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**STRENGTHENING INDUSTRIAL PLANNING AND PROGRAMMING IN SUPPORT
OF GOVERNMENT'S INDUSTRIAL SECTOR ADJUSTMENT PROGRAMME**

DP/GHA/86/001

GHANA

Report of the evaluation mission*

Prepared in co-operation with
The Republic of Ghana,
The United Nations Development Programme, and the
United Nations Industrial Development Organization

* This document has not been edited.

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Abbreviations Used in the Report

CBS	-	Central Bureau of Statistics (now Ghana Statistical Service)
CTA	-	Chief Technical Adviser
GOC	-	Government of Ghana
GSS	-	Ghana Statistical Service
ISAC	-	Industrial Sector Adjustment Credit
MFEP	-	Ministry of Finance and Economic Planning
MIST	-	Ministry of Industries, Science and Technology
NBSSI	-	National Board for Small Scale Industries
NPM	-	National Project Manager
ODA	-	Overseas Development Administration
PARDIC	-	Public Administration Review Development Commission
PNDC	-	Provisional National Defence Committee
PPER	-	Project Performance Evaluation Report
PRODOC	-	Project Document
S & T	-	Science and Technology
SOE	-	State-Owned Enterprise
SSI	-	Small Scale Industry
TPR	-	Tripartite Project Review

1. SUMMARY AND RECOMMENDATIONS

1. The Project Document is not sufficiently clear and realistic. It contains too many immediate objectives, outputs and activities, in relation to inputs. The document also suffers from a conceptual deficiency, in the sense that too many outputs/activities hinge upon one single output namely the restructuring of MIST.
2. Quality and quantity of UNDP/UNIDO inputs delivered were unsatisfactory and excessively delayed.
3. Many activities were carried out in a disjointed fashion or simply eliminated on an ad-hoc basis, primarily because of delays in the delivery of inputs.
4. Most of the outputs related to institution building have not been attained.
5. One of the most important components of the project, i.e., training, is almost a complete failure.
6. All international staff have already left the project site.
7. Neither the immediate objectives nor the development objective have or will be achieved through the project.
8. The last TPR meeting put the project on hold pending the result of the in-depth evaluation report.
9. The Mission suggests that the Project should officially be closed.
10. The Mission also suggests that no new phase or a new project of a similar nature be contemplated at this point of time.
11. The Mission also suggests that if and when MIST is reorganized according to the plans, now in preparation by the Government, and a minimum core staff are assigned to their new/corresponding posts and if MIST requests further assistance for strengthening its operations, then and only then may a preparatory mission be fielded for determining the realistic parameters of a technical assistance.
12. The major findings and recommendations contained herein were presented to UNDP/UNIDO and the Government representatives by the team members, during the debriefing meeting called by the Resident Representatives. All parties concerned verbally expressed their agreement with the report.
13. The Mission members wish to acknowledge with thanks the cooperation and support they received from PNDC Secretary, Deputy Secretary and staff of MIST and UNDP/UNIDO officials in Accra. They could not have completed their task otherwise.

II. PROJECT CONCEPT AND DESIGN

A. Overall Context

During the 1950s, Ghana was one of the most dynamic countries in Africa. It was also the very first African country to achieve independence from the British Commonwealth. It looked as though it might set a model for the rest of the African countries yet to achieve their independence. During the early years of the post-colonial era, several sectors began to bloom. Manufacturing output, for example, grew at the annual rate of 13 percent while the overall economy (GDP) grew at the rate of 10 percent. The economy, however, came to a standstill in 1970. The stagnation continued for about seven years, thereafter, the economy took a sharp downward trend. The growth in the economy was negative, and the share of manufacturing in GDP which had reached about 14 percent in mid 1970s, was almost halved in 1983.

Faced with an economic crisis of this magnitude, the Government of Ghana (GOC) began to take a series of measures first to stabilize and then to boost the economy. Among others, these measures included a new set of monetary, fiscal, income and production policies as well as emphasis on exports. The latter part of the 1980s began to show a modest improvement in the economy which has been on-going since then.

In the mid 1980s, GOC decided that one of the key aspects of the recovery programme should be to strengthen the planning and programming capabilities of various ministries. In this vein, a programme was developed for the establishment of a planning cell within the Ministry of Industries, Science and Technology (MIST), with the expectation that this cell would be able to design sub-sector rehabilitation programmes. Textiles and agro-based industries were designated as priority sub-sectors.

UNDP decided to support MIST and a project for that purpose was approved in 1984 (GHA/82/030). This project aimed to improve the operational performance of the two sub-sectors mentioned above and to strengthen the planning capabilities of MIST. The project had only limited success. There were serious delays in its implementation. At a tripartite meeting held in January 1986, it was decided that phasing out 82/030 and preparing a new, more comprehensive and more precise project document was desirable. The end result was 86/001. The intention was to build on whatever output 82/030 produced and to rehabilitate Ghana's industrial sector to enable it to regain its prominent position in the national economy.

The new Project Document (PRODOC) was signed on September 23, 1986. UNDP's budget amounted to US\$980,000 and GOC's in kind contribution totalled ø 11,161,305. The World Bank also contributed a modest sum of US\$220,000, and UNIDO was designated as the executing agency. Originally designed for two years, the project was later extended and over time the UNDP contribution was raised to US\$1,368,304. Several problems plagued the project. The Tripartite review held on December 12, 1989 virtually put the project on hold, pending the results of the in-depth evaluation.

The PRODOC specified the following development objective:

"The project will support the basic objectives of Ghana's Industrial Policy stated by the Government, which are to streamline Ghana's

industrial capacity to concentrate on those activities that are the most viable and sustainable over time, that are well integrated with the domestic economy and that can produce goods at competitive prices for both Ghanaian consumers and export markets. Specifically, this project will be one component of Ghana's Industrial Sector Adjustment Programme designed to realize these policy objectives and as such will promote the development of institutional capabilities to master the sector and develop it in an efficient way."

The immediate objectives are rather ambitious. Three broad objectives are stated.

1. "By the end of the project, the capabilities of the reorganized Ministry of Industries, Science and Technology (MIST) will be sufficiently strengthened to effectively carry out its industrial sectoral planning and support responsibilities, particularly policy analysis, sub-sector programming, monitoring and evaluation responsibilities. (The precise nature of these responsibilities will be spelled out at the beginning of the project as objectives of the technical systems developed under activity 1.2.2)."
2. "The information required from the MIST, including sub-sector planning/programming and development support activities, are made available over the first two years of the Industrial Sector Adjustment Programme for its successful implementation."
3. "The structure of the newly created National Board of Small Scale Industries is set up and its operations launched."

In the subsequent chapters both the outputs leading to the fulfillment of the immediate objectives and activities leading to the attainment of the set outputs will be reviewed in detail. Before this report moves to review the project document and its implementation, a brief description of the institutional set-up is in order. A better understanding of the Ministry and its mandate will, in our view, make this report operationally more useful.

B. The Organizational Set-Up of MIST

The Ministry of Industries, Science and Technology was established under the Civil Service Act in 1960. Before then the Ministry had operated as the Industrial Promotion Division of the Development Secretariat and later as the Industrial Promotion Secretariat.

The main functions of the Ministry are to:

- Formulate industrial policy;
- Interpret Government's industrial policies;
- Prepare the industrial sector plan of the national development plans;
- Promote new industrial investments;
- Appraise industrial projects; and
- Formulate and implement industrial import programmes.

Furthermore, the Ministry has supervising authority over the following research institutions which provide both technical and extension services to industries:

- The Council for Scientific and Industrial Research:
- The National Board for Small Scale Industries:
- Ghana Regional Appropriate Technology Industrial Service:
- The Development and Application Intermediate Technology Project:
- The Technology Transfer Centre: and
- The Ghana Standards Board.

The Ministry also supervises and co-ordinates the activities of all state enterprises and mixed state private enterprises.

The Manufacturing Industries Act of 1971, No. 356 confers on the Ministry the legal basis for its functions relating to the establishment of new industries. Under the provisions of the Act, no manufacturing industry is to be established in Ghana without first obtaining approval from the Ministry.

The Ministry is composed of three major divisions: Administrative, Technical and Science and Technology Divisions. At the apex of its organizational structure is the PNDC Secretary followed, in order of authority, by the PNDC Deputy Secretary and the Chief Director.

Each of the divisions is headed by a director who is supported by a number of Senior Officers.

For the efficient performance of the assignments, the Ministry's technical division is organized into the following sectors:

- Food/Beverages/Tobacco and Multi-lateral Aid Co-ordination:
- Metals and Non-metals:
- Wood, Paper and Printing, Textiles and Garments:
- Electricals/Electronics/Vehicle Assembly:
- Chemicals/Pharmaceuticals/Cosmetics, Bilateral Co-operation and Aid Co-ordination:
- Plastics/Rubber/Leather: and
- Programming, Analyses, Monitoring/Information.

The total number of Senior Officers in the Technical Division is 25, out of which four are stationed in the Regional Offices in Sekondi, Kumasi, Tamale and Sunyani. (See Annex 6.)

The breakdown of officers is as follows:

Deputy Chief Industrial Promotion Officer:	1
Principal Industrial Promotion Officer:	5

Senior Industrial Promotion Officer:	4
Industrial Promotion Officer:	6
Assistant Industrial Promotion Officer:	9

The organizational Chart of the Ministry is attached. (See Annex 6.)

2. National Board of Small Scale Industries

The other agency covered under this project is the National Board for Small Scale Industries (NBSSI). The NBSSI is responsible to the PNDC Secretary of MIST for promoting and developing the nation's Small Scale Industry Sector. The functions of NBSSI can be described briefly as: assisting small-scale industries in their needs; providing information; encouraging co-operatives and association of such industries; coordinating foreign loans and aid destined to such industries, and funding certain specific projects.

