1977

The attached Project Revision Form "D", reflecting actual expenditures in 1976 and anticipated expenditures for 1977, has been prepared and cleared in the Bank.

Please may we have your signature on all six attached copies.

Attachments (6)

eps




UNITED NATIONS DEVELOPMENT PROGRAMME

Project Revision Form

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

The subject project budget is hereby revised to reflect actual expenditures in 1976 and anticipated expenditures in 1977.

  
\_\_\_\_\_  
Submitted on behalf of the Executing Agency  
Shirley Boskey  
Director, International Relations Department  
The World Bank

4/28/77  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved on behalf of UNDP

\_\_\_\_\_  
Date

Project Budget Covering UNDP Contribution  
(in U.S. Dollars)

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

	<u>TOTAL</u> \$	<u>1976</u> \$	<u>1977</u> \$
29 Subcontracts	86,000	51,619	34,381
99 GRAND TOTAL:	86,000	51,619	34,381

FORM NO. 75  
(1-76)

THE WORLD BANK

ROUTING SLIP		DATE: 29 March, 1977	
NAME		ROOM NO.	
Mr. R. Jones (CTR) ✓		N-424	
Mr. F. Ibanez (NDP)		F-1018	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
<p>GHA/75/020/D - Small-Scale Industry Dev.</p> <p>Please may we have your clearance on the attached.</p> <p>Thanks, <i>See inside</i></p>			
FROM: Peter Gisle IRD		ROOM NO.: P-715	EXTENSION: 9/676/1177

*Final  
pkx*

*Prepare to  
copy as of  
this one?  
also?*



UNITED NATIONS DEVELOPMENT PROGRAMME

Project Revision Form

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

The subject project budget is hereby revised to reflect actual expenditures in 1976 and anticipated expenditures in 1977.

\_\_\_\_\_  
Submitted on behalf of the Executing Agency  
Shirley Boskey  
Director, International Relations Department  
The World Bank

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved on behalf of UNDP

\_\_\_\_\_  
Date

Project Budget Covering UNDP Contribution  
(in U.S. Dollars)

Country : GHANA  
Project Title : Small-Scale Industry Development  
Project Number : GHA/75/020/D/01/42

	<u>TOTAL</u>	<u>1976</u>	<u>1977</u>
	\$	\$	\$
29 Subcontracts	<del>80,000</del> 86,000	51,619	<del>28,881</del> 34,381
<del>49 Equipment</del>	<del>500</del>	-	<del>500</del>
<del>59 Miscellaneous</del>	<del>5,500</del>	-	<del>5,500</del>
99 GRAND TOTAL:	86,000	51,619	34,381

Budget was to be  
revised to all  
Sub contracts, telecons  
w/ Mr. Ibamey  
+ Mr. Gisle - 8/18/74  
Lamm

UNITED



NATIONS

DEVELOPMENT PROGRAMME

Office of the Resident Representative  
Post Office Box 1423, Accra  
Ghana

Tel: 21416/21457

Cable: UNDEVPRO ACCRA

Letter No.

Ref. PRO 300 IPF 1972/76

14 April 1977

Dear Mr. Gisle,

1976 Project Delivery Reports

In order to permit us to determine the financial position of the Programme as of 31 December 1976, we should appreciate receiving your related project delivery reports for last year as soon as possible.

Yours sincerely,

  
Berude Halbert  
Resident Representative, a.i.

Mr. Peter Gisle  
International Relations Department  
International Bank for  
Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433

APR 27 1977



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INTBAFRAD  
WASHINGTONDC

MISC 2234 GISLE RE MORSE MEMO 31/8 UNDP/PROG./53 PRESENT POST  
ADJUSTMENT LEVEL 15. 1977 FORECAST AS FOLLOWS APRIL 19, AUGUST 22,  
DECEMBER 26. LOCAL STAFF COSTS FIRST 9 MONTHS 1977 INCREASE BY  
25 PERCENT FINAL 3 MONTHS 25 PERCENT. TRUST YOU HAVE RECEIVED  
POUCHED COPIES PROJECT REVISIONS REFLECTING 1977 ACTION PLAN

FELICIANO

cc: Mr. Gisle  
IBRD, Washington

MISC \_\_\_\_\_ 31/8 UNDP/PROG./53 15 1977 19 22 26 9 1977 25 3 25 1977

HHH/eka

INCOMING TELEX

ed

File ~~SECRET~~

GL 65 AG 128 BRD ACCRA 56 27/9

RECEIVED *bon Glauco moj.*

Sept. 27, 76

SEP 28 10 41 AM 1976

LTF

INTBAFRAD

SECTION Distribution: SEP 28 1976  
Mr. Gisle

WASHINGTONDC

MISC2234 GISLE RE MORSE MEMO 31/8 UNDP/PROG./53 PRESENT POASTXXXX  
POST ADJUSTMENT LEVEL 15. 1977 FORECAST AS FOLLOWS APRIL 19,  
AUGUST 22, DECEMBER 26. LOCAL STAFF COST FIRST 9 MONTHS  
1977 INCREASE BY 25 PERCENT FINAL 3 MONTHS 25 PERCENT. TRUST  
YOU HAVE RECEIVED POUCHED COPIES PROJECT REVISIONS REFLECTING  
1977 ACTION PLAN

FELICIANO

COL MISC2234 31/8 UNDP/PROG./53 15 1977 19 22 26 9 1977

25 3 25 1977++



FILE

## OFFICE MEMORANDUM

TO: Mr. Jivat N. Thadani

DATE: September 15, 1976

FROM: Fernan Ibañez *FIH*

SUBJECT: GHANA - Small Scale Industry Development - Mission to initiate Project Preparation: Back to Office and Full Report

1. In accordance with Terms of Reference dated August 16, 1976, I visited Ghana from August 28 to September 3. Messrs. H. Clement and F. Turner, consultants from Checchi and Co., arrived in Accra on August 29 to initiate their field work in this UNDP-financed study. They will stay in Ghana for 5 to 6 weeks and will be joined for part of their stay by two other consultants (Messrs. Morrison and Stepaneck). We liaised closely with Messrs. J. McGibbon and G. Feliciano, Bank and UNDP Resident Representatives in Ghana.
2. The Government, through Dr. Gardiner, Minister of Economic Planning, and Col. B.K. Alilijah, Minister of Industries, reaffirmed the very real interest they have expressed in the results of this project preparation study. In the initial orientation meeting attended by representatives of the Ministries of Economic Planning, Finance and Industries, Dr. Gardiner emphasized the interest of the Government in undertaking this project expeditiously and urged full contribution to the consultants' work from all agencies involved.
3. The Government had designated the recently created (1975) Ghanaian Enterprise Development Commission (GEDC) as responsible for providing technical counterpart support to the foreign consultants and for ensuring appropriate coordination with the government agencies involved. Mr. G. Boateng, Chief Executive, GEDC, personally surveyed the preparatory work and designated a three-man team headed by Mr. K. Anyemedu to carry out the work. GEDC did an excellent job in preparing background material, in organizing an intensive week of orientation and working meetings (see Annex I), and in providing, according to the UNDP Project Document, transportation, physical facilities and secretarial help. Before leaving, I had a detailed discussion with Mr. Boateng to ensure that all the other needs of the project and consultants will be provided during the rest of their field work.
4. It became apparent from the orientation meetings that, in order to ensure adequate follow-up of the project, more coordination will be needed among a wide variety of government agencies active in different aspects of SSI development. Although some recommendations on this subject should come out from the consultants' report, others have a high content of local political implications and should be handled at the government level. Following an invitation of the Ministry of Economic Planning (MEP), I discussed the issue with the Senior Principal Secretary and the Deputy Director of Economic Planning. Both intimated the intention of setting up a working group, including representatives of different agencies and chaired by Economic Planning to provide guidance to the study team in considering alternative institutional setups for the project follow-up. Additionally, it was agreed with GEDC that the local counterpart team would prepare a



detailed description of functions and activities related to SSI in each agency, to be included as part of the consultants' inception report due by September 15.

5. In the meetings with the financial institutions (see Annex I) it became apparent that probably the major single bottleneck to development of SSI at present is the lack of availability of foreign currency to finance the foreign component (equipment or raw materials) in every project. All sources interviewed were predicting a major impulse to small business if a transfer of foreign resources takes place in the near future. This is certainly one of the key issues to be explored by the consultants.

6. Lengthy consultations were held with a UNIDO expert, Mr. G. Deighton, who has been stationed in Ghana since the end of 1975, and is currently advisor to the Principal Secretary of the Ministry of Industries on matters of SSI development. He has been helping the Ministry of Industries structure a project for development of SSI in Ghana, mainly geared towards the establishment of a network of Industrial Technology Transfer Units. This project could eventually be part of the more inclusive project now being prepared by the Bank consultants.

7. After the first week of the consultants' field work there are no reasons to expect any delays or major departures from the original work schedule. The consultants should finish their field work in the first week in October and will make a verbal presentation of findings and preliminary recommendations to the Government before proceeding to write their Draft Report due in mid-November. Upon their return to Washington in mid-October they will repeat to the Bank their verbal presentation to the Ghanaian government.

#### Attachment

cc: Messrs. van der Tak (2)  
Ray, Israel, Finne  
E.P. Wright, Clift, Blinkhorn  
Gue, King  
Hidalgo, Nespoulous-Neuville  
Fuchs, Kalmanoff, Moore, Dewey, Cash, Soncini  
Jaycox, R. Venkateswaran, D. Singh  
Riley, Gisle, Westphal  
McGibbon, Munthali (Resident Mission, Ghana)

FIbañez:ra

LIST OF MAIN OFFICIALS MET DURING MISSION.

