



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
GHANA: GREATER ACCRA METROPOLITAN AREA SANITATION AND WATER PROJECT
APPROVED ON JUNE 6, 2013
TO
THE REPUBLIC OF GHANA

WATER GLOBAL PRACTICE

AFRICA REGION

Regional Vice President:	Hafez M. H. Ghanem
Country Director:	Pierre Frank Laporte
Regional Director:	Simeon Kacou Ehui
Practice Manager/Manager:	Maria Angelica Sotomayor Araujo
Task Team Leader:	Yitbarek Tessema Mammo



ABBREVIATIONS AND ACRONYMS

AMA	Accra Metropolitan Assembly
BOD	Biological Oxygen Demand
EHSD	Environmental Health and Sanitation Directorate
GAMA	Greater Accra Metropolitan Area
GHC	Ghanaian Cedi
GoG	Government of Ghana
GPOBA	Global Partnership for Output Based Aid
GWCL	Ghana Water Company Limited
IPF	Investment Project Financing
ISR	Implementation Status and Results Report
PCU	Projects Coordinating Unit
PDO	Project Development Objective
LICSU	Low Income Community Support Unit
LIUC	Low Income Urban Community
MDG	Millennium Development Goals
MMAs	Metropolitan and Municipal Assemblies
MMDA	Metropolitan, Municipal and District Assemblies
MOF	Ministry of Finance (formerly denominated MOFEP)
MSWR	Ministry of Sanitation and Water Resources
PMU	Project Management Unit
PURC	Public Utilities Regulatory Commission
RCC	Regional Coordinating Council
TA	Technical Assistance
WASH	Water, Sanitation and Hygiene
WHO	World Health Organization
WMD	Waste Management Department
WSS	Water Supply and Sanitation
WSUP	Water and Sanitation for the Urban Poor



BASIC DATA

Product Information

Project ID P119063	Financing Instrument Investment Project Financing
Original EA Category Full Assessment (A)	Current EA Category Full Assessment (A)
Approval Date 06-Jun-2013	Current Closing Date 31-May-2020

Organizations

Borrower Republic of Ghana	Responsible Agency GWCL /PIU,Ministry of Sanitation and Water Resources
-------------------------------	--

Project Development Objective (PDO)

Original PDO

The objective of the project is to increase access to improved sanitation and improved water supply in the GAMA, with emphasis on low income communities and to strengthen management of environmental sanitation in the GAMA

Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-H8540	06-Jun-2013	17-Dec-2013	07-Aug-2014	31-May-2020	150.00	134.59	4.99

