

Ghana











# ✓ THE WEST AFRICA COMPETITIVENESS PROGRAMME

The West Africa Competitiveness Programme (WACOMP), is a partnership initiative between the Economic Community of West African States (ECOWAS) and the European Union (EU). It has a bearing on regional economic integration and highlights a commitment to the Economic Partnership Agreement (EPA) between the EU and West Africa. WACOMP is funded through a EUR 120 million contribution from the Regional Indicative Programme (RIP) for West Africa (2014 – 2020) under the 11th European Development Fund (EDF).

The main economic challenges in West Africa include competitiveness of enterprises and the need for better value-chain integration at regional and national levels in order to scale up sustainable structural transformation.

The overall objective of the programme is to strengthen the competitiveness of West Africa and to enhance the ECOWAS countries' integration into the regional and international trading system, including

the newly established African Continental Free Trade Area (AfCFTA).

The WACOMP embraces the vision of the Third Industrial Development Decade for Africa (IDDA III) and is also aligned to UNIDO's mandate of fostering Inclusive and Sustainable Industrial Development (ISID).

The action will be carried out in the ECOWAS member states (Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, The Gambia, Ghana, Guinea Bissau, Guinee Conakry, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo) and in Mauritania, through national components in each country, as well as a regional one. The country components will be implemented by selected specialized agencies. WACOMP Ghana will be implemented by the United Nations Industrial Development Organization (UNIDO) in coordination with the Ghanaian Ministry of Trade and Industry (MoTI).

# WACOMP'S OVERALL OBJECTIVES

#### **Specific Objective 1**

Improve the performance, growth and contribution to industry, regional trade and exports of selected Value Chains

#### ····o Country level

- Competitiveness at firms level is improved, especially through the Cluster's approach.
- Intermediate organisations of the selected VC's are strenghtened and service delivery to SMEs is improved and expanded (quality standards, new green solutions, market access, etc..).

#### **Regional level**

- Better regional linkages among selected VCs actors are promoted and key regional intermediary organisations are supported.
- Regional quality infrastructure system is strengthened, with a view to promote environmental issue.

#### **Specific Objective 2**

Improve the climate for business at national and regional levels

#### . Country level

 Regional policies in favour of competitiveness are mainstreamed in the country and help enable a business-friendly environment.

#### **Regional level**

- The regional policy and framework to improve competitiveness are harmonised, formulated and monitored.
- The capacity of the ECOWAS and UEMOA Commissions and Member States to successfully manage, coordinate and monitor the programme is strenghtened.



# WACOMP IN GHANA

Over the last decades, Ghana has strongly developed its economic co-operation, integration and trade exchange level with the rest of the world. The country has recently implemented the Economic Community of West African States (ECOWAS) Common External Tariffs (CET) and ratified the Economic Partnership Agreement (EPA), which will lead to tariff-free exports of goods towards Europe, increased investment to Ghana and job creation. In 2016, a "Made in Ghana" policy was launched, and recent budgets include policy proposals focusing on local content and stimulus packages for industry, entrepreneurship and innovation.

Small and Medium Enterprises are indeed the backbone of the Ghanaian economy as they represent 85% of businesses, and contribute to about 70% of Ghana's GDP. However, some challenges keep Ghanaian SMEs from being competitive in global markets, including the lack of guidance for the implementation of processes and market's standards requirements, inability to access accredited testing

laboratories, inadequate labelling and packaging of products, and some weaknesses within the national regulatory framework. So, there is a need for improvement of the overall quality infrastructure of the country, to achieve the government's objectives in terms of growth rates and economic integration.

In this context, **WACOMP - Ghana** is implemented by UNIDO, with the aim to strengthen the export competitiveness of the Ghanaian economy through enhanced value-added, low carbon, sustainable production and processing and an increased access to regional and international markets. As a means, the project aims to improve the performance and growth of three value chains - Cassava, Fruits (mango and pineapple) and Cosmetics and personal care products - by improving the quality of their products, exports and integration into regional and global value chains. These sectors are in line with the priorities of the Ghanaian Government, and have a high potential for industrialisation and job creation.

# 5 C's for competitiveness

Coordinate

Promote dialogue and synergies within the VCs through Value Chain Strategic Committees.

Compete

Develop competitive manufacturing capabilities by upgrading SMEs through clusters.

Conform

Support Quality Infrastructure and SMEs to comply with market requirements.