1. Ministry of Economic Planning:

Dr. Robert Gardiner	Commissioner
Mrs. Mary Chinery-Hesse	Senior Principal Secretary
Mr. K. Awere-Kyere	Deputy Director Econ. Planning
Mr. T.K. Ollenu	External Aid Division
Mr. D.K. Ayayee	Chief Industrial Sector Section
Mr. A. Eboe-Arthur	Officer for Industries

2. Ministry of Industries:

Col. B.K. Alijah	Commissioner
Mr. G.T. Oddoye	Principal Secretary
Mr. S.Y. Bortsi	Small Industries Unit
Miss A. Attuah	" " "

3. Ministry of Finance:

Mr. K. Aname-Binfoh	Finance Division
---------------------	------------------

4. Ghanaian Enterprise Development Commission:

Mr. G. Boateng	Chief Executive
Mr. K. Anyemedu	Senior Project Officer
Mr. F. Obeng	Project Officer
Mr. I.E. Quist	" "

5. Bank of Ghana:

Mr. Amon-Nikoi	Governor
Mr. A. Seidu	Credit Guarantee Unit
Mr. K. Barnes	" " "

6. National Investment Bank:

Mr. J.S. Addo	Chairman/Managing Director
Mr. R.E. Obeng-Ansong	Deputy Managing Director
K. Agyei-Gyamti	Development Service Institute

7. Management Development & Productivity Institute:

Mr. G.C.K. Harlley	Director
Mr. S. Blankson	Senior Business Advisor

8. Capital Investments Board:

Mr. S.D. Kyei	General Manager
---------------	-----------------

9. Central Bureau of Statistics

Mr. K. Sosuh	Deputy Director
--------------	-----------------

10. Council for Scientific & Industrial Research:

Mr. Obeng	Acting Executive Chairman
Mr. Lartey	Director Industrial Research Institute

11. Ghana Manufacturers Association:

Mr. J.K. Rockson	Chairman of Board
Mr. M. Stourton	Deputy Chairman
Mrs. E. Ocloo	Past President
Mrs. Kate Ohene	Member of Board

12. Standard Bank of Ghana Ltd.:

Mr. W.J. Jones	Executive Director
Mr. J. van der Lip	Branch Manager

13. Ghana Commercial Bank:

Mrs. Helene Lokko	Chief, Development Finance Unit
Mr. Peter Ocran	Officer Development Finance Unit



## OFFICE MEMORANDUM

Yellow

TO: Mr. Fernan Ibanes

DATE: August 16, 1976

FROM: Jivat N. Thadani, Chief, Division I, N.D.P. *JNT*SUBJECT: GHANA: UNDP-Financed Study on Small Scale Industry Development.  
Mission to initiate Consultants' Field Work - Terms of Reference

1. You should arrive in Accra, Ghana on or about August 29, for a visit of one week's duration (August 30-September 3) to participate in the orientation meetings with concerned Government officials and the initiation of field work by the Consultants (Messrs. Clements, Turner and Morrison from Checchi and Company).
2. You will establish contact with key personnel in the institutions that deal with small industry development in order to gain a first hand knowledge of their respective functions and future plans, to facilitate further follow up action in due course.
3. You will coordinate your activities in Ghana with the Bank Resident Representative, Mr. J. McGibbon, and call on the UNDP Resident Representative to apprise him of work in progress under this UNDP-financed study.
4. Upon return to Headquarters you will prepare a brief back-to-office report.

Cleared with and cc: Mr. T. Blinkhorn  
cc: Messrs. van der Tak (3)  
H. Fuchs, G. Kalmanoff, F. Moore, J. Soncini  
D. King, A. Clift  
V. J. Riley, P. Clift ✓  
P. J. Bowron (P.J.)  
J. McGibbon (Resident Mission, Ghana)  
D. Hidalgo

MR. SAHRO KAWAI  
PRESIDENT  
DEVCENT  
TOKYO  
JAPAN

JULY 15, 1976

6653

TELEX  
NO. J25338

REUR TELEX JULY 13 GHANA SMALL SCALE INDUSTRY STOP REGRET THAT  
UNFORSEEN FACTORS DELAYED COMMUNICATION OF FINAL DECISION  
UNTIL NOW STOP DETAILED EVALUATION AND CONSULTATION WITH GHANA  
GOVERNMENT HAS RESULTED IN SELECTION OF ANOTHER FIRM TO CARRY  
OUT THE STUDY STOP WE APPRECIATE YOUR CONTRIBUTION IN SUBMITTING  
A VERY FINE PROPOSAL WHICH RATED AMONG THE THREE BEST AND LOOK  
FORWARD TO POSSIBLE FUTURE ASSOCIATION ON SOME OTHER ASSIGNMENT STOP

KINDEST REGARDS


THADANI  
INTRAFRAD

GHANA SSI

Fibenez:ra

Jivat N. Thadani

Industrial Projects

cc: Messrs.  Giff, Hinkhorn, ~~REISY~~  
Giff, Finne

Fernan Ibanez

OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

☐ IDA  
☐ IFC  
☐ ICSID

TO: ~~MR. J. N. THADANI~~  
SPECIAL REPRESENTATIVE  
MINISTRY OF ECONOMIC PLANNING  
ACCRA

DATE: JUL 15, 1976

ORIGINATOR'S EXT.: 35,1

COUNTRY: Ghana

CLASS OF  
SERVICE: LI

CABLE NO. & TEXT:

COPIED FOR INFORMATION TO  
MR. LOGIBSON  
INTTRAAD  
ACCRA, GHANA

RE SMALL SCALE INDUSTRY STUDY THANKS YOUR CABLE XXXX JULY 12  
RECEIVED THROUGH EMBASSY GHANA APPROVING OPENING OF NEGOTIATIONS  
AS PROPOSED BY BANK STOP WE HAVE ARRANGED WITH CHECCHI & CO TO  
NEGOTIATE CONTRACT ON JULY 21 AM AND WOULD WELCOME YOUR  
REPRESENTATIVE JOIN NEGOTIATIONS WHICH MAY LAST ABOUT TWO DAYS STOP  
GRATEFUL FOR CABLED RESPONSE IF REPRESENTATIVE FROM ACCRA OR FROM  
LOCAL EMBASSY CAN ATTEND STOP IN ANY EVENT WE WOULD OF COURSE  
INFORM YOU OF PRINCIPAL TERMS OF CONTRACT STOP

KIND REGARDS

THADANI  
INTTRAAD

NOT TO BE TRANSMITTED

REFERENCE: GHANA SSI	AUTHORIZED BY (Name): Jivat N. Thadani
DRAFTED BY: FIbanez:ra	DEPARTMENT: Industrial Projects
CLEARANCES AND COPY DISTRIBUTION: Cleared with and cc: Mr. Elinkhorn cc: Messrs. Clift, Gisle, Finne, Asser.	SIGNATURE (Of individual authorized to approve): <i>J. N. Thadani</i> J.N. Thadani SECTION BELOW FOR USE OF CABLE SECTION CHECKED FOR DISPATCH:

PINK - File Copy; WHITE - Transmittal Copy; YELLOW - Bill Copy



Class of Service: LTDate: JULY 6, 1976

Telex No.: \_\_\_\_\_

Originators Ext: 2175

Telex Answerback: \_\_\_\_\_

0 START HERE FELICIANO

1 TO UNDEVPRO

CITY/  
COUNTRY ACCRA, GHANAMESSAGE  
NO.:

4 HAVE RECEIVED CABLE FROM MCGIBBON SUGGESTING THAT IT WOULD BE  
5 BENEFICIAL IF DEIGHTON'S CONTRACT WERE EXTENDED TO OVERLAP WITH  
6 ARRIVAL OF CONSULTANTS MISSION ON SMALL SCALE INDUSTRIES UNDER  
7 UNDP FINANCED PROJECT FOR WHICH BANK IS EXECUTING AGENT. UNDERSTAND  
8 YOU SUPPORT THIS SUGGESTION. SHORT OVERLAP FOR DEIGHTON TO BRIEF  
9 MISSION ON HIS FINDINGS WOULD BE WORTHWHILE. HOWEVER WE WOULD NOT  
10 REGARD EXTENSION OF CONTRACT ESSENTIAL SINCE DEIGHTON WILL  
11 HOPEFULLY PREPARE REPORTS ON HIS WORK WHICH COULD BE MADE AVAILABLE  
12 TO MISSION. IN THE CIRCUMSTANCES WE HAVE NOT THOUGHT IT APPROPRIATE  
13 OURSELVES TO CONTACT UNIDO DIRECT REQUESTING EXTENSION OF CONTRACT.  
14 YOU MAY WISH TO CONSIDER WHETHER AN APPROACH BY UNDP TO UNIDO WOULD  
15 BE DESIRABLE. REGARDS, GISLE.

21 END  
OF  
22 TEXT

GHANA: SMALL SCALE INDUSTRIES

AUCLift:ww

Cleared with & cc: Mr. Thadani  
cc: Mr. Clift

PETER S. GISLE, INTERNATIONAL RELA.



# Record Removal Notice

<b>File Title</b> Ghana - Small Scale Industry - GHA/75/020 - Correspondence		<b>Barcode No.</b>  1051312		
<b>Document Date</b> July 1, 8 1976	<b>Document Type</b> Telex			
<b>Correspondents / Participants</b> Mr. T.K. Ollennu, Principal Secretary, Ministry of Economic Planning, Ghana and Jivat N. Thadani, Industrial Projects, World Bank				
<b>Subject / Title</b>  Small Scale Industry Project selection of consultants				
<b>Exception(s)</b> Information Provided by Member Countries or Third Parties in Confidence Deliberative Information				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.</p> <table border="1"><tr><td><b>Withdrawn by</b> Kim Brenner-Delp</td><td><b>Date</b> May 25, 2023</td></tr></table>	<b>Withdrawn by</b> Kim Brenner-Delp	<b>Date</b> May 25, 2023
<b>Withdrawn by</b> Kim Brenner-Delp	<b>Date</b> May 25, 2023			

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Call Address - INTBAPRAD

INTERNATIONAL DEVELOPMENT ASSOCIATION

Call Address - INDIVAS

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.

Area Code 202 • Telephone • Executive 36363

10<sup>th</sup> Jan 1976

A. J. Clift

Chief, Division 1 B

Dear Arnold,

The attached may give you some impression of the work which Deighton, the UNIDO small scale industry expert, has been doing in Ghana. In my contacts with the local UNDP they had expressed their willingness to make some of Deighton's papers available. Somehow this got bureaucratized into a "memo with attachments" from the Passes mouth. Deighton needed his originals back so am forwarding copies. I have a gap spoken to Deighton.



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Call Address - INTBANK

INTERNATIONAL DEVELOPMENT ASSOCIATION

Call Address - INDEVAS

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.

Area Code 202 • Telephone - EXecutive 3 6360

and again emphasized to him that  
while in my judgement it would be  
useful for him to be involved when the  
mission comes they could not in  
any way be pre committed to any  
project plans which he may have  
in mind.

Hope the attached clausules  
bring a little.