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

1. **Background:** This memorandum seeks the approval of the Regional Vice President for a second extension of the closing date of Ghana's Greater Accra Metropolitan Area Sanitation and Water Project - P119063, Cr. No IDA H 8540. The current closing date for this project approved on June 6, 2013, is May 31, 2020, which accounts for the previous 18-month extension. The present request will extend the project by a further seven months to December 31, 2020 - an overall extension of 25 months. With this extension, the project will be eight years and six months old at closing.
2. The Project is financed through an IDA credit amounting to a total of SDR 100.1million (US\$150 million equivalent). The Project Development Objective (PDO) is: "to increase access to improved sanitation and improved water supply in the GAMA, with emphasis on low income communities and to strengthen the management of environmental sanitation in the GAMA". The Project has four components: Component 1 aims at increasing access to sanitation and water supply service in priority low income areas; Component 2 supports the expansion and rehabilitation of water distribution networks in selected GAMA neighborhoods; Component 3 supports the improvement of sanitation services GAMA-wide, including through wastewater and septic sludge management investments, and planning of liquid and solid waste management and drainage; and finally Component 4 aims at institutional strengthening, providing technical assistance (TA) to municipal, metropolitan and national institutions, as well as promoting of private sector initiatives.
3. **Current Status:** The PDO has been rated satisfactory since 2018 following the project restructuring due to generally solid progress across components. However, implementation and disbursement delays have led Implementation Performance (IP) to be rated MS for the most part of the project life. By the end of December 2019, the project had disbursed US\$125 million out of the US\$150 million of original IDA loan. This represents 89 percent of the loan amount as recalculated for exchange rate losses. The undisbursed balance will be fully utilized by the new proposed project closing.
4. The project has been successful in applying innovative approaches to overcome the initially uneven demand for individual household (HH) toilets, in a context of weak awareness and high costs of sanitation. With the help of the GPOBA grant, and since 2017, public awareness and demand for latrines have dramatically increased in project areas. More than 25,000 HH toilets have already been installed, exceeding the project target well ahead of closing. The innovative approaches used included:
 - a. Testing of a targeted subsidy for installation of HH toilets. An output-based subsidy covering 50 percent of toilet costs benefitted the installation of 6,600 toilets in low-income urban communities (LIUC). This helped inform governmental policy, leading to the application of subsidies of up to 70 percent for eligible households.
 - b. Innovative technology: A HH toilet and digester design, with a 4m² footprint reduction compared to septic tanks, allowed more flexibility in site selection, increasing demand while reducing costs.
 - c. Simplified payment modalities: A flexible mobile payment platform was developed, allowing people to pay by installments based on their abilities and as frequently as daily;
 - d. Consolidation of HH toilet works contracts: Larger contract(s) attracted stronger contractors, capable of pre-financing, while bringing down costs through competition and economies of scale.
 - e. Capacity building for private service providers. The Project opened its capacity building activities to service providers, resulting in a higher number and better qualification of providers.
5. **Results:** As a result of the above measures, GAMA-SWP has made good progress in most of the project activities and achieved the following results by the end of November 2019:



- a. ***Inclusive and affordable household toilets:*** The average monthly number of HH toilets constructed jumped dramatically from 142 in 2017 to 1100 in 2018 to provide over 27,000 toilets as of December 2019 in low income areas. The project has already exceeded its target of 19,100 HH toilets thus benefiting 205,000 people.
 - b. ***Water Supply provision to low-income communities:*** The project constructed about 281 km of pipelines, with 8,830 new connections and 114 standpipes providing access to water supply to 367,000 low income urban communities exceeding the targeted 250,000 people.
 - c. ***Inclusive and gender conscious school sanitation facilities:*** The project has implemented disability friendly and MHM considerate school toilets with separate blocks for boys and girls; Out of the 406 units planned to be constructed or rehabilitated under the project, 339 facilities have been completed and handed over while the remaining ones are over 95 percent completed.
 - d. ***Flood protection and mitigation facilities:*** The project completed construction of drainage structures at critical junctions that substantially reduced the destructive impact of recurring flood in the city. The North Odorkor/Kaneshie 1st Light Culvert Drain improved; Mallam Junction Culvert Drain completed; Gbawe Culvert and Drains completed and extended; and Agbogba Culvert and Drains – completed. Similarly, the project accomplished desilting and dredging of 19 existing drains across the city.
 - e. ***Forward looking actions:*** The project supported the development of a bio-digester construction manual in partnership with several other stakeholders, to serve as a national guideline for the use of bio-digestors.
6. The project is also recognized for a broad range of other innovative initiatives and has been awarded the prize of Ghana’s most impactful Water, Sanitation and Hygiene (WASH) project. Further examples of unique innovation supported by the project include:
- a. The establishment of a Low-Income Consumer Support Unit (LICSU) at Ghana Water Company Ltd. (GWCL), the national water utility. The LICSU helps coordinate stakeholders to ensure that low-income communities benefit from facilitated service development, with tailored water supply delivery, payment and management mechanisms.
 - b. A menstrual hygiene management (MHM) initiative to improve the impact of school WASH on girl child education was undertaken in selected schools in the GAMA.
 - c. Inclusive and gender conscious school sanitation facilities were built: disability friendly, MHM considerate school toilets provided with separate blocks for girls and boys, locks in each cubicle to ensure privacy, water and soap for hand washing, and a sanitary material disposal system.
 - d. Creation of healthy competition among municipalities through establishment and regular update of a metropolitan municipal assembly (MMA) “league table” to benchmark performance, incentivize higher performance, and facilitate exchanges on best practices.
 - e. Sanitation Hackathon: A sanitation hackathon was organized for which over 1,000 people representing 280 teams applied and 35 teams were shortlisted. Prizes were awarded to the top three innovative projects. The Project has worked with the winners and other innovators to ensure their proposal are used.
7. ***Program Management and institutional strengthening:*** Capacity building support provided for the Ministry of Sanitation and Water Resources, Regional Coordinating Councils (RCCs), Metropolitan, Municipal and District Assemblies (MMDAs). Sanitation campaigns were also supported to assure achievement of targets and to improve sustainable operations and maintenance (O&M) in the sector. Key results include:
- a. ***Simplified monitoring tools:*** The Expanded Sanitation Inspection and Compliance (ESICOME) mobile application (ESICApps) for data collection for Environmental Health activities has been developed and rolled out in selected MMAs in GAMA. The App was tested beginning June 2018. ESICOME is an Environmental



