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Master's Thesis of International Studies

**Examining the Alignment of Foreign Aid
Priorities with Ghana's National Development
Plan: A Comparative Analysis of the U.S. and
China**

가나의 국가개발계획과 대외원조 우선순위의 일치성 고찰:
미국과 중국 비교분석

August 2023

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August 2023

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Abstract

Examining the Alignment of Foreign Aid Priorities with Ghana's National Development Plan: A Comparative Analysis of the U.S. and China

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This research examines the extent to which U.S. and Chinese foreign aid align with Ghana's national development plan and the practices employed by the donors to bridge gaps in aid alignment, drawing valuable lessons for future aid practices. The research methodology involves analyzing government official documents, policy papers, key informant interviews, and aid data from the U.S., China, and Ghana.

The study finds that both the U.S. and China have made efforts to align their aid priorities with Ghana's national development plan, although some deviations exist. The U.S. has prioritized sectors such as agriculture, health, and education, closely aligning with Ghana's development priorities in these areas. China has shown a strategic interest in infrastructure and information and communication technology (ICT), which aligns with Ghana's focus on infrastructure development.

Despite slight non-alignment in certain sectors, the overall alignment between the aid priorities of the U.S. and China and Ghana's national development plan is noteworthy. Ghana's diverse aid sources have mitigated the impact of these deviations, and the volume of non-alignment aid is relatively small, ensuring aid effectiveness.

To bridge gaps in aid alignment, the U.S. employs a collaborative approach by working closely with the Ghanaian government to ensure their Country Development Cooperation Strategies align with Ghana's national development plan. China, despite its own strategic interests, makes efforts to align aid with Ghana's development priorities by utilizing both top-down and bottom-up aid decision making processes and Corporate Social Responsibility (CSR) programs. These strategies and practices enhance alignment and demonstrate the commitment of both donors to Ghana's development.

Key words: China, U.S., Foreign Aids, Alignment, Ghana, National

Development Plan

Student Number: 2018-29744

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I. Introduction

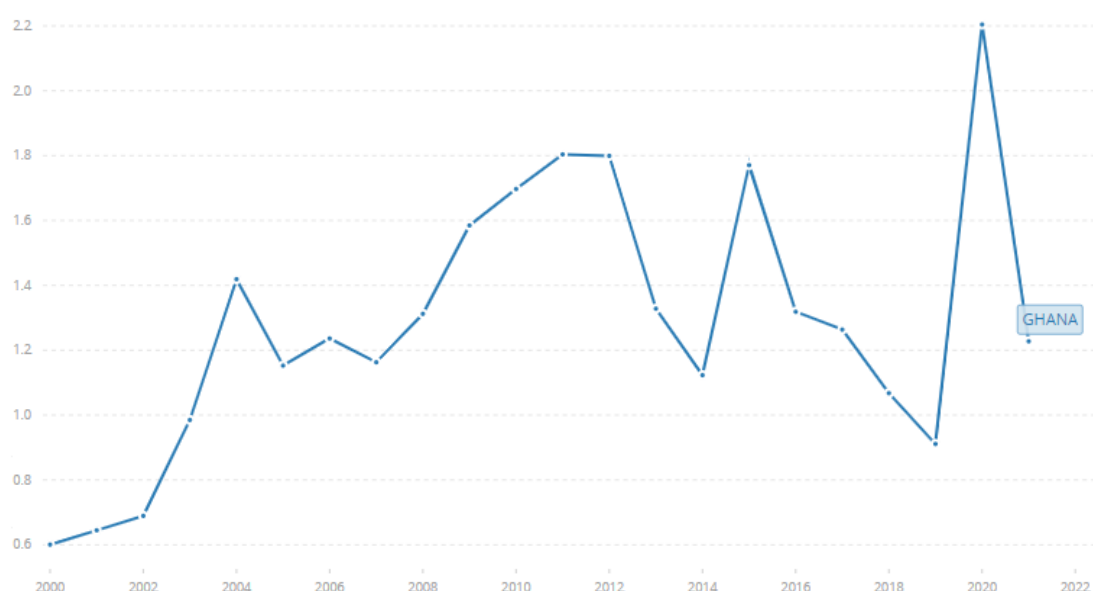
In an era characterized by increasing interconnectivity and global cooperation, the role of foreign aid or international development aid in developing countries has become much more notable than ever before. Donor countries have a responsibility to ensure sustainable development goals when distributing developmental aid, yet it often involves a complex and politically charged process with a multitude of factors at both the donor and recipient country levels. Particularly, the two global superpowers, China and the U.S., exert significant influence in terms of the volume of foreign aid and the geopolitical and/or economic impact given to developing countries - U.S. being the biggest donor among the Organization for Economic Cooperation and Development (OECD)'s Development Assistance Committee (DAC) members and China being one of the largest emerging donors among non-DAC members. According to the OECD data, the United States provided US\$34.6 billion Official Development Assistance (ODA) in 2019, while China provided US\$3.2 billion in 2019¹. The amount of aid China provided seems smaller compared to the U.S.; however, considering China delivers a much higher volume of foreign aid that would not be considered ODA, the Chinese impact on the international development sector becomes greater. As the U.S. and China have a notable presence in developing countries with their massive amounts of foreign aid, it has not been well tested whether their foreign aid priorities align with the recipient countries' national development plans.

In the case of Ghana, a country in West Africa that has been a significant recipient of international development aid, it represents an important economic hub as the country has been a historically and geographically strategic point for many donor countries. In fact, Ghana has demonstrated impressive economic growth rates of around 5 - 6 percent each year, attracting the

¹ Organisation for Economic Co-operation and Development. "Development Cooperation Profiles - United States and China," OECD publishing. <https://www.oecd-ilibrary.org/sites/18b00a44-en/index.html?itemId=/content/component/18b00a44-en#fnotea50z3>

attention of donor countries including the U.S. and China. Since 2004, Ghana has received more than US\$1 billion in ODA each year from various donor countries, including the U.S. and China². Donor countries have significantly influenced the development trends of recipient countries like Ghana. Geopolitical or economic considerations, for example, may dictate the aid resources in certain sectors, which may not align with Ghana's development goals. Additionally, those geopolitical or economic interests may lead to the imposition of conditionality or ownership on aid disbursement, limiting the freedom of the recipient country's development plan.

Figure 1. Net ODA and Official Aids Received in Ghana from 2000 - 2022



Source: OECD

Over the course of the past two decades, Ghana's development trajectory has been shaped by a confluence of multifaceted factors that extend beyond its internal policies. The country's

² World Bank. "NET Official Development Assistance and Official Aid Received (Current US\$)," Development Assistance Committee of the Organisation for Economic Co-operation and Development, Geographical Distribution of Financial Flows to Developing Countries, Development Co-operation Report, and International Development Statistics database. Accessed April 10, 2023. <https://data.worldbank.org/indicator/DT.ODA.ALLD.CD?view=map>.

engagement in international relations, the dynamics of global economic trends, and the substantial impact of foreign aid have all played pivotal roles in shaping Ghana's developmental landscape. In this context, the effective utilization of foreign aid emerges as a crucial element in establishing a solid foundation for sustainable socio-economic growth in underdeveloped nations like Ghana. To achieve this, it is imperative that the opportunities created through aid initiatives align closely with the country's strategic plans and national developmental priorities. Such alignment not only fosters the recipient country's progress but also ensures mutual benefits for both the donor and recipient nations.

Understanding the effectiveness of foreign aid and its alignment with national development plans carries paramount significance. Donor countries have the responsibility to ensure that their aid contributions support the recipient country's priorities and lead to sustainable development outcomes. However, it is often observed that donor countries operate with their own interests and priorities, which may not necessarily align with the recipient country's objectives. This misalignment can hinder the effectiveness and impact of foreign aid, potentially undermining the recipient country's efforts towards sustainable development.

Ghana has attracted substantial aid from two influential actors in the international arena, namely the United States and China. This reality highlights the pressing need to examine the extent to which the aid priorities of these donors align with Ghana's development goals. By assessing the alignment of foreign aid with Ghana's national development plan, valuable insights can be gained to ensure the efficient utilization of resources and the positive transformation of sustainable development outcomes. Additionally, Ghana, like many other developing countries, has its own national development plan that serves as a roadmap for its socio-economic progress. Aligning foreign aid with this plan becomes crucial in ensuring that aid interventions address the country's specific needs and effectively support its long-term development objectives. Therefore, a deeper understanding regarding the degree to which the aid strategies of the U.S. and China align with

Ghana's national development plan is much needed to policymakers and aid agencies to gain valuable insights into the significance of aligning aid priorities with the recipient country's goals.

Furthermore, it is also important to examine the coordination mechanisms employed by the U.S. and China in Ghana. Effective coordination among donors is indispensable in order to avoid duplication of efforts, maximize the utilization of resources, and foster synergy in development interventions. The significance of this research extends beyond its immediate focus on Ghana. Valuable lessons and recommendations derived from examining instances of misalignment and exploring practices employed by donors to bridge gaps can inform future development partnerships between Ghana and other donor countries. By contributing to the discourse on best practices and strategies for donor-recipient relations, this research will assist in the design and implementation of more targeted and impactful aid programs in the future, benefiting not only Ghana but also other developing countries that encounter similar challenges.

Therefore, this paper aims to comprehensively examine the correlation between aid alignment with Ghana's national development plan and the strategies of foreign aid provided by the United States and China, while also exploring instances of misalignment and the potential for aid to still contribute to development outcomes. Additionally, the study will investigate the practices employed by the donors to bridge gaps in alignment, ultimately providing valuable insights into the dynamics of donor-recipient relations and aid effectiveness in Ghana.

II. Literature Reviews

1. Aid Effectiveness and Aid Alignment

The effectiveness of foreign aid in achieving poverty reduction and sustainable development goals has been examined and analyzed from various perspectives. Rostow argues that a country's development "arises not endogenously but from some external intrusion by more advanced societies"³ and that foreign aid is a precondition for the take-off into economic prosperity. Jeffrey D. Sachs also claims that providing financial aid serves as a crucial intervention to break the vicious cycle of poverty - because there are no other viable sources of income when there is inadequate revenue to be taxed or saved⁴. In contrast, scholars such as Terasa Hayter and William Easterly have criticized foreign aid as a disguised form of imperialism, with limited effectiveness in achieving development goals⁵. Easterly, in particular, highlights that foreign assistance to Africa has resulted in nothing but suffering and extreme destitution⁶.

In response to these debates, the international community has sought to improve the effectiveness of aid through various agreements and declarations - 1) the Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008), and the Busan Partnership for Effective Development Cooperation (2011). These three international frameworks have shaped the discourse and practice of foreign aid in recent years with the aim of making aid more effective in promoting development outcomes. These agreements emerged as a response to the growing recognition that a more coordinated and collaborative approach should be taken accordingly, and that emphasizes

³ Rostow, W. W. "The Stages of Economic Growth," *The Economic History Review* 12, no. 1 (1959): 1–16. <https://doi.org/10.2307/2591077>.

⁴ Sach, Jeffrey. "The End of Poverty: Economic Possibilities for Our Time," New York, Penguin Books (2005).

⁵ Hayter, Teresa. "Aid as Imperialism," Penguin Books (1974).

⁶ Easterly, William. "Can Foreign Aid Buy Growth?" *The Journal of Economic Perspectives* 17, no. 3 (2003): 23–48. <http://www.jstor.org/stable/3216821>.

alignment between donor and recipient countries, ownership by developing countries, and inclusive partnership. These three declarations share the same value that donors should follow the recipient country's development agenda, which alignment stands as a key element for aid effectiveness.

1-1 The Paris Declaration on Aid Effectiveness: Five Principles for Smart Aid (2005)

In 2005, the Paris Declaration on Aid Effectiveness emerged to pledge their commitment to enhancing the efficacy of development aid by fortifying partnerships and augmenting accountability for both donors and recipient countries. It highlights five key principles: ownership, alignment, harmonization, managing for results, and mutual accountability⁷. These principles prioritize the recipient country's objectives, urge donors to synchronize their endeavors, and foster responsibility for achieving desired results. It serves as a comprehensive framework for the international community to ensure the consistency and quality of development assistance.

Table 1. The Paris Declaration's Five Principles

1. OWNERSHIP	Developing countries set their own development strategies, improve their institutions and tackle corruption.
2. ALIGNMENT	Donor countries and organisations bring their support in line with these strategies and use local systems.
3. HARMONISATION	Donor countries and organisations co-ordinate their actions, simplify procedures and share information to avoid duplication.
4. MANAGING FOR RESULTS	Developing countries and donors focus on producing – and measuring – results.
5. MUTUAL ACCOUNTABILITY	Donors and developing countries are accountable for development results.

Source: OECD

1-2 The Accra Agenda for Action (AAA) (2008)

⁷ Organisation for Economic Co-operation and Development. "The Paris Declaration on Aid Effectiveness: Five Principles for Smart Aid," Paris :Secretary-General of the OECD (2005): <https://www.oecd.org/dec/effectiveness>

The Accra Agenda for Action (AAA) was adopted in 2008 as an important milestone in enhancing aid effectiveness, building upon the Paris Declaration on Aid Effectiveness. The AAA aimed to address the challenges that emerged in the implementation of the Paris Declaration, accelerating progress towards achieving its objectives. Key focus areas in the AAA include: ownership, inclusive partnerships, and delivering results⁸. To do all this, it encourages the use of country systems, fosters collaborative partnerships, and emphasizes the importance of transparency and accountability.

1-3 The Busan Partnership for Effective Development Cooperation (2011)

The Busan Partnership for Effective Development Cooperation signifies a pivotal advancement in global efforts to increase the impact of development cooperation. The principles outlined in the Paris Declaration and the AAA focused on improving the quality of aid. However, the Busan Partnership broadens its spectrum to include “gender equality, public policy making guidance, sustainable development in situations of conflict and fragility, and strengthening resilience to disasters”⁹. It underscores four primary principles: ownership of development priorities by developing countries; a focus on results; inclusive partnerships; and transparency and accountability¹⁰. These principles help shift from an aid-centric approach to a more collaborative approach to development cooperation and strengthen a monitoring tool by establishing indicators at the country and global levels, all of which strive to deliver tangible and lasting improvements for those most in need.

2. Donor-Recipient Relations

⁸ Organisation for Economic Co-operation and Development. “The Accra Agenda for Action (AAA),” Paris :Secretary-General of the OECD (2008): <https://www.oecd.org/dec/effectiveness>

⁹ Organisation for Economic Co-operation and Development. “The Busan Partnership for Effective Development Cooperation,” Paris :Secretary-General of the OECD (2012). <https://www.oecd.org/dec/effectiveness>

¹⁰ Ibid.,

The relationship between donor countries and recipient countries in the realm of foreign aid encompasses a wide range of interactions, negotiations, and power dynamics that shape the allocation, implementation, and impact of aid programs. Donor countries, often possessing greater economic, political, and technological capabilities, hold a position of influence in aid transactions and promote their values. Sarah Bermeo claims that “aid from democratic donors is often found to be associated with an increase in the likelihood of a democratic transition¹¹”. Recipient countries, on the other hand, navigate a balance between asserting their own development objectives and accommodating donor expectations. For example, Damian Raess argues that countries “that receive Chinese official finance tend to vote similarly to China at the United Nations' General Assembly”¹². Likewise, the effectiveness of aid is intrinsically linked to the quality of donor-recipient relations, requiring mutual respect and shared values for sustainable development. Conversely, strained relations can hinder the alignment of aid with recipient countries' priorities, erode ownership, and limit the sustainable impact of aid.