Yours,

*[Signature]*

Request from the Government of the Republic of GhanaFor Special Industrial Services

## JOB DESCRIPTION

IS/GHA/74/C05/11-01/11

## JOB TITLE

Small Industry Adviser

## DURATION

Six months

## DATE REQUIRED

As soon as possible

## DUTY STATION

Accra, with travel throughout the country

## DUTIES

The expert will be assigned to the Ministry of Industry and will assist in the implementation of existing small industry programmes and in the development of new ones. Specifically, the expert will be expected to:

1. review and evaluate existing programmes and projects related to the development of small-scale industries and advise on the measures needed to implement them;
2. advise and assist the Government in the planning and carrying out of activities of the planned small-scale industries centre in Tema, and the Technology Consulting Centre (TCC) in Kumasi, as related to small-scale industry development;
3. advise and assist the Government in the development of other industrial centres, estates and related organizations and services for small-scale industries.

## QUALIFICATIONS

Well qualified industrial economist/engineer with extensive experience in the organization and operation of small-scale industry development programmes. Previous experience with such programmes in other developing countries desirable.

## LANGUAGE

English

BACKGROUND  
INFORMATION

The Government considers that the development and expansion of small-scale industries is one of the most effective strategies which can be utilized for achieving the development goals established for certain high priority development areas, such as agriculture, rural development, transportation and communication, health services and housing. Since 1969, the Government has been considering the establishment of a "Small-scale Industry Centre" with equipment and technical assistance offered and provided by the Government of India. Based on the increasing need for this type of development a site was selected in the highly industrialized area of Tema with buildings for the Centre to be provided by the Ghana Industrial Holding Corporation (GIHC). In order to finalize the planning and development of this first small-scale industrial centre, the Government is requesting a UNIDO small-scale industry adviser. In addition, the University of Science and Technology at Kumasi established an organization titled the: "Technology Consultancy Centre" (TCC), in early 1972. TCC is a semi-autonomous organization which draws upon University and other resources in the performance of its offered services to small industries in the areas of: industrial consultancy, research and development, co-ordination of production units and the compilation, development and use of appropriate documentation. Its primary objectives are to assist in Ghana's industrial development by offering and providing technical, financial, management and marketing assistance to small industrial enterprises on both a gratis and/or fee (contractual) basis, dependent on circumstances. TCC's accomplishments to date have been significant and requests for services are increasing as comments and country knowledge of its capabilities and services become known. TCC has an immediate need for additional expertise and advisory assistance, particularly in the area of small-scale industrial development. Therefore, a small-scale industry expert who can assist the Government and particularly in the development of the activities of the TEMA industrial centre and the TCC is urgently needed.

CANDIDATES REQUESTED BY 7 FEBRUARY 1975



To. J. McGibbon, Resident in Charge, F.O.R.A., Accra.  
From. G.R. Delgato, Small Industry Advisor, F.O.R.A., Accra.

Subject. Activities of this expert in Ghana.

At very short notice I have been requested to give you as much information as possible on the above subject so that I am having to a large extent depend upon copies of reports, job description etc., together with short covering memo. Since the other papers are the sole copies I have I would be rather pleased to have them returned to me following your trip to Washington.

The job description outlines the basic tasks I had to undertake during the six month period of the mission, it was fairly obvious that six months would not be long enough to complete these. I made studies of the Small Scale Industries Development and Training Centre at Tema, and of the Technical Consultancy Centre of the University of Science and Technology, Kumasi. A report on the latter is enclosed. The Tema Centre was a confidential report to the Ministry of Industries, as this is an Indo-Ghanaian project.

I also have now completed my survey of the regions and the non operational Government factories. Both reports are in the process of preparation as is the project proposal originating from these.

Very briefly I have suggested to Government that a correct policy for industrial development of small to medium industries should be based upon sound training, extension services, maximum use of local skills and materials, and above all, careful viability and feasibility studies. Of all of the organizations existing in Ghana such as the Business Promotion Office, the Ghanaian Enterprises Development Commission, The Council for Scientific and Industrial Research, etc., the only one that I have been able to identify as doing a worthwhile job is the Technical Consultancy Centre. I have therefore advised that this organization be used by Government to take over the present centre at Tema, and that three other centres should be set up to be located at Takoradi, Kumasi and Bolgatanga. Government has accepted this proposal and a plan of action has been agreed as follows. Government will set up the buildings at all centres and will cover operating costs, including training costs and raw materials. It is proposed to take a loan from E.E.C. for the purpose of equipping the centres and to request UNDP for experts to assist



in the initial training programme and in the setting up of the necessary study and extension service operations. It is also proposed to seek help from World Bank for this programme, for the most part to set up a foreign funds account so that machinery for new ventures can be obtained, at present an impossible situation. If UNIDO can not finance the necessary experts to carry out the programme, World Bank will also be asked for help on this point. Due to the urgency of the requirements of existing small industry for further development a crash programme has been decided upon allowing for the commencement of operations by the Takoradi and Bolgatanga centres by January 1978, and the expansion of Kumasi during that year. Additions to the Tema centre will be made during 1977 and the operation will commence according to the new policy in January 1977.

Some 500,000 persons are engaged in small industrial operations in Ghana, representing over 85% of the total work force. In the large scale industrial sector conditions are not good. Output goes steadily down due to import restrictions brought about by the lack of foreign currency reserves. The country is therefore becoming more reliant on small industry to provide import substitution, but this requires skills and equipment beyond actual available resources. The programme put forward by this expert is designed to utilise to the maximum national resources with the minimum of international assistance.

In order of priority the prime needs are for foreign currency funds for equipment, preferably on a rotational basis, i.e. cedis paid for the purchase of equipment by entrepreneurs might be used by World Bank for local expenditures and the foreign account credited accordingly, some expert assistance in setting up and running the centres, more as a catalyst than anything else, and some regular review of the results of the programme so that adjustments can be made to maximise results.

Government has set a high priority on this programme and is prepared to carry out the obligations on their part, it is therefore important that U.N. can match the timetable of required assistance and that no interruption in the co-ordination by U.N. of the programme should be allowed to take place. Government considers it as most important that this expert should be in a position to convey the results of this work to the World Bank Mission. It is hoped that although very brief this will give some idea of the situation.

WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

☐ IBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: McGIBBON  
INTBAPRAD  
ACORA

DATE: June 18, 1976

ORIGINATOR'S EXT.: 6651

COUNTRY: GHANA

CLASS OF  
SERVICE: LT

CABLE NO. & TEXT:

RE UNDP-FINANCED SMALL SCALE INDUSTRIES STUDY GHA/75/020 WE HAVE  
COMPLETED EVALUATION OF DETAILED PROPOSALS FROM CONSULTANTS AND HAVE  
RANKED FIRST CHECCHI AND COMPANY OF USA, SECOND INTERNATIONAL  
DEVELOPMENT CENTER OF JAPAN, THIRD GERMAN CONSULT OF WEST GERMANY STOP  
WOULD APPRECIATE YOUR OBTAINING GOVERNMENT AGREEMENT AS SOON AS POSSIBLE  
TO COMMENCE NEGOTIATIONS WITH CONSULTANTS IN ORDER STATED ABOVE AND  
CABLE REPLY STOP KINDEST REGARDS

THADANI  
INDUSTRIAL PROJECTS

NOT TO BE TRANSMITTED

REFERENCE:	AUTHORIZED BY (Name): JMT/Thadani
DRAFTED BY: Fibanez	DEPARTMENT: Industrial Projects
ENDORSEMENTS AND COPY DISTRIBUTION: Messrs. Thakrita, Clift	SIGNATURE (Of individual authorized to approve): JMT
cc: Messrs. Nichols, Kalmanoff, Finne, Riley, Gisle ✓	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:



WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

☐ IBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: INTBAFRAD  
ACCRA

DATE: JUNE 18, 1976

ORIGINATOR'S EXT.: 6651

COUNTRY: GHANA

CLASS OF  
SERVICE: TELEX

CABLE NO. & TEXT:

FOR MCGIBBON

REYURCAB CONCERNING DEIGHTON UNIDO SMALL SCALE INDUSTRY EXPERT STOP AS WE  
HAVE HAD NO PRIOR INFORMATION REGARDING DEIGHTON'S ACTIVITIES IN GHANA WE  
DO NOT HAVE BASIS FOR REPRESENTING AT THIS STAGE THAT EXTENSION OF HIS  
EMPLOYMENT IN GHANA NECESSARY FOR PROJECT PREPARATION ASSISTANCE MISSION  
WHICH IS TO BE SENT OUT BY BANK UNDER UNDP FINANCED PROJECT STOP WE HOPE  
HOWEVER THAT DEIGHTON WILL PREPARE SUFFICIENTLY DETAILED REPORT OF HIS  
FINDINGS AND RECOMMENDATIONS BEFORE LEAVING GHANA AS THIS WOULD BE USEFUL  
FOR PROJECT MISSION STOP WE HAVE BEEN WORKING TOWARDS ARRIVAL OF MISSION  
IN GHANA EARLY AUGUST BUT IN VIEW OF YOUR AND MUNTHALI'S PROPOSED ABSENCE  
FROM GHANA THROUGH EARLY AUGUST WOULD BE GRATEFUL FOR ADVICE IF IT WOULD BE  
BETTER TO SEND MISSION IN MID AUGUST STOP KINDEST REGARDS

THADANI

NOT TO BE TRANSMITTED	
REFERENCE: Ghana - Small Scale Industry Project	AUTHORIZED BY (Name): Jivat N. Thadani
DRAFTED BY:	DEPARTMENT: Industrial Projects
APPROVALS AND COPY DISTRIBUTION: Cleared with and cc: Messrs. Clift and Blinkhorn cc: Messrs. Gisle, Fuchs, Moore, Ibanez	SIGNATURE (Of individual authorized to approve): <i>J. N. Thadani</i>
	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:

## OFFICE MEMORANDUM

TO: Mr. Wilfried P. Thalwitz, Director WAPDATE: June 17, 1976  
(Through Mr. H. Fuchs, Director NPD)

FROM: Jivat N. Thadani and Fernan Ibañez *JN*

SUBJECT: GHANA: UNDP-Financed Study for Small Scale Industries  
Development Policies

As stated in our memo of April 19, 1975, five consulting firms were invited to submit detailed proposals for undertaking the above study. All five submitted proposals by the closing date, May 31, 1976.


The proposals were evaluated, according to the criteria suggested in the Operational Manual, by Messrs. Baskind, Goderez and Ibañez of this Department. The combined result of the evaluation is shown in the attached annex.

