



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
PUBLIC SECTOR REFORM FOR RESULTS PROJECT
APPROVED ON OCTOBER 23, 2018
TO
REPUBLIC OF GHANA

GOVERNANCE GLOBL PRACTICE

WESTERN AND CENTRAL AFRICA REGION

Regional Vice President:	Ousmane Diagana
Country Director:	Pierre Frank Laporte
Regional Director:	Abebe Adugna Dadi
Practice Manager/Manager:	Tracey M. Lane
Task Team Leader(s):	Smile Kwawukume



ABBREVIATIONS AND ACRONYMS

BDR	Births and Deaths Registry
CSC	Client Service Charter
DVLA	Driver and Vehicle Licensing Authority
FA	Financing Agreement
FM	Financial Management
FY	Fiscal Year
IDA	International Development Association
IRI	Intermediate Results Indicator
IUFR	Interim Unaudited Financial Report
IVA	Independent Verification Agency
M&E	Monitoring and Evaluation
MES	Monitoring and Evaluation Secretariat
MESTI	Ministry of Environment, Science, Technology, and Innovation
MFARI	Ministry of Foreign Affairs and Regional Integration
MoT	Ministry of Transport
MU	Moderately Unsatisfactory
OHCS	Office of the Head of Civil Service
PSC	Public Services Commission

BASIC DATA

Product Information

Project ID	Financing Instrument
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P164665	Investment Project Financing
Original EA Category	Current EA Category
Not Required (C)	Not Required (C)
Approval Date	Current Closing Date
23-Oct-2018	31-Dec-2023

Organizations

Borrower	Responsible Agency
Ministry of Finance	

Project Development Objective (PDO)

Original PDO

The objective of the project is to improve efficiency and accountability in the delivery of selected services by Selected Entities.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-63230	23-Oct-2018	12-Nov-2018	08-May-2019	31-Dec-2023	32.00	15.08	15.63

Policy Waiver(s)

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

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

Summary

This restructuring paper seeks to extend the closing date of the Public Sector Reform for Results project (PSRRP). On May 19, 2023, the Government of Ghana requested project restructuring to extend the project closing date from December 31, 2023, to June 20, 2024.

1. The World Bank’s Board of Executive Directors approved the PSRRP on October 23, 2018, with an amount of SDR 25 million (US\$ 35 million equivalent). The project became effective on May 8, 2019. The PDO is to improve efficiency and accountability in the delivery of selected services by selected entities. The project comprises the following four components: (i) Strengthening Organizational Performance; (ii) Improving Efficiency, Accountability and Citizen Engagement in the Delivery of Selected Services; (iii) Improving Monitoring and Evaluation, and (iv) Project Management, Coordination and Project Reporting. The Project was first restructured in April 2022 to revise the PDO indicators, change institutional arrangements, streamline the implementing institutions, and to cancel US\$ 3.0 million from the Credit due to the removal of three implementing institutions. The propose restructuring would be the second.

2. Overall Progress: The overall progress towards the achievement of the PDO and the Implementation Progress has been rated as *Moderately Satisfactory* since June 2022 and remains Moderately Satisfactory in the December 2023 Implementation Status and Results Report (ISR). This rating reflects a resumption of progress towards the achievement of indicator targets after long implementation delays and the late submission of external audit reports.

Progress towards achievement of the PDO:

3. As of November 30, 2023, one out of the four PDO indicators (PDO Indicator 2) had been fully achieved (65 percent of applicants were notified and issued with a driver’s license within 45 days of passing the driving test). Two PDO indicators were on track to be achieved by the project’s proposed extended closing date: PDO Indicator 3 “implementation of 6 institutional gender action plans”; and PDO Indicator 4 “for at least 5 selected public services, 90 percent of service users are sent a text message with the receipt number/ tracker numbers, and the expected date of delivery of service.” However, PDO Indicator 1 : “60 percent of regular service passport applicants are notified and issued with passports within 21 working days of application after capture of biometrics, each calendar year” will not be achieved prior to the revised closing date due to the failure of the contracted vendor to supply two specialized passport printers to the Passport Office and the lack of sufficient time to complete the purchase, installation, and absorption of the current passport backlog before project closing.