3. Foreign Aid and Ghana's Development

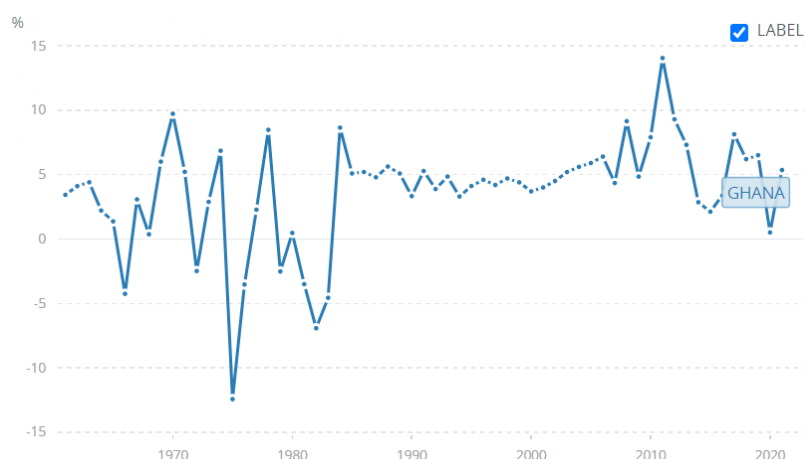
Research on Ghana and foreign aid has been conducted extensively, highlighting various aspects of aid flows and their impact on Ghana's development. Ghana, historically known as the Gold Coast, has embarked on a journey of economic development since its independence from British colonial rule in 1957. In the early years after independence, Nkrumah, the first president of Ghana, began post-independence development, focusing on state-led industrialization. In the 1970s, however, Ghana faced economic difficulties after his overthrow, starting to adopt the International Monetary

¹¹ Sarah Bermeo. “Foreign Aid and Regime Change: A Role for Donor Intent,” (2011). Available at SSRN: <https://ssrn.com/abstract=1780357> or <http://dx.doi.org/10.2139/ssrn.1780357>

¹² Damian Raess, Walin Ren, and Patrick Wagner. “Chinese Commercially-Oriented Financial Flows and UN Voting Realignment,” *Political Economy of International Organization* (2017): https://www.peio.me/wp-content/uploads/2018/01/PEIO11_paper_62.pdf

Fund's (IMF) and World Bank's structural adjustment programs (SAPs)¹³. The country experienced a period of democratic transition and economic reforms in the 1990s, and since the 21st century, Ghana has shown notable outcomes of economic growth and poverty reduction, of which foreign aid played major parts.

Figure 2. GDP Growth (annual %) - Ghana



Source: OECD

In regard to Ghana's economic development, Nathan Andrews asserts that aid "depends more on the internal dynamics of the receiving country, and foreign aid can only support, not determine", emphasizing Ghana's need to own its development¹⁴. The OECD also supports his idea, claiming that foreign aid is most effective when the recipient country "supports a country-owned approach to development"¹⁵. Even though this research provides a profound analysis of how foreign aid can be best practiced in recipient countries like Ghana, it is still somewhat inadequate to fully answer

¹³ International Monetary Fund. "Ghana- Enhanced Structural Adjustment Facility Economic and Financial Policy Framework Paper, 1998 - 2000," IMF publishing (1998): <https://www.imf.org/external/np/pfp/ghana/ghana0.htm>

¹⁴ Nathan Andrews. "Foreign official development assistance (ODA) and Ghana's development: The case for bringing culture back into the analysis". International Scholars Journals, Vol.14 (2020).

¹⁵ Organisation for Economic Co-operation and Development. "Effectiveness - Ghana". OCED publishing. <https://www.oecd.org/dac/effectiveness/Ghana%205.pdf>

whether donor countries really put efforts for alignment in developing countries, and if not aligned, what are the donor countries' practices to harmonize the mutual goals with the recipient country. By identifying the gaps in existing research and addressing the research question, this paper hopes to provide valuable insights into donor-recipient relations in aid alignment for enhancing sustainable development in Ghana.

III. Research Design

1. Motivation

The research motivation for this study stems from the need to critically examine the prevalent assumption that aid priorities between donors, such as the United States and China, and Ghana's national development plan is well aligned for sustainable development outcomes. In general, it is believed that aid effectiveness increases when a donor's aid priorities align with the recipient's development plan. As the Paris Declaration includes alignment as one of the major five factors for aid effectiveness, it is strongly recommended for donor countries to follow and practice international aid policies¹⁶. While alignment between donors and recipient countries' development plans is often advocated for, it is essential to question this assumption and explore the nuances of the relationship between Ghana, China and the U.S. in terms of aid alignment.

By focusing on the cases of the United States and China in Ghana, this research aims to challenge prevailing assumptions surrounding aid alignment by examining instances where aid priorities may not align with Ghana's development plan. Through this analysis, the study seeks to elucidate the complexities and dynamics that underlie donor-recipient relations, going beyond the simplistic notion of alignment.

The motivation behind this research lies in addressing instances of aid misalignment between donors' aid priorities and Ghana's national development plan and in exploring different approaches exercised by donors to bridge the gap and achieve mutual benefits in aid allocation. By examining the approaches of the U.S. and China in aligning their aid with Ghana's national development plan, the study seeks to uncover the extent of aid alignment and the implications it has for both donors and

¹⁶ Organisation for Economic Co-operation and Development. "The Paris Declaration on Aid Effectiveness: Five Principles for Smart Aid." Paris :Secretary-General of the OECD (2005): <https://www.oecd.org/dec/effectiveness>

the recipient, thereby identifying potential pathways for effective aid delivery and mutually beneficial partnerships. Also, it aims to contribute to the broader discourse on improving development cooperation and maximizing the positive impact of foreign aid.

2. Case Selection

The selection of the U.S. and China as the two major donors for this research is based on their crucial roles and distinct approaches in the realm of foreign aid. Over time, the U.S. has held a longstanding and influential position as a donor in Ghana's development landscape, with a wide range of aid programs and resources. This led the U.S. to become one of the key donors in Ghana, and the U.S. Agency for International Development (USAID) has also been actively involved in supporting various sectors such as health, agriculture, economic growth and trade, and governance. Notably, the Millennium Challenge Corporation (MCC), an independent U.S. foreign aid agency, has implemented substantial development programs in Ghana, including investments in energy infrastructure and agricultural development. The United States' aid interventions in Ghana have been shaped by its policy priorities, strategic interests, and diplomatic relations, making it an interesting case to examine the alignment of aid with Ghana's national development plan.

On the other hand, China has emerged as a major provider of foreign aid as a non-traditional donor in recent years, with a unique approach that emphasizes South-South cooperation, non-interference, and economic partnerships. Ghana's strategic partnerships with China have resulted in significant strides towards national development by fostering initiatives focused on large-scale infrastructure such as roads, railways, and energy facilities. Unlike the U.S., the funding that strongly supported these projects was through the China Development Bank and the Export-Import Bank of China. China's aid approach in Ghana is often associated with its economic interests, resource

acquisition, and strategic partnerships. This case provides an opportunity to explore the motivations, priorities, and modalities of Chinese aid and its alignment with Ghana's development plan.

The selection of the United States and China as case studies allows for a comparative analysis of their respective aid practices, motivations, and alignment with Ghana's development plan. By examining these two diverse donor approaches, the research aims to uncover patterns, divergences, and potential lessons for aid effectiveness and sustainable development outcomes in Ghana. The evidence from these cases will explain the complexities of donor-recipient relations and provide insights into the practices employed by donors to align or cope with divergences between their aid priorities and Ghana's national development plan.

Also, this research focuses on Ghana as the recipient country for several reasons. Ghana has witnessed outstanding economic growth and is considered one of the fastest-growing economies in Africa. Particularly, Ghana's classification as a lower-middle-income country in 2010 makes it important to examine how donor priorities and aid strategies align with the country's changing development needs and aspirations. Moreover, Ghana announced in 2019 its "Beyond the Aid" policy, aiming to decrease the country's reliance on foreign aid and promote self-sufficiency through domestic revenue mobilization and sustainable economic growth. The reduction in official development assistance (ODA) signals a shift in Ghana's development approach and highlights how the country navigates aid alignment and effectiveness in the absence of substantial external financial support.

3. Research Questions and Hypotheses

Given the assumptions that there may be instances where aid priorities do not align with Ghana's development plan, and that such misalignment may not necessarily reduce aid effectiveness, the research aims to answer these questions: (1). To what extent do the U.S. aid priorities align with

Ghana's national development plan?, (2). To what extent do the China's foreign aid priorities align with Ghana's national development plan?, (3). What strategies and practices are employed by donors to bridge gaps in aid alignment with Ghana's national development plan?

Hypothesis 1: The U.S. aid priorities align to a significant extent with Ghana's national development plan, resulting in higher aid effectiveness in achieving development outcomes.

Hypothesis 2: China's foreign aid priorities align to a significant extent with Ghana's national development plan, leading to higher aid effectiveness in achieving development outcomes.

Hypothesis 3 The U.S. and China employ various strategies and practices to bridge gaps in aid alignment with Ghana's national development plan, aiming to enhance aid effectiveness and ensure progress towards sustainable development outcomes.

4. Analytical Framework

The framework includes five aspects, as follows. The first aspect focuses on donor motivation and aid priorities. This component examines the specific aid priorities of the U.S. and China in Ghana. It involves analyzing official development assistance policies, exploring key statements and declarations by the donors regarding their aid focus areas and sector investment, and identifying specific sector thematic areas or programs that receive significant attention and resources from each donor.

The second aspect emphasizes Ghana's National Development Plan. This component explores the official national development plan of Ghana, which outlines the country's key development objectives and priorities. It also analyzes the goals, targets, and strategies outlined in the plan to understand the sectors and areas of focus for Ghana's development efforts.

The third aspect highlights alignment analysis. This component compares the donor aid priorities with the key sectors and priorities outlined in Ghana's national development plan and

assesses the extent to which the donor aid priorities align with the development objectives of Ghana. Then, it identifies areas of convergence where the aid priorities of the donors align with Ghana's national plan and areas of divergence where they differ.

The fourth component focuses on Ghana's strategies to leverage the aid received, which might be different from their national development priorities. While aid alignment is crucial, it is equally important to explore how Ghana effectively utilizes the aid it receives, even when there are deviations from its development plan. This component aims to shed light on Ghana's approach to managing diverse aid sources and integrating them into its overall development strategy.

The last aspect is about strategies for alignment. This component investigates the strategies and practices employed by donors to reduce any gap in aid alignment with Ghana's national development plan and explores initiatives or programs implemented by the donors that aim to adjust or adapt aid interventions to better align with Ghana's priorities.

5. Research Methodology

This research will involve qualitative data analysis, focusing on three specific countries: Ghana, the U.S., and China, in a comparative manner. The qualitative analysis will utilize a comprehensive analysis of data collected from various sources within the scope of 2010–2020. The data collection process focuses on understanding the aid priorities of the U.S., China, and Ghana, and examining the extent to which they align with Ghana's national development plan.

For the analysis of U.S. aid priorities, the study will rely on documents such as the USAID Country Development Cooperation Strategy (CDCS) papers, specifically the 2013-2020 CDCS and the USAID Ghana Annual Report 2016, to analyze the Official Development Assistance (ODA) strategies in pre-Beyond Aid policy. For the post-beyond aid period, the USAID Ghana CDCS 2025 will be utilized. The overall analysis of U.S. ODA characteristics was based on data analysis from the Organisation for Economic Co-operation and Development (OECD).

To assess China's aid priorities in Ghana, the research will reference the Chinese Loans to Africa Database, provided by the Global Development Policy Center. This database offers information on Chinese loan projects, including the year, loan amount, and project name. The analysis of the characteristics of China's aid will be derived from China's White Paper, published by the State Council of the People's Republic of China in 2011.

Ghana's national development priorities will be examined through the lens of key policy documents, including the Ghana Beyond Aid Charter, the Ghana Shared Growth and Development Agenda (GSGDA) 2014–2017, and the Coordinated Programme of Economic and Social Development Policies (2017-2024). Additionally, the Long-term National Development Plan of Ghana (2018-2057) will be utilized to understand Ghana's future development plans.

The alignment of donor priorities with Ghana's national development plan will be assessed by comparing the aid strategies of the U.S., China, and Ghana before and after the implementation of the Beyond Aid Policy. Furthermore, the effectiveness of aid will be evaluated by analyzing the total amount of U.S. and China's aid that aligns with Ghana's priorities. The OECD database will be consulted to examine the net ODA received by Ghana from different donors and by sectors, thereby allowing for an assessment of the impact of non-alignment between the U.S. and China on aid effectiveness.

The research also considers the strategies employed by donors to achieve alignment with Ghana's national development plan. These strategies will be from the USAID Ghana official documents, briefers, sectoral analysis papers, and assessment papers. For China, Key Informant Interviews (KII) are included to add hands-on practices at country level, and China's White Paper on Foreign Aid will also take into consideration to explain at global level. Additional data will be used from the interviewees' company websites to provide more detailed information about aid strategies and practices.

By utilizing a combination of primary and secondary data sources, this research aims to provide an in-dept analysis of the alignment between donor aid priorities and Ghana's national development plan. The methodology ensures a robust examination of the research questions and facilitates a deeper understanding of the aid landscape in Ghana.

IV. U.S. Aid Priorities in Ghana

1. Historical Overview of the U.S. Engagement with Ghana

The U.S.' engagement with Ghana has a rich historical background, spanning several decades since Ghana's independence in 1957. During the early years of Ghana's independence under the leadership of President Kwame Nkrumah, the U.S. played a significant role in supporting Ghana's development efforts. Through the United States Agency for International Development (USAID), the U.S. provided substantial financial and technical assistance, including in agriculture, training, and infrastructure. One of the infrastructure supports in that period included the construction of the Akosombo Dam, which was a development objective coupled with Ghana's post-independence development plan¹⁷. Such support to solve resettlement and rural sectors in agriculture aimed to strengthen Ghana's capacity to build a stable country.

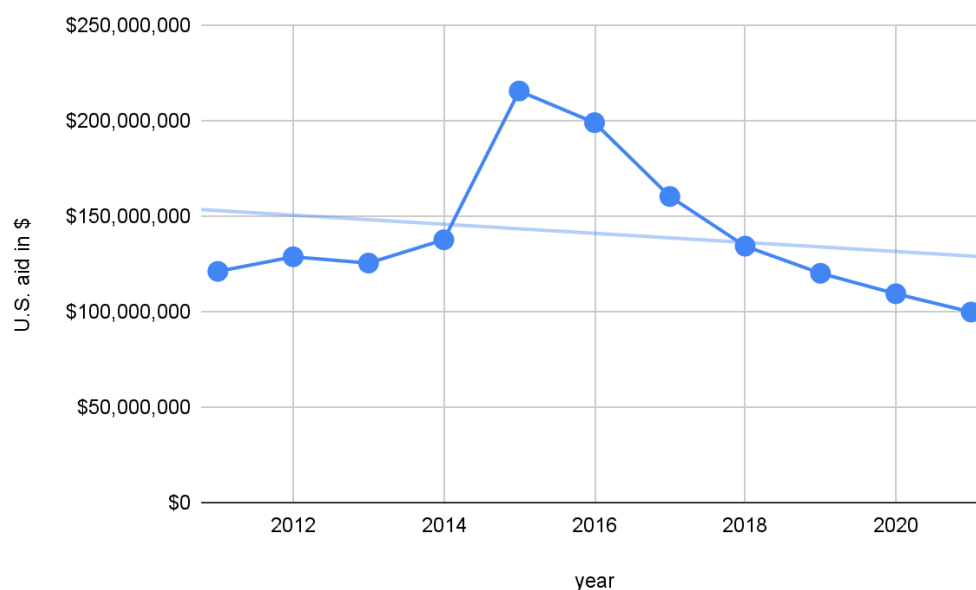
Relations between the United States and Ghana have witnessed significant improvement in the late 1980s - early 1990s, and the visit of former U.S. President Jimmy Carter to Ghana and his Global 2000 agricultural program, together with the Sasakawa Africa Association, in the Ashanti and Central regions of Ghana, played a pivotal role in fostering positive relations¹⁸. Since then, Ghana has embarked on a path of economic and political reforms, embracing democracy and market-oriented policies. This shift opened up new avenues for collaboration with the U.S. The U.S. is Ghana's largest bilateral development donor now, and through various agencies such as USAID and the Millennium Challenge Corporation (MCC), the U.S. has expanded its support in areas of agriculture, health, education, and democracy and governance programs¹⁹.