The Consultant Selection Committee is requested to:

- a) Approve the ranking of firms as per the attachment,
- b) Authorize reference to the Government of Ghana for their concurrence with the choice of the first three firms,
- c) Authorize negotiations of contract with Checchi & Co, USA, upon receipt of Government agreement.

cc: Messrs. Kalmanoff, Moore, Cash, Dewey, Soncini  
Finne,  
E.P. Wright, Clift, Blinkhorn  
Riley, Gisle ✓

FIbañez:ra



CONSULTANTS' PROPOSALS - SUMMARY EVALUATION SHEET  
PROJECT: GHANA, Small Scale Industry Development

Evaluation by: C. Goderez, I. Baskind and F. Ibañez

Proposal Received: June 1, 1976  
Date Evaluation Completed: June 10, 1976

FIRM		SCORES Inc.	I.D.C.J.	Checchi	Germ. Cons.	P-E Cons.
	Weight %	Rating x W	Rating x W	Rating x W	Rating x W	Rating x W
1. Firm's general experience:						
- in field of project	10	6.33	8.33	9.33	8.67	6.67
- Country or region	10	7.33	8.00	8.00	8.33	10.00
2. Adequacy of proposed work plan and approach	20	13.33	18.67	17.33	16.67	14.67
3. Personnel:						
Team Leader	15	12.75	13.75	14.25	12.75	8.00
a) Industrial Economics	15	10.50	14.00	12.50	13.00	7.00
b) Management and Institutional Expertise	15	11.00	14.00	14.25	11.25	10.75
c) SSI Expertise (finance, technical assistance, org.)	15	9.17	12.25	14.25	13.50	9.75
TOTALS:	100	70.4	89.00	89.91	72.90	66.80
Man-weeks - In Field In Office						
Total: (man-weeks) (Budget 42 to 56)		52	48	56	45	43
			2nd	1st	3rd	



## Comments:

SORES. Inc.	Not a thorough proposal. Limited SSI expertise outside Canada.
IDCJ	Good proposal and suggested team, but practical experience in the problems of SSI is limited.
Checchi & Co.	Clear presentation and strong experienced team. Limited knowledge of country by members of working team, but adequate support teams.
German Consult.	Good proposal. Strong technical team, weaker on institutional management of SSI. Limited experience.
P-E Consult.	Weak proposal. Hedging on committing personnel.

DRAFT  
FIbanez:ra  
June 17, 1976

McGIBBON  
INTBAFRAD

ACCRA, GHANA

RE UNDP-FINANCED SMALL SCALE INDUSTRIES STUDY GHA/75/020  
WE HAVE COMPLETED EVALUATION OF DETAILED PROPOSALS FROM CONSULTANTS  
AND HAVE RANKED FIRST CHECCHI AND CO. OF USA, SECOND INTERNATIONAL  
DEVELOPMENT CENTER OF JAPAN, THIRD GERMAN CONSULT OF WEST GERMANY STOP  
WOULD APPRECIATE YOUR OBTAINING GOVERNMENT AGREEMENT AS SOON AS POSSIBLE  
TO COMMENCE NEGOTIATIONS WITH CONSULTANTS IN ORDER STATED ABOVE AND  
CABLE REPLY STOP KINDEST REGARDS

THADANI  
INDUSTRIAL PROJECTS  
INTBAFRAD

cc and cleared with: Messrs. E.P. Wright, Clift

cc: Messrs. Fuchs, Kalmanoff  
Finne  
Riley, Gisle

FIbanez:ra

UNDP  
ACCRA

JUNE 9, 1976

5742

GHANA

LT

FOR FELICIANO STOP REF. YUR CABLE JUNE 2 TO BUTT REGARDING SMALL SCALE  
INDUSTRY PROJECT STOP PROPOSALS FOR SHORTLISTED CONSULTANTS RECEIVED  
JUNE 1 STOP EXPECT TO EVALUATE AND ADVISE GOVERNMENT RE SELECTION SHORTLY  
AND PROCEED TO NEGOTIATIONS BY END JUNE STOP WORKTEAM SHOULD BE IN FIELD  
END JULY OR EARLY AUGUST REGARDS

CLIFT  
INTBAFRAD

SMALL SCALE INDUSTRIES

TABlinkhorn:cb

THOMAS A. BLINKHORN, SR. LOAN OFFICER

WAFIS

cc: Messrs. Thadani, McGibbon, Giale.





WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

☒ XBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: McGIBBON  
INTRAFRAD  
ACCRA

DATE: JUNE 4, 1976

ORIGINATOR'S EXT.: 6653

COUNTRY: GHANA

CLASS OF SERVICE: TELEX

CABLE NO. & TEXT:

RETELEX JUNE 3 FROM FELICIANO UNDP ABOUT ARRIVAL SMALL SCALE  
INDUSTRY MISSION FOR PROJECT GH/75/020 STOP PROPOSED TIME  
SCHEDULE AS FOLLOWS:

AAA PROPOSALS FROM SHORTLISTED CONSULTANTS RECEIVED  
JUNE 1ST WE EXPECT TO EVALUATE AND ADVISE  
GOVERNMENT RE SELECTION SHORTLY AND PROCEED TO  
NEGOTIATIONS BY END JUNE  
BBB WORKTEAM SHOULD BE IN FIELD END JULY OR EARLY  
AUGUST STOP WILL KEEP YOU ADVISED

REGARDS

THADANI  
INDUSTRIAL PROJECTS  
INTRAFRAD

NOT TO BE TRANSMITTED

REFERENCE: Ghana SSI	AUTHORIZED BY (Name): Jivat N. Thadani
DRAFTED BY: Fernan Ibanez:ra	DEPARTMENT: Industrial Projects/One
APPROVANCES AND COPY DISTRIBUTION: cc: Messrs. Clift, Diwan (WAIDB), Gisle (IRDUN)	SIGNATURE (Of individual authorized to approve): J.N. Thadani
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48-109. 21 712  
file GH Small Scale Industries AC  
H/R  
TB 97

UNITED



NATIONS

DEVELOPMENT PROGRAMME

Office of the Resident Representative  
Post Office Box 1423, Accra  
Ghana.

Tel: 66851/5

Cable: UNDEVPRO ACCRA

Letter No.

Ref. GHA/75/020(3)

2 June 1976

Dear Mr. Dutt,

GHA/75/020/A/01/42: Small-Scale Industry Development

..... Following up my letter dated 21 April please find enclosed ten conformed copies of subject project document. Section V which has been approved by the UNDP and the Government is not included with the document in order to save copying costs.

Yours sincerely,

  
Gregorio M. Feliciano  
Resident Representative

Mr. Devbrat Dutt  
Division Chief  
West Africa Programmes  
IBRD  
Washington D.C.  
U.S.A.

cc: Mr. J. McGibbon  
IBRD Resident Representative  
Accra.



## OFFICE MEMORANDUM

TO: Mr. T.M.C. Asser (Legal Dept.)

FROM: Peter Gisle (International Relations Dept.)

SUBJECT: GHANA: GH/75/020 - Small Scale Industry Development

DATE: 4 May, 1976

Please find attached for the Bank's records one original fully signed Project Document for the above project, which we have received from the UNDP Resident Representative in Ghana under cover of his letter dated 21 April, 1976 (copy attached). We are also attaching an extra xerox copy of this document for your Department's files.

When conformed copies of this document have been prepared, please send four conformed copies to Mr. John Cirillo (Secretary's Department) for transmittal to the appropriate Regional Development Bank.

Attachments - 1 original ProDoc  
                  1 copy               "  
                  1 copy letter

cc: Miss M. Lennon (Controller's)    )  
     Messrs.R.Jones (Controller's)   )  
          S.Hayden(Proj.,W.A.)        ) w/copy attachments  
          J.Thadani(Ind.Proj.)        )  
          D.Dutt/S.Choi(CPI,W.A.)     )  
          T.Blinkhorn(CPI,WA)         )  
     Mr.John Cirillo (Secretary's)

eps

UNITED



NATOINS

DEVELOPMENT PROGRAMME

Office of the Resident Representative  
Post Office Box 1423, Accra  
Ghana.

Tel: 66851/5

Letter No.

Ref. GHA/75/020(3)

Cable: UNDEVPRO ACCRA

21 April 1976


Dear Mr. Dutt,

Small Scale Industry Development

.... Please find attached herewith one duly signed copy of the above Project Document.

Conformed copies will be forwarded in the near future.

Yours sincerely,

  
Gregorio M. Feliciano  
Resident Representative

Mr. Devbrat Dutt  
Division Chief  
West Africa Programs  
I.B.R.D.  
Washington D.C.  
U.S.A.

cc: Mr.R.M.C.Asser(Legal)-w/original doc.  
Miss M.Lennon(Controller's)  
Messrs.R.Jones(Controller's)  
S.Hayden(Proj.,W.A.)  
J.Thadani(Ind.Proj.)  
D.Dutt/S.Choi(CPI,WA)  
T.Blinkhorn(CPI,WA)  
IRD

cc: Mr. J. McGibbon  
IBRD Representative  
A c c r a.

SECTION

COMMUNICATIONS

1010 VLB 58 01 3 20

RECEIVED

MAY 4 1976

8h-15 4/29

AD s/3  
Forward to  
Int. Relations

## OFFICE MEMORANDUM

TO: Mr. Wilfried P. Thalwitz, Director, Western Africa Projects (thru Mr. George Kalmanoff, Ind. Projects Dept.) DATE: April 19, 1976

FROM: Jivat N. Thadani and Fernan Ibañez *qmr Jld*

SUBJECT: GHANA: UNDP - Financed Study of Small-Scale Industrial Development Policies

1. The Government of Ghana has applied to the United Nations Development Programme (UNDP) for assistance to support a study to review existing small scale industry (SSI) policies and programs in Ghana, to formulate proposals for their further development, and to define a project proposal intended to assist the more rapid development of SSI in the country. The Bank would be the Executing Agency for this project.

2. Annex 1 contains the names of 15 consulting firms which were asked to indicate by February 26, 1976, whether they would be interested in conducting the Study. All of them responded affirmatively and sent additional information describing their relevant experience and recent work in the field of SSI and in the region.

3. After reviewing this information the following five firms have been selected as most suitable for conducting this study. Considerations taken into account for this selection were: (i) past professional work relevant to the proposed task; (ii) experience in the region and the country; and (iii) availability of suitable staff within the firm:

<u>Name of firm</u>	<u>Country</u>
1. German Consult	West Germany
2. Checci & Co.	USA
3. P-E Consulting Group	England
4. SORES Inc.	Canada
5. International Development Center	Japan

4. A draft letter of invitation and terms of reference for the study are presented in Annex II. The terms of reference correspond with the Project Document approved by the Government of Ghana.