Connect

Promote efficient connectivity to markets by strengthening marketing capacities.

Credit

Link SMEs to financial institutions to access appropriate and affordable credit schemes.



In response to the lessons learned from previous projects, UNIDO has developed a tailored approach with 5 key axes: coordinate, compete, conform, connect and credit: "The 5 C's for competitiveness".

This integrated approach aims to ensure that SMEs are competitive in international markets thanks to their technical capacities to produce quality and innovative products collectively and efficiently (Compete), adequate compliance with international

market regulations and standards (Conform) and through the promotion of their products and connection to potential markets (Connect). Access to financing such as credits, sub-contracts or investments (Credit) and sector coordination and dialogue between public and private stakeholders (Coordinate), will further ensure productivity gains, jobs creation, higher income levels, and eventually inclusive industrial sustainable development in Ghana.

# THIS PROJECT CONTRIBUTES TO THE ACHIEVEMENTS OF THE FOLLOWING SUSTAINABLE DEVELOPMENT GOALS















## LOGIC OF INTERVENTION

### **OBJECTIVE**

The export competitiveness of the Ghanaian economy is strengthened through enhanced value-added, low carbon, sustainable production & processing, and access to regional and international markets increases.

## PROGRAMME'S EXPECTED RESULTS

SMEs and intermediate organizations of the 3 selected value chains - Fruits, Cassava and Cosmetics & Personal-Care Products - have increased capacity to produce quality products integrated into the global value chains and acceptable to the regional and international markets.

#### Coordinate

Strategic advice and sector dialogue are improved

- Value Chain Strategic Committees (VCSCs) established to exchange experiences, identify problems, present solutions and develop strategic VC diagnosis
- Linkages and participation in the respective regional VCs strengthened

#### Compete

Support institutions are trained and coached for the establishment of cluster and SMEs networks are setup in order to increase competitiveness

- Networks of producers structured to better supply retailers and exporting companies & markets
- SMEs grouped, trained and assisted with relevant equipment complying with Good Manufacturing Practices (GMPs)
- Private and Public Sectors' Cluster Development Agents and networks coordinators trained to assist these groups and ensure the sustainability of the intervention after the project ends

#### Conform

Quality and innovation of intermediate organizations are strengthened and SMEs compliance with standards, quality management and innovation is enhanced

- Ghanaian National Quality Infrastructure strengthened: GSA, the Ghana Standards Authority, supported to develop required standards and disseminate them throughout the Industry, supporting officers trained to Implement said standards
- Laboratories supported towards achieving accreditation, required equipment purchased
- SMEs supported to produce with higher quality, through ISO trainings and support towards certification
- A pool of national programme-trained experts created to support enterprises i.e. with quality management, and ISO standards

#### Connect

Export Promotion and SMEs marketing capacities are enhanced to improve market access to regional and international Value Chains

- The Ghana Export Promotion Authority (GEPA) assisted to increase the products' visibility of the selected VC on the international markets through the GEPA Market Hub
- SMEs' products exposed on GEPA Market Hub, and sponsored to participate in International fairs, trainings on the requirements of the International markets provided to processors and SMEs

#### Credit

SMEs are linked to financial institutions

- Linkages between financial institutions and clusters established, and support in using government credits provided
- Financial Institutions supported to offer appropriate and affordable financial services to SME's and clusters of targeted VCs



# **BENEFICIARIES**

Stakeholders of the Cassava, Fruits (mango and pineapple) and Cosmetics and personal-Care Products value chains in Ghana (i.e. producers, producers associations, cooperatives, enterprises, etc.)

MoEA DDDSD

Ministry of Trade

and Industry MoTI

Ghana Standards Authority (GSA) Food and Drugs Authority (FDA)

MoFA- PPRSD (Cassava, Fruits) Crops Research Institute (CRI)

Food Research Institute (FRI)

Soil Research Institute (SRI)

GRATIS Foundation

Ghana Export Promotion Authority (GEPA)

Association of Ghanaian Industries (AGI) (Cosmetics) Ghana Cocoa Board (COCOBOD) - Shea Unit (Cosmetics) National Board for Small Scale Industries (NBSSI)



# AT A GLANCE

#### Donor:

**European Union** 

#### **Duration:**

48 months

#### **Budget:**

6,350,000 EUR

#### Implementing Agency:

United Nations Industrial Development Organization (UNIDO)

# Government co-ordinating agency:

Ministry of Trade and Industry of Ghana (MoTI)

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