Health and Sanitation Directorate initiative, to equip sanitation inspectors with ICT tools to aid in evidence-based inspection reporting.

- b. **Sustainability:** All the project activities have been implemented with participation of the project beneficiaries, using local capacity and above all with a subsidy mechanism that enabled the low income urban communities (LIUCs) to participate and benefit from the project. The project introduced a simplified technology for household toilet provision and a mobile aided system complemented with capacity building training to enable the beneficiary households to save money for contribution to the capital cost and effectively manage their sanitation facility.

8. **Rationale for Extension:** Realizing the additional time required to complete all the project activities, the Government of Ghana has officially requested an extension of the closing date by 12 months to May 31, 2021. The estimated time for the contract duration for the remaining civil works activities which are ready to commence as soon as the extension is granted is eight months while a consultancy to undertake an institutional review for WASH is under procurement for a contract duration of nine months. Therefore, extending the closing date by seven months to December 31, 2020 will allow for completion of all the remaining activities. The proposed extension will allow the project to complete: i) the Bankuman simplified sewerage system; and ii) the Ashaiman sewerage network, and iv) a consultancy to undertake an institutional review. Upon completion of the civil works contracts, the project will achieve more than 6000 sewer connections.

II. DESCRIPTION OF PROPOSED CHANGES

9. Based on the above, the task team recommends extending the current closing date of May 31, 2020 by a further seven months to December 31, 2020. The results framework will be updated to reflect the change in end date for achieving the project targets. The proposed extension of the closing date will (i) enable completion of the remaining activities and ensure the full utilization of the remaining funds in the project; and (ii) allow time for the Ministry of Sanitation and Water Resources (MSWR) to initiate preparation for new scale-up national programmatic intervention in WASH.

10. The Task Team confirms that the requirements of Investment Project Financing Policy and Directive regarding extension of closing dates have been met, specifically, (i) the PDO continues to be achievable; (ii) the performance of the Borrower remains satisfactory; and (iii) the Bank and the Borrower agree on actions that will be undertaken by the Borrower to complete the Project including provision of a revised comprehensive implementation action plan.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Implementation Schedule	✓	
Implementing Agency		✓



DDO Status		✓
Project's Development Objectives		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-H8540	Effective	30-Nov-2018	31-May-2020	31-Dec-2020	30-Apr-2021



Results framework

COUNTRY: Ghana

Project Development Objectives(s)

The objective of the project is to increase access to improved sanitation and improved water supply in the GAMA, with emphasis on low income communities and to strengthen management of environmental sanitation in the GAMA