The NBSSI was established in 1981, but was subsequently suspended as a result of the change of government later in that year. It was, however, re-established in 1985 with a small secretariat of 13 professional positions in addition to the Executive Director and Deputy Executive Director. NBSSI later on was expanded and staffed further. At present it counts on 26 professional staff. (See Annex 7.)

3. Other Organizational Considerations

The project was to support the World Bank's Industry Sector Adjustment Programme by providing technical assistance to MIST. As such, the project was integrated into the other aspects of the Programme, supported by the World Bank under the Industrial Sector Adjustment Credit (ISAC). The World Bank, therefore, had a special interest in the activities of this project, and in fact, also provided financing for some of the project inputs through a cost-sharing arrangement. The Bank was to be included in all aspects of project monitoring and supervision.

Other than the IDA and ISAC, there are few other donor supported activities of relevance to this project. Mention might be made of the \$520,000 ODA contribution to the programme, which was coordinated by the Bank Team coordinating the ISAC preparation exercise. Also, the Small-Scale Industry Survey foreseen in the PRODOC for NBSSI was expected to be coordinated through a MIST/CBS steering committee for an Industrial Census to be carried out by CBS.

C. Project Document

1. The Problem Addressed and Technical Approach

Within the prevailing economic conditions of the country and given the need for better management of the industrial sector, it was recognized by all quarters that further assistance was needed. Since the previous project had only meager results because its execution was less than satisfactory and encountered delays, and also because the PRODOC contained imprecisions, the only viable alternative appeared to be, at the time, to strengthen the Ministry with a bigger, but with a better defined project. Under the circumstances, this general approach appeared to have been quite correct. In the mid 1980s, many economists and planners thought a strong

ministry would be able to put a sector onto the right track. Hence, the primary function of the project was "institution building," with the secondary function explicitly and correctly stated as "direct support."

An evaluation cannot afford to be anachronistic. The Mission recognizes the validity of its project objectives at the time of project formulation. In its view, the basic weakness of the project lies in its over-ambitiousness. Given the conditions of the Ministry at the time of starting the project, the broad scope of many activities was not compatible with the capabilities of the Ministry. The project, as designed, failed to appreciate fully that the reorganization of the Ministry was really a pivotal activity. Any failure on that score would undermine seriously the remaining activities. In other words, the needs were correctly stated, but the ability to implement fell short of the needs. It must be stated right at the outset that without first restructuring the Ministry, "strengthening" lost its meaning and many activities (and outputs) simply became an exercise in futility. In addition, shortly after the project document was drafted the overall policy of GOC had moved away from "planning and control" towards "policy guidance and free market" and yet no revision of PRODOC was undertaken to reflect such a change.

2. Objectives, Indicators and Major Assumptions

- a. Objectives: As stated above, the development objective of the project is to promote the development of institutional capacities and capabilities to master the industrial sector and develop it in an efficient way so that Ghana's Industrial Sector Adjustment Programme can realize its objectives and the economy can produce goods for internal and export markets at competitive prices.

To contribute significantly to the above, three project objectives were formulated. The first objective is to have at hand, upon the termination of the project, a better functioning MIST, in carrying out a better prepared sectoral planning, in designing policy, in analyzing results as well as in monitoring and evaluating the ministerial activities effectively. The second objective is to enable the Ministry to generate necessary information for the execution of the Industrial Adjustment Programme. The third objective is strictly institutional support i.e., to set up and to make operational, the newly created National Board for Small Scale Industries.

The direct support component of the project is primarily concerned with the production of the information required from MIST and "hardware" and "software" necessary for the generation of such information. Assistance is also channelled to the NBSSI mostly in the form of logistic support.

- b. Major assumptions: The first major assumption was that the previous project (82/030) was necessary but not sufficient to contribute to the institutional building of MIST. A new and more tightly drawn project would enhance appreciably the capabilities of the Ministry. The second assumption was that the rehabilitation of the industrial sector required a well organized and capable ministry to direct and monitor its

rehabilitation. The third assumption was that small enterprises needed a variety of support and assistance. The fourth assumption, and the most important, was that the reorganization of the Ministry would take place in a reasonably short time and the rest of the activities would easily follow and the outputs would fall into place. As it will become clear in the subsequent pages, this last assumption turned out to be the nemesis of the project.

3. Beneficiaries

The PRODOC does not explicitly delineate either immediate or ultimate intended beneficiaries of the project. It can be inferred from the project document, however, that the ultimate intended beneficiary of the project is the industrial sector. The immediate beneficiaries are MIST and NBSSI, since the project was to strengthen the Ministry to play a key role in policy formulation, investment monitoring, key statistics, etc., and NBSSI is expected to enhance by and large micro and small enterprises in the country by enhancing the capabilities of these institutions and upgrading the level of its staff.

4. Work Plan

The project document contains a set of tentative work plans. The CTA did update the project work plan regularly. The perception of the Ministry, however, was that this was done unilaterally by the CTA for the purposes of reordering the activities as he saw fit.

III. PROJECT IMPLEMENTATION

A. Budget - Inputs

The budget figures provided at the end of this section show the original budget as approved in the project document in the left column and the latest approved revision J in the right column.

The project envisaged 54 man-months of individually recruited UNIDO advisers for a total of \$495,800. By the end of the project, 71.3 m/m was delivered for a total of \$540,918 representing a 32 percent increase in m/ms delivered, yet only an increase of 9 percent in cost. The discrepancy is explained by the fact that the experts were costed at \$9,000 per man-month whereas the actual cost was approximately \$7,500 per man-month.

The increase in man-months delivered reflects the 8.3 month extension of the CTA and a nine-month extension of the Small Scale Industry Adviser. This was justified by the delay encountered in various project activities including delays in the production of outputs which were to serve as a basis for further work to be carried out by the SSI adviser.

The 15.5 man-months under budget line 11. (Rev. J) amounting to \$139,500 is unspent and represents the transfers of project savings from other project components to short-term consultants who were envisaged to be recruited to complete the database systems development. Of this amount approximately \$109,500 is available for programming after approximately \$33,500 is transferred to budget line 16 to defray the cost of the evaluation.

The expenditure under personnel component of the project, aside from the extensions of the CTA and the SSI adviser, require no further comment. The same applies to the sub-contract component where cost was on target.

The external training component of the budget is 87 percent undelivered because the fellowships originally budgeted at \$91,000 were mostly cancelled in favor of in-service training. Only one, five-week study tour and a three-month fellowship were undertaken during the life of the project. Whereas \$27,328 was spent for the in-house training. The mission did not have a breakdown of how this money was spent. The majority of the training activity was carried out by the CTA at no extra cost to the project. So the amount of \$27,328 was presumably used for the computer training provided by a local company under sub-contract. If this is correct, the amount appears to be expensive especially given the poor training results achieved.

The 39 percent increase in equipment was mostly caused by the decline in the value of the dollar, inflation and a certain amount of undercosting. Equipment provided by the project included:

- Three new project vehicles for project activities. Comment: all three have been taken back by the UNDP to the consternation of MIST.
- One micro-computer system with five terminals, three printers, software and two stand-alones. Comments: several computer terminals are now inoperative. The equipment is in an unairconditioned, dusty room. At present the only regular use

being made of the equipment is for word processing. No database is being maintained and no staff is assigned to maintain the system:

- One canon copier:
- Miscellaneous office equipment: and
- Miscellaneous office supplies \$12,000, maintenance of vehicles and office equipment \$10,000. Comment: vehicle used by evaluation team was CTA's project car. The car's condition is poor for its age partly due to wear and tear under admittedly difficult conditions, and apparent poor maintenance.

The \$220,000 contribution of the World Bank under IDA was to support and enable the project to contribute significantly to the World Bank/Government of Ghana industrial strengthening programme and the Industrial Sector Adjustment Credit (ISAC). This amount was blended with the UNDP financial contribution to carry out overall project activities.

CHA/56/001: PROJECT BUDGET COVERING UNDP/WORLD BANK
CONTRIBUTIONS (IN US DOLLARS)

<u>Components</u>	<u>Original Total</u>		<u>Latest Revision J</u>	
	<u>29/9/86</u>		<u>10/5/90</u>	
	m/m	\$	m/m	\$
11 <u>Experts</u>				
11.01 CTA/Industrial Planner	24	228,600	32.3	251,929
11.02 Industrial Statistician	18	161,400	16	133,309
11.03 Small Scale Industry				
Adviser	12	106,800	21	155,680
11.05 Consultants	2	17,400	15.5	139,500
	--	-----	----	-----
11.99 Sub-Total	56	514,200	86.8	680,418
13 Admin. Support		- 0 -		6,562
15 Local Travel		3,000		7,351
16 Mission Costs		12,000		19,667
17 National Experts	3	6,000		6,000
		-----		-----
19 Component Total		535,200		719,998
20 Subcontracts				
21 Subsector & Rehab. Progs.		427,700		
22 Small Scale Ind. Survey		30,000		
		-----		-----
		457,000		442,220
29 Component Total				
30 <u>Training</u>				
31 Fellowship		91,000		11,013
32 Study Tours		3,200		2,349
33 In-Service Training		- 0 -		- 0 -
		-----		-----
39 Component Total		92,000		40,690
40 <u>Equipment</u>				
41 Expendable		12,000		10,665
42 Non-Expendable		50,000		111,055
		-----	Adj	- 430
		-----		-----
49 Component Total		92,000		121,310
50 <u>Miscellaneous</u>				
59 Component Total		21,600		44,086
		-----		-----
99 PROJECT TOTAL		1,200,000	99.5	1,365,304
		-----		-----
100 <u>Cost Sharing</u>				
102 World Bank Cost Sharing		220,000		220,000
		-----		-----
109 Component Total		220,000		220,000
		-----		-----
999 UNDP TOTAL		980,000		1,145,304

B. Analysis of Activities

The project had to juggle many activities in order to fit them into ever changing circumstances and adverse conditions. The Mission therefore prefers to dwell upon the nature of activities in more of a global fashion than to itemize them one by one. Section 3 will evaluate the activities in terms of planned outputs.

