



GHANA: TRADE AND INVESTMENT

From 1993-2004 AMEX helped Ghanaian businesses improve their management, streamline productive capacity, use appropriate technology, and increase their exports by providing technical assistance and trainings in production and distribution for overseas markets. Over the duration of the projects, farmers and manufacturers of wood and textile products dramatically increased their exports, and by the end had established solid positions in European and North American markets.

From 1993 to 1998, AMEX managed the Export Assistance Component, under USAID's Ghana Trade and Investment Program. Although the Government of Ghana had undertaken a series of economic reforms the private-sector response had been slow, characterized by low production, limited marketing capability and export capacity, and inadequate financing. Under the Trade and Investment Program, AMEX identified firms with the potential for success in export markets and provided them with the assistance they needed to realize that potential.

AMEX initiated the Export Assistance Component with a series of meetings with producers' associations. These meetings introduced the firm to the associations while enabling project staff to survey entrepreneurs and identify opportunities for collective and individual assistance.

When the project ended, in June 1998, AMEX had assisted exporters of nontraditional agricultural, wood, and textile products in increasing Ghana's exports over 1993 by about US\$32 million. These impressive earnings represented carefully planned, deliberate economic growth and the establishment of stable relationships with importers throughout the world. The firms that benefited directly from this assistance were able to absorb it and use it in further expansion. The assistance provided to the producers' associations enabled them to continue supporting their members' development, and the successful exporters have blazed trails for those who will follow as Ghana's exporting enterprises continue to grow.

Building upon its success in managing the Export Assistance Component, AMEX also managed the Program's Increased Private Enterprise Performance Component from 1998-2004.

Under this Program, AMEX helped Ghanaian firms train employees, improve business practices and products, and increase their exports. AMEX

specifically provided assistance to small and medium-sized enterprises involved in the production and export of nontraditional items, such as selected agricultural products, processed wood products, garments, textiles, and handicrafts, to explore opportunities for export production and marketing and to reduce managerial and technical constraints.

To maximize initial success and establish footholds in export markets, AMEX initially focused on the identification and development of lead firms, which were organized into larger groupings that include firms and individuals that were not yet ready to meet the demands of the competitive export market. AMEX assisted the lead firms in finding overseas market niches and in establishing a Ghanaian presence by targeting their products and marketing. The lead firms shared their knowledge by collaborating with peer organizations and by helping other firms in their supply chains to improve their procedures and products.

Ghana's financial institutions have been slow to recognize the potential of smaller entrepreneurs. Thus, an important component of this program was for AMEX to provide training and information regarding financial services and to connect entrepreneurs with financial institutions in order to create modest but mutually profitable collaborations. As a result of these activities, Ghanaian exports grew dramatically, once again demonstrating their potential for even greater expansion.