¹⁷ Richard Perritt. "Cooperative Agreement on Settlement and Resource Systems Analysis: an Analysis of the Volta River Basic and Development in Ghana as Administered by the Volta River Authority," USAID and Institute for Development Anthropology (1988): https://pdf.usaid.gov/pdf_docs/pnabq164.pdf

¹⁸ The Carter Center. "Where We Work - Ghana". The Carter Center publishing (2023): <https://www.cartercenter.org/countries/ghana.html>

¹⁹ USAID. "Our Work - Ghana". (2023) USAID publishing: <https://www.usaid.gov/ghana/our-work>

Figure 3. U.S. Foreign Aid in Ghana from 2010 to 2021



Source: U.S. Department of State

2. U.S. ODA Characteristics

The U.S. has been by far the largest bilateral donor to Ghana. According to the U.S. Department of State, the U.S. spent a total of US\$ 140 million as foreign aid in 2021 in Ghana, recording the second largest U.S. ODA recipient country among the West African countries, followed by Nigeria²⁰. In 2021, USAID invested US \$99.8 million, contributing to strengthening “inclusive, democratic governance; broadly shared economic growth; increased educational outcomes; and improved health and wellbeing”²¹. The MCC promised to provide US \$316 to improve the electricity sector in 2021 and stimulate private investment as well²².

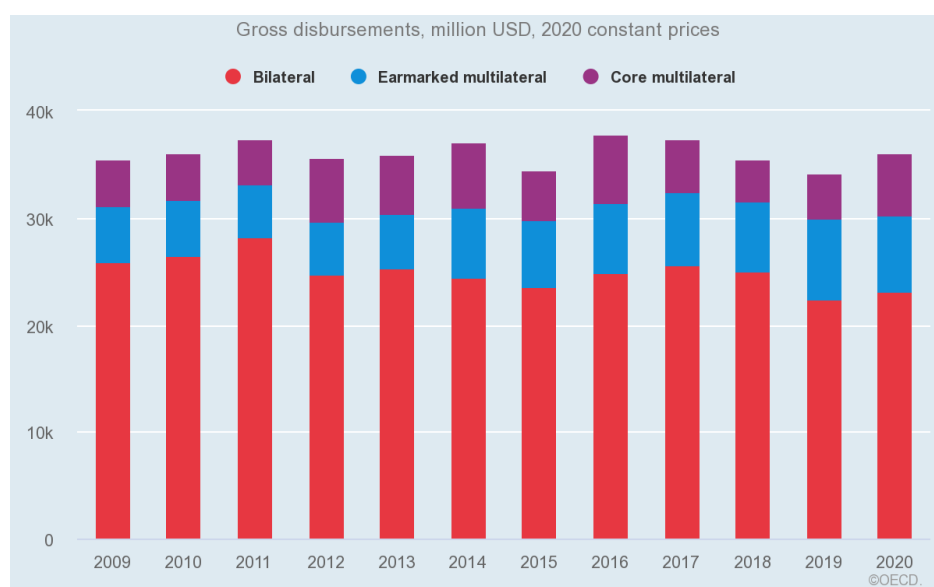
²⁰ OECD. “Aid (ODA) Disbursements to Countries and Regions,” OECD Database (2021): <https://stats.oecd.org/Index.aspx?DataSetCode=TABLE2A#>

²¹ USAID. “Annual Report: Fostering Sustainable and Productive Partnerships,” USAID publishing (2016): https://www.usaid.gov/sites/default/files/2022-05/Ghana_Annual_Report_2016_op.pdf

²² Millennium Challenge Corporation. “Ghana power Compact, Powering a Brighter Future in Ghana,” (2021): <https://www.mcc.gov/where-we-work/program/ghana-power-compact>

The key characteristics of U.S. aid are that the U.S. provides most of its official development assistance (ODA) bilaterally with some key focuses, including “localization of its assistance, stronger engagement with the private sector, digitalization, diversity and inclusion, and integrating the humanitarian, development and peace nexus”²³. Despite the fact that the U.S. spends most of its ODA bilaterally, it still stands out as the world’s largest financial donor of “multi-bi” aid. According to the OECD, the U.S. provided 64% of gross bilateral ODA and 36% through international organizations in 2020; of which 15.9% were core resources and 20.1% were earmarked bilateral²⁴. For bilateral spending, the U.S. spent 45.1% of its entire bilateral ODA on country programmable aid, which is equivalent to US\$13.67 billion, and it was channeled through diverse delivery methods, including the public sector, NGOs, PPPs and private sector, multilateral organizations, and research institutes²⁵.

Figure 4. U.S. Bilateral and Multilateral ODA allocations from 2009 to 2020



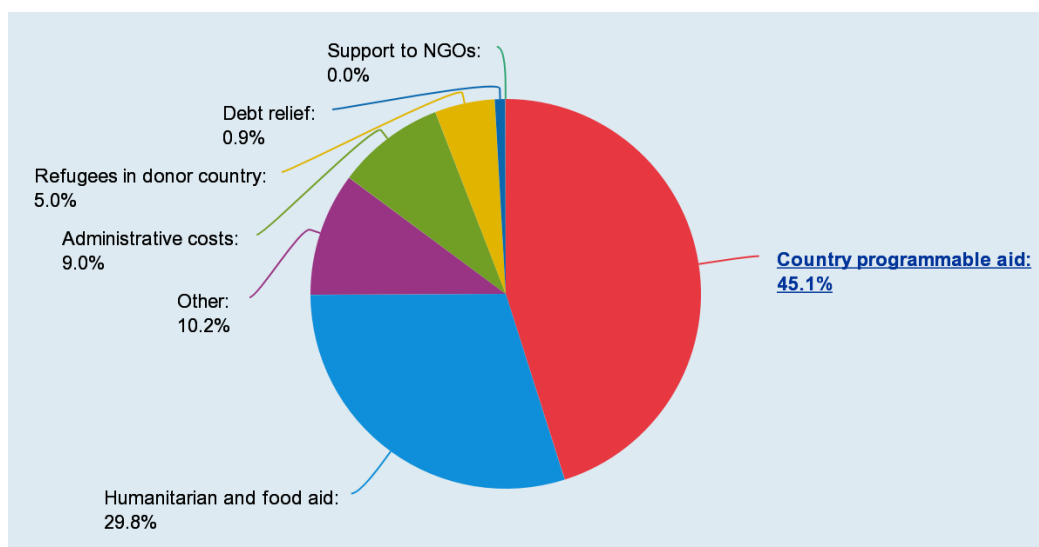
Source: OECD

²³ OECD. “Development cooperation profiles - United States,” OECD publishing (2022). <https://www.oecd-ilibrary.org/sites/45472e20-en/index.html?itemId=/content/component/45472e20-en>

²⁴ Ibid.,

²⁵ Ibid.,

Figure 5. U.S. Bilateral ODA by Type of Expenditure in 2020



Source: OECD

Considering the volume of aid and diverse sector coverage, including health, education, agriculture, governance, etc., through multilateral and bilateral channels, the U.S. ODA plays a crucial role in Ghana's economic growth and development. Moreover, one of the U.S.'s key priorities in their ODA is to align with Ghana's priorities and development plan, helping the country address key challenges and gaps to enhance the development agenda.

3. U.S. ODA Priorities

As the U.S. provides most of its ODA through USAID, which has the primary task of administering U.S. foreign aid and development assistance, this chapter will focus on USAID's ODA priorities and trends in Ghana. One distinct feature of USAID, unlike other donor countries, is that the agency plans its country development cooperation strategy (CDCS) through consultation with the Government of Ghana (GoG), in a way to assist the country's sustainable development. This collaborative approach reflects the U.S. commitment to supporting Ghana's development agenda and

fostering ownership and sustainability of development initiatives. USAID’s priorities in Ghana are guided by the overarching goal of promoting “Ghana’s vision and Shared Growth and Development Agenda”²⁶. Therefore, this chapter will analyze the USAID CDCS 2013- 2020 and the USAID Ghana annual reports to identify their previous aid priorities and strategies and the CDCS 2025 to research their way forward for cooperating with the government of Ghana’s development in the future.

One of the key strategies that USAID utilizes for their ODA is their aid disbursement plan, which is exquisitely incorporated with the U.S. Global Development Policy in the Ghanaian context. The USAID explicitly stated that “the goal of the CDCS is to accelerate Ghana’s transition to an established middle-income country”, which GoG currently strides to achieve in their national development plan after obtaining “lower-middle income” country status in 2010²⁷. Under the goal of a successful transition of Ghana towards middle income status, USAID set up four development objectives (DO) and each of the DO’s immediate results.

Table 3. USAID CDCS Result Frameworks (2013-2017)

Development Objectives	Intermediate Results
DO 1: Strengthened Responsive, Democratic Governance	IR 1.1: Improved local government performance IR 1.2: Increased government accountability to better-informed citizens IR 1.3: Strengthened election institutions and processes
DO 2: Sustainable and Broadly Shared Economic Growth	IR 2.1: Increased competitiveness of major food chains IR 2.2: Improved enabling environment for private sector investment IR 2.3: Improved resiliency of vulnerable households and communities and reduced under-nutrition IR 2.4: Increased government accountability and responsiveness

²⁶ USAID. “Country Development Cooperation Strategy 2013-2020,” USAID Ghana publishing (2013): https://2017-2020.usaid.gov/sites/default/files/documents/1860/CDCS_Ghana_May_2020.pdf

²⁷ Ibid., pp.1

DO 3: Equitable Improvements in Health Status	IR 3.1: Increased access to integrated health services IR 3.2: Increased availability of community-based health resources IR 3.3: Strengthened and responsive health systems IR 3.4: Improved health sector governance and accountability
DO 4: Improved Reading Performance in Primary School	IR 4.1: Enhanced reading and math instruction IR 4.2: Strengthened basic education- management systems IR 4.3: Increased government accountability and transparency

Source: USAID

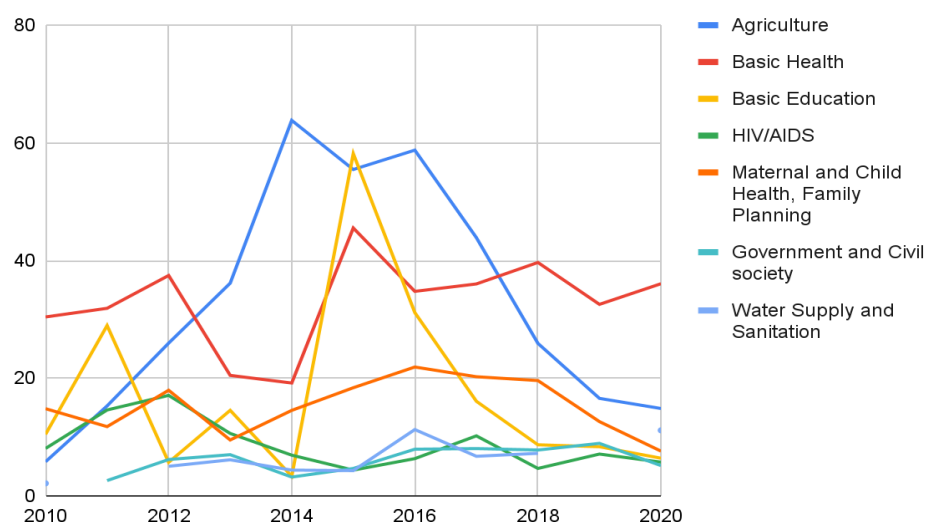
Based on the USAID Result Framework, the four major ODA priorities of the U.S. in Ghana include democracy and rights, economic growth, health, and education. Based on figures 6 and 7, it was identified that agriculture is a significant sector under the theme of economic growth for USAID in Ghana. Recognizing the importance of agriculture in Ghana's economy, USAID has allocated US\$362.48 million to this sector from 2010 - 2020 to enhance agricultural competitiveness. Major USAID interventions in agriculture are executed through “Feed the Future”, the U.S. Government’s agriculture and food security initiative. This initiative focuses on providing support in Northern Ghana, which covers the Northern, North East, Upper West, and Upper East regions of Ghana²⁸. By increasing the productivity of crops such as maize, soybeans, groundnuts, and high-value fruits and vegetables grown by smallholder farmers, particularly female farmers, in economically deprived regions, the U.S. helped the country effectively alleviate food insecurity, poverty, and malnutrition, ultimately building resilient and sustainable economic growth and improving the well-being of Ghana’s population.

Health is another major U.S. ODA priority in Ghana, reflecting its commitment to improving the well-being and quality of life of the Ghanaian population. USAID allocated US\$ 686.94 million from 2010 - 2020 towards various health programs and initiatives, with a particular focus on basic

²⁸ Feed the Future, The U.S. Government’s Global Hunger & Food Initiative. “Countries- Ghana,”.

health services, HIV/AIDS, maternal and child health, family planning, and water supply and sanitation²⁹. Through providing USAID’s technical assistance to the health sector in Ghana, the U.S. contributed to the broader accessibility of high-quality services and efficient systems. Some of the key projects under health included the President’s Malaria Initiative (PMI), WASH programs, and the U.S. Government President’s Emergency Plan for AIDS Relief (PEPFAR) initiative. To be more specific about HIV/ AIDS initiative, Ghana has a 1.6% HIV prevalence with regional variation. In regard to that, the PEPFAR initiative provides “leadership and advisory support to the national HIV/AIDS response with innovative and evidence-based interventions”³⁰. Particularly, malaria and HIV/AIDS programs under basic health are the distinct features that made the U.S. stand out compared to other donor countries’ health programs, as the U.S. is almost the only donor that significantly reduces those health disparities faced in Ghana.