The Project in accordance with the PRODOC had a dual function: institution building and direct support. Institution building was to be carried out primarily by the UNIDO-hired, long-term and short-term experts and direct support outputs were to be produced primarily by sub-contracted expert/advisory services. The sub-contracts were mainly for preparing sub-sectoral and other industrial planning documents.

As with all technical cooperation projects of this kind, the UNIDO experts were also required to produce some direct support outputs and it was also expected that the sub-contract personnel would carry out on-the-job training in the areas of their expertise.

Since by definition the project was to restructure the Ministry and strengthen it to carry out new or re-established functions MIST staff was to be fully involved in the project at all levels.

To manage and monitor the project on behalf of the Government, the Chief Director (Technical) was appointed as the Government National Project Manager (NPM) and the principal counterpart of the CTA. After approximately one year, on March 17, 1988, the Principal Industrial Promotion Officer responsible for multi-lateral coordination was appointed the NPM by the PNDC Secretary of MIST. It was also envisaged that the respective technical Directors of the Technical units were to head three MIST technical units, i.e., Planning, Research and Policy Formulation (PRP); Programming, Monitoring and Evaluation (PME); Manufacturing Operations Support and the Secretariat for the National Board for Small Scale Industries would be the technical counterparts of the UNDP/UNIDO advisory team. Regrettably since no decision was taken on reorganization, let alone decisions on interim measures, the UNDP/UNIDO advisory team never really had counterparts with whom they could cooperate, liaise and train in a structured and systematic fashion, throughout the implementation of the project.

Some ad-hoc, working-level interactions did take place while sectoral studies were being prepared by the subcontractor. Officers were assigned to cooperate with these consultants in carrying out the studies. The level and intensity of counterpart involvement, however, varied greatly. Generally speaking, the officers were involved in commenting on the questionnaires prepared for the survey of industries and commenting on the draft reports prepared by the consultants. In some cases, the officers accompanied the consultants during their visits to the various firms. Section chiefs were also requested to comment on the draft reports. In some cases, comments made by them were not reflected in the final reports.

By and large, however, the opportunity of using the project specialists to assist in training the staff was missed by the project. Moreover, only three workshops were held by these experts at the end of their assignments. The learning experience of MIST staff in sub-sectoral studies depended on the time and interest of the MIST staff and the available time the consultants had.

During project implementation the availability of counterparts at the working-level never materialized as envisaged due to two factors:

- The reorganization plan never got off the ground; and
- The majority of HIST staff disengaged themselves from the project. The reasons will be touched upon later in this Chapter.

With respect to UNDP/UNIDO individual international experts a Chief Technical Adviser in industrial policy analysis planning and programming was to be provided for a period of two years. The CTA arrived during March 1987 after a delay of seven months, and departed during November 1989 for a period of 33 m/m. His contract was extended due to the many delays encountered by the project.

Additionally, an adviser in industrial statistics was fielded for an assignment of 18 m/m: for the entire year of 1988 and six months of 1989.

An adviser on small-scale industries attached to the National Board for Small Scale Industries under HIST was fielded for 21 m/m against the originally planned period of 12 m/m. His counterpart at NBSSI was never in a position to use his expertise, except for miscellaneous assignments. The long extension was justified because of the delay in completing the SSI survey. The survey remains incomplete to date.

Under the provision for sub-contract, a long-term consultant on industrial project appraisal and sub-sector programming was to be fielded for 18 m/m. The adviser arrived during January 1988, two months late. He ran into problems with the CTA and the actual work carried out by him left much to be desired. He left the project early during July 1988, twelve months ahead of schedule. Before the contractor was able to field a long-term consultant, this time to primarily coordinate the production of the sub-sector studies, almost seven months passed. He arrived during January 1989.

Under the international sub-contract, seven experts were fielded for:

- Textile/Garment/Leather sub-sector study (8 weeks):
- Chemical/Plastics/Rubber/Cosmetics (8 weeks):
- Metal and Machinery/Transport (3 months):
- Non-metal and Earth Products Sub-sector study (6 weeks):
- Electrical/Electrical Sub-sector Study (5 weeks): and
- Food and Agri-Products Sub-sector Study (2 experts 3 weeks each).

All studies, but one, the Food and Agri-Products study were finalized after delays and a great deal of revision and editorial work, however, it was unsatisfactory. Under the national sub-contract component of the budget, Planconsult Company was hired to redo the Food and Agri-Products Study which Louis Berger was unable to complete as indicated above. Planconsult's report is also considered to be unsatisfactory.

An additional sub-contractual agreement was reached with Ghana Statistical Services to assist NBSSI to carry out a survey of S & M Enterprises; additionally 30 man-months of national experts contract was envisaged.

3. Implementation Issues

The project implementation was critically hampered from the beginning due to the overambitious design of the project as discussed under Section B of this report. Added to this problem the Mission is compelled to state that the critical assumption upon which the success of the project hinged upon more than any other factor was never realized. The criticality of this assumption was reflected under the Prior Obligation and Prerequisites Section of the project document. we quote: "The primary function of this project is to establish adequate capabilities at HIST. For this, an important prior obligation to commencing substantive project activity is that the proper institutional framework be in place and national staff available as indicated in the Government inputs section. Therefore, the fulfillment of the above two conditions for the relevant HIST Units will be a prior obligation of the Government for the fielding of the advisers on industrial statistics and industrial project appraisal and sub-sector programming, respectively. (As one of the tasks of the CTA and the SSI adviser would be to assist in the establishment of the proper institutional framework of HIST and NBSSI, this prior obligation does not apply to them)."

Under the project document, it was the responsibility of the Resident Representative on behalf of UNDP, to ensure that the prior obligation was fulfilled. The project document did state that if the fulfillment of this prior obligation failed to materialize UNDP may, at its discretion, suspend or terminate its assistance.

It is the Mission's view that the project was unrealistic in assuming that a reorganization of HIST could be decided on and implemented in eight months and NBSSI's in four months. The impossibility of achieving this schedule should have been realized in the early months of the project and recommendations for and actions to suspend project activity (except for the sub-sector studies) should have been taken. Failure of the tripartite reviews of the project to come to grips with this problem condemned the project to failure in terms of producing satisfactory outputs and meeting its objectives.

The prior obligation statement should have been even stronger stating that the CTA and the NBSSI adviser should be withdrawn (or not fielded) until a decision is taken on the reorganization plan and at least some staff are in place in the units created under the reorganization.

The delay in taking a decision on the reorganization had external reasons: delay on the part of Government to set guidelines and decide on proposals submitted by the various Ministries. At present, a high-level oversight committee is still reviewing reorganization proposals of various ministries and as to when final decisions and implementation will take place is still pending.

At the project level, interim reorganization measures could have been implemented but never were for internal reasons. A major factor was the mistake made by the project designers which the CTA and HIST did not realize until it was too late. This was that the CTA, together with the Director of Administration, should not have prepared proposals to place individual staff under the reorganization plan. This should have been left to the Government's discretion. These confidential staffing proposals were leaked, as they always are. This personalized the reorganization plan which prevented reasoned discussion on its functional merits. The fact that some of the personnel changes suggested in the

staffing proposal were contrary to civil service policy and practices strengthened resistance even further.

The situation made further discussion on reorganization with a broad spectrum of MIST staff difficult if not impossible, which resulted in no decisions on interim measures and was a major cause in the alienation of the majority of MIST staff from the activities of the project.

The dissatisfaction of MIST staff with the project was also reinforced by problems of cooperation between the project designate counterpart, the Chief Director Technical and the CTA. Who was right or wrong in this lack of rapport is inconsequential for purposes of this report.

As already stated the Secretary appointed the Principal Promotion Officer responsible for multi-sectoral coordination as the new counterpart. This decision created its own problems since the new counterpart no matter how bright and hard working he appears to be, is not senior enough in the MIST hierarchy to provide the necessary clout and authority to interact with the CTA and act on MIST reorganization and policy issues. This then prevented whole-hearted participation and cooperation of most of the senior staff with the project. Existing disharmonies amongst MIST staff if not caused by the project were certainly fuelled by it. Clear cut lines of communication and responsibility amongst MIST staff for project activities were never possible under these conditions. With this mood in the Ministry the CTA dealt ever more directly with the PNDC Secretary and on the reorganization issues with the Chief Director of Administration which created further embarrassments and frictions within MIST. The CTA increasingly became more operational and less of an adviser. This led to even more alienation of MIST staff from the project. The project also suffered from friction within the UNIDO team.

With regard to expert and consultant activities several problems were encountered which also affected implementation performance and project effectiveness. For example, the SSI Adviser's delayed arrival was nevertheless too early in view of the fact that the SSI survey had not been carried out as was unrealistically hoped. This was to be originally subcontracted to the Ghana Statistical Service (GSS). Upon the Statistical Expert's arrival, GSS lost interest (the mission was told), in actively participating in the SSI survey. The project team then decided to launch their own survey which cost a great deal of time and effort. Despite this great effort, the project was not able to finalize the tabulation nor analyze the data in order to establish a functioning database.

The Statistical Adviser was kept busy with liaising with the GSS on the Medium and Large Industries Survey. However, tabulation and preliminary analysis of data was available only shortly before the statistical adviser's departure. Similarly, the SSI survey was only launched in April 1989 whereas the statistical adviser left in June 1989. His expertise was not available to assist in analyzing the SSI survey data nor to integrate it with the Large and Medium Industries survey results. Moreover he never had counterparts to carry out effective capacity/capability strengthening activities. For the sake of doing something, he kept himself busy by collecting existing economic data from various sources and merely put them in a booklet called "Ghana Statistics at a Glance". Later he produced an update of this booklet. This output although a handy reference was really a total waste of expensive expert time considering that the job could have been easily carried out by a junior MIST officer or graduate student. Moreover, the statistical expert

was computer illiterate and could hardly carry out the pertinent activities for setting up a computerized database.