5. We seek the Consultant Selection Committee's approval to invite proposals from the abovementioned firms.

cc. Messrs. Fuchs, Kalmanoff, Moore, Cash, Dewey, Soncini  
Finne,  
Wright, Dutt, Blinkhorn,  
Riley, Gisle

FIbanez:ra



ANNEX I

LIST OF CONSULTANTS FOR GHANA

W. D. Scott & Co. Pty. Ltd.  
100 Pacific Highway  
North Sydney 2060  
NSW AUSTRALIA

P.S. Ross & Partners  
1st Canadian Place  
Toronto 1  
CANADA

D. W. Russel  
Vice President  
SNC International Ltd. (SORES Inc.)  
1550 de Maisonneuve Blvd. West  
Montreal H3G 1N2  
CANADA

The Economist Intelligence Unit  
Spencer House  
27 St. James Place  
London SW1A 1NT  
ENGLAND

P-A International Management Consultants  
Lampton House  
Lampton Road  
Hounslow, Middlesex  
ENGLAND

P-E Consulting Group Ltd.  
114-20 Headfort Place  
London SW1X 7HN  
ENGLAND

SATEC  
110, rue de l'Universite  
Paris 7e  
FRANCE

Serete Engineering  
72 rue Regnault  
75640 Paris 13  
FRANCE

The National Industrial Development Corporation Ltd.  
Chanakya Bhavan  
Vinay Marg  
NDMC Complex  
New Delhi  
INDIA

International Development Center of Japan  
Shuwa Daini Toranomom Bldg.  
20, Nishikubo Sakuragawa-Cho  
Shiba, Minato-ku  
Tokyo 105  
JAPAN

Unicon A.S.  
Erich Mogensons vei 38  
Oslo 5  
NORWAY

Checchi and Co.  
1730 Rhode Island Avenue, N.W.  
Washington, D.C. 20036  
USA

Mr. K.J. Skoog  
Director M.S. Division  
Sanderson & Porter  
25 Broadway  
New York, N.Y. 10004  
USA

Benjamin Spiro Associates, Inc.  
24 California Street  
San Francisco, California 94111  
USA

German Consult  
6 Frankfurt AM  
Fellnestrasse 5  
WEST GERMANY

DRAFT  
F. Ibanez  
April 14, 1976

Dear Sirs:

UNDP-Financed Study of Small-Scale Industrial  
Development Policies and Opportunities in Ghana

The Government of Ghana has applied to the United Nations Development Programme (UNDP) for assistance to support a study to review existing small scale industry (SSI) policies and programs in Ghana, to formulate proposals for their further development, and to define a project proposal intended to assist the more rapid development of SSI in the country. The International Bank for Reconstruction and Development (World Bank) would be the Executing Agency for this project.

Enclosed herewith are the "Terms of Reference and Work Plan", for the services to be provided by consultants.

As you have expressed interest in undertaking the study, you are invited to submit a preliminary proposal (exclusive of financial terms) which would form the basis for negotiations. Your proposal should contain the detailed work program proposed to be followed, in order adequately to cover the proposed scope of the study within the time schedule indicated in the Terms of Reference. A limited number of other qualified firms which have expressed interest are also being invited to submit proposals.

Please acknowledge this letter upon receipt. We would expect to receive your proposal in our Washington office not later than May 28, 1976.

After review of all proposals, we will request the firm tentatively selected for contract negotiations to supply cost details, particularly man-month rates for each of the experts in the team. Each rate should include basic salary, fringe benefits, overhead, fee and overseas allowance where applicable. These cost details should be available for discussion with the Bank during the week of June 14. The firm selected after negotiations would be expected to mobilize in Ghana in mid-July '76.

Yours sincerely,

Jivat N. Thadani  
Chief, Division I  
Industrial Projects Department



GHANA: Study of Small Scale Industrial Development Policies and OpportunitiesTerms of Reference and Work PlanI. OBJECTIVESA. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, avail of facilities for upgrading their skills and gain progressive improvements in the quality of life.

B. Immediate objectives

2. The purpose of the Project is:

- (i) to review the existing programs and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;
- (ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;
- (iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality

C. Investment potential

3. The project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.

II. WORK PLAN AND SCOPE OF THE STUDYA. Description of Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to under-

take a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.

2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IERD personnel and the Chairman of the CEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.

3. Field work will consist of:

- (i) review of all available statistics and reports;
- (ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;
- (iii) visits to a selected sample of urban and rural centers, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.

4. This will be followed by data organization and analysis, with specific attention to the following:

- appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories);
- the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
- performance and problems of the principal institutions and agencies which provide financial, technical, management and manpower training; or other significant support to small manufacturing and business establishments;
- physical infrastructure, i.e. industrial zones, built up estates, rented accommodation, etc.;
- domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements;
- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;



- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.;
- price controls;
- wages and labor laws;
- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;
- reorganization and/or consolidation of activities, staffing, procedures, physical and financial resources;
- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;
- technical assistance and training requirements for production functions;
- marketing facilities, domestic as well as export;
- financial facilities, i.e. credit, risk-sharing, etc.;
- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.

7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.

8. Within one week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.



### B. Timing of Project Activities

9. The consultants shall start work on the project at Accra on a date to be agreed upon by the Government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work including submission of the draft project report, mentioned in paragraph 7 above, within 11 weeks of the starting date. Allowing 3 weeks more for the review by Government and revision of the draft report, as mentioned in paragraph 8 above, the final report shall be submitted within 14 weeks after the starting date.

### C. Reports

10. The consultant shall prepare and submit the following reports in English and in numbers indicated for each.

- (i) an inception report within 4 weeks of the starting date, summarizing the conclusion of the orientation meeting, the work program, and any preliminary findings considered appropriate at that stage - 8 copies to the Government, 4 to the Bank and 3 to UNDP.
- (ii) a draft final report (see paragraph 7 above) - 12 copies to the Government, 4 to the Bank and 3 to UNDP.
- (iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the Government - 25 copies to the Government, 6 to the Bank and 3 to UNDP.
- (iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.

### III. DRAFT WORK PLAN

<u>Project Activity</u>	<u>Location</u>	<u>Proposed Duration</u>
Starting date	-	-
Orientation	Accra	First week, 2 days
Inception Report	-	Within 4 weeks of start
Data Collection and Field Visits	Ghana	3-4 weeks
Data analysis and report writing	Accra	4 weeks
Submission of Draft Final Report	Accra	Within 11 weeks of start
Review meeting	Accra	
Submission Final Report	-	Within 14 weeks of start

1/ Note: Some members of the team may continue data collection and field visits beyond the time indicated, provided this is done without prejudice to the schedule for analysis and submission of the draft report.

File

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INCOMING TELEX

mc

GL25 AG 68 IBRD ACCRA 25 13/4/76

Distribution

INTBAFRAD

SECTION

Mr. Gisle

WASHINGTON DC

*cc Dart  
Madam*

APR 13 1976

MISC534 GISLE DP128 INFO PENNACCHIO RE GHA/75/020 SS

INDUSTRIES. SIGNED COPIES PRODOC BEING POUCHED. YOU MAY PROCEED

RECRUITMENT CONSULTANT=

FELICIANO=

COL MISC534 DP128 GHA/75/020=

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INTBAFRA WASH DC

289696Z UNO CH



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75/008(3)

*[Handwritten signature]*

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29/3

1130

INTBAFRAD  
WASHINGTONDC

LTF  
UNDEVPRO  
NEW YORK

239

MISC 460 G13LE DP 104 INFO PENNACCHIO RE MORSE DP26 RE 76  
EXPENDITURES AAA CHA/75/020 SS INDUSTRIES REB TOTAL 76 EXPENDITURES  
\$86,000 CCG NIHIL DDD NIHIL REB NIHIL FFF NIHIL. AAA CHA/75/008  
TA ROAD MAINTENANCE REB TOTAL 76 EXPENDITURES \$54,000 CCG NIHIL  
DDD POST LINE 1101 AND 1102 TO BE ESTABLISHED 8/76 REB NIHIL  
FFF NIHIL

HALBERT

APR 8 1976

MISC	DP	DP26	76	CHA/75/020	76	\$86,000	CHA/75/008	76	\$54,000
1101	1102	8/76							

JHL/eka



WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

File

☒ IBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: UNDEVPRO

DATE: 31 MARCH, 1976

ACCRA

ORIGINATOR'S EXT.: 2175

COUNTRY: GHANA

CLASS OF  
SERVICE: LT

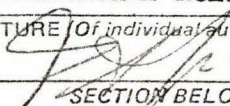
CABLE NO. &amp; TEXT:

FELICIANO YRMISC 460 ASSUME WE MAY NOW PROCEED INVITE PROPOSALS FROM CONSULTANTS FOR  
GHA/75/020 SS INDUSTRIES STOP AS FOR GHA/75/008 EXPERT QUARRIES BUDGETLINE 1102 ALREADY  
IN POST STOP AS FOR 1101 WE HAD HOPED FIELD HIM IN 6/76 THUS BRINGING TOTAL TO 15 M/M  
IN 1976 AND A DISBURSEMENT CEILING OF \$67,000 WHICH WOULD INCLUDE PROVISION FOR ONE CAR STOP  
IF YOU HAVE ANY CAR AVAILABLE FROM CLOSED PROJECT THE REQUIREMENT FOR 1976 COULD BE FURTHER  
REDUCED TO \$60,000 STOP IN CONSIDERING THIS ALTERNATIVE PLEASE OBSERVE THAT QUARRIES ADVISER  
WILL TERMINATE THIS YEAR THUS REDUCING EXPENDITURE DEMANDS IN 1977 TO 12 M/M STOP REGARDS

GISLE

INTBAFRAD

## NOT TO BE TRANSMITTED

REFERENCE: GHA/75/020 - GHA/75/008	AUTHORIZED BY (Name): Peter Gisle
DRAFTED BY: PGisle/eps	DEPARTMENT: International Relations Dept.
CLEARANCES AND COPY DISTRIBUTION: Cleared w/& cc: Mr.S.Hayden(Proj.,W.A.) cc: Mr.Choi(CPI,W.A.)	SIGNATURE (Of individual authorized to approve):  SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:

PINK - File Copy; WHITE - Transmittal Copy; YELLOW - Bill Copy

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WASHINGTON DC

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DISTRIBUTION:

Mr. Gisle  
Industrial Projects  
Mr. Dutt

2035

Mr. Choi (CPI, W.A.)  
Mr. Hayden (Proj., W.A.)