4. Achievement of Intermediate Indicator targets: Nine out of the 15 IRIs have been achieved. The following three are on track to be achieved: (i) number of births registered within 3 months of the event; (ii) number of institutions implementing enhanced beneficiary feedback; and (iii) number of innovation and commercialization grants launched. The IRI on the “number of deaths registered within 3 months of the event” requires a concerted effort by the Births and Deaths Registry—the responsible agency—to be achieved. The target on “the number of IVA reports submitted on a semi-annual basis” will be revised to reflect the period that the IVA was contracted. The last IRI on “percentage of regular



service passport applicants notified and issued with passports within 21 working days of application after capture of biometrics, each calendar year” will not be achieved due to delay in the procurement of passport printers.

5. Procurement: The overall procurement performance is rated *Moderately Satisfactory*, whilst procurement risk is rated as *Substantial*. As of October 2023, out of the 129 procurement activities that were anticipated, 74 contracts had been completed with an amount of US\$8,263,969.31 spent. Also, 34 activities are ongoing with an amount of US\$4,315,941 contracted. No new contracts would be awarded as of December 15, 2023. The large and critical procurement for the two chip-embedded passport printers was not successful as the supplier failed to supply based on the technical specifications in the contract document. The proposed six-month extension period will not be sufficient to complete the procurement, installation, and training of users of the passport printers. Subsequently, it was agreed that the procurement of the two passport printers will be undertaken through the Public Financial Management for Service Delivery Program under the Ministry of Finance.

6. Financial Management: The overall Financial Management (FM) Performance rating is Moderately Unsatisfactory (MU), and the FM risk is Substantial. The MU rating for the FM is due to delays in the submission of the 2022 external audit report, and weaknesses identified by external auditors in fixed asset management. To improve the rating, management is required to ensure that IUFs and external audit reports are submitted timely, the fixed asset register is updated and maintained effectively, and all outstanding audit recommendations are satisfactorily implemented. A review of the FM arrangements (July- September 2023) focused on disbursements, compliance with financial covenants, project closure procedures, and a follow-up on the June 2023 FM action plan.

7. There are no overdue audit reports. The audit for the fiscal year 2022 was completed and presented to the World Bank in August 2023 with a qualified opinion. The audit report and management letter highlighted control and performance issues that include issues related to vehicle tracking, asset coding and bank reconciliation review. The project team has retained the external auditors for the upcoming audit. The Internal Audit Unit of the Public Sector Reform Secretariat is also following up on issues raised in the 2022 external audit report. The IUFs have been prepared by the Project and meet the minimum requirements per the World Bank Policy and Directives on Investment Project Financing.

8. Disbursement: As of December 11, 2023, the project has disbursed about US\$15.08 million (or about 49 percent) and an undisbursed amount of US\$15.63 million (51 percent) of the total.¹

9. Monitoring and Evaluation (M&E): The M&E rating has been upgraded from *Moderately Satisfactory* to *Satisfactory*. The M&E framework is being utilized and the project team works closely with the IVA to ensure that the results are verified.

¹ An exchange loss between the SDR and US\$ reduced the overall project amount from US\$ 35 million at approval to US\$ 33 million.



10. Environmental and Social Safeguards: No safeguard policies were triggered during project implementation and during this restructuring. The focus of activities under the project have been on capacity building, the review of new processes, systems, and procedures.

II. DESCRIPTION OF PROPOSED CHANGES

11. The RP proposes extension of project closing date from December 31, 2023, to June 20, 2024.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Disbursement Estimates	✓	
Overall Risk Rating	✓	
Implementation Schedule	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
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-63230	Effective	31-Dec-2023		20-Jun-2024	20-Oct-2024

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2019	300,000.00	300,000.00
2020	875,000.00	875,000.00
2021	2,200,000.00	2,200,000.00
2022	9,000,000.00	6,000,000.00
2023	12,500,000.00	9,500,000.00
2024	10,715,000.00	16,715,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating at Approval	Current Rating
Political and Governance	● Moderate	● Moderate
Macroeconomic	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● High	● High