Since the full institutionalization of the NBSSI and its staff hinged on the decision to reorganize HIST, the Executive Director was not in a position to take full advantage of the skills and knowledge of the SSI adviser hence practically no institution capacity/capability activity took place within NBSSI. The adviser also had no counterparts to work with. Aside from authoring a reorganization proposal for NBSSI and assisting in setting up the SSI survey and preparing a preliminary paper on establishing a SSI industrial database not much of his originally foreseen activities could be carried out.

Sub-Contracting Activities

The phasing of the sub-contracted activity carried out by Louis Berger with national sub-contractors was such that none or little complementarity and mutual support with local sub-contractors was possible.

Delays were encountered in finalizing contracts because of the lengthy international bidding and contract awarding procedures practiced by UNIDO. In turn Louis Berger had difficulty in fielding experts on time. Also further delays in awarding contracts to national consultants which had to be processed by UNIDO, in accordance with established procedures, caused additional problems.

The UN policy of awarding contracts to the lowest bidder, even if the proposal is technically less responsive than others, caused some consternation amongst the World Bank, HIST and the CTA. The team was told that the policy caused awards to be given to bidders who could not deliver the quality of output expected.

It must also be noted that the original team envisaged by the Berger Company was no longer available when the contract was finally awarded. The Louis Berger consultants were considered second rate and Louis Berger's response to this lack of quality was in essence "you get what you pay for." Only through persistent efforts by the HIST and UNIDO did the output quality of the last three consultants improve. However, even their reports required extensive editing and revisions by HIST and UNIDO. The second long-term Louis Berger Adviser, who arrived late into the project, was considered helpful and made an effort to save a bad situation.

The performance of the local consultants was considered useful but left much to be desired. Part of the problem appears to be that they would have needed better material and logistical support to carry out their assignments. They never materialized.

Concerning World Bank interest in the project, already at the sub-contract bidding phase the acceptance of Louis Berger's proposal by UNIDO which was not considered the best one by the World Bank, created a rift between the Bank and UNIDO. The interest of the Bank clearly waned during the project's implementation, and the Bank did not attend the second and third of three tripartite reviews. A visit by the Evaluation Mission to the Accra IBRD Mission Office to get their view of the project drew a blank response from the Chief Economist and the IBRD Resident Representative who did not know of the existence of the project, nor did they express an interest.

With respect to the bidding procedure both HIST and the CTA felt strongly that more involvement of the Ministry and the project staff in selecting consultancy firms would have ensured the selection of a more competent firm.

Only after the Deputy Minister's intervention did the Louis Berger consultants begin to involve HIST staff in the preparation and implementation of the studies. The last three sub-sector studies were used to conduct workshops in the Ministry. The last study was used to brief industrialists during a workshop. This should have been the practice for all the studies.

Training: The CTA made a valiant effort to prepare and conduct an in-house training programme. Some kind of a manpower training survey was conducted which was based on questionnaires sent to the staff. However, the training needs were not explicitly elucidated. A training programme in three modules was developed and implemented from time to time over the life of the project. The content, level and intensity of the courses were considered by many of the participants to be too basic and/or a superficial introduction to the subjects covered. Course syllabus, classroom materials used and background documentation distributed were not comprehensive enough to enable participants to deepen their skills and knowledge during the course or to do so later through self-study. Problems were also encountered with the group composition which was very heterogenous. This, however, was difficult to avoid since it reflected the heterogenous educational and professional background of HIST staff.

The major complaint was that the programme was organized in-house and during office hours. This made it extremely difficult, if not impossible, for staff to fully concentrate during the lectures and to attend all of them due to the pressure of routine work.

(In contrast, for example, the Bank of Ghana/Arthur D. Little/ISAC Bank intensive training programme on investment project preparation and evaluation was considered successful by the several HIST staff who participated because it was intensive, professionally conducted, and held outside the Ministry which enabled the participants to give full attention to the instruction.)

External Training

The external training component was never carried out as planned since the reorganization never took place. For reasons unknown to the Team, two staff members did receive some external training. The national counterpart went on a 35-day study tour to five countries to look at industrial free zones and textile industry. The programme was considered to have been an eye-opener for the study tour participant. However, the team questions the relevance of the subject studied and cost effectiveness of such a tour when considering the time spent in each country. Another staff member took a three-month course at the Irish Development Authority on free trade zones and small-scale industry. Regrettably he resigned from the Ministry upon completion of his training.

C. Project Monitoring and Management

The first Project Performance Evaluation Report (PPER) was prepared on February 8, 1988, approximately one year after the CTA's arrival. His overall assessment of the progress made was that the project was

achieving its immediate objectives "more than planned." This was grossly optimistic.

The PPER provided a great deal of detail and narrative. However, in measuring performance, far too much weight was given to the delivery of documentary outputs which, although critical for project implementation, can be only considered one of many steps in fully strengthening an institution. The PPER did highlight some project problems and issues and stated that the project did have certain difficulties. In its commentary on the quality of the PPER, however, the Evaluation staff of UNIDO commented favorably on the effort made to complete the PPER. The report was not transparent in reporting on progress achieved in institution-building as against direct support activity. Detailed suggestions were made on how to enhance the project document: outputs etc., so that the planned capabilities and related capacities could be developed by the project. It was stated that without such a restatement those who are monitoring the project may not be able to get a clear picture of project performance in developing MIST's functional capabilities.

These comments were well taken by MIST and a letter was written to the Ministry of Finance and Economic Planning suggesting that the issue of project design be discussed at the forthcoming tripartite review.

The UNIDO Backstopping Officer reacted to these comments by stating that the capacities and capabilities to be created in MIST were already spelled out in the Restructuring of the Ministry, a restatement would overburden the project management unnecessarily.

The Mission is of the opinion that project management and UNIDO failed to see the importance of fully defining the capabilities/capacities to be developed in terms of staff: services to be provided to Government and industry: methodology/procedures needed to operate such services: premises/facilities and management arrangements required as an integral part of the project document. This affected project reporting during the entire implementation period. The full impact of the lack of any significant progress in strengthening MIST only came to light during the last TPR when it was much too late to take any remedial action.

The second and last PPER prepared on May 18, 1989 reported in the same fashion and mainly focused on the production of documentary outputs. This PPER, therefore, also failed to provide clear information on the extent to which capabilities and capacities have been strengthened at MIST to enable it to carry out its functions in accordance with the project document and the reorganization plan. The PPER also lacked sufficient information on the extent to which the project was succeeding in helping MIST with data, analyses and guidelines for the Industrial Sector Adjustment Programme: whether a SSI work programme for NBSSI and related staffing was in place: whether all the agencies involved in SSI development roles and responsibilities were provided: and whether a SSI work programme was being implemented.

The PPER did state that the "full delivery" of project objectives seem unlikely since the central component of the technical assistance, namely the reorganization, has not been implemented. And yet the PPER also claimed that 90 percent of the reorganization implementation was completed although no decision on this issue had taken place.

Further on the PPER, it was stated that the experts had to operate "basically as in line functionaries rather than as advisers. Thus the training effect and know-how might not be fully transferred or realized at the end of the project". This is the only exact statement in the Report.

Despite exaggerated claims of 67 percent completion of the objectives, the PPER raised enough alarm signals for those who were responsible for monitoring and backstopping. Yet the seriousness of the situation was never fully appreciated and decisive action was never taken to resolve critical project implementation issues.

The final TPR rejected CTA's Terminal Report because of inaccuracies and inflated project performance assessment. But the focus was more on the production of documentary outputs; and not enough attention was paid to institution building issues, particularly the lack of progress in this area.

Tripartite Review Meetings

The first tripartite review meeting was held on November 2, 1987. No PPER was prepared for this meeting. The World Bank, UNDP, UNIDO and the Government were represented at this meeting.

Since this was the first tripartite review, discussion focused on project activity. However, a reorganization proposal for MIST had already been completed by the project during June 1987. By November 1987 TPR meeting, not even interim reorganization measures were about to be put in place. Yet this critical issue was not fully addressed in the meeting.

At the meeting, the problems concerning delays in staff placement, procurement of computers, project vehicles, and problems relating to inadequate maintenance were highlighted. The UNIDO backstopping officer apologized for UNIDO's slow recruiting and purchasing procedures.

The second TPR was held on September 30, 1988. This time the World Bank was not represented. At the meeting it was noted that the Government had not made a decision for the reorganization and that recruitment could not proceed. Problems with the performance of the international subcontractor Louis Berger were highlighted. The SSI programme was judged to be 75 percent complete which was simply untrue. UNDP raised issues of late recruitment, lack of team coordination and the uneven quality of outputs. Again, UNIDO admitted its poor performance in delivering inputs and expressed misgivings on the subcontractors performance. The focus of the meeting was again on activities to produce documentary outputs and the delay in delivering inputs. The probability (or improbability) of achieving the project objectives was only superficially addressed.

During the meeting the CTA presented a detailed proposal to amend the project document in response to the comments made by UNIDO's Evaluation Staff. No decision on the CTA proposal was recorded.

The proposal submitted by the CTA basically reformulated the project output section. However, what was intended was not clear since the output statements were converted into activity statements i.e., "carry out rehabilitation studies" or "carry out on semi-annual basis industry

studies." If the intention was that the capability would be created to carry out such activities at MIST, the revised output proposal represented only a marginal improvement over the original project formulation, since all the factors required to carry out such activities were not defined.

The final Tripartite Review held on December 12, 1989 again did not include a representative from the World Bank. The UNIDO Backstopping officer (a new one, since the previous one had left UNIDO) and the Louis Berger representative were there. The CTA had already left the country during November 1989. The meeting rejected the CTA's Terminal Report as inaccurate, inconsistent and not reflecting the actual situation of the project. The issue of the likelihood of the project achieving its objectives was for the first time properly discussed during this meeting. It was much too late.