Figure 6. U.S. ODA Spending by Sector in Ghana from 2010 - 2020

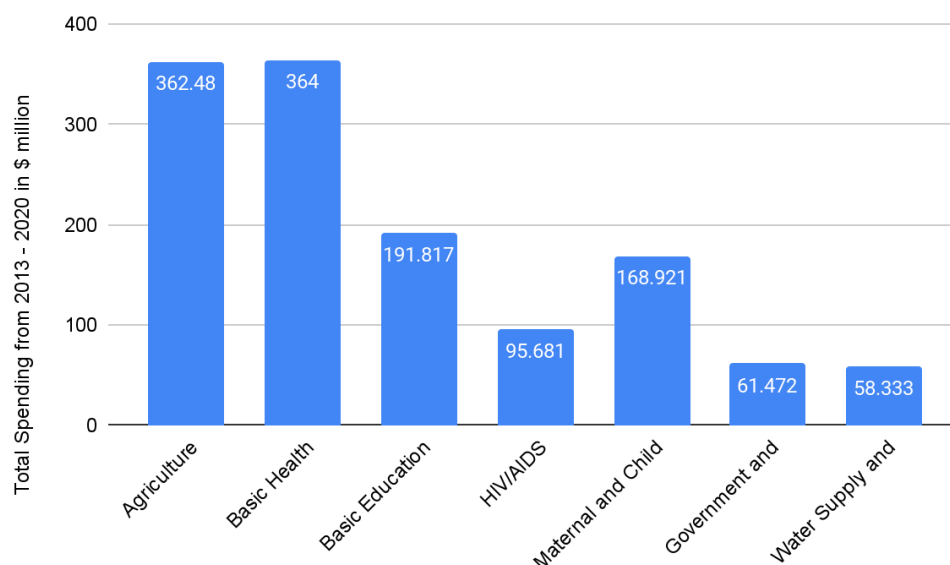


Source: US Department of State

²⁹ U.S. Department of State. “U.S. Foreign Assistance by Country - Ghana,” Foreign Assistance Database: <https://www.foreignassistance.gov/cd/ghana/2021/obligations/1>

³⁰ USAID. “Country Development Cooperation Strategy 2013-2020,” USAID Ghana publishing (2013): pp.23. https://2017-2020.usaid.gov/sites/default/files/documents/1860/CDCS_Ghana_May_2020.pdf

Figure 7. U.S. ODA Net Spending from 2010 -2020 by Sector in Ghana



Source: US Department of State

In line with Ghana’s vision, “Ghana Beyond Aid” in 2017 and the COVID-19 outbreak in 2019, the U.S. has recently taken concrete steps to align its assistance with Ghana’s new development strategies. As a testament to this commitment, USAID developed the Country Program Strategy 2025, which outlines its strategic approach and focus areas for the coming years. This program strategy reflects the U.S. intention to support Ghana’s self-reliance and sustainable development, while addressing key challenges and leveraging opportunities for growth and progress. The development objectives have shifted to: (1) accelerating and sustaining broad-based economic growth; (2) delivering quality services with increased accountability; and (3) accelerating sustainable development in northern Ghana³¹. As a way forward, USAID decided to employ two approaches, which include “supporting key stakeholders to keep Ghana focused on achieving the long-term goal of a more self-reliant nation, moving steadily toward achieving “Ghana Beyond Aid” in a generation;

³¹ USAID. “Country Development Cooperation Strategy 2025,” USAID Ghana publishing (2020): pp.7. <https://www.usaid.gov/sites/default/files/2022-05/CDCS-Ghana-August-2025x.pdf>

and helping key stakeholders to analyze, plan, and implement measures to mitigate the immediate and near-term adverse impacts of COVID-19”³².

Under the three new established development objectives for 2025, USAID promised to continue its support for Ghana with several key actions to promote sustainable development and improve the well-being of its citizens. Firstly, USAID will prioritize supporting broad-based economic growth by assisting Ghana in diversifying its economy and expanding its export base. This will involve fostering a favorable environment for private sector-led investment, promoting skill development among the population, and working towards increasing household income and GDP growth³³. Secondly, USAID will focus on enhancing the delivery of quality services with increased accountability by collaborating with stakeholders to improve accountability in sectors such as health, education, fisheries, and agriculture³⁴. Thirdly, to address regional disparities, USAID will work in the four northern regions in areas of WASH, nutrition, education, and agriculture³⁵.

In conclusion, the U.S., through USAID, has been a key partner in Ghana's development journey, focusing on various sectors to promote sustainable growth. Over the years, USAID's priorities have evolved in response to changing needs and challenges faced by Ghana and provided financial and technical support to mainly health, economic growth, education, and democracy and rights. Through continued collaboration and strategic partnerships, the United States remains committed to supporting Ghana's development aspirations and forging a path towards sustainable and inclusive growth.

³² Ibid.,

³³ USAID. “Country Development Cooperation Strategy 2025,” USAID Ghana publishing (2020): pp.8. <https://www.usaid.gov/sites/default/files/2022-05/CDCS-Ghana-August-2025x.pdf>

³⁴ Ibid.,

³⁵ Ibid.,

V. China's Aid Priorities in Ghana

1. Historical Overview of China's Engagement with Ghana

The relationship between China and Ghana dates back to 1960, when they initially formed official diplomatic connections. It was the first year the president of Ghana, Kwame Nkrumah, was elected after its independence from Britain in 1957. Kwame Nkrumah had a vision of Pan Africanism - a movement aimed at uniting African countries and strengthening self-reliance- and Premier Zhou Enlai's visit to Ghana deepened the relations between the two countries³⁶. At this time, China's development aid to Ghana mainly focused on infrastructure projects, such as the planned construction of the Bui Hydroelectric Dam and the establishment of Akosombo Textiles Limited. These initiatives were aimed at boosting Ghana's industrial sector and promoting economic growth.

From the 1980s to the 1990s, both countries enforced significant economic reforms, restoring their bilateral ties. The launch of SAP in 1983 enabled Ghana to accelerate the country's economic growth through foreign investment, public sector and institutional reforms, and market liberalization³⁷. It was due to the need for "enhancing agricultural productivity, lowering the risk and uncertainty factors associated with production and post-harvest activities, and providing the necessary support infrastructure"³⁸. Around that time, in China, Deng Xiaoping also announced the "reform and opening up" policy, prompting Chinese firms to invest in Africa. This period witnessed China expanding its investments in Ghana, focusing on industries such as mining, agriculture, and manufacturing.

In the years following 2000, the partnership between China and Ghana has experienced a notable transformation, characterized by increased trade, investment, and development collaboration.

³⁶ Issac Idun-Arkhurst, "Ghana's Relations with China," The South African Institute of International Affairs (2008): pp.4. https://saiia.org.za/wp-content/uploads/2008/04/chap_rep_03_idun_arkhurst_200804.pdf

³⁷ Perrings, C., "The economics of biodiversity conservation in Sub-Saharan Africa: mending the ark," Edward Elgar Publishing (2000): pp. 232-272

³⁸ Ibid.,

This period witnessed a significant expansion in the scale and diversity of projects, as well as a broader range of sectors benefiting from Chinese engagement. This economic tie was strengthened by the 2006 joint communiqué between China and Ghana, when Premier Wen Jiabao of the People's Republic of China made an official visit to Ghana. During the visit, the two countries reaffirmed their cordial relations, which cover a wide-range of bilateral cooperation in the areas of economy and trade, telecommunications, culture, education, and health. The joint communiqué resulted in the signing of a total of six agreements, including a malaria center, scholarships and opportunities for professional training and the development of education, and a \$66 million loan agreement to enhance telecommunication networks³⁹.

To be more specific, cooperation between the two countries has been expanded in depth and breadth in various sectors through numerous projects and initiatives since 2000. In the realm of infrastructure development, for example, the Bui Hydroelectric Dam, as briefly mentioned above, stands out as a significant case. Though the idea to build the dam was initially planned by the World Bank and Australia in 1978, four military coups hindered construction until 2005. The Chinese company, Sinohydro, and the Chinese Exim Bank, however, submitted a bid with the assistance of a concessional loan of US\$270 million and a commercial loan of US\$292 million⁴⁰. Completed in 2013, with a total cost of US\$790 million, the Bui Dam is now Ghana's second-largest hydropower plant, boasting a generation capacity of 404 megawatts⁴¹. With the Chinese government's support, this dam has contributed to enhancing electricity supply in Ghana, which in turn supports industrial and economic growth.

³⁹ Issac Idun-Arkurst, "Ghana's Relations with China," The South African Institute of International Affairs (2008): pp.4. https://saiia.org.za/wp-content/uploads/2008/04/chap_rep_03_idun_arkhurst_200804.pdf

⁴⁰ Oliver Hesengerth, "Interaction of Chinese Institutions with Host Governments in Dam Construction: The Bui Dam in Ghana," German Institute of Development and Sustainability (2011): pp. 37f.

⁴¹ Bui Generating Station. Bui Power Authority, Accessed May 25, 2023. <https://buipower.com/bui-hydro-project/>

2. China's Foreign Aid Characteristics

China's foreign aid approach is characterized by several distinct features that set it apart from traditional aid practices. Their aid does not conform to the traditional definitions and reporting mechanisms of ODA established by the OECD DAC. China considers its aid efforts part of a broader framework of South-South cooperation, emphasizing collaboration among developing countries. This approach challenges the conventional categorization of China as a "donor" and highlights its commitment to fostering solidarity and mutual benefits among nations facing similar development challenges.

South-South cooperation lies at the heart of China's engagement with Ghana, emphasizing equitable relationships, shared experiences, and the pursuit of long-term development. By operating outside the ODA framework, China has greater flexibility in shaping its aid policies and practices. It can tailor its assistance to the specific needs and priorities of recipient countries without being bound by the strict guidelines and conditionalities often associated with traditional donor aid. In essence, South-South cooperation forms the bedrock of China's engagement with Ghana. By embracing the principles of solidarity, mutual assistance, and non-interference, China's foreign aid development aligns with Ghana's aspirations for self-determination and sustainable development. Through knowledge sharing, capacity building, and a commitment to respecting Ghana's sovereignty, China serves as a steadfast ally, supporting Ghana's journey towards economic growth and social progress.

As briefly mentioned above, a key characteristic of China's foreign aid is non-interference, which means that it does not attach political or ideological conditions to its aid. Unlike some Western donors, China respects the sovereignty and independence of recipient countries, allowing them to pursue their own development paths without external interference.

“China adheres to the principles of not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting their right to independently choose their own paths and models of development. The basic principles China upholds in providing foreign assistance are mutual respect, equality, keeping promise, mutual benefits and win-win.⁴²”

— White Paper: China's Foreign Aid (2014)

China's aid package typically includes a combination of grants, interest-free loans, and concessional loans. The grants and interest-free loans are provided by China's state finances, while concessional loans are given through the Export-Import Bank of China. According to the White Paper, the three financial resources tend to be decided based on different themes of the development plan - “(1) grants to build hospitals, schools, and low-cost medium or small projects. It is also given to human resources development cooperation; (2) interest-free loans to construct public facilities with a condition of 5 years of use, 5 years of grace, and 10 years of repayment; and (3) concessional loans to construct large and medium-sized infrastructure projects with an interest rate of 2 -3 % and 15 - 20 years of repayment”⁴³.

However, the unique characteristics of Chinese aid have also raised concerns and sparked debate. Critics argue that the lack of transparency and standardized reporting makes it difficult to assess the full scope and impact of China's aid activities. There are concerns about the potential environmental and social impacts of infrastructure projects, as well as issues related to debt sustainability and the long-term implications of Chinese investments in recipient countries.

⁴² The State Council, The People's Republic of China. “White Paper - China's Foreign Aid,” (2011): http://english.www.gov.cn/archive/white_paper/2014/09/09/content_281474986284620.htm

⁴³ Ibid.,

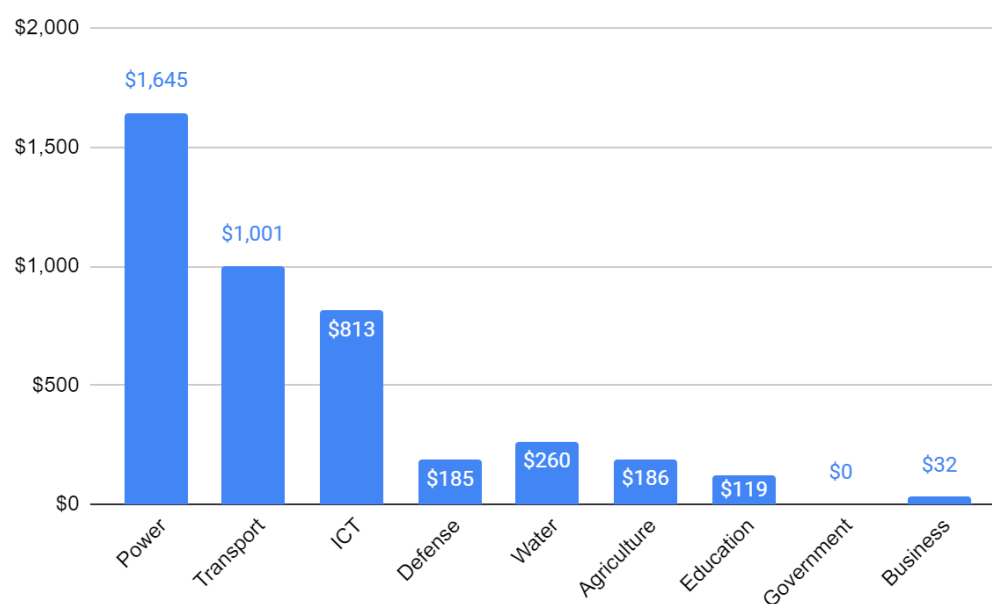
3. China's Foreign Aid Priorities

Since Chinese foreign aid is not monitored and measured under the international organizations' systems for ODA, the data is inadequate to track all Chinese foreign aid in terms of flows, volumes, and years. Therefore, the analysis will be based on the Chinese loan data provided by the China Africa Research Initiative at Johns Hopkins University's School of Advanced International Studies and the Boston University Global Development Policy Center. By analyzing Chinese aid flows in Ghana, this chapter aims to provide insights into the dynamics of China-Ghana relations and their implications for Ghana's socio-economic development.

Unlike the U.S., which has continuously changed its ODA approach over time to adapt new national development strategies for Ghana, China's foreign aid strategies have remained consistent, reflecting its long-standing commitment to South-South cooperation. While China's approach has remained unchanged, the scope of its aid has expanded in parallel with its own economic growth and development needs. From 2010 - 2020, China has provided US \$4.24 billion in loans for 35 projects in Ghana⁴⁴. The figure 8 shows that China's foreign aid priorities in Ghana have encompassed five key sectors in the last decade including power, transport, information and communication technology (ICT), defense, and water.

⁴⁴ Global Development Policy Center. "Chinese Loans to Africa Database - Ghana,". Boston University database. <https://www.bu.edu/gdp/chinese-loans-to-africa-database/>

Figure 8. China's Foreign Aid Distribution by Sector in \$ million from 2010 - 2020



Source: Global Development Policy Center

Table 4. China's Foreign Aid by Sector and Year (\$ million)

Sector	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total Sum \$
Power	\$77		\$1,300				\$173				\$95	\$1,645
Transport									\$546	\$211	\$244	\$1,001
ICT		\$150	\$32	\$274						\$199	\$158	\$813
Defense	\$85									\$100		\$185
Water		\$260										\$260
Agriculture										\$186		\$186
Education									\$119			\$119
Government												\$0
Business			\$32									\$32

Source: Global Development Policy Center

China's foreign aid in Ghana has notably concentrated a substantial amount of funding in the power sector. With an investment of US \$1.65 billion, China has demonstrated its commitment to bolstering Ghana's energy infrastructure. This substantial financial support has been directed towards various aspects of the power sector, including electrification supply and installation of equipment, electrification extension, and gas infrastructure. China particularly provided a massive amount of financial assistance to the power sector in 2012 (US \$1.3 billion), and this was due to address Ghana's energy challenges and contribute to sustainable development. Ghana's pursuit of achieving universal access to electricity by the year 2020 began in 1989 with the National Electrification Scheme (NES)⁴⁵. At the inception of the scheme in 1989, a mere 15 - 20% of Ghana's population had access to electricity. With the support of the World Bank, the Danish International Development Agency (DANIDA) and the Dutch Government, Ghana raised electricity access rates to 66.7% in 2009⁴⁶. Since 2010, the Chinese government has proceeded with a total of 9 power projects covering nationwide regions in Ghana (Upper West, Northern, Ashanti, Brong Ahafo, Eastern, and Volta) and spent US \$1.6 billion in loans. Since then, Ghana has reached electricity access rates of 80.51% in 2015 and 86.63% in 2021⁴⁷. Recognizing the importance of a reliable and widespread power supply in driving socio-economic development, China's aid prioritization in the power sector shows its commitment to supporting Ghana's electrification efforts.