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MAR 31 AM 11:05

COMMUNICATIONS  
SECTION

MAR 31 1976

MISC460 GISLE DP104 INFO PENNACCHIO RE MORSE DP26 RE 76

EXPENDITURES AAA GHA/75/020 SS INDUSTRIES BBB TOTAL 76 EXPENDITURES

DOLLARS 86,000 CCC NIHIL DDD NIHIL EEE NIHIL FFF NIHIL. AAA

GHA/75/008 TA ROAD MAINTENANCE BBB TOTAL 76 EXPENDITURES DOLLARS

54,000 CCC NIHIL DDD POST LINE 1101 AND 1102 TO BE ESTABLISHED

3/76 EEE NIHIL FFF NIHIL=

FELICIANO+

COL MISC460 DP104 DP26 76 GHA/75/020 76 DOLLARS 86,000 GHA/75/008

76 DOLLARS 54,000 1101 1102 3/76=

MAR 31 1976

INTBAFRA WASH DC

289696Z UNO CH (Telex No.)

289696X UNO CH

INCOMING TELEX FROM GHANA VIA GENEVA

mt

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1976 MAR 26 AM 9:48  
COMMUNICATIONS  
SECTION

Distribution

Mr. Gisle / Industrial Proj.

Mr. Dutt

GL-74

AG 197 UNIDO ACCRA23 25/3/76

INTBAFRAD

WASHINGTON

MISC436 GISLE YOUR CABLE 12/2/76 GHA/75/020 SMALL SCALE INDUSTRY

REPLY DELAYED DUE FINANCIAL UNCERTAINTIES. PLEASE REFER OUR RECENT

MISC416+

HALBERT

MAR 26 1976

COL MISC436 12/2/76 GHA/75/020 MISC416+



BOOK OF TWO  
(See Below)

12 MARCH, 1976

2175

LT

FOR FELICIANO INFO GIBBON RE YAOUNDE DISCUSSION WOULD APPRECIATE YOUR CABLE  
ADVICE ON FOLLOWING AAA WILL UNDP BE ABLE FINANCE BAUXITE/ALUMINA PROJECT  
FROM 1977 IPF UNDER BANK/UNDP DEFERRED BILLING ARRANGEMENT BBB STATUS OF  
SMALL SCALE INDUSTRY PROJECT AND WHETHER WE MAY PROCEED WITH SELECTION  
CONSULTANTS      REGARDS

GISLE

INTBAFRAD

(1)

UNDEVPRO

ACCRA

GHANA

(2)

INTBAFRAD

ACCRA

GHANA

Ghana Alumina Proj. & GHA/75/020

SChoi/PGisle/eps

Peter Gisle

International Relations Dept.

cc: Messrs. D. Dutt/SChoi(CPI, W.A.)/(Proj. W.A.)  
J. Thadani(Ind. Proj.)



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
Cable Address - INTBAFRAD

INTERNATIONAL DEVELOPMENT ASSOCIATION  
Cable Address - INDEVAS

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.  
Area Code 202 • Telephone - EXecutive 3-6360



March 2, 1976

Mr. Gregario Feliciano  
Resident Representative  
UNDP  
P.O. Box 1423  
Accra, Ghana

GHA/ 75/020: Identification of Project  
for Small Scale Industry Development  
and Feasibility Study

Dear Mr. Feliciano:

Attached are four copies of the project document duly signed on behalf of the World Bank by Mrs. Shirley Boskey, Director, International Relations Department. Please note that the attached documents are those you sent under cover of your letter to Mr. McGibbon dated January 12, 1976. Apparently the documents went astray and surfaced only a few days ago.

We have attached to the project document copies of the Section V setting forth the provisions concerning organization of the project. Please be advised that this is a standard text as already agreed between us and UNDP for use with all Bank-executed projects. It differs slightly from the version used in projects executed by other Specialized Agencies to take account of the special nature of the Bank's Articles of Agreement. As the Government signed the project document without Section V, I would like to suggest that the Government's agreement to the Section be requested at the time a copy of the project document duly signed by UNDP is delivered to the Ministry of Economic Planning and that it be made clear that the project document will not become final until their agreement to Section V is obtained. For your convenience, we have prepared and attached a draft letter to the Government, Principal Secretary, Ministry of Economic Planning for this purpose. Please return one original signed copy of the project document to us for our official records and a copy of a letter showing the Principal Secretary's agreement to the inclusion of Section V.

If there is any difficulty on your part or on the part of the Government in proceeding as above, please let Mr. McGibbon of our Accra office know.

Yours sincerely,

Devbrat Dutt, Division Chief  
West Africa Programs

DRAFT  
SChoi:lw  
March 2, 1976

Principal Secretary  
Ministry of Economic Planning  
Accra, Ghana

GHA/ 75/020: Identification of Project  
for Small Scale Industry Development  
and Feasibility Study

I am happy to enclose herewith a copy of subject project agreement duly signed by your Government, the World Bank and UNDP.

In particular, I wish to draw your attention to Section V, entitled Organization of the Project, which has been added to the project document. This Section deals with the general responsibilities of the parties to the project agreement and is a standard text used in all World Bank-executed UNDP projects. I should appreciate it if you could review the provisions contained in Section V and indicate the agreement of your Government thereon by signing and sending to me the attached copy of this letter, at which time the project document will become effective.

Yours sincerely,

Gregorio Feliciano  
Resident Representative

Confirmed:

---

Principal Secretary  
Ministry of Planning



5806  
File

March 2, 1976

Mr. Gregario Feliciano  
Resident Representative  
UNDP  
P.O. Box 1423  
Accra, Ghana

GHA/ 75/020: Identification of Project  
for Small Scale Industry Development  
and Feasibility Study

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Yours sincerely,

Devbrat Dutt, Division Chief  
West Africa Programs

SChoi:lw

Cleared with and cc: Miss Powell, IRD, Mr. Heininger, Legal  
cc: Mr. McGibbon

WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

*FILE*

☒ IBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: UNDEVPRO

DATE: 24 FEBRUARY, 1976

ACCRA

ORIGINATOR'S EXT.: 2175

COUNTRY: GHANA

CLASS OF  
SERVICE: LT

CABLE NO. & TEXT:

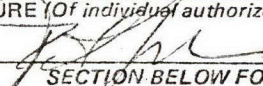
MUNTHALI YOUR 58 RE GH/75/020 SMALL SCALE INDUSTRIES AAA PROJDOCUMENT  
RECEIVED FROM YOUR OFFICE WENT ASTRAY AND HAS ONLY SURFACED NOW BBB THE  
SECTION V ATTACHED TO SIGNED DOCUMENTS FORWARDED BY US ARE CORRECT AND  
AS AGREED BETWEEN US AND UNDP THIS SECTION DIFFERS SLIGHTLY FROM THE VERSION  
USED IN PROJECTS EXECUTED BY OTHER SPECIALIZED AGENCIES CCC REGRET ERROR ON  
FRONT PAGE STATING CEDIS 8,900 INSTEAD OF CEDIS 13,400 PLEASE AMEND DDD  
PLEASE ADVISE WHEN DOCUMENT SIGNED AND ALSO ASK UNDP TO PLEASE RESPOND TO  
OUR CABLE OF FEBRUARY 12 REQUESTING AUTHORIZATION TO PROCEED WITH SELECTION  
OF CONSULTANTS

REGARDS

GISLE

INTBAFRAD

NOT TO BE TRANSMITTED

REFERENCE: GH/75/020 Sm.Scale Ind.	AUTHORIZED BY (Name): Peter Gisle
DRAFTED BY: PGisle/eps	DEPARTMENT: International Relations Dept.
CLEARANCES AND COPY DISTRIBUTION: Cl. & cc: Mr. J. Thadani (Ind. Proj.) Mr. H. Koppen (C.P.I., W.A.)	SIGNATURE (Of individual authorized to approve): 
	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:



DISTRIBUTION:Mr. Gisle  
Mr. Dutt

Industrial Projects

ZCZC 243424 RC021 PDE0770 RML0086 UYS292 CAC619 A3247

URWT HL GHAA 110

ACCRA 110/109 18 1525

February 18 1976

LT

INTBAFRAD

WASHINGTONDC

58 FOR GISLE COPY DUTT REYURLET GHA/75/020 OF 30 JANUARY TO  
FELICIANO REGARDING SMALLSCALE INDUSTRIES PROJECT DOCUMENT  
STOP BEFORE ASKING GOVERNMENT TO SIGN DOCUMENT UNDP HAVE FOLLOWING  
QUERIES AA WHAT HAPPENED TO DOCUMENT SENT BY UNDP THROUGH  
THIS OFFICE BBB SECTION FIVE OF DOCUMENT DIFFERS FROM THAT

IN DOCUMENT FROM UNDP STOP PLEASE CONFIRM  
THAT VERSION IN YOUR DOCUMENT IS NEW STANDARD TEXT CCC IT IS NOT  
UNDERSTOOD WHY ON COVER PAGE OF PROJECT DOCUMENT GOVERNMENT  
CONTRIBUTION IS STATED AS CEDIS 8,900 SINCE DETAILED BREAKDOWN  
ON PAGE ELEVEN SHOWS CEDIS 13,400 WHICH IS SAME AS  
AMOUNTS MENTIONED

IN DOCUMENT FROM UNDP  
STOP PLEASE CLARIFY REGARDS

MUNTHALI

COL MUNTHALI

COMMUNICATIONS

FEB 18 9 12 AM 1976

RECEIVED

FEB 19 1976



WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)XXXX ☐ IBRD  
☐ IDA  
☐ IFC  
☐ ICSID

TO: UNDEVPRO

DATE: 12 FEBRUARY, 1976

ACCRA

ORIGINATOR'S EXT.: 2175

COUNTRY: GHANA

CLASS OF  
SERVICE: LT

CABLE NO. &amp; TEXT:

GHA/75/020 SMALL SCALE INDUSTRIES PLEASE CABLE STATUS SIGNATURE PROJECT  
DOCUMENT FORWARDED WITH MYLET JANUARY 30 STOP ALSO PLEASE AUTHORIZE US  
PROCEED WITH SELECTION CONSULTANTS IN ORDER ENSURE COMMENCEMENT FIELDWORK  
MAY AS PER DOCUMENT SINCE ESSENTIAL FOR FUTURE LENDING PROGRAM REGARDS

GISLE

INTBAFRAD

## NOT TO BE TRANSMITTED

REFERENCE:	GHA/75/020 Small Sc.Ind.	AUTHORIZED BY (Name):	PGisle
DRAFTED BY:	PGisle/eps	DEPARTMENT:	International Rltns.Dept.
CLEARANCES AND COPY DISTRIBUTION:	Cleared with &cc: Mr. J.N.Thadani (Ind.Proj.) Mr. D.Dutt (C.P.I., W.A.) cc: Mr. T.Blinkhorn (C.P.I., W.A.)		
		SIGNATURE (Of individual authorized to approve):	<i>PGisle</i>
		SECTION BELOW FOR USE OF CABLE SECTION	
		CHECKED FOR DISPATCH:	

GHA/75/020

30 January, 1976

Mr. Gregorio Feliciano  
Resident Representative  
United Nations Development Programme  
P.O. Box 1423  
Accra, Ghana

Dear Mr. Feliciano:

GHANA: GHA/75/020 - Identification of  
Project for Small-Scale Industry  
Development and Feasibility Study

With reference to the subject project, please find attached four copies of a Project Document duly signed on behalf of Mrs. Shirley Boskey, Director of the International Relations Department.