The following was also noted at the meeting:

- The CTA never consulted with MIST when revising work plans:
- There was inadequate coordination between the CTA and his counterpart staff: and
- There was inadequate cooperation between the CTA and the other international experts recruited under the project.

UNIDO's new Backstopping Officer stated that the project was over-ambitious and given its inputs and duration could not have achieved much. Government expressed disapproval of the modus operandi of the CTA and stated that future projects should have CTA's terms of reference formulated in a way as to forge close cooperation with the counterpart staff.

In summary, it was concluded that the project was far from achieving its objectives and the little that was achieved lacked sustainability.

Other Progress Reports

The CTA sent at least eight interim progress reports to UNIDO with updated work plans. It appears, however, they were prepared in isolation of MIST staff. Some of these reports expressed concern about the lack of progress concerning the Ministry's reorganization and staffing. However, it was only as late as August 1989, three months before his departure, that he clearly signaled that the project was likely to be unsuccessful.

Project Backstopping/Agency Performance

Criticisms against the performance of UNIDO in implementing the project were raised throughout the implementation. The recruitment of experts took over 10 months on the average. Equipment was delivered late and claims were made that the prices paid were too high. The bidding procedure for sub-contracts was considered too lengthy and the criteria used for selection, mainly lowest cost, did not adequately ensure quality input.

UNIDO did make a great effort to improve the quality of the sub-sector reports, and it is evident that a great deal of correspondence took place and personal attention was paid to this problem. The problems

between the CTA, other experts and MIST, however, could hardly be resolved from Headquarters. The Mission was told that the original Backstopping Officer totally relied on the CTA and when visiting MIST liaised only with the Minister. He thereby missed the opportunity of interviewing operational staff and consequently learning about the serious problems MIST was having with the project.

IV. PROJECT RESULTS

A. Outputs

In a project such as this where the focus is on institution building, several problems arise when it comes to measuring outputs. First, some of the most important results of the project may be hard to quantify precisely. Second, quantifiable outputs, such as studies, reports etc., may have been produced but some qualitative assessment has to be made as to the usefulness of these outputs and whether they were used. Third, in this specific case where the project document is weak and there is a weak link and lack of correspondence between the activities and outputs, and the absence of prioritization is evident, the reporting on the percentage of outputs produced does not necessarily signify the same percentage of accomplishment of the project.

Especially in an institution-building project where quantifiable documentary sub-outputs are produced (e.g., operation manuals) in support of capacity/capability building, the 100 percent production of these sub-outputs represent only a small percentage of the results required to institutionalize or operationalize fully a functional capability and capacity. For example, the operational unit for which the operation manual is intended, should also be properly established and its staff trained to understand and use the manual. Further, as experience is gathered, the Unit should be in a position to assess the usefulness of the manual and should be able to improve it as required. The project document in question did not pay due regard to all the elements required to create a fully functioning and effective institution capability. Since the organizational prerequisites for using and institutionalizing the project's documentary outputs were never in place, the assessment of these project results and their utilization, apart from the qualitative aspects, necessarily led to negative conclusions.

The previous chapter dealt at length with the shortcomings of project activities. This section need not to be a detailed one. In what follows, first the expected outputs listed in the PRODOC are stated briefly in the same order. After each output the Mission states its concluding remarks.

Three sets of outputs are stated for Objective 1

- Output 1.1 was to be a set of documents and operation manuals for the reorganization of MIST. The report prepared by the project was not accepted by the Ministry and no action was taken. The report was found weak, incomplete and unrealistic. Only a very few manuals (such as database) were prepared, but not with enough depth to be of operational value. The Mission concludes therefore that output 1.1 was not attained.
- Output 1.2. Technical systems, criteria and methodologies, and procedures were the outputs for new and improved functions in the Ministry. The Mission found that rudimentary methodologies and procedures were prepared, however none of them have been operationalized. The Mission concludes again that this output was also not attained.
- Output 1.3 which foresaw the development of skills and trained personnel to man the reorganized Ministry failed to materialize.

As was explained in detail in the preceding pages the activities conducive to producing this output had never been properly carried out. The Mission believes, therefore, that this output was also not attained.

Outputs for Objective 2

- Output 2.1 was expected to be a set of documents which analyzed policies and programmes that affected the industrial sector and put forward reform proposals. The project produced only one simple document related to "industrial policy" which was rejected by MIST. No other consequential document is at hand. The Mission concludes, therefore, that this output was not achieved.
- Output 2.2. A series of sub-sectoral plans and programmes were to be produced which would be conducive to intersectoral analysis. The project did produce (through sub-contracting) (7) sets of studies. After reviewing these studies and interviewing the counterparts who were involved one way or another in the preparation of them, the Mission believes that only (2) of these were good and useful studies. (3) were only of some use (2) were totally inadequate. The Mission is of the opinion that this output has been attained only partially. (See Annexes 5 and 8.)
- Output 2.3 was expected to be a set of industrial statistics needed in the Ministry, but not routinely compiled in the country. The project did produce one product entitled "Industrial Statistics at a Glance" using quarterly statistics available from Ghana Statistical Office and data published by the World Bank. The Mission has no other recourse but to conclude that the output was not achieved.
- Output 2.4 was supposed to support manufacturing operations of SOEs (which sounds more like an activity), and to prepare a rehabilitation programme for them. Since no activities conducive to produce such a report was ever undertaken, the Mission concludes that the output was not attained.

Outputs for Objective 3

- Four sets of outputs were foreseen in the project Document.
- Output 3.1 was a restructuring document for the use of NBSSI. The project did prepare a document, but it was not accepted by NBSSI. Therefore for all practical purposes, the Mission is of the opinion that the output was not attained.
- Output 3.2 foresaw a survey of small-scale industries. The survey was, in fact, carried out. However, it is plagued with several methodological inaccuracies and is awaiting

further work. This output, at best, is only partially achieved.

- Output 3.3 and 3.4 foresaw drawing up policies and programmes which would guide a variety of operations of NBSSI and a five-year development plan for NBSSI respectively. Since no activity conducive to produce such outputs were ever carried out, the Mission concludes that they were not achieved.

B. Immediate Objectives

As can be anticipated from the above, the Objective 1 i.e., restructuring MIST and strengthening its capacity was not achieved. Objective 2, which was to equip MIST with information conducive to planning/programming has not been achieved. Objective 3 restructuring NBSSI was also not achieved. The survey of small-scale industries, in its present condition, has no operational value for NBSSI.

C. Development Objectives

Since the immediate objectives are not achieved no significant contribution to the development objective could have been made.

D. Unforeseen Effects

The Mission could not detect any unforeseen effects that had impact upon the execution of the Project.

E. Sustainability

Since the project produced no appreciable results sustainability question does not arise here.

F. Project Follow-Up

The Mission is of the opinion that no follow-up in the form of a new phase or a new project is advisable at this juncture. The Mission also wishes to state that the Ministry is in dire need of assistance in a number of areas, especially in staff training. The new assistance, however, must be contingent upon the reorganization of the Ministry. It is the understanding of the Mission that the Ministry recently commissioned a new study for reorganization. The Government at present, is entertaining several alternatives. Fusing the Ministry with another is one option among many, and separation of Science and Technology from the Ministry is another option. Sufficient time must be given to the Government to formulate its plans and reorganize the Ministry. Once the Ministry is reorganized and if the Ministry so desires, a preparatory mission then can be fielded to determine the areas which require strengthening and the mode of operation for such strengthening.

V. CONCLUSIONS

A. Related to Project Document

1. The project document was drafted in 1986 as a new project document, but in fact it was partially built upon CHA/82/030. The latter had fallen short of its objectives and was rather narrow in its scope to be sufficiently effective in contributing to the implementation of Structural Adjustment Programme. The project document as drafted did reflect the prevailing policy atmosphere of industrial rehabilitation needs, but as a basic approach, did hold the view that MIST's "planning" and "programming" capabilities must be strengthened. As the project implementation progressed, the overall policy of the Government of Ghana moved somewhat more towards a liberal economy. Although "planning" remained in common usage in the Ministry, "evaluation", "monitoring" and "promotion" appeared to have become more of a concern. The project document remained unaltered throughout its life. Neither the activities nor outputs have ever been formally revised to reflect the changing currents. CTA on an informal and ad hoc basis did implement certain changes with respect to output and activities. Through time the document did lose its operationality. A quick comparison between the project document and the final report of CTA reveals this fact rather clearly.
2. Some formulations and phrasing in the document are vague and muddled. There is confusion, in some instances between activity and output (see for example, output 2.4 which reads "support for manufacturing operations"). In other instances, it lacks clarity (see for example, activity 2.1.2.4 which reads "reform proposals for macroeconomic and other procedures...").
3. Apart from the original and tentative work plan contained in the project document, no revised work plan was ever produced by CTA with the involvement of his counterpart(s) at the Ministry. Subsequent work plans prepared by CTA and reviewed by this Mission give the impression that those were prepared for reporting rather than to guide MIST project staff.
4. Last but the most important shortcoming of the Project Document, in view of the Mission, was to compress two projects into one. The Project was first to assist the Ministry in its reorganization (by preparing organizational charts, job descriptions, administrative manuals etc..) and then strengthen it with training, conducting sectoral/sub-sectoral studies and setting-up special units (such as database unit, planning unit). The success of the latter hinged upon the success of the former. The Mission is of the opinion that a project document of this nature is doomed to failure when these two broad areas of action are mixed, if for one reason or another reorganization did not take place, the end result is an unimplementable project document. A faulty design contributed considerably to the Project's failure. When it became apparent that the reorganization of MIST was yet to come, the Project Document should have been reviewed to reflect the prevailing circumstances. No such attempt was ever made and the activities were carried out oblivious to the reality.