China's foreign aid in Ghana also extends to the transport sector, demonstrating its commitment to supporting infrastructure development and connectivity in the country. Since 2018, China has resumed its support for the transport sector in Ghana, focusing on the construction and

⁴⁵ Ministry of Energy, Government of Ghana. "National Electrification Scheme: Master Plan Review,". Government of Ghana (2010): pp.3.
https://www.mida.gov.gh/pages/view/111/NES_Master_Plan_Review_Executive_Summary_Main_Report.pdf

⁴⁶ Ibid.,

⁴⁷ Department of Commerce, USA. "Ghana-Country Commercial Guide, Energy and Renewables,"(2021):
<https://www.trade.gov/country-commercial-guides/ghana-energy-and-renewables>

improvement of roads and traffic management systems. While previous support in the transport sector had concluded in 2003, this renewed focus on the transport sector marks an important shift in China's aid priorities in the country. Notably, the amount of loans extended to the transport sector for the past 3 years has surpassed the funding allocated to other sectors such as agriculture, education, and water since 2010, underscoring the significance that China places on enhancing regional integration and economic cooperation through building transport infrastructure. One example of China's transport investment is the construction of the Tamale Interchange. The Kwame Nkrumah Interchange in Tamale project, with US\$39 million funding from the Chinese government, became the first interchange in the northern region of Ghana⁴⁸. The Kwame Nkrumah Interchange project, named after Ghana's first president, Kwame Nkrumah, was built with a primary goal - to streamline traffic congestion and enhance transportation efficiency, allowing the citizens in northern regions a smoother flow of traffic and improved safety.

China's third significant priority in its aid to Ghana is the information and communication technology (ICT) sector. From 2010 to 2020, China has invested a substantial amount, totaling \$813 million, in developing Ghana's ICT infrastructure and capabilities. Recognizing the critical role of technology in driving economic growth and social development, China's support in the ICT sector helped to bridge the digital divide and promote digital inclusion in Ghana. China's aid in the ICT sector encompasses various projects, including telephone and digital inclusion, a distance learning system for schools, and the promotion of e-government services. One example of China's assistance in developing e-government services in Ghana is the establishment of data centers and information systems that facilitate the digitization and management of national data, allowing for more efficient data storage, retrieval, and analysis. Through three loan provisions, the government of China contributed a total of US \$180 million to both phase I and phase II of eGovernment Network

⁴⁸ Ministry of Roads and Highways, Government of Ghana. "President Akufo-Addo commissions Tamale Interchange," (2022): <https://mrh.gov.gh/president-akufo-addo-commissions-tamale-interchange/>

Infrastructure projects in Ghana in 2009 and 2011. To support this, the Chinese telecommunications company, Huawei Technologies, participated in the installation of the network configured for 1,050 sites in Ghana, thereby extending the national network infrastructure to all districts and ultimately connecting all government offices⁴⁹. By promoting e-government services, China helped improve the efficiency, transparency, and responsiveness of Ghana's public sector.

⁴⁹ National Information Technology Agency, Government of Ghana. “eGovernment Network Infrastructure,” (2022): <https://nita.gov.gh/projects/jurong-logistics-hub/>

VI. Ghana's National Development Priorities

1. Ghana's Transition to Lower-Middle Income Country and the Vision for Beyond Aid

Ghana's transition to a lower-middle-income country in 2010 marked a significant milestone in its development journey. This shift in Gross National Income (GNI) status signaled the country's progress in economic growth, poverty reduction, and human development indicators. As Ghana emerged as a more prosperous nation, its attitude towards aid began to change. With a growing sense of confidence and capacity, Ghana's government and policymakers recognized the need to redefine their approach to development assistance and set their sights on a new vision: Ghana Beyond Aid.

In 2017, the Government of Ghana (GoG) introduced the ambitious Ghana Beyond Aid policy, which represents a paradigm shift in the country's development philosophy. The vision behind Ghana Beyond Aid is to transform Ghana into a self-reliant and resilient middle-income country, where the economy thrives through the efficient use of domestic resources and foreign private investment. This commitment was strengthened on Ghana's 61st Independence Day, which the President of Ghana, Nana Addo Dankwa Akufo-Addo delivered through his speech:

“It is time to pursue a path to prosperity and self-respect for our nation. A Ghana Beyond Aid is a prosperous and self-confident Ghana that is in charge of her economic destiny; a transformed Ghana that is prosperous enough to be beyond needing aid and that engages competitively with the rest of the world through trade and investment.”⁵⁰

⁵⁰ The Presidency, Republic of Ghana. “Speech Address by the President of the Republic, Nana Addo Dankwa Akufo-Addo, on the Occasion of Ghana's 61st Independence Day Celebration,” Office of the President, Republic of Ghana released (2018): <https://presidency.gov.gh/index.php/briefing-room/speeches/568-address-by-the-president-of-the-republic-nana-addo-dankwa-akufo-addo-on-the-occasion-of-ghana-s-61st-independence-day-celebration-at-the-independence-square>

In pursuit of its Ghana Beyond Aid vision, the Ghanaian government has set forth five key targets to guide its path towards self-reliance and sustainable development. These targets encompass various aspects of fiscal management, aid alignment, and responsible governance. One primary target is to significantly reduce grants as a percentage of the government's budgetary expenditure on goods, services, and capital. The aim is to decrease the average grants percentage from 21.2% (from 2016 to 2018) to below 5% by the end of 2023 and further below 2% by the end of 2028⁵¹. Additionally, each ministry is tasked with reducing grants as a percentage of their budgetary expenditure to no more than 10% by 2023 and below 5% by 2028. The government emphasizes foreign aid should align with Ghana's transformation strategy in order to be integrated into the budget and that should support infrastructure, skills development, and scientific and technological capacity development. This policy reflects Ghana's determination to move away from a donor-dependent model and to take charge of its own destiny, steering its development agenda according to its own priorities and aspirations.

In line with the Beyond Aid policy, Ghana now aims at becoming an upper-middle income country (UMIC) by 2030 with a per capita income of US \$4,046⁵². Central to Ghana's vision of becoming a middle-income country is the recognition that sustainable development cannot be achieved solely through external aid. While aid has played a crucial role in Ghana's development journey, the government aims to leverage its own resources, invest in strategic sectors, and utilize the private sector as a growth driver and source of job creation. To transition from a lower middle-income country to an upper middle-income country, Ghana has taken several strategic initiatives, which will be explained in the next section.

⁵¹ Government of Ghana. "Ghana Beyond Aid Charter and Strategy Document," (2019): pp. 13. http://osm.gov.gh/assets/downloads/ghana_beyond_aid_charter.pdf

⁵² Government of Ghana. "The Coordinated Programme of Economic and Social Development Policies 2021-2025," (2022): pp.54. https://www.ndpc.gov.gh/media/CPESDP_2021-2025_21-11-22-2_FINAL_CORRECTED.pdf

2. National Development Programme Priorities

Ghana's national development priorities have undergone a significant transformation in recent years, driven by the government's commitment to achieving self-reliance and the vision of Ghana Beyond Aid. This strategic shift in development philosophy in 2017 marked a turning point in Ghana's approach to development planning. Prior to the Beyond Aid policy, the country's priorities were shaped by frameworks such as the Ghana Shared Growth and Development Agenda (GSGDA), which guided the nation's efforts in various sectors. However, with the recognition of the need to reduce reliance on external assistance and mobilize domestic resources, a new set of national priorities emerged. Therefore, this section examines the evolution of Ghana's development priorities, analyzing the pre-Beyond Aid era based on the GSGDA 2014-2017 paper and the subsequent changes that have taken place to align with the vision of a self-reliant middle-income country based on the Coordinated Programme of Economic and Social Development Policies (CPESDP) 2017-2024.

a. Pre-Beyond Aid: National Development Priorities

In the years preceding the implementation of the Ghana Beyond Aid policy, Ghana recognized the need for bold and imaginative policies to address the bottlenecks hindering its economic growth. The country embarked on a journey to create “a stable, united, inclusive, and prosperous society with opportunities for all”⁵³. This vision aimed at investing in people; a strong and resilient economy; expanding infrastructure; and transparent, responsive and accountable governance by focusing on key thematic areas as follows⁵⁴:

Table 5. Ghana's National Development by Themes Before Beyond Aid Era

⁵³ Government of Ghana, National Development Planning Commission (NDPC). “Ghana Shared Growth and Development Agenda (GSGDA) II, 2014-2017,” (2014): pp.32.

https://ndpc.gov.gh/media/Ghana_Shared_Growth_and_Development_Agenda_GSGDA_II_2014-2017.pdf

⁵⁴ Ibid.,

Thematic Areas	Policies and Strategies
Ensuring and Sustaining Macroeconomic Stability	<ul style="list-style-type: none"> - Improved monetary and financial policy management; - Effective and efficient fiscal policy management; - Economic Policy Decision-Making and Management; - International Trade and Regional Integration.
Enhancing Competitiveness of Ghana's Private Sector	<ul style="list-style-type: none"> - Improving Private Sector Productivity and Competitiveness - Private Sector Participation in Socio-Economic Infrastructure Development - Development of Efficient and Responsive Financial Sector - Expanding Access to Domestic and International Markets - Protecting the Health, Safety and Economic Interest of Consumers - Expanding Opportunities for Job Creation and Decent Work
Accelerated Agriculture Modernisation and Sustainable Natural Resource Management	<ul style="list-style-type: none"> - Agriculture Productivity Accelerated Creation of Decent Jobs - Agriculture Competitiveness and Integration into Domestic and International Markets - Irrigation Development; - Agriculture Financing - Sustainable Environment, Land and Water Management - Crops Development for Food Security, Exports and Industry - Natural Resource Management and Minerals Extraction - Biodiversity Management - Land Management and Restoration of Degraded Forest - Natural Disasters, Risks and Vulnerability
Oil and Gas Development	<ul style="list-style-type: none"> - Value addition to local goods and services to maximise their use in oil and gas industry; - Establishment of petroleum and gas-based industries, and other industries that depend on the utilisation of the by-products of oil and gas industry; - Expansion of the national oil and gas upstream, midstream and downstream infrastructure in collaboration with the private sector within the PPP framework; - Acceleration of development of complementary resources such as salt; - Leverage of the oil and gas industry to support the development of new industries such as petrochemicals, aluminium, glass, brick and tiles, etc.
Infrastructure and Human Settlements Development	<ul style="list-style-type: none"> - Transport and Logistics - Science, Technology and Innovation to Support Productivity and Development - Information and Communication Technology (ICT) Development - Energy Supply to Support Industries and Households - Social, Community and Recreation Infrastructure - Water, Environmental Sanitation and Hygiene - Urban Development and Management - Rural Development and Management - Settlement Disaster Prevention, Emergency Response and Hazard Mitigation

Human Development, Productivity Decent Work	<ul style="list-style-type: none"> - Provision of Quality Education - Access to Quality Health Care - HIV and AIDS/STI - Nutrition and Food Security - Human Capital Development, Employment, Productivity and Labour Relations - Sports Development - Social Development and Social Protection
Transparent, Responsive and Accountable Governance	<ul style="list-style-type: none"> - Practice of democracy and institutional reforms; - Local governance and decentralisation; - Special development zones; - Public policy development and management; - Public sector reform; - Gender equity and women empowerment; - Corruption and economic crimes; - Public safety and security; - Access to rights and entitlements; - National culture for development; - International relations for development and evidence-based decision-making

Source: NDPC, Government of Ghana

Based on the thematic priorities, the country strived to build a strong network of government institutions, a robust infrastructure, a young and abundant labor force, a rapidly expanding middle class, and a developing social safety net. These platforms served as critical pillars that could be leveraged to propel accelerated socio-economic transformation, and the prospects for such a development plan included opportunities in agriculture, natural resource endowments such as oil and gas, and tourism.

By harnessing these prospects and building upon the existing platforms, this comprehensive framework guided the formulation of policies, the allocation of resources, and engagement with various stakeholders. With strategic planning and targeted interventions, Ghana aimed to uplift its citizens, especially the youth, by equipping them with the necessary knowledge, skills, and opportunities for sustainable livelihoods.

b. Post-Beyond Aid: National Development Priorities

With the introduction of the Beyond Aid policy in 2017, Ghana embarked on a new phase of its national development agenda, marking a significant departure from traditional dependency on external assistance. This groundbreaking policy shift underscored Ghana's unwavering commitment to self-reliance, sustainable growth, and the mobilization of domestic resources as key drivers of its developmental trajectory. Drawing on the valuable lessons and accomplishments of the pre-Beyond Aid period, the post-Beyond Aid era witnessed a strategic reorientation towards a comprehensive set of development priorities aimed at “revitalizing the economy; transforming agriculture and industry; revamping economic and social infrastructure; strengthening social protection and inclusion; and reforming public service delivery institutions”⁵⁵. This new chapter in Ghana's development journey seeks to consolidate economic development and propel the nation towards achieving its vision of becoming a middle-income country. To start this new transformation, the country set up a series of flagship projects and initiatives to be implemented. Details are as below:

Table 6. Ghana’s National Development Priorities After Beyond Aid Policy

Focus Areas	Interventions
Revitalize the Economy	<ul style="list-style-type: none"> i. establishment of a national database, using the National Identification System as the primary identifier, with linkages to the databases of institutions; ii. establishment of an electronic payments system; iii. implementation of accelerated export development strategy; iv. establishment of a machine tool industry v. revision and implementation of the National Industrialization Policy vi. establishment of a national tax evasion hotline.
Revamp Economic and Social Infrastructure:	<ul style="list-style-type: none"> i. dedicated energy supply sources for industrial enclaves and zones; ii. expand the railway network to northern Ghana to open up economic opportunities and link the country with neighbouring countries; iii. build a Tema-Akosombo rail link to tie in with a vibrant and revived Volta Lake transportation system for expanded transportation, thereby boosting local and national economic activity.