We would appreciate receiving a fully signed copy in due course. We would also be grateful if you could please cable us when the document has been signed.

Yours sincerely,

Peter Gisle  
International Relations Department

Attachments (4)

cc: Mr. Michel Doo Kingue  
Assistant Administrator & Director  
Reg. Bureau for Africa, UNDP, N.York.

cc: Mr. James McGibbon  
INRD Resident Representative  
P.O. Box M27, Accra, Ghana

D.Dutt(C.P.I,W.A.)  
cc: Messrs.T.Blinkhorn(C.P.I,W.A.)  
J.N.Thadani(Ind.Proj.)  
R.Jones(Controller's)

 PGisle/eps

## OFFICE MEMORANDUM

TO: Mrs. Shirley Boskey  
FROM: Peter Gisle  
SUBJECT: GHANA: GMA/75/020 - Small-Scale Industry Study

DATE: 30 January, 1976

Please find attached four copies of a Project Document prepared by Bank staff and cleared by everybody concerned.

UNDP has approved the project for immediate implementation and without any special arrangements.

Your signature on each of the four copies is requested.

Attachments (4)

PGisle/eps



BLINKHORN  
ACCRA

JANUARY 19, 1976

LT

GHANA

RE SMALL SCALE INDUSTRY AS LEGAL DEPT HAVE TO PROVIDE PART FIVE OF PRODOC  
SUGGEST PRODOC SIGNED HERE AND FORWARDED ACCRA IMMEDIATELY STOP ACCORDING  
THADANI PROJECT CANNOT START UNTIL MAY ONE TO ALLOW TIME FOR CONTRACTING  
CONSULTANTS RECORDS

BLINKHORN


T. A. Blinkhorn, Sr. Loan Officer

WAFIS

cc: Thadani, Asser, Cisse

MEason: lw

*FILE*

ROUTING SLIP		DATE <i>1/15</i>
NAME		ROOM NO.
<i>Mr Gisle</i>		<i>E806</i>
		
		<i>Dist A</i>

APPROPRIATE DISPOSITION	NOTE AND RETURN
APPROVAL	NOTE AND SEND ON
COMMENT	PER OUR CONVERSATION
FOR ACTION	PER YOUR REQUEST
INFORMATION	PREPARE REPLY
INITIAL	RECOMMENDATION
NOTE AND FILE	SIGNATURE

RE MARKS

*Miss Powell must have spoken to you about this case. I would be grateful to you for follow-up.*

*We are following up the chances small - uncertainty of internal clearance completed.*

FROM	ROOM NO.	EXTENSION
<i>J. N. THADANI</i>	<i>F1018</i>	<i>6652</i>

My Ref. No. MEA/ED/415.24

Your Ref. No. ....



REPUBLIC OF GHANA

Ministry of Economic Planning

P.O. Box M.76

Accra

7 January, 1976.

Dear Sir,


SMALL-SCALE INDUSTRIES PROJECT

Your letter of 12 December, 1975 addressed to Mr. Basoah has been referred to me for comments. The draft Project Document in respect of the Small-Scale Industries project was approved by this Ministry in the second week of December and forwarded to the Resident Representative of the UNDP for final processing.

2. I have been informed that the draft document has been sent to UNDP Headquarters in New York for vetting and approval. The Resident Representative would sign on behalf of the UNDP when the relevant authorization is received from New York. In view of the sampling you may wish to let us have your revised timetable to enable us inform the relevant local agencies associated with the project to prepare to receive the mission.

Thank you.

Yours faithfully,

  
for: DIRECTOR OF PLANNING  
(T.K. OLLENU)

MR. J.N. THADANI,  
CHIEF, DIVISION/INDUSTRIAL PROJECT  
DEPT. IDRD,  
1818 H STREET N.W.,  
WASHINGTON D.C. 20433,  
U.S.A.

'RA'





MCGIBSON  
INTBAFRAD  
ACCRA

NOVEMBER 21, 1975

LT (4498)

GHANA

REURCAB 365 REGARDING UNDP SMALL INDUSTRIES PROJECT DOCUMENT STOP  
WHILE NO PROBLEM IN PRINCIPLE AUTHORIZING YOU SIGN DOCUMENT ON BEHALF OF BANK  
COMMA LEGAL WISH TO CLEAR FINAL VERSION PRIOR TO SIGNATURE BY BANK ESPECIALLY  
SINCE THEY HAVE TO ADD PART FIVE STOP WOULD BE GRATEFUL THEREFORE IF YOU WOULD  
SEND FINAL VERSION OF DOCUMENT BY RETURNING MISSION MEMBERS IF THAT IS QUICKEST  
MEANS REGARDS

DUTT

~~Deshrat Dutt~~  
XXXXXXXXXXXX C. V. B. Munthali  
Western Africa IB

cleared with and cc: Mr. Thadani  
clrd in substance with and cc: Mr. Aaser  
cc: Mr. Gisle

CVBMunthali:cm



DRAFT

~~CVB~~Munthali/mcs

11/21/75

MCGIBBON  
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GHANA

REURCAB 365 REGARDING UNDP SMALL INDUSTRIES PROJECT DOCUMENT STOP  
WHILE NO PROBLEM <sup>IN PRINCIPLE</sup> AUTHORIZING YOU SIGN DOCUMENT ON BEHALF OF BANK  
COMMA LEGAL WISH TO CLEAR FINAL VERSION PRIOR TO SIGNATURE BY BANK  
ESPECIALLY SINCE THEY HAVE TO ADD PART 5 STOP WOULD BE GRATEFUL THEREFORE  
IF YOU WOULD SEND FINAL VERSION OF DOCUMENT BY RETURNING MISSION  
MEMBERS IF THAT IS QUICKEST MEANS EVEN IF DOCUMENT HAS ALREADY  
BEEN SIGNED BY UNDP REPRESENTATIVE AND/OR GOVERNMENT STOP  
INCIDENTALLY HAD THE LOST VERSION BEEN SIGNED BY MR THADANI QUERY  
REGARDS

DUTT

To be cleared with & cc: Messrs. Asser  
Thadani  
Gisle



Mr. Dutt  
Industrial Projs.

ZCZC TLD977 VIA ITT CTB 177 CAC506 A3372

UIWA HL GHAA 094

ACCRA 94/92 17 1330

Nov. 17, 75

LT

INTBAFRAD

WASHINGTONDC

365 FOR DUTT REYURCAB 324 PRIMO RE SMALL INDUSTRIES  
THE PROJECT DOCUMENT WHICH THADANI AND FELICIANO SIGNED  
HAS BEEN MISPLACED MINECOPLAN STOP FELICIANO REDOING DOCUMENT  
FOR SIGNATURE NEXT FEW DAYS STOP PLEASE CONFIRM EYE HAVE  
AUTHORITY SIGN FOR BANK STOP SEGUNDO CANADIAN HIGH COMMISSIONER  
RECOMMENDED CIDA CONTRIBUTION

~~COL LT 365 324~~

FIFTY MILLION AND DESPITE REMINDERS STILL NO REACTION OTTAWA  
SEMI-COLON SUSPECTS STAFF CHANGES CIDA OFFICE MAY HAVE  
SOMETHING DO DELAY STOP TITSWORTH NOW BACK IN OTTAWA  
AND EXPECTED TO HANDLE GHANA PROJECTS STOP HIGH COMMISSIONER  
SUBBESTS YOU CONTACT TITSWORTH DIRECT REGARDS

MCGIBBON

## OFFICE MEMORANDUM

TO: Mr. D. Dutt

DATE: September 19, 1975

FROM: Jivat N. Thadani *JNT*SUBJECT: GHANA - UNDP Project of the Government of  
Ghana*Ghana Govt (for finalizing)*

Reference our discussion with the Ghanaians during the Annual Meeting, I enclose herewith a draft proposal for the use of the Government of Ghana as a base for submission by them of a request to UNDP. UNDP will, of course, send it back to us for comments. The objective of our supplying the initial draft is to speed up the submission and subsequent clearances. At this stage, the draft is not a Bank document. In principle, however, Industrial Projects Department is willing to take responsibility if the Bank is made executing agency by UNDP.

*PJ*  
cc: Messrs. R. Rowe, Thalwitz/King, Gisle, R. Venkateswaran,  
Fuchs, Kalmanoff, Moore, Soncini, Goderez,  
Siou, Cu Kok, Bolte, Ibanez.

*Mr Thadani will apparently  
be discussing w. Govt mid-Oct.  
Approach - if any - to UNDP  
will have to avoid certain  
mis. return or rep. since it  
will depend on Govt reaction*

*P.G. 10/23-75*

UNDP

PROJECT OF THE GOVERNMENT OF GHANA

Title: Identification of Project for Small-Scale Industry Development  
and Feasibility Study.

Number: \_\_\_\_\_

Sector: Small Industry Development

Government Cooperating Agency: - Enterprise Development Commission

Executing Agency: IBRD

Date of Submission - November 1, 1975

Starting Date: February 1, 1976

Government Contribution - Cedis \_\_\_\_\_.

UNDP Contribution - \$ \_\_\_\_\_



## I. BACKGROUND AND SUPPORTING INFORMATION

### A. Justification for the Project

1. Medium and large-scale industry in Ghana have grown fairly rapidly in recent years. Small-scale industry (SSI), however, which employs over 80% of the total work force in the manufacturing sector, (full as well as part time) has not been sufficiently dynamic. A World Bank study in 1974 identified the major problems of the SSI sector to be poor plant facilities, rudimentary equipment, lack of management and technical competence, and inadequate credit facilities. Despite these handicaps, there is evidence that Ghanaian small entrepreneurship is vigorous and, given appropriate Government policies and programs, and improved institutional support services, can be expected to respond rapidly in terms of accelerated growth, job creation and efficiency.
2. The government of Ghana wishes to take suitable steps to remove handicaps and provide positive assistance for realization of the potential of small-scale entrepreneurship in urban and rural areas, and more specially to create additional employment and incomes for the poorer elements of the work force, who are presently unemployed or only partially employed.
3. The Ghanaian Enterprise Development Commission was created by a Decree promulgated on April 25, 1975, and this Commission requires specialist assistance for appropriate discharge of its functions in relation to small industry promotion and development.