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Institutional Capacity for Implementation and Sustainability	● High	● High
Fiduciary	● High	● High
Environment and Social	● Low	● Low
Stakeholders	● High	● High
Other		
Overall	● High	● High



Results framework

COUNTRY: Ghana

Public Sector Reform for Results Project

Project Development Objectives(s)

The objective of the project is to improve efficiency and accountability in the delivery of selected services by Selected Entities.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets		End Target
			1	2	
1. To improve the efficiency of Selected Entities in the delivery of selected services					
i. Sixty percent (60%) regular service passport applicants notified and issued with passports within 21 working days of application after biodata capture, each calendar year (Percentage)		20.00	40.00	60.00	60.00
<i>Action: This indicator has been Revised</i>					
Sixty percent (60%) of applicants notified and issued with drivers' licenses within 45 days of passing driving test (Percentage)		20.00	40.00	60.00	60.00
<i>Action: This indicator has been Revised</i>					
Implementation of institutional gender strategy action plan (Number)		0.00	6.00		6.00
<i>Action: This indicator has been Revised</i>					



Indicator Name	PBC	Baseline	Intermediate Targets		End Target
			1	2	
2. To improve the accountability of Selected Entities in the delivery of selected services					
iii. For at least 5 selected public services, 90 percent of service users are sent a text message with the receipt number/tracker numbers, and the date of delivery of service for feedback (Percentage)		0.00	60.00	60.00	90.00
<i>Action: This indicator has been Revised</i>					

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
1. Strengthening Organizational Performance							
PSC and OHCS publish updated templates and formats for Client Service Charters (CSC)/Client Service Standards (CSS) applicable to Selected Entities on their websites (Yes/No)		No	No	Yes	Yes	Yes	Yes
<i>Action: This indicator has been Revised</i>							
Complaints about administrative services filed in the CHRAJ by service users, which are resolved within the		0.00	0.00	50.00	60.00	70.00	70.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
stipulated timeline (Percentage)							
Action: This indicator has been Revised							
Compliance against 12 number of Client Service Charters (CSC)/Client Service Standards (CSS) is published on a website. (Number)	PBC 5	0.00				4.00	12.00
Action: This indicator has been Revised							
Implementation of institutional gender strategy action plan (Number)	PBC 6	0.00				2.00	6.00
Action: This indicator has been Revised							
2. Improving Efficiency, Accountability and Citizen Engagement in the Delivery of Selected Services							
Passport Office: Regular-service passport applicants issued passport within 21 working days of application, each calendar year (Percentage)		0.00	0.00	0.00	25.00	40.00	40.00
Action: This indicator has been Revised							



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
BDR: Births registered within 3 months of the event (Number (Thousand))		0.00	200.00	300.00	450.00	600.00	600.00
Action: This indicator has been Revised							
BDR: Deaths registered within 3 months of the event (Number (Thousand))		0.00	100.00	200.00	300.00	400.00	400.00
Action: This indicator has been Revised							
MLGRD: Inspectorate Division for MMDAs is receiving MMDA revenue and expenditure data and financial statements (Yes/No)		No	No	No	Yes	Yes	Yes
Action: This indicator has been Revised							
Enhanced beneficiary feedback (Percentage)	PBC 7	0.00				3.00	7.00
Action: This indicator has been Revised							
BDR takes measures to meet the targeted number of births registered within 3 months of the event (Text)	PBC 1, 1	No specific measures defined	(A) Prepare and adopt Action Plan to expand service coverage across the country; and (B) Contract signed to design and deploy a BDR	(A) Deploy means of transport to increase mobility of BDR staff; (B) BDR website is fully operational	Online and mobile apps to access BDR services are Fully Operational and providing data and information as intended	Non-cash modes of payment for BDR services are fully operational	Non-cash modes of payment for BDR services are fully operational