⁵⁵ Government of Ghana. “The Coordinated Programme of Economic and Social Development Policies 2017 -2021,” (2017): pp.3. <https://faolex.fao.org/docs/pdf/gha174137.pdf>

Transform Agriculture and Industry	<ul style="list-style-type: none"> i. launch a national campaign dubbed “Planting for Food and Jobs” to stimulate food production and generate incomes; ii. implement “One Village, One Dam” initiative to ensure all year-round farming, especially in the northern regions; iii. institute incentive schemes for the development of specific renewable energy projects for industrial development; iv. implement the “One District, One Factory” initiative, through public-private partnerships, to establish at least one industrial enterprise in each of the 216 districts in Ghana;
Social Development	<ul style="list-style-type: none"> i. redefine basic education to include senior secondary education; ii. implement the policy on free SHS for all Ghanaian children; iii. implement reforms in school curriculum to emphasise the 4Rs; iv. strengthen and align Technical and Vocational Education and Training institutions in the Ministry of Education; v. popularise the teaching and learning of STEM and ICT education in basic/secondary schools; vi. implement accelerated programme for teacher development and professionalisation; vii. reform and strengthen regulatory agencies operating under the Ministry of Education; viii. implement the Accelerated Programme for the Rationalization and Expansion of Educational Infrastructure; ix. restructure the National Health Insurance Scheme (NHIS); x. strengthen Technical and Vocational Education and Training; xi. expand the coverage of the Livelihood Empowerment Against Poverty (LEAP) programme; xii. renew and enhance the Ghana School Feeding Programme (GSFP); xiii. enforce the Disability Act, including improving access to public buildings for the physically challenged; xiv. introduce a quota system of women in 30 percent of public appointments;
Reform the Delivery of Institutions of Governance	<ul style="list-style-type: none"> i. Establish an Office of the Special Prosecutor, to investigate and prosecute certain categories of cases and allegations of corruption; ii. implement public procurement reforms; iii. implement policy on direct election of MMDCEs; iv. pass the Right to Information Bill; v. pass the Affirmative Action Bill to increase women’s involvement in decision making at all levels; vi. amend the relevant sections of the Criminal Offences Act, 1960 (Act 29) to make corruption a felony, rather than a misdemeanor; vii. implement public sector reforms and innovation; viii. develop online database of national and sub-national infrastructure assets.
Leverage on Science, Technology and Innovation for Development	<ul style="list-style-type: none"> i. establish a Presidential Advisory Council on Science, Technology and Innovation (PACSTI), to ensure high-level attention on STI; ii. establish an Inter-Ministerial Coordinating Council on Science, Technology and Innovation to coordinate STI interventions across all ministries; iii. establish a platform for collaboration between Government, research institutions, academia and industry; iv. improve public funding for research and development (R&D) to at least 1 percent of GDP; v. enact STI Bill to ensure continuity in STI programmes from one political administration to another; vi. strengthen and aggressively promote STEM education;

Source: NDPC, Government of Ghana

Ghana's new direction for national development particularly focuses on creating a favorable space for the Ghanaian private sector to thrive. By fostering innovation, adaptation, and entrepreneurship, especially within the industrial sector, the aim is to generate more high-quality jobs and increase incomes for Ghanaians. To accomplish this, the government acknowledges the importance of an economic revival by enhancing macroeconomic management, reducing the cost of business, combating corruption, ensuring a reliable power supply, facilitating access to land, and promoting skills development⁵⁶.

A pivotal aspect of the new approach is effective fiscal policy management. By narrowing the gap between public spending and revenue, the government aims to enhance the economy's resilience to shocks and create an environment conducive to producing value-added soft and hard material commodities from agriculture to mining. Agriculture and natural resources are considered potential drivers of economic transformation this time. To provide strategic direction and support, the government is committed to implementing a well-defined industrial policy. This includes strengthening existing firms, promoting small business incubation, and supporting the "One District, One Factory" initiative⁵⁷. Moreover, infrastructure development will be prioritized, with increased expenditure on transportation, water, sanitation, energy, and other critical sectors, ensuring equitable distribution across the country. Social policies are also a key focus, with investments in education, healthcare, and affordable housing aimed at improving access and quality. To address the evolving needs of the population, urbanization, and vulnerable groups, an integrated social policy regime is to be developed.

3. The Way Forward: Ghana's Long-Term Development Plan

⁵⁶ Government of Ghana. "The Coordinated Programme of Economic and Social Development Policies 2017-2021," (2017): pp.3. <https://faolex.fao.org/docs/pdf/gha174137.pdf>

⁵⁷ Ibid.,

Ghana's Long-Term Development Plan outlines a comprehensive roadmap for the country's sustainable and inclusive development. The plan, spanning a period of 40 years from 2018 to 2057, envisions Ghana as “a just, free, prosperous, and self-reliant nation that would play a leading and influential role in regional and global affairs”⁵⁸. This long-term development plan aims to make Ghana a high-income country by 2057, which has a higher vision than the current Beyond Aid policy to be a middle-income country by 2030. The plan focuses on economic, social, environmental, and institutional transformation to bring about positive and measurable changes, and the term transformation in this part is defined as Ghanaians' living standard enhancement over the 40 years of the plan.

The principal objective behind economic transformation is to ensure ease of labor movement from less efficient sectors to more efficient ones, leading to increased productivity levels and higher earning incomes. This will eventually reduce poverty levels and ultimately contribute to overall material progress benefiting all Ghanaians.

Social transformation envisions a country where every Ghanaian irrespective of their background reaches their full potential and enjoys good health and well-being while playing an essential role in the development of their communities, the nation, and humanity as a whole.

Institutional transformation concentrates on building a strong foundation on robust systems both in the public and private sectors, ensuring effective service delivery; fostering peace-keeping tactics, and promoting democratic values such as freedom, justice, and fairness, thus uniting Ghana under one roof and creating crucial components that shape the country's future outlook.

Environmental transformation concentrates on improving development planning to meet the needs of present and future generations while conserving natural ecosystems. This includes

⁵⁸ Government of Ghana, National Development Planning Commission. “Long-term National Development Plan of Ghana 2018-2057,” (2017): https://www.ndpc.gov.gh/media/Long-term_National_Development_Plan_2018-2057_tdqQ7xU.pdf

sustainable management practices focusing on land, forests, water bodies, and the atmosphere - all essential ecosystem services.

To measure progress and success in achieving the long-term plan's vision of transformation, five strategic goals have been developed. These goals are:

“Goal 1: Build an industrialized, inclusive, and resilient economy.

Goal 2: Create an equitable, healthy, and prosperous society.

Goal 3: Build safe and well-planned communities while protecting the natural environment.

Goal 4: Build effective, efficient, and dynamic institutions for national development.

Goal 5: Strengthen Ghana's role in international affairs.”⁵⁹

Looking ahead to the future, Ghana has set ambitious goals for itself, aiming to achieve high-income country status by 2057 through careful planning and execution. This transformative vision involves creating an economy that emphasizes both diversification and export-driven economic growth while solidifying its entrepreneurial, agricultural, and manufacturing sectors' efficiency and measures. If these objectives are met successfully by 2057, Ghana's per capita income is projected at US \$58,401.6, reflecting significant strides in economic growth and a prosperous future for all Ghanaians.

⁵⁹ Government of Ghana, National Development Planning Commission. “Long-term National Development Plan of Ghana 2018-2057,” (2017): https://www.ndpc.gov.gh/media/Long-term_National_Development_Plan_2018-2057_tdqQ7xU.pdf

VII. Donors' Aid Alignment with Ghana's National Development Priorities and Alignment Strategies

1. Alignment Analysis

In accordance with international agreements such as the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, and the Busan Partnership for Effective Development Cooperation, the alignment of aid priorities becomes crucial for sustainable development as these agreements emphasize the importance of aligning aid with recipient countries' strategies and ownership for the effectiveness and impact of foreign assistance. To answer the research questions of (1) To what extent do the U.S. aid priorities align with Ghana's national development plan? and (2) To what extent do China's foreign aid priorities align with Ghana's national development plan?, this analysis aims to delve into the aid allocation strategies of two major players, the United States and China, and their alignment, or lack thereof, with Ghana's national development priorities.

The advent of the Beyond Aid policy placed Ghana's focus on self-sufficiency and the mobilization of domestic resources. Ghana's vision for transformation requires strategic alignment and support from donor countries. Therefore, this section will explore how the aid priorities of the U.S. and China have responded to Ghana's Beyond Aid policy and assess whether their aid allocations have shifted to align with Ghana's new emphasis on self-reliance, sustainable growth, and reduced dependency on external assistance.

a. Foreign Aid Alignment Before Beyond Aid Policy

As explicitly stated in USAID's Country Development Cooperation Strategy paper, the U.S. develops its country development cooperation priorities with the Government of Ghana, Ghanaian civil society, the USAID Country Team, and USAID Washington through a deep consultation to

ensure mutual understanding and alignment of development strategies. In line with Ghana's development agenda, the U.S. aid priorities have demonstrated alignment with Ghana's thematic areas of focus, such as "Enhancing Competitiveness of Ghana's Private Sector", "Accelerated Agriculture Modernization and Sustainable Natural Resource Management", and "Sustainable Natural Resource Management", "Human Development, Productivity Decent Work", and "Transparent, Responsive and Accountable Governance". The U.S. country programme priorities aligned with a total of four themes out of seven of Ghana's national development priorities.

During the pre-Beyond Aid era, the United States demonstrated a significant alignment with Ghana's development priorities, specifically in the areas of agriculture, health, and education. These sectors corresponded directly to Ghana's thematic priorities of accelerated agriculture modernization and sustainable natural resource management (Priority 3) and human development and decent work (Priority 6).

The United States' investment of \$261 million in agriculture reflected a clear alignment with Ghana's priority of accelerated agriculture modernization. This support aimed to enhance the competitiveness of agricultural productivity through its Feed the Future initiative and support vulnerable smallholder farmers in the northern region of Ghana. By investing in agricultural development, the United States contributed to Ghana's efforts to achieve food security, improve livelihoods, and stimulate economic growth in the agricultural sector.

Furthermore, the United States allocated substantial funding to basic health and basic education, with investments of \$219 million and \$152 million, respectively. To include other health sector contributions such as HIV/AIDS, maternal and child health, family planning, and water supply and sanitation, the total amount of ODA allocated to health and education from 2010-2016 soars up to US \$582.06 million. These investments closely aligned with Ghana's priority for human development and productivity - specifically access to quality health care, HIV and AIDS, and the provision of quality education strategies. By focusing on improving access to quality healthcare

services and enhancing educational opportunities, the United States supported Ghana's goal of developing a skilled and productive workforce, fostering social development, and improving overall well-being.

However, it is important to highlight that while the U.S. exhibited alignment with Ghana's development priorities in the areas of agriculture, health, and education, there were other sectors where the level of investment was relatively limited. This implies that the aid allocation from the U.S. may not have a greater impact on Ghana's national development priorities as opposed to their public vocalization about their contribution and achievements to support Ghana's development agenda.

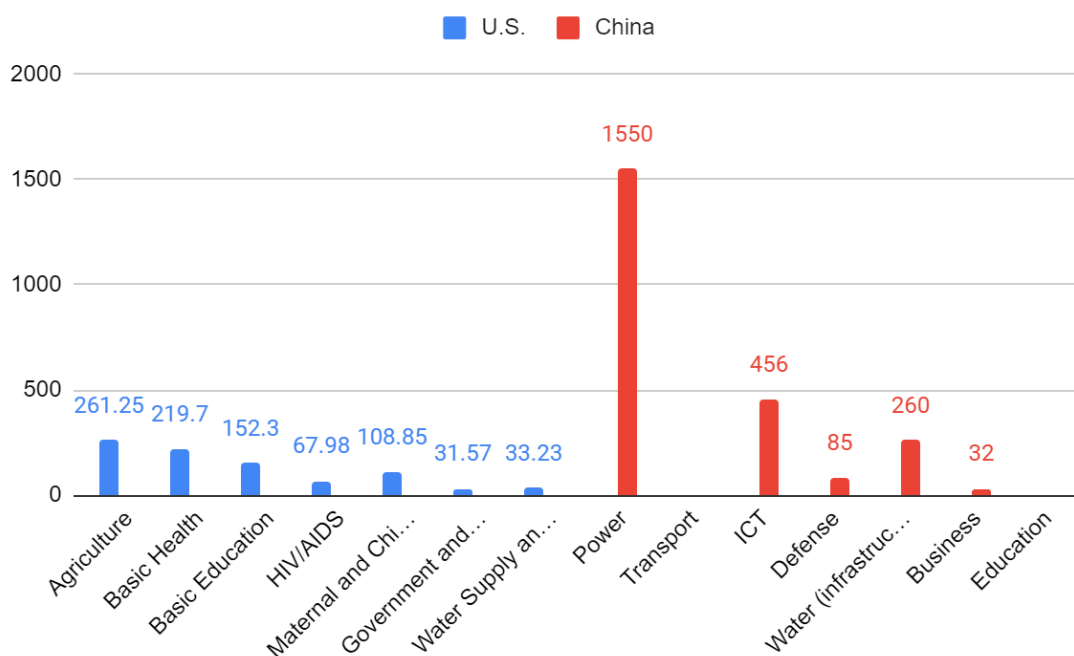
For instance, private sector investment and governance were mentioned as important thematic areas in Ghana's national development priorities. However, the level of ODA allocation from the U.S. in these sectors was not as substantial as in agriculture, health, and education. This demonstrates the need for a comprehensive approach to development cooperation, where various sectors are adequately supported to ensure holistic and sustainable progress in Ghana's national development agenda.

Similarly, China's aid priorities in Ghana have shown a distinct alignment with one of Ghana's key development areas: infrastructure and human settlement development (priority No. 5). China's significant investments in power, information and communication technology (ICT), and water infrastructure reflect a strategic focus on supporting Ghana's infrastructure development, which is critical for fostering economic growth, improving living standards, and advancing sustainable urbanization.

By allocating substantial resources to power, ICT, and water infrastructure projects, China has contributed to Ghana's efforts to overcome infrastructure bottlenecks and create well-planned communities. These investments are expected to enhance Ghana's capacity in energy production, connectivity, and water resource management, thereby supporting the country's broader development objectives.

However, it is worth noting that there was one aspect where China's aid allocation did not directly align with Ghana's development plan. This pertains to China's support in procuring goods for the Ghana Armed Forces, including the provision of financial aid, logistics, and training for military assistance. While such support may have been seen as a gesture of commitment and solidarity between the two countries, it does not directly correspond to Ghana's national development priorities as outlined in its development plan.

Figure 9. U.S. and China's Foreign Aid in Ghana by Sector (2010-2016) (\$ million)



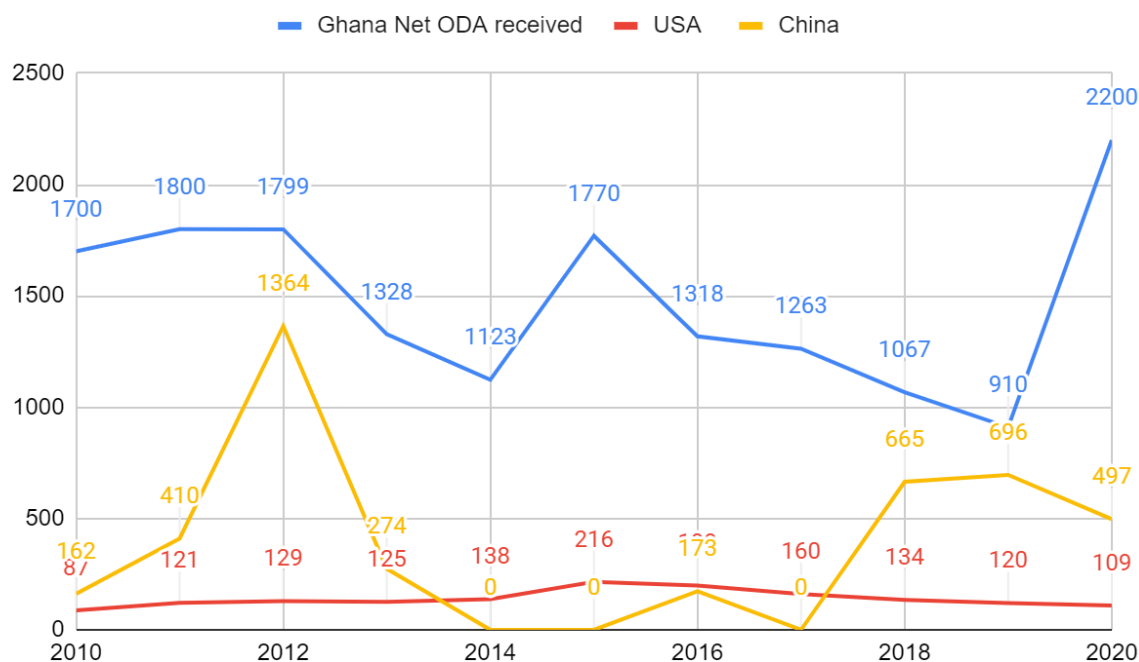
Source: The U.S. Department of State and Global Development Policy Center

b. Foreign Aid Alignment After Beyond Aid Policy

The Beyond Aid policy of Ghana signifies a shift towards reducing dependency on external assistance and promoting self-reliance in driving the country's development agenda. As part of this

policy, Ghana began to decrease its reliance on ODA from donor countries and received the aid only when it aligned with its national development priorities. As indicated in figure 10, the overall ODA trend after 2017 indicates a decreasing level of assistance - though there is an increase in net ODA received in 2020, it is due to the exceptional circumstances brought about by the COVID-19 pandemic.