5. It must be noted also that the Project Document should have been more sensitive to the "reorganization". Project 82/030 had already submitted to MIST a draft reorganization plan. At hand was yet another reorganization plan proposed by the World Bank. MIST remained unaltered in its structure and no action was ever taken. It seems imperative that the feasibility of reorganizing MIST rather quickly at the early stage of implementation, should have been evaluated. The result might have been a different PRODOC.
6. In short, the Mission is of the opinion that the PRODOC originally drawn was unrealistic, overambitious and not sufficiently clear. As its execution proceeded, it lost its operationality.

B. Related to Project Implementation

1. The Project was poorly implemented and as a result did not produce many of the expected outputs. A series of mishaps plagued the Project:
 - Very little coordination and cooperation were established between CTA and his national counterpart and staff of MIST. CTA liaised mostly with the PNDC Secretary. (specific reasons of which are not clear to this Mission especially since the Secretary has now been changed), thereby creating certain ill feelings among the officers of the Ministry on whose support and collaboration he could not count.
 - The reorganization of MIST never took place. The proposed restructuring was never officially approved, let alone implemented. In addition, CTA also proposed a plan for staff deployment within the Ministry (including the names of the staff), as a result, an uneasy feeling reigned among the officers of MIST. The Mission noted that such a task though included in the activities (1.1.5), should never have been included in the project.
2. One of the major objections raised against the proposed plan was the fact that it neglected to incorporate S & T component of MIST, therefore it fell short of its aim and it was unimplementable.
3. Irrespective of the reasons as to why the reorganization did not take place, in the absence of a new structure, the "strengthening" of MIST became a haphazard activity as the implementation proceeded. Internal training fell short of its aims, since it was difficult to determine who was going to be trained and for what purpose.
4. CTA designed and implemented a series of workshops/seminars. However, such activities never adhered to a systematic and sequential plan and never went beyond overviews and thematic introductions. The absence of a training specialist, as an input must also be noted. CTA also assumed the responsibility of the training planner and the trainer.

5. External training was implemented at a very reduced scale. One staff member spent thirty- five (35) days abroad and visited industrial free zones and concentrated on garment industry; another spent three (3) months in the Republic of Ireland concentrating on issues related to export processing zones and small-scale industries. This staff member left the Ministry shortly after his return to his post.
6. There were delays in international staffing of the Project. Some sub-contractors (mainly University of Ghana) never fulfilled their obligations fully.
7. HIST was slow in some cases and totally unable in some other cases (especially in the area of statistics) to identify and attach counterparts to the project.
8. Sufficient equipment, cars, computers etc., was provided for the project. However, now the condition of the computer equipment is deplorable. Some are out of commission, they are housed in inadequate facilities and maintenance of equipment is totally neglected.
9. Database unit lacks staff and a sufficient range of database software. The Unit's facilities are totally unsuitable for housing computer facilities.

C. Related to Institution Building

1. The Project contributed very little to the institutional capabilities of the Ministry. Contrary to what is stated in the final report (see p.10 para. 3) the Mission sees no evidence of appreciably enhanced capabilities of staff, nor of the existence of a database unit. The only operationally useful output seems to be some sub-sectoral studies prepared by the sub-contractor, Louis Berger. However, their quality is assessed to be excessively uneven.
2. Statistical database system is not operative. "Industrial Statistics at a glance" produced by the statistics expert is only a recompilation from the secondary sources.
3. NBSSI appears to have marginally benefitted from the Project only if "small-scale industry survey" can be successfully completed in the near future.
4. The Mission believes that the Project in its totality contributed very little, if any, to the strengthening of HIST.

D. Related to Monitoring and Management

The Mission concludes that the entities entrusted with monitoring and management failed to carry out their responsibilities and thereby contributed to the unsuccessful execution of the project.

VI. RECOMMENDATIONS

A. Related to the Project

1. In view of its findings the Mission recommends that the project be officially terminated as soon as possible.
2. Prior to its termination a modest sum may be earmarked for the termination of small industries' survey.
3. All office equipment especially computers should be immediately stored by the MIST under appropriate conditions. If and when the Ministry and/or NBSSI is not in a position to provide proper housing for such equipment (such as dust free, airconditioned rooms and maintenance contracts), such equipment should be stored by UNDP.

B. Related to Further Assistance

1. No extension or further phase of this project should be contemplated at this point of time.
2. It is imperative that MIST takes the reorganization seriously and prepares the blueprint of it and executes it. Then and only then should UNDP consider the feasibility of fielding a preparatory mission to determine the specific areas in which the "reorganized" Ministry may require assistance to strengthen its capabilities. After the determination of the specific areas in which the Ministry requires assistance, a "training needs assessment" must be carried out in order to determine staff capabilities, educational levels and previous experience, and a training programme designed to fill any identified gaps. Only after such an assessment can a meaningful technical assistance for "strengthening MIST" be executed.

VII. LESSONS LEARNED

1. In a project of this nature where organizational changes and restructuring is one of the major outputs foreseen, the issue must be tackled with extreme care and caution. The priority of this activity/output must be stated explicitly and monitored rigorously.
2. If it appears that the reorganization is not forthcoming, either the project document should be revised drastically to reflect the changing circumstances or activities contingent upon reorganization should be suspended.
3. In a project where a large component of activities consists of training, a "training expert" must be one of the inputs of the project.
4. When serious weaknesses in the Project Document is detected by the funding and/or executing agency, the document should be revised to be consistent with the prevailing circumstances as soon as possible.
5. The CTA in a ministerial restructuring project should have as his counterpart the Deputy Minister, since restructuring cuts across divisional/departmental lines. UNDP should make it very clear to the Ministry concerned that CTA is an adviser and should in no way be given or be allowed to carry out operational and/or representational responsibility on behalf of the Ministry.

ANNEXES

- Annex 1:** Request for in-depth evaluation
- Annex 2:** Terms of Reference of the Mission
- Annex 3:** Persons visited and/or interviewed
- Annex 4:** Evaluation Team
- Annex 5:** List of the project outputs reviewed by the Mission
- Annex 6:** Organizational Chart of MIST
- Annex 7:** Organizational Chart of NBSSI
- Annex 8:** Evaluation of Sub-Sector Reports
- Annex 9:** Evaluation Methodology

ANNEX 1

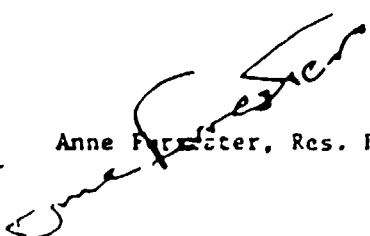
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GOVT. REQUESTED EVALUATION AFTER PROJECT EXTENSION MAY 1990 BEFORE
CLOSURE PROJECT. PLS PREPARE DRAFT TOR PROPOSAL AND ADVISE FIELDING
EVALUATION MISSION. REGARDS. (FORRESTER UNDEVPRO ACCRA).


Anne Forrester, Res. Rep.

Terms of Reference In-depth Evaluation

I Background

In support of the effort to stabilize and rehabilitate Ghana's economy, a UNDP supported project GHA/82/030: Industrial Planning was approved in 1984 to improve the operational performance of the industrial sector and to define and strengthen the planning capabilities of the Ministry of Industry, Science and Technology (MIST). The project implementation has among others revealed that much more was needed for strengthening MIST's planning capabilities than was foreseen in the original project. GHA/82/030 was therefore phased out and a new project prepared. GHA/86/001: Strengthening Industrial Planning and Programming, which started in March 1987, was to be an integral part of the Government's overall programme for industrial restructuring and policy reform. This new project was scheduled to terminate in December 1989.

The immediate project objectives were:

- 1) Reorganization of the MIST and strengthening of its capacity to perform industrial planning, programming, monitoring and evaluation.
- 2) Establishment of industrial data-base and related management information support system.
- 3) Reorganization and strengthening of capabilities and operations of the National Board of Small-Scale Industry (NBSSI); Establishment of Small-Scale Industry (SSI) data-base in preparation for the 5-year development plan for SSI.

The decision of the Terminal Tripartite Review meeting of March 1989, was that the project could not be completed within its given time (2.5 years) as the status of most of the project's outputs were more or less unsatisfactory. The core problem identified was that the new organizational structure of the MIST (with its important sub-units) has never been fully implemented. As a result of this, MIST itself as well as the NBSSI had to bear with this unfortunate situation, which affected the installation of data-bases and management information systems in particular. During the evaluation process the mission should therefore bear in mind that many of the project's objectives depend critically upon the organizational structure of MIST.

II Purpose

The purpose of the mission is to evaluate the project with regard to its effectiveness, impact and relevance. The mission should make recommendations on the type and level of technical assistance to MIST. In particular, the mission should make a recommendation on issues raised in section III.

ii Issues To Be Covered

1. Project concept and design

The mission will thoroughly review the design and concept of the project through consultations with representatives of the MFEP, MIST, NBSSI, the World Bank and the UN personnel involved as well as other related organizations, in its formulation and management. The mission should, *inter alia*, consider whether:

- a) the statement of the problem(s) the project was supposed to solve was clear,
- b) the project was properly identified, and the necessary actions to carry out the project clearly formulated,
- c) the workplan was comprehensive and realistic,
- d) the approach adopted was likely to achieve the required outputs and objectives,
- e) the objectives/outputs were correctly identified to satisfy the needs of users or beneficiaries, and
- f) whether the role of women in the project was clearly identified in the project document.

