

Country Assistance Policy for the Republic of Ghana

<Tentative Translation>

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1. Relevance of Assistance

Ghana has long maintained social and political stability as exemplified in the peaceful regime transition after the presidential election at the end of 2008. The country has gained good reputation and high expectation within the international community as a leader of democracy in West Africa. Ghana has also actively promoted economic and social reforms. Furthermore, foreign investments have increased with the start of oil production, and Japanese companies have also shown keen interests in Ghana's natural resources.

Despite the development described above, Ghana faces numerous challenges such as widening regional economic disparities and insufficient development of infrastructure and public services. Overcoming these difficulties is essential in cementing stable social and economic development of the country. It is also important to note that Ghana's economic size and population rank next to those of Nigeria's among Economic Community of West African States (ECOWAS). Establishing stability in Ghana through economic development, therefore, is critical in achieving stability and promoting democracy in the region. Addressing these challenges can be seen as a part of global efforts in promoting sustainable growth. This is in line with Japan's ODA Charter and TICAD¹-based initiatives as well.

Japan and Ghana have long enjoyed amicable bilateral relationship. The friendship between the two countries is symbolized by the history of Dr. Hideyo Noguchi, a well-respected Japanese medical researcher who travelled to Ghana in 1927 for yellow fever research, and popular Japanese chocolate products produced from Ghanaian cocoa beans. It is crucial to continuously support Ghana in order to maintain and develop excellent bilateral relationship and further encourage peace and democracy in the country.

2. Basic Policy of Assistance: Promoting Dynamic Economic Growth that Benefits the People Widely

Government of Ghana (GoG)'s medium term development strategy (2010-2013) aims to achieve "shared growth." Japan assists GoG in achieving this goal by continuing to encourage GoG's self-help efforts and sound macro-economic management while

¹ Tokyo International Conference for African Development (TICAD)

prioritizing the following four areas: (1) Agriculture (rice cultivation in particular), (2) Infrastructure (electricity and transport in particular), (3) Health and Science/Mathematics Education, and (4) Capacity Development in Administrative and Financial Management.

3. Priority Areas

(1) Agriculture (rice cultivation)

Japan assists development of agriculture, the backbone of Ghanaian economy. Japan focuses its assistance on increasing the productivity and profitability of small-scale rice farmers and strengthening extension system of rice-cultivation technology utilizing its expertise in this field. Japan also helps Ghana to promote large-scale production and commercialization by upgrading production basis and distribution system.²

(2) Infrastructure (electricity and transport)

Japan assists Ghana in infrastructure development in areas such as transportation (especially roads and ports) and electricity utilizing Japanese technological capability to the maximum extent.

(3) Health and Science/Mathematics Education

Building on Japan's previous development cooperation in the health sector, Japan prioritizes the assistance to address Ghana's urgent task of reducing maternal, newborn and child mortality rate. The assistance includes construction of health facilities in rural communities especially in Upper West Region, promotion of sensitization activities on health related issues, and capacity development of health professionals. In planning and implementing these interventions, Japan coordinates with other development partners.

Setting science and mathematics as priority subjects, Japan also assists Ghana in improving learning environment through building schools, improving educational administration, and strengthening capacity of teachers.

(4) Capacity Development of GoG in Administrative and Financial Management

Japan provides support to Ghana for continuation of sound macro-economic management, establishment of administrative and financial disciplines, and delivery of efficient administrative services. In order to achieve these goals, Japan assists capacity building of civil servants and improvement of public financial management system, while effectively using budget support mechanism. Japan also plans to actively participate in dialogue with GoG and make suggestions to improve policies and regulations.

² In 2008, Japan launched at TICAD IV an initiative called "Coalition for African Rice Development (CARD)", a plan to double rice production in Sub-Sahara Africa within ten years. Ghana has been chosen as one of the focus countries for CARD to promote rice-cultivation.

4. Points to be considered³

With economic development driven by abundant natural resources, stable and democratic governance, as well as well-established public safety in Ghana, there has been a momentum in private sector to start BOP⁴ and natural resource related businesses in recent years. Japanese companies have expressed particular interests in this regard; therefore, Japan actively seeks for opportunities to cooperate with private initiatives. In this connection, to achieve higher value addition and strengthened competitiveness of Ghanaian products, Japan provides assistance aiming at quality/productivity improvement and necessary human resource development to small and medium enterprises fully utilizing the Japanese expertise in quality management and development of small and medium enterprises.

In light of the fact that Ghana aims to achieve “shared growth,” Japanese assistance emphasizes reducing various disparities within Ghana. In addition, Japan intends to better coordinate its assistance with other development partners particularly in the health sector to achieve better development results.

Annex: Rolling Plan

³ Country-specific evaluations for Japanese ODA have been conducted. Ghana country specific evaluation (2010) is available in Japanese at :
http://www.mofa.go.jp/mofaj/gaiko/oda/shiryo/hyouka/kunibetu/gai/ghana/kn09_01_index.html

⁴ Business that targets the poorest population or “Bottom of Pyramid”