Figure 10. Foreign Aid Flows in Ghana from 2010 -2020 (\$ million)



Source: OECD, The U.S. Department of State, and Global Development Policy Center

In line with this shift, the United States, as one of the major donors to Ghana, has also reduced the size of its aid to the country. However, China's financial support for Ghana has shown an interesting trend. Despite Ghana's vision of reducing reliance on donors, China has increased its financial assistance to the country since 2018. This increase in support from China may not align directly with Ghana's vision of self-reliance; however, it also implies that Ghana still requires financial resources to support its development priorities anyway. The challenge here lies in striking a

balance between reducing reliance on external aid while effectively utilizing available resources and fostering sustainable domestic revenue generation.

For sectoral alignment, Agriculture and health sector are still prioritized by the U.S. strategic interventions. USAID's commitment to basic health services, with a substantial investment of \$144.3 million, directly corresponds to Ghana's focus on improving access to quality healthcare for all. This alignment aims to address the pressing health needs of the Ghanaian population, ensuring that essential health services are available and accessible.

However, it is important to note that while USAID's investments in basic health services and maternal and child health are aligned with Ghana's priorities, there are other aspects of Ghana's health agenda that may not receive the same level of funding and support. For example, Ghana's emphasis on mental health and the management of non-communicable diseases may not be fully reflected in the financial support provided by USAID. These areas, which are crucial for addressing the growing burden of mental health disorders and non-communicable diseases, may require additional resources and attention to align with Ghana's comprehensive health strategy.

Also, the alignment between Ghana's economic development priority of agricultural transformation and rural development and USAID's development objective 2, quality services delivered with increased accountability, can be observed in several areas. The emphasis on linking smallholder farmers to markets in USAID's objective is consistent with Ghana's focus on ensuring that farmers have access to the necessary resources, such as seeds and fertilizers, to maintain food production. This alignment signifies a shared commitment to enhancing the agricultural value chain and enabling smallholder farmers to participate effectively in market opportunities.

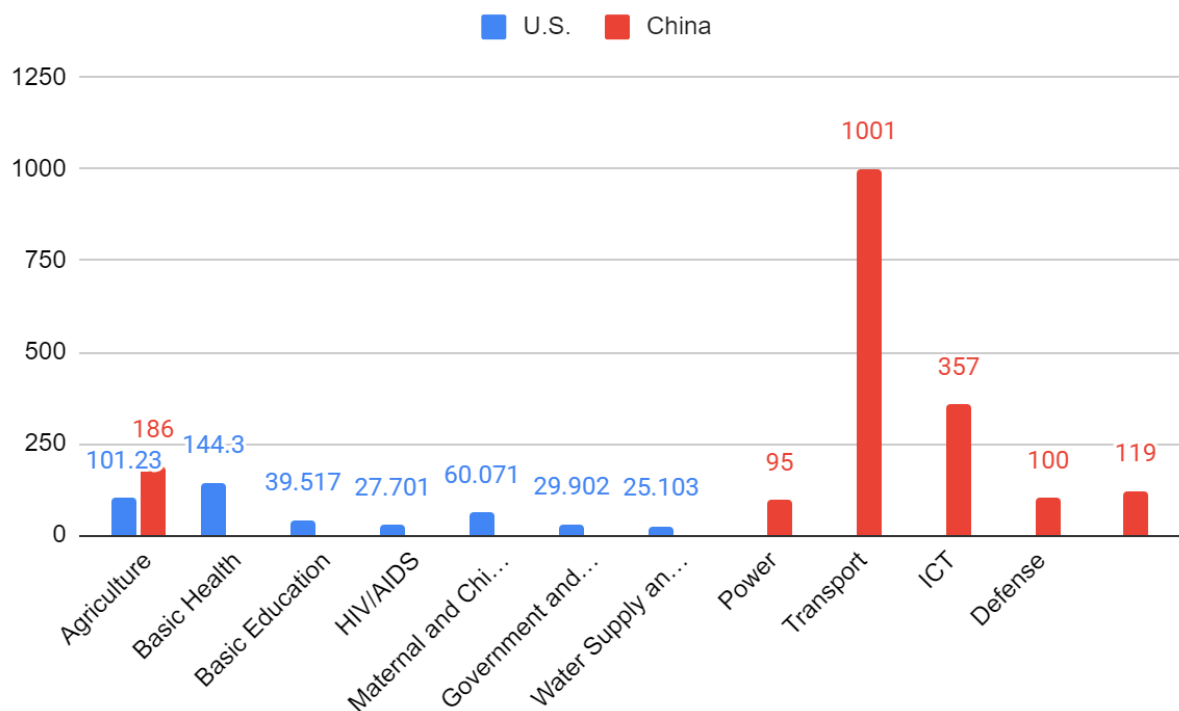
While the U.S. sectoral ODA disbursement did not make an impressive change after Beyond Aid policy, China has demonstrated a significant shift in its investment priorities in Ghana. While previously China primarily focused on power-related projects, it has now allocated the most substantial amount of funding towards transport - though both fall under the theme of infrastructure.

China's significant investment of \$1 billion in various road construction, rehabilitation, and interchange projects directly supports Ghana's revamping its economic and social infrastructure strategy. These initiatives contribute to improving transportation networks, connecting regions, and boosting economic activities. By aligning with Ghana's priority to enhance infrastructure, China's investments in the transport sector help lay the foundation for sustained economic growth and development.

Similarly, China's investments of \$357 million in the ICT sector align with Ghana's priorities in social development and the reform of institutions of governance. Ghana aims to popularize STEM and ICT education in schools, and China's focus on ICT projects, such as the Integrated National Security Communications Enhancement Network and the Ghana Rural Telephony and Digital Inclusion Project, supports this objective. These investments help promote digital literacy, improve access to telecommunications services, and bridge the digital divide, contributing to Ghana's efforts in social development and empowering its citizens through increased access to information and technology.

The non-alignment this time is again the defense sector, where China increased thier financial assistance from \$80 million to \$100 million for the Ministry of Defence's Housing Project and rehabilitation works for the Ghana Armed Forces. Ghana's development priorities primarily focus on sectors such as agriculture, infrastructure, social development, and governance reforms. While defense is an important aspect of national security, it is not a central area of emphasis in Ghana's overall development strategy.

Figure 11. U.S. and China's Foreign Aid in Ghana by Sector (2017-2020) (\$ million)



Source: The U.S. Department of State and Global Development Policy Center

2. Ghana's Strategies for Aid Received

Ghana has implemented various aid strategies to effectively manage and leverage the aid it receives in support of its development goals. These strategies are aimed at aligning aid with the country's national priorities, diversifying funding sources, and promoting partnerships. By adopting these approaches, Ghana sought to maximize the impact of aid and drive long-term development.

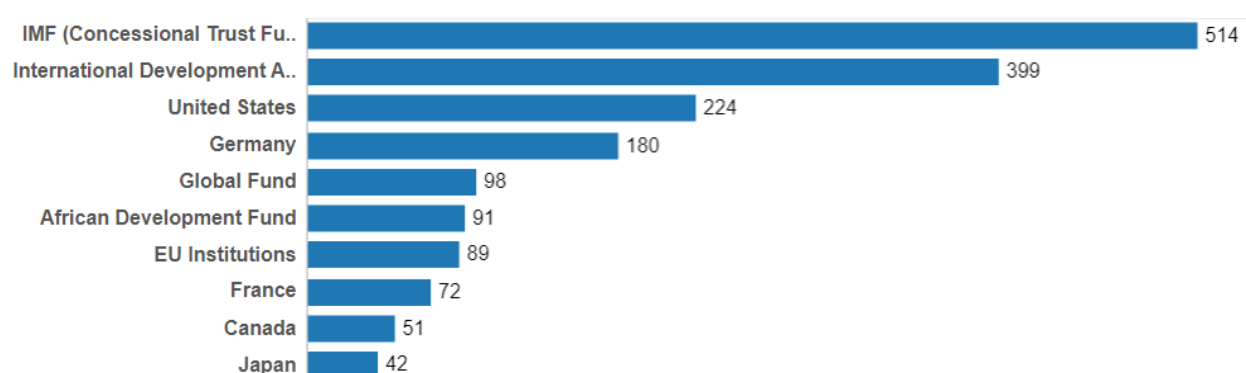
According to OECD, aid is effective when donors “make use of national development strategies and help strengthen capacity in national systems”⁶⁰. After comparing the foreign aid priorities provided by the U.S. and China with Ghana's national development plan, it is evident that a

⁶⁰ OECD. “Aid Effectiveness: Progress in Implementing the Paris Declaration – Volume II Country Chapters, Ghana.”. OECD publishing (2011): <https://www.oecd.org/dac/effectiveness/Ghana%205.pdf>

significant portion of their economic assistance aligns with Ghana's development strategy objectives. Both countries have recognized the importance of supporting sectors crucial to Ghana's development, such as agriculture, health, and education, infrastructure, and Information and communication technology (ICT). These alignments were possible for both countries because the U.S. planned their country cooperation development strategy with the GoG and China's foreign aid tendency in infrastructure fitted to Ghana's national development plan.

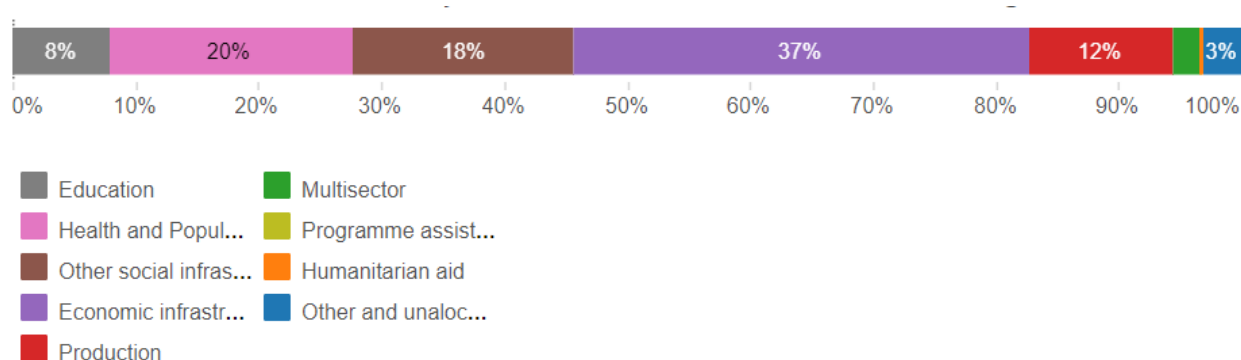
Through the comparative analysis, it was found that the U.S. and China exhibit preferences for specific sectors in their foreign aid allocations, creating a disparity in aid volume across sectors. However, despite the disparity in aid allocation across the sectors by the U.S. and China - U.S. on agriculture, health, and education, and China on infrastructure and ICT, these differences did not significantly hinder Ghana's national development plan. This is due to Ghana's diversification of aid sources beyond the U.S. and China. In 2020 - 2021, Ghana received ODA from many different donors, which include International Monetary Fund, International Development Association, Germany, etc. This diversity provided Ghana opportunities for sectoral diversification and reduces dependence on a single donor. In fact, figure 13 shows that ODA is relatively fairly distributed across sector. By leveraging aid from various sources, Ghana could supplement any potential gaps in aid volume and maintain progress towards its development objectives. Additionally, the distinct sectors favored by each donor can be complementary to Ghana's development agenda, allowing for a multifaceted approach to address different aspects of socio-economic advancement and making the country more resilient and less vulnerable to potential fluctuations in aid flows.

Figure 12. Top 10 Donors of Gross ODA for Ghana in 2020 - 2021 (\$ million)



Source: OECD

Figure 13. Bilateral ODA by Sector in Ghana, 2020 - 2021



Source: OECD

Moreover, Ghana places significant importance on public-private partnerships (PPPs) as a strategy to leverage additional resources and expertise for development. Through collaborations between the public and private sectors, Ghana ensures to harness the innovation, technology, and investment capabilities of the private sector to complement and enhance the impact of aid. Through various initiatives, USAID has supported macroeconomic policy reforms, fostered public-private dialogues on policy and regulation, and facilitated market access and credit availability for farmers.

One notable outcome of USAID's efforts is the establishment of the Ghana Alternative Exchange (GAX), which provides small and medium enterprises with access to alternative sources of finance. Additionally, USAID has played a crucial role in facilitating financing for over 500 private sector businesses, totaling an impressive amount of \$38 million⁶¹. These financial resources have enabled businesses to expand their operations, create jobs, and contribute to the overall economic growth of Ghana. China also has been actively involved in PPP in Ghana, particularly in infrastructure development. One example is Bui Hydroelectric project as stated above in China's aid priorities section.

Overall, Ghana's aid strategies encompass a range of approaches aimed at effectively managing and leveraging aid for its development goals. There may be variations in funding amounts and shifts in the U.S. and China's aid priorities, the volume of aid that deviated from the Ghana's national development plan is relatively mere than other sectors. Also, Ghana's aid source diversification prevented the country overly dependent on a few donors, ensuring foreign aid to be fairly distributed. A significant amount of foreign aid from the U.S. and China aligns with Ghana's national development priorities and that aid remains effective in advancing Ghana's development agenda.

3. Donors' Strategies for Alignment

In the realm of foreign aid, ensuring alignment between donor priorities and the national development plan of recipient countries is crucial for achieving effective and impactful development outcomes. However, achieving perfect alignment can be challenging, and gaps may arise between donor assistance and the recipient country's priorities. This research identified that both the U.S. and

⁶¹ USAID. "Annual Report: Fostering Sustainable and Productive Partnerships Fiscal Year 2016," USAID publishing (2016): pp.13 https://www.usaid.gov/sites/default/files/2022-05/Ghana_Annual_Report_2016_op.pdf

China has high alignment of their financial assistance to Ghana's national priorities, albeit with some disparities. To answer the research question (3): What strategies and practices are employed by donors to bridge gaps in aid alignment with Ghana's national development plan?, this section will research about the strategies and practices utilized by the U.S. and China to address their efforts for aid alignment and mitigate misalignments, thereby optimizing the effectiveness and impact of foreign aid.

To answer the question, the research utilized the USAID's country documents, briefers, and project assessment papers to understand at what levels and how deep the U.S. involves with GoG for aid alignment. On the other hand, for China, the research utilized both official documents and key informant interviews. The interviews were conducted in June 2023, including discussions with a Chinese business school and a Chinese private company. Key informants were asked a total of 10 questions, of which were all open-ended and related to aid alignment strategies. Key informants consisted of the intellectual and the managing director of the company in Accra, Ghana.