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	End Target
Access to "improved sanitation facilities" under the proj.			
People provided with access to "improved sanitation facilities" under the proj. (CRI, Number)		0.00	75,000.00
Action: This indicator has been Revised			
People provided with access to "improved sanitation facilities" - urban (Number)		0.00	75,000.00
Action: This indicator has been Revised			
School Pupils provided with improved sanitation facilities (Number)		0.00	200,000.00
Action: This indicator has been Revised			
Access to Improved Water Sources under the project			
Number of people in urban areas provided with access to Improved Water Sources under the project (Number)		0.00	250,000.00
Action: This indicator has been Revised			
Direct project beneficiaries (Number)		0.00	250,000.00



Indicator Name	DLI	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
Female beneficiaries (Percentage)		0.00	51.00
<i>Action: This indicator has been Revised</i>			
Volume of waste treated			
Volume(mass) of BOD pollution load removed by treatment plant under the project (Tones/year)		0.00	400.00
<i>Action: This indicator has been Revised</i>			
Share of households in the low-income communities benefited under the project that live in a single			
Share of households in the low-income communities benefited under the project that live in a single room (Percentage)		0.00	75.00
<i>Action: This indicator has been Revised</i>			

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
Component 1 - Provision of environmental sanitation and water supply services			
Improved latrines constructed under the project (Number)		0.00	12,500.00
<i>Action: This indicator has been Revised</i>			
Of which in rental accommodation (Number)		0.00	5,000.00
<i>Action: This indicator has been Revised</i>			
Of which in schools, markets and health centers (Number)		0.00	200.00



Indicator Name	DLI	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
People provided with access to septage emptying services or sewerage under the project (Number)		0.00	100,000.00
<i>Action: This indicator has been Revised</i>			
Component 2 – Improvement and expansion of the water distribution network			
Improved community water points constructed or rehabilitated under the project (Number)		0.00	114.00
<i>Action: This indicator has been Revised</i>			
New piped household water connections that are resulting from the project intervention (Number)		0.00	3,500.00
<i>Action: This indicator has been Revised</i>			
Water distribution mains installed under the project (Kilometers)		0.00	150.00
<i>Action: This indicator has been Revised</i>			
Number of water utilities that the project is supporting (Number)		0.00	1.00
<i>Action: This indicator has been Revised</i>			
Piped household water connections that are benefiting from rehabilitation works undertaken by the project (Number)		0.00	50,000.00
<i>Action: This indicator has been Revised</i>			
Component 3 – Planning, improvement & expansion of Environmental Sanitation Services			
Capacity of sludge treatment plants constructed or rehabilitated under the project (Cubic Meter(m3))		0.00	50.00
<i>Action: This indicator has been Revised</i>			
Integrated master plans for liquid waste, solid waste and drainage in the GAMA (Yes/No)		No	Yes



Indicator Name	DLI	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
Drainage interventions in low-income communities (length of lined drains) (Kilometers)		0.00	20.00
<i>Action: This indicator has been Revised</i>			
Drainage interventions in low-income communities (length of unlined drains) (Kilometers)		0.00	30.00
<i>Action: This indicator has been Revised</i>			
Component 4 – Institutional Strengthening			
People trained to improve hygiene behavior/sanitation practices under the proj (Number)		0.00	250,000.00
<i>Action: This indicator has been Revised</i>			
People trained to improve hygiene behavior/sanitation practices - female (Number)		0.00	127,000.00
<i>Action: This indicator has been Revised</i>			
GWCL low-income unit established (Yes/No)		No	Yes
<i>Action: This indicator has been Revised</i>			
Inter-MMA coordination mechanism established (Yes/No)		No	Yes
<i>Action: This indicator has been Revised</i>			
Regulatory system for septage management in place (Yes/No)		No	Yes
<i>Action: This indicator has been Revised</i>			
Number of MMA's scoring at least 75% of maximum on DDF sanitation indicators (Number)		1.00	11.00
<i>Action: This indicator has been Revised</i>			



Indicator Name	DLI	Baseline	End Target
WSS data on target communities publicly available (Yes/No)		No	Yes
<i>Action: This indicator has been Revised</i>			
Number of micro-enterprises providing sanitation services (Number)		0.00	10.00
<i>Action: This indicator has been Revised</i>			



The World Bank
(P119063)