2. Project implementation

The mission will review and report on:

- a) the quantity, quality and timeliness of inputs and project resources,
- b) the issues and difficulties that affected the project's implementation in respect to project management activities, such as:
 - definition of tasks and responsibilities
 - adequacy of accommodation, equipment and support facilities
 - the selection, recruitment, assignment of staff members/experts/consultants
 - the quality and timeliness of monitoring and back-stopping by all parties to the project
- c) the issues and difficulties that affected the project's implementation in respect of training activities (especially in reference to MIST's efforts to establish a data-base, as well as NBSSI's needs in statistical data), such as:
 - definition of training needs and skill requirements
 - selecting and recruitment of national and international experts
 - supplying of training equipment (i.e. computer, books)
 - quality of on-the-job/in-house training
- d) the issues and difficulties that affected the project's implementation in respect to planning activities (especially in reference to MIST's subsector studies and MIST's data-base), such as:
 - identification of planning/statistical needs
 - collecting, compiling and verifying data
 - computing, processing, and presenting data
 - the info center/reference room (i.e. library)
 - unclear policy and planning guidelines

The mission will also review and report on the effectiveness and efficiency of the project's outputs, as well as on the need of additional resources and activities to achieve these outputs.

IV Results

The mission shall report on the results/impact of the project, the quality and utilization of project outputs, its effects on target groups and institutions; the mission should also enumerate any unintended effects, if any.

V Lessons Learned

The mission shall record any significant lessons that can be drawn from the experience of the project and its results, whether positive or negative. Any significant lesson(s) for other relevant/related UNDP projects shall be reported, as well as whether and to what extent the project was able to collaborate with other donor assistance in the industrial sector.

VI Composition Of The Mission

The mission shall consist of representatives appointed by the Government, UNIDO and UNDP. The representative of UNDP will be the team leader.

1. Team leader: He or she shall have an extensive theoretical knowledge and a sound practical experience in industrial planning and management, preferably in the public sector. He or she will be selected by UNDP. The team leader shall be responsible for the draft/final report preparation, as well as for the report presentation.
2. Industrial Engineer: He or she will be nominated by UNIDO, and should be an industrial engineer, with experience in industrial planning and management. The person should also be familiar with using electronic data processing for planning and management needs.
3. Economist: He or she will be nominated by the Government. This person should have sound knowledge and experience in industrial planning and management. He or she should have a deep understanding of the mechanisms within the Ghanaian Government.

The team leader as well as the industrial engineer, nominated by UNIDO, should be familiar with the UN system. They should both have extensive working experience in developing countries. No candidate shall have worked, or had any previous association with the project.

VII Time-table

1. Prior to the mission, the UNDP as well as the UNIDO representatives should be briefed in their respective headquarters, New York and Vienna; this should not exceed 2 working days. There should also be a Headquarter-debriefing by the team leader after the completion of the mission.
2. The team members of the mission shall assemble in Accra/Ghana on Monday, 13 August, and shall stay 10 working days in Ghana, except the team leader who will stay additional 3 days for the discussion and finalisation of the draft report.
3. The team members will be briefed by the Resident Representative, the Government of Ghana, members of the MIST, and the UNIDO field staff.
4. After the completion of the draft report by 24 August, the team leader shall debrief all parties concerned in Ghana.
5. The final report shall be completed by Friday 14 September. The team leader will submit 10 copies to UNDP.

VIII Report Distribution

8 copies of the final report should be handed over to the UNDP Resident Representative in Ghana: 5 copies for transmission to the Ghanaian Government, 2 copies for transmission to UNIDO, and one copy stays in the UNDP field office. 2 additional copies shall be sent to the UNDP Headquarters in New York.

IX Consultations In The Field

The mission will maintain close liaison with the UNDP Resident Representative in Ghana, with the Ghanaian Government, the concerned authorities within the MIST, NBSSI, and the UNIDO field staff in Ghana. A list of appointments will be provided to the mission at the initial briefing. The team members should feel free to discuss with the concerned authorities anything relevant to their assignment; however, the mission is not authorized to make any commitments on behalf of the UNDP, UNIDO or the Ghana Government.

ANNEX 3

PERSONS VISITED AND/OR INTERVIEWED

Ministry of Industries Science and Technology

1. H.E. Col. R.B. Commey - PNDC Secretary
2. Dr. K. Adjei - Deputy Secretary
3. Mr. D.K. Ayayee - Chief Technical Director
4. Mr. S.E. Addo - Principal Industrial Promotion Officer (National Project Counterpart)
5. Dr. E.K. Abaka - Director, NBSSI
6. Mrs. A. Menka - Principal Industrial Promotion Officer
7. Mr. K.A. Nuhu - Asst. Industrial Promotion Officer
8. Mr. R. Tandoh - Asst. Industrial Promotion Officer
9. Mr. R. Dadzie-Bonney - Ind. Promotion Officer
10. Mr. A.K. Agboado - Ind. Promotion Officer
11. Mr. J.K. Appiah - Prin. Ind. Promotion Off.
12. Mr. S.Y. Bortsi - Prin. Ind. Promotion Off.
13. Mr. N.D. Nartey - Prin. Ind. Promotion Off.
14. Mr. S.K. Dzakupasu - Asst. Inc. Promotion Off.
15. Mr. K. Asare-Menako - Ind. Promotion Officer
16. Dr. J.K. Ata - Director S & T

Ministry of Finance and Economic Planning

1. Mr. Cann - Director, International Economic Relations Division
2. Mrs. Clarke-Kwesie - International Economic Relations Division

National Development Planning Commission

1. Dr. F.D. Tay - Director
2. Dr. K.O.A. Appiah - Director
3. Prof. B. Trevallion - Adviser

Office of the Head of the Civil Service

1. J.A. Indome - Leader, Team of Experts on Ministerial Restructuring
2. B.C. Eghan - Member, Team of Experts on Ministerial Restructuring
3. S.K. Agbenu - Member, Team of Experts on Ministerial Restructuring

The World Bank

1. Mr. Silvio Capaloungo - Resident Representative
2. Mr. K. Sigrist - Resident Economist

U. N. D. P.

1. Ms. L. Wallis - Resident Representative
2. Mr. O. Jakobsen - Deputy Res. Representative
3. Mr. T. Bernklau - JPO/UNIDO

ANNEX 4

Evaluation Team

1. Mr. Fuat M. Andic, Ph.D - Vice President, International Science and Technology Institute, Washington, D.C.
2. Mr. Hans Heep - UNIDO Senior Evaluation Officer, Evaluation Staff, Office of the Director General, UNIDO, Team member
3. Mr. A.K. Gaisie - Chief Economist, Ministry of Finance and Economic Planning, Team Member

REPORTS PRODUCED BY THE PROJECT AND REVIEWED
BY THE MISSION

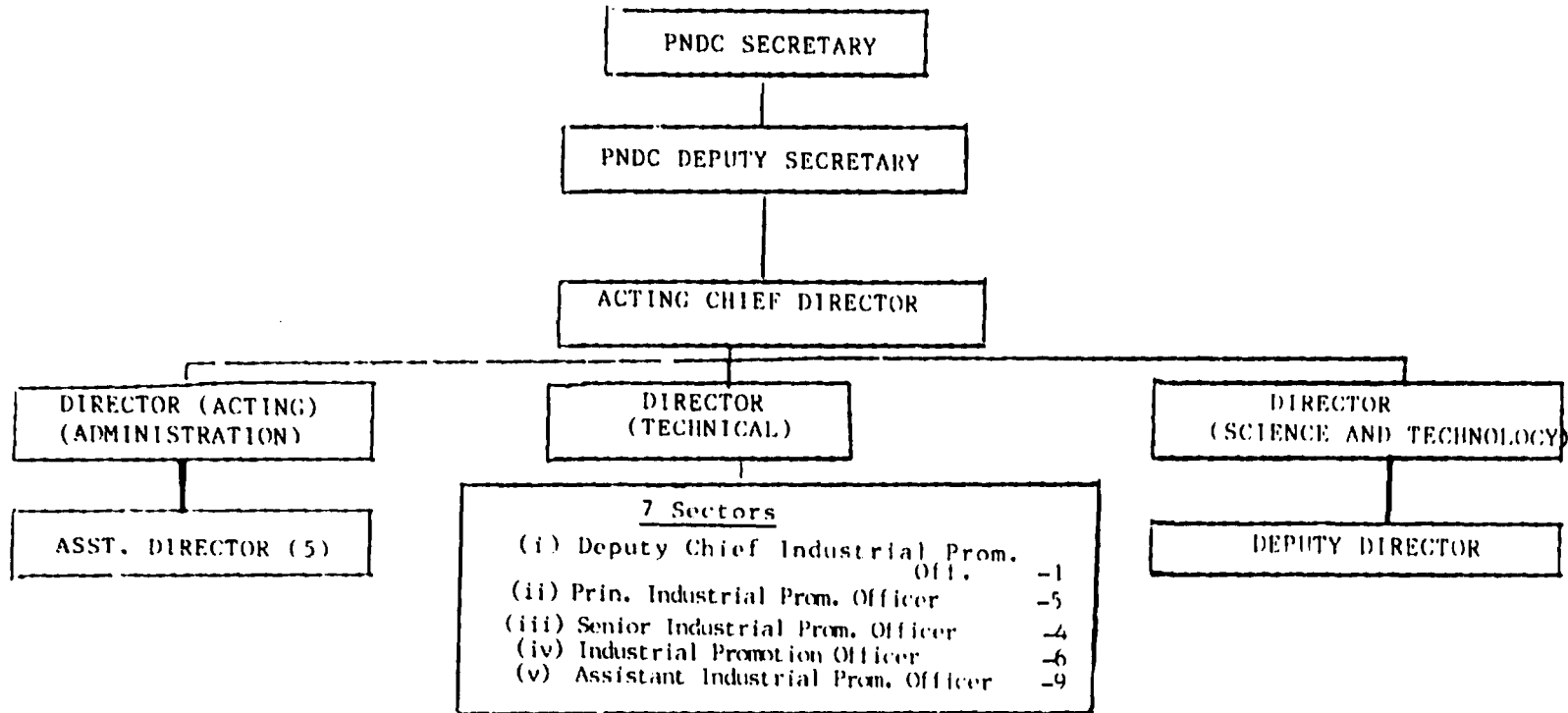
Title	Status	Comments
1. Restructuring the Ministry of Industries Science & Technology, Ghana (July, 1987) 100 pages	Submitted, acceptance pending	Partially useful
2. Manpower Requirement Analysis and Training Plan for the Ministry of Industries, Science and Technology (January 1988) 35 pages	Not incorporated into MIST operations	Analysis non-existent
3. Proposal for Restructuring the National Board for Small Scale Industries. (Feb. 1988) 68 pages	Submitted. Not action taken	Not responsive to the needs of NBSSI
4. Preliminary Paper on Establishment of an Industrial Data Base Centre in the Planning Division of the Ministry of Industries, Science and Technology. (March 1988) 22 pages	Submitted. Accepted	Unsuccessfully implemented
5. Ghana Industrial Statistics at a Glance (Sept. 1988) 75 pages	Already existing data compiled and issues	Useful, but added nothing to the project
6. Policies and Programmes for Developing the Small Scale Industrial Sector in Ghana. (April 1988) 30 pages	Submitted	Found deficient
7. An Operational Manual for Restructuring the Ministry of Industries, Science & Technology: A Technical Report (May 1988) 125 pages	Submitted	Only a framework, not operationally useful
8. MIST Computer & Systems Manual, Vol. I & II (May 1988 & May 1989) 120 pages	Submitted	Not used
9. Review of Industrial Performance under the Government Structural Adjustment Programme (May 1988) 120 pages		