U.S. Strategies

The U.S. and China employ distinct strategies to align their aid with Ghana's national development priorities. The U.S. adopts a deliberate and explicit strategy to align its foreign aid with Ghana's national development plan. In USAID's Country Development Cooperation Strategy (CDCS), it emphasizes the importance of close collaboration and coordination with the Government of Ghana to ensure alignment and maximize the impact of their assistance. USAID's CDCS outlines specific objectives and focus areas by working hand-in-hand with the Ghanaian government. USAID aims to ensure that its assistance programs directly support the country's national development agenda for a shared understanding of Ghana's priorities and the identification of areas where U.S. aid can have the most significant impact. Their commitment to align with Ghana Beyond Aid vision can also be found in their national security strategy paper:

“Africa remains the continent of promise and enduring challenges. ... We will encourage reform, working with promising nations to promote effective governance, improve rule of law, and develop institutions accountable and responsive to citizens. ... We will work with reform-oriented governments to help establish conditions that can transform them into trading partners and improve their business environment. ... We will work with nations that seek to move beyond assistance to partnerships that promote prosperity.⁶²”

Furthermore, USAID engages in regular dialogue and consultations with various stakeholders, including government agencies, civil society organizations, and local communities, to ensure that their aid programs are responsive to the needs and aspirations of the Ghanaian people. Through these consultations, USAID seeks to foster a sense of ownership and partnership, allowing Ghana to take the lead in determining its development trajectory. The USAID TAP Program, for example, highlights USAID Ghana’s collaborative approach to engaging with GoG, local partners and experts. The program was to construct equipping of schools and district education offices, and USAID initiated the project from construction inspection, monitoring, supervision to documentation and follow-up with the Funds and Procurement Management Unit of Ministry of Education (MOE/FPMU) to identify areas of focus and establish program goals and objectives. All the meetings, site visits, and assessment were coordinated together with FPMU to ensure adequate planning and execution of the tasks and share best practices through the involvement of local experts.

In the health sector, USAID has been actively engaged in supporting Ghana's Next Generation Country Development Cooperation Strategy, by expanding the coverage and quality of health services. They work with the Ghana Health Service to improve the overall national healthcare system and creating an enabling policy environment. This includes establishing sustainable

⁶² The White House. “National Security Strategy of the United States of America,” The White House Publishing (2017): pp.52. <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

supervision structures and delivering direct support to units such as the Clinical Laboratories Unit and Institutional Care Division. They assist in health financing, operations research, leadership development, supply chain reform, and enhancing financial and management support systems at decentralized levels⁶³. USAID also collaborates closely with the National Health Insurance Authority to enhance the efficiency of Ghana's National Health Insurance Scheme.

Also, the USAID re-set up their strategic approach to be behavior-led. This is based on their 18 months consultative process and data collection, repositioning development “not as donor-funded interventions, but as a process of engagement of primary actors whose actions must work together in an integrated fashion to solve Ghana’s critical development challenges.”⁶⁴ By actively engaging and consulting with GoG, development partners, and Ghanaian civil societies throughout the CDCS process, USAID aims to enhance the effectiveness and impact of their aid efforts, ultimately contributing to Ghana's sustainable development goals.

China’s Strategies

China's approach to foreign aid has been subject to criticism, with concerns raised about their own aid policy and potential misalignment with recipient countries' priorities. In fact, China's aid priorities are shaped by its own strategic interests and foreign policy objectives, which may extend beyond solely supporting Ghana's national development plan. However, through key informant interviews conducted at the local level in Ghana, it was found that Chinese private companies operating in the country have a certain degree of autonomy in determining the sectors in which they provide financial assistance. These companies employ a combination of top-down and bottom-up

⁶³ USAID. “Health, Population, Nutrition Briefer,” USAID publishing (2016).
<https://www.usaid.gov/sites/default/files/2022-05/HPNO%20Briefer.pdf>

⁶⁴ USAID. “Country Development Cooperation Strategy 2020-2025,” USAID publishing (2020): pp.16
<https://www.usaid.gov/sites/default/files/2022-05/CDCS-Ghana-August-2025x.pdf>

approaches when deciding on aid allocation, ensuring their endeavors to promote mutual benefits between Ghana and itself through its aid projects.

An example that emerged from the interviews is the case of Beijing Xiaocheng Company (BXC) Ghana. BXC is a Chinese independent power producer that mainly works for power generation, solar power, cable work, etc. The company's decision-making process of choosing projects is based on a local assessment of the specific needs and requirements. The company conducts an evaluation of the necessity for aid and subsequently reports to the headquarters in China for approval. This demonstrates that there is a level of flexibility in the decision-making process, allowing for considerations of local conditions and priorities.

It is important to highlight that the Chinese government's non-interference policy in foreign aid and the private nature of the company limit direct engagement with the Government of Ghana for aid alignment. However, it is noteworthy that the company does engage in Corporate Social Responsibility (CSR) programs. These initiatives reflect the company's commitment to contribute to Ghana's sustainable development goals and align with international standards. One such commitment is the prioritization of eco-friendly energy sources, such as solar power, which not only supports Ghana's sustainable development objectives but also resonates with global efforts to mitigate climate change.

In addition to the case of BXC, another example of aid alignment by a Chinese company in Ghana is Sunon Asogli Power Ghana Ltd. This state-owned enterprise operates a natural gas fuel combined cycle power plant located in Tema, Accra. It is jointly owned by Shenzhen Energy Group Company Ltd and the China African Development Fund. Sunon Asogli Power Ghana Ltd follows a similar approach to aid allocation, where decisions are made locally, and operations are conducted on the ground in Ghana. The company has a budget specifically dedicated to Corporate Social Responsibility (CSR) programs, demonstrating their commitment to social and environmental initiatives beyond their core business operations. By providing clean energy solutions, the company

supports Ghana's efforts to enhance energy access, improve the quality of life for its citizens, and drive economic growth.

While it is acknowledged that China's aid priorities may be influenced by its own strategic interests and foreign policy objectives, the interviews shed light on the efforts made by Chinese private companies to align their assistance with Ghana's development needs. The local assessment and decision-making processes enable a certain degree of responsiveness to the specific context and priorities in Ghana.

Moreover, considering the significant amount of financial investment that China has made in Ghana, it is evident that China places great importance on its relationship with the country. In fact, Ghana ranks as the 6th largest recipient of Chinese aid among other African countries⁶⁵. This demonstrates China's commitment to supporting Ghana's development objectives.

In line with Ghana's "Beyond Aid" policy, which places emphasis on infrastructure and ICT, China has made substantial contributions in these areas. Specifically, China has provided over \$1 billion for the development of transport infrastructure, which includes projects such as road constructions, interchanges, and upgrading of feeder roads. This investment aims to enhance Ghana's transportation network, improve connectivity, and facilitate economic growth.

Additionally, China has demonstrated its commitment to Ghana through debt relief initiatives. For instance, in 2007, the Chinese government forgave \$25 million of the Government of Ghana's debt obligations⁶⁶. This gesture contributes to Ghana's debt sustainability and provides fiscal space for the country to allocate resources towards its development priorities.

⁶⁵ Global Development Policy Center. "Chinese Loans to Africa Database - Ghana,". Boston University database. <https://www.bu.edu/gdp/chinese-loans-to-africa-database/>

⁶⁶ AidData.. "Chinese Government forgives \$25 million of the Government of Ghana's outstanding debt obligations," A Research Lab at William and Mary (2007): <https://china.aiddata.org/projects/1778/>

VIII. Conclusion

This paper explores the alignment of foreign aid provided by the U.S. and China with Ghana's national development plan by analyzing the aid priorities of both countries in relation to Ghana's development objectives and assessing the extent of alignment or non-alignment.

The analysis indicates a significant alignment between the U.S. aid priorities and Ghana's national development plan. The U.S. has shown a strong focus on sectors such as agriculture, health, and education, which are key priorities in Ghana's development agenda. This alignment reflects the U.S. commitment to supporting Ghana's efforts in improving food security, healthcare, and education outcomes. However, there are slight inadequate points in other sectors such as private sector investment and governance, where the level of U.S. aid is relatively limited. While this indicates room for improvement, the overall alignment demonstrates the U.S.'s recognition of and support for Ghana's development priorities.

China's foreign aid priorities exhibit alignment with Ghana's national development plan, albeit with some variations. China has placed a significant emphasis on infrastructure development, particularly in the transport and power sector, aligning with Ghana's focus on revamping economic and social infrastructure. Additionally, China has invested in the ICT sector, supporting Ghana's goals to popularize STEM and ICT education and reform institutions of governance. However, there is a deviation in the defense sector, where China increased its funding for the Ministry of Defense's Project. This sector is not a central area of emphasis in Ghana's development strategy, but it highlights China's own strategic interests. Overall, China's aid priorities largely align with Ghana's national development plan, particularly in infrastructure and ICT.

In the case of Ghana, the slight deviations in aid priorities from the U.S. and China did not significantly reduce aid effectiveness. This can be attributed to several factors. Firstly, Ghana has diversified its sources of aid and secured support from multiple donors. This diversification reduces

the country's dependence on a single donor and mitigates the potential negative impact of deviations in aid priorities. Secondly, while there were some deviations, the volume of aid that deviated from Ghana's national development plan was relatively small compared to the overall aid received. The majority of aid from both the U.S. and China was aligned with Ghana's priorities, particularly in sectors such as agriculture, health, education, infrastructure, and ICT. Thirdly, Ghana emphasizes the broader inclusion of PPP in development agenda, securing extra financial sources and sustainable development.

To bridge gaps in aid alignment with Ghana's national development plan, both the U.S. and China employ specific strategies and practices. The U.S. has explicitly stated its commitment to working closely with the Government of Ghana to ensure alignment of its aid priorities. This collaborative approach facilitates ongoing dialogue, information sharing, and coordination to ensure that aid interventions are aligned with Ghana's development agenda. Similarly, China has made efforts to align its aid with Ghana's national development plan, despite its own strategic interests and foreign policy objectives playing a role in aid allocation. While China's top-down decision-making process may limit direct engagement with the Ghanaian government, key informant interviews revealed that Chinese private companies, such as Beijing Xiaocheng Company and Sunon Asogli Power Ghana Ltd, assess the necessity of aid locally and allocate resources accordingly. These companies also practice Corporate Social Responsibility (CSR) programs, focusing on eco-friendly initiatives that align with Ghana's sustainable development objectives.

In conclusion, the analysis reveals that the US and China's foreign aid priorities, though with slight deviations, largely align with Ghana's national development plan. Both countries have demonstrated efforts to align their aid strategies with Ghana's priorities, particularly in sectors such as agriculture, health, education, infrastructure, and ICT. Aid alignment plays a vital role in maximizing the impact of foreign assistance and contributing to the sustainable development of

recipient countries like Ghana. By aligning aid priorities with national development plans, both the United States and China contribute to Ghana's journey towards achieving its development goals.

Limitation of study

While examining the alignment of U.S. and China's aid priorities with Ghana's national development plan, there are certain limitations to consider. One significant limitation is the availability and reliability of data, particularly when it comes to Chinese aid. The transparency and accountability of Chinese aid in Ghana may present challenges in accessing comprehensive and transparent information. China's aid data is not as readily available as that of the U.S., making it difficult to obtain a complete understanding of the scope, nature, and impact of Chinese aid projects in Ghana. This limited access to data can impede a thorough analysis and assessment of China's aid alignment with Ghana's development plan.

Another limitation is the unavailability of a response from the USAID Ghana to the interview request, which could have provided additional perspectives and insights into their aid practices. The absence of this input may have resulted in a potential information gap and limited the comprehensiveness of the study. Also, the KII with a Chinese private company and a business school operating in Ghana provided valuable insights into the decision-making processes at the local level; however, they represent a specific subset of Chinese aid activities and may not fully capture the broader aid landscape and strategies employed by the Chinese government. Therefore, the findings related to China's aid alignment should be interpreted within the context of the specific companies interviewed and may not be fully representative of the entire Chinese aid approach in Ghana.

Moreover, the analysis primarily focuses on the aid priorities of the U.S. and China. While these are two major donors to Ghana, there are other donors and development partners that contribute

to the country's development agenda. The study does not extensively explore the alignment of aid from other sources, which could provide additional perspectives on aid effectiveness and alignment.

Lastly, the analysis relies on available documents, official reports, and key informant interviews. While efforts have been made to ensure the reliability and validity of the data sources, there may still be limitations inherent to the nature of the data itself, including potential biases or incomplete information. Careful consideration should be given to the limitations of the data sources when interpreting the findings of this study.

These limitations provide opportunities for further research to delve deeper into the aid alignment strategies of the United States, China, and other donors in Ghana, incorporating a broader range of data sources and exploring more recent developments. By addressing these limitations, future studies can contribute to a more comprehensive understanding of aid practices and their impact on recipient countries.

Lessons Learned

Over the course of this study, several valuable lessons have emerged regarding aid alignment strategies employed by the United States and China in Ghana. These lessons shed light on the dynamics and approaches involved in aligning aid with recipient countries' development plans, while also considering the interests and objectives of the donor countries.

One important lesson learned is that flexibility and adaptability are crucial in aid alignment. The U.S. demonstrated its ability to adapt its aid strategies by updating its country development cooperation strategies in response to Ghana's changing priorities. This underscores the importance of continuous dialogue and engagement between donors and recipient countries to ensure that aid remains relevant and responsive to evolving development needs.

The role of public-private partnerships in aid alignment has also emerged as a significant lesson. Both the U.S. and China recognize the value of leveraging the resources and expertise of the

private sector. By fostering collaborations between the public and private sectors, innovative solutions, technology transfer, and additional investments can be mobilized to address development challenges more effectively.

Moreover, policy coherence between donor objectives and domestic policies is important for effective aid utilization. Recipient countries should ensure coherence between their national development plans, regulations, and institutional frameworks, and the objectives of donor-funded projects. By aligning policies, recipient countries can facilitate smooth implementation, reduce conflicts, and maximize the impact of aid interventions. This lesson emphasizes the need for recipient countries to consider policy coherence in order to optimize aid effectiveness.

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국문초록

가나의 국가개발계획과 대외원조 우선순위의 일치성 고찰: 미국과 중국 비교분석

본 연구는 미국과 중국의 대외원조가 가나의 국가개발계획에 일치하는 정도와 원조불일치 격차를 해소하기 위해 공여국들이 사용하는 전략을 조사하여 향후 원조 실행에 대한 교훈을 도출한다. 연구방법론에는 미국, 중국, 가나의 정부 공문서, 정책 문서, 핵심정보원 인터뷰, 원조 데이터 등을 분석한 것이 포함된다.

이 연구는 약간의 원조 편차에도 불구하고, 미국과 중국 모두 대외원조 우선순위를 가나의 국가개발계획에 맞추기 위해 노력했다는 것을 발견했다. 미국은 농업, 보건, 교육과 같은 분야에 우선순위를 두었으며, 이 분야들은 모두 가나의 개발 우선순위와 밀접하게 일치한다. 중국은 인프라와 정보통신기술(ICT)에 전략적인 관심을 보여왔으며, 이는 가나의 인프라 개선 계획과 일치한다.

특정 분야에서 약간의 원조일치 편차가 있음에도 불구하고, 미국과 중국의 대외원조 우선순위와 가나의 국가개발계획 사이의 전반적인 일치는 주목할 만하다. 가나의 대외원조 다각화는 이러한 편차의 영향을 완화시켰고, 원조불일치 양은 상대적으로 적어 원조효과를 보장하였다.

미국은 원조불일치의 격차를 해소하기 위해 가나 정부와 긴밀히 협력하여 원조 우선순위가 국가개발계획과 일치하도록 보장할 수 있게 협력적인 접근 방식을 채택하고 있다. 중국은 자국의 전략적 이익에도 불구하고 탑다운 및 바텀업 원조 의사결정 프로세스와 기업의 사회적 책임(CSR) 프로그램을 모두 활용하여 원조를 가나의 개발계획과 맞추기 위해 노력했다. 이러한 전략과 실행은 원조일치를 강화하고 가나의 발전에 대한 두 공여국의 노력을 보여준다.

키워드: 중국, 미국, 대외원조, 원조일치, 가나, 국가개발계획
학번: 2018-29744