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
			website for access to services and complaints/ grievance redress				
Action: This indicator has been Revised							
Innovation challenge and Commercialization Grants launched (Number)	PBC 2, 2, 4	0.00				10.00	40.00
Action: This indicator has been Revised							
Improved Efficiency in the issuance of driver's license and vehicle licensing. (Percentage)	PBC 3	45.00				70.00	90.00
Action: This indicator has been Revised							
Complaints received by independent Third-Party Project-level Complaint Handling Entity, and Selected Entities, of which resolved within specified times (Text)		Independent Third-Party Project-Level Complaint Handling Entity has not been contracted	Contract for Independent Third-Party Project-level Complaint Handling Entity signed	At least 3 Selected Entities track number of beneficiary complaints and suggestions	At least 5 Selected Entities resolve beneficiary complaints within specified times	At least 7 Selected Entities resolve beneficiary complaints within specified times	At least 7 Selected Entities resolve beneficiary complaints within specified times
Action: This indicator has been Revised							
3. Improving Monitoring and Evaluation							
Monitoring and Evaluation Units in Selected Entities, collecting data and monitoring		0.00	5.00	10.00	15.00	20.00	20.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
annual performance targets (Number)							
<i>Action: This indicator has been Revised</i>							
4. Project Management, Coordination, and Public Reporting							
DLI independent verification agent reports submitted on a semi-annual basis (Number)		0.00	2.00	4.00	6.00	8.00	4.00
<i>Action: This indicator has been Revised</i>							

Performance-Based Conditions Matrix

PBC 1	BDR takes measures to meet the targeted number of births registered within 3 months of the event			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	1,800,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No specific measures defined			
January 1, 2019 to December 31, 2019	(A) Deploy means of transport to increase mobility of BDR staff; (B) BDR website is fully operational		0.00	

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January 1, 2020 to December 31, 2020	Online and mobile apps to access BDR services are Fully Operational and providing data and information as intended		0.00	
January 1, 2021 to December 31, 2021	Non-cash modes of payment for BDR services are fully operational		0.00	
January 1, 2022 to December 31, 2022			900,000.00	Allocated Amount × [Actual Improvement / (Target– baseline)] less Amount disbursed previously under this DLR
January 1, 2023 to December 31, 2023			900,000.00	Allocated Amount × [Actual Improvement / (Target– baseline)] less Amount disbursed previously under this DLR
January 1, 2024 to June 20, 2024			0.00	
PBC 2	Innovation challenge and Commercialization Grants launched			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	2,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
January 1, 2019 to December 31, 2019			0.00	
January 1, 2020 to December 31, 2020			0.00	
January 1, 2021 to December 31, 2021	10.00		0.00	



January 1, 2022 to December 31, 2022			1,250,000.00	Allocated Amount × [Actual Improvement / (Target– baseline)] less Amount disbursed previously under this DLR
January 1, 2023 to December 31, 2023			750,000.00	Allocated Amount × [Actual Improvement / (Target– baseline)] less Amount disbursed previously under this DLR
January 1, 2024 to June 20, 2024			0.00	
PBC 3	Improved Efficiency in the issuance of driver’s license and vehicle licensing.			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Percentage	2,100,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	45.00			
January 1, 2019 to December 31, 2019			0.00	
January 1, 2020 to December 31, 2020			0.00	
January 1, 2021 to December 31, 2021	70.00		200,000.00	\$40,000 per office
January 1, 2022 to December 31, 2022			1,000,000.00	Allocated Amount × [Actual Improvement / (Target– baseline)] less Amount disbursed previously under this DLR Amount × [

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January 1, 2023 to December 31, 2023			900,000.00	\$180, 000 per hour
January 1, 2024 to June 20, 2024			0.00	
PBC 4	Innovation challenge and Commercialization Grants launched			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	2,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
January 1, 2019 to December 31, 2019			0.00	
January 1, 2020 to December 31, 2020			0.00	
January 1, 2021 to December 31, 2021	10.00		0.00	
January 1, 2022 to December 31, 2022			500,000.00	\$50K per grant
January 1, 2023 to December 31, 2023			1,500,000.00	\$50K per grant
January 1, 2024 to June 20, 2024			0.00	



PBC 5	Compliance against 12 number of Client Service Charters (CSC)/Client Service Standards (CSS) is published on a website.			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	1,800,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
January 1, 2019 to December 31, 2019			0.00	
January 1, 2020 to December 31, 2020			0.00	
January 1, 2021 to December 31, 2021	4.00		0.00	
January 1, 2022 to December 31, 2022			600,000.00	\$150,000 per compliance report published
January 1, 2023 to December 31, 2023			1,200,000.00	\$150,000 per compliance report published
January 1, 2024 to June 20, 2024			0.00	
PBC 6	Implementation of institutional gender strategy action plan			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	600,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			