10.	A Functional Training Scheme for the Nation-wide Survey of Small Scale Manufacturing Enterprises: A Technical Report. (Nov. 1988) 80 pages	Issued	Used
11.	Toward Decentralisation of Industrial Planning functions of MIST & NBSI to Regional and District Administration (Aug. 1988) 22 pages		Not reviewed by the Mission
12.	Ghana Industrial Statistics at a Glance (Sept. 1988) 98		Second printing of No. 5
13.	Decentralisation of Industrial Planning Functions to Regional and District Level Administration (Sept. 1988)		Not reviewed by the Mission
14.	Industrial Action Programme under SAP II for the Manufacturing Sector, 1988-90 (Oct. 1988) 68 pages	Submitted	Not accepted
15.	Enumerators Training Manual for Implementing Nation-wide Survey of Small Scale Industries in Ghana. (March 1989) 70 pages	Submitted	Useful
16.	End of Assignment Report from Industrial Statistics Adviser (May 1989) 100 pages	Accepted	Useful; points out several deficiencies
17.	Statement of Industrial Policy and Programmes to advance Manufacturing in the Republic of Ghana, 1989-1993 (May 1989) 88 pages	Submitted	Not fully accepted
18.	Technical Evaluation of the Structural Adjustment Programme in the Industrial Sector and its Facilitating Agencies in Ghana (July 1989) 120 pages		Not reviewed by the Mission
19.	Terminal Report of Small Scale Industry Adviser (July 1989) 35 pages	Submitted	Highlights deficiencies in the project
20.	Terminal Report of Industrial Statistical Adviser (Sept. 1989) 75 pages	Accepted	Useful; points out several deficiencies

21.	Guidelines for Developing the 3-year Sub-sector Action Plans and 5-Year Manufacturing Sector Development Plan (Aug. 1989) 30 pages	Submitted	Never Implemented
22.	Methodology, Procedures and Programmes for developing the Data Base Management System for the Small Scale Industrial sector in Ghana: A Technical Report (Sept. 1989) 80 pages	Submitted	Execution doubted
23.	Terminal Report on the Status, Impact and Achievements of the UNIDO Executed Industrial Planning Project in Ghana (Nov. 1989) 102 pages	Submitted	Rejected
<u>Reports and Subsector Studies Completed</u>			
24.	Report on the Food and Agri-Product Subsector	24-31 All completed	Uneven quality; problems with sampling, lack of information on linkages; mediocre
25.	Report on the Pharmaceutical Industries Subsector		
26.	Report on the Fabricated Metal Products & Machinery Subsector		
27.	Report on the Chemical Subsector Study		
28.	Report on Textile & Garment Subsector		
29.	Report on Non-Metal Industries Subsector		
30.	Report on the Electrical and Electronic Industries Subsector		
31.	Study of Electrical and Electronic Industries		

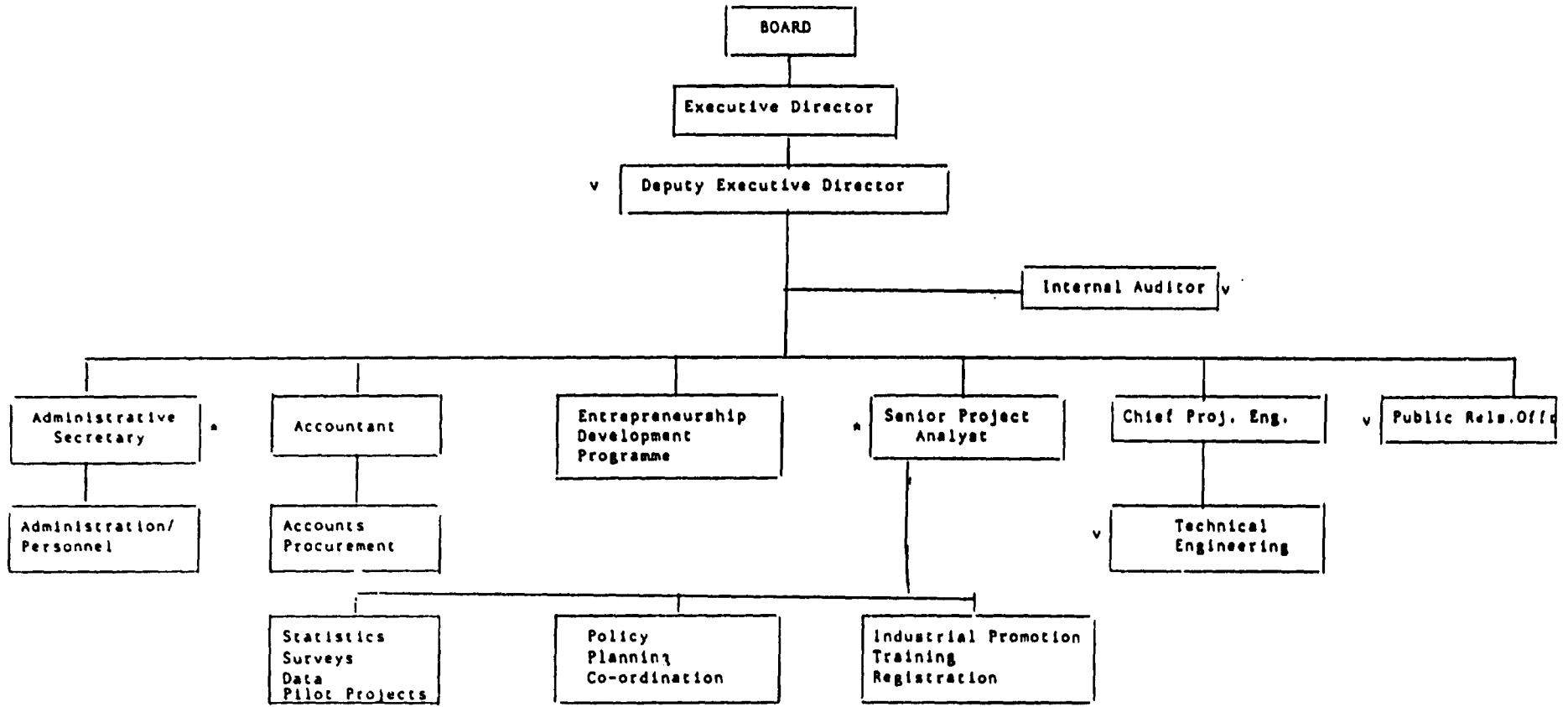
ANNEX 6

ORGANIZATIONAL CHART



NATIONAL BOARD FOR SMALL-SCALE INDUSTRIES
ORGANISATION CHART

ANNEX 7



* Acting
v Vacant

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ANNEX 8

**EVALUATION OF SUB-SECTOR REPORTS
BY STAFF THROUGH INTERVIEW**

OUTPUT (Sub-sector Reports)	EVALUATION (Quality)				
	Excellent	Very Good	Good	Mediocre	Inadequate
1. Food and Agro-based Industries					X
2. Non-metallic Mineral Products			X		
3. Metal Working			X		
4. Textile, Garment and Leather				X	
5. The Electrical/ Electronic				X	
6. Chemical					X
7. Pharmaceutical/ Cosmetic/Rubber and Plastic				X	

ANNEX 9

EVALUATION METHODOLOGY

The methodology used consisted of a number of facets. First the team was given a set of basic documents, such as the Project Document and its revisions, minutes of the previously held tripartite meeting, as well as the UNDP in-depth evaluation manual. These were thoroughly reviewed by each member to provide a common starting point. On arrival at the work site, a briefing session was held at the UNDP Headquarters. Subsequently, the team members drafted a workplan, determined the persons to be interviewed and documents, reports and files to be reviewed. Key personnel of MIST and the counterparts specified in the PRODOC constituted the large part of the persons to be interviewed. All documents and reports reviewed, at least, by two members of the team, and a short note of evaluation on each of the reports was prepared for the internal use of the team.

In order to maintain appropriate linkages the team had regular wrap-up meetings at the end of each day and the office of the Resident Representative was periodically informed on the activities and the progress of work.

Finally, a draft was prepared and discussed internally and a unanimous agreement was reached among the team members. An oral debriefing was first held with the UNDP representatives and the major findings and conclusions of the report were presented to the Government of Ghana, in the debriefing meeting called by the Resident Representative.