### B. Institution Framework

4. The Ghanaian Enterprise Development Commission (GEDC) will act as the Government cooperating agency.
5. To provide maximum coordination of the project with all other small-scale industry promotion and development programs, the GEDC will cooperate with the Ministries of Industry and Commerce, the NIB, Bank of Ghana and other agencies and private interest groups as appropriate.

### C. Provision for Government Follow-up

6. The Government will make provisions to follow up the results of the projects as follows:
  - (a) by legislative action to amend existing small industry promotion and other related laws, if required;
  - (b) by encouraging private small enterprise to play a more active role in the industrial development of the country, through wide circulation of the relevant recommendations that are expected to emerge from this Project;
  - (c) by suitable administrative measures to strengthen existing policies, institutions and programs in support of small scale industry, and to develop such new institutional arrangements and program activities as may be deemed appropriate, in the light of the findings of the Project;
7. It is the intention of the Government to seek financial assistance from IBRD for a project to provide necessary assistance for small enterprise development on the basis of the findings of the Project.



#### D. Other Related Activities

8. The government of Ghana has already taken some measures to assist small scale manufacturing activities by the provision of credit facilities through banks, vocational and management training, and technical assistance in selected fields of activity, in cooperation with international and bilateral aid organizations.

### II. OBJECTIVES OF THE PROJECT

#### A. Long range objectives

1. In line with its current plans, the Government of Ghana wishes to stimulate the SSI sector, specially to develop facilities that would utilize domestically available national resources, manpower, and entrepreneurial skills, to serve existing and potential demand for manufactured products and related services. There is a recognized need for strengthening the capabilities of small entrepreneurs in support of these government policy objectives. The government also wishes to encourage the location of new enterprises in planned industrial zones and/or estates, in order to give these industries the advantages of an efficiently planned physical environment, which would result in cost savings. In addition, such a strategy should lead to healthy urban development in which gainfully employed persons may live and work without undue hardship on account of distance, avail of facilities for upgrading their skills and gain progressive improvements in the quality of life.

#### B. Immediate Objectives

2. The purpose of the Project is:

(i) to review the existing programs and activities of institutions and agencies that provide assistance for SSI development, and to identify the gaps and inadequacies that require remedial measures;

(ii) to review, in consultation with the concerned Ministries/ Departments of Government, the principal instruments of policy available for SSI promotion; and recommend such changes or new policies as may be necessary;

(iii) to identify the constraints and problems inhibiting SSI growth and efficiency; and to formulate appropriate proposals, for the development of existing or new institutions, for the provision of technical assistance, manpower training, management and enterprise development, and provision of credit facilities, aimed at improving SSI growth, employment generation, product diversification, domestic resources utilization, as well as operational efficiency and quality.

#### C. Investment Potential

3. The Project could lead to considerable investment in manufacturing equipment, facilities and support services, as well as industrial estates.

### III. WORK PLAN

#### A. Description of Project Activities

1. It is proposed to engage a team of about 3 or 4 consultants to undertake a brief analysis of the SSI sector, support institutions, as well as the policy framework, making appropriate use (and avoiding duplication) of information available, and to develop specific proposals for stimulation of the SSI sector growth.
2. Immediately prior to the start of field work in Ghana, there will be an orientation meeting of 1 or 2 days duration, at Accra, during which the team of consultants will be briefed by IBRD personnel and the Chairman of the GEDC. Before this meeting is held, the consultants will have been provided with appropriate background material and reports.
3. Field work will consist of
  - (i) review of all available statistics and reports;
  - (ii) meetings with appropriate personnel in agencies and institutions engaged in activities that provide support for the SSI sector;
  - (iii) visits to a selected sample of urban and rural centers, to observe and obtain direct information on operational level problems of small business in both urban and rural settings and support activities of agencies and institutions.
4. This will be followed by data organization and analysis, with specific attention to the following:
  - appropriateness or otherwise of the definitions used by various Departments and agencies of government and institutions to identify the small scale industry/business sector, for purpose of statistics, eligibility for financial assistance, manpower training, etc. (e.g. cottage industries, handicrafts, service industries, small scale factories );
  - the structure and performance of the principal branches of industry in which small establishments operate, and their special problems (as well as characteristic advantages) in regard to raw materials, technology, skills, machinery and equipment, wages and other costs, physical accommodation, access to power supply, and common facilities/services, etc.;
  - performance and problems of the principal institutions and agencies which provide financial, technical, management and manpower training; or other significant support to small manufacturing and business establishments;
  - physical infrastructure, i.e. industrial zones, built up estates, rented accommodation, etc.;
  - domestic market structure, size and distribution, preferential price or purchase policies of public agencies, cooperative or common service selling or purchasing arrangements,



- tariffs and taxes, import regulations, export facilities or controls, foreign exchange regulations;

- credit facilities, government policies and agency/banking practices; interest rates and other related charges, problems of procedures, application evaluation, risk sharing arrangements, etc.;

- price controls;

- wages and labor laws;

- registration/licensing requirements.

5. The consultants will then proceed to define a project proposal, intended to cover significant gaps in the structure of facilities and aids available to the SSI sector, with particular attention to:

- institution building;

- reorganization and/or consolidation of activities, staffing, procedures, physical and financial resources;

- physical infrastructure in the principal urban locations (existing and potential) as well as in proximity to large scale enterprises;

- technical assistance and training requirements for production functions;

- marketing facilities, domestic as well as export;

- financial facilities, i.e., credit, risk-sharing, etc.;

- government policies for the SSI sector in comparison with larger industrial establishments.

6. A time schedule for implementation, cost estimates for the various components of the project, and justification for costs in terms of benefits (economic cost/benefit analyses) will also be prepared, so that the government of Ghana may get a clear idea of the dimensions, cost implications and anticipated benefits of the project proposals. Open ended expenditure proposals are not envisaged. The project should be formulated in specific terms, for a three to four year implementation period, taking into account realistically the financial and human resource constraints of the country as well as the potential benefits of the proposal.

7. The consultants' draft report, containing their findings recommendations and project proposals, as envisaged in paragraphs 4, 5, and 6 above, will then be submitted to the government for review.

8. Within 1 week of the submission of the draft report, on a date to be agreed upon by the government, the consultant team chief shall attend a review meeting with the government, and within 15 days after receipt of comments on the draft report, the consultant shall submit the final report required under the contract.

B. Consultant Personnel

9. It is envisaged that a team of 3 (or at most 4) consultants will be needed, including the team chief. The team chief would be a senior management consultant with broad experience of similar projects in other developing countries. At least one member of the team should be an industrial engineer with adequate experience of a variety of industrial operations, ability to determine the technical assistance, manpower training and infrastructure needs of small-scale establishments, and preferably have familiarity with institutional arrangements for the provision of assistance in these areas. The third (and fourth) member should be an industrial economist with suitable experience.

C. Time Schedule

10. The consultant shall start work on the project at Accra on a date to be agreed upon by the government, but not later than 2 weeks after the starting date mentioned in the contract. He shall complete all field work, including submission of the draft project report, mentioned in para. 7 above, within 11 weeks of the starting date. Allowing three weeks more for the review by government and revision of the draft report, as mentioned in para. 8 above, the final report shall be submitted within 14 weeks after the starting date.

D. Reports

11. The consultant shall prepare and submit the following reports in English and in the numbers indicated for each:

(i) an inception report within 4 weeks of the starting date, summarizing the conclusions of the orientation meeting, the work program, and any preliminary findings considered appropriate at that stage - 8 copies to the government and 4 to the bank;

(ii) a draft final report (see para. 7 above) - 12 copies to the government and 4 to the bank;

(iii) a final report, incorporating all revisions deemed appropriate by the consultant after receipt of comments on the draft final report from the government - 25 copies to the government and 6 to the Bank.

(iv) the reports mentioned in (ii) and (iii) above shall contain a concise first chapter, summarizing all findings and recommendations. The draft final report shall be carefully edited and complete so that production of the final report can proceed without delay after receipt of comments from the government.



APPENDIX A

Time Schedule:

<u>Activity</u>	<u>Location</u>	<u>Duration</u>	<u>Dates</u>
Starting date	-	-	Feb. 1
Orientation	Accra	2 days	Feb. 16-17
Inception Report	"	-	Feb. 28
Data collection <sup>1/</sup> + field visits	Ghana	3-4 weeks	Feb.18 - Mar.13
Data analysis and report writing	Accra	4 weeks	Mar.15 - Apr.10
Submission of Draft Final Report	Accra	-	Not later than Mar.10
Review meeting		-	Before Apr.18
Submission Final Report			Before May 1,1975

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<sup>1/</sup>  
Note: Some members of the team may continue data collection, and field visits beyond 3.13, provided this is done without prejudice to the schedule for analysis and submission of the draft report.



APPENDIX B

Budget

(Amount US\$)

A: UNDP Contribution

10.	Project Personnel Component	
20.	Sub-contract component	-
21.	Sub-contract consulting services	80,000
29.	Component Total	80,000
30.	Training component	-
40.	Equipment component	-
41.	Expendable equipment	500
42.	Non-expendable equipment	-
49.	Component Total	500
50.	Miscellaneous component	5,500
51.	Operating and Maintenance equipment	-
52.	Sundry	-
59.	Component Total	5,500
		<hr/>
GRAND TOTAL		86,000

B: Government Counterpart Contribution

Description of Inputs

1. Counterpart Staff

Costs 1/

- |                           |              |
|---------------------------|--------------|
| - Principal staff officer | 4 man months |
| - 2 Engineers             | 8 man months |
| - 2 Economists            | 8 man months |

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Total	20 man months
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2. Accommodation, office staff, etc. -

- Office accommodation for up to 4 consultants, including desks, chairs, filing cabinets, and telephone for up to 3 months
- 2 English speaking/typing secretaries for up to 3 months
- 1 office attendant (orderly) - for up to 3 months
- Local travel cost (air, taxis, etc.) for up to 6 persons for about 2 weeks
- Office supplies - questionnaire, forms etc.
- Electricity, water, etc. (utilities)
- One staff car and driver (for 3 months)

1/ Estimates to be provided by Government.