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January 1, 2019 to December 31, 2019		0.00	
January 1, 2020 to December 31, 2020		0.00	
January 1, 2021 to December 31, 2021	2.00	0.00	
January 1, 2022 to December 31, 2022		200,000.00	\$100,000 per institution implementing the GAP
January 1, 2023 to December 31, 2023		400,000.00	\$100,000 per institution implementing the GAP
January 1, 2024 to June 20, 2024		0.00	

PBC 7				
Enhanced beneficiary feedback				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Percentage	1,500,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
January 1, 2019 to December 31, 2019			0.00	
January 1, 2020 to December 31, 2020			0.00	
January 1, 2021 to December 31, 2021	3.00		0.00	



January 1, 2022 to December 31, 2022		1,000,000.00	\$100,000 per institution selected public service with 90 percent of service users sent a text message
January 1, 2023 to December 31, 2023		500,000.00	\$50,000 per selected public service institution receiving beneficiary feedback from at least 15 percent of the beneficiaries.
January 1, 2024 to June 20, 2024		0.00	

Verification Protocol Table: Performance-Based Conditions

PBC 1	BDR takes measures to meet the targeted number of births registered within 3 months of the event
Description	This is a DLI. The first element of the DLI has been reported to be achieved in December 2020. This achievement has not yet been verified due to the Independent Verification Agency (which is to verify achievement of DLIs) not yet having been contracted by the PMU.
Data source/ Agency	BDR, MLGRD, PMU
Verification Entity	IVA
Procedure	Specified in the Technical Note
PBC 2	Innovation challenge and Commercialization Grants launched
Description	MESTI wants to create the conditions and the environment to enable the country advance in the development of technology. The strategy is to encourage innovation in the country by organizing a platform where individuals or institutions are challenged to come out with innovative ideas and turn those ideas into innovative solutions for a myriad of development challenges facing the country. Subsequently, MESTI is launching an innovation challenge and



	commercialization grants, which will be the first of its kind. An estimated amount of US\$ 50,000 per project will be granted a total of 40 selected projects.
Data source/ Agency	MFARI, Passport Office, Media, OSM
Verification Entity	IVA
Procedure	Specified in the Technical Note
PBC 3	Improved Efficiency in the issuance of driver’s license and vehicle licensing.
Description	
Data source/ Agency	DVLA, MoT, OSM
Verification Entity	IVA
Procedure	Specified in the Technical Notes
PBC 4	Innovation challenge and Commercialization Grants launched
Description	MESTI wants to create the conditions and the environment to enable the country advance in the development of technology. The strategy is to encourage innovation in the country by organizing a platform where individuals or institutions are challenged to come out with innovative ideas and turn those ideas into innovative solutions for a myriad of development challenges facing the country. Subsequently, MESTI is launching an innovation challenge and commercialization grants, which will be the first of its kind. An estimated amount of US\$ 50,000 per project will be granted a total of 40 selected projects.
Data source/ Agency	Annual Innovation Report/MESTI, OSM
Verification Entity	IVA
Procedure	Specified in the Technical Note



PBC 5	Compliance against 12 number of Client Service Charters (CSC)/Client Service Standards (CSS) is published on a website.
Description	
Data source/ Agency	PSC, OHCS, PMU
Verification Entity	IVA
Procedure	Specified in the Technical Note
PBC 6	Implementation of institutional gender strategy action plan
Description	
Data source/ Agency	PSC, OHCS, PMU
Verification Entity	IVA
Procedure	Specified in the Technical Note
PBC 7	Enhanced beneficiary feedback
Description	This indicator is to proactively reach out to beneficiaries of selected entities via at least one of the ICT tools (text message, phone call, robocall, Interactive Voice Response (IVR), etc.) to notify them about the expected date of service delivery and collect feedback for the improvement of service delivery and performance management.
Data source/ Agency	Third-party complaints handling entity, OSM
Verification Entity	IVA
Procedure	Specified in the Technical Note



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